PARTICIPANTS

Corporate Participants

Marlene S. Dooner – Senior Vice President-Investor Relations
Brian L. Roberts – Chairman, President & Chief Executive Officer
Michael J. Angelakis – Vice Chairman & Chief Financial Officer
Stephen B. Burke – Executive Vice President
Neil Smit – Executive Vice President; President & CEO, Comcast Cable Communications

Other Participants

Jessica Reif Cohen – Analyst, Merrill Lynch, Pierce, Fenner & Smith, Inc.
Jason S. Armstrong – Analyst, Goldman Sachs & Co.
Douglas Mitchelson – Analyst, Deutsche Bank Securities, Inc.
Craig Eder Moffett – Analyst, Sanford C. Bernstein & Co. LLC
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Marci Ryvicker – Analyst, Wells Fargo Advisors LLC
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James Maxwell Ratcliffe – Analyst, Barclays Capital, Inc.
Stefan Anninger – Analyst, Credit Suisse (United States)
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MANAGEMENT DISCUSSION SECTION

Operator: Good morning, ladies and gentlemen and welcome to Comcast's third quarter earnings conference call. At this time, all participants are in a listen-only mode. Please note that this conference call is being recorded. I will turn the call over to Senior Vice President, Investor Relations, Ms. Marlene Dooner. Please go ahead, Ms. Dooner.

Marlene S. Dooner, Senior Vice President-Investor Relations

Thank you, operator and welcome, everyone, to our third quarter earnings call. Joining me on the call are Brian Roberts, Michael Angelakis, Steve Burke and Neil Smit. As we have done in the past, Brian and Michael will make formal remarks and Steve and Neil will also be available for Q&A.

As always, let me refer you to slide number two, 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, in this call, we will refer to certain non-GAAP financial measures. Please refer to our 8-K for the reconciliation of non-GAAP financial measures to GAAP.

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

Brian L. Roberts, Chairman, President & Chief Executive Officer

Thanks, Marlene and good morning, everyone.

I'm really delighted to discuss today's results because so far this year on nearly every front, we have made great progress. Our company as a whole has come together really well. And we have strong financial performance and real operating momentum that we believe is sustainable.

Let's start with Cable where quarter after quarter, the team is delivering, under Neil Smit's leadership, outstanding results. In the third quarter, revenue growth was 7%, operating cash flow grew by 7.7% and Cable generated free cash flow of $1.1 billion. Every part of the Cable business showed strength, with revenue increases in all of our residential products, in business services and in advertising. We also extended the trend of improving customer performance and believe we are making headway because of our scale and our focus on transforming the customer experience. Also our previous investments are now driving product leadership and accelerating on our innovation.

Michael will cover the Cable numbers in greater detail, but let me give you some highlights. In the third quarter, we reduced our video subscriber losses by 48,000, the eighth quarter in a row of improvement, and we had the highest third quarter revenue growth in four years. Voice had another good quarter with 123,000 net additions and high speed data net adds of 287,000 grew by almost 10% over last year. We continue to gain share by offering a superior product, one of the fastest in the market. With best-in-class products for mid-sized customers and solid momentum serving small businesses, we generated 34% growth in business service revenues. When you put it all together, our core Cable revenue excluding advertising grew by 6%, the highest level of growth since the first quarter of 2009.

I often like to speak about new products and new initiatives, which we are continuing to work on and expand, but today, I really think that this is the best execution we've ever had. And Neil and Dave Watson and Dave Scott and their teams are really hitting their stride delivering consistent and first-rate operating performance.

Switching to NBCUniversal, revenue increases 31% and cash flow grew by 20% in the third quarter driven by the success of the Olympics. But even when you exclude the Olympics, NBCUniversal's results were strong with revenue growth of more than 8%, operating cash flow growth of more than 7% and nearly $400 million of free cash flow.

So whether it's the cable channels, theme parks, film or broadcast, Steve Burke and his team are making steady progress throughout all of NBCUniversal and as we are investing to make all of these businesses even more profitable over time. Our cable networks, and that's 15 channels and 12 regional sport nets, are great businesses that we know well with real strength in entertainment, sports and news.

Let me give you some selected highlights from the third quarter. USA was, once again, the number one entertainment cable network in total viewers. Golf Channel had its most watched third quarter in 17 years of its history and MSNBC with all the election coverage has had a really good quarter with ratings up 17% from last year.

Film had solid results led by the very successful Ted, and Universal theme parks continued their consistent and strong performance, particularly due to the new Transformers ride in Hollywood.

In broadcast, following the Olympics, Bob Greenblatt and his new team are off to a very strong start in this primetime season. Across all programs, NBC is up 17% after four weeks and up 31% in entertainment. This is NBC's 7th consecutive weekly win in adults 18 to 49 as well as the first time NBC has led each of the first four weeks of the new television season since 2002. So it's certainly early, but I believe and hope we are seeing the beginning of a turnaround at NBC.

Now back to the Olympics for a moment. I just want to say how proud I am of our coverage and the performance. Beyond even the results, the way the whole company worked together on a strategy that for the first time encompassed broadcast, cable and digital and also XFINITY and TV Everywhere and all of those aspects were successful. Clearly, NBC Broadcast was a real winner with record viewership that also helped to launch the fall primetime schedule, now so successful, and boosted NBC's affiliated TV stations.

This was the first Olympics where social media played a major role and our digital platforms saw unprecedented traffic, consumption and engagement. We had a 25% increases in viewing by kids and teens, really the next generation of our viewers, so a very exciting development given our long-term commitment to the Olympics, and NBC Sports Network set new viewership records helping to really establish this recently rebranded network.

Comcast Cable had a major success with the Olympics as well. The TV Everywhere experience provided our Cable customers access to Olympics content on linear TV through our On Demand and on-line platforms, through XFINITY TV and XFINITY Sports Remote App, in and out of the home. XFINITY Cable customers showed how much they loved this multiplatform experience generating 50 million multiplatform views On Demand, on-line and with live streaming. XFINITY drove 31% of all Olympic authentications, and we were a top driver of traffic to nbcolympics.com, ahead of Yahoo, Facebook, YouTube, Twitter, Bing, really establishing ourselves as a significant generator of traffic for major events in the future.

As we look at the long-term commitment we've made to the Olympics, we now have more confidence than ever the Olympics can be profitable for our company. We believe that our success in London proves how effective the new Comcast can be when we take advantage of our scale and innovation and bring together our unique assets and capabilities.

All in all we have real momentum and we're work working hard and staying focused in operating our businesses really well. Let me now pass it over to Michael to review the results of the third quarter in detail.

Michael J. Angelakis, Vice Chairman & Chief Financial Officer

Thank you, Brian. Good morning, everyone.

Let me begin by briefly reviewing our consolidated financial results on slide 4. Overall, we are pleased with our third quarter results, which reflect strong execution as well as sustainable and profitable growth in our business.

For the third quarter, consolidated revenue increased 15.4% to $16.5 billion and operating cash flow increased 9.5% to $5 billion reflecting healthy organic growth in our Cable business and solid performance at NBCUniversal. Free cash flow for the quarter which excludes any impact of the economic stimulus increased 8.8% to $1.5 billion, reflecting growth in consolidated operating cash flow, partially offset by higher taxes and capital expenditures.

Free cash flow per share increased 12% to $0.56 per share for the quarter, and increased 22% to $2.24 per share for the first nine months of this year. Earnings per share for the third quarter increased over 136% to $0.78 per share versus $0.33 per share in the third quarter of last year.

Excluding gains related to the Spectrum Co. transaction and the sale of NBCUniversal's [audio gap] (10:19) Entertainment Networks, our normalized earnings per share increased 39.4% to $0.46 in the third quarter. Year to date, earnings per share increased 67% to $1.72 per share versus $1.03 per share in the prior year. Again, excluding the gains from the asset sales I just mentioned, and the NBCUniversal transaction and related costs and other nonrecurring items in the first nine months of last year, our normalized year-to-date earnings per share increased 27.3% to $1.40 per share.

Now let's review the pro-forma results of our Cable Communications and NBCUniversal businesses on slide 5. As you know, we believe the pro-forma presentation provides a more meaningful comparison of the operating performance of the businesses. The pro-forma results are necessary for year-to-date only and are presented as if NBCUniversal and the Universal Orlando transactions were both effective on January 1 of 2010.

For the third quarter of 2012, consolidated revenue increased 15.4% to $16.5 billion and consolidated operating cash flow increased 9.5% to $5 billion. During the third quarter, the Olympics generated $1.2 billion of revenue and $120 million of operating cash flow which reflects the positive impact of a $237 million unfavorable contract recorded in acquisition accounting in 2011.

Overall, the London Olympics were breakeven when you take into account other Olympic-related revenues that are booked over multiple quarters. Excluding any impact from the Olympics, consolidated revenue for the quarter increased 7.1% and consolidated operating cash flow increased 6.9%.

Year-to-date, consolidated pro-forma revenue increased 9.4% to $46.6 billion and consolidated pro-forma operating cash flow increased 6.4% to $14.7 billion. If we exclude $259 million of revenue related to the Super Bowl in the first quarter and the impact of the Olympics in the third quarter, consolidated pro-forma revenue increased 6% and consolidated pro-forma operating cash flow increased 5.6%.

In the third quarter, Cable Communications revenue increased 6.9% to $10 billion and represented 60% of our consolidated revenue while Cable operating cash flow grew 7.7% to $4 billion and represented 80% of our consolidated operating cash flow. Year to date, Cable Communications revenue increased 6.2% to $29.5 billion and operating cash flow also increased 6.2% to $12.1 billion.

For the third quarter, NBCUniversal revenue increased 31.2% to $6.8 billion and operating cash flow increased 19.9% to $1.1 billion. These results were driven by the strong revenue performance of the London Olympics, but when excluding the Olympics, NBCUniversal revenue increased 8.3% and operating cash flow increased 7.3% during the quarter. Year to date, NBCUniversal revenue increased 15.7% to $17.8 billion and operating cash flow increased 8% to $2.9 billion. Again, if we exclude the revenue related to the Super Bowl and the Olympics, NBCUniversal revenue increased 6.3% and operating cash flow increased 3.6%.

All these adjustments related to the Olympics and to the Super Bowl are highlighted on the slide and in our press release.

Please move to slide 6 to review our Cable Communications results in more detail. We had another strong quarter of financial and customer growth in our Cable Communications business. For the third quarter, Cable revenue increased 6.9% to $10 billion reflecting solid growth in our residential businesses, continued strength in business services and strong growth in advertising. Contributing to this growth are rate adjustments, new customer additions and the increasing number of customers taking multiple products. At the end of the quarter, almost three quarters of our video customers took at least two products, and almost 40% took all three services compared to 36% in the third quarter of last year. As a result, total revenue per video customer increased 8.7% to $151 per month.

As we have in the last few quarters, we continued to experience positive momentum in our customer metrics. In the third quarter, combined video, high speed internet and voice customers increased by 294,000, a 28% increases in net additions versus a year ago. As Brian mentioned, we, once again, reduced our video customer losses. In the third quarter we lost 117,000 video customers, a 29% improvement from the third quarter of last year as we continue to execute with improved products and customer support.

Our third quarter video revenue increased nearly 3% reflecting rate increases and an increasing number of customers taking higher levels of digital and advanced services. In the third quarter we added 101,000 advanced service customers and deployed 449,000 advanced boxes. We now have 11.3 million HD and/or DVR customers equal to 54% of our 21 million digital customers.

In addition to the improved video results, we added 287,000 new high speed internet customers during the quarter. This marks the twelfth consecutive quarter of both high speed internet unit and ARPU growth as we continue to differentiate our products through service and speed enhancements.

High speed internet revenue was the largest contributor to our Cable revenue growth in the third quarter with revenue increasing 9%, reflecting rate adjustments, continued growth in our customer base and an increasing number of our customers receiving higher speed services. At the end of the quarter, our overall high speed internet penetration was 36% of homes passed with 28% of our customers receiving the highest speed tier above our primary service.

With regard to our voice service, revenue increased 1.5% for the quarter, reflecting continued growth in our customer base as we added 123,000 new voice customers. Our performance over the last few quarters has improved as we have increased the number of triple play customers. At the end of the quarter, our voice penetration was approximately 19% of homes passed.

We continue to experience strength in our Business Services Group as well, which was our second largest contributor to our Cable revenue growth in the third quarter, with revenue increasing 34% to $621 million. The small end of this market, or businesses less than 20 employees, now accounts for 85% of business services revenue and continues to be a meaningful driver of growth. We are also making good progress with the mid-sized businesses as well as this revenue base now represents 15% of the group's revenue and is growing rapidly off a smaller base.

Our cable advertising business delivered strong results as third quarter revenue increased 23.5%. This improvement was led by strength in automotive, higher political revenue, as well as an extra week of advertising included in this quarter. Excluding the impact of political and the additional week, our core cable advertising revenue increased 6%. We expect advertising growth to remain strong in the fourth quarter, again, driven by strong political revenue giving the upcoming election.

Our Cable businesses have performed well through the year and have delivered consistent results. Excluding advertising, Cable revenue increased 6% for the quarter.

Please refer to slide 7. In the third quarter, Cable Communications operating cash flow increased 7.7% to $4 billion representing a margin of 40.1%, a 30 basis point improvement compared to the third quarter of 2011. In the third quarter, total expenses increased 6.4%, primarily reflecting increased video programming costs, sales and marketing expenses as well as additional costs related to expansion of business services and other new initiatives.

Programming expenses increased 6.9% in the third quarter as we continue to expand the amount of content we provide to consumers across multiple platforms. For the first nine months of 2012, our programming expenses increased 6.8% and for the full year, we continue to expect pressure in this area with programming expense increases in the high single digit rates.

In addition, sales and marketing expenses increased 12.3%, reflecting higher overall media spend and a continued investment in direct sales to more effectively target customers and enhance our competitive positioning in both our residential and commercial segments. These increased marketing efforts have had a positive impact on our core customer metrics as well as promoting our new products like XFINITY Home, XFINITY Signature Support and Streampix.

We continue to offset our increased expenses through further efficiencies and improving product mix as we increases the number of customers upgrading to higher tiers of services, such as advanced video services or premium internet tiers.

In addition, we remain very focused and believe we can continue to gain efficiencies in our customer service and technical operations. During the third quarter, we reduced our activity levels by more than 1 million truck rolls and by 5 million agent calls handled in our call centers even as we added 294,000 total new customers. Customers continue to elect self-installations, which in the third quarter was 34% of our installations. In addition, we now have over 25% of our customers managing their accounts online. These operating and technology improvements result in a better experience for our customers, lower activity levels and improved productivity metrics for our Cable operations. Overall, our Cable group's third quarter and year-to-date results clearly demonstrate we are executing well and competing effectively with our improved products and services.

Please refer to slide 8 so we can review our Cable capital expenditures. In the third quarter, Cable capital expenditures increased $110 million, or 8.8% to $1.4 billion equal to 13.7% of Cable revenue versus 13.4% in the third quarter of 2011. This primarily reflects our continued investment in our network and expansion of new services that generate attractive, risk-adjusted returns like business services, advanced video services and XFINITY Home.

We continue to invest capital in our network to ensure product leadership. In video we are delivering more content to more devices, some of which are IP enabled. Our customers average over 400 million Video On Demand views each month and our XFINITY TV App has been downloaded over 7 million times. In addition, we are investing in our high speed internet product as we continue to increases speeds and introduce faster tiers of service to our customers.

Including these types of investments, our year-to-date Cable capital expenditures increased $56 million or 1.6% to $3.5 billion, equal to 12% of revenue versus 12.6% for the first nine months of 2011 and as I've mentioned before, we expect that for the full year of 2012, Cable capital expenditures will be relatively flat in dollars when compared to last year and should be lower as a percentage of Cable revenue.

Please refer to slide 9 so we can review the results of NBCUniversal. For the third quarter of 2012, NBCUniversal's revenue increased 31% and operating cash flow increased 20%. These strong results were driven by the success of the London Olympics. Excluding any impact from the Olympics, NBCUniversal revenue increased 8.3% and operating cash flow increased 7.3%.

Now let's review the individual business segments at NBCUniversal. For the third quarter, Cable Networks generated revenue of $2.2 billion, an increases of 3% driven by a 6% increases in distribution revenue. Advertising revenue grew by 1% reflecting soft cable network ratings offset by increases in price. Cable Networks operating cash flow increased 8% to $809 million reflecting higher revenue as well as flat programming and marketing costs which are primarily due to timing.

Year to date, Cable Networks revenue increased 4% and operating cash flow was relatively flat as we continue to invest in our channels and increases original programming and hours of original content.

Moving on to our Broadcast segment, third quarter Broadcast television revenue increased 84% to $2.8 billion and included $1.2 billion of revenue generated by the Olympics. Excluding the impact of the Olympics, Broadcast revenue increased over 5% reflecting a strong start of the fall primetime schedule and an improvement at our owned stations. Operating cash flow was $88 million and compares to a loss of $7 million in the third quarter of last year. However, again, excluding the

Olympics, operating cash flow declined by $25 million reflecting higher programming and marketing costs related to the early start of our fall broadcast season and news coverage related to the elections.

Moving onto Film Entertainment, third quarter revenue increased 24% to $1.4 billion, reflecting higher theatrical revenue and strong box office performance of Ted and The Bourne Legacy as well as increased home entertainment revenue due to the higher number of titles released on DVD. Third quarter Film operating cash flow increased 31% to $72 million.

Switching to our theme park segment, we had another solid quarter as theme parks generated revenue of $614 million, a nearly 6% increase driven by consistent performance at the Orlando park and strong growth at the Hollywood park fueled by the success of the new Transformers attraction. Third quarter operating cash flow for the park segment increased just over 11% to $316 million.

Please refer to slide 10 so we can review our 2012 financial strategy. As I mentioned earlier, we generated consolidated free cash flow of $1.5 billion in the third quarter, an increases of 9% compared to last year and free cash flow per share increased 12% to $0.56 per share. For the first nine months of the year, we generated $6.1 billion of free cash flow, an increase of 19% over the first nine months of 2011 and year-to-date free cash flow per share increased 22% to $2.24 per share. For year-to-date 2012, Comcast Cable accounted for $4.6 billion, or 76%, of total free cash flow and NBCUniversal contributed $1.5 billion, or 24% of consolidated free cash flow.

We continue to execute on our financial plan for 2012. Year to date we have returned $3.4 billion of capital to shareholders, a 35% increases which includes share repurchases totaling $2.3 billion and dividend payments totaling $1.2 billion. Also during the quarter, we completed the sale of two non-operating investments as we continue to simplify our balance sheet. We recently received $2.3 billion in pre-tax proceeds from our share of Spectrum Co. sales of wireless spectrum licenses and $3 billion in pre-tax proceeds on the sale of NBCUniversal's interest in A&E Television Networks.

As you know, we manage Comcast Cable and NBCUniversal as two separate pools of cash flow generation and funding capacity. Accordingly, NBCUniversal's proceeds from A&E will remain at NBCUniversal to build capacity to fund future equity redemptions by GE while Spectrum Co. proceeds will be part of our 2013 evaluation of capital allocation and return of capital. Our return of capital planned for 2013 will be reviewed by management and our board in the next few months, and we'll provide an update for 2013 year-end earnings call in February.

Overall, we are very pleased with the operational and financial progress we have made during the first nine months of this year. We believe the investments we have made, along with a strong focus on execution will continue to generate organic growth and yield positive results.

Now let me turn the call over to Marlene for Q&A.

Marlene S. Dooner, Senior Vice President-Investor Relations

Thanks, Michael. Operator, let's open up the call for Q&A, please.

QUESTION AND ANSWER SECTION

Operator: [Operator Instructions] Our first question comes from the line of Jessica Reif Cohen with Bank of America Merrill Lynch.

<Q – Jessica Reif Cohen – Merrill Lynch, Pierce, Fenner & Smith, Inc.>: Thank you. I have two questions. The first one is, you guys are in a very unique position to answer this question, but where do you think viewers are going besides NBC? You really should have the data, given your set top boxes. Are they going to Cable On Demand, TV Everywhere, iPads and what are you doing about the measurement system?

<A – Stephen Burke – Comcast Corp.>: Okay, Jessica. We spend a lot of time talking about that. I think the fact is that people are watching more video today than they ever have. The challenge for a company that's in the television business is that much of that viewing is in places that is neither measured nor monetized. Obviously, SVOD has an impact. Internet streaming has an impact. All the variety of things that have happened due to technology have given people so many more options for viewing that they're viewing more, but they're viewing far too often, in my opinion, in places that are neither measured nor currently monetized, so one of our challenges over time is to make sure that that changes so that the ecosystem continues to remain healthy.

<Q – Jessica Reif Cohen – Merrill Lynch, Pierce, Fenner & Smith, Inc.>: Okay, and I guess the second question is more general for both sides. You know, given the really fabulous performance on both sides of the house, can you just outline – I mean, you have executed so well. What are the next few priorities for each side?

<A – Neil Smit – Comcast Corp.>: Jessica, I think on our side, it's, you know, heads down execution. We continue to roll out X1. We have it in four markets now. We'll be rolling out to two other markets and major markets in the next couple of weeks. I think on the marketing side, it's continuing to refine our targeting of high value subscribers, and I think on the operations side, it's really to, you know, execute well on our service delivery. We're taking truck rolls out. We're taking noise out of the system. I think the division presidents have been doing a great job of that, and finally, it's the continue to accelerate our new businesses. Business services has been growing at 34%. We're getting into the mid-market now. XFINITY Home, the home security and automation product is rolled out across all our markets now and, we're going to continue to accelerate on the new business side.

<A – Stephen Burke – Comcast Corp.>: In terms of NBCUniversal, obviously, we're doing better but we still have a lot of businesses that are underperforming by my standards, by the standards that we all have for them. Broadcast, I think, is our biggest opportunity, and the fact that NBC has been number one for the first four weeks of the season in demo is a very positive start for the season for us and we want to continue that, but I think broadcast profitability could be dramatically higher than it is currently and hopefully, we're going in the right direction on that, and then I think monetization across the company and in terms of affiliate fees, advertising, CPMs, we have a lot of upside and you know, we've only been together with NBCUniversal now for 18, 20 months and we feel like we're on the right path, but there's a long, long way to go.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Jessica. Operator, let's go to the next question, please.

Operator: Our next question comes from the line of Jason Armstrong with Goldman Sachs.

<Q – Jason Armstrong – Goldman Sachs & Co.>: Thanks, good morning. Maybe I'll ask the obligatory video subscriber question. If you continue this pace of year-over-year improvement in video subs, it would suggest you could actually add video subscribers in the fourth quarter. Is there any reason for us to not expect that, or would you express any sort of caution around that statement?

Second question, we saw Time Warner Cable recently tweak some modem fees. That was sort of the most recent pricing lever we have seen in the industry. What are the key levers that give you room to raise pricing across the different cable product categories? Thanks.

<A – Neil Smit – Comcast Corp.>: Jason, on the video side, I think we're executing well on both the product side, the marketing side and the service side. We've rolled out new video services, X1 going out, and rolling out over the various markets, as I mentioned. I think we've got a really nice balance between rate and volume. Our video rate was up 5% and our volume was, we reduced losses by about 29% so I think we have struck a nice balance there. I think, you know, on the HSD side, we took equipment charges – we had equipment charges last year and we've been driving ARPU up for at least eight sequential quarters, it's been, and I think we struck a nice balance there. What drives the rate increases right now is primarily speed, but we are driving additional services like at home security and whatnot. Whether we get to video increases in the fourth quarter, I think we just have our heads down and we're focusing on execution and block and tackle things.

<Q – Jason Armstrong – Goldman Sachs & Co.>: And Neil...

<A – Marlene Dooner – Comcast Corp.>: Operator – sorry, go ahead.

<Q – Jason Armstrong – Goldman Sachs & Co.>: Just had a quick follow-up to that. Last year in the first quarter, there was a chance that we may go positive. We didn't because there were large – or price hikes implemented across a wider portion of base than I think people expected. Is there anything in fourth quarter, whether it's price hikes or other sorts of activity that would tell you fourth quarter may have more video headwinds than we otherwise would have expected?

<A – Michael Angelakis – Comcast Corp.>: Hey, Jason, it's Michael. There's really not any abnormal expectations in the fourth quarter, but I think as Neil said, the team is really trying to make progress every day and execute and I think we have done that over the last eight quarter in a row, so we'll see how the fourth quarter comes up. We're optimistic, but we've got, you know, a lot of days left in the fourth quarter.

<Q – Jason Armstrong – Goldman Sachs & Co.>: Okay, thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Jason. Operator, let's go to the next question, please.

Operator: Our next question is from the line of Doug Mitchelson with Deutsche Bank.

<Q – Douglas Mitchelson – Deutsche Bank Securities, Inc.>: Oh, thanks. One for Michael and one for Neil. Question for Neil, I think along with Apple this was about the only conference call in TMT [Technology, Media & Telecommunications] so far that has not mentioned macro issues and many businesses showed weakening during the quarter. How much of the 3Q sub improvements in video and data were driven by gross add improvements versus churn improvements and is there any favorable or unfavorable market momentum, macro or competitive, worth noting?

And for Michael, I think Comcast is in an unusual stretch where you are incented to raise your gross debt leverage maybe even to the very high end of your target range given the very low cost of debt in the new issue market but you are already in a $9 billion cash position, so I know you are asked this every quarter, but how do you think about the level of gross debt and gross debt leverage the company carries relative to the attractiveness of the debt markets right now? Thanks.

<A – Neil Smit – Comcast Corp.>: Hi, Doug. It's Neil. On the video side, I wouldn't say there are any unusual circumstances that would affect the video momentum going forward in the fourth quarter. The competitive market seems, you know, there's no major change there. I think we're executing well and we struck a nice balance between rate and volume.

<Q – Douglas Mitchelson – Deutsche Bank Securities, Inc.>: And there's nothing in terms of housing or in terms of the overall macro environment that you would call out?

<A – Neil Smit – Comcast Corp.>: No. I think the housing is neither headwind nor a tailwind. We haven't seen material changes we have seen slight housing improvements in some of our markets, but overall, nothing unusual there.

<A – Michael Angelakis – Comcast Corp.>: I'll take the second question, Doug, regarding sort of cash balance and debt. Actually, after the third quarter, we actually did another bond issuance for NBCUniversal of approximately $2 billion and that cash has gone and is sitting on the NBCUniversal balance sheet so as we sit here today, you know, our debt is above $41 billion give or take and our cash balance is approximately $11 billion. So we have taken advantage both on the Comcast side as well as on the NBC side of what we consider to be, you know, historically low interest rates and have issued, you know, two sets of bonds, $2.25 billion on the Comcast side and $2 billion on the NBCUniversal side. So we feel, you know, we feel pretty good in terms of where we are and our gross target has really not changed between 2 and 2.5 times and we obviously look at, you know, total debt as well and that's where the balance is.

<Q – Douglas Mitchelson – Deutsche Bank Securities, Inc.>: I guess what I was getting to, Michael, is this sort of a historic opportunity to take leverage up to an unusual level given the attractiveness of the new issuance market and given that you're such a big company and such a big issuer, it's obviously a very interesting question for you?

<A – Michael Angelakis – Comcast Corp.>: You do have to pay debt back. I think from our standpoint, the way we look at it, is we have roughly $11 billion of debt in cash. $6 billion or of that – actually a little bit more than $6 is at NBCUniversal and really that cash is going to be utilized eventually for equity redemption.

On the Comcast side we do have more than $4 billion or so of which some of that is the Spectrum Co. proceeds and some of them is the recent bond issuance. We have some maturities coming up at the end of this year and in the fourth quarter, but I think we feel pretty good that we've been opportunistic in terms of how we've accessed the capital markets and we will continue to do so when we think rates are exceedingly attractive.

<Q – Douglas Mitchelson – Deutsche Bank Securities, Inc.>: Thanks so much.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Doug. Operator, let's go to the next question, please.

Operator: Our next question is from the line of Craig Moffett with Sanford Bernstein.

<Q – Craig Moffett – Sanford C. Bernstein & Co. LLC>: Good morning. Two quick questions if I could. Michael, first, let's just continue on with that same thought. Given the cash balance at NBC, can you talk about how your thinking has evolved with respect to the timing of the equity redemption?

And then Neil and/or Steve, if you could just comment on the political ad environment for the fourth quarter and how we can expect to see that roll through the Cable business, in particular, but also at NBC?

<A – Michael Angelakis – Comcast Corp.>: Okay. Why don't I take the first one in terms of the cash balance? We feel very good that we've built up the liquidity and flexibility at NBCUniversal with regards to its cash balance and you know, 2014 will be here before we know it and we'll evaluate it at that point in time. As Steve said, we are approximately 20 months into managing and owning NBCUniversal and we have about – a little bit more than that before we have to make a decision with regard to July of 2014. So we clearly have some runway to evaluate it. We really like the structure we have. We have a very good partnership with GE and it's working out well. We have a lot of faith in the team and how NBCUniversal is performing, so we feel good that we're building up the financial flexibility and that we have the runway to make a decision in 2014.

<A – Neil Smit – Comcast Corp.>: On the political side, we had a strong quarter in Q3. And I think that continues into Q4. But the core business was also very healthy. Without political and the extra broadcast week, we were still up 6%. Auto seems strong and so I think the team's executing very well there and political remains strong going into Q4.

<Q – Craig Moffett – Sanford C. Bernstein & Co. LLC>: Would you expect...?

<A – Stephen Burke – Comcast Corp.>: At Universal, as you know, most of the political spending is local. There was a little bit of national and then the local is very specific. Unfortunately, we don't own a television station in Ohio. Most of our owned station markets did not have a lot of political because they were not battleground states.

<Q – Craig Moffett – Sanford C. Bernstein & Co. LLC>: Would you expect that the fourth quarter benefit would be larger than the third quarter benefit, though, and if so, how much?

<A – Neil Smit – Comcast Corp.>: Yes, I would expect it to be higher than the third quarter, but I wouldn't venture to say how much.

<Q – Craig Moffett – Sanford C. Bernstein & Co. LLC>: Thanks.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Craig. Thank you. Operator, let's go to the next question, please.

Operator: Our next question is from the line of Jason Bazinet with Citi.

<Q – Jason Bazinet – Citigroup Global Markets (United States)>: Just have a question for Mr. Burke. Given the trajectory of what's going on with cable network ratings on the linear side, do you mind just elaborating on your posture as we move into 2013 as it relates to generating SVOD revenues from your content? Is that something you think you will increases, stay flat or you'll continue to pursue it and figure ways to monetize your content?

<A – Stephen Burke – Comcast Corp.>: Well, I think you – as viewership trends have changed, you've got to adjust the way you monetize your eyeballs and I think one of the new major areas for any cable channel or broadcast channel to monetize their content is SVOD. In a way, it's a new form of the traditional syndication model where at a certain point after the shows have aired in their primary run on a broadcast or cable channel, they're then sold into another market and SVOD has emerged as a major revenue source and our belief is that revenue source will continue.

It might change. Different companies might do different things and new entrants might come into the market or leave the market, but it's clearly there and something that you need to pay attention to and monetize. The same thing's happening with the internet and electronic sell-through. You know, I think both the television and the movie business, there are more different ways to monetize your content today than ever but in some ways, it's more complicated than ever because viewers are watching more different screens.

<Q – Jason Bazinet – Citigroup Global Markets (United States)>: You feel like the aggregate tradeoff today is still positive for you in terms of net gain on the SVOD side and the erosion on the linear side?

<A – Stephen Burke – Comcast Corp.>: I think so. I think so.

<Q – Jason Bazinet – Citigroup Global Markets (United States)>: Okay.

<A – Stephen Burke – Comcast Corp.>: We'll see. There's a chance that it will be lumpy. There will be new technologies that emerge, you know, and there will be times when those technologies allow us to monetize in a way that's greater than we have historically and there may be other times that are less. I think in general, these new technologies will be great, realizing the real base of our Cable business is the affiliate fees we get from the MVPD community and advertising.

<Q – Jason Bazinet – Citigroup Global Markets (United States)>: Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Jason. Operator, let's go to the next question please.

Operator: Our next question comes from the line of Marci Ryvicker with Wells Fargo.

<Q – Marci Ryvicker – Wells Fargo Advisors LLC>: Thanks, two questions. The first, Comcast has signed a bunch of programming agreements, I'm thinking of Disney and Scripps and I think there's some discussion of News Corp either now or coming soon. It might be early, but it could be really helpful if you could talk about your expectations for next year either in terms of total programming expense on the P&L, or programming expense growth per sub.

And then second question is any more color X1, how this is trending, the number of boxes, the response from Boston? That would be really helpful.

<A – Michael Angelakis – Comcast Corp.>: Why don't I take the programming question? I think the team has done a great job this year with our programming increases. They're certainly a bit lower than we had forecasted. However, you know, that being said, we do expect a bit in the fourth quarter, that number to increase a bit. As we think about 2013, I think you are going to see some continued pressure. We do have lumpy contracts that come up and so forth. I don't want to get into too much detail but I can just tell you, I think the team has really done a great job. We have a lot more rights over many different platforms and I think that probably in the fourth quarter and a bit into 2013, we will see some additional pressure on programming, and I think we will be able to manage through that.

Neil?

<A – Neil Smit – Comcast Corp.>: On the X1 product, we've rolled it out in four markets today, and we're going out to two more major markets in the next couple weeks, as I mentioned earlier. We have got very positive feedback so far where we've rolled it out and I think the important thing to remember with the X1 is it's more than just a guide. It's the IP delivered video platform. It enables us to adjust the product and upgrade different services in a very short timeframe and so it takes time to prep the markets and roll them out and train the service technicians, but we're very encouraged by the initial rollout of the product.

<Q – Marci Ryvicker – Wells Fargo Advisors LLC>: Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Marci. Let's go to the next question please, operator.

Operator: Our next question comes from the line of Ben Swinburne with Morgan Stanley.

<Q – Benjamin Swinburne – Morgan Stanley & Co. LLC>: Thank you, good morning. Steve, any more color on the flat ad sales at the cable nets [networks] this quarter? You mentioned ratings but I didn't know if the Olympics – or how you guys are allocating Olympic revenue might have hit that and if there's any comment on how Q4 looks?

And then I have a bigger question for Brian. I think I asked this a couple years ago and it didn't sound like you guys were that excited about this opportunity but if you look at what Amazon was talking about last night and how much success they are having with Prime Video and what you can do on the technology front going out of market, I'm just wondering if Comcast NBC combined thinks there's an opportunity to develop customer relationships outside of your historical cable footprint? It just seems like with your scale, it doesn't have to be necessarily a full-blown video business but something that could actually expand your addressable market beyond your 50 million homes.

<A – Stephen Burke – Comcast Corp.>: In terms of cable advertising, as an accounting matter, some of the Olympics advertising that was on our cable channels was actually reflected with the Olympics in the broadcast segment and that depressed our advertising a little bit and then the quarter was not our strongest quarter in terms of cable ad sales.

<A – Brian Roberts – Comcast Corp.>: On the other question you asked, I think we're very focused right now. We have just got so many business opportunities that are businesses we know and we think can perform better. Steve's talked about a few and Neil's got a really good momentum and plan and we don't see the profitability or the logic to not want to extend the relationships in the markets we serve. Out of the markets we don't serve, it's not clear what the business opportunity for us is. Certainly from a content company, you just heard Steve's answer on there are new businesses that emerge and we always want to take advantage of that by selling and partnering with those companies. We're pretty focused. I think we like the trajectory we're on and the results, I think, speak for themselves.

<Q – Benjamin Swinburne – Morgan Stanley & Co. LLC>: Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Ben. Operator, let's have the next question, please.

Operator: Our next question is from the line of James Ratcliffe of Barclays.

<Q – James Ratcliffe – Barclays Capital, Inc.>: Good morning, thanks for taking the question. Two if I could. First of all, can you walk us through what the impact if the hockey lockout goes on, where we would see that in the numbers either both on the NBCU and on the Cable side and if – [indiscernible] (48:23) loan to the NHL and the contract would be treated?

And secondly, on the business services side has there been any change in your strategy toward CapEx and your willingness to build out the locations with less certainty about the revenues given that you have a larger base and hence more knowledge about it? Thanks.

<A – Michael Angelakis – Comcast Corp.>: Why don't I take the hockey one? You know, we have a lot of businesses that are related to hockey, whether it's NBC Sports Network or whether it's the Regional Sports Network or obviously Comcast Spectacor, and net net, it's immaterial to the whole company in terms a lockout, but I can tell you we are pretty disappointed with regard to the lockout. I don't think we should say a heck of a lot more, James. I think that we're just hopeful that the ownership and the players can get together and get on with the season. So from a corporate standpoint, the impact is immaterial. We're hopeful that both sides will come to a resolution and go back and play the game.

I think Neil has the second question.

<A – Neil Smit – Comcast Corp.>: Yeah, James, on the business services side, our philosophy in terms of build out of our network addressed to opportunities hasn't really changed that much. We're seeing strong growth on the small business side which is about 85% of our revenue and on the mid-sized market, it's about 15% and growing off a smaller base. We extend our network where we see the opportunities and it's a great ROI so far and we'll continue to invest in that business.

<A – Michael Angelakis – Comcast Corp.>: And I think, James, if you look at our trending schedule on business services, you can see that the capital expenditures dedicated to business services has been increasing. That's both to feed the middle sized business where we are doing extension. If you look at how it was two years ago, it's up roughly 50% over 24 months and that reflects pretty good investment. The team does a good job on being disciplined with those investments.

<Q – James Ratcliffe – Barclays Capital, Inc.>: Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, James. Let's go to the next question, please.

Operator: Our next question will come from the line of Stefan Anninger with Credit Suisse.

<Q – Stefan Anninger – Credit Suisse (United States)>: Good morning. Thanks for taking my question. One of the elements of the NBCU opportunity that excites investors is the retrans opportunity. It's something you discussed a bit in the past, but was wondering if you'd be willing to update us on your thinking there now, where you stand with respect to discussions with cable operators and DVS and telcos that offer video? On that note, is reverse compensation something that you would consider asking for in the future? Thanks

<A – Stephen Burke – Comcast Corp.>: Well, I think in fairly rapid fashion over the last two or three years, the industry has settled in on – it's not really a rate card, but I think there's a general agreement as to what the right kind of structure for retransmission consent is and that's across the four networks and with the major distributors and we will participate according to those kind of sort of established structures. What we have to do is wait for our existing affiliation agreements to expire and negotiate new ones.

We have about 25% of our sub base up in this calendar year, calendar 2012, and we've had a number of discussions ongoing and some of those have been concluded at this point, at least in handshake fashion, and we're getting what we think is a fair price for retransmission consent. We've also done a lot of deals with our broadcast affiliates, in which we share in the retransmission consent fees that they negotiate, and we believe that those agreements are similar to the kind of agreements that ABC, CBS and Fox are negotiating as well. So obviously retransmission consent is a major positive for all broadcast businesses including NBC and I think we're right on – right on schedule, right on where we thought we'd be in terms of getting those deals done.

<Q – Stefan Anninger – Credit Suisse (United States)>: Great, thank you.

<A – Marlene Dooner – Comcast Corp.>: Thank you, Stefan. Operator, we're going to now take the final question and then we're going to come back to Brian for a short statement that he wants to make.

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

<Q – John Hodulik – UBS Securities LLC>: Thanks. Guys, can you give us a quick update on where we are in the Wi-Fi build-out and the wireless strategy now that you closed the Spectrum deal – the Spectrum Co. deal is closed and maybe how long we need to wait until we can expect to see some products from the JV there? Thanks.

<A – Neil Smit – Comcast Corp.>: Hi, John. On the Wi-Fi side, we continue to build out markets gradually. We've implemented a number of rollouts in cities where we have hot spots, going through based on usage, we roll out the product. We're also establishing in home and small business hot spots.

Concerning the Verizon partnership, we've been really working on the infrastructure. We're launching stores. We've got about 550 stores launched and we're working with agents as well. We've developed a point of system – sales product that will work well for their in store agents and we're developing products together that we think will be very exciting for consumers. So more to come on that front, but overall, we're very pleased with the partnership.

<A – Brian Roberts – Comcast Corp.>: Okay. Well, thank you all for the call. I just wanted to end on a really sad, tragic note. Many of you may have heard or read about the awful murder of two young children by their nanny yesterday in Manhattan. The father of the children was part of our CNBC family. So I just want to say on behalf of all of us at CNBC and Comcast and NBCUniversal and many others around the nation how touched and saddened we are by this unspeakable act and we will do everything we can to support the family in their awful time.

Thank you all and we'll go back to our jobs, but have them in our thoughts and prayers.

<A – Marlene Dooner – Comcast Corp.>: Thank you all for joining us this morning.

Operator: There will be a replay available of today's call starting at 12:30 p.m. Eastern Standard Time. It will run through Friday, November 2 at midnight Eastern Time. The dial in number is 855-859-2056, and the conference ID number is 36800409. A recording of the conference call will also be available on the company's website beginning at 12:30 p.m. today this concludes today's teleconference. Thank you for participating. You may all disconnect.