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PRESENTATION

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

Please note that important disclosures, including my personal holdings disclosures and Morgan Stanley disclosures all appear on the handout available in the registration area and on the Morgan Stanley public website. I'm really excited to welcome for our afternoon keynote, to my left, Steve Burke, the CEO of NBCUniversal, which is owned by Comcast. Comcast, in case you aren't aware, is one of the largest pay TV providers in the U.S., is the sole owner of NBCU, which just wrapped up a successful Olympics and also broadcast Super Bowl LII, where Comcast, I guess it's not Comcast, Philadelphia Eagles, but the Philadelphia Eagles win -- defeated the New England Patriots. So Steve, thanks for being here.

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Nice to be here.

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

Why don't we start out with the announcement the company made yesterday? Can you help us better understand why you and the Comcast team thinks Sky is an attractive asset for Comcast shareholders?

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Okay. So let me start off by apologizing and reiterating, I'm -- the slide says Brian Roberts. I am not Brian Roberts. He is in London right now, for obvious reasons. But I've worked for Brian and with Brian for 20 years. I spent 13 years as the Head of Comcast Cable, Chief Operating Officer of the whole company, but as President of Comcast Cable. And then when we bought NBCUniversal about 7 years ago, I became Chief Executive at NBCUniversal. So I think I understand both -- I have enough history in both sides of the slate, distribution and content, to comment on why we think Sky is a very -- potentially a very interesting asset, and why we did the proposed offer that we did Tuesday morning. So we think Sky is a great business in its own right. It's a got a very, very large market share in the U.K. and a good business in Italy and Germany. We also think that the combination of Sky and Comcast NBCUniversal is very interesting. In some ways we look at Sky the same way we look at Comcast NBCUniversal. We, I think, over the last seven years have proven that content and distribution can work very well together. And by the way, 7 or 8 years ago, when we announced the NBCUniversal deal, there was a lot of skepticism. A lot of people said, "Why don't you just stay in distribution? Why don't you just buy back stock? Where are you getting into content?" And I think we're proven at least to ourselves and hopefully, a lot of people who know our company well, that content and distribution can work well together. And very importantly, when we look at Sky, we see a very unique intersection of content and distribution, and a lot of people say well, you've been in the Cable business for years and years and years, fighting satellite and then you appear to be winning in the United States. Why would you go buy a satellite company in Europe? And we don't consider Sky to be a satellite company. We think it's a platform, and it's a platform that has something like 55% of all the pay subscribers in the U.K. I'll just talk about the U.K. for a second. And that platform has a lot of content. They obviously have the Premier League and Bundisliga and other things, but they have movies. They do 50 original television shows a year. And I think, something like 39% of all the viewership on Sky in the U.K., and a comparable number in Italy and Germany, is content that is produced for Sky. It is essentially exclusive content or semi exclusive content. And that's a very unique, different thing. If you look at DISH, I would venture to say 99% of the content that's viewed on DISH can be viewed on Comcast Cable or Charter or other different companies. So we look at -- when we think of Sky, we think obviously, they have 23 million subscribers. They have 23 million people who subscribe to the service, but we see it as a combination of distribution, content and then importantly, technology. And we've looked at all of the different set-top boxes and in effect it looks like an operating system for a cable or satellite company. And the 2 best in the world, and they've been the best for a long time, we think are X1, which is a Comcast set-top box and cloud technology guidance system, and Sky. And so we look at that, and we look at all of those characteristics and we say it's a very, very unique asset that would sit well with our company. We think we know how to manage these businesses, and it's always frustrating when you propose something and your stock goes down, but the same thing happened when we bought AT&T Broadband, which was the first big deal at Comcast I was associated with, at the time we bought it the margins were at 20%, and we said we'll get the margins to 40% in 3 years and we did it in about 18 months, something like that, 18 months or 2 years. And that really made us much bigger in distribution, and then when we bought NBCUniversal, we had a lot of naysayers and the stock took a hit as well. When we bought NBCUniversal, the EBITDA of the assets we bought was in the range of, call it, $3.5 billion. And this year, we brought that number all the way up to $8.2 billion after 7 years. And I think -- I know that NBCUniversal, if you just look at us versus the other major media companies like Disney and Time Warner and Fox, we're the fastest-growing of the major media companies over the last 7-year period. And I think anybody who looks at the numbers and looks at our valuation would say, we've been a very, very good thing for Comcast's stock price. But it wasn't as evident on the first day. And one of the things I'm proud of, and we can talk about this in more detail, is that the improvement in terms of profitability at NBCUniversal, that's happened in every single business, and a lot of the improvement has to do with the way that we run the company, and the way that we use the various assets to help each other and the way that we interact between distribution and content. And when we look at Sky, we see something that is very similar, that we think that if we could ever be fortunate enough to have the transaction occur, could be a great thing for our shareholders and our company because in effect, we've kind of done it before.

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

That's helpful, Steve. One of the things that I'm sure you've gotten questions about this week, and I know I have, is around some of the press reports that Comcast interested in, 21st Century Fox or more of 21st Century Fox than just Sky. Are there assets there that attracted Comcast? And what does your interest or potential interest in these businesses tell about your M&A strategy in general, or the kind of asset that Comcast NBC might pursue in the future?

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Well, we start from the position that we don't need to do anything, that if you look at the companies in the United States, and let me talk about our domestic business for a second. We're the only company in the United States until AT&T does the Time Warner deal, if that deal's approved -- we're the only company that has distribution and content. We're one of the few companies that have Broadcast and Cable. We're 1 of 2 companies that has Theme Parks. We have a big movie division, so big consumer products, lots of opportunity. And I would say we feel like, if you said, here's a hand to play of any of the big major media companies, NBCUniversal and Comcast, we have a good hand as anybody, and don't get up every morning saying, "We've got to do something or forgot to fix something." I do think, if you said what are you potentially -- what could make your company an even better hand, we have a lower percentage of our revenue from international than I wish we did. And some of that, as we've been so busy growing the company, 20 years ago, we had 4 million cable subscribers and virtually no content. We're a much smaller company and we've been growing the company and integrating AT&T and NBCUniversal, and we haven't committed as much in terms of investment dollars and time and attention to international, and the company that we bought when we bought about NBCUniversal had not had the kind of investment that a Disney or a Fox or Time Warner or Viacom might have had during the time when people, media businesses, were building their big international presences with cable channels, et cetera. So I think if I had one area in our company that we could add to, that would make us an even better company, it would be international. One of the reasons why we were interested in Fox is that 70% of FOX's profitability or businesses came from outside the United States. Rupert Murdoch spent decades assembling these wonderful businesses outside of the United States, and that was very attractive to us. At the end of the day, they chose to go a different direction and we said, "Well, you win some, you lose some," and we moved on and then the more that we thought about Sky the more we realized that it was so similar to everything that we built with Comcast NBCUniversal, and such a unique asset, and an asset where you know that 100% of the shares are likely to trade. If the Disney/Fox deal happens, either it's all going to Disney, or if the Disney/Fox deal doesn't happen, at some point, Fox might buy the whole thing. So we look at the business and say it's clearly going to trade. It's a very unique asset in businesses that we're very comfortable with. And so we've decided to go for it, and it's interesting that press, Brian, I guess was talking to somebody, and said that he was in a cab, which is now the famous cab drive, where he asked the cab driver about Sky, and the reality is, we have 1,500 employees in London. And we study Sky. We study a lot of multichannel operators around the world in detail. I've been to Sky headquarters a couple of times in Osterley, I'm very intimately familiar with their guide. And we know a lot about the company. And we've been following the company for a long, long time and this just became the time when it looked like there was an opportunity and we'll see if it works out.

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

Well we appreciate you giving us that context and color. Thank you, Steve. Maybe turning now to the current business, at NBCU. You had I think about a 14% EBITDA growth last year. What are you guys focused on for 2018? Guys, you just wrapped up the Olympics. What are the big things you're trying to do this year to drive the business?

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Well, We've had 5 years of double-digit cash flow growth in a row. And as I said, one nice thing is, it's not -- you have 20 different businesses inside NBCUniversal, everything from NBC Entertainment, Sports and News to English-language, obviously, to Telemundo and the Spanish-language. We owned USA, Syfy, Bravo, E! entertainment, Golf Channel, NBC SportsNet, CNBC, MSNBC. We have a lot of different cable channels we own, 4 theme parks, Orlando, Hollywood, Japan and soon to be, Beijing. We own a big movie studio, 1 of the 6 big movie studios. So being a complicated company, and the good news is, all of the different parts of our company had record years, there may be 1 or 2 of the 20 businesses that didn't have a record year, but the big groups of businesses all had record years. NBC, when we arrived, had been in fourth place for 7 years, took us a couple of years to get out of fourth place, but we've been in the first place for 4 years in a row. And the broadcast season starts in September. So we're now sort of a little under half of the way through the broadcast season, and we're in first place by 50%. So it's highly likely, it's hard for me to imagine we don't win for our fifth year in a row. And the profitability has followed. Universal Studios has been around for 102 years, and this past year was a record year. We made a $1.3 billion in the movie business, and it's not quite fair, because some of that $1.3 billion came from Dreamworks, which we bought a couple of years ago. But the vast majority came from legacy Universal Pictures. And that was a business that wasn't making money when we bought the company 7 years ago. So we've had a lot of success, and it's been very broad. Our Theme Parks business was making about $400 million 8 years ago, and this year made about $2.4 billion, and has a lot of growth, very, very long runway. Our Theme Parks business is going to have a lot of years of good growth. So I think we have hit a sort of momentum across the board as we come in. I haven't talked about news. News, we're #1 if you do the demos that advertisers buy, 25 to 54, we're #1 in the morning with the Today Show, we're #1 at night with Lester Holt. We're #1 on weekends with Chuck Todd, #1 across the board, Jimmy Fallon's #1, Saturday Night Live had a record year. So a lot of strength across the company. If I had to pick some things that I'm particularly excited about for 2018, I'm very excited about MSNBC, which had a record year by a lot. MSNBC is beating CNN almost every night, has beaten CNN month after month after month in prime time. Beats Fox News every once in a while, which is something that I thought would be impossible to imagine, and has real momentum. And is one of the, I think it's safe to say, MSNBC is the fastest-growing cable channel of all the 200 cable channels. There might be little one that's growing faster, but of the major cable channels, fastest-growing. And we make far less money than we should. CNN makes well north of $1 billion a year, and we make 40% of that, and we should make more and lots of opportunity there. I mentioned Theme Parks. We're opening lots of hotel rooms. We've gone from 2,600 hotel rooms, and when we came to 5,400 or something like that, and we should have 10,000. We should have more hotel rooms. The hotel business is a good business for us, but one of the nicest things about the hotel business, when someone stays on site, they spend an extra day in our Theme Parks. So we're building hotels. We're coming out with new attractions. We have a Fast and Furious attraction coming to Orlando, a Kung Fu Panda attraction coming to Hollywood. So I'm very excited about the Theme Parks business, and Beijing is a very unique opportunity. Disney's in Shanghai, and we're going to be the big theme park in Beijing, and that park will open in a few years, and that's a big opportunity for us. And then, just organic growth in the other parts of the business. I think it's -- we have great people, great culture and real momentum. You mentioned sports. It's little unfair to count things that have already happened, but let me just talk a little bit about the 22 days between the Super Bowl and the end of the Olympics. We had never had, the way the Super Bowl works, a different broadcaster gets it every year and there's 3 rights holders that alternate, and then obviously, the Winter Olympics is every 4 years. So those 2 planets have to come in alignment, to get the kind of big bang that we got during the 22 days between the Super Bowl in Minneapolis and the end of the Olympics. Super Bowl was very profitable for us. We made over $100 million. We think it might have been the most profitable night in the history of television for any channel, of all time. And a big part of that, the majority of that was the Super Bowl itself, which was profitable. But then we had This Is Us, which is our sort of hit drama after the Super Bowl, and it had record ratings, made a lot of money. We sold spots for a very high price. And then we had Jimmy Fallon after that. And if you add it all up, it's in excess of $100 million in one night, and that's hard work. I mean, we sold spots for close to $5 million a spot, which was up significantly from where they were last year. We sold out. And then we had a great game, and I think did a good job. Four days after the Olympics, on the Thursday--

or 4 days after Super Bowl, on the Thursday after we started the Olympics, the 18 days of Olympics, from Pyeongchang in Korea, and our goal for the 18 days was to do things differently than we have traditionally. And this is an interesting insight into the way television is evolving. 20 years ago, the strategy -- even 10 years ago, the strategy was, that you take the best clips from the Olympics, and you put them in prime time Monday to Friday, between 8 and 11, and you would curate. You'd watch everything if it was in a different time zone. You'd have something live if they were in that time zone, but basically, you would put it all on NBC, and then you would pretend, if Michael Phelps swan at 4:00 in the afternoon, and you were going to have coverage of his heat or his finals at 9:00 at night, you would almost pretend that he didn't swim. You would pretend that everybody in the world who wanted to know could figure out whether he won or not. Brian Williams would come on the air at 6:30 and say, watch Michael Phelps tonight. We would try to restrict. In the beginning, we would try to restrict content on the Internet. That became an impossibility, obviously over time. And we certainly wouldn't program a cable channel like NBC Sports Network, against the actual broadcast on NBC. And the idea was, to drive the biggest rating you could on NBC, and then go to advertisers and say, look how big this rating is. Over time, obviously, we've been streaming more and more on the Internet. There was a time, I think 2 or 3 Winter Olympics ago, there were 124 hours, 128 hours of programming. This time, we had 2,400 hours. There were times when we had dozens of simultaneous streams of programming streaming on the Internet. We put Olympics programming all on, many of our cable channels, and in prime time, we went to advertisers 6 months ago and we said, we're going to actually program against ourselves. So you might have figure skating on NBC, which hopefully gets a 15 household rating; and you might have hockey or women's hockey on NBC SportsNet, which might get a 3. And you add those 2 together, and it's an 18 household rating. And we're going to sell you the 18 household rating. And you're going to pay the same price, whether it's part of the cable rating or of the broadcast rating. We call it total audience delivery, and advertisers said yes. And so for the first time, we competed with ourselves, but feel like we grew the pie. If you add up the total consumption, we believe the total consumption of the Winter Games, despite all the fragmentation in the world that we're all living with, was the highest on record. And no surprise, our ad sales were over $920 million, and whereas the company lost a couple of hundred million dollars in the Vancouver Olympics, we've made money each in the last 3 Olympics, and we made about $100 million this time around in Korea. So exhausting to think of those 22 days. We had worries whether the advertising market could digest that much spending, and those many eyeballs. On an average night during the Olympics, we had about 20 million people watching. And on those nights, if you add up ABC, CBS and Fox, and multiply the sum by 2, we would beat the sum. So it's just really dominant, big event programming. And I think marketers, if anything, are valuing those big nights more than they ever have before, and we have more big nights than anyone else. So even though your question was really forward-looking, what are you looking forward to in 2018? Those Super Bowl and Olympics certainly count in 2018, and we're happy, very happy with the way they turned out.

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

Yes. I think if we brought in an outside Olympics discussion to this, the overall business and the pace of change in media and technology, we've been talking all week with folks on the stage about over the top and direct to consumer, and also the consolidation activity happening in the space, so beyond on the operational side and the 2018 focus, how are you positioning NBCUniversal to navigate all these changes? And operationally, and strategically, and are there implications in some of these big merger moves in the space, pending and otherwise, on Comcast?

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Well, I think if you have a job like mine, you have a dual role. Your -- one role is to try to have the best possible performance in the businesses that exist today. I'll call them legacy businesses. NBC, USA, Syfy, Bravo, et cetera. Do the best you possibly can in these businesses and start to lay the foundation or plant the seeds or whatever the right analogy is, for all of the businesses that are going to become increasingly important in the future, and have a mentality inside your company that is very honest and candid about the challenges and the opportunity space by all of these technologies. I now am old enough that I can say I've been in the entertainment business for 35 years, and have never seen anything like what's happened to us over the last 5 or 10 years. Interestingly, if you add up the 4, and I know Les Moonves was here earlier -- if you add up the 4 broadcasters, and how much money they make from the broadcast business today, I think the answer is the 4 broadcasters make more money than they did 5 years ago, 10 years ago, 20 years ago, 30 years ago. I was in a conference room at ABC 20 years ago, where the strategic planning people said they thought the broadcast business would go away in the next 10 or 15 years. And here we are, we're making more money than we ever were before, but we're making money differently. And to me, the Olympics example is a good example of the need to look at all the different revenue streams and the way -- we're almost windowing television the way movies have always been windowed, and I think if you're intelligent, you can take the -- and have a great team and the right strategy and the willingness to invest. You can take those legacy businesses, and not only keep them from declining, but you can grow them. Our television, OCF is significantly higher than it was 7 years ago, 5 years ago, 3 years ago or even last year. And is the television business going to grow 10% or 20%? No, I don't think so, but it can still grow. And at the same time, I think you need to start making investments. We have an investment in BuzzFeed and Vox. We have bunch of very good Internet businesses that we don't talk about much. We own Fandango. We own a business called GolfNow, which is a terrific business. And then throughout the company, we're doing things different with digital partners. During the Olympics, those of you who have kids or who are millennials yourself, we did a lot with SnapChat and we did have a daily live look in. So when Lindsey Vonn skied if you get an alert that said Lindsey Vonn's about to ski, and inside SnapChat, you can actually see her live ski and we had a lot of different stories and we had a whole team in concert with BuzzFeed that went over to Korea and wrote stories and posted things. We had 40 million unique users of Olympics programming on SnapChat. And I think something like 80% of those people were under the age of 25. So think of how much the world has changed since the good old days, and we'd say, don't give anything to everyone else. Keep it all on NBC, curated in prime time, to a point where we're working with SnapChat to try to get as many millennials as possible to see the Olympics on Snap. And the reason for that's simple. The fear when you have these big events, is that people who were not necessarily watching a lot of linear television, could actually have the 18 days of the Olympics come and go, before they even register that they're on. And so our feeling was, we at least want them to know and consume where they are, in this case on Snap, and some of those people will watch on other places. So I think as a company, we have a very honest and candid approach to the challenges, but also an excitement that we can do things differently and if we move quickly and do things differently, we can grow the company.

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

And how might distribution and/or direct-to-consumer fit into that strategy, if at all? What are your views into those opportunities?

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Well, it depends on how you define OTT. If what you're saying is virtual MVPDs, we sell, we NBCUniversal, sell to all of the virtual MVPDs. And we essentially sell the same group of services that we would sell to a cable company or a satellite company. And if you're just looking at it as NBCUniversal, those virtual MVPDs, that's a positive for us. They're growing subscribers and that's a net positive for us. It's a negative for the cable side of the business. It's more competitors, and those competitors on the margin. I think you could make an argument for the company that it's neutral or maybe even slightly positive to the combined Comcast NBCUniversal, and we don't think that those virtual MVPDs are going to get to huge, huge scale, but they're -- it is a profitable business for us, good business for us. If you then define OTT as streaming, we have very significant and profitable relationships with Netflix and Hulu and Amazon, and those are interesting relationships, because they're competitive. And part of the reason why ratings are what they are, is people are consuming in other places, although I think if you add up all the ratings of those 3 services, they would be far less than a typical night during the Olympics. But we get paid a lot of money from those services, and we're sort of learning how and when to place product there. In terms of developing our own OTT services, it's something that we look at all the time. It is a very tough business model. I'm sure you -- there are a lot of people in this room that follow Netflix, but Netflix has like I think close to 100 million subscribers, and makes $1 billion dollars in OCF and maybe loses money in terms of free cash flow, and might have more than $20 billion worth of debt, having never made acquisition, so a lot of losses. So I think over-the-top is not for the faint of heart, if it's defined as a streaming service, but it'd be crazy not to consider it and experiment. We do have a product called hayu, which is a direct-to-consumer product in Europe that has a lot of reality programming on. We experimented with something called Seeso, which is a comedy-based product in the United States. So we look at it all the time, but at the end of the day, we want to have services that can make money and be additive to the cash flow of the company.

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

And so how are you guys thinking about navigating the sports world over time, talking about being less involved with the NFL for example, the ratings have been under pressure. You guys won't have Thursday Night Football this fall. Maybe if you just talk about how you think about the cost, the rising cost of sports rights, the fragmentation we're seeing against the obvious benefits around live audience, and sort of the pricing power it gives you? How do you think about that? And also how big tech may or may not impact rights' use over time?

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Well, as evidenced by the Olympics and the Super Bowl, sports are very, very important. If you're in the broadcast business, which we are, and you want to assemble the biggest audiences possible, we have something like 60% of the really big nights on television. And 60% of the share of the really big nights on television, Olympics, football, Golden Globes, so on and so forth. And sports are a huge, huge part of that. Sports, obviously, you have to be very careful which you pay for sports. And our company, 8, 9, 10 years ago was moving $300 million, $400 million a year between the NFL and the Olympics, and we structured those deals, rightsized those deals and changed some of the way that we do things. Sunday Night Football's been the #1 show on television now for 5, 6 years, something like that, and it is a highly likely in my opinion to be the #1 show on television this year, next year and into the future. We love the Sunday night package. The Thursday night package was a little bit different. We've always made money on this round of Sunday Night Football. And we had Thursday Night Football for 2 years and did not make money. It was a split package between us and CBS, and for a whole variety of reasons, Sunday is football night in America, and Thursday has yet to build into that, and maybe Fox will build into that. We looked at that Thursday night package and actually did a hybrid package of broadcast and cable, and did not want to lose. We were losing significant money on Thursday night. We had 6 games on Thursday night, and we lost a lot of money, well over $100 million on that package. We were paying $45 million a game, some number like that, and so we didn't want to continue that and the NFL found somebody who was willing to pay more.

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

Yes. Just sticking with the television worlds. We talked about some of the challenges in the ecosystem. Your TV businesses are clearly performing well, but you've also been making sure your brands continue to resonate with consumers, and you've even been trimming, I think, some of the portfolio. How do you guys make sure that your networks matter to consumers, and have enough content to sort of stick out from the level of clutter, which is only going up?

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Well, it's -- the business is not getting easier. It's getting harder and harder to launch a show. We launched a show last night called Unsolved, which is the story of Tupac and Biggie's unsolved murder 2 decades ago, and it did very well. It's -- the ratings were terrific, but we put so much time and energy in it, such a unique concept. And I think the answer to your question is, it's gotten harder, so you have to be better. And by the way, the same thing is true in the movie business. It's much harder to launch a movie than it was. The home video business is not what it was. You have to think about movies playing internationally and in China. You have to spend a huge amount of money launching a movie. And the same thing is true in the television business. Our approach has been to try to be bold and make big investments when necessary, but also at the end of day, realized we're there to make money. And you can have your cake and eat it, too. You can balance it. The one thing about these businesses, you cannot cut your way to success. Anytime anyone said, we're not going to invest, that we're going to do less pilots, or we're going to have less original programming or we're going to take $100 million out of the cost structure of this channel. That normally doesn't end well. I think the companies that do well are companies that get excited about great IP, get excited about a great idea, make sure that you're picking as judiciously as you can. But every once in a while, you have to take a shot. And if you're taking those shots, you're going to fail, and when you fail, you got to dust yourself off, and try to learn from whatever your failures are and keep moving. And that, I think, that's what we've done at Universal Pictures and NBC and USA and throughout the portfolio, and it's working.

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

And maybe just to conclude, Steve, I wanted to ask you on the Film and Theme Parks side. This will tie back to sort of the M&A discussion we had. You've made some pretty big, for those, the list of acquisitions with Universal Studios Japan and also DreamWorks, what have those businesses done to the Film and Theme Parks? How have they worked out? And so what's been the impact strategically and financially of those assets?

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

So we made 2 acquisitions, and 1 was stair stepped. We bought -- the theme park in Osaka, Universal Studios Japan, we did not own. We got royalties and there was a time when we owned and GE sold a piece. We bought control, 51%, and then we bought the entire park. And it is really a fantastic business. It's doing extremely well. In some ways, it's our most successful park in the world. It is ahead of all of our estimates when he bought the company, and we did a deal with Nintendo, which we're very, very excited about, to bring a Nintendo Land. And eventually, we're going to have Nintendo in Osaka, Orlando and California, but the first place we're bringing Nintendo is going to be Osaka. Osaka happens to be about an hour from Kyoto, which is the headquarters for Nintendo. So we think that's going to be a gigantic step forward. And as you heard, we love the Theme Parks business and so we're very happy with Japan. And then the second deal we did is we bought Dreamworks Animation a couple of years ago. We've had a wonderful experience with the animated film business, with a company called Illumination, which is run by a real genius. The guy who I think is really the Walt Disney of our generation, a guy named Chris Meledandri, who created Despicable Me and Pets and Sing, and he is fantastic and we've had a great run with those animated films. I think if you're in the film business, if you're lucky enough to have an animated film studio, you want to do everything you can to make sure that, that's a priority in your company. And Chris has gotten Illumination to the point where, some years, we can make 2 films, we have 2 animated films. We made 2 last year. Actually, this year, we're only making one, and it comes right at the end of the year, Grinch. But next year, he's got a couple. And if you look at the history of animation studios, for whatever reason, no animated studio has consistently made more than 2 films in a year, not Dreamworks, not Pixar, not Illumination, not Disney. And so Disney has Disney Animation and Pixar, and so we looked at DreamWorks and we said, wouldn't it be great if we could have 2 illumination films and 2 DreamWorks films in a year, and the way to do that is to buy DreamWorks, buy the library, buy the TV animation business and also have this animation capability. And we're going to have our first new DreamWorks under the new era DreamWorks, if that's the right word, film is How to Train Your Dragon, comes out your next year. And next year, if you include Grinch, because it really happens at the end this year, we're going to have our dream of 4 animated films in a 12-month period. And that is, I think, going to give us the chance to beat the record in the film business that we established in 2017.

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

Great. Well, I know you guys have a lot going on. Steve, thanks for coming to the conference.

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Thank you.

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

Thank you, everybody.

Stephen B. Burke - *Comcast Corporation - Senior EVP & CEO, NBCUniversal*

Thanks.

Editor

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