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PRESENTATION

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

Good morning everybody. Thank you for joining us, both in the room and thank you to those who are joining us via the webcast for the -- what is now the First Annual MoffettNathanson TMT Conference. And what would be the tenth MoffettNathanson Media and Communications Conference. And that's an important milestone because 10 years ago, Brian, you were the inaugural speaker at our inaugural conference. And if I go back even further, you were the inaugural speaker at my first Bernstein conference 20 years ago this month. So this goes back a ways. And I just -- it's another way of saying thank you for being here, and I am really delighted to have Brian Roberts joining us this morning.

QUESTIONS AND ANSWERS

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

Brian, I'm going to start in a funny place, which is about the resegmentation of the business that you recently did in your financial reporting because I think there's a set of interesting messages in the thought process there. You combined Sky and the Cable business in the Connectivity platform, you resegmented the Media assets. Talk to me about what was behind that and how -- what are the messages that you wanted to send and that you're thinking about, how do they shape your priorities going forward?

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

Well, it's great to be here, and thanks for a little walk down memory lane there. We've been doing this a long time, and the business has evolved. And so I think it's a great way to start sort of where do we see the world today. And we broke it in these two segments, and we restructured some of the operations to reflect that and who people report to and such. And so if you start with Connectivity and Platforms, that does include our U.S. business and our Sky business. We've got 52.5 million relationships at over $100 a month revenue. That's a pretty great business.

We'll talk a little bit about each of these, I'm sure, and then Content and Experiences, which is Theme Parks and Content, again, using the global nature of Sky and their parts of that broke into NBCUniversal. But the best way I think, and why it's relevant, is it allows us to make investments on our growth businesses. And in the first quarter, something like 55% of our businesses grew revenues 10%, and there are six different businesses that make that up, broad -- residential broadband, wireless, business services, parks, studios and streaming. Those six businesses, 55% of our revenues, and those revenues grew 10%. The other part of the company obviously didn't grow at that level, and in some cases is going backwards.

And we're taking aggressive measures to adjust the cost structure of those businesses, where we're probably revisiting sort of how we're structured. And so organizing ourselves around that. And what's the results of having done this for a little bit now. So last year, we grew revenues 4%, EBITDA 5%, EPS, I think, was 13% growth, and we were able to return $18 billion to shareholders, a record. First quarter, 2% when you take out the Super Bowl and the Olympics. 3% revenue, 3% EBITDA in the first quarter, 7% EPS and we returned $3 billion to shareholders. So I think we're doing something as we talk about what our company is all about, different than maybe anybody else.

And that is we're able -- we're in good businesses, like any business, of a certain scale. Some businesses are growing, others aren't. We've got half the company really growing, and we're doubling down in investments in those areas at record levels. And at the same time, we're executing quarter after quarter. And then finally, we're taking that--those monies that, including the investment, and are able to return record levels to shareholders through dividends and buybacks. And that formula we've kind of laid out for investors, we believe that flywheel of some revenue growth, but in your stronger businesses where you have higher margins, you're investing, that turns into better EPS growth, that returns more to shareholders, you buy back shares and the free cash flow per share goes up even higher. And we hope to do that for the future.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

And the organization structure, your decision, particularly for how you think about Mike's role? Talk about how that fits with that vision.

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

Well, I want to say, Mike, and I'm seeing sitting in the front row, Jason and I'd leave my other colleagues out, but let me just pick on those two for the moment. I kind of joke, we went on the earnings call, Jason, CFO. Now, Mike is President of the company, just to talk about a little bit, Craig, what you're talking about. I said on the earnings call, hey, I'm going to speak a little less now. They're going to speak more and the stock had a really good day. So maybe -- I think we're lucky to have really smart stewards of capital helping us and great managers and folks at our company wants to report to.

So let's talk about Mike Cavanagh. I think one of the things that he does so well is -- was saying to Marci, you go to a meeting with Mike, you leave the meeting feeling better, than you went into the meeting. That's not always the case when you go to meetings and meet with people. And it reminds me a little bit of my dad. And he had that calming influence. And when we have seen situations, we're going through some interesting situations at NBCUniversal on the personnel front, Mike has taken the reins. Immediately he has calmed everybody. They're excited to be working with him, for him and for the rest of the company.

And we're very fortunate. So what we've done in structuring the company as him as President is allowed for continued -- something I believe strongly in is decentralization. But, as we've restructured to your first question, there's an opportunity for the right kind of leader to step in and say, how do we get the benefit of all these businesses working together even more than we have historically, and continue to make great experiences for customers and visitors, great products, great technology, and that, he is helping us drive in a way that I think will be better than we've done historically.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

You've -- in the past, you've talked about the globalness of your -- I don't know whether it's right to call them competitors, but the Googles of the world and the Apples and it's hard to miss in your new segmentation that you have started to blend geographically in a way that sort of looks more global. Is that intentional? And do you think you need to be global in order to be on the same stage as those mega tech companies?

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

Yes and no. I think you have to look at it business by business. It's a good -- you're right in your observation. But let's pick the businesses. Let's just pick three examples. Let's start with broadband. And that incorporates residential broadband, business services, you can even include wireless in there. We are the best broadband in America. And we have the #1 footprint. I think we have a road map on innovation to 10G. I'm sure we'll get into a little more of that, what that means. But DOCSIS 4.0, we have strong conviction about what's going to happen in the broadband business in the next few years.

And Sky, in one of the top five markets in the world, was also #2 in broadband in the U.K. and in some other -- in Ireland. So putting that together, having one road map for technology. Another example is aggregation. We call that Flex here in the U.S. or X1. Well, Sky calls it Sky Glass and NOW TV. And so we've taken one road map, one Chief Product Officer, and then other companies have said, we want to get in on your tech investment. You have the scale globally. So all the Canadian operators, for the most part, are on our platform.

Cox is on our platform, and Charter approached us recently. And as you know, we created a partnership with Charter. So all of you here in New York, Spectrum, are soon going to have the opportunity to have the great voice remote, have the ability to -- you'll love it when you get it. I guarantee you, it's going to be better than anything you've had. It's won Emmy Awards. It's been recognized. We've also created partnerships using that technology, thanks to Sky's relationships in South Africa and in Australia.

So we now have a global tech platform funded by and powered by folks all over the world, but really central to our strategy. Then you take a business like animation. We made a conscious decision when we got into NBCUniversal that animation was the sweet spot of film. And that's something given our Theme Parks and given our relationship when we bought the company with Chris Meledandri, who's incredible. And you see that with almost every movie he makes, including Super Mario, which we'll talk maybe later about. We wanted to double down in animation, ramp him up, but also we bought DreamWorks Animation. People have been saying, right now, maybe the best animation company of all the studios is Universal. Another -- so I can go on and on about each business, Theme Parks, pick one other. That's a global business, but you've got to be in the right kind of climate.

So -- but then there's other businesses that are much more domestic and -- or just geographically based. So I think we try to pick initiatives where we can be the best, we can distinguish ourselves. And if it requires more scale, we went out and got it. As I look at the whole company today, I feel really good about where we're at. And those tech companies are a whole another set of businesses. And some of those businesses, you make one piece of software, if you're Microsoft or Apple, you -- global means something very different to them than it does in the businesses that we're in. So we've transformed ourselves. We're not trying to be in every market in every possible product line. I think in some cases, they are. We're doing it in a much more disciplined way.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

So the broadband business here in the United States is probably to some degree, a purely domestic local business and that the operations of it are somewhat local. I've character -- and certainly, the competitive environment is highly local depending on who the competitors are and that sort of thing. I've characterized the debate among investors about Cable's broadband business as -- about one of causation, which is that there is one theory that says the issue with the deceleration in cable broadband is primarily market saturation, which is ultimately a reasonably benign reading because it happens in any business versus a much more threatening explanation, which is that you're losing market share to fixed wireless and fiber.

Tell me where you come out on that as to what your diagnosis is for why broadband growth has decelerated and with -- what your competitive edge can be that can make this a growth business again?

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

So we haven't been in the same room in a while. So let me just make sure we start from the same place, which is during the pandemic, we pulled forward a lot of demand in broadband. On one of the earnings calls, I think I said, I think there's some maturation in penetration, where 85% as a nation. And I bet if I said, raise your hand, who has broadband in their home, 100% of their hands are going up in this room. So I'd start and say, I think a lot of it is the fact that we're moving less -- we already have the product.

So there's a bit of maturation. I'll come back to this thought in one second, but I don't think broadband itself is anywhere near mature. So let me explain that in just one moment because I want to deal with the fixed wireless question. One thing I don't think we competed as well is for the lower end of the market. We had something called Internet Essentials, which we've been for $10 a month kind of promoting to underserved communities, and it was quite successful for many years. All of a sudden, there were new government stimulus and all sorts of attention focused on a different end -- that end of the market.

And this last quarter, we adjusted pretty well. And I think Dave Watson and our team are competing better for this lower end segment. But let me tell you what gets me most excited and why I think the answer is -- whatever the answer may be, the technology of fixed wireless, we were just talking about before we started this conversation publicly here, it seems like you're sharing resources for an increasing need in broadband capacity, and that's going to run into some limits. But I'm not an engineer, and that's up to others. What are we doing? That's what we can control most. So I have a pretty strong belief, and there's some real trends in the market that maybe you'll find interesting to support this belief, that we're going to continue to see bits per home rise in, over time, in ways that will redefine broadband for what we do today, to hit peaks capacity unlike anything we've seen today.

And that you're going to need a network to be able to reach consumers to offer that if you want to be the best broadband provider. And that's where we think the profitability in the market is. So for instance, take sports. So Sunday night has for the -- since the invention of the Internet has been the most popular night in America from the Internet for bits per home. And when I say the Internet, I want to broaden it to be, if you got a home video camera, you're Zooming, you're playing video games, whatever the bit was, could be a smart refrigerator and it's communicating, bits in and out of households, according to our engineers, the night of highest traffic was Sunday night.

Amazon took one football game and put it on Thursday night and changed the entire consumption of America with a game that only had 50% of the viewing it had on broadcast the year before, give or take, based on the numbers I've seen. So it wasn't necessarily like a gangbuster game. It was what it was, but it was only available with streaming. Well, Sunday Ticket is about to go and become only available on streaming. Bob Iger has been ruminating about ESPN going streaming. Regional sports networks are going through some difficult times and talking about streaming. Cord cutting continues to happen. And people are not watching and consuming less entertainment, they're doing it more and more by streaming.

So more people. So as I think about just that one application, sports and streaming. And think about the next 10 years, what will the world look like? If I said, who thinks we're going to have more streaming in 10 years than we have today of sports, probably every hand goes up. So it seems like a real high likelihood that we're going to need to -- now when you stream, you need more capacity for those peak moments. If you look at other things that happen when you stream, now you can have multiple feeds. That's what Apple is doing with soccer.

You look at the Apple rumor to be offering new headsets that are going to be WiFi-based, I suspect, that are going to give you an incredible immersive experience. We've talked about the Metaverse, health care, the capabilities to do things in your home that -- so if you think innovation's stopping and the only story is we're going to slug it out with what we're doing now, I would ask you to think back 10 years and say, what were you doing with your broadband 10 years ago and what likely are you going to be doing with it 10 years from now? And if the answer is it's not going to look anything like it looks today. And we are then sitting in a very unique place. And I think we're the best way to play it because one group has to keep buying more wireless and sharing it.

And the other group has to dig up the streets. Our plan is we're calling 10G, which is multi-gig symmetrical speeds up to potentially 10 billion bits a second from hundreds of millions today seems unnecessary, impossible, create that well when we were doing 5 megabits, and we said, we'll give you a 50 megabits and then 100 megabits and then a gigabit. So we're continuing that march. But our method of doing that in cable is called DOCSIS 4.0. And what that does is through a variety of techniques that you understand quite well, over time, everybody has access to the product, not something that diminishes when five people share it, not something that's only available in this neighborhood, but not available in that neighborhood.

We don't have to dig up the streets. So I think we have a -- and we can do all that within the capital constraints that we've publicly said we intend to manage the company to, which is consistent with our current practice. So I'm excited about streaming. And we, of course, announced this morning or yesterday that the NFL is taking one of their NFL playoff games, and it's going to be exclusively on Peacock. So it's just another in the first streaming playoff game, solely that way. So I think we're well positioned as a company...

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

So is it fair to say that when you made the decision of we want to put a game on Peacock, it was not just a decision about the Media side of the business, but also a decision about the broadband side of the business?

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

I think it's a virtuous cycle we're in right now. And we're absolutely looking at the whole picture of all of Comcast and saying we will transition what's historically broadcast television, cable television into streaming, and we're going to try to make all those bits be our bits, but when they're not our bits, which is never going to be the case, of course, we're going to meet you as these -- and the last thing you're going to want is a spinning wheel in that game with the big moment because everybody tuned in right at that moment. And that's what our network is designed to handle.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

And so is that mostly though, going to be a story about therefore, there's a long runway for price appreciation in broadband because the value proposition gets better and better? Or is it also -- and by the way, we can win and grow unit growth. Do you think that there's unit growth again in broadband? Or is this really a pricing...

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

We got to get some housing growth in order to get some unit growth. So you tell me what happens to the economy. Over the -- over decades, of course, there will be. I think it's value to the consumer. And then it's what do you hang off of that broadband? And are we able to participate in that, and that goes to your point about the NFL and Peacock. We think Peacock has a great road map, and I'm excited about that. We'll probably get into all this. But there is -- we are in one ecosystem. And as we try to make those investments and have that crystal ball, I like the fact that our company is touching all parts of it in a unique way and doing so in a way that is feeding on itself.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

So wireless is becoming a much bigger part of the story for you. Do you envision a day when customers think about buying wireless and fixed broadband as a single transaction and relationship, sort of the connectivity moniker that you put in your reorganization. That is -- I guess, is Wireless a strategic imperative for you because it's the way the business is going? Or is it -- this is just a really nice product that we can make some money on and we want to sell as much as we can?

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

Well, I think it's very strategic. And we're very focused on it. We're having great early success. It's early days. We've been at it for a few years, so it's not first year. We've got 6 million lines. We're 10% penetrated, 10. We have the best deal in the market because you're getting Verizon Wireless and our WiFi converged and our broadband network and all of our out-of-home hotspots, all for something less, 20%, 30%, 40%, depending on what package you're in, if you take our broadband and you take our wireless.

So it is the best deal, the best product, and we have a good relationship with Verizon. And we're free to build our own towers and cells and things if we choose to. And the deal goes in perpetuity. So we are a capital-light model, and we have an exceptional consumer experience, and we're just getting started.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

Is it -- I was surprised, you may not have seen it yet, but I had Verizon on this stage a few minutes ago, and I was surprised that in their relaunch of their packages this morning, they're essentially all new go-to-market in consumer. The convergence story was nowhere to be found. It was new wireless plans essentially. It seems like convergence is much more central to the way you're going to market.

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

Well, it makes -- if you think about it, first of all, sorry, we didn't restructure the whole company to come to the conference, but that's very nice. Everywhere Verizon Wireless is, Verizon Wire is not. Everywhere our broadband is, our wireless is because that's the nature of our wireless offering. And oh, by the way, anything they do for their consumer in a technological way, we get it the same day. That's one of the things we factored into the agreement. So we have an extraordinary opportunity to present to the consumer, really two really important, maybe 2 favorite products. Here's your phone and here's your home Internet, and we -- everywhere we offer one, we offer the other.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

So bottom line, is the MVNO relationship a sufficient way to go to market? There's always this question of do you need to be a network operator have owners' economics to make this a good business?

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

I think we have great optionality to that question. But heretofore, we're proving to ourselves and hopefully to shareholders that we can operate with a very nontraditional agreement. The problem I have with the word MVNO is it sounds like "everybody else". You have to go back to the origin of our agreement, and it was that we had a lot of spectrum -- nationwide spectrum, AWS that we had bought in the auction. We were the majority owner, and we went and structured a relationship that would give up that spectrum and then needed something to replace it in perpetuity, several CEOs back of Verizon.

What we've done since we and Charter are working quite well together both with that now inherited relationship for them and from Time Warner. And we've been able to look at and work with well, some small percentage of the geography has a lot of the volume of calls, should we offload it in a way that could even bring our marginal cost down further. And we're all doing experimentation of that to see if that makes sense. As we today do, although it's done synthetically to a consumer, you never know what's happening, which is that 70% of all the traffic is going over WiFi with your mobile phone. You don't even realize that -- and it's even better if you're a cable customer or Xfinity customer.

So that hybrid nature, I think, will be part of our future. But the core of the relationship is a very built on scaling up what Verizon is already doing.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

You talked about business services. You made it your own -- its own segment, and you talked about that as one of your growth engines. EBITDA margins close to 60%, and it's, as you said, growing high single digits in EBITDA growth and what have you. But how much runway is left in that business? Is that -- do you think of that as a mature business? Or is that still relatively early innings?

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

I'd like to believe some segments are more mature, the small, the pizza parlor where we began, if you will, the mom-and-pop businesses, we've gotten pretty good market share. As we look, however, at moving up the food chain, we go to medium and then enterprise and ultimately, to government contracts, which are now getting a bunch of things had to happen. One is we had to get all the various providers working together so we could go to people who were not just regional, but were national.

And now including Masergy and (inaudible) made international so that we can offer these products globally, even if we don't serve it locally in one geography, we figured out a back office. So you -- the business one-stop shopping. That's all done very seamlessly. So then you have to ask yourself the same question we just had on residential broadband. What do you think businesses are doing in the next 5 or 10 years?

How important is the cloud? How important is cyber? How important is data transfer and AI and whatever might be coming businesses way and how important is the broadband connectivity to those businesses? And once again, we have a state-of-the-art, brand-new network. The larger you get, you want diversity of supplier. So now outage doesn't take you down. And we're just scratching the surface.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

Especially in the enterprise segment.

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

Absolutely, just beginning. And so, I just want to just acknowledge you talk about convergence over in mobile and broadband, an example of convergence or whatever phrase you want to call it is business services. We had a network doing one thing, doing residential, and we found ways now to augment that network, build fiber, do things to certain geographies. We've gone from $0 to nearly $10 billion pretty much organically with a really high margin. This may be one of the best businesses we have, still growing, as you say, high single digits. I'm super excited by business services. And I think we wanted to give more transparency to investors to understand how valuable really what we've built and what we're building is.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

The new segmentation does that because I don't get a lot of questions about it. I do get a lot of questions about streaming. So my partner, Michael, as you know, has been sort of rhetorically asking for close to a decade, is streaming a good business. So I would ask you, number one, is streaming a good business. And number 2 is Peacock, the right answer?

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

So I think I'll leave it to Michael and yourself to analyze each different company's strategy. For us, it's a logical extension. It's not -- we don't think of it as just a separate business. And we've each played the hand we have. In our case, NBCUniversal has a fantastic relevancy to television viewers and entertainment and news and information in this country, U.S. based for the most part. Hundred million people interact with our content every month, 50 million of those do it for 10 hours a month or more.

And we're larger than any media company in that regard. So for us, streaming was a way to take advantage of this technology shift and bring that content to an audience on any device, anywhere they want to do it. And that's Peacock. Oh, by the way, we had done that. We were pretty early, predates us, NBC was with 1/3 of Hulu. And so we are making money in streaming because I'm pretty certain if and when we sell our Hulu stake, it will be for more than what we have in it.

In fact, that's contractually certain but maybe talk a minute more about that. But the Peacock opportunity. We have 22 million or so customers paying us and consuming load of advertising, digital advertising, the most valuable advertising.

We started as a free service. We pivoted around 18 months, 2 years ago, and we've been the fastest-growing SVOD, AVOD combo service. And we have a pretty exciting 2023 because all of Comcast doesn't pay because it was something we gave away and we've decided to now have some charge to those consumers that want Peacock in the future. So in the back half of this year, we're going to begin to convert many customers from included in your service to an additional charge. We have a fabulous fourth quarter with Big Ten and we have now NFL play off...

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

Is that going to be In December?

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

Yes.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

So that's a sort of seismic thing. It's one thing for Amazon to put on Thursday night games of the Jaguars or Panthers. It's a different thing to say, I'm going to take a playoff game and make it exclusively available on Peacock.

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

First of its type in. So I think you're going to see investment, but not at the level that some others are saying we're going globally and going to every country in the world, we partnered to do that. So we have something called Sky Showtime, where we and Paramount have taken all of our various content, Sky's content, NBC's content, Universal, Paramount, CBS, et cetera. And in all the markets where Sky is not present in Europe, we've created Sky Showtime.

So we have a way to get in, in our opinion, into streaming intelligently. This will be the peak year of losses, we believe, pretty confident with that statement. And -- but we're doing so while our Theme Parks are having a record year, while our Media business has a lot of EBITDA that's transitioning over, hopefully, to the streaming platform. And for our company, it's part of the whole totality of our Media and Studio business, not just a stand-alone business.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

It's certainly -- the playoff game decision certainly is likely to accelerate cord cutting in that it sort of takes another marquee property from the linear business. How quickly do you want that transition to happen? Is there a conscious decision to say I want to accelerate that? Or do you try to say I want to keep (inaudible)?

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

No, I think it's going to happen. We're not -- no one company is going to -- maybe, when Disney made some of their pronouncements years ago about it accelerated life. But at this point, it's on a glide path that I don't think that was the factor. But I give great credit to Dave Watson for having figured out that we want to lead with broadband and the consumer experience, when you just take broadband, which majority of the people signing up today only take broadband, that's a big change in the last 36 months. We give you a Flex box, if you want it, and all your aggregation, your voice remote, as I said earlier, you all get that fairly soon.

We call it Xumo as we go to market with Charter. That capability, we're indifferent. We make more money. And that's part of that revenue shift of the company. If people are cord cutting, yes, we lose revenue, but we lose expense. And therefore, it's maybe not such a big deal as long as they take broadband on the other side, and we can envision a day where that broadband is even more valuable to them and to us and to the shareholders. That's the plan we're on. Over at the Media side, we're kind of doing the same thing. Now a Peacock subscriber is not as valuable today, but it's a lot closer than it was a few years ago when you combine the fee for -- as compared to being a free service, now being $5 a month.

Let me again say, that for $5 a month, I think Peacock may be the best valued product in America to a consumer. You get all of Sunday Night Football, all of the Olympics, all of the next-day content from NBC. You get all of Universal's movies, all of Focus's movies. You get Peacock Originals like Poker Face and Bupkis for those that are watching now or for Ms. Davis, Bel-Air, all of that for $5 a month. And then the advertising, hopefully, can double that and get you to the kind of money we've been getting from distributors over time, and you can see a path to transitioning from this point over to the other side of the river.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

So we've got some pretty important businesses to talk about, but I'd be remiss if I didn't go back to that comment you made about Hulu, where you certainly made it sound like it is now overwhelmingly likely that you're a seller rather than a buyer. There was some discussion about maybe there are scenarios where you buy the rest of Hulu instead of sell it. Is that now off the table? Or are you...

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

Well, the fact is that Bob Iger on his earnings call last week said that they're now back interested in general entertainment and which is no surprise. And I think it's more likely than not that we go through what we've said all along, that the majority case, vast majority cases that we'll put, they'll call and at the beginning of next year. One thing I just want to say is part of the calculus of why I think that is probably the case is I think Disney recognizes, as anybody else would recognize is that Hulu is really valuable. If you think about what happens in that put call, it's what would a willing buyer in a robust auction pay, it's sort of a hypothetical question because you also not only get a 50, 55 million-plus domestic streaming service that is #2.

There's never been one for sale -- and in the hypothetical that the appraisal process imagined when we structured the relationship, you get all the content from Disney and Fox with it in theory and forever. And so what's that worth to any buyer, including Disney, we're including Comcast, we're including other tech companies or whomever, if it was actually for sale in that way, and that's what the job is to then give us 1/3 of that value. So I think we have a very valuable position. I'm not surprised with the comments last week. And I think that ultimately, that will be good for our shareholders. And if there was anything different than that, that is the outcome, it would be because it's even better for us in our judgment, and I think that's a pretty high bar.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

I want to talk about 2 of your businesses that we haven't talked about so far, and that is your Studio and your Theme Parks. There's a -- you talked about the animation role for this. And there's a, I think, a really compelling value chain of creating characters and franchises in the movie studio, keeping customers engaged with them in the theme parks and creating a virtuous cycle there. Has the place where you monetize that, though, has that changed over the years? So as you think about kind of the end-to-end ownership of the relationships with the franchises and the characters that you create?

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

I think that what makes the movie business for 100 years -- Universal is over 100 years old, is as technology evolves, there's different ways and different peaks and valleys, but it's kind of been true that great stories, great narratives and great franchises find a way to get ever-increasing value. And so not only does Universal have that 100-year library. But we, with Fast and Furious coming out this weekend, it's an extravaganza of fun, something you want to enjoy in a movie theater. But oh, by the way, go to Universal Theme Parks and get on Fast The Ride, and you can reimagine that, how exciting that is. And then you look at when we collaborated first time between DreamWorks and Illumination, we had Puss in Boots. And that was really successful. That's reimagining the Shrek universe in our future.

Or Nintendo's incredible content. So Super Mario Brothers is the #1 animated opening of all time. And right now, one of the top 4 or 5 animated pictures of all time so far. And if you go to Osaka or you go now to Universal Hollywood, there's Super Mario, the first augmented reality put on a headset, play the game, move around, keep score on your wrist band and it's a smorgasbord of colors and sounds and just incredible joy, and that's going to power our new Theme Park called Epic Universe in Orlando. So we have that food chain and consumer products, add that to the mix, then you take just creative originals, we've got Oppenheimer coming out with Christopher Nolan, the quality...

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

And we can't wait for that by the way.

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

And so I think a lot of people can't wait for it. So we have diversity in our film team led by Donna Langley, who is doing an outstanding job it has with Jason Blum, and we had a film M3GAN was super successful globally. So we have different budgets from Fast and Furious to M3GAN animation. So I'm thrilled with the film. And one of the things we've done really well is theaters are a big part. We haven't herky-jerky the car around that streaming question. But all those films 90 days later are all on Peacock. And oh, by the way, after a nice 4-month run on Peacock, they go to Netflix or Amazon depending on the film, and then they come back to Peacock. We're still a big fan of Windows and monetization at different stages of that content's life.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

And the Theme Parks are part of that, right? I mean my guess -- I think you've said many times that the Theme Parks business has turned out to be a much, much better business and bigger part of the story than you ever expected when you first acquired the asset. But is -- they're engaged in the concept of franchise generation now at a very early stage, right?

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

That's why, again, the Mike Cavanagh conversation earlier, we're one company, and it's looked at that way. We talk about it. We do it, what's going to work in Europe, what's going to work in China, what's going to work here, all over the world. And we have a unique perch and again, that's why I think we're different. And so yes, Theme Parks may be the most underappreciated part of the company. Again, Parks and Content & Experiences is a new category, the Parks, Orlando continues to show good bookings, had a record run here post COVID, came roaring back, same -- but now we're seeing it in Asia. Osaka, which not only has Nintendo and finally opened with post-COVID, China is profitable in Beijing and Epic Universe, which Mike and I are going to, I think, week after next to look in on the construction. We continue to invest in all these parks all the way since we bought NBCUniversal and well over $3 billion of EBITDA and a huge part of our narrative.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

So maybe as a place to wrap up, you talked about the amount of cash and the returns that you've generated for shareholders and cash return. Let's think about capital allocation across this franchise and in particular, with what could be a $9 billion windfall from monetizing Hulu coming up. How do you think about the deployment of that in the way that's most advantageous for your owners?

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

Well, we're -- what are your options? So first of all, you want to invest in your growth businesses, new initiatives. That's been one of the hallmarks of our company, whether it's investing in broadband, now trying to get to 10G, investing in that wireless relationship. Parks, just talked about, we built more hotels than maybe anybody in North America, which is part of how Parks have been so successful. We did that with Lowe's. So are there investment opportunities? Dividend, return of capital via dividend. Some investors really value that. Other investors want buyback. We've kind of said we think we can do both. So we've increased our dividend for 15 years in a row. And we're hopeful that, that can continue. And then buybacks. Last year, we bought $13 billion of stock back and paid a $5 billion dividend.

This year, we continued the dividend, increased it and we bought $3 billion in the first quarter. So we'll just have to wait and see. Hopefully, your number is very low, and it will be more than that. But I think I look at it all driving to what's the stock, and we look at it over a long period of time. And we have the annual meeting coming up. I always say this. So I'm familiar with this stat. We went public in 1972 when my dad took the company public. If you bought the stock then versus bought the S&P 500, you'd be 12x better over 50-plus years. So that's in the very highest vanguard of returns over a long period of time by trying to acolyte long-term investors, but really with a lens to returning capital and investing in new growth businesses.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

Well, I can't thank you enough for being with us today. It's always a pleasure to hear you talk about the industry and the company, and I look forward to doing this again for another 20 years.

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

Sounds like a plan.

Craig Eder Moffett - *MoffettNathanson LLC - Co-Founder, Founding Partner & Senior Research Analyst*

Thank you. That's great.
