



## Comcast Reports 2006 Results and Outlook for 2007

- Announces 3-for-2 Stock Split Triple Play and superior products power record-setting results
- 4th Quarter Cable Revenue increased 14%
- Cable Operating Cash Flow increased 17% Added 5 Million RGUs in 2006 - up 69%
- Cable Revenue up 12%
- Cable Operating Cash Flow up 15%
- Expects Another Record-Setting Year in 2007 - 6.5 Million New RGUs
- Minimum 14% Cable Operating Cash Flow Growth

PHILADELPHIA, Feb. 1 /PRNewswire-FirstCall/ -- Comcast Corporation (Nasdaq: CMCSA, CMCSK) today reported results for the quarter and the year ended December 31, 2006. The following table highlights financial and operational results (dollars in millions, except per share amounts; units in thousands):

Consolidated	4Q06	2006	Growth	
			Quarter	Year
Revenue	\$7,031	\$24,966	30%	18%
Operating Cash Flow(1)	\$2,594	\$9,442	30%	19%
Operating Income(1)	\$1,218	\$4,619	43%	31%
Earnings per Share(1)	\$0.18	\$1.19	200%	183%
Pro Forma Cable(2)				
Revenue	\$6,894	\$26,339	14%	12%
Operating Cash Flow	\$2,749	\$10,511	17%	15%
Revenue Generating Unit Additions	1,632	5,026	77%	69%

Brian L. Roberts, Chairman and CEO of Comcast Corporation, said, "2006 was simply our best year ever. Powered by our triple play offering and superior products, we added more RGUs than at any other time in our history and reported terrific growth in cable revenue and Operating Cash Flow. This record-setting performance demonstrates substantial operating momentum, and we could not be more enthusiastic about the future. Looking ahead, we are perfectly positioned to continue to offer consumers the best entertainment and communications value proposition available anywhere, and to continue to deliver significant value to our shareholders."

Mr. Roberts added, "Reflecting our strong results and outlook, our Board of Directors authorized a 3-for-2 stock split - the 11th stock split in our company's history."

### Pro Forma Cable Segment Results(2)

Year ended December 31, 2006

Cable results are presented as if the acquisition of Susquehanna Communications and the Adelphia/Time Warner transactions were effective on January 1, 2005. Cable results also include the results of the Houston, TX cable systems received with the dissolution of the Texas/Kansas City cable partnership as if that transaction was effective on January 1, 2005. (See note 2 for additional details).

Revenue increased 12% to \$26.3 billion for the year reflecting increasing consumer demand for Comcast's services and the success of Comcast's Triple Play offer.

Revenue generating units (RGUs)(3) increased 69%, or a record 5.0 million from prior year net additions of 3.0 million, to end the year at 50.8 million RGUs.

Operating Cash Flow (as defined in Table 7) grew 15% to \$10.5 billion resulting in an Operating Cash Flow margin of 39.9%, an increase from the 38.8% reported last year. The margin improvement reflects strong revenue growth and our continuing success in controlling the growth of operating costs. In 2006, programming expense increased 8% to \$5.4 billion, Comcast hired and trained 6,500 new employees to support higher service and installation activity that resulted from record RGU additions and integrated lower-margin operations received with the cable system acquisitions.

- Video
- Added 1.9 million new digital cable subscribers in 2006 - 59% above last year
  - Added 80,000 basic cable subscribers during 2006 compared to a loss of 141,000 in the prior year

Video revenue increased 8% to \$16.6 billion in 2006, reflecting growth in both basic and digital cable customers and increased demand for advanced digital features including ON DEMAND, digital video recorders (DVRs) and HDTV programming, as well as higher basic cable pricing.

Basic cable subscribers increased by 80,000 to 24.2 million during 2006 with 12.7 million or 52% of video customers taking digital cable services. Comcast added 1.9 million digital cable customers in 2006, an increase of 59% from the 1.2 million digital cable customers added in 2005. The digital cable customer additions in 2006 include 900,000 digital cable and 1.0 million Digital Starter subscribers. During the year, 1.5 million digital cable customers subscribed to advanced services, like DVR and HDTV, either by upgrading their digital cable service or as new customers. Customers subscribing to digital cable with advanced services pay \$75 or more per month, 15% more than the average Comcast Digital Cable subscriber. Growth in video revenue also reflects increasing ON DEMAND movie purchases. Pay-per-view revenue increased 27% to \$633 million in 2006.

- High-Speed Internet
- Added 1.9 million high-speed Internet subscribers during 2006 - highest level of annual additions in Company history

High-speed Internet revenues increased 23% to \$5.5 billion in 2006, reflecting a 1.9 million or 19% increase in subscribers from the prior year and relatively stable average monthly revenue per subscriber. Comcast ended 2006 with 11.5 million high-speed Internet subscribers or 25% penetration of our footprint.

- Phone
- Added over 1.5 million Comcast Digital Voice (CDV) customers compared to 290,000 in the prior year
  - CDV service now marketed to 32 million homes representing 68% of Comcast's footprint

Phone revenue increased 45% to \$955 million due to significant growth in CDV subscriber additions, offset by a \$132 million decline in circuit-switched phone revenues as Comcast primarily focuses on marketing CDV in most markets. Comcast ended 2006 with a total of 1.9 million CDV customers or 5.7% of available homes.

Advertising revenue increased 13% to \$1.7 billion in 2006 when compared to 2005, reflecting strong political advertising growth in the second half of 2006. Comcast reported political advertising revenue of more than \$90 million in 2006.

Capital expenditures of \$4.6 billion increased 15% in 2006 reflecting primarily the record increase in RGU additions during the year. Comcast added 69% more RGUs in 2006 than 2005. Consistent with historical trends, approximately 75% of cable capital expenditures were variable and directly associated with demand for new products in 2006.

Comcast delivered strong cable results as compared to the annual guidance updated on October 26, 2006:

	Guidance	Results
	10-11%	12%
Revenue growth	At least 13%	15%
Operating Cash Flow growth	Approximately 6%	69%
RGU addition growth	Approximately \$4.5 billion	\$4.6 billion
Capital expenditures		

- Fourth Quarter 2006
- Added 1.6 million RGUs during the quarter - most quarterly additions in Company history
  - Record RGU additions fueled 14% growth in revenue and 17% growth in Operating Cash Flow

Comcast Cable reported revenue of \$6.9 billion in the fourth quarter of 2006, an increase of 14% from the prior year. Video revenue increased 9% reflecting growth in both basic and digital cable customers and increased demand for advanced digital features, such as DVR and HDTV. Comcast Cable added 613,000 digital cable subscribers and 110,000 basic cable subscribers during the fourth quarter of 2006, each representing the highest quarterly additions in more than 10 years. Driven by increasing ON DEMAND movie purchases, pay-per-view revenue increased 24% to \$159 million in 2006. Pay-per-view revenue has increased more than 20% on average for the past eight quarters.

High-speed Internet revenues increased 23% in the quarter to \$1.5 billion. The strong growth includes the addition of 488,000 high-speed Internet subscribers, a 12% increase from the same period last year and relatively stable monthly revenue per subscriber. Cable phone revenue increased 77% in the fourth quarter of 2006 to \$302 million reflecting the addition of 508,000 CDV customers offset by the decline of 87,000 circuit-switched customers during the quarter.

Advertising revenue increased 26% to \$501 million in the fourth quarter of 2006, reflecting double-digit growth in local and regional/national advertising, as well as a five-fold increase in political advertising to \$54 million principally associated with the fall 2006 elections.

Operating Cash Flow grew 17% to \$2.7 billion during the quarter, reflecting strong revenue growth and the Company's success in controlling the growth of operating costs, even as we experience higher service and installation activity from record RGU additions and integrate recently acquired cable systems. Operating Cash Flow margin for the quarter was 39.9% compared to 38.9% one year ago.

Comcast Cable capital expenditures of \$1.4 billion for the quarter were 43% higher than the fourth quarter of 2005 driven by the record RGU additions during the period. Comcast added 77% more RGUs in the fourth quarter of 2006 than 2005.

### Programming Segment Results(4)

Comcast's Programming segment consists of our national programming networks E! Entertainment Television and Style Network (E! Networks), The Golf Channel, VERSUS (formerly OLN), G4 and AZN Television.

The Programming segment reported 2006 revenue of \$1.1 billion, a 15% increase from 2005, reflecting increases in network ratings, advertising and distribution revenue. Operating Cash Flow decreased 11% to \$241 million in 2006, reflecting investments in programming at all our networks, particularly programming and production expenses related to VERSUS' coverage of the National Hockey League.

For the fourth quarter of 2006, Comcast's Programming segment reported revenue of \$283 million, a 21% increase compared to the prior year and Operating Cash Flow of \$43 million, an increase of 35% from the same period last year reflecting increases in network ratings, advertising revenue and distribution revenue.

### Corporate and Other(4)

Corporate and Other includes Comcast Spectacor, corporate overhead and other operations, and eliminations between Comcast's businesses. In 2006, Comcast reported Corporate and Other revenue of \$203 million and an Operating Cash Flow loss of \$362 million, as compared to revenue of \$170 million and an Operating Cash Flow loss of \$313 million in 2005.

For the quarter ended December 31, 2006, Corporate and Other revenue increased to \$90 million from the \$72 million reported in 2005. The Operating Cash Flow loss for the fourth quarter of 2006 was \$109 million compared to a loss of \$77 million in 2005.

### Consolidated Results

Year ended December 31, 2006

Consolidated results include all acquisitions as of the date of their closing. Comcast acquired Susquehanna Communications in April 2006 and completed the Adelphia/Time Warner transactions in July 2006. As part of the Adelphia/Time Warner transactions Comcast transferred cable systems serving Los Angeles, Dallas and Cleveland to Time Warner (presented as discontinued operations for all periods). Consolidated results, as of December 31, 2006, include our interest in the Texas/Kansas City cable partnership as an equity method investment.

Revenue increased 18% in 2006 to \$25.0 billion while Operating Cash Flow(1) increased 19% to \$9.4 billion and Operating Income increased 31% to \$4.6 billion. This significant growth was due to strong results at Comcast Cable and the impact of cable system acquisitions in 2006.

Net Income increased to \$2.5 billion, or \$1.19 per share, in 2006, compared to net income of \$928 million or \$0.42 per share in 2005. In addition to strong operating results at Comcast Cable, the year includes an estimated one-time gain, included in investment income, of \$646 million (or \$405 million net of tax) related to the Adelphia/Time Warner transactions. Also included in this year's results is a one-time gain of \$195 million, net of tax, on discontinued operations related to the transfer of cable systems to Time Warner. Excluding these gains and reconciled in Table 7-C, Adjusted Net Income for 2006 would be \$1.9 billion or \$0.90 per share.

Net Cash Provided by Operating Activities increased to \$6.6 billion in 2006 from \$4.8 billion in 2005 due primarily to stronger operating results, the cable system acquisitions and changes in operating assets and liabilities.

Free Cash Flow (described further on Table 4) increased \$628 million to \$2.6 billion in 2006 compared to \$2.0 billion in 2005, due primarily to growth in consolidated Operating Cash Flow, the cable system acquisitions and changes in working capital.

#### Fourth Quarter 2006

Driven by strong results at Comcast Cable and the impact of cable acquisitions in 2006, Comcast reported consolidated revenue of \$7.0 billion, an increase of 30%, in the fourth quarter of 2006 while consolidated Operating Cash Flow(1) increased 30% to \$2.6 billion. Consolidated operating income

increased 43% to \$1.2 billion in the fourth quarter of 2006 compared to \$849 million reported in 2005.

Net income increased to \$390 million, or \$0.18 per share, for the fourth quarter of 2006 compared to net income of \$133 million, or \$0.06 per share, in the prior year. Strong operating results at Comcast Cable contributed to the growth in net income. Included in this quarter's results are two adjustments reducing the gains recorded on the Adelphia/Time Warner transactions in the third quarter of 2006. These reductions represent a refinement of estimated gains due primarily to updated valuations. The first adjustment, included in investment income, is \$49 million (or \$30 million net of tax). The second is an adjustment of \$39 million net of tax on the gain on discontinued operations related to the transfer of cable systems to Time Warner. Excluding these adjustments and reconciled in Table 7-C, Adjusted Net Income for the fourth quarter of 2006 would be \$459 million or \$0.21 per share.

#### Pro Forma Consolidated Results(5)

Pro forma consolidated results are presented as if the acquisition of Susquehanna Communications and the Adelphia/Time Warner transactions were effective on January 1, 2005. Pro forma consolidated results also include the results of the Houston, TX cable systems received with the dissolution of the Texas/Kansas City cable partnership as if that transaction was effective on January 1, 2005 as well. (See note 2 for additional details).

Revenue increased 12% to \$27.6 billion in 2006 while Operating Cash Flow increased 14% to \$10.4 billion for the year reflecting record setting results at Comcast Cable.

Comcast delivered strong consolidated results as compared to the annual guidance updated on October 26, 2006:

	Guidance	Results
Revenue growth(5)	10-11%	12%
Operating Cash Flow growth(5)	At least 12%	14%
Free Cash Flow Conversion	25-30%	28%

#### Share Repurchase Program

In 2006, Comcast repurchased \$2.3 billion or 75.4 million Class A Special Common (CMCSK) shares, reducing the number of total shares outstanding by more than 3%. Comcast repurchased \$447 million or 11.2 million shares of its CMCSK stock during the fourth quarter of 2006.

Availability under the Company's stock repurchase program, as of December 31, 2006, is \$3.0 billion. Comcast expects that repurchases continue from time to time in the open market or in private transactions, subject to market conditions.

Since the inception of the repurchase program in December 2003, the Company has invested \$7.4 billion in its common stock and related securities, reducing the number of shares outstanding by 11%. These investments include repurchasing \$6.0 billion or 202.3 million shares of common stock and redeeming several debt issues for \$1.4 billion that were exchangeable into 47.3 million shares of common stock. The share amounts above are not adjusted for today's announced stock split.

#### 2007 Financial Outlook

- Cable revenue growth of at least 12%(2)
- Cable Operating Cash Flow growth of at least 14%(2)
- Cable RGU net additions of approximately 6.5 million, 30% above 2006 RGU net additions(2) of 5 million
  - RGU outlook includes an expected decrease of 500,000 circuit-switched phone RGUs
- Cable capital expenditures of approximately \$5.7 billion, including commercial services capital expenditures of approximately \$250 million
- Corporate and other capital expenditures of approximately \$250 million primarily due to the relocation of Comcast's headquarters
- Consolidated revenue growth of at least 11%(5)
- Consolidated Operating Cash Flow growth of at least 13%(5)
- Consolidated Free Cash Flow approximately the same as 2006

#### Notes:

- (1) Operating Cash Flow percentage growth is adjusted as if stock options had been expensed in 2005. Operating income and earnings per share percentage growth are unadjusted. Per share amounts are not adjusted for today's announced stock split. See Tables 7-A and 7-B for reconciliation of "as adjusted" financial data.
- (2) Cable results are presented on a pro forma, as adjusted, basis. Pro forma results adjust only for certain acquisitions and dispositions, including Susquehanna Communications (April 2006), the Adelphia/Time Warner transactions (July 2006) and the dissolution of the Texas/Kansas City cable partnership (effective January 1, 2007). Effective August 1, 2006, our economic interest in the Texas/Kansas City cable partnership tracked solely the performance of the Houston, TX cable systems. Accordingly, we included the systems' results in Cable pro forma data. Cable results are presented as if the transactions noted above were effective on January 1, 2005. The net impact of these transactions was to increase the number of basic cable subscribers by 2.6 million. These "As Adjusted" results are presented as if stock options had been expensed in 2005. Please refer to Tables 7-A and 7-B for a reconciliation of pro forma, "As Adjusted" financial data.
- (3) Represents the sum of basic and digital cable, high-speed Internet and net phone subscribers, excluding additional outlets. Subscriptions to DVR and/or HDTV services by existing Comcast Digital Cable customers do not result in additional RGUs.
- (4) Operating Cash Flow adjusted as if stock options had been expensed in 2005.
- (5) Pro forma consolidated results are presented on a pro forma, as adjusted, basis as described in note 2.

#### Conference Call Information

Comcast Corporation will host a conference call with the financial community today, February 1, 2007 at 8:30 a.m. Eastern Time (ET). The conference call will be broadcast live on the Company's Investor Relations website at <http://www.cmcsa.com> or <http://www.cmcsk.com>. A recording of the call will be available on the Investor Relations website starting at 12:30 p.m. ET on Thursday, February 1, 2007. To participate via telephone, please dial (800) 263-8495 with the conference ID number 5668483. A telephone replay will begin immediately following the call and will be available until Friday, February 2, 2007 at midnight Eastern Time (ET). To access the rebroadcast, please dial (800) 642-1687 and enter passcode number 5668483. To automatically receive Comcast financial news by email, please visit <http://www.cmcsa.com> or <http://www.cmcsk.com> and subscribe to email alerts.

This press release contains forward-looking statements. Readers are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual events or our actual results to differ materially from those expressed in any such forward-looking statements. Readers are directed to Comcast's periodic and other reports filed with the Securities and Exchange Commission (SEC) for a description of such risks and uncertainties.

In this discussion, we sometimes refer to financial measures that are not presented according to generally accepted accounting principles in the U.S. (GAAP). Certain of these measures are considered "non-GAAP financial measures" under the SEC regulations; those rules require the supplemental explanations and reconciliations provided in Table 7 of this release. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

#### About Comcast:

Comcast Corporation (Nasdaq: CMCSA, CMCSK) (<http://www.comcast.com>) is the nation's leading provider of cable, entertainment and communications products and services. With 24.2 million cable customers, 11.5 million high-speed Internet customers, and 2.5 million voice customers, Comcast is principally involved in the development, management and operation of broadband cable networks and in the delivery of programming content. Comcast's programming networks and investments include E! Entertainment Television, Style Network, The Golf Channel, VERSUS (formerly OLN), G4, AZN Television, PBS KIDS Sprout, TV One and four regional Comcast SportsNets. Comcast also has a majority ownership in Comcast-Spectator, whose major holdings include the Philadelphia Flyers NHL hockey team, the Philadelphia 76ers NBA basketball team and two large multipurpose arenas in Philadelphia.

[Click here to view financial tables](#)