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PRESENTATION

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

Good morning, everybody. Welcome back to our 2021 Virtual TMT Conference here on day 3. Quick disclosure statement. For important disclosures, please see the Morgan Stanley research disclosure website at morganstanley.com/researchdisclosures. If you have any questions, please reach out to your Morgan Stanley sales representative.

QUESTIONS AND ANSWERS

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

This morning, we're really lucky and very fortunate to have with us for our key note conversation, Brian Roberts, the Chairman and CEO of Comcast. I'm sure you're all aware, but Comcast is the nation's largest Internet service provider as well as the owner of NBCUniversal and Sky, 2 of the world's leading media and entertainment companies.

Brian, good morning. Thank you for joining us bright and early. It's great to see you.

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

Great to see you, Ben. Thanks for having me.

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

Absolutely. As this conference has been approaching, everyone's been saying the same thing, which is that was the last time we all were together, which is unbelievable when you think about the past year.

I would love to hear your perspective, when you look back at 2020 and the early parts of 2021, what would you say you learned about the business and Comcast? And what do you take going forward that impacts sort of how you run the business and operate going forward?

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

It is hard to believe. It was the Morgan Stanley conference -- actually was the first time it was a "should I, shouldn't I travel to the event" and here we are. And so first of all, I'm glad you're healthy and well and you are. But obviously, it's been tough for many people around the world and certainly in our company. So our hearts go out to those families who've been really affected by this.

As I step back, I kind of think it was an amazing year for our company and for so many of us personally. We stepped back. We used the moment, I think, wisely to try to accelerate changes that maybe we were already thinking about and some new ones, that opportunities were just forced upon us to have to make decisions. I'd like to think we've come out leaner, more focused, and we have a great innovation road map ahead. We really wanted to think about, from a customer standpoint, how could we serve them better? What products do they really want? What's changing in their life? And how do we get ourselves positioned to be that company you want to do business with?

So it was also a year where we saw a confirmation of previous decisions we had made. So in 2020, we basically were -- had made about $15 billion worth of capital investment in our cable business since the beginning of 2017, $15 billion. Then all of a sudden, the world changes. And in the first -- worst of the first 4 months of COVID, we saw 2 years' worth of traffic growth in 4 months and yet we delivered above advertised speeds to, as you just said, the largest Internet customer base in the country, including the areas most affected by COVID. We had the best customer results in our history, 2 million basically net broadband additions, 1.6 million new customer relationships. Our EBITDA in Cable was up 9%, and our net cash flow was up 16%.

We also -- and I'm sure we'll get into, we launched Peacock very successfully. We really hit new milestones with Flex, our streaming box for broadband-only customers. And we really brought artificial intelligence into our customer service operation in full bore. So our self-help digital tools and are self-installation were at unprecedented levels. So I think we're engineered for success.

We also took the moment to step back and figure out how we could be a company that's investing in our communities, with our employees. It was a year of tremendous change, so the first thing we did was commit $100 million to the social justice. We created projects and initiatives, a number of them thought of by our employees, certainly not by me, such as Comcast RISE, our small business program where we're going back to, in many cases, black-owned companies who need a boost coming out of the pandemic and Internet Essentials, where we go into underserved communities and we have the nation's #1 broadband program to help stay connected. We help people who couldn't afford to pay their bills during this time. We have a new Chief Diversity Officer. I'm really excited about Dalila, her promotion. And we created lift zones for people who, for whatever reason, don't want the Internet in their house can, over 1,000 sites, we hope, by the end of this year, people can go and just have Internet for free all day long and get education and use.

So our customer satisfaction and our brand values came out of this at all-time highs. So I think we're focused. We're certainly not perfect, we made mistakes. But we've worked really hard to evolve. And as I step back, I'm really proud of where we are and where we're going.

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

That's a great intro. Last year, Brian, I think you laid out sort of this three-pronged strategy for the company, broadband, aggregation and streaming. And I wanted to ask you about that strategy in the context of scale, which is a huge focus for investors as you can imagine at Comcast. How do you think about the right level of scale at Comcast, especially in the context of that strategy, which at least I would argue, could be viewed as a global strategy?

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

Well, I think we have scale. And just to start, we have 57 million customers who pay us $100 or more per month. We -- across all our brands and products, if you added it up, we actually have over -- we touch over 200 million people globally every month. So we're relevant, which I think is what scale is all about. And we do recognize it's a competitive and dynamic and complex environment. But I think we've put together a unique company. And if you look at those 3 things, broadband, aggregation and streaming, we're really a leader in all 3.

In the first 2, broadband and aggregation, I don't think there's anyone that is close to delivering the products that we have. Our broadband speeds, our user interfaces, our customer satisfaction and the value you get. I think in aggregation, it's our voice remote, which we now have across television and Internet-only customers and streaming. And with streaming service itself, Peacock had a fantastic launch, and we're just a few months into it.

And so I think we have that scale to do that both domestically and globally with Sky. We were able, with Dana Strong now running Sky, to imagine even more tight integration as a technology matter on a global footprint. And we're going to work -- and I guess what I'd think of today that we'll talk about, hopefully, a bit is the road ahead. But what our strategy is to have a drumbeat of new initiatives in all 3 of those categories. And we have the scale and the resources to do that. And our history has shown that that's how we've created most of our shareholder value. And we certainly feel that that's the opportunity ahead.

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

Yes. Well, let's talk about streaming a little bit more and Peacock. That's another event that was in the before times. It wasn't that long ago that we gathered in New York for your Peacock unveiling, but it feels like a long time ago. Can you tell us a little bit about how that business performed versus your internal expectations? And now that you've had some time with the product and the business, what are your ambitions for Peacock longer term?

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

Well, I think, first of all, I saw a great stat the other day in a meeting that the Peacock team showed me. The second fastest-growing brand during COVID was Peacock. The first, Zoom. So step back -- and think about how much your world can change in a very short order. And do you have the tools, resources and attitude to execute? So in the case of Peacock, we were super excited, but it was a spreadsheet plan, and then it had to go into reality in the middle of pandemic.

We said at earnings, we have 33 million sign-ups. We couldn't have done it -- that's probably 50% more than we initially expected at this stage. Our advertising targets, our advertising commitments, we've exceeded those targets. And our team is now taking advantage of this momentum to rethink, can we accelerate? Should we -- how do we ramp up? Invest more possibly, which I think takes advantage of the better start.

I don't have news today to say here's a specific new point of view, but I would say that during this year, one of my goals and one of our team's goals is to really step back and come back with, okay, now that we had this start better than we expected, what are we going to do about that? And we've seen, obviously, in the marketplace, consumers' adoption going even faster. We see that with our Flex boxes and in our Cable business, with usage and how well we've integrated streaming with our customers. And so we're not on every platform yet with Peacock, we're on most. We hope and believe we'll get to all the major platforms soon. And Peacock has definitely benefited from being part of Sky and being part of Comcast Cable whether it was the original technology creation or the content procurement. I look at getting more of our content back from Hulu. There's a lot of opportunity, the Olympics, all on the road map ahead. So really pleased so far.

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

That's great. That's great to hear. Let's shift to the Cable business, which you touched on earlier, Brian, the year that it had last year, almost 2 million broadband net additions. And it was clear from your call -- your earnings call that even in a market that's 80% penetrated where you're seeing more fiber competition from the likes of AT&T, we have 5G wireless, which people are concerned about, you guys remain very bullish on this business and this product. What are you and Dave and the team doing to maintain a leadership position in the broadband business, particularly in the U.S.?

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

Well, we -- let me start by saying, I think Dave Watson is doing a fantastic job leading our cable company. He's been with us for over 20 years in many different capacities. And I think he's found the sweet spot, he and the management team.

We've had consistent performance for those 20 years. And we're now -- had 15 straight years with over 1 million net adds in different competitive markets when fiber is being built, with different iterations of our own product. And so I'm pleased that we're able to adjust and stay focused. And we're off to a good start in the first quarter. So the momentum continues.

I think we're ready to compete with whatever comes next. A couple of years ago, I think, I said at a conference and publicly that we pivoted, not only from video to broadband, but the whole innovation machine. We've increased speeds, for instance, 20 years in a row, 20 times. But we also have added control and security and new gateways. And now with Peacock and now with Flex, all that value. So the definition of broadband keeps changing and what customers are doing with broadband obviously keeps changing. So I'm bullish because I think that trend continues. I think people will reinvent. We'll sit here 10 years from now, 5 years from now and broadband will mean something different than it does today. That's the hope. And we certainly want to be the company that you rely on to make those connections and that is helping you make it simple. So we're not dismissive. We're not complacent. We know we've competed, and we know how to do that, and we're improving our product.

During COVID, some of the technology we deployed are things in the weeds, but different versions of the latest Wi-Fi, getting ready for personalized experience with that Wi-Fi for each customer, you know what you're consuming, what your kids are consuming. You can make changes to it. You have much more detail. We will have more announcements throughout this year on our broadband innovation. But we've taken that whole Comcast Technology Center that I know you've seen and been to, and we've pivoted a lot of it to thinking about the future of broadband.

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

That's great. Another area of cable success that the market has rewarded you guys for and is looking forward to more of is margin expansion. Capital intensity is coming down. It's just been a great cash flow growth driver even last year or especially last year, I guess, would be a better way to put it. Some of that's mix in the Cable business towards broadband, but you guys have been really working hard on the efficiency front. But I'm wondering if you could just talk about, again, you and Dave and the team, if there's still runway left to make the business more efficient and drive margins and free cash flow going forward?

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

Absolutely. I think we feel there is. You're right. First thing is shifting from video dependency to a broadband business that is a different margin. Over the last 3 years, the margins have improved 350 basis points. And the thing that I'm most impressed by that stat is that we increased our customer relationships by 4 million and launched a wireless business, and yet still improved the margins that much.

I think that the digital tools, the more efficient back office allowed us to do -- another stat that we drew together for today, if you take the last 5 years, we've taken 37% or almost 100 million calls out of the systems. And we reduced truck rolls by 25%. Yet customer relationships went up 20% in the same 5 years. We still have 150 million transactions a year. So I think our team looks at it -- we have a long runway and a great success and culture now that every time we do this, not only we're able to then make it more efficient for customers, so our Net Promoter Scores are up 20 points. That's a virtuous cycle that I think the whole company is in.

So we're not going to stop investing in the growth initiatives. We're excited about Flex and business services and mobile. But we're maintaining aggressive strategy around connects and churn and cost management. Mike Cavanagh, our CFO, at earnings said, we're confident in our ability to increase profitability, expand margin and improve capital intensity in 2021 and beyond. So I want to reaffirm that that's how we feel.

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

That's great. As we think about broadband, you made the point, Brian, that it's more than speed, and you guys have been adding a lot. It's sort of interesting that video is sort of the new way you and others are trying to differentiate broadband. I mean it's sort of back to the future a little bit. But talk about Flex, that's a product that arguably disrupts a legacy business, but yet you guys are clearly doubling or tripling down on Flex. What's the outlook and plan there?

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

Well, again, a long time ago, we made a decision a long time -- maybe in the last 5 years -- we're going to do what's right for the customer. Haven't always had that point of view, perhaps, as articulated as well as it is now internally. And so I'm pleased to say that last week, we crossed 3 million Flex boxes for the first time. That's a great milestone for us.

I think we look at sort of 3 things what Flex does. To your question, first of all, it gives you those video entertainment choices that, that is what people now want. So it is the new television. Second, we get about a 15% to 20% reduction in churn in customers who engage. And we're about 50% engagement with the people who have Flex. So that's an opportunity to increase that engagement and take advantage of the fact that they then think more highly of the company and churn less.

But it's also a platform for future relationships and opportunities in R&D. I think we have the best aggregation tools in the country. You want our products. That's a great place to start, not you have to have our products. And I think we're going to have announcements also this year around Flex and streaming aggregation, and so stay tuned for that.

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

Okay. One of the things I noticed, and I'm sure I wasn't the only one on the last call, Brian, is you guys sounded, I thought, more ambitious or more enthusiastic about wireless than I had heard in the past. Not that you weren't before, but I think you used the phrase, "this is a strategic priority for us" in your prepared remarks. We try to pay attention to those things. And you also noted your Verizon relationship has been expanded. What's going on in the wireless business for Comcast? And why does it -- why is this more interesting or more exciting today than it's been in the past perhaps?

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

I'm glad you're paying attention to our prepared remarks. Marci will be very pleased to hear that. So look, you start, again, thinking about it as a customer and the next generation of customers and all customers. Your mobile device is as important as your broadband connection. It's as important as your television, some days, more important, less important, depends how you're feeling and your connectivity, like this kind of conversation. So we needed to recognize that and make it a priority. What we found in the early years is that we also get -- just as we said about Flex -- we got a 20 basis point reduction in churn for a customer who takes wireless. And we saw this back in the early days of triple play. We're saving you money and giving you as good or better product than what you had before we saved you money.

And so in the mix of our products, some are premium to the market, and some are a great value. So if we can have a bundle that gives you both, and so with Verizon wireless, we start with the MVNO relationship.

You're talking about the, in my opinion, the premier product. We then are able to make it Xfinity Mobile, enhance with our own prioritization of Wi-Fi in your life and our great broadband connection, we only offer it to our broadband customers. We wanted to make the wireless available to small businesses. That wasn't something we were doing previously. So we sat down and had a very constructive dialogue. And while I don't, again, today, have the fruit of that conversation for you, but what I can say is in several weeks, we will be able to come back with evidence of why we believe this will increase our sales and increase our velocity in the wireless business. And therefore, you can assume that we're talking about different kinds of packaging and pricing that is beneficial to customers who take our products, and do so in a way where we continue to have a profitable business offering that. That's the advantage of the wireless scale that we're starting to get. We work very constructively with Charter and Verizon. We also can't talk about auctions and such, but we've said historically that our goal is to eventually be able to have a mix between the MVNO and offloading dense areas, and I think we have a path to do all of that. So I think that's the reason we said that a the earnings that we see it not only important to customers, we have a road map to be even more competitive and bring more value to customers and do so in a way that's great for shareholders. So net-net, we're playing offense and looking forward to this year and some more announcements to come.

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

Great. Why don't we shift gears to NBCUniversal? And cable continues to crank along at Comcast and at the industry level. Media, as you know, has gone through some -- and is about to go through some pretty massive disruption and changes. And you had new leadership there as well in 2020. We saw this business, since you bought it back in 2010, grow substantially over the next decade. But the business is clearly going through a lot of changes. When you look forward, what gets you excited about the prospects of NBCUniversal? What does the next decade look like for that business?

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

Well, just as we weren't completely right 10 years before of what we thought the answer to that and what happened, part of it is if you have a great company with smart people, over a 10-year period, they're going to find ways to win. And that's not always true in every business, but I'm pretty excited about what's happening in media. Yes, it's changing. But people are consuming more. There's never been a better golden age to watch and be informed and entertained than right this second. And we're a super relevant company with 100-year tradition in the case of Universal and a global footprint. And you add Sky and Sky Studios to that, our capabilities have never been greater.

So what are the opportunities? Well, I'd probably pick 2, just top of mind. Parks, clearly, were the fastest-growing part of the company for that 10 years you just talked about. Theme parks, I'm talking about, obviously. And right now, last year, they were shut or virtually shut. So we have nowhere to go but up. And I'm really pleased today to say that we're about to resume. We're announcing we're going to resume construction of our fourth gate in Orlando, which we call Epic Universe, which is super exciting whole new park down near the Convention Center, right outside. And a short 10-, 12-minute ride from the Universal you know today.

It takes years to ramp. It won't have much impact to 2021. But we had paused that during COVID until we felt confident enough that there was a road that we could see to resumption of a great business. And we feel that way. If we look around the world, we're feeling better about California, beginning the stages to get to catch up to Orlando. We see in Osaka, we're about to open Nintendo World. It is unlike any attraction, I think, in any park, and I'm so excited to get over myself to see it. But we've had years in the planning, a great partnership with Nintendo, credible intellectual property. And as we expect, we're already under construction to bring that to the U.S. and California and to Epic Universe. We have high, high hopes for what it means. It's a whole new interactive gaming experience.

And then, of course, there's Beijing which amazingly stayed on track during COVID, and we expect to open early summer or during the summer this year in Beijing. It will be the newest and perhaps finest theme park Universal has ever built. The team has had to overcome enormous logistical challenges and still many ahead. Then we have a new roller coaster, Jurassic roller coaster in Orlando that was under construction when COVID shut down. That will be complete. And California, Secret Life of Pets. So we've been investing in parks and hotels. So as we look to that next 10 years, it's hard not to see an exciting road map ahead for the parks business.

And then the second area is obviously streaming. I'll make 2 points there, a couple of points. One, we own 1/3 of Hulu, and that has been a tremendous company. We have an exit opportunity in a couple of years, and that's going to create -- is creating real value for Comcast shareholders, which I don't know whether it's reflected in our price or not in the stock. But the opportunity to get a lot of cash from Hulu is coming our way and then to redeploy the content, as I mentioned earlier, from Hulu -- we have a flexible -- we control the flexibility and the timing of when to bring that on a nonexclusive basis, on an exclusive basis, in many cases, over the many years ahead.

So we're looking at streaming and saying, do we have the piece parts? I think we do. We're looking at other companies. We're looking at consumers. Is it a winner take all? Or is it you need to be relevant and have content your customers want and they find you? And that's what we found so far, big time, whether it was licensed content like Yellowstone or original content, like SNL, or coming up content like the Olympics and just a long road ahead for this company with our resources to find a way to make Peacock one of the must-have streaming services and evolve as the market evolves.

So I'll then just touch on movies and studios for a second. We had a great run, have had a great run. The model appears to be changing. I think Jeff Shell has done a fabulous job reimagining the whole company. And we've had a wonderful transition. I give great credit to Steve Burke for having the management team with Mark Lazarus and others, along with Jeff, ready to take new roles. But Donna Langley and the Universal film division went and restructured our deals with the exhibitors. And as we come out of COVID and then hopefully some this summer, you're going to see a hybrid model where consumers can consume in their home and take advantage of the tens of millions of cable boxes and streaming boxes we put in your home that allow you to watch when you want to watch from your home, but the same incredible movie theater experience that I think many of us long to get back to.

So I think we're set up for success, and we've got a transition that's behind us and a team that is working really well. So I'm excited for NBCUniversal. And layering in Sky into that whole global content picture only makes it better.

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

That's good. It's great. I want to broaden out your comment on NBC and Sky and focusing in on sports because that's been a huge part of the success at NBC and, in particular, Sky. Over time, there's obviously a lot of focus on the NFL right now. I think there'll be a Premier League auction, I presume, this year.

But cord-cutting is a reality, especially here in the U.S. So how does Jeff -- how do you and Jeff and the team think about balancing these costs and these long-term bets you're making with the realities around the ecosystem?

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

Well, I think you start with realism. And just as you're saying, you've got to take an honest look at where the value is and try to be honest with yourself on how you can pay for it and not -- and you're going to have to make hard decisions. So it's no different than the entertainment side and try to -- we made some hard decisions during the pandemic.

We restructured all of our cable nets, and we're merging NBC Sports Network and the USA Network so we have a much stronger 1 channel instead of 2 channels, and we'll have sports as part of the channel, but not exclusively on the channel. We're very excited about, hopefully, our relationship continuing with the NFL, that's a big priority. But there will be, therefore, tough decisions where we have relationships that maybe won't be continued. And that will be someone else's good fortune perhaps. But we're going to be disciplined in trying to find a balance so that it allows us to redirect assets to the conversation we're just having about streaming or other technologies that might emerge over the next few years that allow you to say, well, this is the right bet for us. And historically, it was that. And tomorrow, it is this. So we're looking at every sports relationship we're doing to have a streaming aspect to it, not just a linear television aspect. And we're using it as we did with Peacock, if you look at Premier League, you mentioned that, that is a great relationship, golf, WWE, all of those events are also on Peacock, as certainly we'll have with the Olympics.

Let me just take a second on Olympics. One of the things we did way back in the day was have all rights to all technology for the period up to 2032. And so as streaming has come along, we're very excited for this summer to bring a lot of the Olympics, not just to broadcast, not just to cable, as we've historically done to have Xfinity as a partner, Comcast as a partner of the Olympic movement, but also Peacock. And I think you'll see some great innovation around that.

And then, if I might, I think about the moment in time we're at and where we started from a year ago, and I think about potentially how emotional and exciting and important the Olympics could be this July for the world. If you take yesterday's announcement on exciting progress on vaccines, and you look on a global basis, the chance to -- for us to be the company to bring to the U.S. the emotion of the world coming back together. And hopefully, celebrating sport and our global society, you can get -- and the Paralympics game right on the heels of that is a pretty exciting opportunity for our company's soul and heart and what we bring to our customers and to our employees. So we're really high on what can happen with sports. There's nothing like sports. And if you look in the U.S. with the Olympics and the NFL and in U.K. with the Premier League, we're a very relevant company. But we're going to have to make some choices, and there will be choices we make with shareholders in mind and long-term value as well.

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

If I could follow-up, Brian, it feels like people are getting more and more, I guess, cautiously optimistic about the Olympics this summer. Do you think that makes sense from your perspective?

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

I'd like to say it's -- I can't be certain. It's not my decision. But I think it's not if, it's how. In other words, will there be what type of live spectators, exactly how it gets done may have a lot of variability. But I think we're getting past the point of if, and I'm very hopeful. And in my conversations with the leadership, there's an excitement that it is just what I described. This is the perfect moment for the world to come together and try to look beyond our individual and celebrate the incredible talent and passion and dedication that these Olympic athletes mean and to all of us every 4 years in the case of Summer Olympics.

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

Yes. And then uniquely, you'll have the Beijing Olympics actually not far after that.

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

Something like 7 months later in Beijing. And we're fortunate with our new park there to have an opportunity to just have the whole company, between Japan with Nintendo and then Beijing with the theme parks and films, such as Fast and Furious, you really get a sense of the company. We have a real presence in Asia, which is not often talked about, how big our franchises are over there and some of the tools we've created to grow those brands in the years ahead.

So yes, and we have a Super Bowl probably, hopefully, in between. So we're a company that's set up to have big events. It goes back to your last question. We don't have to have all events. We want to make those events meaningful in people's lives, so they really understand our company. And then there's a chance to then come experiment with other products, whether that's Peacock or whether that's some other channels we own and keep the growth going for many years.

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

I don't know if I'm ready for more Tom Brady. I think he's had enough Super Bowls already. That's just my own opinion as a New Yorker.

But anyway, shifting gears to Sky. Another area where the company where you've got new leadership with Dana moving, I guess, back to the U.K. but moving over to run Sky. There's guidance out there that you've reaffirmed to double EBITDA over time. Certainly, when I look at consensus estimates, they're not reflecting that. And that company has been through a challenging period, as I'm sure you'd acknowledge with COVID. What's the strategy to grow Sky and kind of deliver on the expectations that you guys have for that business?

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

Yes. Well, we're -- again, what you said, I would agree -- they've had challenges from COVID. There was uncertainty with Brexit, some regulatory things that happened on advertising.

All of that seems to be on a path, maybe a little behind the U.S. in terms of reopening. There were some dates given by the -- and speaking particularly in the U.K. And unlike our Cable business, a big portion of Sky's business or, as they call it, pubs and clubs, they're watching Sky Sports. And that's a great commercial business, and that's shuttered because there's no indoor dining. So we'll have to look to resumption. We kind of had this happen once before earlier in the year. And when they were reopened, they then closed again. When they were reopened, we found 99% of all our subscriptions came back. So that's what gives us that confidence that you're talking about. It's kind of like a theme park, in my mind. And when it's open, you know they have the goods. There's the viewing of Sky Sports, of Sky's programming were at record levels all during the pandemic. So much so that they added 150,000 customers throughout 2020. They maintained positive customer growth in every quarter. They had record low churn. And if you take out the business, I was just talking about the pubs and clubs, the ARPU rebounded. And they had a good rebound in the year, but it was a much more of a down to than an up. And that's very different than the U.S. Cable business.

They also clearly have a great product in streaming, that's how we were able to build Peacock so fast. They added customers every quarter and the ARPU grew 20%. So underneath, there's a lot of momentum. We're doubling, nearly doubling the amount of original content. So our dependency long term, back to some of the conversations, it's more than sports. Our original content in 2021 is exciting. We're building a studio for both NBC and Sky and Universal called Elstree and will open in 2022.

So, just as Steve Burke did a great job transitioning to Jeff Shell, Neil Smit with Dave Watson, I feel really proud and excited to have the transition that's happening right now between Jeremy Darroch, who helped build Sky into what it is, to Dana Strong, who I talked to last night on her way back from London, visited her family. She's off to a fantastic start. And well, over the course of this year, she'll come and go into greater depths on her views on Sky.

But there's a lot of positive trends, but it will have a little more impact on Sky in the first half of this year. And that's what we were telling investors. But nothing's changed as we look for the whole year. And if anything, we're -- we'll have some new product launches out of Sky. I think as you look to just as I said with Cable and with Flex and with wireless and with Peacock, we're looking at the same thing with Sky in its road map ahead.

And that's what I think defines our company, which is innovation, investment and ultimately operating execution. And I think that Sky will fit that mold, and we're looking forward to Dana's leadership.

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

Great. Brian, in the minutes we have left, I wanted to ask you sort of back up and think about the stock and the company. When I look -- and I'm not the only one, I'm sure, look at your business, we see a company that's going to grow faster than the market, trading at a pretty reasonable discount to the overall S&P. And I'm wondering, when you think about your portfolio, capital allocation, what are your plans to try to remove that discount and maximize shareholder value as we look forward?

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

Well, thank you. I hope you're right in your crystal ball for a long time. And I think that we have kind of different jobs, first job is to run the business and I read Jeff Bezos' interview or some of the recent articles about how he's focused on Amazon, and one thing he says is don't obsess on stock price. Obsess on your customers and your quality and your products and on the long term. I think we've tried to do that. But I look at our overall results since going public, and they've been in the top very small, single-digit percent of all companies out there. So I think in the fullness of time, there are these ebbs and flows, and it creates opportunities. And so my job is therefore to make sure we're telling investors as much as we know at that time, with as much passion as I can do so, so you can make judgments. I would start by saying that we paid down a lot of the debt from Sky. We're down to about $90 billion today total debt. And we really don't have a need to access the capital markets. We see interest rates at historic lows, and we wanted to forward borrow so that if there is a short-term spike or something, it doesn't affect us.

We've tried to have what we call balance, which is invest in your business, the $15 billion in broadband that allowed us to succeed during the pandemic. We've had 13 straight years of dividend increases and have been paying a dividend since we started it, and then buying back stock. In the last 17 years, we bought stock in all but 2, and those are the last 2 years. So it's understandable that it's not balanced. And it's also perhaps why you can look at things. So we believe that's the formula for long-term shareholder value creation. We've said that we hope to resume the buybacks this year. Certainly, nothing's changed since making that statement, and I'm looking forward to then being able to do what we've done historically, which is to continue to grow our customer base, our product initiatives, our dividends and buy back our shares and have a better return on invested capital than most companies out there, certainly, in the market.

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

Yep. Great. Well, thank you for sharing that. Maybe to wrap up, Brian, and again, thank you for all the time this morning. As the world reopens, obviously, you and I, we've been talking about that all morning and looking forward to it. And we see the global economy improve, how would you step back and kind of summarize Comcast's competitive position and sort of future growth prospects?

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

Well, I think we start with 70% of the company is broadband, and is broadband or more less important and does broadband have growth ahead? As we've talked about this morning, I really think we're going to continue to invest and to try to innovate on broadband and what it means to your life and do so with new devices, whether that's smart TVs or whether that's new boxes like Flex. So I think it's a broadband economy. We're able to expand with wireless and to make that broadband even more powerful in your life and with the mobile strategy that we talked about. So I'm excited that, that part of the company is doing as well as it is and able to increase margins, like we talked about, along the way and let customers now have the majority of their interactions be self-controlled.

I think that personalization is a big theme for what all consumers want in the modern world and our company is set up to do that. As we come out of the pandemic, how are we going to work? Are we all rushing back to the office? Are we going to have this hybrid model? That's a high-class question. We want to get to that question as fast as possible. But I think the answer will be the hybrid, and our company will continue to have many employees able to work from home, that's more efficient. We will try to be one of the innovators in being a great place to work. That's what sort of -- I look at how well we've grown our own leaders inside the company, attracted others and being able to have a culture that people want to work at Comcast. And I think we have to maintain that, and that's probably my really job number one.

And then I look at -- in the media side, it's so exciting with streaming. We were a company that was invested in Hulu, and so we had a streaming strategy. But then that changed, and we had to find a smart execution -- extrication of that relationship. But we didn't want to do it right then because we saw it was on the hockey stick side of value creation, we thought. But it allowed us to then make our own strategy.

And so I think the advertising-centric model with an up-sell to SVOD has gotten off to a great start. And Sky, equally, was using streaming years ahead of America for those customers that didn't want a satellite dish. And they have now TV. And so we're looking at partnerships. We're looking at investment. But I think we're in a really exciting moment. And clearly, a lot of investors like that moment. They haven't necessarily thought of us as a streaming company, and we wanted to go and prove it and make that product happen. And I think we're off to a great start there. So I'm excited looking down the road about that.

And then as I said, I think theme parks in a recovery -- to a company that was pretty partially affected, Universal went negative from 10 years of straight growth. Not negative relative to the year before, negative as in below 0. That's never happened in a long, long time. I don't think that's something to be upset about. We did cost reductions, but we started to think about investing for coming out of it. And what I can sense is there's an incredible pent-up demand to be with your family and enjoy yourself and celebrate hopefully the end of a really unusual and hopefully not repeated time in our lives. Then as we said, we may have the Olympics as a moment to begin that celebration.

So I couldn't be more excited for our company and the leadership team we've got and appreciate all your support and how you guys have guided investors for so many years about our company, and we continue to stand ready to talk about it in the future.

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

Thank you, Brian. I really enjoyed this conversation. It's great to see you. Thank you so much for your time. Everybody, thanks for joining us, and have a great rest of the conference and week. Thank you so much.

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

Thank you, Ben.
