



## Comcast Reports Fourth Quarter and Year End Results

- **2008 Consolidated Revenue Increased 11%; Pro Forma Growth of 8%**
- **2008 Consolidated Operating Cash Flow Increased 11%; Pro Forma Growth of 8%**
- **2008 Consolidated Operating Income Increased 21%; Pro Forma Growth of 17%**
- **2008 EPS of \$0.86; 2008 Adjusted EPS of \$0.91 Increased 23% 2008 Free Cash Flow Increased 56% to \$3.7 Billion**
- **Comcast Increases Quarterly Dividend 8% -- Planned at \$0.27 Annually**

PHILADELPHIA--(BUSINESS WIRE)--Feb. 18, 2009-- Comcast Corporation (NASDAQ:CMCSA, CMCSK) today reported results for the quarter and year ended December 31, 2008.

Brian L. Roberts, Chairman and Chief Executive Officer of Comcast Corporation, said, "I am very pleased with our results and how we executed in 2008. Despite a very difficult economic environment, we met or exceeded all of our financial targets, demonstrating the strength of our subscription businesses. We also made progress in our key strategic initiatives, including improving the customer experience, deploying wideband in approximately 25% of our footprint, and beginning the process of going 'All-Digital'.

For 2009, our goal is to continue to deliver growth even in this challenging environment and we remain focused on Free Cash Flow generation. In fact, as a result of our confidence in the Free Cash Flow capability of our business, today we are announcing an 8% increase in our dividend. We will also continue to invest to support long-term growth and extend our competitive advantage while strengthening our financial profile. We believe this approach and our focus on improving the customer experience will continue to drive shareholder value."

### Consolidated Financial Results

**Revenue** increased 11% in 2008 to \$34.3 billion, while **Operating Cash Flow** increased 11% to \$13.1 billion and **Operating Income** increased 21% to \$6.7 billion. This growth was due to solid operating results at Comcast Cable and in the Programming segment, as well as the positive impact of cable acquisitions and the dissolution of the Insight Midwest Partnership. On a pro forma basis<sup>1</sup>, Consolidated Revenue increased 8% and Consolidated Operating Cash Flow increased 8%.

For the quarter ended December 31, 2008, revenue increased 9% to \$8.8 billion, Operating Cash Flow increased 9% to \$3.4 billion, and Operating Income increased 20% to \$1.8 billion, all compared to the same time period in 2007. On a pro forma basis, revenue increased 7% and Operating Cash Flow increased 7%.

(\$ in millions)	4th Quarter			Full Year		
	2007	2008	Growth	2007	2008	Growth
<b>Pro Forma Revenue</b>						
Cable	\$7,758	\$8,296	7%	\$30,120	\$32,443	8%
Programming	348	350	-	1,314	1,426	9%
Corporate & Other	89	119	35%	276	387	41%
<b>Total Consolidated Revenue</b>	<b>\$8,195</b>	<b>\$8,765</b>	<b>7%</b>	<b>\$31,710</b>	<b>\$34,256</b>	<b>8%</b>
<b>Pro Forma Operating Cash Flow (OCF)</b>						
Cable	\$3,196	\$3,415	7%	\$12,246	\$13,170	8%
Programming	49	55	10%	286	362	26%
Corporate & Other	(91)	(100)	(8%)	(423)	(400)	5%
<b>Total Consolidated OCF</b>	<b>\$3,154</b>	<b>\$3,370</b>	<b>7%</b>	<b>\$12,109</b>	<b>\$13,132</b>	<b>8%</b>

**Earnings per Share (EPS)** for 2008 was \$0.86 compared to \$0.83 in 2007, which includes a \$600 million pretax impairment of the Clearwire investment in 2008, favorable income tax adjustments in 2008 and gains from the dissolution of cable partnerships in 2007 and 2008. Excluding these items, **Adjusted Earnings per Share**<sup>2</sup> increased 23% to \$0.91.

Earnings per Share for the quarter ended December 31, 2008 was \$0.14 compared to \$0.20 in the same time period in 2007;

Adjusted Earnings per Share increased 35% to \$0.27 in the fourth quarter.

	4th Quarter			Full Year		
	2007	2008	Growth	2007	2008	Growth
Earnings per Share	\$0.20	\$0.14	(30%)	\$0.83	\$0.86	4%
Adjustments, net of tax:						
Gains from dissolution of cable partnerships	-	-	-	(\$0.09)	(\$0.05)	-
Favorable income tax adjustments	-	-	-	-	(\$0.03)	-
Impairment of the Clearwire investment	-\$0.13	-	-	-	\$0.13	-
<b>Adjusted Earnings per Share</b>	<b>\$0.20</b>	<b>\$0.27</b>	<b>35%</b>	<b>\$0.74</b>	<b>\$0.91</b>	<b>23%</b>

**Free Cash Flow** (without the tax benefit from the 2008 Economic Stimulus package) totaled \$3.7 billion in 2008 as compared to \$2.3 billion in 2007, a 56% increase. The increase in Free Cash Flow (FCF) was due primarily to growth in Consolidated Operating Cash Flow and lower capital expenditures. During 2008, consolidated capital expenditures decreased 7% from the prior year to \$5.7 billion, or 16.8% of total revenue, reflecting lower spending for residential services at Comcast Cable.

(\$ in millions)

	4th Quarter			Full Year		
	2007	2008	Growth	2007	2008	Growth
Net Cash Provided by Operating Activities	\$2,684	\$2,858	6%	\$8,189	\$10,231	25%
Capital Expenditures	(1,574)	(1,713)	9%	(6,158)	(5,750)	(7%)
Cash Paid for Capitalized Software	(77)	(123)	60%	(311)	(410)	32%
Cash Paid for Other Intangible Assets	(16)	(28)	75%	(95)	(117)	23%
Adjustments for Payment of Tax on Nonoperating Items	(9)	(13)	-	717	303	-
FCF (Including 2008 Economic Stimulus Package)	\$1,008	\$981	(3%)	\$2,342	\$4,257	82%
2008 Economic Stimulus Package	-	(117)	-	-	(600)	-
<b>Free Cash Flow</b>	<b>\$1,008</b>	<b>\$864</b>	<b>(14%)</b>	<b>\$2,342</b>	<b>\$3,657</b>	<b>56%</b>

Note: The definition of Free Cash Flow remains unchanged and specifically excludes any impact from the 2008 Economic Stimulus package.

### Pro Forma Cable Segment Results

**Revenue** from the Cable segment increased 8% to \$32.4 billion for 2008 as compared to \$30.1 billion in 2007, reflecting the adoption of digital and advanced video services, rate increases, continued growth in high-speed Internet (HSI) and Comcast Digital Voice (CDV) penetration and strong growth in Business Services, partially offset by video customer losses and lower advertising revenue. The monthly average total revenue per video customer increased 9% from \$101 to \$110, reflecting an increasing number of customers taking multiple products. As of December 31, 2008, 23% of customers were three-product customers as compared to 16% at the end of 2007.

**Operating Cash Flow** grew 8% to \$13.2 billion in 2008 from \$12.2 billion in 2007. Operating Cash Flow margin was 40.6% in 2008 compared to 40.7% in 2007, reflecting operating efficiencies in CDV and HSI, offset by continued increases in video programming expenses and additional investments in Business Services. Comcast continues to focus on controlling operating expenses; however, the company incurred expenses related to a divisional restructuring and employee reductions, as well as the impact from two major hurricanes on Comcast systems in the southern U.S. Excluding the impact of the hurricanes, which was \$39 million, and \$126 million of severance-related charges, Operating Cash Flow grew 9% in 2008.

For the quarter ended December 31, 2008, revenue from the Cable segment increased 7% to \$8.3 billion and Operating Cash Flow increased 7% to \$3.4 billion, a margin of 41.2%. Excluding the impact of the hurricanes and severance-related charges, which were \$19 million and \$63 million, respectively, Operating Cash Flow grew 9% in the fourth quarter of 2008.

**Customers.** As of December 31, 2008, Comcast's video, high-speed Internet and voice customers totaled 45.6 million, reflecting 2.6 million net additions during 2008.

(in thousands)

	Customers			Net Adds	
	YE2007	YE2008	Growth	4Q2008	2008
Video Customers	24,758	24,182	(2%)	(233)	(575)
High-Speed Internet Customers	13,593	14,929	10%	184	1,336
Comcast Digital Voice Customers	4,449	6,470	45%	344	2,021
Circuit-Switched Voice Customers	176	3	(98%)	(4)	(173)
Combined Video, HSI and Voice Customers	42,976	45,584	6%	290	2,609
Digital Video Customers	15,527	17,004	10%	247	1,478
Total Revenue Generating Units	58,502	62,588	7%	537	4,086

## Programming Segment Results

Comcast's Programming segment consists of national programming networks E! Entertainment Television, Style Network, Golf Channel, VERSUS, and G4.

The Programming segment reported 2008 revenue of \$1.4 billion, a 9% increase from 2007, reflecting higher distribution and advertising revenue, and strong international revenue growth. Operating Cash Flow increased 26% to \$362 million in 2008, reflecting strong revenue growth and relatively stable production, programming and marketing expenses.

For the fourth quarter of 2008, Comcast's Programming segment reported revenue of \$350 million compared to \$348 million in the fourth quarter of 2007. Operating Cash Flow increased to \$55 million, an increase of 10% from the same period last year.

## Corporate and Other

Corporate and Other includes corporate overhead, Comcast Interactive Media (CIM), Comcast-Spectacor, and other operations and eliminations between Comcast's businesses. In 2008, Comcast reported Corporate and Other revenue of \$387 million, a 41% increase over last year, reflecting strong results at CIM and Comcast-Spectacor. The Operating Cash Flow loss for the year was \$400 million compared to a loss of \$423 million in 2007.

For the quarter ended December 31, 2008, Corporate and Other revenue increased to \$119 million from the \$89 million reported in 2007. The Operating Cash Flow loss for the fourth quarter of 2008 was \$100 million compared to a loss of \$91 million in the fourth quarter of 2007.

## Share Repurchase and Dividend

During 2008, Comcast repurchased 140.9 million of its common shares for \$2.8 billion, reducing the number of total shares outstanding by 4.7%. As of December 31, 2008, Comcast had approximately \$4.1 billion of availability remaining under its share repurchase authorization. As previously disclosed, due to difficult economic conditions and instability in the capital markets, it is unlikely that the company will complete its share repurchase authorization by the end of 2009 as previously planned.

During 2008, Comcast paid three cash dividends totaling \$547 million. On January 28, 2009, Comcast paid a quarterly cash dividend of \$180 million.

Comcast's Board of Directors has declared a quarterly cash dividend of \$0.0675 a share on the company's common stock, payable on April 29, 2009 to shareholders of record as of the close of business on April 8, 2009. The planned annual dividend of \$0.27 per share is an 8% increase from the company's previous dividend.

## Notes:

1.) Pro forma results adjust for certain cable segment acquisitions and dispositions, including the acquisitions of Comcast SportsNet Bay Area/Comcast SportsNet New England (June 2007), the cable system acquired from Patriot Media (August 2007), and the dissolution of the Insight Midwest Partnership (January 2008). Consolidated and cable pro forma results are presented as if the transactions noted above were effective on January 1, 2007. The net impact of these transactions increased the number of video customers by 765,000. Please refer to Table 4-A for a reconciliation of pro forma financial data. Pro forma customer data also includes 7,000 video customers acquired through an acquisition in November 2008. The impact of this acquisition on segment operating results was not material.

2.) Earnings per Share are adjusted for gains, net of tax, related to the dissolution of the Texas/Kansas City Cable Partnership in 2007; and in 2008, the dissolution of the Insight Midwest Partnership, gains related to the settlement of an uncertain tax

position of an acquired entity, certain state tax law changes, and the impairment of the Clearwire investment. Please refer to Table 4-B for a reconciliation of adjusted net income and earnings per share. Earnings per share amounts are presented on a diluted basis.

Minor differences may exist due to rounding.

### **Additional Information**

For additional detail on revenue and operating expenses, customer metrics, and capital expenditures, please refer to the trending schedules on Comcast's Investor Relations website at [www.cmcsa.com](http://www.cmcsa.com) or [www.cmcsk.com](http://www.cmcsk.com).

### **Conference Call Information**

Comcast Corporation will host a conference call with the financial community today, February 18, 2009 at 8:30 a.m. Eastern Time (ET). The conference call will be broadcast live on Comcast's Investor Relations website at [www.cmcsa.com](http://www.cmcsa.com)

or [www.cmcsk.com](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 February 18, 2009. Those parties interested in participating via telephone should dial (800) 263-8495 with the conference ID number 80065727. A telephone replay will begin immediately following the call until Thursday, February 19, 2009 at midnight ET. To access the rebroadcast, please dial (800) 642-1687 and enter passcode number 80065727. To automatically receive Comcast financial news by email, please visit [www.cmcsa.com](http://www.cmcsa.com)

or [www.cmcsk.com](http://www.cmcsk.com) and subscribe to email alerts.

### **Caution Concerning Forward-Looking Statements**

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. We undertake no obligation to update any forward-looking statements.

### **Non-GAAP Financial Measures**

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 that are in Comcast's Form 8-K (Quarterly Earnings Release) furnished to the SEC. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

### **About Comcast Corporation**

Comcast Corporation (Nasdaq: CMCSA, CMCSK) (<http://www.comcast.com>) is the nation's leading provider of entertainment, information and communications products and services. With 24.2 million cable customers, 14.9 million high-speed Internet customers, and 6.5 million Comcast Digital Voice customers, Comcast is principally involved in the development, management and operation of cable systems and in the delivery of programming content.

Comcast's content networks and investments include E! Entertainment Television, Style Network, Golf Channel, VERSUS, G4, PBS KIDS Sprout, TV One, ten Comcast SportsNet networks and Comcast Interactive Media, which develops and operates Comcast's Internet business. Comcast also has a majority ownership in Comcast-Spectacor, whose major holdings include the Philadelphia Flyers NHL hockey team, the Philadelphia 76ers NBA basketball team and two large multipurpose arenas in Philadelphia.

Source: Comcast Corporation

Comcast Corporation

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