FINAL TRANSCRIPT

Thomson StreetEvents℠

CMCSA - Comcast Corporation at Bear, Stearns 20th Annual Media Conference

Event Date/Time: Mar. 06. 2007 / 12:00PM ET

CORPORATE PARTICIPANTS

Brian Roberts
Comcast - Chairman, CEO

CONFERENCE CALL PARTICIPANTS

Spencer Wang
Bear Stearns - Analyst

PRESENTATION

Spencer Wang - *Bear Stearns - Analyst*

We're going to now have a one-on-one chat with my friend, Brian Roberts. For the sake of time we'll skip a lot of pleasantries because we've got an awful lot to cover today, Brian, and not a lot of time to do it. Really appreciate that Brian came down at the last minute and since he was in the neighborhood decided to stop by.

Brian Roberts - *Comcast - Chairman, CEO*

Exactly.

Spencer Wang - *Bear Stearns - Analyst*

Brian, I have to say this, the lawyers now make me say this, I'm going to have to editorialize a little bit too. But the statement I have to read is that Comcast is or during the past 12 months has been a noninvestment banking client for (multiple speakers) for Bear Stearns & Co. Inc. And within the past 12 months Bear Stearns & Co., or one of its affiliates, has received noninvestment banking compensation from this company. That is my disclaimer and my complaint.

Brian Roberts - *Comcast - Chairman, CEO*

Understood. We'll give you a nonanswer.

Spencer Wang - *Bear Stearns - Analyst*

Brian is the nice guy in the organization too. Anyway, I'm really glad you're here. Let's just take a step back. My view for the 100 years I've been dealing with cable stocks is that generally it's the underperformance in the period when they were going through the big buildouts and people said, oh my God, what if they build it and nobody comes? And then when the new capacity goes online and new services start getting taken up, then that's when investors would usually get excited about cable stocks.

That seemed to get delayed this time around, but as triple play really started to kick into gear, last year you started to hear the industry, mostly reflected through your stock, that Cablevision really had a significant run as people started to see that triple play was really gaining traction and seemed to hit a wall recently.

And I think there are several issues going on, but I think the first one would be, gee, I thought this was going to be a period of sustained free cash flow, and recently you talked about -- so I thought the big buildout was behind us and all the growth would come with very little capital spending, it's going to have a big period of free cash flow, your guidance seems to have changed that a little bit. So if you want to focus on that because I think that's a big issue for people.

Brian Roberts - *Comcast - Chairman, CEO*

Absolutely. If anything we could be criticized for having guessed wrong how much consumers love triple play. And if I were here with one message today, through January and February, we are out of the blocks fast. And we feel better about our guidance that we issued 60 days ago than we do -- we did then, right now. 75% of our capital spending this year 2007 is success based capital, meaning people are going to subscribe to a new product. We have to go to their house, hook up with either a phone, an Internet or a digital. And then it's a recurring revenue, as you know, going back to my dad's theory of the whole company, which is why I got out of sales but got into cable, was it's a recurring revenue.

So we can have a onetime capital spend, 75% of which of our entire capital budget is RGU growth. We went 3 million RGUs, revenue generating units, two years ago, 5 million last year, and basically we've given guidance for 7 million this year. The print says 6.5 because we plan to decommission 500,000 circuit switch phones. So you go 3, 5, 7. Just to do the work is what's taxing the Company. We have 24 million video customers, 7 million new products getting sold to the base, almost 30% in one year.

The IRR on that capital, we believe, is 25 to 30% or better, hence how long you estimate the customers will stay with us. So we have this fantastic place to put our money. And, if and when the bells ever get here, really, really we will have gotten there first. So it's strategically great, it pays for itself better than any investment we could make, it's accelerated our revenue -- for six straight quarters our revenue has increased. We gave 12% revenue growth guidance, 14% cash flow as a floor, both of those statistics, with 7 million gross RGUs.

Unidentified Speaker

So there's a lot of areas -- like I said about the pharmaceutical industry, if they're spending because they have new target -- they have some really good compounds that come to market, that's the best time to spend, right? So I would think if you have 25 to 30% IRRs, which includes some churn, then it's also got to be pretty quick payback. So if it's hurting free cash flow now, it's not a long time away before it's actually -- your free cash flow projection in the not too distant future would also kick up.

Brian Roberts - *Comcast - Chairman, CEO*

That's a good point, Alex. So when we bought AT&T, and some investors could care less about history, but I think you've been doing this a long time, I've been doing this a long time, I think it is good to put it in historical context. We were $2 billion negative of free cash flow, we got it to zero pretty quickly. Now we're $2.6 billion to the good and we thought we would grow that north of 20% a year.

What happened was we underestimated, as I said a second ago, how many people want triple play and how fast they want it and how great. And this is like coming to Palm Beach and going shopping and coming home and saying what a deal. So consumers are saying, okay, I love the $99 triple play, but what they're doing is spending $120 to $130 on average because they feel so good about the power of the bundle and the convenience of the one bill and the one phone call to have you show up at my house. And so we are thrilled with how many people want to buy it.

So we were faced with a decision when we did the budget -- okay, do we want to make free cash flow go to $3 billion or do we want to start now and have it go much higher a couple years down the road. And the only reason I wouldn't guarantee you that in '08, oh, it will pop again, free cash flow -- is I have a feeling that the competition won't be as great as people are predicting, as fast as people are predicting, and we're going to sell even more products for the next several years because the 3 to 5 to 7, it's hard to see that it peaks. And if I look at Cablevision's results this quarter, they've been way ahead of us. We're all of 5% phone penetrated today, we're at 25% data and 50% video -- digital video, we think we have a long sustainable --

Unidentified Speaker

(multiple speakers) that for a second, because the best of all worlds is it keeps growing. But even if it does, at some point the cash flow kicking in from the 3 and the 5 and the 7 cumulatively outpaces even if you're adding 9 or (multiple speakers)

Brian Roberts - *Comcast - Chairman, CEO*

And that's why EBITDA grows. I think you have to keep your eye on EBITDA. So you have -- last year we had 15% cash flow growth same-store sales, that's extraordinary for a company I think with $25 billion in revenue. And in the year it went like 10, 12, 14, 17 to average out -- I may have that slightly off. And we said this year it will be at least 14. This is all the while we've hired 6,000 new people to hook up 5 million new products and we're going to hire 6,000 more new people to do it again.

And as you know, we've also said we have our eye on another business, which is to take this same infrastructure and roll it right into small and medium-sized businesses. So we've put $250 million in capital this year '07 to get the plan ready and extend the plan, begin the process to go into another business that's 25% IRRs which is SMEs where we think we can have 2 to $2.5 billion of revenues in five years or less by doing triple play to small businesses defined as 10 lines or less.

So we are experiencing a renaissance of growth that in 20 years I don't think we had a more important year than 2006.

Unidentified Speaker

I'm going to come back to SMEs. By the way, you mentioned shopping in Palm Beach. I told my wife that Worth Avenue was the place where they separate the men from their net worth. That's how it got its name. But when we -- talking about triple play, in the early days of triple play one of the things that was talked about was that triple play customers had half the churn or 60% of the churn which is sometimes an underappreciated impact on cash flow.

So as triple play expands through the market, there was some question as to whether that was because the most loyal customers took triple play and they weren't going to churn in the first place or whether there's something about the bundle that reduces churn. Can you talk about triple play and churn?

Brian Roberts - *Comcast - Chairman, CEO*

I think triple play, there are a variety of things that are good, better, best. And again, we underestimated them; one of which is, okay, the first thing is it's people who have all three are stickier than people who have one are two. That sounds pretty logical that that happened.

Another thing that's happening is we have I think done a terrific job in advertising because the substance of what we have is better, so we have to convey that to the consumer. We now have 8,000 shows ON DEMAND on VOD; we have a faster high-speed Internet; we have more high-def TV, but it's expensive. No one said cable was the cheapest -- even though the average satellite bill is higher than the average cable bill. People are always kind of amazed, it really hasn't been that kind of price war. But the perception is you can get a dish for $29 or a dish for free.

So triple play has allowed us to do a little bit of the Nirvana of come home with a whole lot of shopping bags and say look how much money I saved. And the fact is that as we have an entry price that allows us to discount, but you really pay me more to get the discount. You feel better and we take in more cash flow.

Unidentified Speaker

But one of the surprises in the market was that as triple play rolls out you're actually -- instead of just getting RGUs from the new services, which has been a lot of what you've had. But you've had some pick up -- or the industry has and you have -- in video stuff. So it was somewhat unexpected and let's just tie it in so we (indiscernible) and people assumed that was coming from satellite, right? And yet we just looked at DirecTV, just had a nice quarter. (indiscernible) So is there something going on here? We thought the video subs were pretty much a mature business, but there is some growth showing up (multiple speakers).

Brian Roberts - *Comcast - Chairman, CEO*

You know, I don't know that I have a perfect answer. I think on the margins the pie must be expanding. I think the satellite companies have gotten very good at tipping on cable operators who don't have triple play and who don't do a good job. And I think that we have more homes under construction and everything else. But I will tell you you're absolutely right -- for six straight quarters our basic subscribers have grown over their year ahead (indiscernible). And I can tell you through the first two months we're off to a great start on every metric including basic.

I'll give you another interesting thing that triple play is doing. I think our high speed data product, which may be the most profitable business we're in, has undisputed leadership in speed, but it was more expensive. And for years, the Company's conferences and people said when are you going to cut your costs. Well, we added 52% -- according to a third party source in last quarter of our net adds came from DSL, up from 30 some percent the quarter before. People are now able to go on and get the BMW but think we'll actually pay less without us having to cut our price.

Unidentified Speaker

Is part of that YouTube, and is the capacity where it used to be -- fastest, fast, what's the difference, I might as well get it cheaper? Are people using their high-speed networks in a way now (multiple speakers) demand more service?

Brian Roberts - *Comcast - Chairman, CEO*

Same store sales, fit, rate, consumption -- however you want to look at it -- has gone up 30 to 40%. YouTube is 2 or 3 or 4% of -- all the bips we did last month for YouTube that didn't exist 18 months ago. But YouTube works better in Comcast than it does in some DSL consumers have figured that out -- their one year anniversary of a cheap deal.

So DSL is the new dialup. It's how quick can I get high speed Internet. So what shocked me, and I'll throw out that your basic is a great thing. If you had said in your seventh year of selling cable modems you would sell more modems in '06 than you did in '05 and actually think that you're going to sell more in '07. You would say how is that possible? And that's what's happening and our revenue has held at 41 (multiple speakers).

Unidentified Speaker

(multiple speakers) Ivan was here he would say, okay, so you're going to say that my DSL is the old dial-up and I'm putting Fios out there and I'm going to be sitting here in a couple years saying that cable modems are the old dial-up because they're out there saying Fios is going to be a jump in capability. So I think the other thing that the market is wrestling with besides -- is the capital equation going to be different than we thought? What's the competitive environment? Right now you're the only network offering all three in a bundle. Let's start with one form of competition, which is Fios. How do you see it today, how do you see it three years from now?

Brian Roberts - *Comcast - Chairman, CEO*

Well, one thing we can't and won't surrender is technological superiority worst-case equivalents, and then it comes down to who can service you and who gets there first. Don't underestimate who gets there first, first mover advantage. And that goes back to the first conversation about why are we stepping on a pedal. It feels right, it's happening, it's working and I think we're going to look back and say cable was able to run the table before there was any pushback.

Here's the anecdote -- I wouldn't draw mega conclusions, but this was -- one of our most Fios-centric areas is obviously the East Coast, Philadelphia to Washington, New Jersey, Baltimore. In the month of January I believe we added 50,000 phones and they got 1,000 Fios TVs.

Unidentified Speaker

You added 50,000 phones in Fios markets or Fios enabled markets?

Brian Roberts - *Comcast - Chairman, CEO*

In the Verizon footprint -- that is this person's operating division. This was just one operator's point of view and it could change and (multiple speakers).

Unidentified Speaker

(multiple speakers) head to head with Fios, right?

Brian Roberts - *Comcast - Chairman, CEO*

Head to head with Fios. It's a little early (multiple speakers).

Unidentified Speaker

(multiple speakers) Just looking at your markets, you guys are looking forward (indiscernible).

Brian Roberts - *Comcast - Chairman, CEO*

Our view is we're going to do just fine. And if you sit here and take their own projections, we can't stop what they're going to do. We wish them success or whatever in a way. But we can go about our business with a focus and a determination and that's what we're doing. And what we've been able to say is take their model, they're only building Fios to certain neighborhoods. They are then going to get -- they say 20%, I don't necessarily think the fourth or fifth video can get 20% as easily as the second video could get 20%.

But if they did it, and they have their 20%, and then let's say a half to two-thirds comes out of our pie, then the other half to one-third comes out of satellite, it works out over five years, which is what your model says, that it would cost us between 500,000 and 650,000 video subs. We sold 500,000 phone subs last quarter. And we're accelerating from there over the next several years. And not to mention 500,000 data, 500,000 digital and some basics.

So I think there's room for both. Do I like it? No. But can I do anything about it? No. Do I think it makes economic sense? I'm not sure personally. I take one degree of comfort on the whole wireless wired question that someone with all the knowledge of Verizon Wireless thinks that the consumption issue that you talked about earlier is going to be so great in the home, but they're not planning to just roll Verizon Wireless into your house that they think they need something other than Alexander Graham Bell's wire.

Now whether it's fiber optics to your home, we don't quite believe that. We think we can do with DOCSIS 3.0 100 megabits of speed, we will use all of four TV channels to do that. If the day comes that we need to have 1 billion bits a second and we need 20 TV channels, we're going to have that because we're doing a digital transition in the Company to get back the 80 channels of analog TV, we're now up to 50% digital, we will get to 80% digital and someday we will have 100% digital and then we reclaim some if not all of those 80 analog channels. If we therefore needed 1 billion bits a second in your house bidirectional we could do that.

Unidentified Speaker

So (multiple speakers) but we don't have time. And let's assume that AT&T is going in a different direction. One quick question -- what if AT&T were to buy a satellite company that's speculated (indiscernible), what does that do to the competitive dynamic in your view? What's your view of the number of competitors in the market, is it more or less?

Brian Roberts - *Comcast - Chairman, CEO*

It's less.

Unidentified Speaker

So that's one reaction. But that right now you have two guys without a bundle, that would give one guy with a bundle, which one is more competitive?

Brian Roberts - *Comcast - Chairman, CEO*

Let's have a show of hands just to make this an interactive modern panel. How many people think that's going to happen? We don't have a two-way network (multiple speakers). How many people think that one of the [sells] buys a satellite company? Okay, for the record about a third of the hands went up in the room. So my sense is it's a distinct possibility, but it's hard to speculate on oh maybe.

There are pros and cons, but net net I think it continues to say that we have a superior network. We are using our two-way technologies to try to create features for the consumer that they can actually feel and use. So for instance, we have 8,000 ON DEMAND shows. We now have Desperate Housewives for free, we have Lost for free, we have CSI, we have all of NBC. We now have two markets with day and date of seven major movie studios, the day they put it out to Blockbuster, it's on Comcast.

Unidentified Speaker

Stop right there. (multiple speakers) Day and date has been a big, big issue for a long time, right? And VOD, if we go back five years and talk about with all this growth that you've seen in RGUs we used to think VOD was going to be one of these big growth areas, and it hasn't from a revenue point of view been what people thought it might have been five or six years ago. Give day and date -- what are you seeing in the market today? Some people think that if you actually get day and date releases as a normal phenomenon, that that's the time when the revenue potential of VOD goes way up because you can charge for those newly released --

---

Brian Roberts - *Comcast - Chairman, CEO*

So we've had something like 30% growth in VOD revenue. More than 20% were eight quarters in a row. We're at $600 million plus in VOD revenue. It works in our numbers. Would I love day and date to be a great new revenue? I'm not going to sit here and say it won't be, but I'm going to tell you that that's not why we want it. We created a new platform with ON DEMAND that takes advantage of two-way, and it's partially quality and it's partially quantity. But when you add it together we did 1.9 billion half-hour average television shows in our ON DEMAND 12 million homes. We had 27 views per month average. That used to be 10.

We are changing the behavior of those homes, those customers churn less. Satellite can't do it. Now we get the high-def. With all due respect to our friend -- let's say Court TV, just to pick one name, what's more important? To have the 30th network, Court TV, in high-def this year or 100 movies ON DEMAND in high-def, and then to double that and then double it again? And our strategy will be to launch Court TV in high-def when we have capacity and we can get switched video and when the consumer really says there's something there in high-def that I enjoy.

But in the meantime, the way we're going to have a superior high-def platform is to say you can get a day and date movie in high-def, and you can get it, or you can have 200 movies in high-def, those are channels, plus our 30 high-def channels. So we have 230 high-def offerings. Someone might have 50 channels or 75 channels -- I don't think there's any question we're going to use the two-way network to be superior to satellite whether they're owned by a Bell or not.

Unidentified Speaker

It's interesting, so you're saying VOD is a revenue opportunity but it's more important as a stickiness and a total (multiple speakers)

Brian Roberts - *Comcast - Chairman, CEO*

One of the companies that's here today is PBS and (indiscernible). We did a partnership with Sprout called Sprout. We had 14 million Sprout ON DEMAND sessions last month I believe was the stat, bigger than Nickelodeon or Disney. It's a totally new platform. Get Sprout on satellite, you can't do that. 14 million parents clicked and started a preschool show for their kids -- how do you measure the value of that?

HBO ON DEMAND through Comcast versus HBO through DirecTV, there's no comparison. I can get all the HBO shows whenever I want them and I don't have to program ahead with my DVR. As long as we stay ahead of the competition then we can focus on revenue, the first job is to not be (indiscernible). Keep the customer and make it not a (multiple speakers).

Unidentified Speaker

A couple areas -- there's so much we could talk about it's unfair here the time. But I've got to get to wireless, but before I do I don't want to miss that there's a lot of people who are doing these video ON DEMAND things and there's a lot of people watching hit shows when they're on the networks, right? So part of your bundle here is that you have retrans, you're showing CBS, ABC, NBC and FOX for nothing instead of barter, which has been what's happened over the years for retrans, right. Now Les was here yesterday saying you've got some guys paying cash -- I think he said $0.50 a sub a month with 1 million subscribers in total. Where do you see that, how do you see that playing out over the next couple years?

Brian Roberts - *Comcast - Chairman, CEO*

I'd like to address that and first of all, at Comcast I'm pleased to say we've done 600 retrans deals, we're very close to doing another few deals that people will hear about shortly I hope. And the model that we have always had is that we will be happy to sit down with reasonable folks and talk about some sort of cooperative deal where a comparable value gets exchanged or approximately comparable value gets exchanged.

We are not interested and will not pay cash for retrans as a flat out if that's all you do. And I don't think anything has changed. I chuckle that perhaps there's other business motivations going on, why suddenly it's being talked about by a big broadcaster. In our case, of the four largest retrans deals we have, the earliest expiration is almost five years from now, but most go beyond 6 or 7 years. This is not a conversation we're having anytime soon.

With the pure independent smaller folks we believe we're going to be able to have a -- something other than just pay and get retrans (indiscernible). We are going to help market each other's businesses and there's going to be a win-win outcome that will not require us to raise consumers' rates or charge the consumer for free TV. That line is drawn, that's not changing, I don't anticipate that changing anytime soon. (multiple speakers)

Unidentified Speaker

We've got a great pay-per-view event that maybe you could (indiscernible) negotiations over this subject, I think we have a large audience (indiscernible).

Brian Roberts - *Comcast - Chairman, CEO*

The problem is you're got to come back in 2012 to watch that show.

Unidentified Speaker

Wireless. There's some talk about if -- going back to competition for a second -- if AT&T and Verizon each get a triple play, either through satellite or Fios or some near-Fios or something that is facilities based similar network to yours, they each own wireless companies with some significant capacity in (inaudible). Some people question whether that is going to be an element of competition that trumps your bundle -- not personally, as I've said to you in the past. I don't think of it as quadruple play, I think of it as three by two. Because really mobility is a function, not a product, and it seems like all of the aspects of the bundle are going to be mobile and that's what consumers are going to demand.

So a couple of questions on that. One is that do they end up with a bundle that is superior to your bundle and therefore something that you have to deal with? And two, is that another lingering element of concern that if you're going to compete with that bundle is it a big capital spending hurdle in front of you to get Spectrum and all of the other things that go with full mobility?

Brian Roberts - *Comcast - Chairman, CEO*

First, I have to just comment that I don't think they're going to have a triple play except in a very small pocket of probably difficult to justify economic construction that is not ubiquitous. So they don't have a proposition to go out, they will enter anywhere in XYZ phone company's territory, you can get triple play that has 8,000 shows ON DEMAND and growing. So that you have our Internet speed. So you're making a huge leap to start so I've got to just say I don't agree with that.

But let's move on and say, okay, whatever their bundle is they're going to have wireless, what's your view on wireless? I want to restate that we do not envision having to go out and make a large wireless acquisition to solve a problem that we don't see. We are delighted to be working with Sprint to try to see if we can have three by two or four products or whatever people want to call it in a way that would give consumers a triple play-like value.

But it's so different, and part of my personal view of underestimating how powerful triple play has been is the value, but also the one-stop shopping. And that you don't want to make too many judgments or personal anecdotes (indiscernible) daughter lost her cell phone recently, over Christmas, which was a thing unto itself. And then you've got to figure out how to replace it. And you can go anywhere you want. There are more cell phone outlets than there are McDonalds, quite a lot. And you just walk into any mall and 20 minutes later I walked out with a cell phone with the same number and she's back in business.

That's so different, you can't do that for what we're talking about. Today you have to say, okay, well we'll go -- functionality of wireless somehow integrates the experience that I need Verizon television to give me Verizon Wireless or AT&T or Comcast -- see, it doesn't work. I don't want your high-def and your ON DEMAND anymore because I can't get it on a cell phone.

A couple answers, another reason that we bought spectrum. If the world goes in a direction that we don't today anticipate we now possess 20 MHz of urban spectrum in 99% of our cable markets. I think that's a great asset and it's probably making us money while we sit here. So we have to wait and see, but I think it gives us barter, it gives us opportunity and it gives us value for our shareholders.

But a year ago if you were to ask that same question, I think a lot of us were more concerned that wireless video was the cat's meow. And a year later it not only uses up 100 times the bandwidth, so it clogs up the airways so the cell phone guys aren't so thrilled because they can't make the calls happen the way we all want to do them now anyway with enough reliability. So they're more focused on reliability than they are on the video.

But secondly, I went to the CES show and 50% of the televisions that are getting sold this year in America are going to be 50 inches or bigger. That is a shocker from where we've come from. So two trends are going on --

---

Unidentified Speaker

They're kind of hard to carry around (multiple speakers)

Brian Roberts - *Comcast - Chairman, CEO*

So I think we're further from having to worry about a core attack to your cable business, which is where you start, well that's why you need wireless, to is there a positive opportunity? Is there a quad play that we can make money on? Is there some new incremental feature that helps you? It's not clear you're not going to dock your wireless device into your cable box and take it with you.

I think the jury is way out. And if anything the time horizon has been pushed further out to where this is front and center, and we're happy to be working with Sprint and making some good progress, but we're going to try to sell 2.6 million phones this year. We never sold more than 2 million high-speed data in any year. This is a huge task for us to do that. I'm confident we're going to do that. If we had a wireless to go with it, maybe it would be 2.7, but it's not -- we can't physically do it. We hired 6,000 people last year, we hired 6,000 more people this year the actual job that Steve [Brook] and his team are doing is just we're supply constraint limited, not demand limited right now.

Unidentified Speaker

Steve says he's working too hard, I'm supposed to tell you that. We're running out of time (indiscernible) because I know it's another thing on investors' minds. Three years ago we sat here at this conference and talked about a bid you had made for a little content company on the West Coast. And so now one of the things that people say is -- is Comcast compelled to make an acquisition? Either they must have a content company or they must have a wireless company, those are the two things that people sit there and say am I going to wake up one day and these guys need to make an acquisition?

Brian Roberts - *Comcast - Chairman, CEO*

Disney had this horrible investment banker, too bad I can't remember who it was, that wouldn't talk to us, at $23 a share and thought that we were trying to steal the Company. And I guess the stock is at 31 or 32 and maybe you were right. (multiple speakers) I think we tried to articulate then and I would certainly articulate now and even more so now with ON DEMAND having happened, I think Bob is doing a super job and we're thrilled with our new agreement and access to the content.

The world's gone personalization, that's what we really believed in. We don't feel the need to do anything. We think we should be opportunistic and try to get great return for our shareholders. We have a long track record of doing that. There's nothing (multiple speakers)

Unidentified Speaker

So Disney was a unique opportunity (multiple speakers) it wasn't a need (indiscernible) you just thought Disney was a unique (multiple speakers). Is that right?

Brian Roberts - *Comcast - Chairman, CEO*

That's correct. I never understood people saying they felt they needed to do it when we had just tripled down and bought AT&T, that was (indiscernible) landslide. We took on $30 million of total debt. We (indiscernible) on a cable company when they were losing half a million customers in a year and we've been able to turn that around to the story you just heard where last year we did 12% revenue growth, 15% cash flow growth, we got $2.6 billion of free cash flow, we bought back 10% of our stock. And now this year we're saying we can do 12% revenue growth, 14% cash flow growth and sell 7 million new products and keep it going and begin to build a small- and medium-size business to do triple play for pizza parlors like we're doing it for houses where they're not getting those services. It's never been a better time.

Unidentified Speaker

I didn't get SMEs (technical difficulty) we've run over our time and I apologize. I hate to do it to the audience. Is there something -- I just thought all these subjects needed to get out, Comcast is such an important company in the media world, these are important subjects. But is there anything that we didn't say that somebody needs to ask before we run out of time, but if there's one or two really quick questions then we're going to have to jump. If not (multiple speakers). We can't have a media conference without John (indiscernible) questions anyway.

QUESTIONS AND ANSWERS

Unidentified Audience Member

(inaudible question - microphone inaccessible)

Brian Roberts - *Comcast - Chairman, CEO*

I hadn't thought about it, John. We've never been probably the most creative at financial engineering like some of our peers. Maybe we have some investment banking services from Bear Stearns. But we made it last year we --

---

Unidentified Speaker

I'll get John to give us a presentation, also (multiple speakers)

Brian Roberts - *Comcast - Chairman, CEO*

Last year was an investment year, E! Entertainment with Ryan Seacrest, the Academy Awards was off the charts, the biggest year we ever had. The Golf Channel is off to an incredible start with every Thursday Friday with 15 years of PGA rights, the max play was like 50% more than when it was on ESPN. And VERSUS with NHL has increased its distribution 10 million. So Comcast SportsNet -- we think it's all integral to cable. A lot of what those channels are trying to do is also work with the cable with ON DEMAND and have one company functioning together and we're doing that. But it's not something we talk about.

Unidentified Speaker

Okay. Thanks so much for your time, Brian.

Brian Roberts - *Comcast - Chairman, CEO*

Thanks.
