cloud service alongside network and if they do it's not a focus, it's something that they offer to enterprise but not really something they are delivering today to the small business segment.

So who is our competition there for the cloud services? It's really the inertia of the small business having their own IT answer on site. They have a telecom closet that they've got a server or two in it. They know that it would be smart to put that out into somebody else's datacenter for security in order to manage it better, in order to save capital but they haven't made that decision yet. Nobody has come to them, explained how to do it, consulted with them on the transition, that's what we do well. The other companies that offer cloud services really don't have their products tailored to the small business. If you are talking about Amazon Web Services or even to some degree Rackspace and we have a little overlap with them with some customers but for the most part there is a pretty high degree of expertise required on the customer's part to do business with these companies.

And we try to create a product that out of the box is easy for small businesses and medium businesses to work with and we want to be there ally. We want to go alongside the small IT shop and make them more productive. So being able to provide a network in cloud services combination where we control the total quality from end-to-end that's our advantage. And being able to deliver it with smart sales people who show up and consult one-on-one and make the transition easy and work for the customer, that's the further part of our advantage.

Michael J. Funk
Analyst, Bank of America Merrill Lynch

And lots of talk about cable coming to the SMB space in the last few years, I know you are about it a lot but how may steps in front of cable do you think you are with Cbeyond 2.0, what you're offering versus where they are today and where they may be in a year or two?

J. Robert Fugate
Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Yeah, well certainly the advantage I think that cable companies provide is with bandwidth. Its inexpensive big bandwidth is mainly their marketing program in the small business sector and I think it's – it's viable for them but I do think that the greatest appeal of what they have to offer is at the lower end. As you get toward accounts that are interested in a greater degree of sophistication in the solution, I think that's where it's a little more difficult for the cable providers. How many steps ahead, I can only say several. I think we're – we're extending the lead in terms of the kind of sophistication we can offer an account today. Also I think that symmetric bandwidth is an underrated issue, and one in which you have to experience the asymmetric quality for yourself to understand what it means but many of our customers who have gone to cable providers have asked us to take them back for that reason. So, that the quality of – and reliability of a symmetric broadband delivery is something that's pretty important as well.

Michael J. Funk
Analyst, Bank of America Merrill Lynch

And what is your win back rate from cable right now?

J. Robert Fugate
Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

I don't really know the – a number to give you, but it's – what I would say is that we don't lose a lot of customers to cable. So, the ones that we do lose would be ones that are downsizing, moving to a home office which we don't really address and therefore it's really more for financial reasons. So, it's not a – cable has – has had much more of a – an indirect impact on our business than a direct one, and what I mean by that is that they came into the market a few years ago and help to set expectations of lower prices and bigger bandwidth. But the times that our sales people actually go up against a cable competitive bid is still not common. And seeing a cable salesperson is not a common thing for our salespeople either. So, it's more of an environmental influence that they've had broadly than it has been a direct impact on our business and our customers.

Michael J. Funk
Analyst, Bank of America Merrill Lynch

Since you are trying to move the business to where it's going to be in a year or two, I think you've said about 45% of SMBs are tech dependent that you look at right now I mean what was that number a year or two ago, where do you see that going out a year or two from now?

J. Robert Fugate
Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Well, that number is one that arose from research we did last year. So, we have not – I don't think that the number is any – is substantially different at this point in time and admittedly that tech dependent number – it's our own definition. And I think that if anything it will expand and grow over time, but probably because some of the smaller businesses that today we wouldn't define as tech dependent, they start to move their phone system into the cloud first and then later they realize that they should move more of their core enterprise apps into the cloud as well.

But today, it's more of the ones that we define as having a lot of knowledge workers, remote workers, heavy PC dependencies, some outsourcing propensity those qualities we defined previously that sets apart about 45% of the small businesses I think in a few years. This hey it's a secular trend and if anything today's economy plays into that and reinforces it because small businesses don't want to invest heavily and this helps them avoid capital investment and use their monies more intelligently.

Michael J. Funk
Analyst, Bank of America Merrill Lynch

And actually tied to my next question, of that potential customer base what – if you had to break it down in those that are currently providing these services themselves in-house through some kind of IT staff, maybe it's some of this dual or multiple hat and within their employee base versus somebody that needs the services doesn't know it yet, doesn't have them, there may be somebody else that's already receiving them from an AT&T or Verizon, how would you – how would you break that pie down?

J. Robert Fugate
Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Well, the vast majority of the small businesses that we see, they are trying to do these things on their own and in some cases they've got a local VAR that works with them on some of their decisions – their IT decisions. But they are not going to someone we would view as a competitor today, and so for the most part they may have one or two IT people – the tech dependent accounts, but these one or two IT people are they are swamped. They are fighting fires. They shouldn't really be handling and they are looking for – they are looking for help.

Michael J. Funk
Analyst, Bank of America Merrill Lynch

And just to shift gears a minute, we are trying to get a feeling or a read for I guess the impact of some of the regulatory changes or decisions coming out in D.C. The announcement about the pricing freeze and special access there a day how does that impact your business, what's the financial implication?

J. Robert Fugate
Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

You know the special access it doesn't have a huge impact on Cbeyond's business. We don't have many special access circuits that we pay, we never have and so if anything, it would be developments there would be very incrementally positive for us, but not significant. And that's because I think that really we've designed our network and our network usage in the way we buy more intelligently from the beginning to where we didn't really ever have that kind of high cost special access in our expense structure.

Michael J. Funk
Analyst, Bank of America Merrill Lynch

And I was thinking more on a local basis as you move towards connecting the thousand buildings that you've targeted. I mean where are you in the process as far as collecting permits and signing contracts and first what is the process? Where are you in the process? And how many buildings are you coming underway building today?

J. Robert Fugate
Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

The process is identify the buildings, contract for them with our fiber construction partner, go to the buildings, and get building access agreements permitting local permitting and then start the construction. And we are generally at the building access agreement stage in most of the 700 buildings that we've announced that we're working on and with a few of them we're in the permitting stage and will shortly be in the construction stage with the small number. But it's – they will come in batches and. And it's the, I would say the building access phase of it is the – and the permitting, those are the lengthier part. I think that, as we start to move into the construction phase in the future that's when they will start to, the timetables will to start to reduce somewhat.

Michael J. Funk
Analyst, Bank of America Merrill Lynch

And then if you think about getting a return on this investment, I mean I presume there is some monthly cost to the building access that goes to the landlord, is that correct?

J. Robert Fugate
Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Minimal.

Michael J. Funk
Analyst, Bank of America Merrill Lynch

Minimal, okay. So, in terms of the return and recouping your investment, what kind of penetration or number of customers do you need to actually achieve to get a reasonable rate of return?

J. Robert Fugate
Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Yeah, well, as I was noting earlier, the – just the fact that we've got three accounts in most of these buildings today more than justifies the investment. I think we could justify an investment with less than that and certainly every additional account we get in that building gives us a significant boost because we really have no additional expense afterwards.

Bear in mind that we're taking customers where we're leasing one or multiple T1s at $100 a month and taking that out of the expense structure.

Now, we're paying for the fiber, but that's a capital asset. We expect to keep the customers for – today, the expected life of a customer that's implied in our churn rates would say that we've got about a six, seven year type of life to a customer. I think that will lengthen with the fiber investment, because of what we're selling to the customer.

Michael J. Funk

Analyst, Bank of America Merrill Lynch

Okay. And then, just to, I guess, synthesize that, assuming that seven year average life in those three customers, that would be the reasonable return that you're thinking about based on the fiber investment in the building, right, keeping those three customers for seven years, same type ARPU maybe increasing, giving the return you want.

J. Robert Fugate

Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Yes.

Michael J. Funk

Analyst, Bank of America Merrill Lynch

Okay. And then as you think about mobile within the strategy, I think a year or so ago, you announced a partnership with Clearwire, how do you think about mobile going forward as part of the 2.0?

J. Robert Fugate

Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

At one time in the past, about 50% of our new accounts were taking mobile services from us. Over the last several years, the mobile market changed and whereas I would say the business, the business tool of a handset evolved into one where everybody wanted much more, that the latest, most advanced handset. And that became a different kind of, a different kind of environment. So, over time, mobile has become less important to our business, we still offer it. About 20% of our new accounts are taking mobile, and that's great. It's an additional service that we will continue to offer to the accounts that want it. But it's not as important to us going forward, today or going forward as it was three or four years ago.

And it doesn't, that's fine, it doesn't offer the profitability that the cloud services do for us. It's not really a strategic to the customer or to our relationship with the customer as the tech – more technology-oriented services that we're focused on today. So it's a nice thing to be able to offer, not a crucial part of our business today.

Michael J. Funk

Analyst, Bank of America Merrill Lynch

Okay. And just the finance question relatively clean balance sheet capacity there, what are your thoughts on using that balance sheet either for more acquisitions; you mentioned some of the cloud deals that you did.

J. Robert Fugate

Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Yeah, I've often heard people say get capital, get debt when you can and – but if we had done that over time, we would have been warehousing cash. And I don't really think that's our business. We've been a capital efficient business over years. We've grown very quickly in prior years. We're in the midst of an investment period now and we expect to reaccelerate our revenue growth. I don't really see our business being a – one which needs a huge amount of additional capital above the kind of investment levels we're spending today.

Would we do an acquisition is kind of part of your question? Possibly, although we've never been acquisition intensive. We made a couple of very small strategic acquisitions in 2010 in order to help us get into some datacenter-based products and move us into the virtual server and cloud PBX space that I think are going to be a huge significance. It's possible that we may find something else in the product need area that an acquisition could help us with, but it's not essential to our strategy at this point. We've got what we need to today to grow according to our business plan. So while the balance sheet is a great I think source of strength because it's not a source of risk by the same token I think that we like the flexibility that it brings us today and if an opportunity arises, we know we can use that balance sheet. We don't feel compelled to just because the capital markets might be favorable.

Michael J. Funk

Analyst, Bank of America Merrill Lynch

In the past share repurchases were also an option, how are you thinking about that essential use the cash buyback your own stock?

J. Robert Fugate

Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Well, we've stated last year and this year how inexpensive we think our stock is. That's certainly the case today and it's certainly from my standpoint, I think it's a great investment, great investment for the company's cash as well as anyone else's. But I also have to state that our priority in running the business is to use our capital in the best way and I think that today we aren't in a position – we don't have the kind of cash on hand to warrant a share repurchase program. So that would mean would you borrow up today in order to do a share repurchase program? And I would say no. We wouldn't because we want to retain the flexibility to support investment in growing our business. We think that the best way to continue to improve shareholder value is to continue to invest in our business and its opportunities which involves reaccelerating the growth of the top line.

Michael J. Funk

Analyst, Bank of America Merrill Lynch

Okay and I'm going to wrap my questions up to one about the economy obviously in the headlines. Are you seeing any differences in regional economic activity and how it's impacting your business customers, business closures either increasing or decreasing?

J. Robert Fugate

Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Regional, you mean in some areas of the country versus others...

Michael J. Funk

Analyst, Bank of America Merrill Lynch

Its some areas of the country versus others you know the south or the Midwest...?

J. Robert Fugate

Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

I wouldn't say we haven't seen any significant changes in recent periods. And just on a general basis, we've seen the small business sector in a weak economic state now for several years and I think that continues to be true today. Unfortunately, they are generally not expanding their payrolls much. They're not expanding their investment. But as I said before I don't think that necessarily is a detriment to the pursuit of our business plan because we're following secular trends that appeal to businesses that want to save money that appeal the businesses that want to be smarter about how they manage their information and their communication. So, I think that the ability to offer a technology outsourcing alternative that's smart for them works well in this economy.

Michael J. Funk

Analyst, Bank of America Merrill Lynch

Okay. Great. I appreciate it. I think our time is just about up. Bob, I appreciate you once again coming out with us today and I think that in a few hours we have our events so the bus will be leaving from downstairs as well if you want to check for the details.

J. Robert Fugate

Executive Vice President, Chief Financial Officer, Cbeyond, Inc.

Great. Thank you very much.

Attachment 23

REDACTED – FOR PUBLIC INSPECTION

(Confidential Document Omitted In Its Entirety)

Attachment 24

REDACTED – FOR PUBLIC INSPECTION

(Confidential Document Omitted In Its Entirety)

Attachment 25

PARTICIPANTS

Corporate Participants

Marlene S. Dooner – Senior Vice President-Investor Relations
Brian L. Roberts – Chairman, President & Chief Executive Officer
Michael J. Angelakis – Chief Financial Officer and Vice Chairman
Neil Smit – President & Chief Executive Officer
Stephen B. Burke – Executive Vice President

Other Participants

Craig Eder Moffett – Analyst, Sanford C. Bernstein & Co. LLC
Jason Boisvert Bazinet – Analyst, Citigroup Global Markets (United States)
Jessica Reif Cohen – Analyst, Bank of America Merrill Lynch
John C. Hodulik – Analyst, UBS Securities LLC
Jason S. Armstrong – Analyst, Goldman Sachs & Co.
Douglas Mitchelson – Analyst, Deutsche Bank Securities, Inc.
Benjamin Swinburne – Analyst, Morgan Stanley & Co. LLC
James Maxwell Ratcliffe – Analyst, Barclays Capital, Inc.
Stefan Anninger – Analyst, Credit Suisse (United States)
Marci Ryvicker – Analyst, Wells Fargo Advisors LLC

MANAGEMENT DISCUSSION SECTION

Operator: Good morning, ladies and gentlemen. And welcome to Comcast's fourth quarter and full-year 2011 earnings conference call. [Operator instructions] I will now turn the call over to Senior Vice President, Investor Relations, Ms. Marlene Dooner. Please go ahead, Ms. Dooner.

Marlene S. Dooner, Senior Vice President-Investor Relations

Thank you, operator and welcome everyone to our fourth quarter and full year 2011 earnings call.

Joining me on the call are Brian Roberts, Michael Angelakis, Steve Burke and Neil Smit. As we have done in the past, Brian and Michael will make formal remarks and Steve and Neil will also be available for Q&A.

As always let me refer you to slide number two which contains our Safe Harbor disclaimer and remind you that this conference call may include forward-looking statements subject to certain risks and uncertainties. In addition, in this call we will refer to certain non-GAAP financial measures. Please refer to our 8-K for the reconciliation of non-GAAP financial measures to GAAP.

With that, let me turn the call to Brian Roberts for his comments. Brian.

Brian L. Roberts, Chairman, President & Chief Executive Officer

Thanks Marlene and good morning everyone.

I'm delighted to begin 2012 with this first call. Just thinking back a year ago, we were closing the NBCUniversal deal, we were making major management changes bringing Neil Smit to fully run

Comcast Cable, Steve Burke was beginning his first year at NBCUniversal, and it was a really, really important year for 2011 that a lot go well.

I'm thrilled to tell you that I think virtually across the board our 2011 performance as you can see in these fourth quarter results and throughout the year is right where we had hoped to be and in some cases substantially better.

And based on all of that, we're very pleased today to be increasing our dividend by 44% to $0.65 per share on an annual basis, and that our board has approved a new $6.5 billion stock buyback program under which we plan to increase our repurchases of stock by 40% to $3 billion this year.

Now, the way we come to those conclusions of the optimism and good feelings we have about the company is based on the financial results. So let me start with Cable, which had an outstanding year capped by a great fourth quarter of improving customer metrics combined with healthy financial results. In the fourth quarter, video customer losses declined to 17,000, our best quarterly video performance in almost five years and for the full year we reduced video customer losses by nearly 40%.

We also added 336,000 high-speed Internet customers in the quarter, a 15% increase and marked the sixth year in a row of adding more than 1 million high speed data customers.

I really believe these improvements are sustainable because they are the result of our scale and our intensified focus on service and innovation, all of which come together in our wonderful XFINITY brand message of product innovation and a better customer experience. Our major technical initiatives of DOCSIS 3.0, all-digital, a content delivery network that works on all platforms is now complete, and we have leveraged these investments to deliver more innovation faster than ever before.

So in 2011, we introduced more new products and features than the prior two years combined. And our product roadmap for 2012 is just as exciting, and it includes a broader rollout of the Xcalibur platform, which we're rebranding to X1, including our cloud-based guide to hundreds of thousands of customers this year across multiple markets. We'll be expanding our home security business in many, many markets virtually nationwide. And the expansion of Wi-Fi to several new markets. And a lot of content which will be on demand and on all devices.

And we also recently began to jointly market our services with Verizon Wireless, and we hope to expand a marketing footprint and working on new innovative products this year with Verizon Wireless. And we continue to expand choices and offerings for our customers. And we've taken important steps in our programming agreements and our relationship with the program suppliers, extending terms, expanding rights, going longer and having broader on-demand lineups and more flexibility to deliver this content to more devices in and out of the home than ever before.

So all in all, our Cable business is in terrific shape today. Our competitive position continues to get stronger. And we are leading with XFINITY in innovation. And I believe we're in a solid position for the future.

Let me now switch to NBCUniversal, where in 2011, we successfully completed our integration, but we also had such a busy year with many important investment decisions. Some of these investments are already paying off, and others will pay off over time.

We invested in new shows in both Cable Networks and on our Broadcast Networks. We invested in our own stations. We extended the NHL and PGA rights, purchased 100% of the Orlando theme parks, have some exciting film franchises launching in 2012. We invested to extend the Harry Potter franchise in several of our theme parks. We also brought together all of our company's capabilities in successful bids for the Olympics. For the Spanish language rights for FIFA World Cup soccer. And we extended the all-important Sunday Night Football franchise with the NFL.

In each case, we secured important rights for many years, and we got more content to be used over many new platforms, putting us on a path to make these investments profitable over time and to significantly strengthen the business.

In the first year, we've also had some early successes that validate our belief that we can create real value with our combination of distribution and content businesses. We launched Project Symphony, concentrating first on cross-promotion, which had real success with The Voice in early 2011, and again just last week, with the Super Bowl, The Voice and Smash. The Super Bowl and all of last week was critically important to the company, both from an execution standpoint and from just purely the largest audience in American television history.

And just one example of how well the company is working together was around Smash, where once again, we showed that NBC can promote its own shows on all of its platforms, but also along with Comcast, was able, in the Comcast markets, to generate over 20% higher ratings than elsewhere in the average of the country.

So we're a new and different – and frankly, I think, unique company – full of enthusiasm and optimism for what we can achieve in Cable, at NBCUniversal, and what we can now build together. So it's with that great start for 2012 that we're focused on maintaining the momentum, continuing to drive operating and financial excellence, and building value for our shareholders.

Let me now pass to Michael to cover the fourth quarter and full-year results in detail.

Michael J. Angelakis, Chief Financial Officer and Vice Chairman

Thank you, Brian.

We are very pleased with our fourth quarter and full-year results for 2011, which reflect profitable growth and the fundamental strength of our businesses. Based on our confidence in the ongoing performance of the company and as Brian just mentioned we are increasing our total return of capital to shareholders in 2012 by 45%. We will address our financial strategy a bit later, but now let's discuss our business performance for 2011 in more detail.

For the full year of 2011, consolidated revenue increased 47.2% to $55.8 billion and operating cash flow increased 25.8% to $18.4 billion, reflecting strong organic growth in the cable business as well as consolidating the acquisitions of NBCUniversal on January 28 and the remaining 50% of Universal Orlando on July 1.

Free cash flow for the full year, which excludes the impact of the economic stimulus increased 30.1% to $7 billion, primarily reflecting growth in operating cash flow, which includes NBCUniversal, and partially offset by increases in working capital, higher cash paid interest, capital expenditures and intangible asset expenditures. Free cash flow per share increased 31.9% to $2.52 per share in 2011. For the year, our Cable free cash flow accounted for $5.2 billion or 75% of the total while NBCUniversal contributed $1.8 billion or 25% of consolidated free cash flow.

Earnings per share for the full year grew 16.3% to $1.50 per share from $1.29 per share in 2010. Excluding NBCUniversal transaction-related costs, and other nonrecurring items, our EPS increased 20.6% to $1.58 compared to $1.31 in 2010. Please refer to slide 5.

Let's take a look at the pro forma results of our cable and NBCUniversal businesses. Pro forma results are presented as if the NBCUniversal and the Universal Orlando transactions were both effective on January 1, 2010. We believe the pro forma presentation provides a more meaningful comparison of the operating performance of the businesses.

In addition, we adjust operating cash flow to incorporate the effects of acquisition accounting and eliminate the costs and expenses directly related to the NBCUniversal transaction. In total, during 2011, these adjustments, which are detailed on table 6 of our press release impacted NBCUniversal operating cash flow by $340 million. Our purchase accounting adjustments are now complete. So year-over-year comparisons should be a bit easier going forward.

In 2011, Cable Communications revenue increased 5.3% to $37.2 billion and represented 65% of our consolidated revenue while cable operating cash flow grew 6.9% to $15.3 billion and represented 82% of our consolidated operating cash flow. For the full year, NBCUniversal generated revenue of $21.1 billion, an increase of 3.7%. This growth reflects the inclusion of $782 million of revenue from the Olympics in 2010. So on an apples-to-apples basis revenue increased 7.8%.

Operating cash flow increased 2.3% to $3.8 billion. Again, excluding the Olympics in 2010, and the acquisition-related accounting revisions and costs in 2011, NBCUniversal's operating cash flow increased 5.2%. These results reflect strong performance at the Cable Networks and theme parks, which are offset by weaker performance at broadcast and film.

For the full year, consolidated revenue increased 4.7% to $57.7 billion. Again, excluding the impact of the Olympics in 2010, pro forma consolidated revenue increased 6.2%. Consolidated pro forma operating cash flow increased 6.2% to $18.7 billion, and excluding the Olympics and the acquisition-related accounting revisions and costs that I just described, full-year operating cash flow increased 6.8%.

Please refer to the next slide and let's review Cable Communications results in more detail. In 2011 our Cable segment reported strong financial results in customer growth with substantial year-over-year improvements. For the full year of 2011, Cable Communications revenue increased 5.3% to $37.2 billion reflecting growth in our recurring residential business and continued strength in business services, partially offset by lower political advertising.

The cable business has performed well and has had consistent results. Excluding advertising, cable revenue increased 5.6% for the full year, which is consistent with the growth rate in each of the last four quarters. In 2010, we generated $180 million of political ad revenue making 2011 comparisons a bit challenging. As a result cable advertising declined by 1% for the full year and by 9% or $56 million for the fourth quarter. However, excluding the political ad revenue, cable advertising increased 7% for the full year, and 5% in the fourth quarter.

We are managing the business for sustainable and profitable growth and our total revenue per video customer reached $141 per month in the fourth quarter, a 7% increase that reflects our growing customer base, a higher contribution from business services and an increasing number of residential customers taking multiple products. At year-end, 71% of our video customers took at least two products. And 37% took all three services versus 33% in 2010.

We continued to experience real strength in our customer metrics and we ended the year with improved year-over-year customer growth. For the year we added 1.4 million total video, high-speed Internet and voice customers an 11% increase in net customer additions compared to 2010.

As Brian mentioned, in the fourth quarter we lost 17,000 video customers, a significant improvement over the 135,000 video subscriber losses in last year's fourth quarter. For the full year, we reduced video losses by nearly 300,000, approximately a 40% improvement over 2010. In addition, we added 1.2 million new high-speed Internet customers in 2011, a 10% increase over last year's new customer additions.

We have improved products. We are competing better, and our focus on retention and customer service has resulted in lower churn year-over-year in each quarter across all of our services. In addition to our strong customer metrics, rate adjustments and an increasing number of customers taking higher levels of digital and advanced services contributed to a 1.3% increase in video revenue. We added 743,000 high-def and/or DVR customers in 2011 and now have 10.9 million high-def and/or DVR customers, equal to 53% of our 20.6 million digital customers.

High speed Internet revenue was the largest contributor to cable revenue growth in 2011. High speed Internet revenue increased 9.8% reflecting rate adjustments, continued growth in our customer base and an increasing number of customers taking higher speed services. Today, over 25% of our residential high-speed Internet customers take a higher speed tier than our primary service. Our HSI service is clearly capturing more market share as we continue to differentiate our product through service and speed enhancements.

With regards to voice, our voice revenue increased 6.2% for the full year, reflecting continued growth in our customer base. In 2011, we added 732,000 voice customers and our penetration is now 18% of our homes passed.

Business services was the second largest contributor to cable revenue growth in 2011, with revenue increasing 41.4% to 1$.8 billion. Virtually all of our growth is from the small end of the market or businesses with less than 20 employees and we continue to experience strong momentum. In addition, we now have Metro E and PRI trunked voice available in all of our markets. In total, business services represents a $20 billion to $30 billion opportunity in our markets and our penetration is only 10%, so we are enthusiastic about the growth opportunities in this segment.

Please refer to slide 7. In addition to revenue growth, we remain very focused on expense management and driving greater efficiencies and effectiveness through the organization. As a result, full-year Cable Communications operating cash flow increased 6.9% to $15.3 billion resulting in a margin of 41.1%, a 70 basis point improvement compared to 2010.

We had several positives contributing to our margin improvement. First is our improving product mix. We are adding more high-speed Internet, voice and business service customers and an increasing number of our residential customers subscribe to multiple products and upgrade to higher tiers of service such as HD DVRs or faster internet speeds. These products are clearly accretive to our margins.

Second, we've had improved efficiencies in our operations as we focus on improving service, reducing churn and increasing customer satisfaction. As a result, customer service and technical operation expenses were relatively flat during the year. In addition, bad debt expense improved as we continue to improve our retention, collection and screening processes.

Partially offsetting these positives are three pressures two of which we control and have positive ROIs. We are making important investments in new products to expand business services and to offer new products like XFINITY Home and Signature Support, in addition, in 2011, sales and marketing expenses increased 11.8% for the full year as a result of higher overall media spend and a continued investment in direct sales to more effectively target customers and enhance our competitive positioning. These increased marketing efforts have had a positive impact on our customer metrics. Our XFINITY brand is now launched in 100% of our footprint. It represents a more technology and customer focused brand that is making a positive impact on both our customers and those considering our services for purchase.

Finally, program expense remains a challenge. In 2011 program expenses increased 5.8% as we continue to increase the amount of content we provide consumers across multiple platforms. As we have mentioned previously, we expect program expenses to grow at mid to high single digit rates and in 2012 we expect programming expenses to grow at the higher end of that range.

Please refer to slide 8 so we can review our Cable Communications capital expenditures. As indicated on the slide, we continue to reduce the capital intensity of our cable business. For 2011, total cable capital expenditures decreased 1% to $4.8 billion, equal to 12.9% of revenue versus 13.7% in 2010. This reduction reflects scale efficiencies, including improved equipment pricing, partially offset by continued investments in network infrastructure and the expansion of business services.

Our full-year CPE expenditures declined even as we deployed 2.4 million advanced HD and/or DVR set tops and deployed 6.4 million digital adapters. In total we've deployed over 23 million digital adapters since the inception of the all-digital project which is now complete.

All-digital has been a terrific initiative that has provided significant operational benefits and product enhancements as well as generating strong financial returns. Over the past year, we have begun to recapture the remaining analog bandwidth in a number of our markets. And we plan to continue this effort as we anticipate additional operating efficiencies and strategic benefits from fully digitizing our systems.

Full-year 2011 CapEx also reflects meaningful investments to support the continued growth in business services and to expand our efforts in the mid-sized business area. Our investment in business services increased 22% to $607 million in 2011. We also increased our investment in network infrastructure to enable product enhancements, including increasing Internet speeds to our customers, to reinforce our product leadership in high speed Internet. We successfully raised speeds on our flagship product from 12-megabits to 15-megabits and raised speeds on our Blast! product from 20-megabits to 25-megabits. In addition, we introduced our 50-megabits service and our extreme 105-megabits service to virtually all of our markets.

With regards to 2012, we anticipate our capital intensity to moderate further as cable capital expenditures are expected to be lower as a percentage of cable revenue when compared to 2011, even as we continue to invest capital in our network and fund the expansion of new service offerings like XFINITY Home, Wi-Fi and Xcalibur. These projects provide attractive returns, expand our service and product offerings, and drive future organic growth.

Please refer to slide 9 so we can take a closer look at the pro forma results of NBCUniversal segments. For the full year, Cable Networks generated revenue of $8.5 billion an increase of 10.6% driven by a 10.9% increase in distribution revenue an 8.7% increase in advertising revenue and an 18.7% increase in other revenue primarily due to increases in the licensing of content from the cable production studio.

Cable Networks adjusted operating cash flow increased 9.8% as we reinvested some of the top line growth in original programming and incurred higher marketing expenses to support launches of new series and other new programming across a number of our cable networks.

With regards to our broadcast segment, full-year broadcast television revenue decreased 7.1% to $6.4 billion, reflecting the inclusion of $782 million of revenue from the Olympics in 2010's results. Excluding the impact of the Olympics, broadcast revenue increased 4.8%. Advertising revenue, excluding the impact of Olympics, increased 1% in 2011 primarily reflecting ratings pressure at the NBC broadcast network and lower political advertising at NBC-owned local stations.

Content licensing revenue increased 23.3%, primarily the result of a licensing agreement for prior season and library content in the second and fourth quarters. Full-year 2011 broadcast adjusted operating cash flow, which excludes the Olympics in 2010 as well as acquisition-related accounting revisions in '11 decreased to $231 million, reflecting lower ratings, increased programming and marketing costs associated with NBC primetime schedule and higher news coverage.

As we look at advertising revenue at Cable Networks and Broadcast, both had unusual items that impacted advertising growth in the fourth quarter including: four fewer days in our advertising calendar; fewer NBA games due to the lockout; and lower political advertising revenue at the NBC owned local stations. If we adjust advertising growth to exclude these items in the fourth quarter, cable network advertising revenue increased 7% versus a reported 2% growth and broadcast advertising revenue was flat versus a reported decrease of 6.5%.

Moving on to Film Entertainment, 2011 revenue was flat at $4.6 billion, reflecting higher theatrical revenue from the strong box office performance of Fast Five and Bridesmaids as well as higher content licensing revenue offset by lower home entertainment revenue and a decrease in other revenue due to fewer stage plays. Film adjusted operating cash flow declined $220 million to $10 million in 2011, reflecting the underperformance of the 2011 film slate, higher marketing costs and a tough comparison to the 2010 performance of Despicable Me.

Switching to our theme parks, this segment had a terrific year. Theme parks generated revenue of $2 billion in 2011, a 24.3% increase that was driven by strong attendance and per capita spending at both parks, which are benefiting from the success of the Wizarding World of Harry Potter attraction in Orlando and the King Kong attraction in Hollywood. Full year adjusted operating cash flow increased 41.2% to $835 million.

We are pleased that the integration and transition of 2011 is behind us at NBCUniversal, and look forward to 2012 which will be more execution-focused.

Please refer to slide 10 to review our consolidated financial strategy. We believe that operational excellence and strategic differentiation drives shareholder value, so we have an operating strategy that is execution-focused and a financial strategy that is returns-focused and supports this strategy by reinvesting in our business while maintaining a strong balance sheet and providing a consistent and sustainable return of capital to shareholders.

Our strong free cash flow generation means we can balance and achieve our growth and capital allocation priorities. It's not an either/or choice. Let me once again quickly review our priorities. Our first priority is to generate strong returns by reinvesting in our businesses. In both Cable and NBCUniversal we're reinvesting to strengthen our competitive positions and to support attractive internal growth opportunities.

In regard to acquisitions and investments, we have a very disciplined approach focused on opportunities that generate strong risk adjusted returns and combined with strategic importance that generate long-term value. We view our strong balance sheet as a strategic asset and are committed to remaining a strong investment grade issuer.

At the end of 2011, we had $39.3 billion of debt on our consolidated balance sheet and had gross debt to operating cash flow leverage of 2.1 times. We are comfortable with a gross debt to operating cash flow leverage target of 2 to 2.5 times and expect to remain at the low end of that range which we believe provides appropriate financial flexibility and liquidity to execute our operating and strategic plans.

We also have a strong commitment to deliver consistent and sustainable return of capital to shareholders, within a disciplined capital structure and through a combination of dividends and buybacks, which we think enhances shareholder returns while maintaining adequate liquidity to execute our plans.

To achieve that, we currently view Comcast and NBCUniversal as two distinct pools of cash flow generation and funding capacity. NBCUniversal retains its free cash flow, which amounted to $1.8 billion in 2011, to build capacity to fund future equity redemptions by G.E. while Comcast Cable allocates its free cash flow to consistently return capital to shareholders. As we move to the next slide, you can see a consistent and growing return of capital over the last three years and for 2012 reflecting today's announcements.

Since the 2008/2009 financial crisis, we have steadily increased our total return of capital through a combination of increasing dividends and buybacks. We instituted an annual dividend in 2008 at $0.25 per share and have consistently increased it to the current announced level of $0.65 per share. The newly announced dividend represents 43% of our last 12 months of net income and raises our current dividend yield to approximately 2.4%, which is above the S&P 500. In combination with the planned stock repurchases in 2012, our combined yield is approximately 6.5%.

As a percentage of free cash flow, our total payout has steadily increased from 35% in 2009 to 63% in 2011. With today's announcement, our total return of capital in 2012 is increasing approximately 45% to $4.8 billion, incorporating a 44% increase in the dividend and a plan to repurchase $3 billion of stock in 2012 under our new repurchase authorization of $6.5 billion. This total return represents a payout of 90% of our last 12 months Cable free cash flow and approximately 115% of our last 12 months net income.

So as we conclude 2011 and begin 2012, the company is performing well with a real focus on innovation and execution. In addition, we are pleased with the start in 2012 and hope to build on Cable Communications and NBCUniversal's momentum. We also are very pleased that this moment and our financial strength is allowing us to invest for profitable growth and to accelerate our return of capital to shareholders.

Now let me turn the call to Marlene for Q&A.

Marlene S. Dooner, Senior Vice President-Investor Relations

Thanks, Michael. Operator, let's open up the call for Q&A, please.

QUESTION AND ANSWER SECTION

Operator: [Operator instructions] Our first question comes from Craig Moffett with Sanford Bernstein. Please go ahead.

<Q – Craig Moffett – Sanford C. Bernstein & Co. LLC>: Hi, good morning. I'm going to try to slip in two if I can. First, on the strength in video subscribers, are you seeing that as a competitive issue or are you starting to see some tailwind from new household formation recovery in your markets?

And then secondly if you could just update us on your Wi-Fi expansion and whether you're thinking about a voice-over Wi-Fi service as part of that, and if so how would you fill the MVNO component in order to fill in where you don't have Wi-Fi coverage?

<A – Neil Smit – Comcast Cable Communications LLC>: Hi, Craig. This is Neil. I think that our video results are more a competitive issue. I think we're focused on product innovation and better customer service. And I think we've seen kind of sustainable results from those two areas of focus.

The other factor that I would mention is that the RBOC overbuild has slowed in 2011. It was about 1.1 million homes versus 2.5 million in 2010. We're getting more flexibility in our programming agreements, as you've seen. So we're offering more content to more devices. So we're staying focused on product innovation and better service and more to come there.

Concerning the Wi-Fi build out, we have – we built out Philly, parts of New Jersey and Delaware. We're pleased with the results. We have about 4,000 access points. We'll be building out more markets, but it will be primarily focused on data versus voice-over.

<Q – Craig Moffett – Sanford C. Bernstein & Co. LLC>: Great. Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thank you, Craig. Operator, let's have the next question, please.

Operator: The next question comes from Jason Bazinet with Citi. Please go ahead.

<Q – Jason Bazinet – Citigroup Global Markets (United States)>: Just have a question for Mr. Burke. On the Cable Network side of the business, it seemed like expenses over the first three quarters of the year were growing pretty significantly and you had margin compression and the expense growth seemed to stop in the fourth quarter this year with pretty significant margin expansion. Can you just help us spring 2012 in terms of how we should think about the level of investment or harvesting that's going on in the Cable Networks division? Thanks.

<A – Brian Roberts – Comcast Corp.>: Steve, you want to take that or Michael?

<A – Michael Angelakis – Comcast Corp.>: Why don't I take it? Sorry, Jason.

<Q – Jason Bazinet – Citigroup Global Markets (United States)>: That's okay.

<A – Michael Angelakis – Comcast Corp.>: You really can't look at the quarter-by-quarter for the Cable Networks. We've made meaningful investments in Cable Networks trying to build each of the franchises and build value for those particular channels.

With regard to the first three quarters versus the fourth quarter, I really wouldn't focus on one quarter. I would really focus on the entire year and how we've invested in new series for different channels and how we've marketed those as well.

As we look to 2012, we feel pretty good about what our investment level is. We'll continue to invest in certain areas where there's other channels that we think need some additional help. But it's not going to be material, and I think the cruising altitude that we have for investment in the cable channels feels about right.

<Q – Jason Bazinet – Citigroup Global Markets (United States)>: Okay, thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks Jason. Operator let's go to the next question, please.

Operator: Next question comes from Jessica Reif Cohen with Bank of America Merrill Lynch.

<Q – Jessica Reif Cohen – Bank of America Merrill Lynch>: I have a maybe clarification and then a separate question. Mike, on the capital returns, I mean obviously a very solid number for 2012. I think everybody should be happy. But can you clarify your outlook for 2013? If we assume that the balance of the buy back, the $3.5 billion is 2013, your leverage then goes back to the mid-one-time level. How should we think about that given your leverage target of 2 to 2.5 times?

<A – Michael Angelakis – Comcast Corp.>: So Jessica, I really wouldn't look into 2013. I wouldn't look at the $6.5 billion authorization as a marker for 2013. We're very focused on 2012 and as we've said before, we're really looking at a financial strategy for each year separately. So the reason for the $6.5 billion is to provide us with flexibility. We obviously ran out of authorization in the fourth quarter of 2011. And we really want to have as much flexibility as we can and then we'll obviously sit down with our board at the end of 2012 and we'll look at our financial strategy again with a pretty fresh look on both dividends and buybacks for 2013.

<Q – Jessica Reif Cohen – Bank of America Merrill Lynch>: Thanks. And my question for all, on NBCU, clearly there's a lot of upside in every division. I was hoping Steve could talk a little bit about where you see the biggest growth opportunities over the next one to three years. And on the cable side, can Neil or Brian, anyone, discuss what you're seeing in terms of early indications of, from the Verizon joint venture in terms of marketing, and you mentioned new products. Can you elaborate?

<A – Stephen Burke – Comcast Corp.>: Jessica, this is Steve. Just to start on NBCUniversal, we obviously think there are a lot of opportunities, but if you look at 2011, that was really a year of integrating the two companies, making sure we had the right people in place and starting to invest in some of the businesses that we thought had real opportunity. And our goal for 2011 was to make those investments, but not have cash flow go backwards and we accomplished that goal.

As you look out into 2012 and 2013, we're going to start to hopefully see some of the seeds we planted bear fruit. We think there's real opportunity in broadcast. We've said the network is going to take us a number of years to turn around. We had a very good week last week. The Voice is one of the top shows in America, and we think is a franchise that we can help rebuild the network on. But that is going to be a multi-year effort.

We also think we can see some improvement in film. Our film business has not been doing well. We have a very strong slate in 2012. We think our management team in film is doing a very good job and the films that we have seen that will be coming out later this year we're very optimistic about.

Cable Networks are extremely strong, from really strength to strength. We have 20 Cable Networks that are all doing quite well. And we look as those being really the core of the company. But we have opportunity there as well.

So we're very optimistic, but also want to caution people that we're still in the early innings of the integration process and don't want to get ahead of ourselves in terms of how fast some of these opportunities are going to be realized.

<A – Neil Smit – Comcast Cable Communications LLC>: Concerning the Verizon Wireless rollout, we've rolled out to four markets now. We're pleased with the results. We're learning. We're working together. They've been great partners. I think on that front it's probably early to tell.

Concerning new products, in addition to Verizon Wireless we've got XFINITY Home, our home security product which is going very well and we're rolling out to more markets; Signature Support, which is a higher end service for customers who need more help; Wi Fi was already mentioned when I responded to Craig's question; and then our Xcalibur product, our high end video product, which we're branding X1. Those are examples of a number of different products we're rolling out right now.

<Q – Jessica Reif Cohen – Bank of America Merrill Lynch>: Thank you.

<A – Brian Roberts – Comcast Corp.>: More on demand and more, with the Disney agreement, with other agreements we've got in place, and things that we're working on, I think TV everywhere, whatever you want to brand it, we call it XFINITY. Obviously you're going to see a lot of progress in 2012 on getting more content available to consumers on more devices than in any year in the company.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Jessica. Operator let's have the next question, please.

Operator: Your next question comes from John Hodulik with UBS. Please go ahead.

<Q – John Hodulik – UBS Securities LLC>: Thanks, two quick ones, maybe first for Neil. Obviously the few video losses for the fourth quarter is sort of a great harbinger of things to come. You typically see about a 100,000 improvement sequentially in the first quarter, suggesting we're getting to the point where looking out into 2012 here you could see potentially subscriber growth. If you could sort of comment on that.

And then maybe for Michael, the $6.5 billion buy back, just from your answer to Jessica's question, quick follow-up would be how did the Spectrum Co cash factor into that? Obviously you could see another $2 billion in cash come by the end of the year. Could that potentially boost 2012 buyback? Or is that why you did the bigger authorization? Or is that something that's going to factor into the numbers as we look into 2013? Thanks.

<A – Neil Smit – Comcast Cable Communications LLC>: Hi, John. This is Neil. On the sub growth question, I mean as I said earlier, I think we're focused on product innovation and better customer service. I don't think we'll see growth in the first quarter. It's a quarter where we're taking rate increases. But we're going to stay focused on our priorities, which is really delivering more value to the customers.

Michael?

<A – Michael Angelakis – Comcast Corp.>: Sure. Good morning, John.

With regards to Spectrum Co and the sale of the spectrum, it's not incorporated in our financial strategy for 2012. Just want to make that clear. Obviously we have to close the transaction, which our best guess is in the latter part of the year. So we will utilize that Spectrum Co cash as we think and evaluate our 2013 return of capital strategy.

Also, I just want to make sure the $2.3 billion is a pre-tax number. We have a gain that we have on that. But really when we think about Spectrum Co, first is let's get the transaction closed. Given what we think the timing of it will be, it will probably be in our 2013 evaluation.

<Q – John Hodulik – UBS Securities LLC>: Okay, great. Thanks.

<A – Marlene Dooner – Comcast Corp.>: Thank you, John. Operator, let's have the next question, please.

Operator: Your next question comes from Jason Armstrong with Goldman Sachs. Please go ahead.

<Q – Jason Armstrong – Goldman Sachs & Co.>: Thanks, good morning. Maybe just a follow up on capital allocation. I know as we thought about sort of the pacing through last year, the excess cash was devoted towards taking down debt as opposed to refinancing. Is that still sort of the framework to use for 2012?

And then question on the programming cost outlook, and just maybe some more granularity on the contributors to 2012 being at the higher end of the historical range. Thanks.

<A – Michael Angelakis – Comcast Corp.>: Why don't I take the first one, the capital allocation. The reality is there's really not going to be that much excess cash. When you think about NBCUniversal's free cash flow, 100% of that is really dedicated to I would say sort of indirect equity redemption over time with General Electric. Then when you think about Cable free cash flow, about 90% plus of that will go to the buyback and the dividend.

Obviously we also have some taxes to pay related to the reversal of the benefits of the economic stimulus. So over time, our view is for 2012, we've got our balance sheet kind of where we want it to be, but there's not going to be really excess liquidity, I think, is the term you utilized.

<A – Neil Smit – Comcast Cable Communications LLC>: Jason, this is Neil. Concerning the programming increases, I mean, the rates really fluctuate based on renewals and roll offs. We project for 2012 the increases to be in the mid to the high single digits, probably at the higher end of that range.

I think we're getting longer terms and more flexibility in our contracts to deliver what Brian mentioned earlier, which is more content across more devices.

I think it's important to note that we've grown video gross margin dollars on a per sub basis, as we've upgraded to higher levels of service and advanced services. So we're very focused on the business. And we really want to deliver more value to our customers by getting more flexibility in the rights.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Jason. Operator, let's go to the next question, please.

Operator: Your next question comes from Doug Mitchelson with Deutsche Bank. Please go ahead.

<Q – Douglas Mitchelson – Deutsche Bank Securities, Inc.>: Thanks so much. Question for Michael or Neil on cable margins for the year. Given the balance of innovation and investment against efficiency, should we think about the positive impact of political advertising offsetting the faster programming cost growth that's potentially in 2012? So maybe flattish overall cable margins?

And then I did want to follow up on Craig and John's question. I'm not sure in the answer to John's question you said this or not, Neil. But is 1Q 2012 sort of for sub growth starting the way 4Q and 2011 ended? If that's a fair question. Thanks.

<A – Neil Smit – Comcast Cable Communications LLC>: I'll take the sub number, and then I'll turn it over to Michael for the margin number.

I think the way I'd describe the first quarter is the trends that we're seeing seem to be sustainable. We've seen very strong response to our offers. And we, the customer service and the increased value that we're delivering, I think customers have responded well to. We've beefed up our channels, whether it's direct marketing or direct sales, and we're executing, I think, pretty well right now.

But I think that while we won't grow, we'll be in a close range is the way I'd describe the first quarter. And we're really focused on execution.

Michael?

<A – Michael Angelakis – Comcast Corp.>: So I'll take cable margins. I think political advertising in 2012 will obviously help, but it's not really going to move our margins, given the size of political advertising versus the size of the overall business. Obviously it's a benefit.

With regards to 2012, don't want to give guidance, but I think we see a little bit of the same versus 2011 is – the real headwind is on programming costs, which you mentioned. But we're going to have some benefits related primarily to product mix, as you can see with high speed data and with voice and with business services. Those are growing really nicely and accretive to margins.

So I don't want to give any predictions on margin. But I think stable is a pretty good way to think about it.

<Q – Douglas Mitchelson – Deutsche Bank Securities, Inc.>: Thank you very much.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Doug. Operator, let's go to the next question, please.

Operator: Your next question comes from Ben Swinburne with Morgan Stanley. Please go ahead.

<Q – Benjamin Swinburne – Morgan Stanley & Co. LLC>: Thank you. I have two. I wanted to come back to the video business.

Brian, maybe you or maybe Neil can comment on X1 or the Xcalibur rollout and put it into context for us. It seems like if you look back over the last few years, you've had some major innovations like DOCSIS 3, Project Infinity, all-digital. Where does X1 fit into all that? How much of an experience-changer is this for the customer in 2012? How broadly do you deploy it?

And related to that, I wanted to ask about the CapEx outlook, maybe for Michael. Intangibles were up in the 2011 year. I think you had about $1 billion. That might be related to software on the X1 platform. Does your comment about flat CapEx to sales in 2012 include intangibles? Does that move that comment around at all? I just wanted to get clarification there.

<A – Brian Roberts – Comcast Corp.>: Okay, Ben, this is Brian. Let me maybe start. And Neil, if you want, feel free, or Michael can answer that second question.

My view is that in 2012, X1 is a beginning of a new way of communicating with the television device, which is coming from the cloud, not solely from the box. But it will be in hundreds of thousands of homes. Obviously that's not tens of – that's not the big number for us.

It will be in multiple markets, and it will be stable, and it will radically improve the experience, in my opinion, over time. But more importantly, it is creating the unlocking mechanism to future innovation, which will then reside on the best servers in the cloud that can be upgraded, state of the art, without having to ever come back to your house. And can be done quickly, not over years, but over weeks and months. Those UI changes and other things that we want to do as we create better search products, and we have the need with more on demand.

And so I think it's got the same kind of long-term, strategic implications as some of those other products you've mentioned. In 2012, it's really getting it commercialized in a number of key markets.

Another part of the strategy is – that this accomplishes – is the beginning of allowing us to get on to other devices. We obviously are not operating in a vacuum. And we're very cognizant of the exciting changes in the consumer electronics space. And we want to position our company to take advantage of the innovation, not trying to necessarily fight it, and want to make it as simple for our customers as possible.

So we have an agreement with Xbox. We're working with Samsung. We'll be working with others throughout the year. And I think our Comcast Technology Group is doing a super job of changing the way we historically look at how we deliver our products to consumers.

And so getting things into the cloud, out of the cable box, will have broad implications over time. And 2012 is a year to make it happen and get it started.

<A – Michael Angelakis – Comcast Corp.>: Why don't I take the CapEx and software intangibles question?

With regards to cable CapEx, as I said in the remarks, Ben, I think that you'll see some trending downward in terms of intensity as a percentage of cable revenue. So the team's done a phenomenal job of managing that. We're investing for growth in a lot of that, as Brian and Neil have mentioned on this call. So I really look at CapEx as trending slightly downward as a percentage of revenue and bringing that intensity a bit down.

With regards to software and intangibles, one of the reasons for the increase is obviously NBCU now has added to that number and that free cash flow. But you've got to really look at two of them combined.

As we've talked about, and Brian mentioned just now, the cable business is spending more on the software in areas in the cloud. That's an important investment for us. It allows Neil's team to really increase the speed of innovation, and I think we've got a pretty good number of what we're spending. That's a pretty stable number. It's in the range.

Also NBCUniversal has been spending a bit on software and intangibles, and that's one of the reasons for the increase.

So I think the number for all of 2011 that's in our press release is $954 million. Don't want to get too specific, but that's in the range.

<Q – Benjamin Swinburne – Morgan Stanley & Co. LLC>: Thank you very much.

<A – Marlene Dooner – Comcast Corp.>: Thanks, Ben. Operator, let's go to the next question, please.

Operator: Your next question comes from James Ratcliffe with Barclays Capital. Please go ahead.

<Q – James Ratcliffe – Barclays Capital, Inc.>: Good morning. Thanks for taking the question. Two quick ones, if I could, on the cable business.

First of all could you talk about the relative performance you're seeing on HSI in areas where you face fiber, quasi-fiber competition? Versus areas where you're going up against standard DSL?

And secondly, I know it's early, but any reads or takeaways thus far from the MyTV Choice deployments, in terms of customer interests and where those customers are coming from? Thanks.

<A – Neil Smit – Comcast Cable Communications LLC>: James, this is Neil. I think generally speaking, we perform much better in the DSL markets. And I think that's due to the billions of dollars of investment we've made in the plant. Capacity, we continue to increase. And we've just got what we feel is a better product versus DSL.

I think generally speaking in the fiber markets, we're competing well. They're aggressive competitors, as are we. And I think the bundle is a real value proposition.

Concerning your second question, MyTV Choice, we continue to look at packaging possibilities. And MyTV Choice has been a – we discovered a lot and learned a lot from that rollout. And we'll continue to experiment. I think that we will look at how we can get more flexibility in packaging and delivering the right package to the right consumers. And that will be a component in that for this year.

<Q – James Ratcliffe – Barclays Capital, Inc.>: Great. Thank you.

<A – Marlene Dooner – Comcast Corp.>: Thanks, James. Operator, I'd like to have the next question, please.

Operator: Your next question comes from Stefan Anninger with Credit Suisse. Please go ahead

<Q – Stefan Anninger – Credit Suisse (United States)>: Good morning, thanks for taking my question.

Could you comment on how you might evaluate the opportunity to buy out the portion of NBC you don't own today? Of course, your ability to buy out the entire stake in the near term will depend on what GE might decide to do. But assuming that GE would opt to redeem half of its stake in 2014, maybe you could discuss how you would think about the opportunity and what it would simply depend on, on the price of the last, let's say, 25% of the JV you would purchase? Or is there more at work there? Thank you.

<A – Michael Angelakis – Comcast Corp.>: Good morning, Stefan. It's Michael. We're still pretty early days into this. We've owned NBCUniversal now for just over a year. We have really two and a half years left before we would have to have that discussion. So obviously, we'll learn a lot more then.

We gave a lot of thought to how we structured the transaction with GE. We wanted to make sure that we retained our flexibility on our capital structure. Wanted to make sure we retained our flexibility on our return of capital. We have, in our view, a pretty attractive carried interest.

So I think we are very pleased with how NBCUniversal is performing, and also the structure that we put in place with GE. So I really wouldn't want to front-run that. I think we have to make a decision in a couple of years, or two and a half years, and then we'll revisit it then. And then we'll revisit it again in six years. So there's a long road here. And for us to alter the structure, I just don't see it right now.

<Q – Stefan Anninger – Credit Suisse (United States)>: Okay, thank you.

<A – Marlene Dooner – Comcast Corp.>: Stefan, thank you. Operator, let's go to the last question, please.

Operator: Your last question comes from Marci Ryvicker with Wells Fargo. Please go ahead.

<Q – Marci Ryvicker – Wells Fargo Advisors LLC>: Thanks. Neil, I just want to get a better understanding of your subscriber performance in the quarter. Do you feel that Comcast is gaining market share, or is the entire paid TV sector healthier?

And then a follow up to this, I know in the prepared remarks there was mention of better churn. I'm just curious if the gross adds part of the equation is also trending better. Thanks.

<A – Neil Smit – Comcast Cable Communications LLC>: Marci, I'll answer those in reverse. We had – churn did improve for each of the fourth quarters on the year and I think that was due to a few of factors, one I think the field teams are just executing better on customer service and they've done a nice job there. And I think that we built up our retention focus as a channel and so we're more focused on the offers and the destination pricing for customers who want to churn and for different reasons.

I think concerning whether we're gaining market share or not, if we're losing subs, we're not gaining market share and we don't like to lose subs. So our objective is to grow the business and we – I think it's primarily due to the we're staying very focused on delivering more value, as Brian mentioned, and the second thing is we're just going to continue to improve customer service. I think we've built the foundation of it, and now we've got to continue to transform it.

So I think we're going to continue to drive the business. We're very focused, and I think the teams are executing well. And that will be our focus going forward.

<A – Brian Roberts – Comcast Corp.>: I just want to add Marci that and maybe end the call on this thought, which is Neil, I think a big part of it is your leadership. I think the entire Cable team had an outstanding 2011, and part of it is the scale that we have, the ability to make the investments several years ago that are paying dividends now, to try to have leading products that perhaps not everybody has. And so I begin – I think this is several quarters in a row where we're trying to make that XFINITY experience the best in the market. And we may not get back to full growth on video for a while, because we don't see housing growth at the moment, but some day that's going to happen. And but more importantly I think this is just terrific execution by the cable team and sets us up for 2012.

<A – Marlene Dooner – Comcast Corp.>: Thank you all for joining us this morning.

Operator: There will be a replay available of today's call starting at 12:30 p.m. Eastern Standard Time. It will run through Wednesday February 22 at midnight Eastern Time. The dial in number is 855-859-2056. And the conference ID number is 40671374. A recording of the conference call will also be available on the company's website beginning at 12:30 p.m. today.

This concludes today's teleconference. Thank you for participating, you may all disconnect.