COMCAST CORP
Form 10-Q
November 02, 2011
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

x **Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the quarterly period ended September 30, 2011

OR

¨ **Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the Transition Period from to

Commission File Number 001-32871

COMCAST CORPORATION

(Exact name of registrant as specified in its charter)

PENNSYLVANIA	**27-0000798**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Comcast Center, Philadelphia, PA	**19103-2838**
(Address of principal executive offices)	(Zip Code)

Registrant s telephone number, including area code: (215) 286-1700

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such period that the registrant was required to submit and post such files).

Yes x No ¨

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer x Accelerated filer ¨ Non-accelerated filer ¨ Smaller reporting company ¨

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ¨ No x

As of September 30, 2011, there were 2,092,580,146 shares of our Class A common stock, 622,816,473 shares of our Class A Special common stock and 9,444,375 shares of our Class B common stock outstanding.

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This Quarterly Report on Form 10-Q is for the three and nine months ended September 30, 2011. This Quarterly Report modifies and supersedes documents filed prior to this Quarterly Report. The Securities and Exchange Commission (SEC) allows us to incorporate by reference information that we file with it, which means that we can disclose important information to you by referring you directly to those documents. Information incorporated by reference is considered to be part of this Quarterly Report. In addition, information that we file with the SEC in the future will automatically update and supersede information contained in this Quarterly Report. Throughout this Quarterly Report, we refer to Comcast Corporation as Comcast; Comcast and its consolidated subsidiaries, including NBCUniversal, as we, us and our; and Comcast Holdings Corporation as Comcast Holdings.

You should carefully review the information contained in this Quarterly Report and particularly consider any risk factors set forth in this Quarterly Report and in other reports or documents that we file from time to time with the SEC. In this Quarterly Report, we state our beliefs of future events and of our future financial performance. In some cases, you can identify these so-called forward-looking statements by words such as may, will, should, expects, believes, es potential, or continue, or the negative of those words, and other comparable words. You should be aware that those statements are only our predictions. In evaluating those statements, you should specifically consider various factors, including the risks outlined below and in other reports we file with the SEC. Actual events or our actual results may differ materially from any of our forward-looking statements. We undertake no obligation to update any forward-looking statements.

Our businesses may be affected by, among other things, the following:

our businesses currently face a wide range of competition, and our businesses and results of operations could be adversely affected if we do not compete effectively

changes in technology and consumer behavior may adversely affect our businesses and results of operations

programming expenses for our video services are increasing, which could adversely affect our future results of operations as a result of the NBCUniversal transaction, our businesses are subject to the conditions set forth in the NBCUniversal Order and the NBCUniversal Consent Decree, and there can be no assurance that these conditions will not have an adverse effect on our businesses and results of operations

we are subject to regulation by federal, state, local and foreign authorities, which may impose additional costs and restrictions on our businesses

weak economic conditions may have a negative impact on our results of operations and financial condition

a decline in advertising expenditures or changes in advertising markets could negatively impact our results of operations

NBCUniversal s success depends on consumer acceptance of its content, which is difficult to predict, and our results of operations may be adversely affected if our content fails to achieve sufficient consumer acceptance or our costs to acquire content increase

the loss of our programming distribution agreements, or the renewal of these agreements on less favorable terms, could adversely affect our business

sales of DVDs have been declining

we rely on network and information systems and other technology, as well as key properties, and a disruption, failure or destruction of such networks, systems, technology or properties may disrupt our business

we may be unable to obtain necessary hardware, software and operational support

our businesses depend on using and protecting certain intellectual property rights and on not infringing the intellectual property rights of others

labor disputes, whether involving our own employees or sports leagues, may disrupt our operations and adversely affect our business

we may face a significant withdrawal liability if we withdraw from multiemployer pension plans or be required to make additional contributions under such plans

the other risk factors that are described in our Annual Report on Form 10-K for the year ended December 31, 2010

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PART I: FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

Condensed Consolidated Balance Sheet

(Unaudited)

(in millions, except share data)	September 30, 2011	December 31, 2010
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,806	$ 5,984
Receivables, net	4,096	1,855
Programming rights	1,055	122
Other current assets	1,625	925
Total current assets	8,582	8,886
Film and television costs	5,369	460
Investments	9,575	6,670
Property and equipment, net	27,441	23,515
Franchise rights	59,442	59,442
Goodwill	26,831	14,958
Other intangible assets, net	17,386	3,431
Other noncurrent assets, net	2,201	1,172
Total assets	**$ 156,827**	**$ 118,534**
Liabilities and Equity		
Current Liabilities:		
Accounts payable and accrued expenses related to trade creditors	$ 5,455	$ 3,291
Accrued participations and residuals	1,247	
Accrued expenses and other current liabilities	4,996	3,143
Current portion of long-term debt	2,448	1,800
Total current liabilities	14,146	8,234
Long-term debt, less current portion	38,522	29,615
Deferred income taxes	29,663	28,246
Other noncurrent liabilities	11,657	7,862
Commitments and contingencies (Note 16)		
Redeemable noncontrolling interests	15,827	143
Equity:		
Preferred stock authorized, 20,000,000 shares; issued, zero		
Class A common stock, $0.01 par value authorized, 7,500,000,000 shares; issued, 2,458,040,896 and 2,437,281,651; outstanding, 2,092,580,146 and 2,071,820,901	25	24
Class A Special common stock, $0.01 par value authorized, 7,500,000,000 shares; issued, 693,751,237 and 766,168,658; outstanding, 622,816,473 and 695,233,894	7	8
Class B common stock, $0.01 par value authorized, 75,000,000 shares; issued and outstanding, 9,444,375		
Additional paid-in capital	41,079	39,780
Retained earnings	13,236	12,158
Treasury stock, 365,460,750 Class A common shares and 70,934,764 Class A Special common shares	(7,517)	(7,517)
Accumulated other comprehensive income (loss)	(147)	(99)
Total Comcast Corporation shareholders equity	46,683	44,354
Noncontrolling interests	329	80
Total equity	47,012	44,434
Total liabilities and equity	**$ 156,827**	**$ 118,534**

See accompanying notes to condensed consolidated financial statements.

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Condensed Consolidated Statement of Income

(Unaudited)

(in millions, except per share data)	Three Months Ended September 30 2011	Three Months Ended September 30 2010	Nine Months Ended September 30 2011	Nine Months Ended September 30 2010
Revenue	$ 14,339	$ 9,489	$ 40,800	$ 28,216
Costs and Expenses:				
Operating costs and expenses	9,765	5,911	27,359	17,336
Depreciation	1,540	1,377	4,504	4,167
Amortization	393	247	1,134	746
	11,698	7,535	32,997	22,249
Operating income	2,641	1,954	7,803	5,967
Other Income (Expense):				
Interest expense	(637)	(545)	(1,863)	(1,612)
Investment income (loss), net	(147)	109	3	210
Equity in net income (losses) of investees, net	(40)	(40)	(40)	(98)
Other income (expense), net	(12)	(24)	(82)	(69)
	(836)	(500)	(1,982)	(1,569)
Income before income taxes	1,805	1,454	5,821	4,398
Income tax expense	(639)	(584)	(2,249)	(1,763)
Net income from consolidated operations	1,166	870	3,572	2,635
Net (income) loss attributable to noncontrolling interests	(258)	(3)	(699)	(18)
Net income attributable to Comcast Corporation	**$ 908**	**$ 867**	**$ 2,873**	**$ 2,617**
Basic earnings per common share attributable to Comcast Corporation shareholders	**$ 0.33**	**$ 0.31**	**$ 1.04**	**$ 0.93**
Diluted earnings per common share attributable to Comcast Corporation shareholders	**$ 0.33**	**$ 0.31**	**$ 1.03**	**$ 0.93**
Dividends declared per common share attributable to Comcast Corporation shareholders	**$ 0.1125**	**$ 0.0945**	**$ 0.3375**	**$ 0.2835**

See accompanying notes to condensed consolidated financial statements.

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Condensed Consolidated Statement of Comprehensive Income

(Unaudited)

(in millions)	Three Months Ended September 30 2011	Three Months Ended September 30 2010	Nine Months Ended September 30 2011	Nine Months Ended September 30 2010
Net income from consolidated operations	$ 1,166	$ 870	$ 3,572	$ 2,635
Unrealized gains (losses) on marketable securities, net of deferred taxes of $, $, $(3) and $		1	5	2
Deferred gains (losses) on cash flow hedges, net of deferred taxes of $35, $21, $33 and $45	(59)	(37)	(57)	(79)
Amounts reclassified to net income:				
Realized (gains) losses on marketable securities, net of deferred taxes of $, $, $5 and $			(9)	
Realized (gains) losses on cash flow hedges, net of deferred taxes of $(13), $(1), $(7) and $(4)	23	2	13	7
Employee benefit obligations, net of deferred taxes of $, $, $(1) and $	(3)		(4)	
Currency translation adjustments	(9)	4	(2)	
Comprehensive income	1,118	840	3,518	2,565
Net (income) loss attributable to noncontrolling interests	(258)	(3)	(699)	(18)
Other comprehensive (income) loss attributable to noncontrolling interests	6		6	
Comprehensive income attributable to Comcast Corporation	**$ 866**	**$ 837**	**$ 2,825**	**$ 2,547**

See accompanying notes to condensed consolidated financial statements.

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Condensed Consolidated Statement of Cash Flows

(Unaudited)

(in millions)	Nine Months Ended September 30 2011	2010
Net cash provided by operating activities	**$ 10,206**	**$ 7,732**
Investing Activities		
Capital expenditures	(3,785)	(3,429)
Cash paid for intangible assets	(505)	(372)
Acquisitions, net of cash acquired	(6,407)	(183)
Proceeds from sales of investments	154	21
Purchases of investments	(85)	(54)
Other	(33)	149
Net cash provided by (used in) investing activities	**(10,661)**	**(3,868)**
Financing Activities		
Proceeds from (repayments of) short-term borrowings, net	1,642	
Proceeds from borrowings		2,420
Repurchases and repayments of debt	(2,813)	(649)
Repurchases and retirements of common stock	(1,650)	(892)
Dividends paid	(881)	(800)
Distributions to noncontrolling interests	(237)	(48)
Other	216	(24)
Net cash provided by (used in) financing activities	**(3,723)**	**7**
Increase (decrease) in cash and cash equivalents	(4,178)	3,871
Cash and cash equivalents, beginning of period	5,984	671
Cash and cash equivalents, end of period	**$ 1,806**	**$ 4,542**

See accompanying notes to condensed consolidated financial statements.

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Condensed Consolidated Statement of Changes in Equity

(Unaudited)

(in millions)	Redeemable Non-controlling Interests	Common Stock A	Common Stock A Special	Common Stock B	Additional Paid-In Capital	Retained Earnings	Treasury Stock at Cost	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Equity
Balance, January 1, 2010	$ 166	$ 24	$ 8	$	$ 40,247	$ 10,005	$ (7,517)	$ (46)	$ 90	$ 42,811
Stock compensation plans					160	(4)				156
Repurchases and retirements of common stock					(603)	(297)				(900)
Employee stock purchase plan					45					45
Dividends declared						(796)				(796)
Other comprehensive income (loss)								(70)		(70)
Sale (purchase) of subsidiary shares to (from) noncontrolling interests, net	(20)				11					11
Contributions from (distributions to) noncontrolling interests									(26)	(26)
Net income (loss)	(2)					2,617			20	2,637
Balance, September 30, 2010	**$ 144**	**$ 24**	**$ 8**	**$**	**$ 39,860**	**$ 11,525**	**$ (7,517)**	**$ (116)**	**$ 84**	**$ 43,868**
Balance, January 1, 2011	$ 143	$ 24	$ 8	$	$ 39,780	$ 12,158	$ (7,517)	$ (99)	$ 80	$ 44,434
Stock compensation plans		1			414	(40)				375
Repurchases and retirements of common stock			(1)		(822)	(827)				(1,650)
Employee stock purchase plan					50					50
Dividends declared						(928)				(928)
Other comprehensive income (loss)	(6)							(48)		(48)
NBCUniversal transaction	15,192				1,612				211	1,823
Issuance of subsidiary shares to noncontrolling interests	83				45				43	88
Contributions from (distributions to) noncontrolling interests	(177)								(112)	(112)
Net income (loss)	592					2,873			107	2,980
Balance, September 30, 2011	**$ 15,827**	**$ 25**	**$ 7**	**$**	**$ 41,079**	**$ 13,236**	**$ (7,517)**	**$ (147)**	**$ 329**	**$ 47,012**

See accompanying notes to condensed consolidated financial statements.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Note 1: Condensed Consolidated Financial Statements

Basis of Presentation

We have prepared these unaudited condensed consolidated financial statements based on Securities and Exchange Commission (SEC) rules that permit reduced disclosure for interim periods. These financial statements include all adjustments that are necessary for a fair presentation of our consolidated results of operations, financial condition and cash flows for the periods shown, including normal, recurring accruals and other items. We also evaluated events or transactions that occurred after the balance sheet date through the issuance date of these condensed consolidated financial statements to determine if financial statement recognition or additional disclosure is required. The consolidated results of operations for the interim periods presented are not necessarily indicative of results for the full year.

The year-end condensed consolidated balance sheet was derived from audited financial statements but does not include all disclosures required by generally accepted accounting principles in the United States (GAAP). For a more complete discussion of our accounting policies and certain other information, refer to our annual consolidated financial statements for the preceding fiscal year as filed with the SEC.

On January 28, 2011, we closed our transaction with General Electric Company (GE) in which we acquired control of the businesses of NBC Universal, Inc. (now named NBCUniversal Media, LLC (NBCUniversal)), a leading media and entertainment company that develops, produces and distributes entertainment, news and information, sports, and other content to global audiences. NBCUniversal s results of operations from January 29, 2011 through September 30, 2011 are included in our consolidated results of operations. See Note 4 for additional information on the transaction.

Note 2: Summary of Significant Accounting Policies

The accounting policies described below became significant to our business as a result of the NBCUniversal transaction on January 28, 2011.

Use of Estimates

In connection with the NBCUniversal transaction, we have performed a preliminary allocation of purchase price to the assets and liabilities of the businesses acquired using preliminary estimates. The estimates are subject to change as discussed in Note 4. Estimates are also used when accounting for various items, including impairment of capitalized film and television costs, amortization of owned and acquired programming, participation and residual payments, and DVD and Blu-ray disc (together, DVDs) returns and customer incentives. Actual results could differ from those estimates.

Film and Television Costs

We capitalize film and television production costs, including direct costs, production overhead, print costs, development costs and interest. We amortize capitalized film and television production costs, as well as accrue costs associated with participation and residual payments, on an individual production basis using the ratio of the current period s actual revenue to the estimated total remaining gross revenue from all sources, which is referred to as ultimate revenue. Estimates of total revenue and total costs are based on anticipated release patterns, public acceptance and historical results for similar productions. We state unamortized film and television costs at the lower of unamortized cost or fair value. We do not capitalize costs related to film exploitation, which are primarily costs associated with the marketing and distribution of film and television programming.

We state acquired film and television libraries at the lower of unamortized cost or fair value. In determining the estimated lives and method of amortization, we generally use the method and the life that most closely follow the undiscounted cash flows over the estimated life of the asset.

We capitalize the costs to license programming content, including rights to multiyear live-event sports programming, at the earlier of when the programming is acquired or when the license period begins and the

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content is available for use. We amortize capitalized programming costs as the associated programs are broadcast. We amortize multiyear, live-event sports programming rights using the ratio of the current period s actual direct revenue to the estimated total remaining direct revenue or based on the terms of the contract.

We state the cost of acquired programming at the lower of unamortized cost or net realizable value on a program by program, package, channel or daypart basis. A daypart is defined as an aggregation of programs broadcast during a particular time of day or programs of a similar type. Acquired programming used by our cable programming networks is tested on a channel basis for impairment, whereas the programming for the NBC and Telemundo broadcast networks is tested on a daypart basis. If we determine that the estimates of future cash flows are insufficient or if there is no plan to broadcast certain programming, we will recognize an impairment charge to other operating costs and expenses.

We enter into arrangements with third parties to jointly finance and distribute certain of our film productions. These arrangements, which are referred to as cofinancing arrangements, can take various forms. In most cases, the form of the arrangement involves the grant of an economic interest in a film to a third-party investor. The number of investors and the terms of these arrangements can also vary, although in most cases an investor assumes the full risk for the portion of the film acquired in these arrangements. We account for our proceeds under these arrangements as a reduction to our capitalized film costs. In these arrangements, the investor owns an undivided copyright interest in the film and, therefore, in each period we record either a charge or benefit to operating costs and expenses to reflect the estimate of the third-party investor s interest in the profit or loss of the film. The estimate of the third-party investor s interest in the profit or loss of a film is determined by reference to the ratio of actual revenue earned to date in relation to the ultimate revenue expected to be recognized over a film s useful life.

See Note 5 for additional information on our film and television costs.

Revenue Recognition

We recognize revenue from the theatrical distribution of films when films are exhibited. We recognize revenue from the licensing of film and television productions when the content is available for use by the licensee, and when certain other conditions are met. When license fees are contracted as part cash and part advertising time, we recognize the advertising time component when the advertising units are aired. We recognize revenue from home entertainment units, net of estimated returns and customer incentives, on the date that units are delivered to and made available for sale by retailers.

We recognize revenue from advance theme park ticket sales when the tickets are used. For nonexpiring, multiday or annual passes, we recognize revenue over the period of benefit based on estimated usage patterns that are derived from historical experience. We recognize revenue from corporate sponsors at the theme parks over the period of the applicable contract.

We also enter into nonmonetary exchanges of advertising units for other advertising units, products or services. Advertising units exchanged for advertising units are recorded at the fair value of advertising units provided and recognized when aired. Advertising units exchanged for products or services are recorded at the fair value of the goods or services received or advertising units provided. Advertising units provided are recognized when aired, and costs are recognized in the period the products or services are used.

Foreign Currency Translation

Functional currencies are determined based on entity-specific economic and management indicators. We translate the assets and liabilities of our foreign subsidiaries where the functional currency is the local currency, primarily the euro and the British pound, into U.S. dollars at the exchange rate in effect at the balance sheet date. We translate revenue and expenses using average exchange rates prevailing during the period. The related translation adjustments are recorded as a component of accumulated other comprehensive income (loss).

Reclassifications

Reclassifications have been made to the prior year s condensed consolidated balance sheet to programming rights, other current assets, film and television costs, other intangible assets, net and other noncurrent assets, net to adjust to classifications used in the current period as a result of the acquisition of the NBCUniversal businesses.

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Note 3: Earnings Per Share

Basic earnings per common share attributable to Comcast Corporation shareholders (basic EPS) is computed by dividing net income attributable to Comcast Corporation by the weighted-average number of common shares outstanding during the period.

Our potentially dilutive securities include potential common shares related to our stock options and our restricted share units (RSUs). Diluted earnings per common share attributable to Comcast Corporation shareholders (diluted EPS) considers the impact of potentially dilutive securities using the treasury stock method. Diluted EPS excludes the impact of potential common shares related to our stock options in periods in which the option exercise price is greater than the average market price of our Class A common stock or our Class A Special common stock, as applicable.

Diluted EPS for the three and nine months ended September 30, 2011 excludes 54 million and 45 million, respectively, of potential common shares related to our share-based compensation plans, because the inclusion of the potential common shares would have had an antidilutive effect. For the three and nine months ended September 30, 2010, diluted EPS excluded 178 million and 189 million, respectively, of potential common shares.

Computation of Diluted EPS

	$2,873	$2,873	$2,873	$2,873	$2,873	$2,873
	Three Months Ended September 30					
		2011			2010	
(in millions, except per share data)	Net Income Attributable to Comcast Corporation	Shares	Per Share Amount	Net Income Attributable to Comcast Corporation	Shares	Per Share Amount
Basic EPS attributable to Comcast Corporation shareholders	$ 908	2,739	$ 0.33	$ 867	2,802	$ 0.31
Effect of dilutive securities:						
Assumed exercise or issuance of shares relating to stock plans		22			8	
Diluted EPS attributable to Comcast Corporation shareholders	**$ 908**	**2,761**	**$ 0.33**	**$ 867**	**2,810**	**$ 0.31**

	$2,870000	$2,870000	$2,870000	$2,870000	$2,870000	$2,870000
	Nine Months Ended September 30					
		2011			2010	
(in millions, except per share data)	Net Income Attributable to Comcast Corporation	Shares	Per Share Amount	Net Income Attributable to Comcast Corporation	Shares	Per Share Amount
Basic EPS attributable to Comcast Corporation shareholders	$ 2,873	2,757	$ 1.04	$ 2,617	2,816	$ 0.93
Effect of dilutive securities:						
Assumed exercise or issuance of shares relating to stock plans		32			10	
Diluted EPS attributable to Comcast Corporation shareholders	**$ 2,873**	**2,789**	**$ 1.03**	**$ 2,617**	**2,826**	**$ 0.93**

Note 4: Acquisitions

NBCUniversal Transaction

On January 28, 2011, we closed our transaction with GE to form a new company named NBCUniversal, LLC (NBCUniversal Holdings). We now control and own 51% of NBCUniversal Holdings and GE owns the remaining 49%. As part of the NBCUniversal transaction, GE contributed the businesses of NBCUniversal, which is now a wholly owned subsidiary of NBCUniversal Holdings. The NBCUniversal contributed businesses include its national cable programming networks, the NBC network and its owned NBC affiliated local television stations, the Telemundo network and its owned Telemundo affiliated local television stations, Universal Pictures, the Universal Studios Hollywood theme park, and other investments and related assets. We contributed our national cable programming networks, our regional sports and news networks, certain of our Internet businesses, including DailyCandy and Fandango, and other related assets (the Comcast Content Business). The combination of these businesses creates a leading media and entertainment company capable of providing entertainment, news, sports and other content to a global audience across many platforms. In addition to contributing the Comcast Content Business, we made a cash payment to GE of $6.2 billion, which included transaction-related costs. We expect to receive tax benefits related to the transaction and have agreed to share with GE certain of these future tax benefits as they are realized.

In connection with the NBCUniversal transaction, during 2010 NBCUniversal issued $9.1 billion of senior debt securities with maturities ranging from 2014 to 2041 and repaid approximately $1.7 billion of existing debt. Prior to the close, NBCUniversal made a cash distribution of approximately $7.4 billion to GE.

Under the terms of the operating agreement of NBCUniversal Holdings, during the six month period beginning July 28, 2014, GE has the right to cause NBCUniversal Holdings to redeem, in cash, half of GE s interest in NBCUniversal Holdings, and we would have the immediate right to purchase the remainder of GE s interest. If, however, we elect not to exercise this right, during the six month period beginning January 28, 2018, GE has the right to cause NBCUniversal Holdings to redeem GE s remaining interest, if any. If GE does not exercise its first redemption right, during the six month period beginning January 28, 2016, we have the right to purchase half of GE s interest in NBCUniversal Holdings, and during the six month period beginning January 28, 2019, we have the right to purchase GE s remaining interest, if any, in NBCUniversal Holdings. The purchase price to be paid in connection with any purchase or redemption described in this paragraph will be equal to the ownership percentage being acquired multiplied by an amount equal to 120% of the fully distributed public market trading value of NBCUniversal Holdings (determined pursuant to an appraisal process if NBCUniversal Holdings is not then publicly traded), less 50% of an amount (not less than zero) equal to the excess of 120% of the fully distributed public market trading value over $28.4 billion. Subject to various limitations, we are committed to fund up to $2.875 billion in cash or our common stock for each of the two redemptions (up to an aggregate of $5.75 billion) to the extent NBCUniversal Holdings cannot fund the redemptions, with amounts not used in the first redemption to be available for the second redemption.

Until July 28, 2014, GE may not directly or indirectly transfer its interest in NBCUniversal Holdings. Thereafter, GE may transfer its interest to a third party, subject to our right of first offer. The right of first offer would permit us to purchase all, but not less than all, of the interests proposed to be transferred. In the event that GE makes a registration request in accordance with certain registration rights that are granted to it under the operating agreement, we will have the right to purchase, for cash at the market value (determined pursuant to an appraisal process if NBCUniversal Holdings is not then publicly traded), all of GE s interest in NBCUniversal Holdings that GE is seeking to register.

Preliminary Allocation of Purchase Price

Because we now control NBCUniversal Holdings, we have applied acquisition accounting to the NBCUniversal contributed businesses and their results of operations are included in our consolidated results of operations following the acquisition date. The net assets of the NBCUniversal contributed businesses were recorded at their estimated fair value using Level 3 inputs (see Note 10 for an explanation of Level 3 inputs). In valuing acquired assets and liabilities, fair value estimates are based on, but are not limited to, future expected cash flows, market rate assumptions for contractual obligations, actuarial assumptions for benefit plans and appropriate discount rates. The Comcast Content Business continues at its historical or carry-over basis. GE s interest in NBCUniversal Holdings is recorded as a redeemable noncontrolling interest in our consolidated financial statements due to the redemption provisions outlined above. GE s redeemable noncontrolling interest has been recorded at fair value for the portion attributable to the net assets we acquired, and at historical cost for the portion attributable to the Comcast Content Business. The estimated values are not yet final and are subject to change. We will finalize the amounts recognized as we obtain the information necessary to complete the analysis, but no later than one year from the acquisition date.

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The tables below present the preliminary fair value of the consideration transferred and the preliminary allocation of purchase price to the assets and liabilities of the NBCUniversal businesses acquired as a result of the NBCUniversal transaction. We have revised our estimates in the current quarter, which resulted in a decrease in goodwill of $1 billion from our initial allocation of purchase price. The changes related primarily to revisions in the estimated fair value of investments, property and equipment, and intangible assets.

Consideration Transferred

(in millions)	
Cash	$ 6,120
Fair value of 49% of the Comcast Content Business	4,301
Fair value of contingent consideration	590
Fair value of redeemable noncontrolling interest associated with net assets acquired	13,065
	$ 24,076

Preliminary Allocation of Purchase Price

(in millions)	
Film and television costs (see Note 5)	$ 5,040
Investments (see Note 6)	4,254
Property and equipment (see Note 14)	2,324
Intangible assets (see Note 7)	14,595
Working capital	(1,742)
Long-term debt (see Note 8)	(9,115)
Deferred income tax liabilities	(31)
Other noncurrent assets and liabilities	(2,005)
Noncontrolling interests acquired	(211)
Fair value of identifiable net assets acquired	13,109
Goodwill	10,967
	$ 24,076

Income Taxes

We are responsible for the tax matters for both NBCUniversal Holdings and NBCUniversal, including the filing of returns and the administering of any proceedings with taxing authorities. For U.S. federal income tax purposes, NBCUniversal Holdings is treated as a partnership and NBCUniversal is disregarded as an entity separate from NBCUniversal Holdings. Accordingly, neither NBCUniversal Holdings nor NBCUniversal and its subsidiaries will incur any material current or deferred U.S. federal income taxes. NBCUniversal Holdings and NBCUniversal and its subsidiaries are, however, expected to incur current and deferred income taxes in a limited number of states and localities. In addition, NBCUniversal s foreign subsidiaries are expected to incur current and deferred foreign income taxes. GE has indemnified us and NBCUniversal Holdings for any income tax liability attributable to the historical NBCUniversal businesses for periods prior to the acquisition date. We have also indemnified GE and NBCUniversal Holdings for any income tax liability attributable to the Comcast Content Business for periods prior to the acquisition date.

NBCUniversal recognized net deferred income tax liabilities of $31 million in the preliminary allocation of purchase price related primarily to acquired intangible assets in state and foreign jurisdictions. In addition, Comcast recognized $562 million of deferred tax liabilities in connection with GE acquiring an indirect noncontrolling interest in the Comcast Content Business in exchange for our acquisition of a portion of our interest in NBCUniversal Holdings. Because we maintained control of the Comcast Content Business, the excess of fair value received over historical carrying value and the related tax impact were recorded to additional paid-in capital.

We agreed to share with GE certain tax benefits as they are realized, related to the form and structure of the transaction. These payments to GE are contingent on us realizing tax benefits in the future and are accounted for

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as contingent consideration. We have recorded $590 million in other current and noncurrent liabilities in our acquisition accounting based on the present value of the expected future payments to GE.

Following the close of the NBCUniversal transaction, our provision for income taxes includes a federal and state tax provision on our allocable share of the earnings of NBCUniversal Holdings and NBCUniversal, as well as the state, local and foreign tax provisions of NBCUniversal Holdings and NBCUniversal, adjusted for any foreign tax credits.

Goodwill

Goodwill is calculated as the excess of the consideration transferred over the identifiable net assets acquired and represents the future economic benefits expected to arise from other intangible assets acquired that do not qualify for separate recognition, including assembled workforce, noncontractual relationships and agreements between us and NBCUniversal. Because our allocation of purchase price and estimated values of identifiable assets and liabilities are not yet final, the amount of total goodwill and the amount of goodwill expected to be deductible for tax purposes are not yet final and are subject to change.

Transaction-Related Expenses

We have incurred significant transaction costs directly related to the NBCUniversal transaction. The incremental expenses related to legal, accounting and valuation services and investment banking fees are included in operating costs and expenses. We also incurred certain financing costs and other shared costs with GE associated with NBCUniversal s debt facilities that were entered into in December 2009 and with the issuance of NBCUniversal s senior notes in 2010, which are included in other income (expense), net and interest expense.

In addition, during the three and nine months ended September 30, 2011, NBCUniversal incurred transaction-related costs associated with severance and other related compensation charges, which are included in operating costs and expenses.

The table below presents the transaction costs and transaction-related costs included in our consolidated statement of income.

	Three Months Ended September 30		Nine Months Ended September 30	
(in millions)	2011	2010	2011	2010
Operating costs and expenses				
Transaction costs	$	$ 21	$ 63	$ 57
Transaction-related costs	14		64	
Total operating costs and expenses	14	21	127	57
Other expense		43	16	91
Interest expense		2		6
Total	**$ 14**	**$ 66**	**$ 143**	**$ 154**

Universal City Development Partners

On July 1, 2011, NBCUniversal acquired the remaining 50% equity interest in Universal City Development Partners, Ltd. (UCDP) that it did not already own for $1 billion. UCDP is now a wholly owned consolidated subsidiary of NBCUniversal whose operations are reported in our Theme Parks segment. NBCUniversal funded this acquisition with cash on hand, borrowings under its revolving credit facility and a $250 million one-year intercompany note due to us, which is eliminated in our consolidated financial statements.

Preliminary Allocation of Purchase Price

Because we now control UCDP, we have applied acquisition accounting and its results of operations are included in our consolidated results of operations following the acquisition date.

The carrying value of our investment in UCDP on July 1, 2011 was $1 billion, which approximated its fair value and, therefore, no gain or loss was recognized as a result of the acquisition. The estimated fair values of the assets and liabilities acquired are not yet final and are subject to change. We will finalize the amounts recognized as we obtain the information necessary to complete the analysis, but no later than one year from the acquisition date.

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The table below presents the preliminary allocation of purchase price to the assets and liabilities of UCDP.

Preliminary Allocation of Purchase Price

(in millions)	
Property and equipment (see Note 14)	$ 2,441
Intangible assets (see Note 7)	70
Working capital	242
Long-term debt (see Note 8)	(1,505)
Deferred revenue	(89)
Other noncurrent assets and liabilities	(5)
Noncontrolling interests acquired	(5)
Fair value of identifiable net assets acquired	1,149
Goodwill	909
	$ 2,058

Financing Transactions

Borrowings under the NBCUniversal revolving credit facility, along with cash on hand at UCDP, were used to refinance and terminate UCDP s existing $801 million term loan immediately following the acquisition. In addition, on August 1, 2011, UCDP completed its redemption of $140 million aggregate principal amount of its 8.875% senior notes due 2015 and $79 million aggregate principal amount of its 10.875% senior subordinated notes due 2016. As of September 30, 2011, $260 million aggregate principal amount of UCDP s senior notes and $146 million aggregate principal amount of UCDP s senior subordinated notes remained outstanding.

Unaudited Actual and Pro Forma Information

Our consolidated revenue for the three months ended September 30, 2011 and from January 29, 2011 through September 30, 2011 included $3.8 billion and $10.1 billion, respectively, from the NBCUniversal contributed businesses. Our consolidated net income (loss) attributable to Comcast Corporation for the three months ended September 30, 2011 and from January 29, 2011 through September 30, 2011 included $127 million and $355 million, respectively, from the NBCUniversal contributed businesses.

Our consolidated revenue for the three and nine months ended September 30, 2011 included $375 million from UCDP. Our consolidated net income (loss) attributable to Comcast Corporation for the three and nine months ended September 30, 2011 included $29 million resulting from the acquisition of the remaining equity interest in UCDP on July 1, 2011.

The following unaudited pro forma information has been presented as if both the NBCUniversal transaction and the UCDP transaction occurred on January 1, 2010. This information is based on historical results of operations, adjusted for the allocations of purchase price and other acquisition accounting adjustments, and is not necessarily indicative of what our results would have been had we operated the businesses since January 1, 2010. No pro forma adjustments have been made for our incremental transaction costs or other transaction-related costs.

	Actual	Pro Forma	Pro Forma	
	Three Months Ended September 30		Nine Months Ended September 30	
(in millions)	2011	2010	2011	2010
Revenue	$ 14,339	$ 13,670	$ 42,619	$ 40,453
Net income from consolidated operations	$ 1,166	$ 1,238	$ 3,584	$ 3,112
Net income attributable to Comcast Corporation	$ 908	$ 957	$ 2,862	$ 2,626
Basic earnings per common share attributable to Comcast Corporation shareholders	$ 0.33	$ 0.34	$ 1.04	$ 0.93
Diluted earnings per common share attributable to Comcast Corporation shareholders	$ 0.33	$ 0.34	$ 1.03	$ 0.93

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Note 5: Film and Television Costs

(in millions)	September 30, 2011	December 31, 2010
Film Costs:		
Released, less amortization	$ 1,524	$
Completed, not released	95	
In-production and in-development	1,289	
	2,908	
Television Costs:		
Released, less amortization	1,170	94
Completed, not released		
In-production and in-development	202	43
	1,372	137
Programming rights, less amortization	2,144	445
	6,424	582
Less: Current portion of programming rights	1,055	122
Film and television costs	**$ 5,369**	**$ 460**

Film and television costs as of September 30, 2011 include the costs acquired in connection with the closing of the NBCUniversal transaction at fair value as of January 28, 2011, less accumulated amortization following the acquisition date. The capitalized programming costs of the Comcast Content Business are reflected at their historical cost, less accumulated amortization, for both periods presented.

As of September 30, 2011, acquired film and television libraries had remaining unamortized costs of $1.1 billion. For the three and nine months ended September 30, 2011, amortization of acquired film and television libraries included in operating costs and expenses totaled $46 million and $127 million, respectively.

Note 6: Investments

(in millions)	September 30, 2011	December 31, 2010
Fair value method	$ 2,754	$ 2,815
Equity method, primarily SpectrumCo and Clearwire	1,973	2,193
Cost method, primarily AirTouch redeemable preferred shares	1,780	1,743
Acquired NBCUniversal and UCDP investments	3,114	
Total investments	9,621	6,751
Less: Current investments	46	81
Noncurrent investments	**$ 9,575**	**$ 6,670**

Investments acquired in connection with the NBCUniversal transaction that we held as of September 30, 2011 primarily include equity method investments in A&E Television Networks (16%); The Weather Channel (25%); and MSNBC.com (50%); and cost method investments, primarily in Hulu (32%). On July 1, 2011, NBCUniversal completed the acquisition of the remaining 50% equity interest in UCDP that it did not already own. As a result, we no longer record UCDP as an equity method investment. See Note 4 for additional information on the NBCUniversal and UCDP transactions.

Components of Investment Income (Loss), Net

(in millions)	Three Months Ended September 30 2011	Three Months Ended September 30 2010	Nine Months Ended September 30 2011	Nine Months Ended September 30 2010
Gains on sales and exchanges of investments, net	$ 6	$ 3	$ 27	$ 14
Investment impairment losses		(10)	(3)	(24)
Unrealized gains (losses) on securities underlying prepaid forward sale agreements	(576)	475	(41)	706
Mark to market adjustments on derivative component of prepaid forward sale agreements	459	(399)	7	(545)
Mark to market adjustments on derivative component of ZONES	(5)	(1)		1
Interest and dividend income	28	25	80	70
Other, net	(59)	16	(67)	(12)
Investment income (loss), net	**$ (147)**	**$ 109**	**$ 3**	**$ 210**

Note 7: Goodwill and Other Intangible Assets

Goodwill

The table below presents our goodwill attributable to our Cable Communications segment (previously our Cable segment), the Comcast Content Business (now included in the new NBCUniversal segments), and Corporate and Other, as well as the total goodwill attributable to the NBCUniversal acquired businesses. See Note 17 for additional information on our segments.

(in millions)	Cable Communications	NBCUniversal Comcast Content Business	NBCUniversal NBCUniversal Acquired Businesses	Corporate and Other	Total
Balance, December 31, 2010	$ 12,207	$ 2,564	$	$ 187	$ 14,958
Acquisitions			11,899		11,899
Settlements and adjustments	1	(27)			(26)
Balance, September 30, 2011	**$ 12,208**	**$ 2,537**	**$ 11,899**	**$ 187**	**$ 26,831**

The change in goodwill for the nine months ended September 30, 2011 is primarily related to the close of the NBCUniversal transaction on January 28, 2011 and the acquisition of the remaining 50% equity interest in UCDP that NBCUniversal did not already own. The preliminary allocation of purchase price to the assets and liabilities of each of the NBCUniversal and UCDP businesses acquired, and the allocation of goodwill among reporting segments, are not final and are subject to change. See Note 4 for additional information on the NBCUniversal and UCDP transactions.

Other Intangible Assets

(in millions)	Original Useful Life at September 30, 2011	September 30, 2011 Gross Carrying Amount	September 30, 2011 Accumulated Amortization	December 31, 2010 Gross Carrying Amount	December 31, 2010 Accumulated Amortization
Other intangible assets	2-25 years	$ 8,880	$ (5,777)	$ 12,271	$ (8,840)
Acquired NBCUniversal and UCDP intangible assets:					
Finite-lived intangible assets	4-20 years	11,566	(483)		
Indefinite-lived intangible assets	N/A	3,200			
Total		**$ 23,646**	**$ (6,260)**	**$ 12,271**	**$ (8,840)**

The decrease in the gross carrying amount and accumulated amortization of other intangible assets for the nine months ended September 30, 2011 was due to the write-off of fully amortized customer relationship and other intangible assets.

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The intangible assets recorded as a result of the NBCUniversal transaction include finite-lived intangible assets, primarily relationships with advertisers and multichannel video providers, and indefinite-lived intangible assets, primarily trade names and Federal Communications Commission licenses.

The intangible assets recorded as a result of the UCDP transaction primarily consist of the rights to use certain characters and trademarks in our theme parks.

See Note 4 for additional information on the NBCUniversal and UCDP transactions.

Note 8: Long-Term Debt

As of September 30, 2011, our debt had an estimated fair value of approximately $46 billion. The estimated fair value of our publicly traded debt is based on quoted market values for the debt. To estimate the fair value of debt for which there are no quoted market prices, we use interest rates available to us for debt with similar terms and remaining maturities.

NBCUniversal and UCDP Notes

NBCUniversal issued $9.1 billion principal amount of senior debt securities during 2010 in connection with the NBCUniversal transaction. On July 1, 2011, NBCUniversal acquired the remaining 50% equity interest in UCDP that it did not already own (see Note 4) and consolidated UCDP s senior notes due 2015 and senior subordinated notes due 2016. In accordance with acquisition accounting, the debt securities were recorded at fair value based on interest rates available to us for debt with similar terms and remaining maturities as of the respective acquisition dates. The table below presents the carrying value of NBCUniversal and UCDP debt securities included in our balance sheet as of September 30, 2011.

(in millions)	Interest Rate	September 30, 2011
NBCUniversal:		
Senior notes due 2014	2.100%	$ 906
Senior notes due 2015	3.650%	1,033
Senior notes due 2016	2.875%	999
Senior notes due 2020	5.150%	2,061
Senior notes due 2021	4.375%	1,939
Senior notes due 2040	6.400%	1,033
Senior notes due 2041	5.950%	1,176
UCDP:		
Senior notes due 2015	8.875%	287
Senior subordinated notes due 2016	10.875%	172
Total		**$ 9,606**

Repayments

(in millions)	Nine Months Ended September 30 2011
Comcast 6.75% notes due 2011	$ 1,000
Comcast 5.5% notes due 2011	750
UCDP term loan	801
UCDP 8.875% notes due 2015	140
UCDP 10.875% notes due 2016	79
Other	43
Total	**$ 2,813**

Revolving Bank Credit Facilities

In August 2011, we borrowed $300 million from our $6.8 billion revolving credit facility due 2013, which remained outstanding as of September 30, 2011. The proceeds from this borrowing will be used for general corporate working capital purposes.

Effective with the close of the NBCUniversal transaction on January 28, 2011, NBCUniversal has a revolving credit facility with a syndicate of banks that may be used for general corporate purposes. In June 2011, NBCUniversal amended its revolving credit facility, which increased the size of the facility to $1.5 billion from $750 million, reduced the interest rate payable under the facility and extended the maturity of the loan commitment to June 2016 from January 2014. On July 1, 2011, $750 million of borrowings under the revolving credit facility were used to fund a portion of NBCUniversal s acquisition of the remaining 50% equity interest in UCDP that it did not already own and to terminate UCDP s existing term loan immediately following the acquisition. See Note 4 for additional information on the UCDP transaction. As of September 30, 2011, the amount outstanding under NBCUniversal s revolving credit facility was $200 million, which was repaid in full in October 2011.

Commercial Paper

During the nine months ended September 30, 2011, we issued $400 million face amount of commercial paper, net of repayments. The proceeds from these issuances will be used for general corporate working capital purposes.

In August 2011, NBCUniversal initiated a commercial paper program to fund its short-term working capital requirements. The program is supported by NBCUniversal s revolving credit facility and has a maximum borrowing capacity of $1.5 billion. During the three months ended September 30, 2011, NBCUniversal issued $749 million face amount of commercial paper, net of repayments. The proceeds from these issuances were used to repay the borrowings under the NBCUniversal revolving credit facility and fund our short-term working capital requirements.

Note 9: Derivative Financial Instruments

We use derivative financial instruments to manage our exposure to the risks associated with fluctuations in interest rates, foreign exchange rates and equity prices. Our objective is to manage the financial and operational exposure arising from these risks by offsetting gains and losses on the underlying exposures with gains and losses on the derivatives used to economically hedge them. We do not engage in any speculative or leveraged derivative transactions. All derivative transactions must comply with the derivatives policy approved by our Board of Directors. Derivative financial instruments are recorded in our consolidated balance sheet at fair value. We formally document, at inception of the hedging relationship, derivative financial instruments designated to hedge the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment (fair value hedge) or the exposure to changes in cash flows of a forecasted transaction (cash flow hedge), and we evaluate them for effectiveness at the time they are designated, as well as throughout the hedging period.

We manage our exposure to fluctuations in interest rates by using derivative financial instruments such as interest rate exchange agreements (swaps) and interest rate lock agreements (rate locks). We sometimes enter into rate locks or collars to hedge the risk that the cash flows related to the interest payments on an anticipated issuance or assumption of fixed-rate debt may be adversely affected by interest rate fluctuations.

We manage our exposure to foreign exchange risk related to NBCUniversal s recognized balance sheet amounts in foreign currency and foreign currency denominated production costs and rights, as well as international content-related revenue and royalties, by using foreign exchange contracts such as forward contracts and currency options. We manage our exposure to foreign exchange risk related to our foreign currency denominated borrowings by using cross-currency swap agreements, effectively converting these borrowings to U.S. dollar denominated borrowings.

We manage our exposure to price fluctuations in the common stock of some of our investments by using equity derivative financial instruments embedded in other contracts, such as prepaid forward sale agreements, whose values, in part, are derived from the market value of certain publicly traded common stock.

We manage the credit risks associated with our derivative financial instruments through diversification and the evaluation and monitoring of the creditworthiness of the counterparties. Although we may be exposed to losses in the event of nonperformance by the counterparties, we do not expect such losses, if any, to be significant. We have agreements with certain counterparties that include collateral provisions. These provisions require a party with an aggregate unrealized loss position in excess of certain thresholds to post cash collateral for the amount in excess of the threshold. The threshold levels in our collateral agreements are based on our and the counterparties credit ratings. As of September 30, 2011 and December 31, 2010, neither we nor any of the counterparties were required to post collateral under the terms of the agreements.

As of September 30, 2011, our derivative financial instruments designated as hedges included (i) our interest rate swap agreements, which are recorded to other current or noncurrent assets, (ii) certain of our foreign exchange contracts, which are recorded to other current assets or accrued expenses and other current liabilities, (iii) our cross-currency swap agreements, which are recorded to other noncurrent liabilities, and (iv) the derivative component of one of our prepaid forward sale agreements, which is recorded to other noncurrent liabilities.

As of September 30, 2011, our derivative financial instruments not designated as hedges were (i) certain of our foreign exchange contracts, which are recorded to other current assets or accrued expenses and other current liabilities, (ii) the derivative component of our indexed debt instruments (our ZONES debt), which is recorded to long-term debt, and (iii) the derivative component of certain of our prepaid forward sale agreements, which is recorded to noncurrent liabilities.

See Note 10 for additional information on the fair values of our derivative financial instruments as of September 30, 2011 and December 31, 2010.

Fair Value Hedges

Amount of Gain (Loss) Recognized in Income

(in millions)	Three Months Ended September 30 2011	2010	Nine Months Ended September 30 2011	2010
Interest Income (Expense):				
Interest rate swap agreements (fixed to variable)	$ 41	$ 60	$ 70	$ 178
Long-term debt interest rate swap agreements (fixed to variable)	(41)	(60)	(70)	(178)
Investment Income (Loss):				
Mark to market adjustments on derivative component of prepaid forward sale agreement	44	(8)	37	(15)
Unrealized gains (losses) on securities underlying prepaid forward sale agreement	(68)	13	(55)	29
Gain (loss) on fair value hedging relationships	**$ (24)**	**$ 5**	**$ (18)**	**$ 14**

During the period from January 29, 2011 through September 30, 2011, NBCUniversal entered into fixed to variable swaps on $750 million principal amount of NBCUniversal senior debt securities with maturities ranging from 2014 to 2016. These fixed to variable swaps are designated as effective fair value hedges.

As of September 30, 2011 and December 31, 2010, the fair value of our prepaid forward sale agreement designated as a fair value hedge was an asset of $8 million and a liability of $29 million, respectively.

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Cash Flow Hedges

Pretax Amount of Gain (Loss) Recognized in Accumulated Other Comprehensive Income

	$(124)	$(124)	$(124)	$(124)	$(124)	$(124)
	Three Months Ended September 30					
	2011			2010		
(in millions)	Interest Rate Risk	Foreign Exchange Risk	Total	Interest Rate Risk	Foreign Exchange Risk	Total
Deferred gain (loss) recognized	$	$ (94)	$ (94)	$	$ (58)	$ (58)
Deferred (gain) loss reclassified to income	6	30	36	3		3
Total change in accumulated other comprehensive income	**$ 6**	**$ (64)**	**$ (58)**	**$ 3**	**$ (58)**	**$ (55)**

	$(124)	$(124)	$(124)	$(124)	$(124)	$(124)
	Nine Months Ended September 30					
	2011			2010		
(in millions)	Interest Rate Risk	Foreign Exchange Risk	Total	Interest Rate Risk	Foreign Exchange Risk	Total
Deferred gain (loss) recognized	$	$ (90)	$ (90)	$	$ (124)	$ (124)
Deferred (gain) loss reclassified to income	17	3	20	11		11
Total change in accumulated other comprehensive income	**$ 17**	**$ (87)**	**$ (70)**	**$ 11**	**$ (124)**	**$ (113)**

Interest rate risk deferred losses relate to interest rate lock agreements entered into to fix the interest rates of certain of our debt obligations in advance of their issuance. Unless we retire this debt early, these unrealized losses will be reclassified as an adjustment to interest expense, primarily through 2022, in the period in which the related interest expense is recognized in earnings. As of September 30, 2011, we expect $23 million of unrealized losses, $15 million net of deferred taxes, to be reclassified as an adjustment to interest expense over the next 12 months. The foreign exchange risk deferred losses for the three and nine months ended September 30, 2011 relate to cross-currency swap agreements on foreign currency denominated debt due in 2029 and foreign exchange contracts with initial maturities generally not exceeding one year and up to 18 months in certain circumstances. As of September 30, 2011, the fair value of the foreign exchange contracts related to NBCUniversal operations that were designated as cash flow hedges was a liability of $2 million.

Ineffectiveness related to our cash flow hedges was not material for the three and nine months ended September 30, 2011 or 2010.

Nondesignated Derivative Financial Instruments

Amount of Gain (Loss) Recognized in Income

	Three Months Ended September 30		Nine Months Ended September 30	
(in millions)	2011	2010	2011	2010
Operating Costs and Expenses:				

Mark to market adjustments on foreign exchange contracts	$ 9	$	$ 5	$
Investment Income (Loss):				
Mark to market adjustments on derivative component of prepaid forward sale agreements	415	(391)	(30)	(530)
Unrealized gains (losses) on securities underlying prepaid forward sale agreements	(508)	462	14	677
Mark to market adjustments on derivative component of ZONES	(5)	(1)		1
Total gain (loss)	**$ (89)**	**$ 70**	**$ (11)**	**$ 148**

As of September 30, 2011, foreign exchange contracts related to NBCUniversal operations that were not designated had a total notional value of $759 million. The notional amount is a measure of the activity related to our risk exposure and does not represent the amount of our exposure to credit loss or market loss, or reflect the gains or losses associated with the exposures and transactions that the foreign exchange contracts are intended to

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offset. The amounts ultimately realized upon settlement of these derivative financial instruments, together with the gains and losses on the underlying exposures, will depend on actual market conditions during the remaining life of the derivative financial instruments.

Note 10: Fair Value Measurements

The accounting guidance related to financial assets and financial liabilities (financial instruments) establishes a hierarchy that prioritizes fair value measurements based on the types of inputs used for the various valuation techniques (market approach, income approach and cost approach). Level 1 consists of financial instruments whose values are based on quoted market prices for identical financial instruments in an active market. Level 2 consists of financial instruments that are valued using models or other valuation methodologies. These models use inputs that are observable in the marketplace either directly or indirectly. Level 3 consists of financial instruments whose values are determined using pricing models that use significant inputs that are primarily unobservable, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. Our financial instruments that are accounted for at fair value on a recurring basis are presented in the table below.

Recurring Fair Value Measures

	Fair Value as of September 30, 2011				December 31, 2010
(in millions)	Level 1	Level 2	Level 3	Total	Total
Assets					
Trading securities	$ 2,666	$	$	$ 2,666	$ 2,688
Available-for-sale securities	86		21	107	126
Equity warrants			2	2	1
Interest rate swap agreements		302		302	232
Foreign exchange contracts		14		14	
	$ 2,752	$ 316	$ 23	$ 3,091	$ 3,047
Liabilities					
Derivative component of ZONES	$	$ 8	$	$ 8	$ 8
Derivative component of prepaid forward sale agreements		1,100		1,100	1,021
Cross-currency swap agreements		118		118	29
Foreign exchange contracts		14		14	
	$	$ 1,240	$	$ 1,240	$ 1,058

Our financial instruments included in Level 3 primarily consist of available-for-sale securities that we acquired in connection with the NBCUniversal transaction. These investments are initially recorded at cost and remeasured to fair value on a recurring basis at the end of each period using unobservable inputs, which include company-specific information and other third-party transactions. We did not incur any other-than-temporary impairments for these investments in the periods presented. The changes in our Level 3 financial instruments were not material for the periods presented.

Note 11: Noncontrolling Interests

Certain of the subsidiaries that we consolidate are not wholly owned. Some of the agreements with the minority partners of these subsidiaries contain redemption features whereby interests held by the minority partners are redeemable either (i) at the option of the holder or (ii) upon the occurrence of an event that is not solely within our control. If interests were to be redeemed under these agreements, we would generally be required to purchase the interest at fair value on the date of redemption. These interests are presented on the balance sheet outside of equity under the caption Redeemable noncontrolling interests. Noncontrolling interests that do not contain such redemption features are presented in equity.

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In connection with the NBCUniversal transaction in January 2011, GE obtained a 49% indirect noncontrolling interest in the Comcast Content Business in exchange for a portion of our interest in NBCUniversal Holdings. The difference between the fair value received and the historical carrying value of the noncontrolling interest in the Comcast Content Business resulted in an increase of $1.6 billion, net of taxes, to additional paid-in capital of Comcast Corporation.

GE s 49% interest in NBCUniversal Holdings is recorded as a redeemable noncontrolling interest in our consolidated financial statements due to the redemption provisions discussed in Note 4. The initial value for the redeemable noncontrolling interest was based on the fair value for the portion attributable to the net assets we acquired and our historical cost for the portion attributable to the Comcast Content Business. We adjust GE s redeemable noncontrolling interest for its 49% interest in NBCUniversal Holdings and NBCUniversal s earnings and changes in other comprehensive income, as well as for other capital transactions attributable to GE.

The table below presents the changes in equity resulting from net income attributable to Comcast Corporation and transfers from or to noncontrolling interests.

	Nine Months Ended September 30	
(in millions)	2011	2010
Net income attributable to Comcast Corporation	$ 2,873	$ 2,617
Transfers from (to) noncontrolling interests:		
Increase in Comcast Corporation additional paid-in capital resulting from the issuance of noncontrolling equity interest	1,657	
Increase in Comcast Corporation additional paid-in capital resulting from the purchase of noncontrolling interest		11
Changes in equity from net income attributable to Comcast Corporation and transfers from (to) noncontrolling interests	**$ 4,530**	**$ 2,628**

Note 12: Postretirement, Pension and Other Employee Benefit Plans

NBCUniversal Employee Benefit Plans

Following the close of the NBCUniversal transaction on January 28, 2011, NBCUniversal established new employee benefit plans for its U.S. employees, including defined benefit pension plans and postretirement medical and life insurance plans. Additionally, NBCUniversal assumed certain liabilities related to its obligation to reimburse GE for amounts paid by GE for specified employee benefits and insurance programs that GE will continue to administer. NBCUniversal s defined benefit pension plans for NBCUniversal employees (the qualified plan) and executives (the nonqualified plan) provide a lifetime income benefit based on an individual s length of service and related compensation. The nonqualified plan gives credit to eligible participants for length of service provided before the close of the NBCUniversal transaction to the extent that participants did not vest in a supplemental pension plan sponsored by GE. The qualified plan is closed to new participants. The postretirement medical and life insurance benefit plans that were established provide continued coverage to employees eligible to receive such benefits and give credit for length of service provided before the close of the NBCUniversal transaction. Certain covered employees also retain the right, upon retirement, to elect to participate in corresponding plans sponsored by GE. To the extent our employees make such elections, NBCUniversal will reimburse GE for any amounts due. We did not, however, assume any obligation for benefits due to employees who were retired at the close of the NBCUniversal transaction and were eligible to receive benefits under GE s postretirement medical and life insurance programs.

NBCUniversal funds the nonqualified plan and the postretirement medical and life insurance plans on a pay-as-you-go basis. NBCUniversal expects to contribute approximately $8 million in 2011 to fund these benefits, which includes estimated payments to GE for NBCUniversal s obligation associated with GE s supplemental pension plan. NBCUniversal does not plan to fund its qualified plan until the second quarter of 2012, at which time it expects to fund it in the amount of approximately $100 million.

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The tables below present condensed information on the NBCUniversal pension and postretirement benefit plans.

	Three Months Ended September 30, 2011		Nine Months Ended September 30, 2011	
(in millions)	Pension Benefits	Postretirement Benefits	Pension Benefits	Postretirement Benefits
Service cost	$ 27	$ 1	$ 72	$ 4
Interest cost	$ 3	$ 2	$ 9	$ 6

As of September 30, 2011 (in millions)	Pension Benefits	Postretirement Benefits
Benefit obligation	$ 326	$ 170
Discount rate	5.5% - 6.0%	5.75%

NBCUniversal also established a 401(k) defined contribution retirement plan for U.S. employees with 100% matching contributions on the first 3.5% of pay plus additional contributions based on employee classification and management discretion. The related expense for the three and nine months ended September 30, 2011 was $20 million and $41 million, respectively.

NBCUniversal Other Employee Benefit Plans

Our condensed consolidated financial statements include the assets and liabilities of certain legacy NBCUniversal benefit plans, as well as the assets and liabilities for benefit plans of certain foreign subsidiaries. NBCUniversal also participates in various multiemployer pension plans covering some of its employees who are represented by labor unions. NBCUniversal makes periodic contributions to these plans in accordance with the terms of applicable collective bargaining agreements and laws but does not sponsor or administer these plans.

Note 13: Share-Based Compensation

Our Board of Directors may grant share-based awards, in the form of stock options and RSUs, to certain employees and directors. Additionally, through our employee stock purchase plans, employees are able to purchase shares of Comcast Class A common stock at a discount through payroll deductions.

In March 2011, we granted 23.8 million stock options and 6.6 million RSUs related to our annual management grant program. The weighted-average fair values associated with these grants were $6.97 per stock option and $23.33 per RSU.

Recognized Share-Based Compensation Expense

	Three Months Ended September 30		Nine Months Ended September 30	
(in millions)	2011	2010	2011	2010
Stock options	$ 30	$ 25	$ 86	$ 78
Restricted share units	35	32	113	100
Employee stock purchase plans	4	3	10	9
Total	**$ 69**	**$ 60**	**$ 209**	**$ 187**

As of September 30, 2011, we had $345 million of unrecognized pretax compensation costs related to nonvested stock options and $353 million related to nonvested RSUs.

The employee cost associated with participation in the employee stock purchase plans was satisfied with payroll deductions of approximately $16 million and $44 million for the three and nine months ended September 30, 2011, respectively. For the three and nine months ended September 30, 2010, the employee cost was $13 million and $39 million, respectively.

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Note 14: Supplemental Financial Information

Receivables

(in millions)		December 31,0 September 30, 2011		December 31,0 December 31, 2010
Receivables, gross	$	4,650	$	2,028
Less: Allowance for returns and customer incentives		351		
Less: Allowance for doubtful accounts		203		173
Receivables, net	**$**	**4,096**	**$**	**1,855**

Allowances for returns and customer incentives are primarily attributable to our Filmed Entertainment segment.

The table below presents our unbilled receivables related to long-term licensing arrangements included in our condensed consolidated balance sheet as of September 30, 2011. Current and noncurrent unbilled receivables are recorded in receivables, net and other noncurrent assets, net, respectively.

(in millions)		December 31,0 September 30, 2011
Current	$	197
Noncurrent, net of imputed interest		648
Total	**$**	**845**

Property and Equipment

(in millions)		September 30, 2011		December 31, 2010
Property and equipment, at cost	$	57,953	$	56,020
Acquired NBCUniversal property and equipment		2,524		
Acquired UCDP property and equipment		2,479		
Property and equipment, at cost		62,956		56,020
Less: Accumulated depreciation		35,515		32,505
Property and equipment, net	**$**	**27,441**	**$**	**23,515**

Accumulated Other Comprehensive Income (Loss)

(in millions)		December 31, September 30, 2011		December 31, September 30, 2010
Unrealized gains (losses) on marketable securities	$	22	$	22
Deferred gains (losses) on cash flow hedges		(149)		(133)
Unrecognized gains (losses) on employee benefit obligations		(23)		(5)
Currency translation adjustments		(3)		
Accumulated other comprehensive (income) loss attributable to noncontrolling interests		6		
Accumulated other comprehensive income (loss), net of deferred taxes	**$**	**(147)**	**$**	**(116)**

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Operating Costs and Expenses

	Three Months Ended September 30		Nine Months Ended September 30	
(in millions)	2011	2010	2011	2010
Programming and production	$ 4,344	$ 2,002	$ 11,946	$ 6,369
Cable Communications technical labor	587	594	1,729	1,696
Cable Communications customer service	466	463	1,385	1,367
Advertising, marketing and promotion	1,102	636	3,194	1,775
Other	3,266	2,216	9,105	6,129
Operating costs and expenses (excluding depreciation and amortization)	**$ 9,765**	**$ 5,911**	**$ 27,359**	**$ 17,336**

Net Cash Provided by Operating Activities

	Nine Months Ended September 30	
(in millions)	2011	2010
Net income from consolidated operations	$ 3,572	$ 2,635
Adjustments to reconcile net income from consolidated operations to net cash provided by operating activities:		
Depreciation and amortization	5,638	4,913
Amortization of film and television costs	4,769	99
Share-based compensation	260	226
Noncash interest expense (income), net	111	105
Equity in net (income) losses of investees, net	40	98
Net (gain) loss on investment activity and other	325	(78)
Deferred income taxes	770	(241)
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:		
Change in receivables, net	290	(145)
Change in film and television costs	(5,342)	(90)
Change in accounts payable and accrued expenses related to trade creditors	(242)	57
Change in other operating assets and liabilities	15	153
Net cash provided by operating activities	**$ 10,206**	**$ 7,732**

Cash Payments for Interest and Income Taxes

	Three Months Ended September 30		Nine Months Ended September 30	
(in millions)	2011	2010	2011	2010
Interest	$ 612	$ 661	$ 1,809	$ 1,630
Income taxes	$ 596	$ 668	$ 1,166	$ 1,794

Noncash Investing and Financing Activities

During the nine months ended September 30, 2011, we:

- acquired 51% of NBCUniversal Holdings on January 28, 2011, for cash and a 49% interest in the Comcast Content Business (see Note 4 for additional information on the NBCUniversal transaction) acquired approximately $505 million of property and equipment and software that was accrued but unpaid, which is a noncash investing activity

recorded a liability of approximately $307 million for a quarterly cash dividend of $0.1125 per common share paid in October 2011, which is a noncash financing activity

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Note 15: Receivables Monetization

As a result of the close of the NBCUniversal transaction on January 28, 2011, NBCUniversal established new receivables monetization programs with a syndicate of banks. We account for receivables monetized through these programs as sales in accordance with the appropriate accounting guidance. We receive deferred consideration from the assets sold in the form of a receivable, which is funded by residual cash flows after the senior interests have been fully paid. The deferred consideration is recorded at its initial fair value, which includes a provision for estimated losses we expect to incur related to these interests. The accounts receivable we sold that underlie the deferred consideration are generally short-term in nature and, therefore, the fair value of the deferred consideration approximated its carrying value as of September 30, 2011.

For the majority of the receivables monetized under the securitization programs, an affiliate of GE is responsible for servicing the receivables and remitting collections to the owner and the lenders. We perform this service on the affiliate s behalf for a fee that is equal to the prevailing market rate for such services. As a result, no servicing asset or liability has been recorded in our condensed consolidated balance sheet as of September 30, 2011. The subservicing fees are a component of net loss on sale presented in the table below, which is included in other income (expense), net.

Effect on Income From Receivables Monetization and Cash Flows on Transfers

(in millions)	Three Months Ended September 30 2011	Nine Months Ended September 30 2011
Effect on income from services		
Net (loss) gain on sale	$ (7)	$ (24)
Cash flows on transfers		
Net proceeds (payments) on transfers	$ (168)	$ (542)

Receivables Monetized and Deferred Consideration

(in millions)	September 30, 2011
Monetized receivables sold	$ 809
Deferred consideration	$ 204

In addition to the amounts presented above, we had $552 million payable to our securitization programs as of September 30, 2011. This amount represents cash receipts that are not yet remitted to the securitization program as of the balance sheet date and is recorded to accounts payable and accrued expenses related to trade creditors.

Note 16: Commitments and Contingencies

NBCUniversal Obligations, Commitments and Guarantees

NBCUniversal enters into long-term commitments with third parties in the ordinary course of business, including commitments to acquire film and television programming, take-or-pay creative talent and employment agreements, and various other television commitments. Many of NBCUniversal s employees, including writers, directors, actors, technical and production personnel and others, as well as some of its on-air and creative talent, are covered by collective bargaining agreements or works councils. Approximately 42 collective bargaining agreements covering approximately 3,600 of NBCUniversal s full-time, part-time and full-time equivalent freelance employees on its payroll have expired or are scheduled to expire through the remainder of 2011.

Station Venture

NBCUniversal owns a 79.62% equity interest and a 50% voting interest in Station Venture Holdings, LLC (Station Venture), a variable interest entity. The remaining equity interests in Station Venture are held by LIN TV, Corp. (LIN TV). Station Venture holds an indirect interest in the NBC network affiliated local television stations in Dallas, Texas and San Diego, California through its ownership interests in Station Venture

Operations, LP (Station LP), a less than wholly owned consolidated subsidiary of NBCUniversal. Station Venture is the obligor on an $816 million senior secured note that is due in 2023 to General Electric Capital Corporation, a subsidiary of GE, as servicer. The note is nonrecourse to NBCUniversal, guaranteed by LIN TV and collateralized by substantially all of the assets of Station Venture and Station LP. In connection with the close of the NBCUniversal transaction, GE indemnified NBCUniversal for all liabilities NBCUniversal may incur as a result of any credit support, risk of loss or similar arrangement related to the senior secured note in existence prior to the close. We are not the primary beneficiary of, and accordingly do not consolidate, Station Venture. Our equity method investment in Station Venture was assigned no value in the preliminary allocation of purchase price for the NBCUniversal transaction, which is also the carrying value of our investment as of September 30, 2011. Because the assets of Station LP serve as collateral for Station Venture s $816 million senior secured note, we have recorded a $482 million liability in our preliminary allocation of purchase price, representing the fair value of the net assets that collateralize the note.

Contingencies

Antitrust Cases

We are defendants in two purported class actions originally filed in December 2003 in the United States District Courts for the District of Massachusetts and the Eastern District of Pennsylvania. The potential class in the Massachusetts case, which has been transferred to the Eastern District of Pennsylvania, is our customer base in the Boston Cluster area, and the potential class in the Pennsylvania case is our customer base in the Philadelphia and Chicago Clusters, as those terms are defined in the complaints. In each case, the plaintiffs allege that certain customer exchange transactions with other cable providers resulted in unlawful horizontal market restraints in those areas and seek damages under antitrust statutes, including treble damages.

Classes of Chicago Cluster and Philadelphia Cluster customers were certified in October 2007 and January 2010, respectively. We appealed class certification in the Philadelphia Cluster case to the Third Circuit Court of Appeals, which affirmed the class certification in August 2011 and denied our petition for a rehearing en banc in September 2011. As a result, notice to the class is being made and is expected to be completed by the end of 2011. At the same time, we intend to file a writ of certiorari with the U.S. Supreme Court asking that it review the Third Circuit Court of Appeals ruling. In March 2010, we moved for summary judgment dismissing all of the plaintiffs claims in the Philadelphia Cluster; a stay that had been issued on the summary judgment motion pending the class certification appeal was lifted upon the Third Circuit Court of Appeal s ruling. The plaintiffs claims concerning the other two clusters are stayed pending determination of the Philadelphia Cluster claims.

We also are among the defendants in a purported class action filed in the United States District Court for the Central District of California in September 2007. The potential class is comprised of all persons residing in the United States who have subscribed to an expanded basic level of video service provided by one of the defendants. The plaintiffs allege that the defendants who produce video programming have entered into agreements with the defendants who distribute video programming via cable and satellite (including us), which preclude the distributor defendants from reselling channels to customers on an unbundled basis in violation of federal antitrust laws. The plaintiffs seek treble damages and injunctive relief requiring each distributor defendant to resell certain channels to its customers on an unbundled basis. In October 2009, the Central District of California issued an order dismissing the plaintiffs complaint with prejudice. In June 2011, a panel of the Ninth Circuit Court of Appeals affirmed the District Court s order. In July 2011, the plaintiffs filed a petition for a panel rehearing and a rehearing en banc.

In addition, we are the defendant in 22 purported class actions filed in federal district courts throughout the country. All of these actions have been consolidated by the Judicial Panel on Multidistrict Litigation in the United States District Court for the Eastern District of Pennsylvania for pre-trial proceedings. In a consolidated complaint filed in November 2009 on behalf of all plaintiffs in the multidistrict litigation, the plaintiffs allege that we improperly tie the rental of set-top boxes to the provision of premium cable services in violation of Section 1 of the Sherman Antitrust Act, various state antitrust laws and unfair/deceptive trade practices acts in California, Illinois and Alabama. The plaintiffs also allege a claim for unjust enrichment and seek relief on behalf of a nationwide class of our premium cable customers and on behalf of subclasses consisting of premium cable customers from California, Alabama, Illinois, Pennsylvania and Washington. In January 2010, we moved to compel arbitration of the plaintiffs claims for unjust enrichment and violations of the unfair/deceptive trade

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practices acts of Illinois and Alabama. In September 2010, the plaintiffs filed an amended complaint alleging violations of additional state antitrust laws and unfair/deceptive trade practices acts on behalf of new subclasses in Connecticut, Florida, Minnesota, Missouri, New Jersey, New Mexico and West Virginia. In the amended complaint, plaintiffs omitted their unjust enrichment claim, as well as their state law claims on behalf of the Alabama, Illinois and Pennsylvania subclasses. In June 2011, the plaintiffs filed another amended complaint alleging only violations of Section 1 of the Sherman Antitrust Act, antitrust law in Washington and unfair/deceptive trade practices acts in California and Washington. The plaintiffs seek relief on behalf of a nationwide class of our premium cable customers and on behalf of subclasses consisting of premium cable customers from California and Washington. In July 2011, we moved to compel arbitration of most of the plaintiffs claims and to stay the remaining claims pending arbitration.

The West Virginia Attorney General also filed a complaint in West Virginia state court in July 2009 alleging that we improperly tie the rental of set-top boxes to the provision of premium cable services in violation of the West Virginia Antitrust Act and the West Virginia Consumer Credit and Protection Act. The Attorney General also alleges a claim for unjust enrichment/restitution. We removed the case to the United States District Court for West Virginia, and it was subsequently transferred to the United States District Court for the Eastern District of Pennsylvania and consolidated with the multidistrict litigation described above. In March 2010, the Eastern District of Pennsylvania denied the Attorney General s motion to remand the case back to West Virginia state court. In June 2010, the Attorney General moved to sever and remand the portion of the claims seeking civil penalties and injunctive relief back to West Virginia state court. We filed a brief in opposition to the motion in July 2010.

We believe the claims in each of the pending actions described above in this item are without merit and intend to defend the actions vigorously. We cannot predict the outcome of any of the actions described above, including a range of possible loss, or how the final resolution of any such actions would impact our results of operations or cash flows for any one period or our consolidated financial position. Nevertheless, the final disposition of any of the above actions is not expected to have a material adverse effect on our consolidated financial position, but could possibly be material to our consolidated results of operations or cash flows for any one period.

Other

We are a defendant in several unrelated lawsuits claiming infringement of various patents relating to various aspects of our businesses. In certain of these cases other industry participants are also defendants, and also in certain of these cases we expect that any potential liability would be in part or in whole the responsibility of our equipment and technology vendors under applicable contractual indemnification provisions. We are also subject to other legal proceedings and claims that arise in the ordinary course of our business. While the amount of ultimate liability with respect to such actions is not expected to materially affect our financial position, results of operations or cash flows, any litigation resulting from any such legal proceedings or claims could be time consuming, costly and injure our reputation.

Note 17: Financial Data by Business Segment

Following the NBCUniversal transaction, we present our operations in five reportable segments: Cable Communications, Cable Networks, Broadcast Television, Filmed Entertainment and Theme Parks. The Comcast Content Business is presented with NBCUniversal s businesses in the Cable Networks segment. The businesses of Comcast Interactive Media (previously presented in Corporate and Other) that were not contributed to NBCUniversal are included in the Cable Communications segment. We have recast our segment presentation for the three and nine months ended September 30, 2010 in order to reflect our current reportable segments. Following the acquisition of the 50% equity interest in UCDP that NBCUniversal did not already own, we revised our measure of operating performance for our Theme Parks segment. Operating income (loss) before depreciation and amortization for our Theme Parks segment now includes 100% of the results of operations of UCDP. Prior to this transaction, equity in income (loss) of investees was included in operating income (loss) before depreciation and amortization due to the significance of UCDP to the Theme Parks segment. We have recast our Theme Parks segment performance measure for the nine months ended September 30, 2011 in order to reflect our current segment performance measure. See Note 4 for additional information on the NBCUniversal and UCDP transactions.

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In evaluating the profitability of our operating segments, the components of net income (loss) below operating income (loss) before depreciation and amortization are not separately evaluated by our management. Our financial data by business segment is presented in the table below.

	Three Months Ended September 30, 2011				
(in millions)	Revenue[i]	Operating Income (Loss) Before Depreciation and Amortization[j]	Depreciation and Amortization	Operating Income (Loss)	Capital Expenditures
Cable Communications[a]	$ 9,331	$ 3,714	$ 1,579	$ 2,135	$ 1,254
NBCUniversal:					
Cable Networks[b]	2,097	751	183	568	7
Broadcast Television[c]	1,511	(7)	24	(31)	16
Filmed Entertainment[d]	1,096	54	6	48	2
Theme Parks[e]	580	285	63	222	42
Headquarters and Other[f]	9	(132)	56	(188)	41
Eliminations[g]	(93)				
NBCUniversal	5,200	951	332	619	108
Corporate and Other[h]	107	(91)	23	(114)	46
Eliminations[g]	(299)		(1)	1	
Comcast Consolidated	$ 14,339	$ 4,574	$ 1,933	$ 2,641	$ 1,408

	Three Months Ended September 30, 2010				
(in millions)	Revenue[i]	Operating Income (Loss) Before Depreciation and Amortization[j]	Depreciation and Amortization	Operating Income (Loss)	Capital Expenditures
Cable Communications[a]	$ 8,885	$ 3,479	$ 1,547	$ 1,932	$ 1,317
Cable Networks[b]	670	215	68	147	11
Corporate and Other[h]	(1)	(115)	9	(124)	38
Eliminations[g]	(65)	(1)		(1)	
Comcast Consolidated	$ 9,489	$ 3,578	$ 1,624	$ 1,954	$ 1,366

	Nine Months Ended September 30, 2011					
(in millions)	Revenue[i]	Operating Income (Loss) Before Depreciation and Amortization[j]	Depreciation and Amortization	Operating Income (Loss)	Capital Expenditures	Assets
Cable Communications[a]	$ 27,756	$ 11,349	$ 4,791	$ 6,558	$ 3,488	$ 118,561
NBCUniversal:						
Cable Networks[b]	5,902	2,262	523	1,739	37	28,684
Broadcast Television[c]	4,094	218	54	164	33	7,402
Filmed Entertainment[d]	2,972	(62)	15	(77)	4	3,795
Theme Parks[e]	1,376	607	133	474	82	5,053
Headquarters and Other[f]	34	(381)	120	(501)	83	5,591
Eliminations[g]	(856)	(234)	(54)	(180)		(552)
NBCUniversal	13,522	2,410	791	1,619	239	49,973
Corporate and Other[h]	423	(319)	55	(374)	58	6,199
Eliminations[g]	(901)	1	1			(17,906)
Comcast Consolidated	$ 40,800	$ 13,441	$ 5,638	$ 7,803	$ 3,785	$ 156,827

	Nine Months Ended September 30, 2010				
(in millions)	Revenue[i]	Operating Income (Loss) Before Depreciation and Amortization[j]	Depreciation and Amortization	Operating Income (Loss)	Capital Expenditures
Cable Communications[a]	$ 26,313	$ 10,599	$ 4,680	$ 5,919	$ 3,349
Cable Networks[b]	2,025	613	209	404	33
Corporate and Other[h]	105	(332)	23	(355)	47
Eliminations[g]	(227)		1	(1)	
Comcast Consolidated	$ 28,216	$ 10,880	$ 4,913	$ 5,967	$ 3,429

(a) Our Cable Communications segment consists primarily of our cable services business and the businesses of Comcast Interactive Media that were not contributed to NBCUniversal.

For the three and nine months ended September 30, 2011 and 2010, Cable Communications segment revenue was derived from the following sources:

	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Video	52.4%	54.5%	53.0%	55.2%
High-speed Internet	23.6%	22.6%	23.4%	22.5%
Phone	9.5%	9.3%	9.4%	9.3%
Advertising	5.3%	5.8%	5.3%	5.4%
Business services	5.0%	3.7%	4.7%	3.4%
Other	4.2%	4.1%	4.2%	4.2%
Total	100.0%	100.0%	100.0%	100.0%

Subscription revenue received from customers who purchase bundled services at a discounted rate is allocated proportionally to each service based on the individual service s price on a stand-alone basis. For both the three and nine months ended September 30, 2011 and 2010, approximately 2.8% of Cable Communications revenue was derived from franchise and other regulatory fees.

(b) Our Cable Networks segment consists primarily of the NBCUniversal national cable networks, international cable networks, cable television production studio and certain digital media properties, and the Comcast Content Business.

(c) Our Broadcast Television segment consists primarily of the NBC network and its owned NBC affiliated local television stations, the Telemundo network and its owned Telemundo affiliated local television stations, our broadcast television production operations, and related digital media properties.

(d) Our Filmed Entertainment segment represents the operations of Universal Pictures, which produces, acquires, markets and distributes filmed entertainment and stage plays worldwide in various media formats for theatrical, home entertainment, television and other distribution platforms.

(e) Our Theme Parks segment consists primarily of Universal theme parks in Orlando and Hollywood, our Wet n Wild water park, and fees for intellectual property licenses and other services from third parties that own and operate Universal Studios Japan and Universal Studios Singapore.

(f) NBCUniversal Headquarters and Other activities include costs associated with overhead and allocations and employee benefits.

(g) Eliminations include the results of operations for UCDP for the period January 29, 2011 through June 30, 2011. The Theme Parks segment includes these amounts to reflect the current segment performance measure but these amounts are not included when we measure total NBCUniversal and our consolidated results of operations because we recorded UCDP as an equity method investment in our consolidated financial statements during this period.

Also included in Eliminations are transactions that our segments enter into with one another. The most common types of transactions are the following:

- our Cable Networks and Broadcast Television segments generate revenue by selling programming to our Cable Communications segment, which represents a substantial majority of the revenue elimination amount

- our Cable Communications segment receives incentives offered by our Cable Networks segment in connection with its distribution of the Cable Networks content that are recorded as a reduction to programming expenses

- our Cable Communications segment generates revenue by selling advertising and by selling the use of satellite feeds to our Cable Networks segment

- our Filmed Entertainment and Broadcast Television segments generate revenue by licensing content to our Cable Networks segment

(h) Corporate and Other activities include Comcast Spectacor, corporate activities and all other businesses not presented in our reportable segments.

(i) Non-U.S. revenue, primarily in Europe and Asia, for the three and nine months ended September 30, 2011 was approximately $1.1 billion and $2.9 billion, respectively. Non-U.S. revenue was not significant for the three and nine months ended September 30, 2010. No single customer accounted for a significant amount of our revenue in any period.

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(j) We use operating income (loss) before depreciation and amortization, excluding impairment charges related to fixed and intangible assets and gains or losses from the sale of assets, if any, to measure the profit or loss of our operating segments. This measure eliminates the significant level of noncash depreciation and amortization expense that results from the capital-intensive nature of certain of our businesses and from intangible assets recognized in business combinations. It is also unaffected by our capital structure or investment activities. We use this measure to evaluate our consolidated operating performance, the operating performance of our operating segments and to allocate resources and capital to our operating segments. It is also a significant performance measure in our annual incentive compensation programs. We believe that this measure is useful to investors because it is one of the bases for comparing our operating performance with other companies in our industries, although our measure may not be directly comparable to similar measures used by other companies. This measure should not be considered a substitute for operating income (loss), net income (loss) attributable to Comcast Corporation, net cash provided by operating activities, or other measures of performance or liquidity reported in accordance with GAAP.

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Note 18: Condensed Consolidating Financial Information

Comcast Corporation and four of our 100% owned cable holding company subsidiaries, Comcast Cable Communications, LLC (CCCL), Comcast MO Group, Inc. (Comcast MO Group), Comcast Cable Holdings, LLC (CCH) and Comcast MO of Delaware, LLC (Comcast MO of Delaware), have fully and unconditionally guaranteed each other s debt securities. Comcast MO Group, CCH and Comcast MO of Delaware are collectively referred to as the Combined CCHMO Parents.

Comcast Corporation provides an unconditional subordinated guarantee of the $185 million principal amount currently outstanding of Comcast Holdings ZONES due October 2029 and the $202 million principal amount currently outstanding of Comcast Holdings 10 5/8% senior subordinated debentures due 2012. Comcast Corporation does not guarantee the $62 million principal amount currently outstanding of Comcast Holdings ZONES due November 2029.

As a result of the NBCUniversal transaction on January 28, 2011, our investments in NBCUniversal Holdings are held by the Comcast parent and Comcast Holdings. Certain entities of the Comcast Content Business were subsidiaries of Comcast Holdings. Since these entities were contributed to NBCUniversal Holdings, they are included with the Comcast Parent s investment in NBCUniversal Holdings. However, the operations of these businesses are presented in the nonguarantor subsidiaries column. Our condensed consolidating financial information is presented in the tables below.

Condensed Consolidating Balance Sheet

September 30, 2011

(in millions)	Comcast Parent	CCCL Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Assets							
Cash and cash equivalents	$	$	$	$	$ 1,806	$	$ 1,806
Receivables, net					4,096		4,096
Programming rights					1,055		1,055
Other current assets	154	2	1		1,468		1,625
Total current assets	154	2	1		8,425		8,582
Film and television costs					5,369		5,369
Investments					9,575		9,575
Investments in and amounts due from subsidiaries eliminated upon consolidation	71,319	88,112	44,755	86,696	34,669	(325,551)	
Property and equipment, net	263				27,178		27,441
Franchise rights					59,442		59,442
Goodwill					26,831		26,831
Other intangible assets, net	10				17,376		17,386
Other noncurrent assets, net	971	39	6	148	1,692	(655)	2,201
Total assets	**$ 72,717**	**$ 88,153**	**$ 44,762**	**$ 86,844**	**$ 190,557**	**$ (326,206)**	**$ 156,827**
Liabilities and Equity							
Accounts payable and accrued expenses related to trade creditors	$ 13	$	$	$	$ 5,442	$	$ 5,455
Accrued participations and residuals					1,247		1,247
Accrued expenses and other current liabilities	935	278	32	267	3,484		4,996
Current portion of long-term debt	400	300	557	202	989		2,448
Total current liabilities	1,348	578	589	469	11,162		14,146
Long-term debt, less current portion	22,842	3,961	1,767	112	9,840		38,522
Deferred income taxes				721	29,454	(512)	29,663
Other noncurrent liabilities	1,844				9,956	(143)	11,657
Redeemable noncontrolling interests					15,827		15,827

Equity:							
Common stock	32						32
Other shareholders equity	46,651	83,614	42,406	85,542	113,989	(325,551)	46,651
Total Comcast Corporation shareholders equity	46,683	83,614	42,406	85,542	113,989	(325,551)	46,683
Noncontrolling interests					329		329
Total equity	46,683	83,614	42,406	85,542	114,318	(325,551)	47,012
Total liabilities and equity	**$ 72,717**	**$ 88,153**	**$ 44,762**	**$ 86,844**	**$ 190,557**	**$ (326,206)**	**$ 156,827**

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Condensed Consolidating Balance Sheet

December 31, 2010

(in millions)	Comcast Parent	CCCL Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Assets							
Cash and cash equivalents	$	$	$	$	$ 5,984	$	$ 5,984
Receivables, net					1,855		1,855
Programming rights					122		122
Other current assets	162				763		925
Total current assets	162				8,724		8,886
Film and television costs					460		460
Investments					6,670		6,670
Investments in and amounts due from subsidiaries eliminated upon consolidation	68,987	90,076	52,652	72,629	12,339	(296,683)	
Property and equipment, net	278				23,237		23,515
Franchise rights					59,442		59,442
Goodwill					14,958		14,958
Other intangible assets, net	10				3,421		3,431
Other noncurrent assets, net	1,128	45		148	670	(819)	1,172
Total assets	**$ 70,565**	**$ 90,121**	**$ 52,652**	**$ 72,777**	**$ 129,921**	**$ (297,502)**	**$ 118,534**
Liabilities and Equity							
Accounts payable and accrued expenses related to trade creditors	$ 6	$ 3	$	$	$ 3,282	$	$ 3,291
Accrued expenses and other current liabilities	1,038	187	74	266	1,578		3,143
Current portion of long-term debt	755	1,000			45		1,800
Total current liabilities	1,799	1,190	74	266	4,905		8,234
Long-term debt, less current portion	22,754	3,963	2,339	310	249		29,615
Deferred income taxes				704	28,218	(676)	28,246
Other noncurrent liabilities	1,658				6,347	(143)	7,862
Redeemable noncontrolling interests					143		143
Equity:							
Common stock	32						32
Other shareholders equity	44,322	84,968	50,239	71,497	89,979	(296,683)	44,322
Total Comcast Corporation shareholders equity	44,354	84,968	50,239	71,497	89,979	(296,683)	44,354
Noncontrolling interests					80		80
Total equity	44,354	84,968	50,239	71,497	90,059	(296,683)	44,434
Total liabilities and equity	**$ 70,565**	**$ 90,121**	**$ 52,652**	**$ 72,777**	**$ 129,921**	**$ (297,502)**	**$ 118,534**

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Condensed Consolidating Statement of Income

For the Three Months Ended September 30, 2011

(in millions)	Comcast Parent	CCCL Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Revenue:							
Service revenue	$	$	$	$	$ 14,339	$	$ 14,339
Management fee revenue	200	194	119			(513)	
	200	194	119		14,339	(513)	14,339
Costs and Expenses:							
Operating costs and expenses	84	194	119		9,881	(513)	9,765
Depreciation	8				1,532		1,540
Amortization					393		393
	92	194	119		11,806	(513)	11,698
Operating income (loss)	108				2,533		2,641
Other Income (Expense):							
Interest expense	(358)	(82)	(43)	(8)	(146)		(637)
Investment income (loss), net	1			(5)	(143)		(147)
Equity in net income (losses) of investees, net	1,072	1,369	787	1,338	(40)	(4,566)	(40)
Other income (expense), net	(3)				(9)		(12)
	712	1,287	744	1,325	(338)	(4,566)	(836)
Income (loss) before income taxes	820	1,287	744	1,325	2,195	(4,566)	1,805
Income tax (expense) benefit	88	29	15	5	(776)		(639)
Net income (loss) from consolidated operations	908	1,316	759	1,330	1,419	(4,566)	1,166
Net (income) loss attributable to noncontrolling interests					(258)		(258)
Net income (loss) attributable to Comcast Corporation	**$ 908**	**$ 1,316**	**$ 759**	**$ 1,330**	**$ 1,161**	**$ (4,566)**	**$ 908**

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Condensed Consolidating Statement of Income

For the Three Months Ended September 30, 2010

			Combined		Non-
	Comcast	CCCL	CCHMO	Comcast	Guarantor
(in millions)	Parent	Parent	Parents	Holdings	Subsidiaries