

# Comcast 4Q profit edges up, adds customers, boosts dividend

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In this Nov. 12, 2014 file photo, Comcast Corp. Chairman & CEO Brian Roberts speaks during a presentation at the Contemporary Jewish Museum in San Francisco. Comcast Corp. reports quarterly financial results before the market opens on Tuesday, Feb. 24, 2015. (AP Photo/Jeff Chiu, File)

(AP)—Comcast Corp.'s fourth-quarter net income edged up less than 1 percent as the company added more customers for its cable TV, high-speed Internet and phone services.

The nation's largest cable provider also raised its dividend and said it would repurchase \$10 billion in stock.

Its shares edged up in morning trading Tuesday.

Comcast is in the midst of a \$45 billion takeover of Time Warner Cable that is undergoing a regulatory review. The company said it hopes to have that deal approved early this year.

Cable providers have been consolidating as more viewers shift to watching video on mobile tablets, computers and smartphones rather than through traditional cable TV stations. Meanwhile, broadband providers are awaiting the decision of federal regulators expected Thursday over "net neutrality," which will allow the government more regulatory control over Internet providers.

In a call with analysts, CEO Brian Roberts reiterated the company's stance on net neutrality. He said the company agrees with the tenets that President Obama and FCC Chairman Tom Wheeler say they want for the Internet, including transparency, nondiscrimination, no blocking, throttling or paid prioritization of services.

But Roberts said Comcast doesn't think the legal authority that the FCC is using—which treats the Internet like a public utility—is the right way to go about it.

"Our past comments on the unnecessary risks of associating 1930 style regulations to something as dynamic as the Internet remain the same," he said.

Comcast said its total customer relationships rose 47 percent to 27 million during the quarter as existing customers picked up more services, including 6,000 video customers. That's an 87 percent smaller increase

from a year ago, when the company added 46,000 new video customers. Video demand has fluctuated as more people stream TV and competition between cable companies remains fierce. The company has gained video subscribers in three of the past five quarters and lost subscribers in two of the past five quarters.

In the current quarter it added 375,000 high-speed Internet customers, about the same as a year ago, and 123,000 voice customers, down 46 percent from 227,000 additions in the prior-year quarter.

Subscribers to the company's bundled services including cable, Internet and phone made up 37 percent of total customer relationships, up from 35 percent in the year-ago quarter.

The average monthly customer bill rose 5 percent to \$139.95 from \$133.52.

For the three months ended Dec. 31, net income rose to \$1.93 billion, or 74 cents per share, up from \$1.91 billion, or 72 cents per share, a year ago.

Adjusted for costs related to the Time Warner Cable acquisition and tax adjustments, earnings totaled 77 cents per share. Analysts expected 78 cents, according to FactSet.

Revenue rose nearly 5 percent to \$17.73 billion from \$16.93 billion. Analysts expected \$17.67 billion.

Cable revenue rose 6 percent to \$11.31 billion, while NBCUniversal division revenue rose 2 percent to \$6.62 billion.

Separately, Comcast said it would raise its dividend by 11 percent to 25 cents, with the first dividend payable on April 22 to shareholders of

record as of April 1.

It increased its stock repurchase program to \$10 billion, with \$4.25 billion scheduled to be bought back in 2015. Other stock buybacks will be determined after the Time Warner Cable deal closes.

Comcast shares rose 83 cents to \$59.04 in morning trading Tuesday.

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