

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit <https://www.djreprints.com>.

<https://www.wsj.com/articles/comcasts-profit-soars-amid-broadband-and-wireless-growth-11619694157>

BUSINESS | EARNINGS

Comcast's Profit Soars Amid Broadband, Wireless Growth

Cellphone unit Xfinity Mobile broke even for first time



Comcast's cellphone business had a record quarter, with the Xfinity Mobile unit adding new customers.

PHOTO: JUSTIN SULLIVAN/GETTY IMAGES

By [Lillian Rizzo](#)

Updated April 29, 2021 11:45 am ET

**Listen to this article**

6 minutes

Comcast Corp. [CMCSA -0.44%](#) ▼ posted a 55% rise in first-quarter profit, buoyed by its broadband and wireless-phone units that continued to add more customers.

The Philadelphia-based company—which operates Xfinity branded services, the NBCUniversal entertainment empire and U.K.-based Sky television business—reported a profit of \$3.33 billion, or 71 cents a share, beating FactSet analyst estimates. Revenue rose 2.2% to \$27.21 billion.

The broadband unit, considered to be the centerpiece of Comcast's business, added 461,000 new customers. Last year, during the height of stay-at-home orders in the beginning of [the coronavirus pandemic](#), Comcast and its peers added record numbers of broadband customers.

LIVE COVERAGE

[Earnings: Caterpillar, McDonald's, Comcast, Amazon and More](#)

Earlier this year, Comcast and other cable broadband providers said 2020 was an anomaly and pointed out 2019 would be a sounder comparison for 2021 growth.

Chief Financial Officer Mike Cavanagh on Thursday said Comcast experienced the lowest rate of broadband customer defections in its history in the first quarter. He said he expected the number of broadband customers to grow by mid-single digits in percentage terms from 2019.

Comcast shares were up nearly 4% to \$56.14 in midday trading.

The company's cellphone business, which recently introduced new multiline discount plans, had a record quarter with 278,000 new customers. The business, which was launched in 2017, broke even for the first time, as company executives earlier expected would happen this year. Xfinity Mobile now has more than 3.1 million customers, 37% more than it did a year earlier.

Meanwhile, customers continue to abandon the company's pay-TV bundles, which lost 491,000 subscribers during the first quarter. The cable company, like its peers, has been losing customers as consumers cut the cord in favor of streaming services such as Netflix Inc. and Amazon.com Inc.'s Prime Video. Last week, AT&T Inc. reported the DirecTV satellite service, which has suffered the brunt of the cord-cutting trend, saw 620,000 defections during the first quarter.

Mr. Cavanagh said pay-TV revenue remained consistent as average revenue per user grew 6.8%, offsetting losses. Pay-TV customer losses are expected to remain elevated in the second quarter, he said.

Revenue for Comcast Cable, which houses the broadband, pay-TV, mobile and landline phone services, increased 6% to \$15.81 billion.

NBCUniversal, the Comcast business most affected by the pandemic, saw revenue fall 9% to \$7.02 billion. The company's Universal Studios theme parks continued to suffer, with revenue dropping 33%. However, like last quarter, the theme-park unit managed to break even excluding pre-opening costs associated with its Beijing Resort.

Revenue at the film and television studios segment slipped 0.6% to \$2.4 billion.

This is the first quarter Comcast is including its streaming service, Peacock, which launched in July, in its NBCUniversal segment. The media segment, which includes Peacock, broadcast and cable TV, saw revenue increase 3.2% to \$5.04 billion.

Peacock reached 42 million sign-ups, with the company attributing it to the recent addition of the WWE Network. Comcast has declined to say how many sign-ups come from nonexisting customers who choose to subscribe to the service.

Peacock's premium version is free to Comcast pay-TV and broadband customers, as well as those of Cox Communications Inc.

Peacock got a boost from its inclusion on cable set-top boxes and Flex streaming devices, which are offered free to broadband-only customers, Comcast Chief Executive Brian Roberts said during an investors call Thursday.

NBCUniversal CEO Jeff Shell said about a third of the 42 million consumers that have signed up for Peacock use the service on a regular basis, meaning these users either pay a subscription fee or watch the streaming app monthly.

Recently, AT&T reported its HBO and HBO Max domestic subscribers increased to 44.2 million from 41.5 million in the previous quarter. The number includes customers who sign up for the new online streaming video service, HBO Max, as well as those with older subscriptions to HBO through their pay-TV provider.

Streaming services experienced a surge of new customers in 2020 as millions of Americans stayed at home due to the pandemic. But as Netflix reported a slowdown in subscriber growth last week—a sign that as Covid-19 vaccinations increase and people leave their homes more frequently, streaming-subscription

growth may slow.

NBCUniversal's advertising revenue fell 3.4% to \$2.09 billion.

Sky's satellite-TV and entertainment business in Europe has been experiencing the biggest turnaround since the early days of the pandemic, when live sports were halted and pubs and restaurants shut down across the U.K. Sky's revenue went up 2% to about \$5 billion and 221,000 customers were added.

Write to Lillian Rizzo at Lillian.Rizzo@wsj.com

Appeared in the April 30, 2021, print edition as 'Broadband and Wireless Boost Comcast Results.'

Copyright © 2021 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit <https://www.djreprints.com>.