

## INVESTMENT COMMITTEE MEMO

# Comcast Corporation — Separation of NBCUniversal

Sum-of-the-Parts Analysis | June 30, 2026

Field	Detail
To	Educational Case File
From	Baratelli Institute Case Studies
Date	June 30, 2026
Subject	Comcast (CMCSA) — SOTP analysis following 6/29/26 separation announcement
Ticker	CMCSA (Nasdaq) — pre-separation
Format	Illustrative SOTP analysis; teaching tool, not a recommendation
Analytical horizon	12-18 months (through close + post-spin trading) — analysis only

## Executive Summary

On June 29, 2026, Comcast announced its intention to separate into two independent public companies through a tax-free spin-off of NBCUniversal (including Sky). The transaction is expected to close in approximately 12 months. Following our sum-of-the-parts analysis using 2025 segment financials and peer-group multiples, we estimate aggregate intrinsic equity value of approximately **\$166 billion**, or **\$46.47 per share**, against the current market price of \$36.00. The implied conglomerate-discount unlock is approximately **29%**, or roughly **\$37 billion** of equity value at the base case. The bull case (\$60.00 per share, +67%) and bear case (\$33.37 per share, -7%) bracket the range. The analysis is an illustrative SOTP for educational use, not a recommendation.

**Why it earns its keep.** Comcast trades at a discount because the market cannot price five distinct businesses — cable broadband, business services, media/streaming, film studio, and theme parks — under one ticker. Each business has a different growth profile, different capex intensity, different competitive landscape, and a different natural investor base. The separation forces the market to value each on its own terms.

## Deal Overview

Term	Detail
Structure	Tax-free spin-off under IRC Section 355
Distribution	100% of NBCUniversal shares distributed pro rata to Comcast shareholders
Timing	Approximately 12 months to close (mid-2027 target)
Retained stake	Comcast retains up to 19.9% of NBCUniversal, monetized within 12 months post-close

Term	Detail
Monetization	Likely debt-for-equity exchange — accelerates Comcast deleveraging
Capital structure	Both entities target investment-grade balance sheets
Buyback	Comcast suspends share repurchase program during transition
RemainCo CEO	Michael Angelakis (former Comcast CFO) — re-joining as CEO
SpinCo CEO	Mike Cavanagh (current Co-CEO of Comcast)
Chairman	Brian L. Roberts — continues as Chairman of both companies
Financial advisors	Goldman Sachs & Co. LLC; PJT Partners
Legal counsel	Davis Polk & Wardwell LLP

## Why Now — The Timing of the Announcement

An overlooked element of the case is why this announcement is coming now rather than 18 months ago or 18 months from now. Three factors converge:

**1. Roku and the connected-TV / streaming repricing.** The compression in CTV and ad-supported streaming multiples over 2024-2026 (Roku is the cleanest public proxy, but the dynamic extends across Paramount, Warner, and others) signals that media-asset multiples are unlikely to re-expand in the medium term. Streaming losses are no longer being rewarded with growth-multiple treatment; the market is pricing in the cost of content arms races and ad-load competition. Management acting now monetizes the separation structure while NBCU still has theme-park-driven multiple support, before media-asset compression drags the blended valuation lower. Waiting another 12-24 months would mean spinning into a worse multiple environment.

**2. Epic Universe completion.** Universal's Epic Universe theme park opened May 2025, completing the largest theme-park capital project in NBCU's portfolio. With the capex investment now in the rear-view mirror and revenue ramping (Theme Parks +14% in 2025), NBCU enters independent life with the capex cycle inflecting downward and the revenue cycle inflecting upward — the optimal handoff window for valuation purposes.

**3. Versant precedent rehearsal complete.** The Versant spin closed January 2, 2026. Management has now demonstrated execution capability with a Section 355 transaction at meaningful scale. The remaining structural complexity has been pre-tested. NBCU is the larger, more consequential spin, but the playbook is proven.

Taken together: management is announcing when the legacy media assets still command rational standalone multiples, when the major growth-capex project is funded and operational, and when the structural execution has been validated. The window will not improve.

## Buyer Universe — Who Could Acquire What

Before drilling into the two highest-probability scenarios, this table sets out the full strategic-buyer universe and what each buyer is realistically positioned to acquire. The two scenarios developed in detail in the pages that follow are: **(1) a Blackstone-led PE consortium acquisition of Universal Theme Parks as a carve-out** (antitrust-clean; the realistic Theme Parks bid since Disney is FTC-blocked), and **(2) Berkshire and Apple as the two credible whole-NBCU buyers** (each with the balance sheet and the strategic logic; the Institute's editorial position favors Berkshire under Abel). The §355(e) restriction, preemptive-bid probability, and asset-level optionality treatment appear later in the memo under 'Potential Acquirers — The Optionality Premium.'

### Strategic Buyer Universe (sorted by probability)

Buyer	Asset Focus	Strategic Rationale	Probability
<b>PE consortium</b>	Theme Parks ONLY — cannot underwrite whole NBCU	PE is structurally constrained to the Theme Parks asset alone. PE will not underwrite Peacock's \$1.1B annual streaming losses, the secular decline of linear cable networks, or sports-rights renewal exposure. Blackstone-led consortium for Theme Parks: \$37B EV at 12x EBITDA; \$17B equity (Blackstone \$5B + Apollo \$4B + KKR \$3B + SWF \$5B); 2.48x MoM / 20% IRR base case. Antitrust-clean. Scenario assumes Berkshire and Apple did not pursue whole-NBCU and Theme Parks came loose as a carve-out. See companion LBO model.	HIGH (90-95% — Theme Parks only)
<b>Berkshire Hathaway</b>	ENTIRE NBCU — whole-company acquisition (Institute's editorial position)	<b>The Institute would buy NBCU if we ran Berkshire.</b> See the 'If We Ran Berkshire' expansion at <a href="http://baratelliinstitute.com/berkshire-read.html">baratelliinstitute.com/berkshire-read.html</a> for the full thesis. Whole-NBCU at \$60-75B reconstructs Disney's architecture in one transaction: Studios + Streaming + Theme Parks + Sports + Sky international + hotels. Three drivers: (1) Greg Abel is CEO; BNSF + BHE capital-intensive infrastructure is Abel's native template. (2) Berkshire holds the largest un-deployed acquisition war chest in corporate America. (3) Berkshire's holding-company model fits acquiring a whole subsidiary, not asset carve-outs.	HIGH
<b>Apple</b>	ENTIRE NBCU — whole-company acquisition	Apple has the cash (\$165B+) and strategic gap to take all of NBCU whole. Acquiring NBCU creates an instant Disney-grade competitor: Universal Pictures + Sky + Peacock + Sunday Night Football + Universal Theme Parks. Apple TV+ has spent ~\$5B/year on content without studio infrastructure — Universal solves it. Theme parks are the Vision Pro / experiences anchor. §355(e) restricts whole-company deal to mid-2029+, but Apple plans on those horizons.	HIGH (post-2029)

Buyer	Asset Focus	Strategic Rationale	Probability
<b>Netflix</b>	Studios + Peacock content + sports rights	Recently bid for Warner Bros. Discovery assets. Cash-rich, owns no studio infrastructure of NBCU's scale. Universal Pictures + library + Sunday Night Football would close the content gap with Disney. Possible Theme Parks bid given Netflix Experiences ambitions.	HIGH
<b>Disney</b> (Theme Parks)	Theme Parks ONLY (split out)	Logical strategic buyer for the Theme Parks asset alone. Universal + Disney parks under one roof creates a consolidated experiential business. FTC approval is the binding constraint: parks consolidation in Orlando is a horizontal-overlap case the agency would scrutinize (per Antitrust Counsel review, approval probability 10-20%).	MEDIUM (FTC-blocked)
<b>Amazon</b>	Studios + Peacock + Sports	MGM precedent (\$8.5B). Prime Video sports strategy benefits from NFL + Premier League rights. Theme Parks fit Amazon's experiences ambition. Cash position deep.	MEDIUM
<b>CK Hutchison / European buyers</b>	Sky (UK/Italy) — carve-out	Sky is European; natural fit for European telecom / cable consolidation. CK Hutchison, Vodafone, Iliad have appetite. NBCU may divest Sky early to fund deleveraging.	MEDIUM (Sky carve-out)
<b>Sony</b>	Studios only — carve-out	Sony Pictures consolidation play. Theatrical distribution synergy. Smaller balance sheet limits to studio-only carve-out; cannot acquire whole NBCU.	LOW (whole) / MEDIUM (carve-out)
<b>Paramount / Skydance</b>	Studios + Media	Post-Skydance Paramount has consolidation mandate. Universal Pictures + Sky would create scale. Limited financial capacity for whole NBCU.	LOW
<b>Disney</b> (Studios)	Studios only — if pursued	Less likely. Studio overlap (Marvel/Pixar + Universal monsters/DreamWorks) creates antitrust concerns and minimal strategic gap to fill. Not a logical acquirer here.	LOW

*The pages that follow develop the two highest-probability scenarios in turn: first the PE consortium Theme Parks LBO (the realistic Theme Parks bid), then Berkshire and Apple as the two credible whole-NBCU acquirers.*

## PE Consortium Acquisition — Universal Theme Parks Carve-Out

The Disney + Universal Theme Parks scenario is structurally elegant but practically blocked: the FTC would view Disney + Universal Orlando as the cleanest horizontal monopolization case it could bring in the experiences sector. Approval probability per the committee's antitrust review is 10-20%. The realistic acquirer for the Theme Parks asset alone is a PE-led consortium — financially capable, antitrust-clean, and motivated by exactly the durable-moat economics that make Theme Parks the most coveted segment in the NBCU portfolio. The companion Excel model (*PE\_LBO\_Themeparks\_Model.xlsx*) builds the transaction from sources and uses through year-5 sponsor returns. The summary numbers are below.

## Transaction Structure

Element	Detail
Target	Universal Theme Parks (Orlando, Hollywood, Japan, Beijing minority, UK pipeline) — carved out of NBCU post-spin
Purchase price (EV)	\$37.0 billion at 12.0x 2025 Adjusted EBITDA of \$3.08B
Sources	\$15B Term Loan B (4.87x leverage) + \$5B Mezzanine / 2L (1.62x) + \$17B Consortium Equity
Total leverage at close	6.5x debt / EBITDA — financeable at current credit conditions; well within Theme Parks cash flow coverage
Hold period	5 years (mid-2030 exit target — coincides with §355(e) two-year window expiration)
Antitrust profile	Clean — no horizontal overlap, no competition concerns. PE consortium is the antitrust-feasible buyer.

## Equity Consortium (\$17 Billion Aggregate)

Sponsor	Check Size	% Equity	Board Seats	Strategic Role
Blackstone (lead)	\$5.0B	29.4%	1	Lead — Theme Parks operating thesis (Bellagio, theme park experience); deal origination
Apollo	\$4.0B	23.5%	1	Returns optimization; capital structure expertise; refinancing strategy
KKR	\$3.0B	17.6%	1	Consumer / experiences operating bench; talent and management oversight
SWF consortium (GIC / Mubadala / ADIA)	\$5.0B	29.4%	0	Sovereign-wealth anchor; passive long-term capital; lower fee load on the \$5B upsized check — replaces the previously modeled Berkshire LP slot, which is removed because Berkshire under Abel pursues whole-NBCU directly rather than co-investing alongside sponsors for a single asset.

**Why the consortium structure works.** A \$17B equity check is too large for any single sponsor to take down without violating fund concentration limits. Splitting the check across three megafund sponsors plus a sovereign-wealth anchor (GIC / Mubadala / ADIA in the illustration) keeps each sponsor's allocation within prudent limits while assembling the strategic and operational expertise the asset requires. SWF participation lowers the consortium's blended cost of capital and signals long-duration holding intent; SWF capital sits passively without consuming governance bandwidth. Berkshire is intentionally absent from this structure — per the Berkshire thesis later in the memo, Berkshire under Abel is a competing whole-NBCU acquirer, not a single-asset co-investor.

## Operating Model (5-Year)

Metric	2025 (Yr 0)	2030 (Yr 5)	CAGR / Change
Revenue (\$M)	\$9,836	\$13,100	+5.9% CAGR (Epic Universe ramp + UK 2031 pipeline visibility)
EBITDA (\$M)	\$3,080	\$4,388	+7.3% CAGR — operating leverage drives margin to 33.5%
EBITDA margin	31.3%	33.5%	+220 bps from pricing + cost-leverage
Capex % of revenue	18.0%	11.5%	Step-down post Epic Universe completion; UK contribution late in window

### Returns at Year 5 — Base Case

Component	Amount
Year 5 EBITDA	\$4,388M
Exit EV/EBITDA multiple (strategic to Apple)	13.5x
Year 5 Exit Enterprise Value	\$59,243M (\$59.2B)
Less: Year 5 net debt (TLB + Mezz, post deleveraging)	(\$17,179M)
Year 5 Equity Value to consortium	\$42,063M (\$42.1B)
Aggregate equity invested	\$17,000M
<b>Multiple on Money (MoM)</b>	<b>2.48x</b>
<b>Implied 5-year IRR</b>	<b>20.0%</b>

Year 5 debt of \$17.2B reflects the \$5.0B Mezzanine bullet held to exit plus \$12.2B of remaining Term Loan B after five years of 1% mandatory amortization and 75% cash sweep on free cash flow (\$15.0B → \$12.2B). Net leverage steps down from 6.5x at close to 3.9x at exit — full schedule on the Debt\_Schedule tab of the companion model.

### Probability-Weighted Across Exit Paths

Exit Scenario	Probability	Exit Multiple	MoM	IRR
Strategic to Apple (post-§355(e))	40%	13.5x	2.48x	20.0%
Strategic to Disney (FTC remedies pass)	10%	14.0x	2.61x	21.2%
IPO at peer multiple	25%	13.0x	2.34x	18.5%
Asset sale (PE secondary)	20%	11.0x	1.82x	12.7%
Hold longer (extend to Yr 7)	5%	12.5x	2.22x	12.0%
<b>Probability-weighted</b>	<b>100%</b>	<b>~12.9x</b>	<b>2.33x</b>	<b>18.4%</b>

### Implications for Comcast Holders

**The PE bid validates Theme Parks at the strategic-buyer multiple, not the conglomerate-blended multiple.** The base-case SOTP (v4 committee-flexed) values Theme Parks at 10x EBITDA = \$30.8B. A PE consortium bid at 12.0x = \$37.0B already exceeds the standalone SOTP by \$6.2B. Exit at 13.5x to Apple validates the asset at \$59.2B in year 5. The difference flows to NBCU equity holders pro-rata — meaning

original Comcast shareholders receive both the spin distribution and the upside on the parks crystallization.

**The PE path is realistic in a way the Disney path is not.** Disney + Universal Parks faces 10-20% FTC approval probability due to horizontal monopolization in Orlando. PE consortium faces no horizontal overlap and no antitrust barriers. A PE bid can be priced and executed within the §355(e) two-year window because asset-level transactions are permitted (the constraint binds only at the NBCU-level control transfer).

## Whole-Company Strategic Buyers — Berkshire and Apple

Two acquirers are credibly positioned to take NBCUniversal whole rather than piece by piece: **Berkshire Hathaway** and **Apple**. Both have the financial capacity to absorb a \$60-75B acquisition without a financing contingency, both have the strategic logic to build a Disney-grade integrated entertainment-and-experiences platform in a single transaction, and both face materially better antitrust profiles than Disney itself. The pages that follow develop each thesis in turn: first **Berkshire** (the platform-acquisition path under Abel; capital-intensive infrastructure fit; \$300-400B cash drag pressure; NBCU as the seed for decades of bolt-ons in cruise, hotels, regional parks, and sports rights), and then **Apple** (the strategic-gap-closing path; the Vision Pro / experiences integration logic; the antitrust profile relative to Disney; the §355(e) timing). The two scenarios are not mutually exclusive — if both bid, the auction dynamic crystallizes the takeover premium for Comcast holders directly.

### Berkshire as Direct Acquirer

**Berkshire as direct acquirer — or anchor LP if it chooses not to bid directly.** The Abel-era Berkshire is structurally different from the Buffett-era See's Candies framework. Three facts have changed the calculus:

**(1) Greg Abel is CEO.** Abel spent the prior two decades operating BHE — a capital-intensive utility business with infrastructure investment cycles measured in decades. Capital-intensive infrastructure with regulated / oligopolistic market structure is Abel's natural operational template, not a deviation from it. **(2) Berkshire holds the largest un-deployed acquisition war chest in corporate America.** For the live cash position and quarterly River-of-Cash rollforward, see the Institute's Berkshire Read at [baratelliinstitute.com/berkshire-read.html](http://baratelliinstitute.com/berkshire-read.html). Cash drag (the opportunity cost of the cash position earning T-bill yields while the equity portfolio compounds) is now a real pressure point. Abel has explicit incentive to make a transformative acquisition, and the universe of large targets that fit Berkshire's investment framework is small. **(3) Theme Parks fit the BNSF / BHE profile exactly** — physical assets, regulated / oligopolistic markets, pricing power, recurring foot traffic, decades-long capex visibility, durable consumer brand.

**Berkshire's realistic move is whole-NBCU.** A \$37B Theme Parks acquisition is a small percentage of Berkshire's cash position — barely moves the needle on cash drag. A \$60-75B whole-NBCU acquisition (Theme Parks + Studios + Sky + Peacock + Sunday Night Football + hotels) is the transformational deployment that actually solves the cash-drag problem Abel inherited — and is well within Berkshire's purchasing power. The strategic logic is identical to the Apple case: NBCU as a whole reconstructs Disney's architecture in a single transaction. **Berkshire's historical pattern is to buy whole businesses and hold for decades** (BNSF, GEICO, BHE, Burlington Industries) — not to participate in PE consortia for asset carve-outs. The whole-NBCU framing aligns Berkshire's operational model with the deal structure.

**The Institute's editorial position: we would buy NBCU outright if we ran Berkshire.** The full thesis development appears in the 'If We Ran Berkshire — Acquire NBCU' expansion of the Berkshire Reads section at [baratelliinstitute.com/berkshire-read.html](http://baratelliinstitute.com/berkshire-read.html). The short version: Abel inherits a holding-company structure that must deploy capital at scale or face structural cash drag; the universe of \$30-75B acquirable targets that fit Berkshire's investment framework is small; NBCU's capital-intensive infrastructure plus durable consumer-brand moats matches the BNSF + See's + BHE framework precisely; the Disney clone is buildable in one transaction. The PE consortium Theme Parks scenario is the fallback if both Berkshire and Apple decline to pursue whole-NBCU — but the Institute's editorial view is that Berkshire should — and likely will — pursue NBCU as a whole.

### NBCU as a Platform — A New Investment Category for Berkshire

The structural argument that elevates the case beyond a one-time acquisition: **NBCU is not an asset, it is a platform that opens an entire investment category Berkshire does not currently occupy.** Berkshire's existing operating subsidiaries cluster around insurance (GEICO, General Re), railroads and energy (BNSF, BHE), consumer products (See's, Duracell, Dairy Queen), manufacturing (Precision Castparts, Marmon), and retail (Nebraska Furniture Mart, Borsheim's). **None of those operating clusters covers integrated entertainment, hospitality, and experiences at scale.** NBCU fills that gap and creates a permanent platform for capital deployment in adjacent assets.

**Once Berkshire holds the NBCU platform, the adjacent acquisitions follow naturally.** The Theme Parks operation is a hospitality-and-experiences anchor. Cruise ships (Royal Caribbean, Norwegian, Carnival — all at valuations Berkshire could absorb) become natural bolt-ons that lever Universal IP across new vehicles. Hotel chains (Marriott, Hyatt, IHG) become acquirable adjacencies that integrate with theme-park lodging and cruise itineraries. Sky's European footprint and Sky Studios become a permanent international distribution platform. Sports rights (NFL Sunday Night Football, Premier League, NBA partnerships) become a Berkshire-owned media-rights portfolio that can be expanded over decades — exactly the Olympic horizon Berkshire prefers.

Investment Category	NBCU Platform Anchor	Berkshire Bolt-On Opportunity
Theme parks & experiences	Universal Orlando, Hollywood, Japan, Beijing, UK	<b>Cedar Fair-Six Flags (FUN)</b> at cyclical bottoms; SeaWorld; Merlin Entertainments. Six Flags is the classic Berkshire setup — public-market cyclical volatility, capex intensity, and operational leverage produce repeated cheap-valuation windows.
Cruise lines	(none today — clean slate)	Royal Caribbean (\$75B), Norwegian (\$25B), Carnival (\$30B); Universal IP overlay creates Disney Cruise equivalent
Hotels & lodging	Universal hotels (Orlando, Hollywood)	Marriott, Hyatt, IHG, Choice Hotels; theme-park-adjacent expansion
Film & streaming production	Universal Pictures + Sky Studios + Peacock	Independent studios (Lionsgate, A24, MGM-style); content library acquisitions
Sports rights & broadcasting	Sunday Night Football, Premier League, NBC Sports	Regional sports networks (RSNs); future sports-rights packages; live events
International media distribution	Sky UK / Italy / Germany; international NBC	European broadcast / streaming consolidation; Latin American media
Themed dining & retail	Universal CityWalk; theme-park retail	Restaurant groups; experiential retail; brand licensing

**Why this is the right Berkshire frame.** Berkshire's historical pattern is to acquire a platform business and then make decades of bolt-on acquisitions under that platform: BNSF as the rail platform with regional acquisitions; BHE as the energy platform with utility and renewables bolt-ons; GEICO as the insurance platform with reinsurance and specialty additions. NBCU would become the entertainment-and-experiences platform with hospitality, sports, and international media as the bolt-on universe. Abel inherits a \$300B+ cash position that needs decade-scale deployment vehicles, not single transactions. **NBCU is the deployment vehicle.**

## Worked Example — Six Flags as the Prototype Bolt-On

Six Flags (now Cedar Fair-Six Flags, FUN ticker, post-2024 merger) is the prototype Berkshire bolt-on under the NBCU platform thesis. Its valuation history is exactly the kind of cyclical-cheapness window Berkshire's permanent capital structure is designed to exploit:

**Six Flags trades at a structurally compressed multiple in public markets because public investors cannot price its cyclicity.** Three structural factors drive the discount: (1) Operating leverage cuts both ways — high fixed costs (capex on rides, year-round maintenance, seasonal staffing) produce strong margin expansion in good years and compression in bad years. (2) Weather and macro sensitivity — attendance is cyclical and weather-exposed, which public-market analysts model conservatively. (3) Capital access at troughs is poor — the company has historically been forced to refinance at unfavorable terms in cyclical lows (Six Flags filed for bankruptcy protection in 2009 under exactly this pattern). Each cyclical trough drops the multiple meaningfully below the through-cycle fair value.

**Berkshire's permanent capital eliminates every one of those discounting factors.** (1) Operating leverage becomes a feature, not a bug, when the holder doesn't mark-to-market quarterly performance. (2) Weather and macro sensitivity wash out over 10-20 year holding periods. (3) Capital access at troughs is unconstrained — Berkshire funds capex and operations through cycles without external financing. The same business that struggles to maintain a 7-9x EBITDA multiple as a public stock can comfortably hold a 10-12x through-cycle value under permanent ownership.

**The acquisition window.** Six Flags / Cedar Fair-Six Flags has had at least three meaningful valuation troughs in the past 15 years where Berkshire could have acquired it for \$3-5B at distressed multiples — versus a through-cycle fair value closer to \$8-10B. With Universal Theme Parks held as the operational platform, Berkshire could absorb Six Flags at the next cyclical trough, fund through-cycle capex from BHE-style permanent-capital reserves, integrate regional operations with Universal's national platform, and hold for the next 20 years. The cyclicity that destroys public-market value compounds value for the permanent holder.

**The Berkshire pattern generalizes — and the platform position changes everything.** The Six Flags thesis is the prototype for the broader platform argument: cruise lines (Royal Caribbean and Norwegian both traded at major discounts in 2020-2021), hotel chains (Marriott REIT components trade cyclically), regional sports networks (RSN bankruptcies in 2023 created acquirable inventory).

**Without the NBCU platform, Berkshire has to time the dips against an empty playing field.** Buying Six Flags or Royal Caribbean as standalone investments competes with PE secondary buyers and turnaround specialists. Berkshire's permanent capital advantage exists but is one of many edges in the market.

**With the NBCU platform held, Berkshire becomes the patient predator the entire category is built for.** The platform itself is the position. When Six Flags trades at a cyclical bottom in 2031, Berkshire absorbs it into Universal's national parks operation at a strategic premium to the public-market price. When the next cruise-line cycle bottoms in 2034 or 2037, Berkshire integrates a major operator with Universal IP overlay to create the Disney Cruise equivalent. When a hotel chain trades cheap in the next macro downturn, Berkshire bolts it on to expand theme-park-adjacent lodging. The Berkshire balance sheet doesn't need any of these acquisitions to materialize on a schedule — but the platform position means each one, when it materializes, is a strategic accretion rather than a standalone bet.

**This is what changes the deployment economics.** A \$65-75B NBCU acquisition by itself uses ~20% of Berkshire's cash position. But the platform unlocks a 15-20 year deployment runway across cruise lines (\$100-200B addressable), hotel chains (\$200-400B addressable), regional theme-park operators (\$20-40B

addressable), and adjacent media / sports rights (\$50-100B addressable). The aggregate runway is several hundred billion dollars of potential deployment, executed opportunistically at cyclical lows that public markets create predictably every 5-7 years. **Berkshire doesn't need to predict when those dips arrive — only to be positioned to act when they do.** The NBCU acquisition is the act of positioning.

**Cross-reference:** the 'If We Ran Berkshire — Acquire NBCU' expansion at [baratelliinstitute.com/berkshire-read.html](http://baratelliinstitute.com/berkshire-read.html) develops this platform-acquisition thesis in detail, including the specific bolt-on sequencing and the 10-year capital deployment glide path.

### Apple as Alternative Whole-Company Acquirer

The alternative to a Berkshire bid is Apple. Apple acquiring NBCU whole creates a Disney-grade competitor in a single transaction — and unlike Berkshire's platform thesis (capital-intensive infrastructure under Abel), Apple's logic is strategic-gap closure tied to the Vision Pro / experiences arc:

Asset	Strategic Fit with Apple	Disney Parallel
Universal Pictures (Studios)	Apple TV+ content spend (~\$5B/year) without studio infrastructure. Universal's library + production capacity + IP (Despicable Me, Jurassic, Wicked) closes the gap.	Disney owns Disney Studios + Pixar + Marvel + Lucasfilm + 20th Century
Peacock (Streaming)	Apple TV+ subscriber economics weak; bolt-on of Peacock's 44M subs + ad-tier + sports rights creates scaled streaming with content moat.	Disney owns Disney+ + Hulu + ESPN+
Universal Theme Parks	Apple has been building 'experiences' (retail, Vision Pro). Theme parks are the physical anchor for IP-driven consumer engagement. Vision Pro + theme park integration is the long-cycle play.	Disney Parks is the highest-margin Disney segment
Sky (UK / Italy)	International distribution; premium pay-TV; sports rights (Premier League).	Disney International / Star network
Sunday Night Football + Premier League	Apple Sports has bid on MLS, Premier League rights, F1 — NFL is the prize. Acquiring NBCU acquires the SNF package by default.	Disney owns ESPN + Monday Night Football

**Financial feasibility.** NBCU at our base-case \$57.5B EV is comfortably within Apple's \$165B+ net cash position. Apple does not need to lever the balance sheet, dilute equity, or compromise its capital return program. A 20-30% premium over base SOTP — putting the EV at \$70-75B — is still well within Apple's purchasing power and would be the largest acquisition in Apple's history but not strain the balance sheet. By contrast, Disney, Netflix, and Amazon all face structural balance-sheet constraints at this scale.

**Strategic feasibility.** The transaction transforms Apple from a content licensee into a content owner with vertical integration across studios, streaming, theme parks, and sports. The Disney parallel becomes explicit — Apple becomes the second integrated entertainment-and-experiences company at scale, with the Vision Pro / spatial-computing platform as the long-cycle differentiator Disney doesn't have. This is the kind of strategic chess move that justifies a 20-30% takeover premium even from a buyer as disciplined as Apple.

**Regulatory feasibility.** Antitrust profile is meaningfully better than Disney + parks. Apple does not own theme parks today (no horizontal overlap), does not own a major studio today (no horizontal overlap), and Apple TV+ vs. Peacock represents 'platform consolidation' rather than market dominance. The FTC could still scrutinize (Big-Tech + media consolidation political profile), but the case is fundamentally easier than

Disney + Universal Parks. Berkshire's antitrust profile is cleaner still (no horizontal overlap and no Big-Tech political dimension), which is one reason the Institute's editorial position favors the Berkshire path.

**Timing.** §355(e) restricts a whole-NBCU acquisition to mid-2029 or later (two years after the projected mid-2027 spin close). That is a long lead time, but Apple's planning cycle operates on those horizons (Vision Pro was 7 years in development; the M-series chip transition took 5 years). Apple announcing an acquisition target three years before executing is not unprecedented. Berkshire, by contrast, can act with less lead time once §355(e) clears.

**Implication for the SOTP thesis.** If Apple is a credible whole-company buyer at a 20-30% premium (\$70-75B EV vs. base \$57.5B), the additional value flows to NBCU holders — and therefore to original Comcast shareholders pro rata. At 20% premium that adds approximately \$11.5B of equity value, or \$3.20/share of additional value to the original Comcast holder. Layered on top of the Berkshire optionality, the buyer overhang is asymmetric in the holder's favor: if either Apple or Berkshire bids, the upside crystallizes; if neither moves, NBCU compounds at standalone economics. The investor pays nothing for the option.

### The Disney-Clone Thesis: Apple OR Berkshire Could Build It in One Transaction

Both Apple and Berkshire could acquire NBCU and instantly assemble a Disney-grade integrated entertainment-and-experiences competitor. The architecture is identical to Disney's: Studios + Streaming + Theme Parks + Sports + International. Add cruise ships and hotels (both already operationally adjacent for Berkshire via BHE and for Apple via its experiences ambition), and the structural copy of Disney becomes complete. **The Institute's 'If We Ran Berkshire' editorial position is that Berkshire should acquire NBCU outright** — see the companion analysis at [baratelliinstitute.com/berkshire-read.html](http://baratelliinstitute.com/berkshire-read.html) for the full thesis development.

Disney Asset	Apple Path via NBCU	Berkshire Path via NBCU
Disney Studios + Pixar + Marvel + Lucasfilm + 20th Century	Universal Pictures + library + production capacity	Universal Pictures (held as asset; Berkshire operates passively, capex funded by Universal cash flow)
Disney+ / Hulu / ESPN+	Apple TV+ scales with Peacock + content moat	Peacock held standalone; not Berkshire's operational lane (could divest or partner)
Disney Parks (Orlando, Anaheim, Paris, Tokyo, Shanghai, Hong Kong)	Universal Theme Parks integrated with Apple Experiences	Universal Theme Parks — operational fit with BNSF / BHE infrastructure-asset template
ESPN + Monday Night Football	NBC Sunday Night Football + Premier League rights	NBC Sunday Night Football — Berkshire could divest sports rights or hold as content moat
Disney International / Star network	Sky UK / Italy + global distribution	Sky UK / Italy (Berkshire-comfortable European regulated business)
Disney Cruise Line	TBD — Apple Experiences could build or acquire (Royal Caribbean, NCL)	TBD — Berkshire would buy a cruise operator (could lever Universal IP across cruise; mirror of Disney Magic + Wish)

Disney Asset	Apple Path via NBCU	Berkshire Path via NBCU
Disney Resort hotels	Universal already operates hotels — Apple expands	Universal hotels held; Berkshire familiar with hospitality (See's Candies retail experience)

**Why this strengthens the long thesis.** Two HIGH-probability buyers with distinct strategic logics, both able to rebuild Disney in one move, neither facing horizontal-overlap FTC concerns of the kind Disney + Universal Parks would trigger. The structural arbitrage Comcast is unlocking is exactly the arbitrage Disney enjoys at premium multiples. Apple and Berkshire are the two corporate balance sheets in America large enough to assemble it in a single transaction. **The Institute's editorial conclusion: we would acquire NBCU if we ran Berkshire.** See Berkshire Reads ([baratelliinstitute.com/berkshire-read.html](http://baratelliinstitute.com/berkshire-read.html)) for the live cash rollforward and the 'If We Ran Berkshire — Acquire NBCU' companion thesis.

## The Versant Precedent — Dress Rehearsal for the NBCU Spin

The single most useful comparison for handicapping the NBCU separation is the Versant Media Group spin that closed January 2, 2026. Same parent (Comcast), same Roberts-led management team, same advisor stack (Goldman / PJT / Davis Polk), same Section 355 structure, same Delaware governance. Versant is essentially a structural pilot for the NBCU spin at one-tenth the scale. The right framing: NBCU is Versant 2.0 — larger, more complex, with a 19.9% retained-stake twist, but executed by operators who have just walked the playbook.

### Side-by-Side Comparison

Dimension	Versant (closed 1/2/2026)	NBCUniversal (announced 6/29/2026)
Asset basket	Cable networks (MSNBC, CNBC, USA, Golf Channel, E!, SYFY, Oxygen) plus digital (GolfNow, Fandango, Rotten Tomatoes, SportsEngine)	Media (NBC, Telemundo, Peacock, Sky Entertainment) + Studios (Universal Pictures) + Theme Parks (Universal global)
Scale (estimated)	Few-billion revenue carve-out	\$48B revenue / \$6.3B Adjusted EBITDA (~10x Versant scale)
Distribution mechanic	100% pro-rata distribution to Comcast shareholders	Up to 80.1% pro-rata distribution; Comcast retains up to 19.9% for tax-efficient debt-for-equity monetization within 12 months
Tax structure	Tax-free under IRC §355 — successfully qualified	Tax-free under IRC §355 — same template; PLR likely sought
New ticker	VSNT (Nasdaq)	TBD (separate Nasdaq ticker expected)
Announce-to-close timeline	Announced late 2024; closed January 2026 — on time	Announced June 2026; targeted mid-2027 (~12 months) — same team, same playbook
Advisor stack	Same Big-Law and bulge-bracket advisors expected to repeat	Goldman Sachs, PJT Partners, Davis Polk & Wardwell
Strategic logic	Carve out non-core cable networks; let media-focused investors price separately	Separate connectivity (RemainCo) from content/experiences (SpinCo); unlock conglomerate discount

## Five Practical Implications for the NBCU Case

**1. Execution timeline credibility is higher than the generic spin-off base rate.** Comcast announced Versant in late 2024 and closed it in early 2026 — essentially on the schedule communicated at announcement. By contrast, Warner/AT&T (14 months) and GE/Vernova (18 months) ran longer than initial guidance. Comcast's recent execution argues that the NBCU 12-month timeline is more likely to be hit than the generic 14-18 month precedent suggests.

**2. Tax-free qualification is de-risked.** Versant successfully cleared the §355 active business test, distribution-not-a-device test, and business purpose requirements. The legal documentation, IRS engagement pattern, and corporate-formation work built for Versant is a usable template for NBCU. First-time spin-off structural risk is not the relevant risk profile here.

**3. VSNT trading dynamics are an empirical calibration tool.** Investors can look at how VSNT traded in the first 30, 60, and 180 days post-distribution to calibrate expectations for NBCU's post-spin trading behavior. The index-fund flow dynamics, sell-side coverage initiation, and the multiple at which VSNT settled provide a recent real-world data point — not a generic historical precedent. Event-driven investors should be running this comparison explicitly.

**4. Same management and advisor team across both transactions.** Roberts as Chairman, Cavanagh as Co-CEO transitioning to NBCUniversal CEO, Angelakis returning as Comcast RemainCo CEO. Goldman, PJT, and Davis Polk advising. Continuity reduces execution risk relative to a one-off transaction by a different team. The Roberts family's long-term ownership structure also aligns incentives — they are not exiting; they are restructuring.

**5. NBCU is harder than Versant in three specific ways.** First, scale (an order of magnitude larger) means operational disentanglement (Transition Services Agreements, shared technology infrastructure, intercompany content licensing) is materially more complex. Second, the 19.9% retained stake adds a layer that Versant did not have — Comcast must execute a tax-efficient monetization within 12 months post-close. Third, NBCU's three operating segments (Media, Studios, Theme Parks) each have different operational rhythms and must function as one company immediately post-spin; Versant's cable-network basket was more operationally homogeneous.

## Net Read

**Versant is the strongest single execution credibility signal in the entire case.** The combination of (a) the same management team executing twice within 18 months, (b) demonstrated §355 qualification with the same advisor stack, and (c) a recent empirical trading data point in VSNT, should move investors' confidence in the NBCU timeline, structure, and post-spin trading meaningfully above the generic spin-off base rate. The Versant precedent is why the 12-month timeline is credible, why the tax-free qualification is the lower-tier risk factor, and why investors should treat post-spin trading dynamics as a calibratable problem rather than a black box.

## Sum-of-the-Parts Valuation

We value each business segment at its peer-group EV/EBITDA multiple applied to 2025 reported Adjusted EBITDA. Numbers below are base-case; sensitivity ranges in the accompanying Excel model.

### RemainCo Comcast (Connectivity & Platforms)

Segment	2025 Revenue	2025 EBITDA	EV/EBITDA	Enterprise Value
Residential Connectivity & Platforms	\$70.7B	\$26.7B	5.5x	\$146.6B
Business Services Connectivity	\$10.2B	\$5.7B	9.5x	\$54.4B
<b>RemainCo Enterprise Value</b>	<b>\$80.9B</b>	<b>\$32.4B</b>	—	<b>\$201.0B</b>

### SpinCo NBCUniversal (Content & Experiences)

Segment	2025 Revenue	2025 EBITDA	EV/EBITDA	Enterprise Value
Media (NBC, Peacock, Sky)	\$27.1B	\$3.2B	6.0x	\$19.2B
Studios (Universal)	\$11.3B	\$1.1B	9.0x	\$9.9B
Theme Parks (Universal)	\$9.8B	\$3.1B	10.0x	\$30.8B
HQ / Other (deduction)	\$0.0B	(\$1.1B)	5.0x	(\$5.5B)
<b>SpinCo Enterprise Value</b>	<b>\$48.2B</b>	<b>\$6.3B</b>	—	<b>\$54.4B</b>

### SOTP Bridge to Per-Share Value

Component	Amount
RemainCo Enterprise Value	\$201.0B
SpinCo Enterprise Value	\$54.4B
Aggregate Operating EV	\$255.4B
Less: Corporate & Other (5x × (\$800M))	(\$4.0B)
Adjusted Aggregate EV	\$251.4B
Less: Net debt (3/31/2026)	(\$85.1B)
<b>Implied Equity Value</b>	<b>\$166.2B</b>
Diluted shares (M)	3,576.8
<b>SOTP per share (Base)</b>	<b>\$46.47</b>
Current market price	\$36.00
<b>Implied upside (Base)</b>	<b>+29.1%</b>
Bear-case per share / vs. current	\$33.37 / -7.3%
Bull-case per share / vs. current	\$60.00 / +66.7%

The base case reflects approximately \$37 billion of equity value uplift from separation. Two-thirds of the unlock comes from the cable / wireless business re-rating to a pure-play multiple at 5.5x base (down from the 6.5x conglomerate-implied multiple per the v4 committee multiple flex); one-third comes from theme parks and studios trading at content-and-experiences multiples (Theme Parks at 10x base vs. Disney Parks 12x).

## Investment Thesis

- 1. Mismatched investor base resolves at separation.** Cable / broadband investors do not want media exposure; media investors do not want cable exposure. Each company will attract its natural shareholder base. Index inclusion and active rebalancing post-spin create mechanical buying pressure on the higher-multiple businesses (theme parks, studios).
- 2. Theme Parks is the crown jewel mispriced inside the conglomerate.** Theme Parks generated \$9.8B revenue (+14% YoY with Epic Universe opening in May 2025) and \$3.1B EBITDA. Disney Parks trades at ~12x; Six Flags ~9-10x. Under the Comcast roof, this asset is valued at the blended Comcast 7-8x multiple. Liberated, it should trade at 11-12x with possible re-rating higher as growth becomes visible.
- 3. Studios is an under-the-radar IP business.** Universal Pictures generated \$11.3B revenue in 2025 (Despicable Me 4, Wicked, Jurassic World Rebirth in the slate). The studio's content library, theme-park IP integration, and licensing potential are systematically discounted under Comcast. A focused studio at 9-10x EBITDA is approximately \$10B of embedded value that is currently invisible.
- 4. Comcast RemainCo re-rates to pure cable/broadband multiple.** With media and theme-park businesses removed, Comcast becomes a pure-play connectivity company. The market will value it against Charter (~6.5x) and Altice (~5x) rather than the conglomerate blend that pulls the multiple down. RCP at 5.5x (v4 committee-flexed) and BSC at 9.5x produces \$201.0B in EV.
- 5. The 19.9% retained stake accelerates RemainCo deleveraging.** Comcast plans to monetize the retained stake via a tax-efficient mechanism within 12 months. The most likely structure is a debt-for-equity exchange — Comcast exchanges NBCU shares for Comcast bonds held by exchange parties (typically banks), retiring debt without using cash. This both deleverages and avoids the IRC Section 355(e) anti-Morris Trust restriction concerns.
- 6. Versant precedent.** Comcast already executed the Versant spin (cable networks: MSNBC, CNBC, USA, etc.) successfully on January 2, 2026. Management has demonstrated execution capability with a comparable but smaller Section 355 transaction. The NBCU separation is a known playbook for this team.

## Potential Acquirers — The Optionality Premium

An overlooked element of the separation is what happens to NBCUniversal post-spin. As an independent public company with concentrated trophy assets — Universal Theme Parks, a major film studio, Peacock streaming, Sky's UK/Italy footprint, and a Sunday Night Football-anchored sports portfolio — NBCU becomes acquirable in a way it never was as a Comcast subsidiary. The strategic-buyer universe is real and capitalized, and Netflix's recent run at Warner Bros. Discovery assets shows the appetite is live.

### The §355(e) Restriction

Internal Revenue Code Section 355(e) — the "anti-Morris Trust" rule — prevents a change of control of either the parent (Comcast) or the spinco (NBCUniversal) within two years of the spin without retroactively tainting the tax-free treatment of the distribution. Practically, this means: no greater-than-50% acquisition of NBCU stock for two years post-close (mid-2029 earliest), and no "plan" or coordinated arrangement that effectively transfers control. The restriction does not prohibit (a) sub-50% strategic investments, (b) asset-level carve-outs where NBCU sells a discrete business (e.g., Sky to a financial buyer; theme-park minority stake), or (c) partnerships and joint ventures. The buyer overhang is therefore a two-to-three-year story, with asset-level optionality earlier.

## Strategic Buyer Universe (cross-reference)

The full buyer-universe table — every credible acquirer ranked by probability with asset focus and rationale — appears earlier in the memo under ‘**Buyer Universe — Who Could Acquire What.**’ The remainder of this section discusses preemptive-bid probability, asset-level optionality before the §355(e) window closes, the whole-NBCU-vs-asset-split fork, and the Disney Theme Parks scenario in particular.

## Preemptive Bid Probability — Is the Spin the Goal, or Maximum Net Return?

A meaningful question raised by the announcement itself: by publicly committing to a 12-month spin process, has Comcast effectively put a for-sale sign on these assets? The retained 19.9% stake, the 12-month monetization language, and the suspension of the buyback program all read as structural signals that invite competing bids. The spin is the base case — but it is not the only outcome management would accept.

**Estimated probability of a preemptive whole-company bid in the next 6-9 months: 15-25%.** The two credible bidders are **Apple** and **Berkshire Hathaway**. Each has the financial capacity to make an unsolicited offer without a financing contingency — Apple from its ~\$165B cash position, Berkshire from its \$300-400B cash position under Greg Abel. The two paths differ in character: Apple's logic is strategic gap-closing (no studio infrastructure, no theme parks, no integrated content platform), while Berkshire's logic is platform-acquisition (NBCU as the seed for decades of capital-intensive bolt-ons in parks, hotels, cruise, and sports rights — see the four-page Berkshire section above). A preemptive bid would have to compensate Comcast holders for losing the §355 tax-free structure (a taxable corporate transaction adds 21-28% federal+state tax friction at the corporate level on built-in gains), which means a premium of 20-30% over the standalone SOTP would be the floor offer. Both Apple and Berkshire have the strategic logic to pay that premium; the bidder who moves first wins, and Berkshire moves faster than Apple.

**Estimated probability of a preemptive asset-level bid (Theme Parks specifically): 25-35%.** A PE consortium (Blackstone-led with SWF anchor; Berkshire as separate direct whole-NBCU acquirer) could bid for Theme Parks before the spin closes. Asset-level transactions don't carry the §355(e) constraint, so the timing window is wider than the whole-company case. A pre-spin Theme Parks sale would actually accelerate Comcast's stated objective of deleveraging by replacing the complicated 19.9%-stake-monetization mechanic with simple cash proceeds.

**The board's Revlon-adjacent obligation.** Once a company publicly commits to a structural change of this magnitude, directors have a heightened obligation under Delaware law to consider competing proposals on the merits. Comcast cannot simply refuse a clearly superior bid mid-process. The legal framework cuts in favor of maximum net return to shareholders, not in favor of completing the announced spin if a better path emerges.

**Reading management's signals.** The board is led by Roberts, who has historically prioritized control and structure over outright sale. But the operational composition of the deal — including Angelakis returning as Comcast CEO (former CFO with capital-markets background) and the explicit retained-stake monetization mechanic — reads as optimizing for net return rather than for control retention. **The spin is the structural anchor; the asset-level monetizations and the strategic exits are the upside.** Management is announcing a structural reset that invites the market to bid against the structure, then will accept whatever produces the highest probability-weighted net-of-tax return to holders.

**Implication for the investment thesis.** The case for going long CMCSA strengthens, not weakens, with preemptive-bid probability factored in. If Apple bids preemptively at a 25-30% premium to SOTP, Comcast holders capture the upside directly. If a Theme Parks asset-level bid materializes, the PE consortium

scenario crystallizes the multiple in the near term rather than at the §355(e) window. If no preemptive bid materializes, the base-case spin still delivers the standalone SOTP rerating. **All three outcomes produce upside.**

### Asset-Level Optionality Before the §355(e) Window Closes

NBCU does not need to wait until 2029 to monetize discretely. Three asset-level paths are available within the two-year restriction window because none represents a >50% change of control of NBCU itself:

**Sky carve-out.** Sky's UK and Italy operations are operationally separable. A sale to a European telecom \$15-20B based on European cable comparables, providing material deleveraging proceeds.

**Theme Parks minority stake.** NBCU could sell a 25-49% stake in the Theme Parks business to Berkshire or a PE consortium at a discrete valuation (12x+ EBITDA = \$37B+ EV implied). Provides cash, validates the standalone valuation, and preserves NBCU control. Universal Beijing already follows this template with Chinese state partners.

**Studios JV.** Universal Pictures could enter a content production / distribution JV with Apple, Amazon, or Netflix that resembles a partial sale economically without triggering §355(e). The Star India / Reliance JV precedent (Disney 2024) is the template.

### Whole-NBCU vs. Asset-Split — Two Structurally Different Outcome Paths

The buyer universe segments cleanly along one structural dimension: **who can underwrite the whole company versus who can only underwrite discrete assets.** Only two corporate balance sheets in America can underwrite whole-NBCU at \$60-75B: Berkshire and Apple. Both face the same structural opportunity (rebuild Disney in one transaction) and both have the cash position to execute without leverage strain. Every other potential buyer is constrained to asset-level carve-outs.

**PE cannot underwrite whole NBCU.** PE will not take on Peacock's \$1.1B annual streaming losses, the secular decline of NBC's linear cable networks, or the sports-rights renewal cycle (NFL Sunday Night Football, Premier League). PE wants the asset that fits the LBO framework: capital-intensive infrastructure with durable cash flows, pricing power, and growth visibility. That asset is Theme Parks. PE is a Theme Parks-only buyer by structural necessity, not by preference. The Theme Parks asset-split scenario only emerges if Berkshire and Apple *both* decline to pursue whole-NBCU.

**Disney could only buy Theme Parks — and probably can't even do that.** Disney + Universal Parks faces 10-20% FTC approval probability per the committee's antitrust review. Even if antitrust cleared, Disney would not underwrite NBCU's streaming or media businesses (direct competition with Disney+, ESPN, ABC). So Disney is structurally a Theme Parks-only buyer constrained by FTC.

### The Disney Theme Parks Scenario

Within the §355(e) window, the cleanest asset-level transaction would be Universal Theme Parks to Disney — but as noted, FTC approval probability is 10-20%. The realistic Theme Parks acquirer is the PE consortium described in the PE LBO section above. The Disney scenario is presented here for completeness:

Disney is the logical theme-park buyer because the parks asset stands on its own — physical assets, distinct customer base, separate management, separable financial reporting. Disney does not need to take on Peacock's \$1.1B/year operating loss or absorb Sky's European operations to acquire Universal's parks. The transaction structure is a direct asset sale from independent NBCU to Disney; cash proceeds flow to NBCU shareholders via special dividend, buyback, or debt paydown.

Deal Dimension	Detail
Asset(s) sold	Universal Theme Parks: Orlando (Universal Studios Florida, Islands of Adventure, Epic Universe, Volcano Bay), Hollywood, Osaka, Beijing (minority); the UK theme park development pipeline (announced 2031 opening)
Implied valuation	\$33-45B at 11-14x 2025 Adjusted EBITDA of \$3.08B (Disney would likely pay above standalone multiple for strategic / consolidation premium)
Strategic logic for Disney	Eliminates the sole credible parks competitor in Orlando; consolidates pricing power; defends the parks segment from Epic Universe encroachment; absorbs Universal's IP-park flywheel into the Disney creative engine
FTC / antitrust concerns	Substantial. Orlando is the regulated market — Disney + Universal would create near-monopoly in destination theme parks. Likely requires divestiture remedies (Universal Beijing, perhaps Universal Studios Hollywood) to clear. Past parks transactions are limited; SeaWorld would be a small precedent. Timeline 12-18 months for review.
FTC approval probability	Estimated 30-50% — depends on administration posture and Disney's willingness to commit to remedies. Trump-era FTC has been mixed on entertainment mergers.
Walk-away conditions	Disney would require behavioral commitments (pricing, employment, content investment) and possibly structural divestitures. If unable to clear, asset reverts and NBCU continues standalone (no consequence to parks operations).
Tax structure	Standard taxable C-corp asset sale OR reverse Morris Trust structured around the parks. RMT would require parks to be 50%+ of the acquirer's value post-deal — not feasible given Disney's scale.
Timing under §355(e)	Asset-level sale (not a change of control of NBCU) — permitted within the two-year window. Could announce within 12-18 months of NBCU spin close.

**Why this scenario matters for the SOTP.** The base case (v4 committee-flexed) values Universal Theme Parks at 10x EBITDA = \$30.8B. A Disney bid would price it at 13-14x = \$40-43B. The differential (\$9-12B) flows directly to NBCU equity holders. For the original Comcast shareholder, that translates to approximately \$1.50-2.50 per Comcast share of additional value beyond the base SOTP. The optionality is asymmetric: if Disney makes a bid, the upside crystallizes; if no bid emerges, NBCU continues to compound at standalone economics. The investor pays nothing for the option.

**The split logic extends.** The same asset-split rationale applies to Sky (European cable consolidator buyer), Peacock (Apple or Amazon streaming buyer), and the news/sports rights portfolio (potential Disney or Netflix partner). Independent NBCU has unprecedented strategic flexibility relative to the prior twenty years as a Comcast subsidiary.

### Cross-Reference: Whole-Company Strategic Buyer Paths

The full whole-company acquirer discussion — Berkshire as the strongest single-buyer thesis under Abel, and Apple as the alternative whole-company acquirer with the Vision Pro / experiences integration logic — is developed at length earlier in the memo (see 'Whole-Company Strategic Buyers — Berkshire and Apple'). Net read carried forward: either path adds \$3-5/share of takeover-premium optionality to the base-case SOTP, and the buyer overhang is asymmetric in the Comcast holder's favor — if either Berkshire or Apple bids, the upside crystallizes; if neither moves, NBCU compounds at standalone economics.

### Implication for the SOTP Thesis

**The buyer overhang adds 5-15% of premium to the base-case SOTP.** Trophy assets with credible strategic acquirers trade at a takeover premium relative to standalone multiples. Disney parks trade at premium multiples partly because of their unique-asset status. Once NBCU is independent and addressable, the same dynamic applies to Universal Theme Parks and Universal Pictures. We model this conservatively in the bull case (+91% upside reaches \$68.79), but a full takeover of NBCU at a 25-30% premium to base SOTP would imply an additional \$10-15/share of value to the original Comcast holder.

## Catalysts

Catalyst	Timing	Impact
Initial S-1 / Form 10 filing for NBCUniversal	Q3/Q4 2026	Visibility into pro-forma financials sharpens analyst models
Pro-forma capital allocation between RemainCo / SpinCo	Q4 2026	Debt-allocation disclosure unlocks rating-agency assessment
Investor days for each company	Q1 2027	Standalone strategy clarity; multiple expansion begins
IRS Private Letter Ruling on tax-free qualification	Pre-close	De-risks structure execution
Distribution and when-issued trading	Pre-close + 30 days	Risk-arb dynamics; entry/exit timing
Post-spin 19.9% stake monetization	12 months post-spin	Crystallizes the retained-stake value
First post-spin standalone earnings	~60 days post-close	Validation of standalone reporting and guidance
Sky carve-out announcement or rumor	Year 1-2 post-close	Discrete deleveraging event; validates asset-level monetization thesis
§355(e) two-year window expiration	Mid-2029	NBCU becomes acquirable without tainting tax treatment

## Risks

Risk	Mitigation
Tax-free qualification fails (IRC §355 active business or continuity test)	Multiple precedents (Versant); IRS PLR sought; Davis Polk counsel
Macro / multiple compression during 12-month transition	Position sized for downside; held against benchmark short of Charter/Disney
NBCU monetization of 19.9% stake at discount to SOTP	Debt-for-equity exchange mitigates; 12-month window provides flexibility
Section 355(e) anti-Morris Trust restrictions limit post-spin M&A	Modeled value does not require subsequent M&A; restrictions sunset after 2 years
Streaming losses widen at Peacock beyond expectations	Peacock losses already \$1.1B run-rate; further deterioration capped by content-cost discipline

Risk	Mitigation
Theme Parks cyclical exposure (recession risk)	Domestic + international diversification; Epic Universe drives growth offsetting cyclicality
Brian Roberts execution risk (CEO succession across two companies)	Roberts continues as Chairman; Cavanagh and Angelakis are proven operators
Pro-forma debt allocation skews unfavorably	Comcast targets investment grade both sides; rating-agency engagement during planning

## Conclusion

**Based on the analysis presented, Comcast appears materially undervalued at \$36.00.**

The sum-of-the-parts construction yields a base-case intrinsic value of **\$46.47 per share**, a **29% premium** to current trading and an implied **\$37 billion equity unlock** at the base case. The bear and bull cases bracket the range at **\$33.37** and **\$60.00** per share respectively. The five segments — Residential Connectivity, Business Services Connectivity, Media, Studios, and Theme Parks — carry materially different multiples that the consolidated tape does not credit. Separating NBCUniversal from the connectivity businesses creates two cleaner equity stories and allows each to be valued against its own peer group.

The analysis is a teaching tool. It illustrates how a practitioner builds a sum-of-the-parts case from public 10-K segment data, peer multiples, and announced deal mechanics. It is not a recommendation to buy, sell, or hold any security. Readers should perform their own diligence, consult their own advisers, and form their own view of the catalysts, risks, and limitations laid out in the preceding sections.

## Methodology and Limitations

Segment financials are 2025 reported figures per the Comcast 10-K, reflecting the post-Versant structure (Versant spun January 2, 2026). Multiples are practitioner-typical peer-group EV/EBITDA: cable peers (Charter, Altice) for RCP; B2B telecom (Lumen Business, Cogent) for BSC; media peers (Paramount, Warner) for Media; pure-play studios for Studios; Disney Parks and Six Flags for Theme Parks. Capital structure is March 31, 2026 per the Q1 10-Q.

**Limitations.** Dis-synergy from separating shared corporate functions not modeled. Post-spin debt allocation between RemainCo and SpinCo not disclosed. 19.9% retained stake modeled at NBCU SOTP value. Risk-arb dynamics around distribution date not modeled. Tax-free qualification assumed. Strategic-buyer analysis is illustrative.

*For research and educational purposes only. Not investment advice. The Baratelli Institute publishes case studies for educational use; readers should perform their own diligence before acting on any of the analysis presented.*

# COMCAST SEPARATION — SUM-OF-THE-PARTS MODEL

Baratelli Institute | Case Study | June 30, 2026

Source: Comcast 10-K 2025; 10-Q Q1 2026; Separation Announcement (6/29/2026)

## MODEL CONTENTS

Tab	Description
<b>INDEX</b>	This page. Navigation and model overview.
<b>Inputs</b>	All segment financials, multiples, share count, net debt. YELLOW cells are inputs; all other cells calculate.
<b>Comcast_RemainCo</b>	Connectivity & Platforms (Residential + Business Services) valuation.
<b>NBCUniversal</b>	Content & Experiences (Media + Studios + Theme Parks) valuation.
<b>SOTP_Summary</b>	Combined enterprise value, equity value, per-share value vs current market.
<b>Sensitivity</b>	Bear / Base / Bull multiple scenarios across all segments.
<b>Discount</b>	Conglomerate discount analysis: SOTP vs current market cap.
<b>Sources</b>	Notes on data inputs, assumptions, and limitations.

## DEAL FACTS

<b>Announcement date</b>	June 29, 2026
<b>Form of transaction</b>	Tax-free spin-off under IRC Section 355
<b>Expected close</b>	Approximately 12 months from announcement
<b>RemainCo (Comcast)</b>	Connectivity & Platforms: broadband, wireless, video, business services, Sky UK/Italy
<b>SpinCo (NBCUniversal)</b>	Content & Experiences: Media (NBC, Peacock, Sky Entertainment), Studios, Theme Parks
<b>Retained stake</b>	Comcast retains up to 19.9% of NBCUniversal, to be monetized within 12 months post-close (tax-efficient deleveraging)
<b>Capital structure target</b>	Both entities investment-grade balance sheets
<b>Share repurchase</b>	Comcast suspends buyback program during transition
<b>CEO succession</b>	Mike Cavanagh → NBCUniversal CEO; Michael Angelakis (former CFO) → Comcast CEO
<b>Advisors</b>	Goldman Sachs and PJT Partners (financial); Davis Polk (legal)

## INPUTS — All driver assumptions (YELLOW cells)

All amounts in \$ millions unless otherwise noted

### A. 2025 FULL-YEAR SEGMENT FINANCIALS (per 10-K)

Segment	2025 Revenue	2025 EBITDA	EBITDA Margin
Residential Connectivity & Platforms	\$70,704.0M	\$26,653.0M	37.7%
Business Services Connectivity	\$10,237.0M	\$5,725.0M	55.9%
Media	\$27,090.0M	\$3,196.0M	11.8%
Studios	\$11,286.0M	\$1,099.0M	9.7%
Theme Parks	\$9,836.0M	\$3,080.0M	31.3%
Content & Experiences HQ / Other	\$46.0M	-\$1,095.0M	-2380.4%
Corporate & Other / Eliminations	\$0.0M	-\$800.0M	0.0%
<b>TOTAL</b>	<b>\$129,199.0M</b>	<b>\$37,858.0M</b>	<b>29.3%</b>

### B. VALUATION MULTIPLES (EV / 2025 EBITDA)

Segment	Bear Case	Base Case	Bull Case	Comparable Anchor
Residential Connectivity & Platforms	4.50x	5.50x	6.50x	Charter ~6-6.5x, Altice ~5x; broadband subscriber decline
Business Services Connectivity	8.00x	9.50x	11.00x	Lumen Business, Cogent, B2B fiber peers ~8-11x
Media	4.50x	6.00x	7.50x	Paramount ~5-6x, Warner ~5-7x; DTC drag
Studios	7.00x	9.00x	11.00x	Pure-play studios ~8-10x; Lionsgate, IP-rich franchises
Theme Parks	8.50x	10.00x	12.00x	Disney Parks ~12x (premium margin); Universal margin 31%, Beijing complexity
Content & Experiences HQ / Other (negative)	5.00x	5.00x	5.00x	Apply 5x to negative segment EBITDA
Corporate & Other (negative)	5.00x	5.00x	5.00x	Apply 5x to negative segment EBITDA

### C. CAPITAL STRUCTURE (March 31, 2026 per 10-Q)

Cash and cash equivalents	\$9,468.0M
Current portion of debt	\$5,394.0M

Noncurrent portion of debt	\$89,218.0M
Net debt (calculated)	<b>\$85,144.0M</b>
Class A common shares outstanding (millions)	\$3,567.4M
Class B common shares outstanding (millions)	\$9.4M
Total diluted shares (millions)	<b>3,576.8</b>
Current Comcast share price (\$)	\$36.00
Current Comcast market cap (\$M)	<b>\$128,764.8M</b>
Current Comcast enterprise value (\$M)	<b>\$213,908.8M</b>

## COMCAST (RemainCo) — Connectivity & Platforms Valuation

Inputs flow from Inputs tab. All amounts in \$ millions.

### SEGMENT-LEVEL ENTERPRISE VALUE — BASE CASE

Segment	2025 Revenue	2025 EBITDA	Margin	Base Multiple	Enterprise Value
Residential Connectivity & Platforms	\$70,704.0M	\$26,653.0M	37.7%	5.50x	\$146,591.5M
Business Services Connectivity	\$10,237.0M	\$5,725.0M	55.9%	9.50x	\$54,387.5M
<b>Connectivity &amp; Platforms Enterprise Value</b>					<b>\$200,979.0M</b>

### OPERATING METRICS

Customer relationships (millions, 12/31/25)	50.8
Domestic broadband customers (millions)	31.3
Domestic wireless lines (millions)	9.3
Domestic video customers (millions)	11.3
Homes/businesses passed (millions)	65.0
Connectivity & Platforms Capex 2025 (\$M)	\$8,723.0M

### INVESTMENT THESIS — RemainCo Comcast

1. Pure-play connectivity company with 65M homes/businesses passed, 31.3M broadband customers, 9.3M wireless lines.
2. Wireless line growth (+1.5M in 2025, +19%) is the offset to residential broadband customer decline (-711K).
3. Business Services Connectivity is the under-appreciated segment: \$10.2B revenue, \$5.7B EBITDA, 55.9% margin.
4. Capex intensity declining as Epic Universe and network upgrades complete; FCF inflection visible.
5. Post-spin Comcast should re-rate to pure cable/broadband multiple (6.5-7.5x EBITDA) vs current conglomerate discount.
6. Investment-grade balance sheet maintained; share buyback suspended pre-spin enables 19.9% NBCU stake monetization for deleveraging.

## NBCUNIVERSAL (SpinCo) — Content & Experiences Valuation

Inputs flow from Inputs tab. All amounts in \$ millions.

### SEGMENT-LEVEL ENTERPRISE VALUE — BASE CASE

Segment	2025 Revenue	2025 EBITDA	Margin	Base Multiple	Enterprise Value
Media (NBC, Peacock, Sky)	\$27,090.0M	\$3,196.0M	11.8%	6.00x	\$19,176.0M
Studios (Universal Pictures)	\$11,286.0M	\$1,099.0M	9.7%	9.00x	\$9,891.0M
Theme Parks (Universal)	\$9,836.0M	\$3,080.0M	31.3%	10.00x	\$30,800.0M
HQ / Other (negative EBITDA)	\$46.0M	-\$1,095.0M	-2380.4%	5.00x	-\$5,475.0M
<b>Content &amp; Experiences Enterprise Value</b>					<b>\$54,392.0M</b>

### OPERATING METRICS

Peacock paid subscribers (millions, 12/31/25)	44.0
Peacock 2025 revenue (\$M)	\$5,400.0M
Peacock 2025 costs (\$M)	\$6,500.0M
Peacock 2025 EBITDA loss (\$M)	-\$1,100.0M
Theme Parks attractions (Universal Orlando, Hollywood, Japan, Beijing)	4.0
Epic Universe theme park (Orlando) opened	May 2025
Universal UK theme park (announced)	2031

### INVESTMENT THESIS — NBCUniversal SpinCo

1. Three distinct businesses with three distinct multiples — exactly the conglomerate-discount setup the market doesn't credit.
2. Theme Parks is the crown jewel: \$9.8B revenue (+14% YoY with Epic Universe), \$3.1B EBITDA, 31.3% margin, 10x base multiple.
3. Studios is undervalued embedded: \$11.3B revenue, \$1.1B EBITDA, IP library (Despicable Me, Jurassic, Wicked) underexploited.
4. Media is the headwind: Peacock losing \$1.1B but scaling (44M subs, +8M YoY); linear in secular decline.
5. Sky operations bundled in Media — premium pay-TV in UK/Italy with sticky subscriber base.
6. Independent NBCU enables strategic flexibility: M&A, partnerships, divestitures unavailable to parent.
7. Comcast retained 19.9% provides funded base of supportive ownership during early independent period.

## SUM-OF-THE-PARTS — Consolidated Summary

*Combines RemainCo and SpinCo enterprise values; bridges to per-share equity value.*

### SOTP BUILD (\$M)

Component	Amount	Source
Comcast RemainCo (Connectivity & Platforms) EV	<b>\$200,979.0M</b>	<i>RCP + BSC × base multiples</i>
NBCUniversal SpinCo (Content & Experiences) EV	<b>\$54,392.0M</b>	<i>Media + Studios + Theme Parks + HQ × multiples</i>
Aggregate Enterprise Value (SOTP)	<b>\$255,371.0M</b>	<i>Sum of two operating EVs</i>
Less: Corporate Eliminations / Other negative EBITDA × 5	<b>-\$4,000.0M</b>	<i>From Inputs</i>
Adjusted Aggregate Enterprise Value	<b>\$251,371.0M</b>	<i>Net of corporate drag</i>
Less: Net debt (3/31/2026)	<b>-\$85,144.0M</b>	<i>Will fix to ref</i>
Implied Equity Value	<b>\$166,227.0M</b>	
Diluted shares outstanding (millions)	3,576.8	<i>Will fix</i>
SOTP per-share value	<b>\$46.47</b>	
Current Comcast share price	\$36.00	<i>Will fix</i>
SOTP premium / (discount) to current	<b>29.1%</b>	

## MULTIPLE SENSITIVITY — Bear / Base / Bull

### BY SEGMENT — ENTERPRISE VALUE (\$M)

Segment	EBITDA	Bear EV	Base EV	Bull EV	Δ Bull-Bear
Residential Connectivity & Platforms	\$26,653.0M	\$119,938.5M	\$146,591.5M	\$173,244.5M	
Business Services Connectivity	\$5,725.0M	\$45,800.0M	\$54,387.5M	\$62,975.0M	
Media	\$3,196.0M	\$14,382.0M	\$19,176.0M	\$23,970.0M	
Studios	\$1,099.0M	\$7,693.0M	\$9,891.0M	\$12,089.0M	
Theme Parks	\$3,080.0M	\$26,180.0M	\$30,800.0M	\$36,960.0M	
C&E HQ Other	-\$1,095.0M	-\$5,475.0M	-\$5,475.0M	-\$5,475.0M	
Corporate & Other	-\$800.0M	-\$4,000.0M	-\$4,000.0M	-\$4,000.0M	
<b>AGGREGATE EV (SOTP)</b>		<b>\$204,518.5M</b>	<b>\$251,371.0M</b>	<b>\$299,763.5M</b>	

### PER-SHARE EQUITY VALUE (SOTP)

	Bear	Base	Bull	
Aggregate EV (\$M)	\$204,518.5M	\$251,371.0M	\$299,763.5M	
Less: Net debt	-\$85,144.0M	-\$85,144.0M	-\$85,144.0M	
Equity Value (\$M)	\$119,374.5M	\$166,227.0M	\$214,619.5M	
Diluted shares (M)	3,576.8	3,576.8	3,576.8	
<b>SOTP per share (\$)</b>	<b>\$33.37</b>	<b>\$46.47</b>	<b>\$60.00</b>	
<b>vs Current (\$36.00)</b>	<b>-\$0.07</b>	<b>\$0.29</b>	<b>\$0.67</b>	

## CONGLOMERATE DISCOUNT — What the Market Is Mispriicing

Compares SOTP equity value to current Comcast market capitalization.

### MARKET vs SOTP COMPARISON

Measure	Current Market	SOTP (Base)
Equity Value (\$M)	\$128,764.8M	\$166,227.0M
Enterprise Value (\$M)	\$213,908.8M	\$251,371.0M
Per-share (\$)	\$36.00	\$46.47
<b>Implied unlock per share (\$)</b>		<b>\$10.47</b>
<b>Implied unlock (%)</b>		<b>29.1%</b>
<b>Implied total equity unlock (\$M)</b>		<b>\$37,462.2M</b>

### WHY THE DISCOUNT EXISTS — Five Reasons

<b>1. Mismatched investor base</b>	Cable investors don't want media exposure; media investors don't want cable. Combined company appeals fully to neither.
<b>2. Mismatched cost of capital</b>	Theme Parks deserve high-EV/EBITDA growth multiple; cable deserves low-multiple yield treatment. Blended capital allocation distorts both.
<b>3. Capex priorities compete</b>	Network capex vs theme park capex vs streaming content investment all draw from one capital allocation budget. Independent companies make crisper trade-offs.
<b>4. Management distraction</b>	CEO bandwidth spread across cable operations, media programming, theme park development, streaming product. Focused CEOs outperform conglomerate CEOs.
<b>5. Disclosure / analyst coverage</b>	Five segments stacked under one ticker. Sell-side analysts cover one industry well; few cover all five. Standalone tickers attract focused coverage.

## SOURCES, ASSUMPTIONS, AND LIMITATIONS

### PRIMARY SOURCES

<b>Comcast 10-K 2025</b>	Filed Feb 2026. Segment data for 2025 full year. Capital structure as of 12/31/2025.
<b>Comcast Q1 2026 10-Q</b>	Filed Apr 2026. Capital structure as of 3/31/2026. Q1 2026 segment results.
<b>Separation Announcement 6/29/2026</b>	Press release and investor presentation. Deal structure, timing, 19.9% retained stake, financial policy.
<b>Comparable company multiples</b>	Charter, Altice, Lumen, Paramount, Warner, Disney, Six Flags as anchor data points.

### KEY ASSUMPTIONS

<b>2025 segment financials</b>	Used as run-rate basis. 2025 reflects post-Versant structure (Versant spun 1/2/2026).
<b>Multiples are EV/EBITDA on 2025 actuals</b>	Not adjusted for synergy losses or dis-synergies of separation. Multiples are practitioner-typical for each segment's peer group.
<b>Net debt held at parent (RemainCo)</b>	Post-spin debt allocation between Comcast and NBCU not disclosed. Model treats all current debt as remaining at Comcast for simplicity.
<b>19.9% retained stake</b>	Modeled at NBCUniversal SOTP value × 19.9% but allocated to Comcast — assumes monetization at SOTP value within 12 months.
<b>Separation costs</b>	Not modeled. Typical for \$100B+ spin-off: \$1-2B in transaction, advisory, and dis-synergy costs over the transition.
<b>Share count</b>	March 31, 2026 share count used. Suspended buyback program means share count stable through close.
<b>Tax treatment</b>	Tax-free under IRC §355 assumed. Section 355(e) anti-Morris Trust restrictions on subsequent M&A apply for 2 years post-spin.

### LIMITATIONS

<b>Multiples are practitioner approximation</b>	Real precedent transaction analysis required for IC-grade valuation.
<b>Synergy and dis-synergy not modeled</b>	Conglomerate dis-synergy losses (corporate overhead duplication) typically \$200-500M annually for \$100B+ spins.

<b>Tax-free qualification not verified</b>	Section 355 active business and continuity tests assumed met; structure validation requires tax counsel.
<b>Pro forma debt allocation TBD</b>	Comcast has not disclosed how the existing \$94.6B debt stack will be allocated between RemainCo and SpinCo.
<b>Trading dynamics not modeled</b>	Risk-arb dynamics around the spin date — when-issued trading, distribution mechanics — affect actual outcomes.
<b>Synergies / dis-synergies not modeled</b>	Standalone-cost emergence and conglomerate-overhead duplication are real but not in this model.
<b>Apple optionality not in base SOTP</b>	Whole-NBCU strategic acquisition by Apple or Berkshire post-2029 is captured separately in the IC memo, not in the standalone SOTP per-share build.

BARATELLI INSTITUTE CASE STUDY

# Comcast Separation

## A Sum-of-the-Parts Analysis

June 30, 2026  
baratelliinstitute.com

## THE HEADLINE

# \$37 Billion of Hidden Value at the Base Case

Current market price (CMCSA, 6/30/2026)

**\$36.00**

SOTP intrinsic value per share (base case)

**\$46.47**

**Implied upside: +29.1% · Implied equity unlock: \$37 billion · Bear \$33.37 / Bull \$60.00**

## DEAL AT A GLANCE

**Tax-Free Spin-Off of NBCUniversal — 12-Month Timeline**

Element	Detail
Announcement	June 29, 2026
Structure	Tax-free spin-off under IRC Section 355
RemainCo (Comcast)	Connectivity & Platforms — Broadband, wireless, video, business services, Sky UK/Italy
SpinCo (NBCUniversal)	Content & Experiences — Media (NBC, Peacock, Sky), Studios (Universal), Theme Parks
Expected close	Approximately 12 months from announcement
Retained stake	Comcast retains up to 19.9% of NBCUniversal — monetized within 12 months post-close
Capital structure	Both entities targeting investment-grade balance sheets
Buyback program	Comcast suspends share repurchase during transition
CEO succession	Mike Cavanagh → NBCUniversal CEO; Michael Angelakis → Comcast CEO; Brian Roberts → Chairman of both
Advisors	Goldman Sachs & PJT Partners (financial); Davis Polk & Wardwell (legal)

## THE TWO COMPANIES

## Five Segments Become Two Focused Public Companies

	Comcast (RemainCo)	NBCUniversal (SpinCo)
Identity	Pure-play connectivity company	Premier global media & entertainment company
Segments	Residential Connectivity, Business Services Connectivity	Media, Studios, Theme Parks
Scale	65M+ homes/businesses passed; 31.3M broadband; 9.3M wireless lines	44M Peacock subs; 4 Universal theme parks; global studio + IP library
2025 Revenue	\$80.9B	\$48.2B
2025 EBITDA	\$32.4B	\$6.3B
EBITDA Margin	~40%	~13%
Peer multiple range	6-9x (cable/B2B fiber)	6-12x (mixed: media, studios, parks)
Capital intensity	High — network capex \$8.7B in 2025	High — theme-park capex + content investment

## VALUATION — REMAINCO COMCAST

## Connectivity &amp; Platforms — \$201.0B Enterprise Value

Segment	2025 Revenue	2025 EBITDA	Multiple	Enterprise Value
Residential Connectivity & Platforms	\$70.7B	\$26.7B	5.5x	\$146.6B
Business Services Connectivity	\$10.2B	\$5.7B	9.5x	\$54.4B
<b>RemainCo Comcast EV</b>	<b>\$80.9B</b>	<b>\$32.4B</b>	<b>6.2x blended</b>	<b>\$201.0B</b>

## Re-rating thesis.

- Currently embedded in Comcast at the blended conglomerate multiple
- Post-separation: pure cable/broadband peer multiple (Charter ~6.5x, Altice ~5x)
- Business Services Connectivity (55.9% EBITDA margin) deserves premium B2B fiber multiple — currently invisible to the market
- 19.9% retained NBCU stake monetization via debt-for-equity exchange accelerates deleveraging without using cash

## VALUATION — NBCUNIVERSAL SPINCO

## Content &amp; Experiences — \$54.4B Enterprise Value

Segment	2025 Revenue	2025 EBITDA	Multiple	Enterprise Value
Media (NBC, Peacock, Sky)	\$27.1B	\$3.2B	6.0x	\$19.2B
Studios (Universal Pictures)	\$11.3B	\$1.1B	9.0x	\$9.9B
Theme Parks (Universal Orlando, Hollywood, Japan, Beijing)	\$9.8B	\$3.1B	10.0x	\$30.8B
HQ / Other (deduction)	\$0.0B	(\$1.1B)	5.0x	(\$5.5B)
<b>NBCUniversal SpinCo EV</b>	<b>\$48.2B</b>	<b>\$6.3B</b>	<b>8.6x blended</b>	<b>\$54.4B</b>

## Three businesses, three multiples — the conglomerate-discount setup.

- Theme Parks is the crown jewel (Epic Universe opened May 2025) — deserves 11-12x like Disney Parks, not blended Comcast multiple
- Studios IP library (Despicable Me, Jurassic, Wicked) systematically undervalued — embedded \$10B+ of pure-play studio value
- Media has Peacock losing \$1.1B run-rate but +8M subscribers YoY (44M total); linear in secular decline; Sky bundled in

## SUM-OF-THE-PARTS BRIDGE

## From Operating EV to Per-Share Equity Value

Component	Amount
RemainCo Comcast (Connectivity & Platforms) EV	\$201.0B
NBCUniversal SpinCo (Content & Experiences) EV	\$54.4B
Aggregate Operating EV	\$255.4B
Less: Corporate & Other (5x × (\$800M))	(\$4.0B)
Adjusted Aggregate EV	\$251.4B
Less: Net debt (3/31/2026, \$94.6B debt – \$9.5B cash)	(\$85.1B)
<b>Implied Equity Value</b>	<b>\$166.2B</b>
Diluted shares outstanding (M)	3,576.8
<b>SOTP per share (Base)</b>	<b>\$46.47</b>
Current market price	\$36.00
<b>Implied upside (Base)</b>	<b>+29.1%</b>

## WHY THE DISCOUNT EXISTS

## Five Reasons the Market Underprices the Sum

#	Driver	What separation fixes
1	Mismatched investor base	Cable investors do not want media; media investors do not want cable. Separation lets each company attract its natural shareholder.
2	Mismatched cost of capital	Theme Parks deserve growth-multiple treatment; cable deserves yield-multiple treatment. Blended capital allocation distorts both.
3	Capex priorities compete	Network, theme park, and streaming capex compete from one budget. Independent companies make crisper trade-offs.
4	Management bandwidth distraction	CEO bandwidth spread across five distinct industries. Focused CEOs outperform conglomerate CEOs.
5	Disclosure & analyst coverage	Five segments under one ticker. Few sell-side analysts cover all five industries. Standalone tickers attract focused coverage.

## SENSITIVITY ANALYSIS

## Bear / Base / Bull Multiple Scenarios

Per-share value	Bear Case	Base Case	Bull Case
RemainCo Comcast EV	\$165.0B	\$201.0B	\$235.4B
NBCUniversal SpinCo EV	\$39.5B	\$54.4B	\$64.3B
Aggregate Operating EV	\$204.5B	\$255.4B	\$299.8B
Less: Net debt	(\$85.1B)	(\$85.1B)	(\$85.1B)
Less: Corporate Other	(\$4.0B)	(\$4.0B)	(\$4.0B)
<b>Equity Value</b>	<b>\$119.4B</b>	<b>\$166.2B</b>	<b>\$214.6B</b>
<b>SOTP per share</b>	<b>\$33.37</b>	<b>\$46.47</b>	<b>\$60.00</b>
<b>vs Current (\$36.00)</b>	<b>-7.3%</b>	<b>+29.1%</b>	<b>+66.7%</b>

Base case implies +29% upside vs. current \$36.00. Bull case +67%; bear case -7% (below current). Range reflects multiple-flex committee discipline applied to the model.

## STRATEGIC BUYER UNIVERSE

## Sorted by Probability — Whole-NBCU vs. Asset Carve-Out

Buyer	Asset Focus	Strategic Rationale	Probability
PE consortium	Theme Parks ONLY	PE structurally constrained to Theme Parks; will not underwrite Peacock streaming losses or sports-rights renewals. Blackstone-led at \$37B EV / 12x EBITDA; \$17B equity (Blackstone \$5B + Apollo \$4B + KKR \$3B + SWF \$5B). 2.48x MoM / 20% IRR base case. Antitrust-clean.	HIGH (90-95% parks)
Berkshire Hathaway	ENTIRE NBCU — whole-company	Institute's editorial position. Whole-NBCU at \$60-75B reconstructs Disney's architecture in one transaction. Abel-era operating template (BNSF + BHE capital-intensive); \$300-400B cash position pressure. See 'If We Ran Berkshire' expansion at <a href="http://baratelliinstitute.com/berkshire-read.html">baratelliinstitute.com/berkshire-read.html</a> .	HIGH
Apple	ENTIRE NBCU — whole-company	\$165B+ cash; Vision Pro / experiences integration logic. Acquiring NBCU creates Disney-grade competitor: Universal Pictures + Sky + Peacock + Sunday Night Football + Theme Parks. §355(e) restricts to mid-2029+, but Apple plans on those horizons.	HIGH (post-2029)
Netflix	Studios + content + sports rights	Recently bid for Warner Bros. Discovery assets. Cash-rich; needs studio infrastructure. Universal Pictures + library + Sunday Night Football would close the content gap.	HIGH
Disney (Theme Parks)	Theme Parks ONLY	Most logical strategic parks acquirer. Universal + Disney parks under one roof. FTC approval the binding constraint: parks consolidation in Orlando is horizontal-overlap case. Approval probability 10-20%.	MEDIUM (FTC-blocked)
Amazon	Studios + Peacock + Sports	MGM precedent (\$8.5B). Prime Video sports strategy benefits. Theme Parks fit Amazon Experiences ambition. Cash position deep.	MEDIUM
CK Hutchison / European buyers	Sky (UK/Italy) carve-out	Sky is European; natural fit for European telecom consolidation. CK Hutchison, Vodafone, Iliad have appetite. NBCU may divest Sky early to fund deleveraging.	MEDIUM (Sky)

**§355(e) restriction:** No >50% change of control of NBCU itself for 2 years post-spin (mid-2029 earliest). Asset-level carve-outs (parks, Sky, JV) are permitted within the window. The pages that follow develop the two highest-probability scenarios in turn: PE Theme Parks LBO and Berkshire/Apple whole-NBCU acquisition.

**ASSET SPLIT — DISNEY + UNIVERSAL THEME PARKS**

## The Cleanest High-Value Asset-Level Transaction

Once independent, NBCU's board can sell discrete assets to discrete buyers. The cleanest example: Universal Theme Parks to Disney. Disney does not need to absorb Peacock losses or Sky's European operations to acquire the parks asset — physical assets, distinct customer base, separable financials.

Deal Dimension	Detail
Asset(s) sold	Universal Theme Parks: Orlando (4 parks incl. Epic Universe), Hollywood, Osaka, Beijing (minority), UK pipeline
Implied valuation	\$33-45B at 11-14x 2025 Adj. EBITDA of \$3.08B (strategic premium above standalone multiple)
Strategic logic for Disney	Eliminates the sole credible parks competitor in Orlando; consolidates pricing power; defends from Epic Universe encroachment
FTC / antitrust concerns	Orlando is the regulated market — near-monopoly creation. Likely requires divestiture remedies (Beijing, possibly Hollywood) to clear.
FTC approval probability	30-50% — depends on administration posture and Disney's willingness to commit to remedies
Timing under §355(e)	Asset sale (not change of NBCU control) — permitted within the 2-year window. Could announce 12-18 months post-spin.
Impact on Comcast holder	\$1.50-2.50/share additional value beyond base SOTP if a Disney bid materializes at strategic premium

## PE CONSORTIUM ACQUISITION — UNIVERSAL THEME PARKS

**\$37B Buyout — Blackstone-Led, SWF as Anchor LP**

Element	Detail
Target	Universal Theme Parks (Orlando, Hollywood, Japan, Beijing minority, UK pipeline)
Purchase price (EV)	\$37.0B at 12.0x 2025 Adjusted EBITDA of \$3.08B
Capital structure	\$15B Term Loan B + \$5B Mezzanine/2L + \$17B Consortium Equity
Total leverage	6.5x debt/EBITDA at close — financeable in current market
Hold period	5 years; mid-2030 exit (aligns with §355(e) window expiration)
Antitrust profile	Clean — no horizontal overlap. PE consortium is the antitrust-feasible buyer.

**Equity Consortium (\$17 Billion Aggregate)**

Sponsor	Check Size	% Equity	Board Seats	Strategic Role
Blackstone (lead)	\$5.0B	29.4%	1	Lead — Theme Parks operating thesis; deal origination
Apollo	\$4.0B	23.5%	1	Returns optimization; capital structure expertise
KKR	\$3.0B	17.6%	1	Consumer / experiences operating bench
SWF consortium (GIC / Mubadala / ADIA)	\$5.0B	29.4%	0	Sovereign-wealth anchor — passive long-term capital, lower fees. Berkshire intentionally absent: pursues whole-NBCU directly per v4 thesis.

## PE LBO RETURNS — 5-YEAR HOLD

## 2.48x MoM, 20% IRR Base Case to Apple Exit at 13.5x

Year 5 Build	Amount
Year 5 Revenue	\$13.1B (+5.9% CAGR from \$9.8B)
Year 5 Adjusted EBITDA	\$4.4B (+7.3% CAGR; margin expands to 33.5%)
Exit EV/EBITDA multiple (strategic to Apple)	13.5x
Year 5 Exit Enterprise Value	\$59.2B
Less: Year 5 debt (TLB \$12.2B + Mezz \$5.0B, post deleveraging)	(\$17.2B)
Year 5 Equity Value distributed to consortium	\$42.1B
Aggregate equity invested	\$17.0B
<b>Multiple on Money (MoM)</b>	<b>2.48x</b>
<b>Implied 5-year IRR</b>	<b>20.0%</b>

## Probability-Weighted Across Exit Paths

Exit Scenario	Probability	Mult	MoM	IRR
Strategic to Apple (post §355(e))	40%	13.5x	2.48x	20.0%
Strategic to Disney (FTC remedies pass)	10%	14.0x	2.61x	21.2%
IPO at peer multiple	25%	13.0x	2.34x	18.5%
Asset sale (PE secondary)	20%	11.0x	1.82x	12.7%
Hold longer (extend to Yr 7)	5%	12.5x	2.22x	12.0%
<b>Probability-weighted</b>	<b>100%</b>	<b>12.9x</b>	<b>2.33x</b>	<b>18.4%</b>

Companion model: **PE\_LBO\_Themeparks\_Model.xlsx** (9 tabs — sources, consortium, operating model, debt schedule, returns, sensitivity, scenarios)

**WHOLE-COMPANY STRATEGIC BUYERS**

# Berkshire and Apple — The Two Credible Whole-NBCU Acquirers

PE is structurally constrained to Theme Parks. Two acquirers can take NBCUniversal whole: **Berkshire** (the Institute's editorial position; platform-acquisition logic under Abel) and **Apple** (strategic-gap closure logic tied to the Vision Pro / experiences arc). Each has the balance sheet to execute without a financing contingency, each has materially better antitrust profile than Disney, and the two paths are not mutually exclusive — if both bid, the auction dynamic crystallizes a takeover premium for Comcast holders directly.

Dimension	Berkshire Hathaway	Apple
Acquisition logic	Platform — NBCU as seed for decades of bolt-ons (cruise, hotels, regional parks, sports rights)	Strategic gap — Vision Pro / experiences integration; closes Disney-clone gap in one transaction
Cash position	\$300-400B (largest un-deployed war chest in corporate America)	\$165B+ net cash
Operating template fit	BNSF + BHE under Abel — capital-intensive infrastructure with regulated/oligopolistic structure is native	Vertical integration: studio + streaming + parks + sports as the Apple-Disney parallel
Antitrust profile	<b>90-95% clean — zero horizontal overlap; no Big-Tech political dimension</b>	60-75% — process risk on vertical foreclosure (Apple TV+ / Peacock platform consolidation)
§355(e) timing	Mid-2029+ (post-spin window); can also bid pre-distribution (no §355(e) constraint)	Mid-2029+; Apple plans on those horizons (Vision Pro 7 years; M-series 5 years)
Implied EV	\$60-75B at 20-30% premium over standalone SOTP	\$70-75B at 20-30% premium
Institute editorial position	<b>BUY — the Institute would buy NBCU if it ran Berkshire (see <a href="http://baratelliinstitute.com/berkshire-read.html">baratelliinstitute.com/berkshire-read.html</a>)</b>	Alternative path; second-cleanest single-buyer thesis

Companion long-form discussion: 'Berkshire as Direct Acquirer' and 'Apple as Alternative Whole-Company Acquirer' develop each thesis in the IC memo (pp. 8-15).

**BERKSHIRE PLATFORM THESIS**

# NBCU as a Beachhead for a New Berkshire Investment Category

Berkshire's existing operating subsidiaries cluster around insurance, railroads and energy, consumer products, manufacturing, and retail. **NBCU acquisition opens an entire investment category Berkshire does not currently occupy** — integrated content / streaming / theme parks / sports / international distribution. Once NBCU sits inside the holding company, Berkshire can execute decades of bolt-on acquisitions in the same category whenever public markets misprice them.

Future Bolt-On	Cyclical Entry Window	Why Berkshire Has the Edge
Six Flags	Public-market range \$13 (2024 trough) to \$90+ (2021 peak) — 7x range driven by macro cycles	Permanent capital is the natural owner of cyclical-experience assets that quarterly earnings investors mis-price
Cruise lines	Capital-intensive cyclical; Carnival traded \$7-30 in 2020-2024	Operational adjacencies to NBCU theme parks; matches BNSF / BHE capital-intensive infrastructure template
Regional / international parks	Cedar Fair-Six Flags merger, Merlin Entertainments private; smaller targets routinely available	Scale leverage from Universal-as-platform; pricing discipline across the experiences portfolio
Hotels at cyclical troughs	REIT publics trade through cycles; portfolio acquisitions available 2008-style	Long-duration capital; no need to refinance through downturns
Sports rights at renewal cycles	NFL Sunday Night Football, Premier League, F1, MLS — all up for renewal 2028-2032	Permanent capital can absorb sports-rights inflation through the cycle without quarterly pressure

**The Institute's editorial position:** we would acquire NBCU outright if we ran Berkshire — and pursue the bolt-on sequence above over the following decade. See [baratelliinstitute.com/berkshire-read.html](https://baratelliinstitute.com/berkshire-read.html) for the full thesis.

## CATALYST MAP

## Events That Shape the Analytical Window

Catalyst	Window	What it Tells the Analyst
Form 10 / S-1 filing	Q3 / Q4 2026	First disclosure of pro-forma segment debt allocation and standalone capex
Investor days (RemainCo and SpinCo)	Q1 2027	Pro-forma corporate cost, capital allocation philosophy, segment guidance
Distribution / close	Mid-2027 (~12 months)	When-issued trading begins ~2-3 weeks pre-distribution
19.9% retained-stake monetization	Within 12 months post-close	Debt-for-equity exchange (Kellogg/Kenvue precedent)
§355(e) anti-Morris Trust window expires	Mid-2029	Strategic-buyer optionality unlocks at the two-year mark
Premier League rights renewal (UK)	2028	Sky Italy / Sky UK rights-cost shock visible at NBCU level
NFL Sunday Night Football renewal	Early 2030s	Long-cycle media-rights inflation exposure on NBC platform

*Catalyst windows are observational checkpoints for the SOTP analysis — not a recommendation to buy, sell, or hold any security.*

## RISKS

## What Could Break the Thesis

Risk	Mitigation
Tax-free qualification fails (§355 tests)	Multiple precedents (Versant 1/2026); IRS PLR sought; Davis Polk counsel
Macro / multiple compression during transition	Position sized for downside; bear case already at -7% below current
NBCU 19.9% stake monetization at discount	Debt-for-equity exchange mitigates; 12-month window provides flexibility
§355(e) anti-Morris Trust restrictions limit post-spin M&A;	Modeled value does not require subsequent M&A; restrictions sunset after 2 years
Peacock losses widen beyond expectations	\$1.1B run-rate already; content-cost discipline caps downside
Theme Parks cyclical exposure	Domestic + international diversification; Epic Universe drives growth
CEO succession execution risk across two companies	Roberts continues as Chairman; Cavanagh and Angelakis are proven operators
Pro-forma debt allocation skews unfavorably between RemainCo / SpinCo	Both sides targeted investment grade; rating-agency engagement during planning

## CONCLUSION

# Comcast Appears Materially Undervalued

Based on the analysis: the sum-of-the-parts construction implies **\$46.47 per share** at the base case against current trading near **\$36.00** — a **29% premium** and roughly **\$37 billion of equity unlock** (bear case \$33.37 / bull case \$60.00 brackets the range). The five segments — Residential Connectivity, Business Services Connectivity, Media, Studios, and Theme Parks — carry materially different multiples that the consolidated tape does not credit.

*Separating NBCUniversal from the connectivity businesses produces two cleaner equity stories, each valued against its own peer group. The analysis is a teaching tool — it illustrates how a practitioner constructs a sum-of-the-parts case from public data, peer multiples, and announced deal mechanics. It is not a recommendation to buy, sell, or hold any security.*

## METHODOLOGY & SOURCES

# How the SOTP Was Built

**Data sources.** Comcast 10-K 2025 (segment financials full year), Comcast Q1 2026 10-Q (capital structure as of 3/31/2026), Separation Announcement and investor presentation 6/29/2026.

**Multiples (v4 committee-flexed).** RCP at 5.5x base (down from 6.5x); BSC at 9.5x; Media at 6.0x; Studios at 9.0x; Theme Parks at 10.0x base (down from 11.0x). Anchors: Charter, Altice, Lumen, Cogent, Paramount, Warner, Disney Parks, Six Flags.

**Capital structure.** March 31, 2026: \$85.1B net debt; 3,576.8M diluted shares; \$36.00 share price illustrative.

**Limitations.** Dis-synergy not modeled; pro-forma debt allocation not disclosed; 19.9% retained stake modeled at NBCU SOTP value; tax-free qualification assumed.

## BARATELLI INSTITUTE CASE STUDIES

# Thank You.

Companion deliverables:

**Comcast\_SOTP\_Model.xlsx** - Sum-of-the-Parts valuation model with bear / base / bull sensitivity

**Comcast\_IC\_Memo.pdf** - Educational IC-format memo presenting the full analytical thesis

**Comcast\_Presentation.pdf** - This deck

**PE\_LBO\_Themeparks\_Model.xlsx** - PE consortium LBO model for the Theme Parks carve-out scenario

**Comcast\_Committee\_Review.pdf** - Multi-reviewer committee review (5 rounds: v1-v5)

[baratelliinstitute.com](https://baratelliinstitute.com)

*Educational practitioner case; illustrative; not investment advice; not affiliated with Comcast Corporation.*

# UNIVERSAL THEME PARKS — PE CONSORTIUM LBO MODEL

Baratelli Institute | Comcast Separation Case Study | PE Acquisition Scenario

Source: Comcast 10-K 2025 (Theme Parks segment); peer LBO precedents (SeaWorld, Cedar Fair-Six Flags, Merlin); PE returns data

## MODEL CONTENTS

Tab	Description
<b>INDEX</b>	This page. Navigation and scenario overview.
<b>Assumptions</b>	All operating, financing, and exit assumptions. YELLOW cells are inputs.
<b>Sources_Uses</b>	\$37B purchase price funded by senior debt + mezzanine + consortium equity.
<b>Consortium</b>	Five PE / strategic equity sources with check sizes, ownership, and committee seats.
<b>Operating_Model</b>	Five-year P&L: revenue growth, margin expansion, EBITDA build.
<b>Debt_Schedule</b>	TLB and mezzanine schedule: interest, mandatory amortization, sweeps.
<b>Returns</b>	Year 5 exit at strategic premium; sponsor-by-sponsor MoM and IRR.
<b>Sensitivity</b>	Entry / exit multiple and revenue growth sensitivity grid.
<b>Scenarios</b>	Three exit paths: Apple strategic, IPO at 14x, asset sale at 11x.

## DEAL HEADLINE

<b>Target</b>	Universal Theme Parks (carve-out from NBCUniversal post-spin)
<b>Sponsor</b>	PE consortium led by Blackstone; Apollo, KKR, SWF anchor (GIC / Mubadala / ADIA) — v4: Berkshire pursues whole NBCU separately
<b>Purchase price (EV)</b>	\$37.0 billion at 12.0x 2025 Adjusted EBITDA of \$3.08B
<b>Capital structure</b>	\$15B Term Loan B + \$5B Mezz / 2L + \$17B Equity
<b>Total leverage</b>	6.5x debt / EBITDA at close
<b>Hold period</b>	5 years (mid-2030 exit target)
<b>Exit path (base)</b>	Strategic sale to Apple or Berkshire at 13.5x EBITDA (post \$355(e) window expiration)
<b>Base-case sponsor IRR</b>	~19% on \$17B aggregate equity; ~2.5x MoM
<b>SWF anchor rationale</b>	Long-duration sovereign capital; passive; lower fee load on \$5B upside check
<b>Antitrust</b>	PE consortium clears antitrust (no horizontal overlap); Disney path was blocked by FTC concerns

## INPUTS — All Driver Assumptions (YELLOW)

\$ in millions unless noted

### A. ENTRY VALUATION

Metric	Value
2025 Theme Parks Adjusted EBITDA (\$M)	\$3,080M
Entry EV/EBITDA multiple	12.00x
Entry Enterprise Value (\$M)	<b>\$36,960M</b>
Less: Senior debt (TLB)	\$15,000M
Less: Mezzanine / 2L	\$5,000M
Equity check (total)	<b>\$16,960M</b>
Leverage at close (debt/EBITDA)	<b>6.49x</b>

### B. OPERATING ASSUMPTIONS (5-Year Forecast)

Metric	Yr 0 (2025)	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5 (Exit)
Revenue growth %		6.0%	7.0%	6.0%	5.5%	5.0%
EBITDA margin %	31.3%	31.5%	32.0%	32.5%	33.0%	33.5%
Capex % of revenue	18.0%	16.0%	14.0%	13.0%	12.0%	11.5%
D&A % of revenue	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Effective tax rate	24.0%					
TLB interest rate (SOFR + spread)	8.5%					
Mezzanine interest rate	12.0%					
TLB mandatory amort % per year	1.0%					
Cash sweep % of excess cash	75.0%					

### C. EXIT ASSUMPTIONS

Exit Path	Year	Exit EBITDA Multipl	Probability
Strategic sale to Apple	5	13.50x	40.0%
IPO at peer multiple	5	13.00x	25.0%
Asset sale (PE secondary)	5	11.00x	25.0%
Hold longer (extend to Yr 7)	7	12.50x	10.0%

## SOURCES & USES

\$ in millions

### SOURCES

Source	Amount	% of EV	Notes
Term Loan B (TLB)	\$15,000M	40.6%	B+L SOFR + 350-400 bps; 7-yr maturity; 1% mandatory amort
Mezzanine / Second Lien	\$5,000M	13.5%	12% cash coupon; 8-yr maturity; HoldCo / OpCo structure
Sponsor Equity (Consortium)	\$16,960M	45.9%	\$17B total — 5 sponsors per Consortium tab
<b>TOTAL SOURCES</b>	<b>\$36,960M</b>	<b>100.0%</b>	

### USES

Use	Amount	% of EV	Notes
Purchase consideration (Equity Value)	\$31,960M	84.2%	Purchase price net of assumed net debt (illustrative)
Assumed net debt (Theme Parks segment)	\$5,000M	13.2%	Allocated debt and minority interests
Transaction fees & financing costs	\$600M	1.6%	M&A advisory, financing fees, legal — ~1.6% of EV
Other (escrow, working capital adj.)	\$400M	1.1%	Reserved for post-close adjustments
<b>TOTAL USES</b>	<b>\$37,960M</b>		

## EQUITY CONSORTIUM — \$17.0 Billion Aggregate

Four-sponsor consortium; Blackstone as lead; sovereign-wealth anchor (no Berkshire — Berkshire pursues whole-NBCU directly, per v4 thesis)

### EQUITY SOURCES

Sponsor	Check Size	% of Equity	Board Seats	Strategic Role
Blackstone (lead)	\$5,000M	29.4%	1	Lead — Theme Parks operating thesis (Bellagio, theme park operations); deal origination
Apollo	\$4,000M	23.5%	1	Returns optimization; capital structure expertise; refinancing strategy
KKR	\$3,000M	17.6%	1	Consumer / experiences operating bench; talent and management oversight
SWF consortium (GIC / Mubadala / A)	\$5,000M	29.4%	0	Sovereign-wealth anchor; passive long-term capital; lower fee load — upsized in lieu of Berkshire LP per v4 thesis
<b>TOTAL EQUITY</b>	<b>\$17,000M</b>	<b>100.0%</b>	<b>3</b>	

### GOVERNANCE

Board composition	3 sponsor-appointed (Blackstone, Apollo, KKR) + 2 independent + CEO = 6 members
Vote thresholds	Major decisions (M&A, IPO, refi) require 75% sponsor consent
Drag-along rights	Blackstone has drag rights at 60% sponsor approval
SWF passive structure	Sovereign-wealth LPs are passive; no board seat; pro-rata economic participation only
Exit mechanics	Pro-rata distribution by ownership percentage
Management equity pool	10% of equity reserved for management (overlay on top of \$17B sponsor equity)

## OPERATING MODEL — 5-Year Forecast (\$ Millions)

### P&L BUILD

Line Item	Yr 0 (2025)	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Revenue	\$9,836M	\$10,426M	\$11,156M	\$11,825M	\$12,476M	\$13,100M
EBITDA margin %	31.3%	31.5%	32.0%	32.5%	33.0%	33.5%
<b>Adjusted EBITDA</b>	<b>\$3,079M</b>	<b>\$3,284M</b>	<b>\$3,570M</b>	<b>\$3,843M</b>	<b>\$4,117M</b>	<b>\$4,388M</b>
D&A	\$984M	\$1,043M	\$1,116M	\$1,183M	\$1,248M	\$1,310M
<b>EBIT</b>	<b>\$2,095M</b>	<b>\$2,242M</b>	<b>\$2,454M</b>	<b>\$2,661M</b>	<b>\$2,869M</b>	<b>\$3,078M</b>
Interest expense	\$0M	\$0M	\$1,834M	\$1,787M	\$1,764M	\$1,724M
<b>Pretax income</b>	<b>\$2,095M</b>	<b>\$2,242M</b>	<b>\$620M</b>	<b>\$874M</b>	<b>\$1,105M</b>	<b>\$1,354M</b>
Tax @ 24%	\$503M	\$538M	\$149M	\$210M	\$265M	\$325M
<b>Net Income</b>	<b>\$1,592M</b>	<b>\$1,704M</b>	<b>\$471M</b>	<b>\$664M</b>	<b>\$840M</b>	<b>\$1,029M</b>

### CASH FLOW BUILD

Line Item	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Net Income	\$1,592M	\$1,704M	\$471M	\$664M	\$840M	\$1,029M
+ D&A	\$984M	\$1,043M	\$1,116M	\$1,183M	\$1,248M	\$1,310M
- Capex	\$1,770M	\$1,668M	\$1,562M	\$1,537M	\$1,497M	\$1,506M
<b>Free Cash Flow (pre-debt sweep)</b>	<b>\$805M</b>	<b>\$1,078M</b>	<b>\$25M</b>	<b>\$309M</b>	<b>\$590M</b>	<b>\$833M</b>

## DEBT SCHEDULE

### TERM LOAN B

TLB Build	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Beginning balance	\$0M	\$15,000M	\$14,041M	\$13,882M	\$13,511M	\$12,933M
+ Drawdown at close	\$15,000M	\$0M	\$0M	\$0M	\$0M	\$0M
- Amort + Cash sweep	\$0M	\$959M	\$159M	\$371M	\$578M	\$754M
<b>Ending balance</b>	<b>\$15,000M</b>	<b>\$14,041M</b>	<b>\$13,882M</b>	<b>\$13,511M</b>	<b>\$12,933M</b>	<b>\$12,179M</b>
TLB interest @ rate × avg balance	\$0M	\$1,234M	\$1,187M	\$1,164M	\$1,124M	\$1,067M

### MEZZANINE / SECOND LIEN

Mezz Build	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Mezzanine balance (bullet)	\$5,000M	\$5,000M	\$5,000M	\$5,000M	\$5,000M	\$5,000M
Mezz interest @ 12%	\$0M	\$600M	\$600M	\$600M	\$600M	\$600M

### TOTAL DEBT & LEVERAGE

Line Item	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
<b>Total debt (TLB + Mezz)</b>	<b>\$20,000M</b>	<b>\$19,041M</b>	<b>\$18,882M</b>	<b>\$18,511M</b>	<b>\$17,933M</b>	<b>\$17,179M</b>
Net leverage (debt / EBITDA)	6.50x	5.80x	5.29x	4.82x	4.36x	3.91x

## RETURNS — Year 5 Exit at Strategic Premium

### EXIT VALUATION

Item	Value
Year 5 Adjusted EBITDA	\$4,388M
Exit EV/EBITDA multiple (strategic to Apple)	13.50x
Year 5 Exit Enterprise Value	<b>\$59,243M</b>
Less: Year 5 net debt (TLB + Mezz)	\$17,179M
Year 5 Equity Value	<b>\$42,063M</b>

### AGGREGATE SPONSOR RETURNS

Metric	Value
Aggregate equity invested (\$M)	<b>\$16,960M</b>
Year 5 equity value distributed (\$M)	<b>\$42,063M</b>
Multiple on Money (MoM)	<b>2.48x</b>
Implied 5-year IRR	<b>19.9%</b>

### PER-SPONSOR RETURNS (pro-rata)

Sponsor	Check Size	Yr 5 Distribution	MoM	IRR	Notes
<b>Blackstone (lead)</b>	\$5,000M	<b>\$12,401M</b>	2.48x	19.9%	Carry on top from GP economics; expected gross-to-net spread ~3-5% IRR
<b>Apollo</b>	\$4,000M	<b>\$9,921M</b>	2.48x	19.9%	
<b>KKR</b>	\$3,000M	<b>\$7,440M</b>	2.48x	19.9%	
<b>SWF consortium (GIC / Mubadala / ADIA)</b>	\$5,000M	<b>\$12,401M</b>	2.48x	19.9%	Lower fee burden — net IRR closer to gross; passive long-term capital
<b>TOTAL</b>	<b>\$17,000M</b>	<b>\$42,162M</b>			

## RETURNS SENSITIVITY

### EXIT MULTIPLE × Year-5 EBITDA → Sponsor MoM

Year 5 EBITDA (\$M) →	\$3,800M	\$4,000M	\$4,200M	\$4,400M	\$4,600M
Exit Multiple ↓					
10.50x	1.46x	1.59x	1.71x	1.84x	1.96x
11.50x	1.69x	1.82x	1.96x	2.09x	2.23x
12.50x	1.91x	2.06x	2.21x	2.35x	2.50x
13.50x	2.14x	2.29x	2.45x	2.61x	2.77x
14.50x	2.36x	2.53x	2.70x	2.87x	3.04x

# EXIT SCENARIOS — Probability-Weighted Returns

## EXIT SCENARIO COMPARISON

Scenario	Exit Mult	Exit EV (\$M)	MoM	IRR	Notes
Strategic to Apple (post-\$355(e))	13.50x	\$59,243M	2.48x	19.9%	Highest premium; Apple needs theme parks for Disney-grade integration; cleanest antitrust
Strategic to Disney (FTC remedies)	14.00x	\$61,437M	2.61x	21.1%	Highest multiple if Disney clears FTC; requires Universal Beijing / Hollywood divestiture
IPO at premium peer multiple	13.00x	\$57,048M	2.35x	18.6%	Universal Theme Parks IPO at Disney Parks-comparable multiple
Asset sale (PE secondary)	11.00x	\$48,272M	1.83x	12.9%	PE-to-PE secondary; lower multiple; faster execution
Hold longer (extend to Yr 7)	12.50x	\$54,854M	2.22x	17.3%	If exit window weak; additional 2 years of compounding

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2.32x