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 & 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
RemainCo Comcast EV	**$80.9B**	**$32.4B**	**6.2x blended**	**$201.0B**

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 & 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)
NBCUniversal SpinCo EV	**$48.2B**	**$6.3B**	**8.6x blended**	**$54.4B**

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)
Implied Equity Value	**$166.2B**
Diluted shares outstanding (M)	3,576.8
SOTP per share (Base)	**$46.47**
Current market price	$36.00
Implied upside (Base)	**+29.1%**

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)
Equity Value	**$119.4B**	**$166.2B**	**$214.6B**
SOTP per share	**$33.37**	**$46.47**	**$60.00**
vs Current ($36.00)	**-7.3%**	**+29.1%**	**+66.7%**

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 baratelliinstitute.com/berkshire-read.html.	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
Multiple on Money (MoM)	**2.48x**
Implied 5-year IRR	**20.0%**

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%
Probability-weighted	**100%**	**12.9x**	**2.33x**	**18.4%**

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	**90-95% clean — zero horizontal overlap; no Big-Tech political dimension**	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	**BUY — the Institute would buy NBCU if it ran Berkshire (see baratelliinstitute.com/berkshire-read.html)**	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* 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)

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