



TABLE 1

Condensed Consolidated Statement of Operations (Unaudited)
(dollars in millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Revenues	<u>\$6,228</u>	<u>\$5,598</u>	<u>\$12,129</u>	<u>\$10,961</u>
Operating expenses	<u>2,310</u>	<u>1,944</u>	<u>4,506</u>	<u>3,901</u>
Selling, general and administrative expenses	<u>1,486</u>	<u>1,445</u>	<u>2,990</u>	<u>2,821</u>
	<u>3,796</u>	<u>3,389</u>	<u>7,496</u>	<u>6,722</u>
Operating cash flow	<u>2,432</u>	<u>2,209</u>	<u>4,633</u>	<u>4,239</u>
Depreciation expense	<u>958</u>	<u>891</u>	<u>1,890</u>	<u>1,765</u>
Amortization expense	<u>245</u>	<u>270</u>	<u>464</u>	<u>560</u>
	<u>1,203</u>	<u>1,161</u>	<u>2,354</u>	<u>2,325</u>
Operating income	<u>1,229</u>	<u>1,048</u>	<u>2,279</u>	<u>1,914</u>
Other Income (Expense)				
Interest expense	<u>(496)</u>	<u>(467)</u>	<u>(972)</u>	<u>(911)</u>
Investment income, net	<u>14</u>	<u>176</u>	<u>78</u>	<u>140</u>
Equity in net (losses) of affiliates	<u>(14)</u>	<u>(16)</u>	<u>(24)</u>	<u>(4)</u>
Other income (expense)	<u>85</u>	<u>30</u>	<u>97</u>	<u>(78)</u>
	<u>(411)</u>	<u>(277)</u>	<u>(821)</u>	<u>(853)</u>
Income before income taxes and minority interest	<u>818</u>	<u>771</u>	<u>1,458</u>	<u>1,061</u>
Income tax expense	<u>(362)</u>	<u>(331)</u>	<u>(526)</u>	<u>(471)</u>
Income before minority interest	<u>456</u>	<u>440</u>	<u>932</u>	<u>590</u>
Minority interest	<u>4</u>	<u>(10)</u>	<u>(6)</u>	<u>(17)</u>
Net income	<u>\$460</u>	<u>\$430</u>	<u>\$926</u>	<u>\$573</u>
Net income per common share	<u>\$0.22</u>	<u>\$0.19</u>	<u>\$0.43</u>	<u>\$0.26</u>
Basic weighted average number of common shares	<u>2,112</u>	<u>2,207</u>	<u>2,123</u>	<u>2,211</u>
Diluted weighted average number of common shares	<u>2,123</u>	<u>2,221</u>	<u>2,132</u>	<u>2,224</u>



TABLE 2

Condensed Consolidated Balance Sheet (Unaudited)

(dollars in millions)

	<u>June 30, 2006</u>	<u>December 31, 2005</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$973	\$693
Investments	813	148
Accounts receivable, net	1,125	1,060
Other current assets	629	693
Total current assets	<u>3,540</u>	<u>2,594</u>
Investments	11,838	12,682
Property and equipment, net	18,945	18,769
Franchise rights	51,366	51,090
Goodwill	13,794	14,218
Other intangible assets, net	3,090	3,160
Other noncurrent assets, net	515	633
	<u>\$103,088</u>	<u>\$103,146</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses related to trade creditors	\$2,068	\$2,033
Accrued expenses and other current liabilities	2,703	2,545
Deferred income taxes	230	2
Current portion of long-term debt	763	1,689
Total current liabilities	<u>5,764</u>	<u>6,269</u>
Long-term debt, less current portion	23,360	21,682
Deferred income taxes	26,873	27,370
Other noncurrent liabilities	6,512	6,949
Minority interest	672	657
Stockholders' equity	39,907	40,219
	<u>\$103,088</u>	<u>\$103,146</u>



TABLE 3
Condensed Consolidated Statement of Cash Flows (Unaudited)
(dollars in millions)

	Six Months Ended June 30,	
	2006	2005
OPERATING ACTIVITIES		
Net cash provided by operating activities	<u>\$3,243</u>	<u>\$2,517</u>
FINANCING ACTIVITIES		
Proceeds from borrowings	2,587	1,495
Retirements and repayments of debt	(1,905)	(279)
Repurchases of common stock	(1,388)	(660)
Issuances of common stock	60	59
Other	<u>2</u>	<u>83</u>
Net cash provided by (used in) financing activities	<u>(644)</u>	<u>698</u>
INVESTING ACTIVITIES		
Capital expenditures	(1,854)	(1,842)
Cash paid for intangible assets	(141)	(192)
Acquisitions, net of cash acquired	(550)	(134)
Proceeds from sales and restructuring of investments	303	317
Purchases of investments	(70)	(305)
Proceeds from sales (purchases) of short-term investments, net	(4)	(63)
Other investing activities	<u>(3)</u>	<u>(113)</u>
Net cash used in investing activities	<u>(2,319)</u>	<u>(2,332)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	280	883
CASH AND CASH EQUIVALENTS, beginning of period	<u>693</u>	<u>452</u>
CASH AND CASH EQUIVALENTS, end of period	<u><u>\$973</u></u>	<u><u>\$1,335</u></u>

TABLE 4
Calculation of Free Cash Flow (Unaudited) (1)
(dollars in millions)

	Six Months Ended June 30,	
	2006	2005
Net Cash Provided by Operating Activities	<u>\$3,243</u>	<u>\$2,517</u>
Capital Expenditures	(1,854)	(1,842)
Cash paid for Intangible Assets	(141)	(192)
Non-operating items, net of tax	<u>80</u>	<u>273</u>
Free Cash Flow	<u><u>\$1,328</u></u>	<u><u>\$756</u></u>

(1) See Non-GAAP and Other Financial Measures in Table 7 for the definition of Free Cash Flow.



TABLE 5
Pro Forma Financial Data by Business Segment (Unaudited) (1)
(dollars in millions)

	Cable	Content (2)	Corporate and Other	Total
Three Months Ended June 30, 2006				
Revenues	\$5,946	\$273	\$24	\$6,243
Operating Cash Flow	\$2,462	\$60	(\$84)	\$2,438
Operating Income (Loss)	\$1,315	\$19	(\$103)	\$1,231
Operating Cash Flow Margin	41.4%	22.1%	NM	39.1%
Capital Expenditures (3)	\$965	\$5	\$8	\$978
Three Months Ended June 30, 2005, as adjusted (4)				
Revenues	\$5,380	\$234	\$34	\$5,648
Operating Cash Flow	\$2,166	\$93	(\$75)	\$2,184
Operating Income (Loss)	\$1,036	\$64	(\$86)	\$1,014
Operating Cash Flow Margin	40.3%	39.5%	NM	38.7%
Capital Expenditures (3)	\$941	\$3	\$12	\$956
Six Months Ended June 30, 2006				
Revenues	\$11,584	\$512	\$98	\$12,194
Operating Cash Flow	\$4,693	\$110	(\$148)	\$4,655
Operating Income (Loss)	\$2,448	\$28	(\$188)	\$2,288
Operating Cash Flow Margin	40.5%	21.5%	NM	38.2%
Capital Expenditures (3)	\$1,834	\$13	\$15	\$1,862
Six Months Ended June 30, 2005, as adjusted (4)				
Revenues	\$10,533	\$447	\$78	\$11,058
Operating Cash Flow	\$4,151	\$169	(\$129)	\$4,191
Operating Income (Loss)	\$1,908	\$95	(\$156)	\$1,847
Operating Cash Flow Margin	39.4%	37.7%	NM	37.9%
Capital Expenditures (3)	\$1,832	\$7	\$16	\$1,855

(1) See Non-GAAP and Other Financial Measures in Table 7. Historical financial data by business segment, as required under generally accepted accounting principles, is available in the Company's quarterly report on Form 10-Q. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

(2) Content includes our national networks E! Entertainment Television and Style Network (E! Networks), The Golf Channel, OLN, G4 and AZN Television.

(3) Our Cable segment's capital expenditures are comprised of the following categories:

	2Q06	2Q05	YTD 2Q06	YTD 2Q05
New Service Offerings				
Customer Premise Equipment (CPE)	\$542	\$470	\$1,012	\$934
Scalable Infrastructure	168	228	341	438
	<u>710</u>	<u>698</u>	<u>1,353</u>	<u>1,372</u>
Recurring Capital Projects				
Line Extensions	85	82	158	147
Support Capital	97	91	188	141
	<u>182</u>	<u>173</u>	<u>346</u>	<u>288</u>
Upgrades				
	73	70	135	172
Total	<u>\$965</u>	<u>\$941</u>	<u>\$1,834</u>	<u>\$1,832</u>

CPE includes costs incurred at the customer residence to secure new customers, revenue units and additional bandwidth revenues (e.g. digital converters). Scalable infrastructure includes costs, not CPE or network related, to secure growth of new customers, revenue units and additional bandwidth revenues or provide service enhancements (e.g. headend equipment). Line extensions include network costs associated with entering new service areas (e.g. fiber/coaxial cable). Support capital includes costs associated with the replacement or enhancement of non-network assets due to obsolescence and wear out (e.g. non-network equipment, land, buildings and vehicles). Upgrades include costs to enhance or replace existing fiber/coaxial cable networks, including recurring betterments.

(4) Adjusted as if stock options had been expensed in 2005. See Table 7-A and 7-B for Reconciliation of "As Adjusted" Financial Data.



TABLE 6
Pro Forma Data - Cable Segment Components (Unaudited) (1) (2)
(dollars in millions, except per subscriber and per unit data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Revenues:				
Video (3)	\$3,741	\$3,475	\$7,351	\$6,870
High-Speed Internet	1,208	991	2,349	1,924
Phone	214	173	406	350
Advertising	394	363	704	660
Other (4)	206	208	414	390
Franchise Fees	183	170	360	339
Total Revenues	\$5,946	\$5,380	\$11,584	\$10,533
Operating Cash Flow (5)	\$2,462	\$2,166	\$4,693	\$4,151
Operating Income (5)	\$1,315	\$1,036	\$2,448	\$1,908
Operating Cash Flow Margin (5)	41.4%	40.3%	40.5%	39.4%
Capital Expenditures	\$965	\$941	\$1,834	\$1,832
Annualized Capital Expenditures per Basic Subscriber	\$178	\$174	\$169	\$169
Annualized Capital Expenditures per Revenue Generating Unit	\$89	\$94	\$85	\$92

	<u>2Q06</u>	<u>2Q05</u>	<u>1Q06</u>
Video			
Homes Passed (000's)	42,400	41,500	42,100
Basic Subscribers (000's)	21,657	21,680	21,723
Basic Penetration	51.1%	52.2%	51.5%
Quarterly Net Basic Subscriber Additions (000's)	(66)	(79)	49
Digital Subscribers (000's)	10,549	9,201	10,200
Digital Penetration	48.7%	42.4%	47.0%
Quarterly Net Digital Subscriber Additions (000's)	350	284	343
Digital Set-Top Boxes	16,334	13,948	15,758
Monthly Average Video Revenue per Basic Subscriber	\$57.49	\$53.33	\$55.45
Monthly Average Total Revenue per Basic Subscriber	\$91.38	\$82.58	\$86.62
High-Speed Internet			
"Available" Homes (000's)	41,973	41,103	41,760
Subscribers (000's)	9,344	7,774	9,039
Penetration	22.3%	18.9%	21.6%
Quarterly Net Subscriber Additions (000's)	305	300	442
Monthly Average Revenue per Subscriber	\$43.78	\$43.35	\$43.15
Phone			
Comcast Digital Voice			
"Available" Homes (000's)	25,601	1,641	18,883
Subscribers (000's)	721	24	416
Penetration	2.8%	1.5%	2.2%
Quarterly Net Subscriber Additions (000's)	306	15	211
Circuit Switched Phone			
"Available" Homes (000's)	10,692	10,239	10,663
Subscribers (000's)	978	1,215	1,057
Penetration	9.1%	11.9%	9.9%
Quarterly Net Subscriber Additions (000's)	(79)	(13)	(69)
Monthly Average Total Phone Revenue per Subscriber	\$44.83	\$46.63	\$45.75
Total Revenue Generating Units (000's) (6)	43,249	39,894	42,435
Quarterly Net Additions	816	507	976

(1) See Non-GAAP and Other Financial Measures in Table 7. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

(2) Pro forma financial data includes the results of Susquehanna Communications acquired on April 30, 2006. Pro forma subscriber data includes approximately 230,000 basic cable subscribers, 71,000 digital cable subscribers and 86,000 high-speed Internet subscribers acquired with the purchase of Susquehanna Communications. Pro forma subscriber data also includes 13,000 subscribers acquired in various small acquisitions during 2005. The impact of these acquisitions on our segment operating results was not material.

(3) Video revenues consist of our basic, expanded basic, premium, pay-per-view, equipment and digital services.

(4) Other revenues include installation revenues, guide revenues, commissions from electronic retailing, other product offerings, commercial data services and revenues of our digital media center and regional sports programming networks.

(5) Adjusted as if stock options had been expensed in 2005.

(6) The total of all basic video, digital video, high-speed Internet and net phone subscribers, excluding additional outlets.



TABLE 7

Non-GAAP and Other Financial Measures

Operating Cash Flow is the primary basis used to measure the operational strength and performance of our businesses. Free Cash Flow is an additional performance measure used as an indicator of our ability to repay debt, make investments and return capital to investors, principally through stock repurchases. We also adjust certain historical data on a pro forma basis following significant acquisitions or dispositions to enhance comparability.

Operating Cash Flow is defined as operating income before depreciation and amortization, excluding impairment charges related to fixed and intangible assets and gains or losses on sale of assets, if any. As such, it eliminates the significant level of non-cash depreciation and amortization expense that results from the capital intensive nature of our businesses and intangible assets recognized in business combinations, and is unaffected by our capital structure or investment activities. Our management and Board of Directors use this measure in evaluating our consolidated operating performance and the operating performance of all of our operating segments. This metric is used to allocate resources and capital to our operating segments and is a significant component of our annual incentive compensation programs. We believe that Operating Cash Flow is also useful to investors as it is one of the bases for comparing our operating performance with other companies in our industries, although our measure of Operating Cash Flow may not be directly comparable to similar measures used by other companies.

As Operating Cash Flow is the measure of our segment profit or loss, we reconcile it to operating income, the most directly comparable financial measure calculated and presented in accordance with Generally Accepted Accounting Principles (GAAP), in the business segment footnote of our quarterly and annual financial statements. Therefore, we believe our measure of Operating Cash Flow for our business segments is not a "non-GAAP financial measure" as contemplated by Regulation G adopted by the Securities and Exchange Commission. Consolidated Operating Cash Flow is a non-GAAP financial measure.

Beginning in 2006, we changed our definition of Free Cash Flow, which is a non-GAAP financial measure, to mean "Net Cash Provided by Operating Activities From Continuing Operations" (as stated in our Consolidated Statement of Cash Flows) reduced by capital expenditures and cash paid for intangible assets; and increased by any payments related to certain non-operating items, net of estimated tax benefits (such as income taxes on investment sales, and non-recurring payments related to income tax and litigation contingencies of acquired companies). We believe that Free Cash Flow is also useful to investors as it is one of the bases for comparing our performance with other companies in our industries, although our measure of Free Cash Flow may not be comparable to similar measures used by other companies.

Pro forma data is used by management to evaluate performance when significant acquisitions or dispositions occur. Historical data reflects results of acquired businesses only after the acquisition dates while pro forma data enhances comparability of financial information between periods by adjusting the data as if the acquisitions (or dispositions) occurred at the beginning of the prior year. Our pro forma data is only adjusted for the timing of acquisitions and does not include adjustments for costs related to integration activities, cost savings or synergies that have been or may be achieved by the combined businesses. We believe our pro forma data is not a non-GAAP financial measure as contemplated by Regulation G.

In certain circumstances we also present data, as adjusted, in order to enhance comparability between periods. In connection with the adoption of FAS 123R, we have adjusted 2005 data as if stock options had been expensed.

Operating Cash Flow and Free Cash Flow should not be considered as substitutes for operating income (loss), net income (loss), net cash provided by operating activities or other measures of performance or liquidity reported in accordance with GAAP. Additionally, in the opinion of management, our pro forma data is not necessarily indicative of future results or what results would have been had the acquired businesses been operated by us after the assumed earlier date.

We provide reconciliations of Consolidated Operating Cash Flow in Table 1, Free Cash Flow in Table 4 and "as adjusted" in Table 7-A and 7-B.



TABLE 7-A
Reconciliation of Pro Forma, "As Adjusted" Financial Data by Business Segment (Unaudited)
(dollars in millions)

<u>Three Months Ended June 30, 2006</u>				<u>Total</u>	<u>Pro Forma Adjustments (1)</u>	
	<u>Cable</u>	<u>Content</u>	<u>Corporate and Other</u>		<u>Cable</u>	<u>Total Cable Pro Forma</u>
Revenue	\$5,931	\$273	\$24	\$6,228	\$15	\$5,946
Operating Expenses (excluding depreciation and amortization)	3,475	213	108	3,796	9	3,484
Operating Cash Flow	\$2,456	\$60	(\$84)	\$2,432	\$6	\$2,462
Depreciation and Amortization	1,143	41	19	1,203	4	1,147
Operating Income (Loss)	\$1,313	\$19	(\$103)	\$1,229	\$2	\$1,315
Capital Expenditures	\$962	\$5	\$9	\$976	\$3	\$965
<u>Three Months Ended June 30, 2005</u>						
Revenue	\$5,328	\$234	\$36	\$5,598	\$50	\$5,378
Segment reclassifications (2)	2	-	(2)	-	-	2
Revenue	\$5,330	\$234	\$34	\$5,598	\$50	\$5,380
Operating Expenses (excluding depreciation and amortization)	3,153	137	99	3,389	36	3,189
Segment reclassifications (2)	(5)	3	2	-	-	(5)
Stock option adjustment (3)	30	1	(31)	-	-	30
Operating Cash Flow	\$2,152	\$93	(\$36)	\$2,209	\$14	\$2,166
Depreciation and Amortization	1,121	29	11	1,161	9	1,130
Operating Income (Loss)	\$1,031	\$64	(\$47)	\$1,048	\$5	\$1,036
Capital Expenditures	\$936	\$3	\$11	\$950	\$5	\$941

Reconciliation of "As Adjusted" Financial Data
(dollars in millions)

	<u>Three Months Ended June 30,</u>				<u>% Growth As Adjusted</u>	<u>% Growth</u>
	<u>Historical Total</u>	<u>2005 Adjustment (3)</u>	<u>As Adjusted</u>	<u>2006 Total</u>		
Revenue	\$5,598	-	\$5,598	\$6,228	11%	11%
Operating Expenses (excluding depreciation and amortization)	3,389	39	3,428	3,796		
Operating Cash Flow	\$2,209	(\$39)	\$2,170	\$2,432	12%	10%
Depreciation and Amortization	1,161	-	1,161	1,203		
Operating Income (Loss)	\$1,048	(\$39)	\$1,009	\$1,229	22%	17%
Operating Cash Flow Margin	39.4%	NM	38.8%	39.0%		
Earnings Per Share	\$0.19	(\$0.01)	\$0.18	\$0.22	22%	16%

(1) Pro Forma data is only adjusted for timing of acquisitions (or dispositions) and does not include adjustments for costs related to integration activities, cost savings, or synergies that have been or may be achieved by the combined businesses.

(2) Reclassifications related to technology development ventures, programming headquarters and other.

(3) To be consistent with our management reporting presentation, the 2005 segment amounts have been adjusted as if stock options had been expensed as of January 1, 2005. For the three months ended June 30, 2005, the adjustments reducing operating income before depreciation and amortization by segment were \$30 million for Cable, \$1 million for Content and \$8 million for Corporate and Other. For the three months ended June 30, 2005, the total adjustment of \$39 million is reversed in the Corporate and Other column to reconcile to our consolidated 2005 amounts.



TABLE 7-B
Reconciliation of Pro Forma, "As Adjusted" Financial Data by Business Segment (Unaudited)
(dollars in millions)

<u>Six Months Ended June 30, 2006</u>					<u>Pro Forma Adjustments (1)</u>	
	<u>Cable</u>	<u>Content</u>	<u>Corporate and Other</u>	<u>Total</u>	<u>Cable</u>	<u>Total Cable Pro Forma</u>
Revenue	\$11,519	\$512	\$98	\$12,129	\$65	\$11,584
Operating Expenses (excluding depreciation and amortization)	6,848	402	246	7,496	43	6,891
Operating Cash Flow	4,671	110	(148)	4,633	22	4,693
Depreciation and Amortization	2,232	82	40	2,354	13	2,245
Operating Income (Loss)	\$2,439	\$28	(\$188)	\$2,279	\$9	\$2,448
Capital Expenditures	\$1,826	\$13	\$15	\$1,854	\$8	\$1,834
 <u>Six Months Ended June 30, 2005</u>						
Revenue	\$10,432	\$447	\$82	\$10,961	\$97	\$10,529
Segment reclassifications (2)	4	-	(4)	-	-	4
Revenue	\$10,436	\$447	\$78	\$10,961	\$97	\$10,533
Operating Expenses (excluding depreciation and amortization)	6,261	273	188	6,722	68	6,329
Segment reclassifications (2)	(3)	3	-	-	-	(3)
Stock option adjustment (3)	56	2	(58)	-	-	56
Operating Cash Flow	\$4,122	\$169	(\$52)	\$4,239	\$29	\$4,151
Depreciation and Amortization	2,225	74	26	2,325	18	2,243
Operating Income (Loss)	\$1,897	\$95	(\$78)	\$1,914	\$11	\$1,908
Capital Expenditures	\$1,819	\$7	\$16	\$1,842	\$13	\$1,832

Reconciliation of "As Adjusted" Financial Data
(dollars in millions)

	<u>Six Months Ended June 30,</u>				<u>% Growth As Adjusted</u>	<u>% Growth</u>
	<u>2005</u>		<u>2006</u>			
	<u>Historical Total</u>	<u>Adjustment (3)</u>	<u>As Adjusted</u>	<u>Total</u>		
Revenue	\$10,961	-	\$10,961	\$12,129	11%	11%
Operating Expenses (excluding depreciation and amortization)	6,722	78	6,800	7,496		
Operating Cash Flow	\$4,239	(\$78)	\$4,161	\$4,633	11%	9%
Depreciation and Amortization	2,325	-	2,325	2,354		
Operating Income (Loss)	\$1,914	(\$78)	\$1,836	\$2,279	24%	19%
Operating Cash Flow Margin	38.7%	NM	38.0%	38.2%		
Earnings Per Share	\$0.26	(\$0.02)	\$0.24	\$0.43	79%	65%

(1) Pro Forma data is only adjusted for timing of acquisitions (or dispositions) and does not include adjustments for costs related to integration activities, cost savings, or synergies that have been or may be achieved by the combined businesses.

(2) Reclassifications related to technology development ventures, programming headquarters and other.

(3) To be consistent with our management reporting presentation, the 2005 segment amounts have been adjusted as if stock options had been expensed as of January 1, 2005. For the six months ended June 30, 2005, the adjustments reducing operating income before depreciation and amortization by segment were \$56 million for Cable, \$2 million for Content and \$20 million for Corporate and Other. For the six months ended June 30, 2005, the total adjustment of \$78 million is reversed in the Corporate and Other column to reconcile to our consolidated 2005 amounts.