

FORM 10-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED

DECEMBER 31, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD
FROM _____ TO _____

[GRAPHIC OMITTED - LOGO]

Commission file number 0-6983

COMCAST CORPORATION

(Exact name of registrant as specified in its charter)

PENNSYLVANIA

23-1709202

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer Identification No.)

1500 Market Street, Philadelphia, PA
(Address of principal executive offices)

19102-2148
(Zip Code)

Registrant's telephone number, including area code: (215) 665-1700

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:
NONE

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
Class A Special Common Stock, \$1.00 par value
Class A Common Stock, \$1.00 par value

Indicate by check mark whether the Registrant (1) has filed all reports required
to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during
the preceding 12 months (or for such shorter period that the Registrant was
required to file such reports) and (2) has been subject to such filing
requirements for the past 90 days.

Yes

No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405
of Regulation S-K is not contained herein, and will not be contained, to the
best of Registrant's knowledge, in definitive proxy or information statements
incorporated by reference in Part III of this Form 10-K or any amendments to
this Form 10-K. []

As of December 31, 2001, the aggregate market value of the Class A Special
Common Stock and Class A Common Stock held by non-affiliates of the Registrant
was \$32.484 billion and \$751.3 million, respectively.

As of December 31, 2001, there were 913,931,554 shares of Class A Special Common
Stock, 21,829,422 shares of Class A Common Stock and 9,444,375 shares of Class B
Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III - The Registrant's definitive Proxy Statement for its Annual Meeting of
Shareholders presently scheduled to be held in June 2002.

COMCAST CORPORATION
2001 FORM 10-K ANNUAL REPORT
TABLE OF CONTENTS
PART I

Item 1 Business.....1
Item 2 Properties.....17
Item 3 Legal Proceedings.....18
Item 4 Submission of Matters to a Vote of Security Holders.....18

Item 4A	Executive Officers of the Registrant.....	19
PART II		
Item 5	Market for the Registrant's Common Equity and Related Stockholder Matters.....	20
Item 6	Selected Financial Data.....	21
Item 7	Management's Discussion and Analysis of Financial Condition and Results of Operations.....	23
Item 8	Financial Statements and Supplementary Data.....	38
Item 9	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.....	74
PART III		
Item 10	Directors and Executive Officers of the Registrant.....	74
Item 11	Executive Compensation.....	74
Item 12	Security Ownership of Certain Beneficial Owners and Management.....	74
Item 13	Certain Relationships and Related Transactions.....	74
PART IV		
Item 14	Exhibits, Financial Statement Schedules and Reports on Form 8-K.....	75
SIGNATURES.....		79

This Annual Report on Form 10-K is for the year ended December 31, 2001. This Annual Report modifies and supersedes documents filed prior to this Annual Report. The SEC allows us to "incorporate by reference" information that we file with them, which means that we can disclose important information to you by referring you directly to those documents. Information incorporated by reference is considered to be part of this Annual Report. In addition, information that we file with the SEC in the future will automatically update and supersede information contained in this Annual Report. In this Annual Report, "Comcast," "we," "us" and "our" refer to Comcast Corporation and its subsidiaries.

You should carefully review the information contained in this Annual Report, and should particularly consider any risk factors that we set forth in this Annual Report and in other reports or documents that we file from time to time with the SEC. In this Annual Report, we state our beliefs of future events and of our future financial performance. In some cases, you can identify those so-called "forward-looking statements" by words such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or "continue" or the negative of those words and other comparable words. You should be aware that those statements are only our predictions. Actual events or results may differ materially. In evaluating those statements, you should specifically consider various factors, including the risks outlined below. Those factors may cause our actual results to differ materially from any of our forward-looking statements.

Factors Affecting Future Operations

On December 19, 2001, we entered into an Agreement and Plan of Merger with AT&T Corp. ("AT&T") pursuant to which we agreed to a transaction which will result in the combination of Comcast and a holding company of AT&T's broadband business ("AT&T Broadband"). Refer to "General Developments of Our Business" on page 2 for a description of this pending transaction.

Factors that may cause our actual results to differ materially from any of our forward-looking statements presented in this Annual Report on Form 10-K include, but are not limited to:

- o our businesses and those of AT&T Broadband may not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected,
- o expected combination benefits from the transaction may not be fully realized or realized within the expected time frame,
- o revenues following the transaction may be lower than expected,
- o operating costs, financing costs, subscriber loss and business disruption, including, without limitation, difficulties in maintaining relationships with employees, subscribers, clients or suppliers, may be greater than expected following the transaction, and
- o the shareholder, regulatory and other approvals required for the transaction may not be obtained on the proposed terms or on the anticipated schedule.

In addition, our businesses may be affected by, among other things:

- o changes in laws and regulations,
- o changes in the competitive environment,
- o changes in technology,
- o industry consolidation and mergers,
- o franchise related matters,
- o market conditions that may adversely affect the availability of debt and equity financing for working capital, capital expenditures or other purposes,
- o demand for the programming content we distribute or the willingness of other video program distributors to carry our content, and
- o general economic conditions.

PART I

ITEM 1 BUSINESS

We are involved in three principal lines of business:

- o Cable-through the development, management and operation of broadband communications networks,
- o Commerce-through QVC, our electronic retailing subsidiary, and
- o Content-through our consolidated subsidiaries Comcast Spectacor, Comcast SportsNet, Comcast SportsNet Mid-Atlantic, Comcast Sports Southeast, E! Entertainment Television, The Golf Channel, Outdoor Life Network, G4 Media, and through our other programming investments.

We are currently the third largest cable operator in the United States and have deployed digital cable applications and high-speed Internet service to the substantial majority of our cable communications systems to expand the products available on our broadband communications networks.

Our consolidated cable operations served approximately 8.5 million subscribers and passed approximately 13.9 million homes in the United States as of December 31, 2001. We have entered into an agreement which will result in the combination of Comcast and AT&T Broadband. Upon completion of this pending transaction, which is subject to the receipt of necessary shareholder, regulatory and other approvals, we will serve approximately 22 million subscribers. We expect to close the transaction by the end of 2002.

Through QVC, we market a wide variety of products directly to consumers primarily on merchandise-focused television programs. As of December 31, 2001, QVC was available, on a full and part-time basis, to approximately 82.1 million homes in the United States, approximately 9.5 million homes in the United Kingdom, approximately 23.6 million homes in Germany and approximately 3.6 million homes in Japan.

We are a Pennsylvania corporation that was organized in 1969. We have our principal executive offices at 1500 Market Street, Philadelphia, PA 19102-2148. Our telephone number is (215) 665-1700. We also have a world wide web site at <http://www.comcast.com>. The information posted on our web site is not

incorporated into this Annual Report.

FINANCIAL INFORMATION ABOUT BUSINESS SEGMENTS

Refer to Note 12 to our consolidated financial statements in Item 8 of this Annual Report for information about our operations by business segment.

GENERAL DEVELOPMENTS OF OUR BUSINESS

We entered into a number of significant transactions in 2001 which have closed or are expected to close in 2002. We have summarized these transactions below and have more fully described them in Note 5 to our consolidated financial statements in Item 8 of this Annual Report.

Agreement and Plan of Merger with AT&T Broadband

On December 19, 2001, we entered into an Agreement and Plan of Merger with AT&T Corp. ("AT&T") pursuant to which we agreed to a transaction which will result in the combination of Comcast and a holding company of AT&T's broadband business ("AT&T Broadband") that AT&T will spin off to its shareholders immediately prior to the combination. As of December 31, 2001, AT&T Broadband served approximately 13.6 million subscribers. If not sold by AT&T prior to the closing, the combined company will also hold AT&T's minority interest in Time Warner Entertainment ("TWE"). We intend to dispose of the TWE interest in the event this interest remains as a part of the combined company after closing. Under the terms of the transaction, the combined company will issue approximately 1.235 billion shares of its voting common stock to AT&T Broadband shareholders in exchange for all of AT&T's interests in AT&T Broadband, and approximately 115 million shares of its common stock to Microsoft Corporation ("Microsoft") in exchange for AT&T Broadband shares that Microsoft will receive immediately prior to the completion of the transaction for settlement of their \$5 billion aggregate principal amount in quarterly income preferred securities. The combined company will also assume or incur approximately \$20 billion of AT&T Broadband debt. For each share of a class of common stock of Comcast that they hold at the time of the merger, each Comcast shareholder will receive one share of a corresponding class of stock of the combined company. We expect that the transaction will qualify as tax-free to both us and to AT&T. We will account for the transaction as an acquisition under the purchase method of accounting, with Comcast as the acquiring entity. The transaction is subject to customary closing conditions and shareholder, regulatory and other approvals. We expect to close the transaction by the end of 2002.

Refer to Note 5 to our financial statements included in Item 8 for a discussion of this transaction.

Adelphia Cable Systems Exchange

On January 1, 2001, we completed our cable systems exchange with Adelphia Communications Corporation. We received cable systems serving approximately 445,000 subscribers from Adelphia and Adelphia received certain of our cable systems serving approximately 441,000 subscribers. We recorded to other income a pre-tax gain of \$1.199 billion, representing the difference between the estimated fair value of \$1.799 billion as of the closing date of the transaction and our cost basis in the systems exchanged.

Home Team Sports Acquisition

On February 14, 2001, we acquired Home Team Sports (now known as Comcast SportsNet Mid-Atlantic), a regional sports programming network serving approximately 4.8 million homes, from Viacom, Inc. and Affiliated Regional Communications, Ltd. (an affiliate of Fox Cable Network Services, LLC). We also agreed to increase the distribution of certain of Viacom's and Fox's programming networks on certain of our cable systems. The estimated fair value of Home Team Sports as of the closing date of the acquisition was \$240.0 million.

AT&T Cable Systems Acquisition

On April 30, 2001, we acquired cable systems serving approximately 585,000 subscribers from AT&T in exchange for approximately 63.9 million shares of AT&T common stock then held by us. The market value of the AT&T shares was approximately \$1.423 billion, based on the price of the AT&T common stock on the closing date of the transaction. The transaction is expected to qualify as tax free to both us and to AT&T.

Acquisition of Controlling Interest in The Golf Channel

On June 8, 2001, we acquired the approximate 30.8% interest in The Golf Channel held by Fox Entertainment Group, Inc., a subsidiary of The News Corporation Limited. In addition, Fox Entertainment and News Corp. agreed to a five-year non-competition agreement. We paid aggregate consideration of \$364.9 million in cash. We now own approximately 91.0% of The Golf Channel and consolidate The Golf Channel.

Baltimore, Maryland System Acquisition

On June 30, 2001, we acquired the cable system serving approximately 112,000 subscribers in Baltimore City, Maryland from AT&T for \$518.7 million in cash.

Acquisition of Outdoor Life Network

On October 30, 2001, we acquired from Fox Entertainment Group, Inc. the approximate 83.2% interest in Outdoor Life Network not previously owned by us by exchanging our 14.5% interest in Speedvision Network, together with a previously made loan, for Fox Entertainment's interest in Outdoor Life Network. The estimated fair value of the additional interest we acquired in Outdoor Life Network as of the closing date of the transaction was approximately \$512 million. We no longer own any interest in Speedvision Network and now own 100% of Outdoor Life Network.

At Home Services

On September 28, 2001, At Home Corporation, our provider of high-speed Internet services, filed for protection under Chapter 11 of the U.S. Bankruptcy Code. On December 3, 2001, At Home agreed to continue to provide high-speed Internet services to our subscribers through February 28, 2002. In December 2001, we began to transfer our high-speed Internet subscribers from the At Home network to our new Comcast-owned and managed network. We completed this transition in February 2002.

DESCRIPTION OF OUR BUSINESSES

Cable Communications

Technology and Capital Improvements

Our cable communications networks receive signals by means of:

- o special antennae,
- o microwave relay systems,
- o earth stations, and
- o coaxial and fiber optic cables.

Products and Services

We offer a variety of services over our cable communications networks, including traditional analog video, digital cable and high-speed Internet service. Available service offerings depend on the bandwidth capacity of the cable communications system. Bandwidth, expressed in megahertz (MHz), is a measure of information-carrying capacity. It is the range of usable frequencies that can be carried by a cable communications system. The greater the bandwidth, the greater the capacity of the system. As of December 31, 2001, approximately 82% of our cable subscribers were served by a system with a capacity of at least 750-MHz and approximately 95% of our cable subscribers were served by a system with a capacity of at least 550-MHz.

Digital compression technology enables us to substantially increase the number of channels our cable communications systems can carry, thereby providing a significant number of additional programming choices to our subscribers. Digital compression technology converts up to twelve analog signals into a digital format and compresses such signals into the bandwidth normally occupied by one analog signal. At the home, a set-top video terminal converts the digital signal into analog signals that can be viewed on a television set.

We have deployed fiber optic cable and have upgraded the technical quality of the substantial majority of our cable communications networks. As a result, the reliability and capacity of our systems have increased, aiding in the delivery of additional video programming and other services such as enhanced digital video, high-speed Internet service and, in some areas, telephony.

Franchises

Cable communications systems are constructed and operated under non-exclusive franchises granted by state or local governmental authorities for varying lengths of time and are subject to federal, state and local legislation and regulation. Our franchises establish our contractual rights and obligations for constructing and operating a cable communications system in our franchise areas and typically provide for periodic payment of fees to franchising authorities of up to 5% of "revenues" (as defined by each franchise agreement). We normally pass those fees on to subscribers. In many cases, we need the consent of the franchising authority to transfer our franchises.

Although franchises historically have been renewed, renewals may include less favorable terms and conditions than the existing franchise. Under law, franchises should continue to be renewed for companies that have provided adequate service and have complied with existing franchise terms and applicable law. We have never had a franchise revoked or otherwise been denied the right to provide service in a municipality. The franchising authority may choose to award additional franchises to competing companies at any time. As of December 31, 2001, we served approximately 1,900 franchise areas in the United States.

Traditional Analog Video Services

We receive the majority of our revenues from subscription services. Subscribers typically pay us on a monthly basis and generally may discontinue services at any time. Monthly subscription rates and related charges vary according to the type of service selected and the type of equipment used by subscribers.

We offer a full range of traditional analog video services. We tailor both our basic channel line-up and our additional channel offerings to each system according to demographics, programming preferences, competition, price sensitivity and local regulation. Our analog service offerings include the following programming:

- o basic programming,
- o expanded basic programming,
- o premium services, and
- o pay-per-view programming.

Our basic cable service typically consists of between 10-20 channels of programming. This service generally consists of programming provided by national television networks, local broadcast television stations, locally-originated programming, including governmental and public access, and limited satellite-delivered programming.

Our expanded basic cable service, which may vary in size depending on the system's channel capacity, generally includes a group of satellite-delivered or non-broadcast channels in addition to the basic channel line-up.

Subscribers can also subscribe to our premium services either individually or in packages of several channels. Our premium services generally offer, without commercial interruption, feature motion pictures, live and taped sporting events, concerts and other special features. The charge for premium services depends upon the type and level of service selected by the subscriber.

Our pay-per-view service permits our subscribers to order, for a separate fee, individual feature motion pictures and special event programs, such as professional boxing, professional wrestling and concerts on an unedited, commercial-free basis.

Advanced Service Offerings

The high bandwidth capacity of our cable communications networks enables us to deliver substantially more channels and/or advanced products and services to our subscribers. A variety of technologies and the rapid growth of the Internet have presented us with opportunities to provide new or expanded products and services to our subscribers and to expand our sources of revenue. As a result, we now offer for the benefit of both our residential and commercial subscribers:

- o digital cable television services in substantially all of our systems, and
- o high-speed Internet service installed in personal computers in approximately 75% of our systems.

We have and will continue to upgrade our cable communications systems so that we are able to provide these and other new services such as video on demand, commonly known as VOD, interactive television and cable telephony to our subscribers.

Digital Cable Services

Subscribers to our digital cable service may receive:

- o an interactive program guide,
- o multiple channels of digital music,
- o additional expanded basic programming,
- o additional premium services,
- o "multiplexes" of premium channels to which a subscriber also subscribes, which are varied as to time of broadcast or programming content theme, and
- o additional pay-per-view programming, such as more pay-per-view options and/or frequent showings of the most popular films to provide near video-on-demand.

Subscribers typically pay us on a monthly basis for digital cable services and generally may discontinue services at any time. Monthly rates vary generally according to the level of service and the number of digital converters selected by the subscriber.

High-Speed Internet Service

Prior to March 2002, we marketed At Home's high-speed Internet services as Comcast@Home in areas served by our cable communications systems. Subsequent to

that time, our high-speed Internet subscribers are on our network. Residential subscribers can connect their personal computers via cable modems to a high-speed national network provided and managed by us to access online information, including the Internet, at faster speeds than that of conventional modems. We also provide businesses with Internet connectivity solutions and networked business applications.

Other Revenue Sources

We also generate revenues from advertising sales, installation services, commissions from electronic retailing and other services. We generate revenues from the sale of advertising time to local, regional and national advertisers on non-broadcast channels we carry over our cable communications systems.

Sales and Marketing

Our sales efforts are primarily directed toward generating incremental revenues in our franchise areas and increasing the number of subscribers we serve. We sell our products and services through:

- o telemarketing,
- o direct mail advertising,
- o door-to-door selling,
- o cable television advertising,
- o local media advertising, and
- o retail outlets.

Programming

We generally acquire a license for the programming we sell to our subscribers by paying a monthly fee to the licensor on a per subscriber per channel basis. Our programming costs are increased by:

- o increases in the number of subscribers,
- o expansion of the number of channels provided to subscribers, and
- o increases in contract rates from programming suppliers.

We attempt to secure long-term programming contracts with volume discounts and/or marketing support and incentives from programming suppliers. Our programming contracts are generally for a fixed period of time and are subject to negotiated renewal. We have experienced increases in our cost of programming and we anticipate that future contract renewals will result in programming costs that are higher than our costs today, particularly for sports programming.

We utilize interactive programming guides to provide our subscribers with current programming information, as well as advertising and other content.

Customer Service

We manage most of our cable communications systems in geographic clusters. Clustering improves our ability to sell advertising, enhances our ability to efficiently introduce and market new products, and allows us to more efficiently and effectively provide customer service and support. As part of our clustering strategy, we have consolidated our local customer service operations into large regional call centers. These regional call centers have technologically advanced telephone systems that provide 24-hour per day, 7-day per week call answering capability, telemarketing and other services.

Our Cable Communications Systems

The table below summarizes certain information for our cable communications systems as of December 31 (homes, subscribers and subscriptions in thousands):

	2001(9)	2000(9)	1999(9)	1998	1997
Cable					
Homes Passed (1).....	13,929	12,679	9,522	7,382	7,138
Subscribers (2).....	8,471	7,607	5,720	4,511	4,366
Penetration (3).....	60.8%	60.0%	60.1%	61.1%	61.2%
Digital Cable					
"Digital Ready" Subscribers (4).....	8,375	7,258	4,637	1,570	
Subscriptions (5).....	2,336	1,354	515	78	
Penetration (6).....	27.9%	18.7%	11.1%	5.0%	
High-Speed Internet					
"Modem Ready" Homes Passed (7).....	10,400	6,360	3,259	1,804	866
Subscribers.....	948	400	142	51	10
"Modem Ready" Penetration (8).....	9.1%	6.3%	4.4%	2.8%	1.2%

- (1) A home is "passed" if we can connect it to our distribution system without further extending the transmission lines.
- (2) A dwelling with one or more television sets connected to a system counts as one cable subscriber.
- (3) Cable penetration means the number of cable subscribers as a percentage of cable homes passed.
- (4) A subscriber is "digital ready" if the subscriber is in a market where we have launched our digital cable service.
- (5) Each digital converter box counts as one digital cable subscription.
- (6) Digital cable penetration means the number of digital cable subscriptions as a percentage of "digital ready" subscribers. Certain subscribers may have multiple digital cable subscriptions.
- (7) A home passed is "modem ready" if we can connect it to our Internet service connection system without further upgrading the transmission lines.
- (8) "Modem ready" penetration means the number of high-speed Internet subscribers as a percentage of "modem ready" homes passed.
- (9) In April 1999, we acquired a controlling interest in Jones Intercable, Inc. In January 2000, we acquired Lenfest Communications, Inc. and began consolidating the results of Comcast Cablevision of Garden State, L.P. In August 2000, we acquired Prime Communications LLC. On December 31, 2000 and January 1, 2001, we completed our cable systems exchanges with AT&T Corp. and Adelphia Communications, respectively. In April and June 2001, we acquired cable systems serving an aggregate of approximately 697,000 subscribers from AT&T. The subscriber information as of December 31, 2000 excludes the effects of our exchange with AT&T.

Competition

Our cable communications systems compete with a number of different sources which provide news, information and entertainment programming to consumers, including:

- o local television broadcast stations that provide off-air programming which can be received using a roof-top antenna and television set,
- o program distributors that transmit satellite signals containing video programming, data and other information to receiving dishes of varying sizes located on the subscriber's premises,
- o satellite master antenna television systems, commonly known as SMATV, which generally serve condominiums, apartment and office complexes and residential developments,
- o other operators who build and operate communications systems in the same communities that we serve,
- o interactive online computer services,
- o newspapers, magazines and book stores,
- o movie theaters,
- o live concerts and sporting events, and
- o home video products.

In order to compete effectively, we strive to provide, at a reasonable price to subscribers:

- o new products and services,
- o superior technical performance,
- o superior customer service, and
- o a greater variety of video programming.

Federal law allows local telephone companies to provide, directly to subscribers, a wide variety of services that are competitive with our cable communications services, including video and Internet services within and outside their telephone service areas.

Telephone companies and other businesses construct and operate communications facilities that provide access to the Internet and distribute interactive computer-based services, data and other non-video services to homes and businesses. We are unable to predict the likelihood of success of competing video or cable service ventures by telephone companies or other businesses. Nor can we predict the impact these competitive ventures might have on our business and operations.

We operate our cable communications systems pursuant to a non-exclusive franchise that is issued by the community's governing body such as a city council, a county board of supervisors or a state regulatory agency. Federal law prohibits franchising authorities from unreasonably denying requests for additional franchises, and it permits franchising authorities to operate cable systems. Companies that traditionally have not provided cable services and that have substantial financial resources (such as public utilities that own certain of the poles to which our cables are attached) may also obtain cable franchises and may provide competing communications services.

Certain facilities-based competitors offer cable and other communications services in various areas where we hold franchises. We anticipate that facilities-based competitors will develop in other franchise areas that we serve.

In recent years, Congress has enacted legislation and the Federal Communications Commission, commonly known as the FCC, has adopted regulatory policies intended to provide a favorable operating environment for existing competitors and for potential new competitors to our cable communications systems. These competitors include open video systems, commonly known as OVS, and direct broadcast satellite service, commonly known as DBS, among others. According to recent government and industry reports, conventional, medium and high-power satellites currently provide video programming to over 17 million individual households, condominiums, apartment and office complexes in the United States. DBS providers with high-power satellites typically offer to their subscribers more than 300 channels of programming, including programming services substantially similar to those provided by our cable communications systems.

DBS service can be received throughout the continental United States through the installation of a small roof top or side-mounted antenna. DBS systems use video compression technology to increase channel capacity and digital technology to improve the quality and quantity of the signals transmitted to their subscribers. Our digital cable service is competitive with the programming, channel capacity and the digital quality of signals delivered to subscribers by DBS systems.

Two major companies, DirecTV and Echostar, are currently offering nationwide high-power DBS services. On October 29, 2001, the Board of Directors of General Motors agreed to sell its Hughes Electronics subsidiary, the parent of DirecTV, to Echostar. Upon closing of the transaction, which is subject to shareholder and regulatory approvals, the combined company would serve more than 16 million subscribers, which constitutes

approximately 94% of satellite television subscribers nationwide according to a recent FCC report.

Federal legislation establishes, among other things, a permanent compulsory copyright license that permits satellite carriers to retransmit local broadcast television signals to subscribers who reside in the local television station's market. These companies are transmitting local broadcast signals in most markets which we serve. As a result, satellite carriers are competitive to cable communications system operators like us because they offer programming which closely resembles what we offer. These companies and others are also developing ways to bring advanced communications services to their customers. They are currently offering satellite-delivered high-speed Internet services with a telephone return path and are beginning to provide true two-way interactivity. We are unable to predict the effects these competitive developments might have on our business and operations.

Our cable communications systems also compete for subscribers with SMATV systems. SMATV system operators typically are not subject to regulation like local franchised cable communications system operators. SMATV systems offer subscribers both improved reception of local television stations and many of the same satellite-delivered programming services offered by franchised cable communications systems. In addition, some SMATV operators are developing and/or offering packages of telephony, data and video services to private residential and commercial developments. SMATV system operators often enter into exclusive service agreements with building owners or homeowners' associations, although some states have enacted laws to provide cable communications systems access to these complexes. Courts have reviewed challenges to these laws and have reached varying results.

Most of our cable communications systems are currently offering high-speed Internet services to subscribers. These systems compete with a number of other companies, many of whom have substantial resources, such as:

- o existing Internet service providers, commonly known as ISPs,
- o local telephone companies, and
- o long distance telephone companies.

Various companies, including telephone companies and ISPs, have asked local, state and federal governments to mandate that cable communications systems operators provide capacity on their broadband infrastructure so that these companies and others may deliver high-speed Internet and interactive television services to customers over cable facilities. In February 2002, we announced an agreement with a national ISP which will provide our subscribers in two major markets with access to the ISP's service, with the potential to roll-out this offering to other of our cable communications systems with the concurrence of both parties.

The deployment of Digital Subscriber Line technology, known as DSL, allows Internet access to subscribers at data transmission speeds equal to or greater than that of modems over conventional telephone lines. Numerous companies, including telephone companies, have introduced DSL service, and certain telephone companies are seeking to provide high-speed broadband services without regard to present service boundaries and other regulatory restrictions. Congress is currently considering legislation that, if enacted into law, will eliminate or reduce significantly many of the regulatory restrictions on the offering of high-speed broadband services by local telephone companies. We are unable to predict the outcome of any legislative initiatives, the likelihood of success of competing online services offered by our competitors or what impact these competitive ventures may have on our business and operations.

We expect advances in communications technology, as well as changes in the marketplace and the regulatory and legislative environment to occur in the future. We refer you to page 11 for a detailed discussion of legislative and regulatory factors. Other new technologies and services may develop and may compete with services that our cable communications systems offer. Consequently, we are unable to predict the effect that ongoing or future developments might have on our business and operations.

Commerce

QVC is a domestic and international electronic media general merchandise retailer which produces and distributes merchandise-focused television programs, via satellite, to affiliated video program distributors for retransmission to subscribers. At QVC, program hosts and guests describe and demonstrate the products and viewers place orders directly with QVC. We own 57% of QVC.

Revenue Sources

QVC sells a variety of consumer products and accessories including jewelry, housewares, electronics, apparel and accessories, collectibles, toys and cosmetics. QVC purchases, or obtains on consignment, products from domestic and foreign manufacturers and wholesalers, often on favorable terms based on the volume of the transactions. QVC intends to continue

introducing new products and product lines. QVC does not depend upon any one particular supplier for any significant portion of its inventory. QVC's business is seasonal, with the highest amount of net sales occurring in the fourth quarter.

Viewers place orders to purchase QVC merchandise by either calling a toll-free telephone number to speak to a telemarketing operator, by using their touch-tone telephone to call QVC's integrated automated ordering system which gives customers the ability to place orders without speaking to a telemarketing operator, or by using their personal computer to place orders on QVC.com. QVC uses automatic call distributing equipment to distribute calls to its operators. The majority of all payments for purchases are made with a major credit card or QVC's private label credit card. QVC's private label credit card program is serviced by an unrelated third party. QVC ships merchandise from its distribution centers, typically within 24 hours after receipt of an order. QVC's return policy permits customers to return, within 30 days, any merchandise purchased for a full refund of the purchase price and original shipping charges.

Distribution Channels

In the United States, QVC is transmitted live 24 hours a day, 7 days a week, to 64.1 million cable television homes. An additional 0.6 million cable television homes receive QVC on a less than full time basis and 17.4 million home satellite dish users receive QVC programming. The QVC program schedule consists of one-hour and multi-hour program segments. Each program theme is devoted to a particular category of product or lifestyle. From time to time, special program segments are devoted to merchandise associated with a particular celebrity, event, geographical region or seasonal interest.

QVC sells products by means of electronic media in the United Kingdom, Germany and Japan. In the UK, this service currently reaches approximately 9.5 million cable television and home satellite dish-served homes. In Germany, this service currently is available to approximately 23.6 million cable television and home satellite dish-served homes. However, we estimate that only 10.6 million homes in Germany have programmed their television sets to receive this service. In Japan, this service is currently available to approximately 3.6 million cable television and home satellite dish-served homes.

QVC also offers an interactive shopping service, QVC.com, on the Internet. QVC.com offers a diverse array of merchandise, on-line, 24 hours a day, 7 days a week. QVC.com also maintains a mailing list which e-mails product news to customers who choose to receive it.

QVC Transmission

A transponder on a communications satellite transmits the QVC domestic signal. QVC subleases transponders for the transmission of its signals to the UK, Germany and Japan, and has made arrangements for redundant coverage through other satellites in case of a failure. To date, QVC has never had an interruption in programming due to transponder failure. We cannot offer assurances that there will not be an interruption or termination of satellite transmission due to transponder failure. Interruption or termination could have a material adverse effect on QVC's future results of operations.

Program Distributors

QVC has entered into affiliation agreements with video program distributors to carry QVC programming. There are no charges to the programming distributors for the distribution of QVC. In return for carrying QVC, each programming distributor receives an allocated portion, based upon market share, of up to five percent of the net sales of merchandise sold to customers located in the programming distributor's service area. QVC has entered into multi-year affiliation agreements with various cable and satellite system operators for carriage of QVC programming. The terms of most affiliation agreements are automatically renewable for one-year terms unless terminated by either party on at least 90 days notice prior to the end of the term. Most of the affiliation agreements provide for the programming distributor to broadcast commercials regarding QVC on other channels and to distribute QVC's advertising material to subscribers. As of December 31, 2001, 8.8% of the total homes reached by QVC were attributable to QVC's affiliation agreement with us.

QVC's business depends on its affiliation with programming distributors for the transmission of QVC programming. If a significant number of homes are no longer served because of termination or non-renewal of affiliation agreements, our financial results could be adversely affected. QVC has incentive programs to induce programming distributors to enter into or extend affiliation agreements, to increase the number of homes under existing affiliation agreements, or to enhance channel placement of the QVC programming. These incentives include various forms of marketing, carriage and launch support. QVC will continue to recruit additional programming distributors and seek to enlarge its audience.

Competition

QVC operates in a highly competitive environment. As a general merchandise retailer, QVC competes for consumer expenditures with the entire retail industry,

including department, discount, warehouse and specialty stores, mail order and other direct sellers, shopping center and mall tenants and conventional retail stores. On television, QVC competes with other programs for channel space and viewer loyalty against similar electronic retailing programming, as well as against alternative programming supplied by other sources, including news, public affairs, entertainment and sports programmers. The use of digital compression provides programming distributors with greater channel capacity. While greater channel capacity increases the opportunity for QVC to be distributed, it also may adversely impact QVC's ability to compete for television viewers to the extent it results in higher channel position, placement of QVC in separate programming tiers, or the addition of competitive channels.

Content

We have made investments in cable television networks and other programming-related enterprises as a means of generating additional revenues and subscriber interest. Our consolidated programming investments as of December 31, 2001 include:

Investment	Description
Comcast Spectacor	Live sporting events, concerts and other events
Comcast SportsNet	Regional sports programming and events
Comcast SportsNet Mid-Atlantic	Regional sports programming and events
Comcast Sports Southeast	Regional sports programming and events
E! Entertainment	Entertainment-related news and original programming
Style	Fashion-related programming
The Golf Channel	Golf-related programming
Outdoor Life Network	Outdoor activities
CN8-The Comcast Network	Regional and local programming
G4 Media	Interactive video, computer and online games

Consolidated Programming Investments

Comcast Spectacor

Comcast Spectacor is our group of businesses that perform live sporting events and that own or manage facilities and venues for sports activities, sports events, concerts and other special events. Comcast Spectacor consists principally of the Philadelphia Flyers NHL hockey team, the Philadelphia 76ers NBA basketball team and two large multi-purpose arenas in Philadelphia.

Comcast SportsNet

Comcast SportsNet ("CSN") is our 24-hour regional sports programming network which provides sports-related programming, including the Philadelphia Flyers NHL hockey team, the Philadelphia 76ers NBA basketball team and the Philadelphia Phillies MLB baseball team to approximately 2.9 million subscribers in the Philadelphia region. CSN is delivered to affiliates terrestrially.

Comcast SportsNet Mid-Atlantic

We acquired Home Team Sports (now known as Comcast SportsNet Mid-Atlantic) ("CSN Mid-Atlantic") in February 2001. CSN Mid-Atlantic is our 24-hour satellite-delivered regional sports programming network which provides sports-related programming, including the Baltimore Orioles MLB baseball team, the Washington Wizards NBA basketball team and the Washington Capitals NHL hockey team. CSN Mid-Atlantic serves approximately 5.4 million subscribers primarily in Delaware, Maryland, Pennsylvania, Virginia, Washington, D.C. and West Virginia.

Comcast Sports Southeast

Comcast Sports Southeast ("CSS") was created in September 1999. CSS is a satellite-delivered regional sports programming network which provides sports programming and sports news geared toward college athletics to approximately 3.0 million subscribers primarily in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.

E! Entertainment

E! Entertainment is our 24-hour network with programming dedicated to the world of entertainment. Programming formats include behind-the-scenes specials, original movies and series, news, talk shows and comprehensive coverage of entertainment industry awards shows and film festivals worldwide. The network has distribution to approximately 71 million subscribers.

Style

Style, a division of E! Entertainment, is our 24-hour cable network dedicated to fashion, home design, beauty, health, fitness and more, with distribution to approximately 17 million subscribers.

The Golf Channel

We acquired a controlling interest in The Golf Channel in June 2001. The Golf Channel is our 24-hour network devoted exclusively to golf programming with distribution to approximately 46 million subscribers. The programming schedule includes live tournaments, golf instruction programs and golf news.

Outdoor Life Network

We acquired the approximate 83.2% interest in Outdoor Life Network that we did not previously own in October 2001. Outdoor Life Network is our 24-hour network devoted exclusively to adventure and the outdoor lifestyle with distribution to approximately 41 million subscribers. Its programming focuses on a wide range of outdoor activities including expeditions, skiing, bicycling, surfing and camping.

CN8-The Comcast Network

CN8-The Comcast Network, our regional programming service, is delivered to approximately 3.5 million cable subscribers in Pennsylvania, New Jersey, Delaware and Maryland. CN8 provides original programming, including local and regional news and public affairs, regional sports, health, cooking and family-oriented programming.

G4 Media

G4 Media, our 24-hour programming network, is dedicated to creating a lifestyle brand that is the source of entertainment, news and information about the interactive entertainment industry, including video, computer, online and wireless games. G4 Media is expected to launch during the second or third quarter of 2002.

LEGISLATION AND REGULATION

Cable

The Communications Act of 1934, as amended, establishes a national policy to regulate the development and operation of cable communications systems. The Communications Act allocates responsibility for enforcing federal policies among the FCC, state and local governmental authorities. The courts, especially the federal courts, play an important oversight role as these statutory and regulatory provisions are interpreted and enforced by the various federal, state and local governmental units.

We expect that court actions and regulatory proceedings will continue to refine the rights and obligations of various parties, including the government, under the Communications Act. The results of these judicial and administrative proceedings may materially affect our business operations. In the following paragraphs, we summarize the principal federal laws and regulations materially affecting the growth and operation of the cable communications industry. We also provide a brief description of certain state and local laws applicable to our businesses.

The Communications Act and FCC Regulations

The Communications Act and the regulations and policies of the FCC affect significant aspects of our cable system operations, including:

- o subscriber rates,
- o the content of programming we offer our subscribers, as well as the way we sell our program packages to subscribers and other video program distributors,
- o the use of our cable systems by franchising authorities, the public and other unrelated third parties,
- o our franchise agreements with governmental authorities,
- o cable system ownership limitations and prohibitions, and
- o our use of utility poles and conduit.

Subscriber Rates

The Communications Act and the FCC's regulations and policies limit the ability of cable systems to raise rates for basic services and equipment in communities that are not subject to effective competition, as defined by federal law. Where there is no effective competition, federal law gives franchising authorities the power to regulate the monthly rates charged by the operator for:

- o the lowest level of programming service,

typically called basic service, which generally includes local broadcast channels and public access or governmental channels required by the operator's franchise, and

- o the installation, sale and lease of equipment used by subscribers to receive basic service, such as converter boxes and remote control units.

The FCC has detailed rate regulations, guidelines and rate forms that we and the franchising authority must use in connection with the regulation of our basic service and equipment rates. If the franchising authority concludes that our rates are not in accordance with the FCC's rate regulations, it may require us to reduce our rates and to refund overcharges to subscribers, with interest. We may appeal adverse rate decisions to the FCC.

The Communications Act and the FCC's regulations also:

- o prohibit regulation of rates charged by cable operators for programming offered on a per channel or per program basis, and for multi-channel groups of non-basic programming,
- o require operators to charge uniform rates throughout each franchise area that is not subject to effective competition,
- o prohibit regulation of non-predatory bulk discount rates offered by operators to subscribers in commercial and residential developments,
- o permit regulated equipment rates to be computed by aggregating costs of broad categories of equipment at the franchise, system, regional or company level, and
- o prohibit regulation of rates by local franchising authorities for other services provided over a cable system, such as high-speed Internet services.

Content Requirements

The Communications Act and the FCC's regulations contain broadcast signal carriage requirements that allow certain local commercial television broadcast stations:

- o to elect once every three years to require a cable communications system to carry the station, subject to certain exceptions, or
- o to negotiate with us on the terms by which we may carry the station on our cable communications system, commonly called retransmission consent.

The Communications Act and the FCC's regulations require a cable operator to devote up to one-third of its activated channel capacity for the mandatory carriage of local commercial television stations. The Communications Act and the FCC's regulations also give local non-commercial television stations mandatory carriage rights; however, such stations are not given the option to negotiate retransmission consent for the carriage of their signals by cable systems. Additionally, cable systems must obtain retransmission consent for:

- o all "distant" commercial television stations (except for commercial satellite-delivered independent "superstations"),
- o commercial radio stations, and
- o certain low-power television stations.

FCC regulations require us to carry the signals of local digital-only broadcast stations (both commercial and non-commercial) and the digital signals of those local broadcast stations that return their analog spectrum to the government and convert to a digital broadcast format. The FCC's rules give the digital-only broadcast stations the discretion to elect whether the operator will carry the station's signal in a digital or converted analog format, and they also permit broadcasters with both analog and digital signals to tie the carriage of their digital signals with the carriage of their analog signals as a retransmission consent condition. The FCC continues to consider further modifications to its digital broadcast signal carriage requirements. We are unable to predict the impact any new carriage requirements might have on the operations of our cable systems.

The Communications Act requires our cable systems to permit subscribers to purchase video programming on a per channel or a per program basis without the necessity of subscribing to any tier of service, other than the basic cable service tier. However, we are not required to comply with this requirement until October 2002 for any of our cable systems that do not have addressable converter boxes or that have other substantial technological limitations. Although a limited number of our systems do not have the technological capability to offer programming in the manner required by the statute, and thus currently are exempt from complying with this requirement, we anticipate that all of our systems will be in compliance with this requirement by the statutory deadline.

The Communications Act and the FCC's regulations:

- o preclude any satellite video programmer affiliated with a cable company, or with a common carrier, providing video programming directly to its subscribers, from favoring an

affiliated company over competitors, and

- o limit the ability of such programmers to offer exclusive programming arrangements to their affiliates.

The FCC has concluded that the program access rules do not apply to certain terrestrially-delivered programming, such as CSN. The FCC decision is currently under appeal. The FCC also is considering whether to retain the current prohibition, which is scheduled to expire in October 2002, on exclusive programming distribution contracts between cable operators and affiliated program distributors.

The Communications Act contains restrictions on the transmission by cable operators of obscene programming. The Communications Act requires the cable operator, upon the request of the subscriber, to scramble or otherwise fully block any channel that is not included in the programming package purchased by the subscriber. Additionally, cable operators are required by the Communications Act and the FCC's regulations to provide by sale or lease a lockbox or other device that permits the subscriber to block the viewing of specific channels in the subscriber's home during periods selected by the subscriber.

The FCC actively regulates other aspects of our programming, involving such areas as:

- o our use of syndicated and network programs and local sports broadcast programming,
- o advertising in children's programming,
- o political advertising,
- o origination cablecasting,
- o sponsorship identification, and
- o closed captioning of video programming.

The FCC has also initiated a proceeding to evaluate its jurisdiction and regulatory authority concerning the distribution over cable communications systems of interactive television services, including advanced instant messaging and interactive menu services.

Use of Our Cable Systems by The Government and Unrelated Third Parties

The Communications Act allows franchising authorities and unrelated third parties to have access to our cable systems' channel capacity. For example, it:

- o permits franchising authorities to require cable operators to set aside channels for public, educational and governmental access programming, and
- o requires a cable system with 36 or more activated channels to designate a significant portion of its channel capacity for commercial leased access by third parties to provide programming that may compete with services offered by the cable operator.

The FCC regulates various aspects of third party commercial use of channel capacity on our cable systems, including the rates and certain terms and conditions of the commercial use.

Various companies, including telephone companies and ISPs, have asked local, state and federal governments to mandate that cable operators provide capacity on their broadband infrastructure so that these companies and others may deliver high-speed Internet and interactive television services directly to subscribers over cable facilities. Some cable operators, including us, have successfully challenged efforts by local franchising authorities to impose unilaterally so-called "open access" requirements. Although the court decisions dealing with this issue generally have concluded that the local franchising authority cannot regulate Internet access over cable systems, the legal rationale for these decisions has varied.

In connection with its review of the AOL-Time Warner merger in early 2001, the FCC and the Federal Trade Commission imposed certain access, technical performance and other requirements relating to the merged company's high-speed Internet, Interactive Television, and advanced Instant Messaging services. The FCC and the U.S. Department of Justice (DOJ) are currently reviewing our proposed merger with AT&T Broadband, but we do not believe the factual circumstances involved in our merger with AT&T Broadband warrant the imposition of comparable restrictions on the combined company.

In a decision adopted in March 2002 addressing the regulatory classification of high-speed Internet services, the FCC concluded that Internet services delivered over cable operators' communications systems are interstate "information services," and it confirmed that cable operators like us, who are offering high-speed Internet services, are not subject to common carrier requirements to offer on a stand-alone basis to third parties the transport functions underlying the information services we offer to our subscribers. The FCC also recently initiated separate rulemaking proceedings to assess the appropriate regulatory frameworks, including the role of local regulatory authorities, governing broadband access to the Internet through cable operators' and telephone companies' communications networks, respectively. In

the telephone broadband proceeding, the FCC has proposed to classify broadband Internet services delivered by telephone companies over their own wireline facilities as interstate "information services." The outcome of these FCC rulemaking proceedings may affect significantly our regulatory obligations, including whether we will be required to pay local governmental franchise fees and/or federal and state universal service fees on our cable Internet revenues. The March 2002 decision of the FCC has been appealed to the courts.

Some cable operators, including us, have entered into contracts that allow independent ISPs to provide their Internet services over the cable operators' communications network. We expect such contractual arrangements to become more common in the future as cable operators' networks evolve and as competitive alternatives to cable broadband networks continue to grow, thereby limiting the need, if any, for government action mandating access by ISPs to our communications networks. We cannot predict the ultimate outcome of the FCC's rulemaking proceedings, the appeal of the FCC decision, the governmental review of our proposed merger with AT&T Broadband, or the impact of any new regulatory requirements on our operations.

Franchise Matters

Although franchising matters are normally regulated at the local level through a franchise agreement and/or a local ordinance, the Communications Act provides oversight and guidelines to govern our relationship with local franchising authorities. For example, the Communications Act:

- o affirms the right of franchising authorities (state or local, depending on the practice in individual states) to award one or more franchises within their jurisdictions,
- o generally prohibits us from operating in communities without a franchise,
- o encourages competition with our existing cable systems by:
 - o allowing municipalities to operate cable systems without franchises, and
 - o preventing franchising authorities from granting exclusive franchises or from unreasonably refusing to award additional franchises covering an existing cable system's service area,
- o permits local authorities, when granting or renewing our franchises, to establish requirements for certain cable-related facilities and equipment, but prohibits franchising authorities from establishing requirements for specific video programming or information services other than in broad categories,
- o permits us to obtain modification of our franchise requirements from the franchise authority or by judicial action if warranted by changed circumstances,
- o generally prohibits franchising authorities from:
 - o imposing requirements during the initial cable franchising process or during franchise renewal that require, prohibit or restrict us from providing telecommunications services,
 - o imposing franchise fees on revenues we derive from providing telecommunications services over our cable systems, or
 - o restricting our use of any type of subscriber equipment or transmission technology, and
- o limits our payment of franchise fees to the local franchising authority to 5% of our gross revenues derived from providing cable services over our cable system.

The Communications Act contains procedures designed to protect us against arbitrary denials of the renewal of our franchises, although a franchising authority under various conditions can deny us a franchise renewal. Moreover, even if our franchise is renewed, the franchising authority may seek our agreement to new or additional requirements such as significant upgrades in facilities and services or increased franchise fees as a condition of renewal. Similarly, if a franchising authority's consent is required for the purchase or sale of a cable system or franchise, the franchising authority may seek additional franchise requirements on us in connection with a request for such consent. Historically, cable operators providing satisfactory services to their subscribers and complying with the terms of their franchises have typically obtained franchise renewals. We believe that we have generally met the terms of our franchise agreements and have provided quality levels of service. We have never had a franchise revoked or otherwise been denied the right to provide service in a municipality. We anticipate that our future franchise renewal prospects generally will be favorable.

Various courts have considered whether franchising authorities have the legal right to limit the number of franchises awarded within a community and to impose certain substantive franchise requirements (e.g. access channels, universal service and other technical requirements). These decisions have been inconsistent and, until the United States Supreme Court rules

definitively on the scope of cable operators' constitutional and statutory protections, the legality of the franchising process generally and of various specific franchise requirements is likely to be in a state of flux.

Ownership Limitations

The Communications Act generally prohibits us from owning or operating a SMATV or wireless cable system in any area where we provide franchised cable service. We may, however, acquire and operate SMATV systems in our franchised service areas if the programming and other services provided to SMATV subscribers are offered according to the terms and conditions of our franchise agreement.

The Communications Act also authorizes the FCC to impose nationwide limits on the number of subscribers under the control of a cable operator and on the number of channels that can be occupied on a cable system by video programmers in which the cable operator has an attributable ownership interest. The FCC adopted cable ownership regulations and established:

- o subscriber ownership information reporting requirements, and
- o attribution rules that identify when the ownership or management by us or third parties of other communications businesses, including cable systems, television broadcast stations and local telephone companies, may be imputed to us for purposes of determining our compliance with the FCC's ownership restrictions.

The federal courts have rejected constitutional challenges to the statutory ownership limitations; however, a federal appellate court concluded that the FCC's 30% nationwide cable subscriber ownership limit and its 40% cap on the number of affiliated programming channels an operator may carry on its system were unconstitutional and that certain of its ownership attribution rules were not justified properly. The FCC recently initiated a rulemaking proceeding to determine new horizontal and vertical cable ownership limitations and to evaluate its attribution standards. We are unable to predict the outcome of this administrative proceeding or the impact any ownership restrictions might have on our business and operations.

The Communications Act eliminated the statutory prohibition on the common ownership, operation or control of a cable system and a television broadcast station in the same market. The FCC eliminated its regulations which precluded the cross-ownership of a national broadcasting network and a cable system, and a federal appellate court recently ordered the FCC to repeal its regulations prohibiting the common ownership of other broadcasting interests and cable systems in the same geographical areas.

The 1996 amendments to the Communications Act made far-reaching changes in the relationship between local telephone companies and cable companies. These amendments:

- o eliminated federal legal barriers to competition in the local telephone and cable communications businesses, including allowing local telephone companies to offer video services in their local telephone service areas,
- o preempted state and local laws and regulations which impose barriers to telecommunications competition,
- o set basic standards for relationships between telecommunications providers, and
- o generally limited acquisitions and prohibited certain joint ventures between local telephone companies and cable operators in the same market.

Local telephone companies may provide service as traditional cable operators with local franchises or they may opt to provide their programming over unfranchised "open video systems," subject to certain conditions, including, but not limited to, setting aside a portion of their channel capacity for use by unaffiliated program distributors on a non-discriminatory basis. A federal appellate court overturned various parts of the FCC's open video rules, including the FCC's preemption of local franchising requirements for open video operators. The FCC has modified its open video rules to comply with the federal court's decision. We are unable to predict the impact these rule modifications may have on our business and operations.

Pole Attachment Regulation

The Communications Act requires that utilities provide cable systems and telecommunications carriers with nondiscriminatory access to any pole, conduit or right-of-way controlled by the utility. The Communications Act also requires the FCC to regulate the rates, terms and conditions imposed by public utilities for cable systems' use of utility pole and conduit space unless state authorities demonstrate to the FCC that they adequately regulate pole attachment rates, as is the case in certain states in which we operate. In the absence of state regulation, the FCC administers pole attachment rates on a formula basis. The FCC's original rate formula governs the maximum rate certain utilities may charge for attachments to their poles and conduit by cable operators

providing only cable services. The FCC also adopted a second rate formula that became effective in February 2001 and governs the maximum rate certain utilities may charge for attachments to their poles and conduit by companies providing telecommunications services, including cable operators. Any resulting increase in attachment rates due to the FCC's new rate formula will be phased in over a five-year period in equal annual increments, beginning in February 2001.

The U.S. Supreme Court recently upheld the FCC's jurisdiction to regulate the rates, terms and conditions of cable operators' pole attachments that are simultaneously used to provide high-speed Internet access and cable services, and a federal appellate court is currently evaluating whether the FCC's rate formulas, as applied in a specific case, provide "just compensation" under the Federal Constitution. We have joined in several pending complaints filed at the FCC by various state cable associations challenging certain utilities' rate increases and the unilateral imposition of new contract terms. The utilities in these cases have challenged, among other things, the constitutionality of the FCC's pole attachment rate formulas. We are unable to predict the outcome of the legal challenge to the FCC's regulations or the ultimate impact any revised FCC rate formula, any new pole attachment rate regulations or any modification of the FCC's regulatory authority might have on our business and operations.

Other Regulatory Requirements of the Communications Act and the FCC

The Communications Act also includes provisions, among others, regulating:

- o customer service,
- o subscriber privacy,
- o marketing practices,
- o equal employment opportunity, and
- o technical standards and equipment compatibility.

The FCC actively regulates other parts of our cable operations and has adopted regulations implementing its authority under the Communications Act.

The FCC may enforce its regulations through the imposition of substantial fines, the issuance of cease and desist orders and/or the imposition of other administrative sanctions, such as the revocation of FCC licenses needed to operate certain transmission facilities often used in connection with cable operations. The FCC has ongoing rulemaking proceedings that may change its existing rules or lead to new regulations. We are unable to predict the impact that any further FCC rule changes may have on our business and operations.

Copyright

Our cable communications systems provide our subscribers with local and distant television and radio broadcast signals which are protected by the copyright laws. We generally do not obtain a license to use this programming directly from the owners of the programming; instead we comply with an alternative federal copyright licensing process. In exchange for filing certain reports and contributing a percentage of our revenues to a federal copyright royalty pool, we obtain blanket permission to retransmit copyrighted material.

The U.S. Copyright Office recommended that Congress make major revisions to both the cable television and satellite compulsory licenses. Congress modified the satellite compulsory license in a manner that permits DBS providers to become more competitive with cable operators like us. The possible simplification, modification or elimination of the cable communications compulsory copyright license is the subject of continuing legislative review. The elimination or substantial modification of the cable compulsory license could adversely affect our ability to obtain suitable programming and could substantially increase the cost of programming that remains available for distribution to our subscribers. We are unable to predict the outcome of this legislative activity.

Our cable communications systems often utilize music in the programs we provide to subscribers including local advertising, local origination programming and pay-per-view events. The right to use this music is controlled by music performing rights organizations who negotiate on behalf of their members for license fees covering each performance. The cable industry and one of these organizations previously agreed upon a standard licensing agreement covering the performance of music contained in programs originated by cable operators and in pay-per-view events. Cable industry representatives recently negotiated standard license agreements with the two remaining sizable music performing rights organizations covering cable operators' locally originated programming, including advertising inserted by the operator in programming produced by other parties. We expect that these organizations will now seek to execute these standard agreements with most cable operators, including us. Although each of these agreements requires payment of music license fees for earlier time periods, we do not believe that the amount of license fees paid to such organizations will be significant to our financial condition, results of operations or liquidity.

State and Local Regulation

Our cable systems use local streets and rights-of-way. Consequently, we must comply with state and local regulation which is typically imposed through the franchising process. The terms and conditions of our franchises vary materially from jurisdiction to jurisdiction. Franchises generally contain provisions governing:

- o cable service rates,
- o franchise fees,
- o franchise term,
- o system construction and maintenance obligations,
- o system channel capacity,
- o design and technical performance,
- o customer service standards,
- o franchise renewal,
- o sale or transfer of the franchise,
- o service territory of the franchisee,
- o indemnification of the franchising authority,
- o use and occupancy of public streets, and
- o types of cable services provided.

A number of states subject cable systems to the jurisdiction of state governmental agencies. Those states in which we operate that have enacted such state level regulation are Connecticut, New Jersey and Delaware. State and local franchising jurisdiction is not unlimited, however; it must be exercised consistently with federal law. The Communications Act immunizes franchising authorities from monetary damage awards arising from the regulation of cable systems or decisions made on franchise grants, renewals, transfers and amendments.

The summary of certain federal and state regulatory requirements in the preceding pages does not describe all present and proposed federal, state and local regulations and legislation affecting the cable industry. Other existing federal regulations, copyright licensing, and, in many jurisdictions, state and local franchise requirements, are currently the subject of judicial proceedings, legislative hearings and administrative proposals which could change, in varying degrees, the manner in which cable systems operate. We are unable to predict the outcome of these proceedings or their impact upon our cable operations at this time.

Commerce and Content

The FCC does not directly regulate the content or transmission of our programming services. The FCC does, however, exercise regulatory authority over the satellites and uplink facilities which transmit programming services such as those provided by certain of our programming networks. The FCC has granted, subject to periodic reviews, permanent licenses to QVC for its uplink facilities (and for backup equipment of certain of these facilities) at sufficient power levels for transmission of the QVC service. The FCC has licensing authority over satellites from which certain of our programming services obtain transponder capacity, but does not regulate their rates, terms or conditions of service. The FCC could, however, alter the regulatory obligations applicable to satellite service providers. The QVC programming services offered in the UK, Germany and Japan are regulated by the media authorities in those countries.

EMPLOYEES

As of December 31, 2001, we had approximately 38,000 employees. Of these employees, approximately 20,000 were associated with cable communications, approximately 11,000 were associated with commerce and approximately 7,000 were associated with our other divisions. We believe that our relationships with our employees are good.

ITEM 2 PROPERTIES

Cable

A central receiving apparatus, distribution cables, servers, analog and digital converters, cable modems, customer service call centers and local business offices are the principal physical assets of a cable communications system. We own or lease the receiving and distribution equipment of each system and own or lease parcels of real property for the receiving sites, customer service call centers and local business offices. In order to keep pace with technological advances, we are maintaining, periodically upgrading and rebuilding the physical components of our cable communications systems.

Commerce

Television studios, customer service call centers,

business offices, product warehouses and distribution centers are the principal physical assets of our commerce operations. These assets include QVC's studios and offices, Studio Park, located in West Chester, Pennsylvania, and office, customer service call centers and warehouses in the UK, Germany and Japan. QVC owns the majority of these assets. In order to keep pace with technological advances, QVC is maintaining, periodically upgrading and rebuilding the physical components of our commerce operations. QVC's warehousing and distribution facilities will continue to be upgraded over the next several years.

Content

Two large multi-purpose arenas, television studios and business offices are the principal physical assets of our content operations. We own the arenas and own or lease the television studios and business offices of our content operations.

We believe that substantially all of our physical assets are in good operating condition.

ITEM 3 LEGAL PROCEEDINGS

We are subject to legal proceedings and claims which arise in the ordinary course of our business. In the opinion of our management, the amount of ultimate liability with respect to such actions is not expected to materially affect our financial condition, results of operations or liquidity.

ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 4A EXECUTIVE OFFICERS OF THE REGISTRANT

The current term of office of each of our officers expires at the first meeting of our Board of Directors following the next Annual Meeting of Shareholders, presently scheduled to be held in June 2002, or as soon thereafter as each of their successors is elected and qualified. The following table sets forth certain information concerning our executive officers, including their ages, positions and tenure as of December 31, 2001:

Name	Age	Officer Since	Position with Comcast
Ralph J. Roberts	81	1969	Chairman of the Board of Directors; Director
Julian A. Brodsky	68	1969	Vice Chairman of the Board of Directors; Director
Brian L. Roberts	42	1986	President; Director
John R. Alchin	53	1990	Executive Vice President; Treasurer
Stephen B. Burke	43	1998	Executive Vice President
Lawrence S. Smith	54	1988	Executive Vice President
Stanley L. Wang	61	1981	Executive Vice President - Law and Administration
Lawrence J. Salva	45	2000	Senior Vice President and Chief Accounting Officer

Ralph J. Roberts has served as a Director and as our Chairman of the Board of Directors for more than five years. Mr. Roberts devotes a major portion of his time to our business and affairs. Mr. Roberts also presently serves as a Director of Comcast Cable Communications, Inc. Mr. Roberts is the father of Brian L. Roberts.

Julian A. Brodsky has served as a Director and as our Vice Chairman of the Board of Directors for more than five years. Mr. Brodsky devotes a major portion of his time to our business and affairs. Mr. Brodsky has served as the Chairman of Comcast Interactive Capital, LP since its formation in January 1999. Mr. Brodsky is also a Director of RBB Fund, Inc. and NDS Group plc.

Brian L. Roberts has served as our President and as a Director for more than five years. Mr. Roberts devotes a major portion of his time to our business and affairs. Mr. Roberts is Manager of Sural LLC ("Sural"), a privately-held investment company and our controlling shareholder. As of December 31, 2001, our shares owned by Sural constituted approximately 87% of the voting power of the two classes of our voting common stock combined. Mr. Roberts has sole voting power over stock representing a majority of voting power of all Sural stock and, therefore, has voting control over Comcast. Mr. Roberts is our Principal Executive Officer. Mr. Roberts also presently serves as a Director of Comcast Cable Communications, Inc. and The Bank of New York. Mr. Roberts is a son of Ralph J. Roberts.

John R. Alchin was named an Executive Vice President in January 2000. Prior to that time, Mr. Alchin served as our Treasurer and as a Senior Vice President for more than five years. Mr. Alchin is our Principal Financial Officer.

Stephen B. Burke was named an Executive Vice President in January 2000. Mr. Burke joined the Company in June 1998 as Senior Vice President and has served as President of Comcast Cable Communications, Inc. since that time. Prior to joining the Company, Mr. Burke served with The Walt Disney Company as President of ABC Broadcasting from January 1996 to June 1998, and as President of Euro Disney from October 1992 to January 1996.

Lawrence S. Smith has served as an Executive Vice President for more than five years. For more than five years prior to January 2000, Mr. Smith served as our Principal Accounting Officer. Mr. Smith also presently serves as a Director of Comcast Cable Communications, Inc.

Stanley L. Wang was named Executive Vice President - Law and Administration in January 2000. Prior to that time, Mr. Wang served as a Senior Vice President and as our Secretary and General Counsel for more than five years. Mr. Wang also presently serves as a Director of Comcast Cable Communications, Inc.

Lawrence J. Salva joined the Company in January 2000 as Senior Vice President and Chief Accounting Officer. Prior to that time, Mr. Salva was a national accounting consulting partner in the public accounting firm of PricewaterhouseCoopers for more than five years. Mr. Salva has served as our Principal Accounting Officer since January 2000.

PART II

ITEM 5 MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Our Class A Special Common Stock is included on Nasdaq under the symbol CMCSK and our Class A Common Stock is included on Nasdaq under the symbol CMCSA. There is no established public trading market for our Class B Common Stock. Our Class B Common Stock can be converted, on a share for share basis, into Class A Special or Class A Common Stock. The following table sets forth, for the indicated periods, the closing price range of our Class A Special and Class A Common Stock as furnished by Nasdaq.

	Class A Special		Class A	
	High	Low	High	Low
2001				
First Quarter.....	\$45.88	\$38.69	\$45.25	\$38.06
Second Quarter.....	45.50	39.50	44.75	38.88
Third Quarter.....	43.30	32.51	42.70	32.79
Fourth Quarter.....	40.18	35.19	40.06	34.95
2000				
First Quarter.....	\$54.56	\$38.31	\$51.44	\$36.25
Second Quarter.....	44.19	29.75	41.75	29.75
Third Quarter.....	41.06	31.06	40.69	30.75
Fourth Quarter.....	43.94	34.00	43.94	33.88

Our Board of Directors eliminated the quarterly cash dividend on all classes of our common stock in March 1999. We do not intend to pay dividends on our Class A Special, Class A or Class B Common Stock for the foreseeable future.

If you hold shares of our Class A Special Common Stock, you cannot vote in the election of directors or otherwise, except where class voting is required by law. In that case, if you hold Class A Special Common Stock, you have one vote per share. Generally, if you hold Class A Common Stock, you have one vote per share. If you hold Class B Common Stock, you have 15 votes per share. Generally, including the election of directors, holders of Class A Common Stock and Class B Common Stock vote as one class except where class voting is required by law.

As of December 31, 2001, there were 4,088 record holders of our Class A Special Common Stock, 1,484 record holders of our Class A Common Stock and one record holder of our Class B Common Stock.

	Year Ended December 31,				
	2001(1)	2000(1)	1999(1)	1998	1997
----- (Dollars in millions, except per share data) -----					
Statement of Operations Data:					
Revenues.....	\$9,674.2	\$8,218.6	\$6,529.2	\$5,419.0	\$4,700.4
Operating income (loss).....	(746.2)	(161.0)	664.0	557.1	466.6
Income (loss) from continuing operations before extraordinary items and cumulative effect of accounting change.....	225.6	2,045.1	780.9	1,007.7	(182.9)
Discontinued operations (2).....			335.8	(31.4)	(25.6)
Extraordinary items.....	(1.5)	(23.6)	(51.0)	(4.2)	(30.2)
Cumulative effect of accounting change.....	384.5				
Net income (loss).....	608.6	2,021.5	1,065.7	972.1	(238.7)
Basic earnings (loss) for common stockholders per common share (3)					
Income (loss) from continuing operations before extraordinary items and cumulative effect of accounting change.....	\$.24	\$2.27	\$1.00	\$1.34	(\$.29)
Discontinued operations (2).....			.45	(.04)	(.04)
Extraordinary items.....		(.03)	(.07)	(.01)	(.04)
Cumulative effect of accounting change.....	.40				
Net income (loss).....	=====	=====	=====	=====	=====
Diluted earnings (loss) for common stockholders per common share (3)					
Income (loss) from continuing operations before extraordinary items and cumulative effect of accounting change.....	\$.23	\$2.16	\$.95	\$1.25	(\$.29)
Discontinued operations (2).....			.41	(.03)	(.04)
Extraordinary items.....		(.03)	(.06)	(.01)	(.04)
Cumulative effect of accounting change40				
Net income (loss).....	=====	=====	=====	=====	=====
Cash dividends declared per common share (3).....				\$.0467	\$.0467
Balance Sheet Data (at year end):					
Total assets.....	\$38,131.8	\$35,744.5	\$28,685.6	\$14,710.5	\$11,234.3
Working capital.....	1,419.5	1,670.9	4,771.6	2,497.0	13.6
Long-term debt.....	11,741.6	10,517.4	8,707.2	5,464.2	5,334.1
Stockholders' equity.....	14,473.0	14,086.4	10,341.3	3,815.3	1,646.5
Supplementary Financial Data:					
Operating income before depreciation and amortization (4).....	\$2,701.8	\$2,470.3	\$1,880.0	\$1,496.7	\$1,293.1
Net cash provided by (used in) (5)					
Operating activities.....	1,229.5	1,219.3	1,249.4	1,067.7	844.6
Financing activities.....	1,476.3	(271.4)	1,341.4	809.2	283.9
Investing activities.....	(3,007.3)	(1,218.6)	(2,539.3)	(1,415.3)	(1,045.8)

- (1) You should see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Item 7 of this Annual Report for a discussion of events which affect the comparability of the information reflected in this financial data.
- (2) In July 1999, we sold Comcast Cellular Corporation to SBC Communications, Inc. Comcast Cellular is presented as a discontinued operation for all periods presented (see Note 5 to our consolidated financial statements in Item 8 of this Annual Report).
- (3) We have adjusted these for our two-for-one stock split in the form of a 100% stock dividend in May 1999.

- (4) Operating income before depreciation and amortization is commonly referred to in our businesses as "operating cash flow." Operating cash flow is a measure of a company's ability to generate cash to service its obligations, including debt service obligations, and to finance capital and other expenditures. In part due to the capital intensive nature of our businesses and the resulting significant level of non-cash depreciation and amortization expense, operating cash flow is frequently used as one of the bases for comparing businesses in our industries, although our measure of operating cash flow may not be comparable to similarly titled measures of other companies. Operating cash flow is the primary basis used by our management to measure the operating performance of our businesses. Operating cash flow does not purport to represent net income or net cash provided by operating activities, as those terms are defined under generally accepted accounting principles, and should not be considered as an alternative to those measurements as an indicator of our performance.
- (5) This represents net cash provided by (used in) operating activities, financing activities and investing activities as presented in our consolidated statement of cash flows which is included in Item 8 of this Annual Report.

Overview

We have grown significantly in recent years through both strategic acquisitions and growth in our existing businesses. We have historically met our cash needs for operations through our cash flows from operating activities. We have generally financed our cash requirements for acquisitions and capital expenditures through borrowings of long-term debt, sales of investments and from existing cash, cash equivalents and short-term investments.

Except where specifically indicated, the following management's discussion and analysis of financial condition and results of operations does not include the anticipated effects of the AT&T Broadband transaction.

General Developments of Business

Refer to "General Developments of Our Business" in Part I and Note 5 to our financial statements in Item 8 for a discussion of our acquisitions and other significant events.

Most Significant and Subjective Estimates

The following discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to sales returns, doubtful accounts, inventories, investments and derivative financial instruments, long-lived assets, non-monetary transactions, and contingencies. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following represent the most significant and subjective estimates used in the preparation of our consolidated financial statements.

QVC, Inc. ("QVC") is our majority-owned electronic retailing subsidiary. QVC's return policy permits customers to return, within 30 days, any merchandise purchased for a full refund of the purchase price and original shipping charges. QVC estimates and maintains reserves for expected sales returns and allowances based principally on its return practices and its historical experience. If actual sales returns differ from the estimated return rates projected by QVC, QVC may need to increase or decrease its reserves for sales returns and allowances, which could affect our reported income.

We maintain allowances for doubtful accounts for estimated losses resulting from our customers' failure to make required payments. If the future payments by our customers were to differ from our estimates, we may need to increase or decrease our allowances for doubtful accounts, which could affect our reported income.

QVC maintains reserves for excess and obsolete inventories to reflect its inventory at the lower of its stated cost or market value. QVC's estimate for excess and obsolete inventory is based upon QVC's assumptions about future demand and market conditions. If future demand and actual market conditions are more or less favorable than those projected by QVC, QVC may need to increase or decrease its reserves for excess and obsolete inventories, which could affect our reported income.

We hold minority interests in companies generally having operations or technology in areas within our strategic focus, some of which are publicly traded and may have highly volatile share prices. We also hold investments in private companies that have no active market by which fair values can be easily assessed. We record an investment impairment charge when we believe an investment has experienced a decline in value that is other than temporary. Future adverse changes in market conditions or poor operating results of underlying investments could result in losses or an inability to recover the carrying value of the investments that may not be reflected in an investment's current carrying value, thereby possibly requiring an impairment charge in the future.

We use derivative financial instruments to manage exposures to interest rates and equity prices, and to manage the cost of our share repurchases. We make investments in businesses, to some degree, through the purchase of equity call option or call warrant agreements. We have issued indexed debt instruments and entered into prepaid forward sale agreements whose value, in part, is derived from the market value of Sprint PCS common stock, and we have also sold call options on certain of our investments in equity securities in order to monetize a

portion of those investments. We record all our derivative financial instruments on our balance sheet at their estimated fair values. Other than for the effective portion of our derivative instruments that we designate as cash flow hedges, all changes in the fair value of our derivative financial instruments are recorded each period in current earnings. The estimated fair values of our derivative financial instruments are determined through the use of various valuation models that incorporate certain market assumptions such as volatility, dividend yield and interest rates. The estimated fair values assigned could change significantly as a result of changes in the underlying assumptions.

We periodically examine those instruments that we have entered into to hedge exposure to interest rate and equity price risks to ensure that the instruments are matched with underlying assets and liabilities, reduce our risks relating to interest rates and equity prices and, through market value and sensitivity analysis, maintain a high correlation to the risk inherent in the hedged item. For those instruments that do not meet the above criteria, variations in their fair value are marked-to-market on a current basis in our statement of operations. Although we periodically monitor hedge effectiveness, market conditions could cause our hedges to become ineffective, thereby reducing our ability to manage our risks and requiring additional amounts to be recorded through our statement of operations. We manage the credit risks associated with our derivative financial instruments through the evaluation and monitoring of the creditworthiness of the counterparties. Although we may be exposed to losses in the event of nonperformance by the counterparties, we do not expect such losses, if any, to be significant.

We periodically evaluate the recoverability of our long-lived assets, including property and equipment and intangible assets, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Our evaluations include analyses based on the cash flows generated by the underlying assets, profitability information, including estimated future operating results, trends or other determinants of fair value. If the value of an asset determined by these evaluations is less than its carrying amount, a loss is recognized for the difference between the fair value and the carrying value of the asset. Future adverse changes in market conditions or poor operating results of the related business may indicate an inability to recover the carrying value of the assets, thereby possibly requiring an impairment charge in the future.

Periodically, we enter into non-monetary transactions such as exchanges of cable systems and exchanges of investments which require us to make estimates of the fair values of the assets involved in order to record these transactions in our financial statements. Fair values assigned affect operating results in the period of the exchange and possibly in future periods. In the case of a cable systems exchange, the gain or loss on the systems sold and the future depreciation and amortization expense on the assets acquired are affected by the fair values assigned to the transaction.

Refer to Note 2 to our financial statements included in Item 8 for a discussion of our accounting policies with respect to these and other items.

Liquidity and Capital Resources

The cable communications and the electronic retailing industries are experiencing increasing competition and rapid technological changes. Our future results of operations will be affected by our ability to react to changes in the competitive environment and by our ability to implement new technologies. We believe that competition and technological changes will not significantly affect our ability to obtain financing.

We believe that we will be able to meet our current and long-term liquidity and capital requirements, including fixed charges, through our cash flows from operating activities, existing cash, cash equivalents and investments, and through available borrowings under our existing credit facilities.

We have both the ability and intent to redeem the \$1.096 billion outstanding Zero Coupon Debentures with amounts available under subsidiary credit facilities if holders exercise their rights to require us to repurchase the Zero Coupon Debentures in December 2002. As of December 31, 2001, certain of our subsidiaries had unused lines of credit of \$3.460 billion under their respective credit facilities.

Refer to Note 7 to our financial statements included in Item 8 for a discussion of our Zero Coupon Debentures. Refer to the Contractual Cash Obligations and Commitments table on page 28 and to Note 11 to our financial statements included in Item 8 for a discussion of our commitments and contingencies.

AT&T Broadband Transaction

Excluding AT&T Broadband's exchangeable notes, which are mandatorily redeemable at AT&T Broadband's option into shares of certain publicly traded companies held by AT&T Broadband, we currently estimate that an aggregate of approximately \$20 billion of assumed and refinanced indebtedness will be required upon completion of the AT&T Broadband transaction. At the completion of the transaction, we anticipate that the combined company will assume approximately \$7 to \$8 billion of

debt and will require financing of \$11 billion to \$14 billion. The financing, while not a condition for the closing, is expected to include:

- o approximately \$9 billion to \$10 billion to retire the intercompany debt balance which AT&T Broadband is expected to owe AT&T Corp. ("AT&T"),
- o approximately \$1 billion to \$2 billion to refinance certain AT&T Broadband debt that may be put for redemption by investors or that will mature on or soon after the closing date for the transaction, and
- o approximately \$1 billion to \$2 billion to provide appropriate cash reserves to fund the operations and capital expenditures of AT&T Broadband after completion of the transaction.

We are in the process of attempting to secure an aggregate of \$12.5 billion in new indebtedness in order to achieve these funding requirements. If we obtain this financing, we expect that we will be required to provide subsidiary guarantees, including guarantees by certain of our wholly owned subsidiaries and by subsidiaries of AT&T Broadband.

We may also use other available sources of financing to fund these requirements, including:

- o our existing cash, cash equivalents and short-term investments, which totaled \$2.973 billion as of December 31, 2001,
- o amounts available under our subsidiaries' lines of credit, which totaled \$3.460 billion as of December 31, 2001, and
- o through the sales of our and AT&T Broadband's investments, including AT&T Broadband's investment in Time Warner Entertainment.

Subsequent to closing of the AT&T Broadband transaction, we will have a substantially higher amount of debt, interest expense and capital expenditures at the combined company. If the credit rating agencies determine that the combined company is less creditworthy, on a combined basis, than that of Comcast on an historical basis, it is possible that our cost of and access to capital could be negatively affected. We currently hold investment grade ratings for our various debt securities. If our debt securities are downgraded as a result of our assumption of debt in the AT&T Broadband transaction, access to the commercial paper market would likely become limited and the costs of borrowing under alternative sources would likely increase.

Cash, Cash Equivalents and Short-term Investments

We have traditionally maintained significant levels of cash, cash equivalents and short-term investments to meet our short-term liquidity requirements. Our cash equivalents and short-term investments are recorded at fair value. Cash, cash equivalents and short-term investments as of December 31, 2001 were \$2.973 billion, substantially all of which is unrestricted.

Investments

A significant portion of our investments are in publicly traded companies and are reflected at fair value, which fluctuates with market changes.

We do not have any significant contractual funding commitments with respect to any of our investments. Our ownership interests in these investments may, however, be diluted if we do not fund our investees' non-binding capital calls. We continually evaluate our existing investments, as well as new investment opportunities.

Refer to Note 6 to our financial statements included in Item 8 for a discussion of our investments.

Capital Expenditures

During 2002, we expect to incur approximately \$1.5 billion of capital expenditures in our cable, commerce and content businesses, including approximately \$1.3 billion for our cable operations.

We anticipate capital expenditures for years subsequent to 2002 will continue to be significant. As of December 31, 2001, we do not have any significant contractual obligations for capital expenditures.

Cable

We expect our 2002 cable capital expenditures will include approximately \$225 million for the upgrading and rebuilding of certain of our cable communications systems, approximately \$625 million for the deployment of cable modems, digital converters and new service offerings, and approximately \$450 million for recurring capital projects.

The amount of our capital expenditures for years subsequent to 2002 will depend on numerous factors, some of which are beyond our control including:

- o competition,
- o cable system capacity of newly acquired systems, and

o the timing and rate of deployment of new services.

Commerce

During 2002, we expect to incur approximately \$175 million of capital expenditures for QVC, primarily for the upgrading of QVC's warehousing facilities, distribution facilities and information systems. Capital expenditures in QVC's international operations represent nearly 50% of QVC's total capital expenditures.

Affiliation Agreements

Certain of our content subsidiaries and QVC enter into multi-year affiliation agreements with various cable and satellite system operators for carriage of their respective programming. In connection with these affiliation agreements, we generally pay a fee to the cable or satellite operator based upon the number of subscribers. During 2002, we expect to incur \$200 million to \$300 million related to these affiliation agreements.

Financing

As of December 31, 2001 and 2000, our long-term debt, including current portion, was \$12.202 billion and \$10.811 billion, respectively.

The \$1.391 billion increase from December 31, 2000 to December 31, 2001 results principally from the effects of our net borrowings, offset by the \$194.2 million aggregate reduction to the carrying value of our 2% Exchangeable Subordinated Debentures due 2029 (the "ZONES") during 2001.

Excluding the effects of interest rate risk management instruments, 13.4% and 28.5% of our long-term debt, including current portion, as of December 31, 2001 and 2000, respectively, was at variable rates. The decrease from December 31, 2000 to December 31, 2001 in the percentage of our variable rate debt was due principally to the effects of our 2001 financings. See "Statement of Cash Flows" below.

We have, and may from time to time in the future, depending on certain factors including market conditions, make optional repayments on our debt obligations, which may include open market repurchases of our outstanding public notes and debentures.

Refer to Notes 7 and 8 to our financial statements included in Item 8 for a discussion of our financing activities.

Interest Rate Risk Management

We are exposed to the market risk of adverse changes in interest rates. We maintain a mix of fixed and variable rate debt and enter into various derivative transactions pursuant to our policies to manage the volatility relating to these exposures. We monitor our interest rate risk exposures using techniques including market value and sensitivity analyses. We do not hold or issue any derivative financial instruments for trading purposes and are not a party to leveraged instruments. We manage the credit risks associated with our derivative financial instruments through the evaluation and monitoring of the creditworthiness of the counterparties. Although we may be exposed to losses in the event of nonperformance by the counterparties, we do not expect such losses, if any, to be significant.

We use interest rate exchange agreements ("Swaps") to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. We use interest rate cap agreements ("Caps") to lock in a maximum interest rate should variable rates rise, but enable us to otherwise pay lower market rates. We use interest rate collar agreements ("Collars") to limit our exposure to and benefits from interest rate fluctuations on variable rate debt to within a certain range of rates.

The table set forth below summarizes the fair values and contract terms of financial instruments subject to interest rate risk maintained by us as of December 31, 2001 (dollars in millions):

	2002	2003	Expected Maturity Date			Thereafter	Total	Fair Value at 12/31/01
			2004	2005	2006			
Debt								
Fixed Rate.....	\$210.6	\$11.9	\$330.9	\$708.7	\$653.1	\$8,656.4	\$10,571.6	\$10,928.4
Average Interest Rate.....	9.6%	8.6%	7.6%	8.4%	7.0%	5.8%	6.2%	
Variable Rate.....	\$249.6	\$61.3	\$0.1	\$1,317.5	\$0.1	\$1.6	\$1,630.2	\$1,630.2
Average Interest Rate.....	2.4%	3.4%	5.8%	5.2%	6.9%	6.9%	4.7%	
Interest Rate Instruments								
Variable to Fixed Swaps.....	\$178.6	\$71.7					\$250.3	(\$5.5)
Average Pay Rate.....	4.8%	4.9%					4.9%	
Average Receive Rate.....	2.0%	3.0%					2.3%	
Fixed to Variable Swaps (1).....			\$300.0		\$300.0	\$350.0	\$950.0	\$46.8
Average Pay Rate.....			5.5%		5.9%	6.8%	6.1%	
Average Receive Rate.....			8.1%		6.4%	7.9%	7.5%	

(1) During January and February 2002, we settled all \$950.0 million notional amount of our Fixed to Variable Swaps and received proceeds of \$56.8 million.

The notional amounts of interest rate instruments, as presented in the table above, are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The estimated fair value approximates the proceeds (costs) to settle the outstanding contracts. We estimate interest rates on variable debt using the average implied forward London Interbank Offer Rate ("LIBOR") rates for the year of maturity based on the yield curve in effect at December 31, 2001, plus the borrowing margin in effect for each credit facility at December 31, 2001. We estimate average receive rates on the Variable to Fixed Swaps using the average implied forward LIBOR rates for the year of maturity based on the yield curve in effect at December 31, 2001. While Swaps, Caps and Collars represent an integral part of our interest rate risk management program, their incremental effect on interest expense for the years ended December 31, 2001, 2000 and 1999 was not significant.

Equity Price Risk Management

During 1999, we entered into cashless collar agreements (the "Equity Collars") covering \$1.365 billion notional amount of our Sprint PCS common stock which we account for at fair value. The Equity Collars limit our exposure to and benefits from price fluctuations in the Sprint PCS common stock. During 2001, \$483.7 million notional amount of Equity Collars matured and we sold or entered into prepaid forward sales of the related Sprint PCS common stock. Refer to Note 6 to our financial statements included in Item 8 for a discussion of our prepaid forward sales of Sprint PCS common stock. The remaining \$881.0 million notional amount of Equity Collars mature between 2002 and 2003. As we had accounted for the Equity Collars as a hedge, changes in the value of the Equity Collars were substantially offset by changes in the value of the Sprint PCS common stock which were also marked to market through accumulated other comprehensive income in our balance sheet through December 31, 2000.

In connection with the adoption of Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, on January 1, 2001, we reclassified our investment in Sprint PCS from an available for sale security to a trading security. During 2001, the increase in the fair value of our investment in Sprint PCS common stock of \$284.4 million was partially offset by the decrease in the fair value of the Equity Collars and the increase in the fair value of the derivative components of the ZONES and prepaid forward sales. See "Results of Operations - Investment Income" below.

Accumulated Other Comprehensive Income

The change in accumulated other comprehensive income from December 31, 2000 to December 31, 2001 is principally related to realized gains and losses on our investments classified as available for sale, and reclassification adjustments related to the effects of adoption of SFAS No. 133. The change in accumulated other comprehensive income from December 31, 1999 to December 31, 2000 is principally related to the decline in unrealized gains on our investments classified as available

for sale held throughout the year.

Contractual Cash Obligations and Commitments

In January 2002, the Securities and Exchange Commission ("SEC") issued Financial Reporting Release No. 61, "Commission Statement about Management's Discussion and Analysis of Financial Condition and Results of Operations" ("FRR No. 61"). While FRR No. 61 does not create new or modify existing requirements, it does set forth certain views of the SEC regarding disclosure that should be considered by registrants. Among other things, FRR No. 61 encourages registrants to provide disclosure in one place, within Management's Discussion and Analysis of Financial Condition and Results of Operations, of the on and off balance sheet arrangements that may affect liquidity and capital resources. As there is no prescribed format for this disclosure, we have segregated our arrangements that may affect liquidity and capital resources between those contractual cash obligations that are recorded in our financial statements and those commitments that are disclosed in the notes to our financial statements in accordance with accounting principles generally accepted in the United States. Future rulemaking by the SEC could result in the form and content of this disclosure being different from the information that we have presented below. The following tables summarize our obligations and commitments as of December 31, 2001, and the effect such obligations and commitments are expected to have on our liquidity and cash flow in future periods.

	Total	Payments Due by Period			
		Less than 1 year	1 - 3 years	4 - 5 years	After 5 years
(dollars in millions)					
Contractual Cash Obligations					
Long-term debt (1).....	\$12,201.8	\$460.2	\$404.2	\$2,679.4	\$8,658.0
Other long-term obligations (2).....	437.4	138.9	179.3	26.5	92.7
Total contractual cash obligations.....	\$12,639.2	\$599.1	\$583.5	\$2,705.9	\$8,750.7
Commitments					
Operating leases (3).....	\$487.9	\$98.6	\$146.8	\$93.9	\$148.6
Programming agreements (4).....	844.0	95.4	166.6	168.4	413.6
Professional sports contracts (5).....	403.3	122.5	193.3	79.5	8.0
Guarantees (6).....	75.0		75.0		
Total commitments.....	\$1,810.2	\$316.5	\$581.7	\$341.8	\$570.2

- (1) The table presents maturities of long-term debt outstanding, including capital lease obligations, as of December 31, 2001. Refer to Note 7 to our financial statements included in Item 8 for a description of our long-term debt.
- (2) Other long-term obligations consist principally of the Company's deferred compensation obligations, post-retirement and post-employment benefit obligations, and program rights payable under license agreements.
- (3) Operating leases include the Company's minimum annual rental commitments for office space, equipment and transponder service agreements under noncancellable operating leases.
- (4) Certain of the Company's programming networks (CSN, CSN Mid-Atlantic, CSS, E!, TGC, OLN and G4) have entered into license agreements for programs and sporting events which will be available for telecast subsequent to December 31, 2001. Programming agreements represent the Company's minimum aggregate commitments under these agreements.
- (5) The Company, through Comcast Spectacor, has employment agreements with both players and coaches of its professional sports teams. Certain of these employment agreements, which provide for payments that are guaranteed regardless of employee injury or termination, are covered by disability insurance if certain conditions are met. Professional sports contracts represent the Company's future commitments under these contracts.
- (6) In connection with a license awarded to an affiliate, the Company is contingently liable in the event of nonperformance by the affiliate to reimburse a bank which has provided a performance guarantee. Refer to Note 11 to our financial statements included in Item 8 for a description of this contingency.

Statement of Cash Flows

Cash and cash equivalents decreased \$301.5 million as of December 31, 2001 from December 31, 2000. The decrease in cash and cash equivalents resulted from cash flows from operating, financing and investing activities as explained below.

Net cash provided by operating activities from continuing operations amounted to \$1.230 billion for the year ended December 31, 2001, due principally to our operating income before depreciation and amortization (see "Results of Operations"), offset by changes in working capital as a result of the timing of receipts and disbursements and the effects of net interest and current income tax expense.

Net cash provided by financing activities from continuing operations includes borrowings and repayments of debt, as well as the issuances and repurchases of our equity securities. Net cash provided by financing activities from continuing operations was \$1.476 billion for the year ended December 31, 2001. During 2001, we borrowed \$5.686 billion, consisting of:

- o \$2.991 billion from Comcast Cable's senior notes offerings,
- o \$1.470 billion under Comcast Cable's commercial paper program,
- o \$1.075 billion under revolving credit facilities, and
- o \$150.3 million from our Zero Coupon Debentures offering.

During 2001, we repaid \$4.188 billion of our long-term debt, consisting of:

- o \$2.396 billion under Comcast Cable's commercial paper program,
- o \$1.612 billion on certain of our revolving credit facilities,
- o \$109.6 million of our senior subordinated debentures, and
- o \$70.3 million of our Zero Coupon Debentures.

In addition, during 2001, we received proceeds of \$27.2 million related to issuances of our common stock, we repurchased \$27.1 million of our common stock, and we incurred \$22.5 million of deferred financing costs.

Net cash used in investing activities from continuing operations includes the effects of acquisitions, net of cash acquired, purchases of investments, capital expenditures and additions to intangible assets, offset by proceeds from sales of investments. Net cash used in investing activities from continuing operations was \$3.007 billion for the year ended December 31, 2001.

During 2001, acquisitions, net of cash acquired, amounted to \$1.329 billion, consisting primarily of:

- o \$518.7 million for the cable system serving Baltimore City,
- o \$305.9 million for a controlling interest in The Golf Channel, and
- o \$396.8 million for the acquisition of Outdoor Life Network.

Results of Operations

The effects of our recent acquisitions were to increase our revenues and expenses, resulting in increases in our operating income before depreciation and amortization. The increases in our property and equipment, intangible assets and long-term debt, and the corresponding increases in depreciation expense, amortization expense and interest expense from 2000 to 2001 and from 1999 to 2000 are primarily due to the effects of our acquisitions, our cable systems exchanges and our increased levels of capital expenditures.

Refer to Notes 5 and 10 to our financial statements included in Item 8 for a discussion of our acquisitions and cable systems exchanges, and of the effect of these transactions on our balance sheet.

We adopted SFAS No. 142, "Goodwill and Other Intangible Assets," on January 1, 2002, as required by the new statement. We refer you to page 36 for a discussion of the expected impact the adoption of the new statement will have on our consolidated financial condition and results of operations.

Our summarized consolidated financial information for the three years ended December 31, 2001 is as follows (dollars in millions, "NM" denotes percentage is not meaningful):

	Year Ended December 31,		Increase/(Decrease)	
	2001	2000	\$	%
Revenues.....	\$9,674.2	\$8,218.6	\$1,455.6	17.7%
Cost of goods sold from electronic retailing.....	2,514.0	2,284.9	229.1	10.0
Operating, selling, general and administrative expenses.....	4,458.4	3,463.4	995.0	28.7
Depreciation.....	1,141.8	837.3	304.5	36.4
Amortization.....	2,306.2	1,794.0	512.2	28.6
Operating loss.....	(746.2)	(161.0)	585.2	363.5
Interest expense.....	(731.8)	(691.4)	40.4	5.8
Investment income.....	1,061.7	983.9	77.8	7.9
Income related to indexed debt.....		666.0	(666.0)	(100.0)
Equity in net losses of affiliates.....	(28.5)	(21.3)	7.2	33.8
Other income.....	1,301.0	2,825.5	(1,524.5)	(54.0)
Income tax expense.....	(470.2)	(1,441.3)	(971.1)	(67.4)
Minority interest.....	(160.4)	(115.3)	45.1	39.1
Income from continuing operations before extraordinary items and cumulative effect of accounting change.....	\$225.6	\$2,045.1	(\$1,819.5)	(89.0%)
Operating income before depreciation and amortization (1)	\$2,701.8	\$2,470.3	\$231.5	9.4%

	Year Ended December 31,		Increase/(Decrease)	
	2000	1999	\$	%
Revenues.....	\$8,218.6	\$6,529.2	\$1,689.4	25.9%
Cost of goods sold from electronic retailing.....	2,284.9	2,060.0	224.9	10.9
Operating, selling, general and administrative expenses.....	3,463.4	2,589.2	874.2	33.8
Depreciation.....	837.3	572.0	265.3	46.4
Amortization.....	1,794.0	644.0	1,150.0	178.6
Operating income (loss).....	(161.0)	664.0	(825.0)	NM
Interest expense.....	(691.4)	(538.3)	153.1	28.4
Investment income.....	983.9	629.5	354.4	56.3
Income (expense) related to indexed debt.....	666.0	(666.0)	1,332.0	NM
Equity in net income (losses) of affiliates.....	(21.3)	1.4	(22.7)	NM
Other income.....	2,825.5	1,409.4	1,416.1	100.5
Income tax expense.....	(1,441.3)	(723.7)	717.6	99.2
Minority interest.....	(115.3)	4.6	(119.9)	NM
Income from continuing operations before extraordinary items.....	\$2,045.1	\$780.9	\$1,264.2	161.9%
Operating income before depreciation and amortization (1)	\$2,470.3	\$1,880.0	\$590.3	31.4%

(1) Operating income before depreciation and amortization is commonly referred to in our businesses as "operating cash flow." Operating cash flow is a measure of a company's ability to generate cash to service its obligations, including debt service obligations, and to finance capital and other expenditures. In part due to the capital intensive nature of our businesses and the resulting significant level of non-cash depreciation and amortization expense, operating cash flow is frequently used as one of the bases for comparing businesses in our industries, although our measure of operating cash flow may not be comparable to similarly titled measures of other companies. Operating cash flow is the primary basis used by our management to measure the operating performance of our businesses. Operating cash flow does not purport to represent net income or net cash provided by operating activities, as those terms are defined under generally accepted accounting principles, and should not be considered as an alternative to such measurements as an indicator of our performance. See "Statement of Cash Flows" above for a discussion of net cash provided by operating activities.

Consolidated Operating Results

Revenues

The increases in consolidated revenues from 2000 to 2001 and from 1999 to 2000 are primarily attributable to increases in service revenues in our Cable segment and to increases in net sales in our Commerce segment (see "Operating Results by Business Segment" below). The remaining increases are primarily the result of increases in revenues from our content operations, principally due to growth in our historical operations and the effects of our acquisitions in 2001.

Cost of goods sold from electronic retailing

Refer to the "Commerce" section of "Operating Results by Business Segment" below for a discussion of the increases in cost of goods sold from electronic retailing.

Operating, selling, general and administrative expenses

The increases in consolidated operating, selling, general and administrative expenses from 2000 to 2001 and from 1999 to 2000 are primarily attributable to increases in expenses in our Cable segment and, to a lesser extent, to increases in expenses in our Commerce segment (see "Operating Results by Business Segment" below). The remaining increases are primarily the result of increased expenses in our content operations, principally due to growth in our historical operations and the effects of our acquisitions in 2001.

Depreciation and amortization

The increases in depreciation expense and amortization expense from 2000 to 2001 and from 1999 to 2000 in our Cable segment are primarily due to the effects of our recent acquisitions, our cable systems exchanges and our increased levels of capital expenditures. The increases in depreciation expense and amortization expense from 2000 to 2001 and from 1999 to 2000 in our Commerce segment are primarily due to the effects of our increased levels of capital expenditures. The remaining increases in depreciation expense and amortization expense from 2000 to 2001 are primarily the result of increases in depreciation and amortization in our content operations, principally due to the effects of our acquisitions and increased levels of capital expenditures. The remaining increases in depreciation expense and amortization expense from 1999 to 2000 are principally due to the effects of our increased levels of capital expenditures.

Operating Results by Business Segment

The following represent the operating results of our significant business segments, "Cable" and "Commerce." Our regional sports programming networks, which consist of Comcast SportsNet ("CSN"), Comcast SportsNet Mid-Atlantic ("CSN Mid-Atlantic") and Comcast Sports Southeast ("CSS"), derive a substantial portion of their revenues from our cable operations. In 2001, as a result of a change in our internal reporting structure, our regional sports programming networks are now included in our Cable segment for all periods presented. Except for the effects of our acquisitions, the change did not have a significant effect on the comparisons of our operating results for the periods presented. The remaining components of our operations are not independently significant to our consolidated financial condition or results of operations. Refer to Note 12 to our financial statements included in Item 8 for a summary of our financial data by business segment.

Cable

The following table presents financial information for the three years ended December 31, 2001 for our Cable segment (dollars in millions):

	Year Ended December 31,		Increase	
	2001	2000	\$	%
Video.....	\$4,278.2	\$3,651.3	\$626.9	17.2%
High-speed Internet.....	294.3	114.4	179.9	157.3
Advertising sales.....	325.3	290.2	35.1	12.1
Other.....	232.9	152.6	80.3	52.6
Revenues.....	5,130.7	4,208.5	922.2	21.9
Operating, selling, general and administrative expenses.....	3,076.6	2,305.1	771.5	33.5
Operating income before depreciation and amortization (a).....	\$2,054.1	\$1,903.4	\$150.7	7.9%

	Year Ended December 31,		Increase	
	2000	1999	\$	%
Video.....	\$3,651.3	\$2,588.9	\$1,062.4	41.0%
High-speed Internet.....	114.4	44.5	69.9	157.1
Advertising sales.....	290.2	190.3	99.9	52.5
Other.....	152.6	146.2	6.4	4.4
Revenues.....	4,208.5	2,969.9	1,238.6	41.7
Operating, selling, general and administrative expenses.....	2,305.1	1,611.9	693.2	43.0
Operating income before depreciation and amortization (a).....	\$1,903.4	\$1,358.0	\$545.4	40.2%

(a) See footnote (1) on page 30.

Video revenue consists of our basic, expanded basic, premium, pay-per-view, equipment and digital subscriptions. Of the \$626.9 million and \$1.062 billion increases in video revenues from 2000 to 2001 and from 1999 to 2000, \$339.2 million and \$918.0 million are attributable to the effects of our acquisitions and exchanges of cable systems and \$287.7 million and \$144.4 million relate to changes in rates and subscriber growth in our historical operations, driven principally by growth in digital subscriptions, and to a lesser extent, to the effects of a higher-priced digital service offering made in the second half of 2000. During 2001, 2000 and 1999, through acquisitions and normal operations, we added approximately 982,000, 839,000 and 437,000 digital subscriptions, respectively.

The increases in high-speed Internet revenue from 2000 to 2001 and from 1999 to 2000 are primarily due to the addition of high-speed Internet subscribers. During 2001, 2000 and 1999, through acquisitions and normal operations, we added approximately 548,000, 258,000 and 91,000 high-speed Internet subscribers, respectively (see below).

The increase in advertising sales revenue from 2000 to 2001 is attributable to the effects of new advertising contracts, market-wide fiber interconnects and the continued leveraging of our existing fiber networks, helping to offset an otherwise weak advertising environment. Approximately one-half of the increase from 1999 to 2000 in advertising sales revenue is attributable to the effects of our acquisition of Lenfest Communications, Inc. in January 2000, with the remaining increase attributable to the effects of the 2000 political campaigns and increased cable viewership.

Other revenue includes installation revenues, guide revenues, commissions from electronic retailing, revenues of our regional sports programming networks and revenue from other product offerings. The increase from 2000 to 2001 in other revenue is primarily attributable to the effects of our acquisition of Home Team Sports (now known as CSN Mid-Atlantic), with the remaining increase attributable to growth in our historical operations. The increase from 1999 to 2000 is primarily attributable to growth in our historical operations.

On September 28, 2001, At Home Corporation ("At Home"), our provider of high-speed Internet services, filed for protection under Chapter 11 of the U.S. Bankruptcy Code. In October 2001, we amended our agreement with At Home to continue service to our existing and new subscribers during October and November 2001. We agreed to be charged a higher rate than we had incurred under our previous agreement. On December 3, 2001, we reached a definitive agreement, approved by the Bankruptcy Court, with At Home pursuant to which At Home agreed to continue to provide high-speed Internet services to our existing and new subscribers through February 28, 2002. In December 2001, we began to transfer our high-speed Internet subscribers from the At Home network to our new Comcast-owned and managed network. We completed this transition in February 2002. Operating expenses in our consolidated statement of operations for the year ended December 31, 2001 include \$139.5 million of net incremental expenses incurred in the fourth quarter of 2001 in the continuation of service to and transition of our high-speed Internet subscribers from At Home's network to our network.

The remaining increases from 2000 to 2001 and the increases from 1999 to 2000 in operating, selling, general and administrative expenses are primarily due to the effects of our acquisitions and exchanges of cable systems, as well as to the effects of increases in the costs of cable programming, high-speed Internet subscriber growth, and, to a lesser extent, increases in labor costs and other volume related expenses in our historical operations.

Our cost of programming increases as a result of changes in rates, subscriber growth, additional channel offerings and our acquisitions and exchanges of cable systems. We anticipate the cost of cable programming will increase in the future as cable programming rates increase and additional sources of cable programming become available.

Commerce

The following table sets forth the operating results for our Commerce segment, which consists of QVC, Inc. and subsidiaries (dollars in millions):

	Year Ended December 31,		Increase	
	2001	2000	\$	%
Net sales from electronic retailing.....	\$3,917.3	\$3,535.9	\$381.4	10.8%
Cost of goods sold from electronic retailing.....	2,514.0	2,284.9	229.1	10.0
Operating, selling, general and administrative expenses.....	681.0	631.8	49.2	7.8
Operating income before depreciation and amortization (a).....	\$722.3	\$619.2	\$103.1	16.7%
Gross margin.....	35.8%	35.4%		

	Year Ended December 31,		Increase	
	2000	1999	\$	%
Net sales from electronic retailing.....	\$3,535.9	\$3,167.4	\$368.5	11.6%
Cost of goods sold from electronic retailing.....	2,284.9	2,060.0	224.9	10.9
Operating, selling, general and administrative expenses.....	631.8	568.6	63.2	11.1
Operating income before depreciation and amortization (a).....	\$619.2	\$538.8	\$80.4	14.9%
Gross margin.....	35.4%	35.0%		

(a) See footnote (1) on page 30.

Of the \$381.4 million and \$368.5 million increases in net sales from electronic retailing from 2000 to 2001 and from 1999 to 2000, \$332.1 million and \$358.3 million, respectively, is attributable to increases in net sales in the United States. This growth is principally the result of increases in the average number of homes receiving QVC services and in net sales per home as follows:

	Year Ended December 31,	
	2001	2000

Increase in average number of homes in U.S.....	3.8%	4.7%
Increase in net sales per home in U.S.....	6.5%	8.1%

It is unlikely that the number of homes receiving the QVC service domestically will continue to grow at rates comparable to prior periods given that the QVC service is already received by approximately 94% of all U.S. cable television homes and substantially all satellite television homes in the U.S. Future growth in sales will depend increasingly on continued additions of new customers from homes already receiving the QVC service and continued growth in repeat sales to existing customers.

The remaining increases of \$49.3 million and \$10.2 million in net sales from electronic retailing from 2000 to 2001 and from 1999 to 2000 are primarily attributable to increases in net sales in Germany and Japan offset, in part, by decreases in net sales in the United Kingdom, and to the effects of fluctuations in foreign currency exchange rates during the periods.

The increases in cost of goods sold from 2000 to 2001 and from 1999 to 2000 are primarily related to the growth in net sales. The increases in gross margin are primarily due to the effects of increases in product margins across all product categories, as well as to the effects of a shift in sales mix.

The increases in operating, selling, general and administrative expenses from 2000 to 2001 and from 1999 to 2000 are primarily attributable to higher variable costs and personnel costs associated with the increase in sales volume.

Consolidated Analysis

Interest Expense

The increase in interest expense from 2000 to 2001 is primarily due to the increase in our net borrowings. The increase in interest expense from 1999 to 2000 is primarily due to the effects of our acquisitions of Lenfest in January 2000 and Jones Intercable in April 1999 and the issuance of the ZONES in October and November 1999, offset, in part, by the net effects of our borrowings and repayments and retirements of debt.

We anticipate that, for the foreseeable future, interest expense will be a significant cost to us. We believe we will continue to be able to meet our obligations through our ability both to generate operating income before depreciation and amortization and to obtain external financing.

Investment Income

Investment income includes the following (in millions):

	Year Ended December 31,		
	2001	2000	1999
Interest and dividend income.....	\$76.5	\$171.6	\$172.5
Gains on sales and exchanges of investments, net.....	485.2	886.7	510.6
Investment impairment losses.....	(972.4)	(74.4)	(35.5)
Reclassification of unrealized gains.....	1,330.3		
Unrealized gain on Sprint PCS common stock.....	284.4		
Mark to market adjustments on derivatives related to Sprint PCS common stock.....	(184.6)		
Mark to market adjustments on derivatives and hedged items.....	42.3		
Settlement of call options.....			(18.1)
Investment income.....	<u>\$1,061.7</u>	<u>\$983.9</u>	<u>\$629.5</u>

The investment impairment loss for the year ended December 31, 2001 relates principally to an other than temporary decline in the Company's investment in AT&T, a portion of which was exchanged on April 30, 2001.

During the year ended December 31, 2001, we wrote-off our investment in At Home common stock based upon a decline in the investment that was considered other than temporary. In connection with the realization of this impairment loss, we reclassified to investment income the accumulated unrealized gain of \$237.9 million on our investment in At Home common stock which was previously recorded as a component of accumulated other comprehensive income. We recorded this accumulated unrealized gain prior to our designation of our right under a stockholders' agreement as a hedge of our investment in the At Home common stock.

In connection with the reclassification of our investment in Sprint PCS from an available for sale security to a trading security, we reclassified to investment income the accumulated unrealized gain of \$1.092 billion on our investment in Sprint PCS which was previously recorded as a component of accumulated other comprehensive income.

Income (Expense) Related to Indexed Debt

Prior to the adoption of SFAS No. 133 on January 1, 2001, we accounted for the ZONES as an indexed debt instrument since the maturity value is dependent upon the fair value of Sprint PCS common stock. During the years ended December 31, 2000 and 1999, we recorded income (expense) related to indexed debt of \$666.0 million and (\$666.0) million, respectively, to reflect the fair value of the underlying Sprint PCS stock.

Equity in Net Income (Losses) of Affiliates

The changes in equity in net losses of affiliates from 2000 to 2001 and from 1999 to 2000 are primarily attributable to the effects of our additional investments, as well as the effects of changes in the net income or loss of our equity method investees.

Other Income

On October 30, 2001, we acquired from Fox Entertainment Group, Inc. ("Fox Entertainment") the approximate 83.2% interest in Outdoor Life Network ("OLN") not previously owned by us. Upon closing of the acquisition, we exchanged our 14.5% interest in Speedvision Network ("SVN"), together with a previously made loan, for Fox Entertainment's interest in OLN. In connection with the exchange of our interest in SVN, we recorded a pre-tax gain of \$106.7 million, representing the difference between the estimated fair value of our interest in SVN as of the closing date of the transaction and our cost basis in SVN.

On January 1, 2001, we completed our cable systems exchange with Adelphia Communications Corporation ("Adelphia"). We received cable systems serving approximately 445,000 subscribers from Adelphia in exchange for certain of our cable systems serving approximately 441,000 subscribers. We recorded a pre-tax gain of \$1.199 billion, representing the difference between the estimated fair value of \$1.799 billion as of the closing date of the transaction and our cost basis in the systems exchanged.

On December 31, 2000, we completed our cable systems exchange with AT&T. We received cable systems serving approximately 770,000 subscribers from

AT&T in exchange for certain of our cable systems serving approximately 700,000 subscribers. We recorded a pre-tax gain of \$1.711 billion, representing the difference between the estimated fair value of \$2.840 billion as of the closing date of the transaction and our cost basis in the systems exchanged.

In August 2000, we obtained the right to exchange our At Home Series A Common Stock with AT&T and we waived certain of our At Home Board level and shareholder rights under a stockholders' agreement. We also agreed to cause our existing appointee to the At Home Board of Directors to resign. In connection with the transaction, we recorded a pre-tax gain of \$1.045 billion, representing the estimated fair value of the investment as of the closing date.

In August 2000, we exchanged all of the capital stock of a wholly owned subsidiary which held certain wireless licenses for approximately 3.2 million shares of AT&T common stock. In connection with the exchange, we recognized a pre-tax gain of \$98.1 million, representing the difference between the fair value of the AT&T shares received of \$100.0 million and our cost basis in the subsidiary.

In May 1999, we received a \$1.5 billion termination fee as liquidated damages from MediaOne Group, Inc. ("MediaOne") as a result of MediaOne's termination of its Agreement and Plan of Merger with us dated March 1999. The termination fee, net of transaction costs, was recorded to other income.

Income Tax Expense

The changes in income tax expense from 2000 to 2001 and from 1999 to 2000 are primarily the result of the effects of changes in our income before taxes and minority interest, and non-deductible goodwill amortization.

Minority Interest

The increase in minority interest from 2000 to 2001 is primarily attributable to the effects of changes in the net income or loss of our less than 100% owned consolidated subsidiaries. The change in minority interest from 1999 to 2000 is attributable to the effects of our acquisition of a controlling interest in Jones Intercable, Inc. in April 1999, our acquisition of the California Public Employees Retirement System's 45% interest in Comcast MHCP Holdings, L.L.C. in February 2000, and to the effects of changes in the net income or loss of our less than 100% owned consolidated subsidiaries.

Extraordinary Items

Extraordinary items for the years ended December 31, 2001, 2000 and 1999 consist of unamortized debt issue costs and debt extinguishment costs, net of related tax benefits, expensed in connection with the redemption and refinancing of certain indebtedness.

Cumulative Effect of Accounting Change

Upon adoption of SFAS No. 133, we recognized as income a cumulative effect of accounting change, net of related income taxes, of \$384.5 million during the year ended December 31, 2001. The income consisted of a \$400.2 million adjustment to record the debt component of our ZONES at a discount from its value at maturity and \$191.3 million principally related to the reclassification of gains previously recognized as a component of accumulated other comprehensive income on our equity derivative instruments, net of related deferred income taxes of \$207.0 million.

We believe that our operations are not materially affected by inflation.

Expected Impact of Adoption of SFAS No. 142

The Financial Accounting Standards Board ("FASB") issued SFAS No. 142, "Goodwill and Other Intangible Assets," in June 2001. This statement addresses how intangible assets that are acquired individually or with a group of other assets other than in connection with a business combination should be accounted for in financial statements upon their acquisition. The new statement also addresses how goodwill and other intangible assets should be accounted for after they have been initially recognized in the financial statements.

We adopted SFAS No. 142 on January 1, 2002, as required by the new statement. Upon adoption, we will no longer amortize goodwill and other indefinite lived intangible assets, which consist primarily of our cable franchise operating rights. We will be required to test our goodwill and intangible assets that are determined to have an indefinite life for impairment at least annually. Other than in the period of adoption or in those periods in which we may record an asset impairment, we expect that the adoption of SFAS No. 142 will result in increased income as a result of reduced amortization expense.

The Emerging Issues Task Force ("EITF") of the FASB is expected to provide further guidance on certain implementation issues related to the adoption of SFAS No. 142 as it relates to identifiable intangible assets other than goodwill. Subject to further guidance to be provided,

based upon our interpretation of SFAS No. 142, we may record a charge as a cumulative effect of accounting change, net of related deferred income taxes, in an amount not expected to exceed \$1.5 billion upon adoption of SFAS No. 142 on January 1, 2002.

Based on our preliminary evaluation, the estimated effect of adoption of SFAS No. 142 would have been to decrease amortization expense by approximately \$2.0 billion and to increase deferred income tax expense by approximately \$600 million for the year ended December 31, 2001.

Expected Impact of Adoption of EITF 01-9

In November 2001, the EITF reached a consensus on EITF 01-9, "Accounting for Consideration Given to a Customer (Including a Reseller of the Vendor's Products)." EITF 01-9 requires, among other things, that consideration paid to customers should be classified as a reduction of revenue unless certain criteria are met. Certain of our content subsidiaries have paid or may pay distribution fees to cable television and satellite broadcast systems for carriage of their programming. We currently classify the amortization of these distribution fees as expense in our statement of operations. Upon adoption of EITF 01-9 on January 1, 2002, we will reclassify certain of these distribution fees from expense to a revenue reduction for all periods presented in our statement of operations. The change in classification will have no impact on our reported operating loss or financial condition and will not have a significant impact on our revenues. Refer to Note 3 to our financial statements included in Item 8 for the effect of adoption of EITF 01-9 on our results of operations.

Expected Impact of Adoption of EITF 01-14

In November 2001, the FASB staff announced EITF Topic D-103, "Income Statement Characterization of Reimbursements Received for 'Out-of-Pocket' Expenses Incurred," which has subsequently been recharacterized as EITF Issue No. 01-14 ("EITF 01-14"). EITF 01-14 requires that reimbursements received for out-of-pocket expenses incurred be characterized as revenue in the statement of operations.

Under the terms of our franchise agreements, we are required to pay up to 5% of our gross revenues derived from providing cable services to the local franchising authority. We normally pass these fees through to our cable subscribers. We currently classify cable franchise fees collected from our cable subscribers as a reduction of the related franchise fee expense included within selling, general and administrative expenses in our statement of operations.

EITF 01-14, by analogy, applies to franchise fees. Upon adoption of EITF 01-14 on January 1, 2002, we will reclassify franchise fees collected from cable subscribers from a reduction of selling, general and administrative expenses to a component of service revenues in our statement of operations. The change in classification will have no impact on our reported operating income (loss) or financial condition. Refer to Note 3 to our financial statements included in Item 8 for the effect of adoption of EITF 01-14 on our results of operations.

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

We have audited the accompanying consolidated balance sheet of Comcast Corporation and its subsidiaries (the "Company") as of December 31, 2001 and 2000, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Comcast Corporation and its subsidiaries as of December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Notes 2 and 3 to the consolidated financial statements, the Company adopted Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, effective January 1, 2001.

Deloitte & Touche LLP

Philadelphia, Pennsylvania
February 5, 2002

COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

(Dollars in millions, except share data)

	December 31,	
	2001	2000
	-----	-----
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents.....	\$350.0	\$651.5
Investments.....	2,623.2	3,059.7
Accounts receivable, less allowance for doubtful accounts of \$153.9 and \$141.7.....	967.4	891.9
Inventories, net.....	454.5	438.5
Other current assets.....	153.7	102.8
	-----	-----
Total current assets.....	4,548.8	5,144.4
	-----	-----
INVESTMENTS.....	1,679.2	2,661.9
	-----	-----
PROPERTY AND EQUIPMENT, net of accumulated depreciation of \$2,725.7 and \$1,873.1.....	7,011.1	5,519.9
	-----	-----
INTANGIBLE ASSETS		
Goodwill.....	7,507.3	6,945.1
Cable franchise operating rights.....	20,167.8	17,545.5
Other intangible assets.....	2,833.4	1,485.6
	-----	-----
Accumulated amortization.....	(5,999.2)	(3,908.7)
	-----	-----
24,509.3	24,509.3	22,067.5
	-----	-----
OTHER NONCURRENT ASSETS, net.....	383.4	350.8
	-----	-----
	\$38,131.8	\$35,744.5
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable.....	\$698.2	\$813.2
Accrued expenses and other current liabilities.....	1,695.5	1,576.5
Deferred income taxes.....	275.4	789.9
Current portion of long-term debt.....	460.2	293.9
	-----	-----
Total current liabilities.....	3,129.3	3,473.5
	-----	-----
LONG-TERM DEBT, less current portion.....	11,741.6	10,517.4
	-----	-----
DEFERRED INCOME TAXES.....	6,375.7	5,786.7
	-----	-----
OTHER NONCURRENT LIABILITIES.....	1,532.0	1,108.6
	-----	-----
MINORITY INTEREST.....	880.2	717.3
	-----	-----
COMMITMENTS AND CONTINGENCIES (NOTE 11)		
COMMON EQUITY PUT OPTIONS.....		54.6
	-----	-----
STOCKHOLDERS' EQUITY		
Preferred stock - authorized, 20,000,000 shares 5.25% series B mandatorily redeemable convertible, \$1,000 par value; issued, zero and 59,450 at redemption value.....		59.5
Class A special common stock, \$1 par value - authorized, 2,500,000,000 shares; issued, 937,256,465 and 931,340,103; outstanding, 913,931,554 and 908,015,192.....	913.9	908.0
Class A common stock, \$1 par value - authorized, 200,000,000 shares; issued, 21,829,422 and 21,832,250.....	21.8	21.8
Class B common stock, \$1 par value - authorized, 50,000,000 shares; issued, 9,444,375.....	9.4	9.4
Additional capital.....	11,752.0	11,598.8
Retained earnings.....	1,631.5	1,056.5
Accumulated other comprehensive income.....	144.4	432.4
	-----	-----
Total stockholders' equity.....	14,473.0	14,086.4
	-----	-----
	\$38,131.8	\$35,744.5
	=====	=====

See notes to consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS
(Amounts in millions, except per share data)

	Year Ended December 31,		
	2001	2000	1999
REVENUES			
Service revenues.....	\$5,756.9	\$4,682.7	\$3,361.8
Net sales from electronic retailing.....	3,917.3	3,535.9	3,167.4
	9,674.2	8,218.6	6,529.2
COSTS AND EXPENSES			
Operating (excluding depreciation).....	2,905.8	2,212.5	1,663.1
Cost of goods sold from electronic retailing (excluding depreciation).....	2,514.0	2,284.9	2,060.0
Selling, general and administrative.....	1,552.6	1,250.9	926.1
Depreciation.....	1,141.8	837.3	572.0
Amortization.....	2,306.2	1,794.0	644.0
	10,420.4	8,379.6	5,865.2
OPERATING INCOME (LOSS).....	(746.2)	(161.0)	664.0
OTHER INCOME (EXPENSE)			
Interest expense.....	(731.8)	(691.4)	(538.3)
Investment income.....	1,061.7	983.9	629.5
Income (expense) related to indexed debt.....		666.0	(666.0)
Equity in net income (losses) of affiliates.....	(28.5)	(21.3)	1.4
Other income.....	1,301.0	2,825.5	1,409.4
	1,602.4	3,762.7	836.0
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES, MINORITY INTEREST, EXTRAORDINARY ITEMS AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....	856.2	3,601.7	1,500.0
INCOME TAX EXPENSE.....	(470.2)	(1,441.3)	(723.7)
INCOME FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST, EXTRAORDINARY ITEMS AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....	386.0	2,160.4	776.3
MINORITY INTEREST.....	(160.4)	(115.3)	4.6
INCOME FROM CONTINUING OPERATIONS BEFORE EXTRAORDINARY ITEMS AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....	225.6	2,045.1	780.9
GAIN FROM DISCONTINUED OPERATIONS, net of income tax expense of \$166.1.....			335.8
INCOME BEFORE EXTRAORDINARY ITEMS AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....	225.6	2,045.1	1,116.7
EXTRAORDINARY ITEMS.....	(1.5)	(23.6)	(51.0)
CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....	384.5		
NET INCOME.....	608.6	2,021.5	1,065.7
PREFERRED DIVIDENDS.....		(23.5)	(29.7)
NET INCOME FOR COMMON STOCKHOLDERS.....	\$608.6	\$1,998.0	\$1,036.0
BASIC EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE			
Income from continuing operations before extraordinary items and cumulative effect of accounting change.....	\$0.24	\$2.27	\$1.00
Discontinued operations.....			0.45
Extraordinary items.....		(0.03)	(0.07)
Cumulative effect of accounting change.....	0.40		
Net income.....	\$0.64	\$2.24	\$1.38
BASIC WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING.....	949.7	890.7	749.1
DILUTED EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE			
Income from continuing operations before extraordinary items and cumulative effect of accounting change.....	\$0.23	\$2.16	\$0.95
Discontinued operations.....			0.41
Extraordinary items.....		(0.03)	(0.06)
Cumulative effect of accounting change.....	0.40		
Net income.....	\$0.63	\$2.13	\$1.30
DILUTED WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING.....	964.5	948.7	819.9

See notes to consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
(Dollars in millions)

	Year Ended December 31, 2001	2000	1999
	-----	-----	-----
OPERATING ACTIVITIES			
Net income.....	\$608.6	\$2,021.5	\$1,065.7
Adjustments to reconcile net income to net cash provided by operating activities from continuing operations:			
Depreciation.....	1,141.8	837.3	572.0
Amortization.....	2,306.2	1,794.0	644.0
Non-cash interest (income) expense, net.....	40.2	(22.6)	(27.8)
Non-cash (income) expense related to indexed debt.....		(666.0)	666.0
Equity in net (income) losses of affiliates.....	28.5	21.3	(1.4)
Gains on investments and other income, net.....	(2,303.3)	(3,679.3)	(1,917.0)
Minority interest.....	160.4	115.3	(4.6)
Discontinued operations.....			(335.8)
Extraordinary items.....	1.5	23.6	51.0
Cumulative effect of accounting change.....	(384.5)		
Deferred income taxes.....	(240.7)	1,074.6	(73.4)
Other.....	23.6	51.2	41.5
	-----	-----	-----
	1,382.3	1,570.9	680.2
Changes in working capital, net of effects of acquisitions and divestitures			
Increase in accounts receivable, net.....	(15.8)	(195.8)	(89.5)
Increase in inventories, net.....	(16.0)	(35.7)	(91.9)
(Increase) decrease in other current assets.....	(27.1)	13.7	30.7
(Decrease) increase in accounts payable, accrued expenses and other current liabilities.....	(93.9)	(133.8)	719.9
	-----	-----	-----
	(152.8)	(351.6)	569.2
Net cash provided by operating activities from continuing operations.....	-----	-----	-----
	1,229.5	1,219.3	1,249.4
FINANCING ACTIVITIES			
Proceeds from borrowings.....	5,686.4	5,435.3	2,786.6
Retirements and repayments of debt.....	(4,187.7)	(5,356.5)	(1,368.2)
Issuances of common stock and sales of put options on common stock...	27.2	30.5	17.1
Repurchases of common stock.....	(27.1)	(324.9)	(30.7)
Dividends.....			(9.4)
Deferred financing costs.....	(22.5)	(55.8)	(51.0)
Other.....			(3.0)
	-----	-----	-----
Net cash provided by (used in) financing activities from continuing operations.....	-----	-----	-----
	1,476.3	(271.4)	1,341.4
INVESTING ACTIVITIES			
Acquisitions, net of cash acquired.....	(1,329.0)	(187.3)	(755.2)
Proceeds from liquidated damages, net.....			1,460.0
Proceeds from sales of (purchases of) short-term investments, net....	(6.2)	1,028.1	(1,035.5)
Capital contributions to and purchases of investments.....	(317.0)	(1,010.7)	(2,012.2)
Proceeds from sales of investments.....	1,172.8	997.3	599.8
Capital expenditures.....	(2,181.7)	(1,636.8)	(893.8)
Sale of subsidiary, net of cash sold.....			361.1
Additions to intangible and other noncurrent assets.....	(346.2)	(409.2)	(263.5)
	-----	-----	-----
Net cash used in investing activities from continuing operations.	-----	-----	-----
	(3,007.3)	(1,218.6)	(2,539.3)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS - CONTINUING OPERATIONS.....	(301.5)	(270.7)	51.5
CASH AND CASH EQUIVALENTS, beginning of year.....	651.5	922.2	870.7
	-----	-----	-----
CASH AND CASH EQUIVALENTS, end of year.....	\$350.0	\$651.5	\$922.2
	=====	=====	=====

See notes to consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Dollars in millions)

							Accumulated Other Comprehensive Income (Loss)		Total	
	Preferred Stock		Common Stock			Retained Earnings (Accumu- lated Deficit)	Unreal- ized Gains (Losses)	Cumul- ative Translation Adjustments		
	Series A	Series B	Class A Special	Class A	Class B					Additional Capital
BALANCE, JANUARY 1, 1999.....	\$31.9	\$540.7	\$698.4	\$31.7	\$9.4	\$2,941.7	(\$1,488.2)	\$1,049.5	\$0.2	\$3,815.3
Comprehensive income:										
Net income.....							1,065.7			
Unrealized gains on marketable securities, net of deferred taxes of \$2,891.9..								5,370.6		
Reclassification adjustments for gains included in net income, net of deferred taxes of \$161.7....								(300.3)		
Cumulative translation adjustments...									(7.3)	
Total comprehensive income.....										6,128.7
Acquisition.....			8.5			283.2				291.7
Exercise of options.....			2.2			23.7				25.9
Conversion of Series A preferred.....	(31.9)		2.7			29.2				
Retirement of common stock.....				(0.8)		(4.6)	(25.3)			(30.7)
Cash dividends, Series A preferred...						(0.8)				(0.8)
Series B preferred dividends.....		28.9				(28.9)				
Share exchange.....			4.6	(4.9)		172.3	(172.0)			
Temporary equity related to put options.....						111.2				111.2
BALANCE, DECEMBER 31, 1999		569.6	716.4	26.0	9.4	3,527.0	(619.8)	6,119.8	(7.1)	10,341.3
Comprehensive income:										
Net income.....							2,021.5			
Unrealized losses on marketable securities, net of deferred taxes of \$2,789.3..								(5,180.1)		
Reclassification adjustments for gains included in net income, net of deferred taxes of \$266.0....								(494.0)		
Cumulative translation adjustments...									(6.2)	
Total comprehensive loss.....										(3,658.8)
Acquisitions.....			155.7			7,585.2				7,740.9
Exercise of options.....			2.6			53.9	(27.7)			28.8
Retirement of common stock.....			(6.0)	(3.1)		(42.3)	(273.5)			(324.9)
Conversion of Series B preferred.....	(533.6)		38.3			495.3				
Series B preferred dividends.....		23.5				(23.5)				
Share exchange.....			1.0	(1.1)		44.1	(44.0)			
Temporary equity related to put options.....						(40.9)				(40.9)
BALANCE, DECEMBER 31, 2000.....		59.5	908.0	21.8	9.4	11,598.8	1,056.5	445.7	(13.3)	14,086.4
Comprehensive income:										
Net income.....							608.6			
Unrealized gains on marketable securities, net of deferred taxes of \$114.4....								212.5		
Reclassification adjustments for gains included in net income, net of deferred taxes of \$264.4....								(491.1)		
Unrealized losses on effective portion of cash flow hedges, net of deferred taxes of \$0.3.....								(0.6)		
Cumulative translation adjustments...									(8.8)	
Total comprehensive income.....										320.6
Exercise of options.....			2.5			53.3	(17.3)			38.5
Retirement of common stock.....			(0.8)			(10.0)	(16.3)			(27.1)
Conversion of Series B preferred.....	(59.5)		4.2			55.3				
Temporary equity related to put options.....						54.6				54.6
BALANCE, DECEMBER 31, 2001.....	\$	\$	\$913.9	\$21.8	\$9.4	\$11,752.0	\$1,631.5	\$166.5	(\$22.1)	\$14,473.0

See notes to consolidated financial statements.

1. BUSINESS

Comcast Corporation and its subsidiaries (the "Company") is involved in three principal lines of business: cable, commerce and content.

The Company's cable business is principally involved in the development, management and operation of broadband communications networks in the United States ("US"). The Company's consolidated cable operations served approximately 8.5 million subscribers and passed approximately 13.9 million homes as of December 31, 2001.

The Company's commerce operations consist of the Company's consolidated subsidiary, QVC, Inc. and subsidiaries ("QVC"). Through QVC, an electronic retailer, the Company markets a wide variety of products directly to consumers primarily on merchandise-focused television programs. QVC was available, on a full and part-time basis, to approximately 82.1 million homes in the US, approximately 9.5 million homes in the United Kingdom ("UK"), approximately 23.6 million homes in Germany and approximately 3.6 million homes in Japan as of December 31, 2001.

Content is provided through the Company's consolidated subsidiaries including Comcast Spectacor, Comcast SportsNet ("CSN"), Comcast SportsNet Mid-Atlantic ("CSN Mid-Atlantic"), Comcast Sports Southeast ("CSS"), E! Entertainment Television, Inc. ("E! Entertainment"), The Golf Channel ("TGC"), Outdoor Life Network ("OLN") and G4 Media, LLC ("G4 Media"), and through other programming investments (see Note 5).

The Company's cable and commerce operations represent the Company's two reportable segments under accounting principles generally accepted in the United States. The Company's three 24-hour regional sports programming networks, which consist of CSN, CSN Mid-Atlantic and CSS, derive a substantial portion of their revenues from the Company's cable operations. In 2001, as a result of a change in its internal reporting structure, the Company's regional sports programming networks are included in the Company's cable segment for all periods presented. See Note 12 for a summary of the Company's financial data by business segment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and all entities that the Company directly or indirectly controls. All significant intercompany accounts and transactions among consolidated entities have been eliminated.

Management's Use of Estimates

The Company prepares its financial statements in conformity with accounting principles generally accepted in the United States which require management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates. Estimates are used when accounting for certain items such as sales returns and allowances, allowances for doubtful accounts, reserves for inventory obsolescence, investments and derivative financial instruments, depreciation and amortization, asset impairment, non-monetary transactions and contingencies.

Fair Values

The Company has determined the estimated fair value amounts presented in these consolidated financial statements using available market information and appropriate methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. The estimates presented in these consolidated financial statements are not necessarily indicative of the amounts that the Company could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts. The Company based these fair value estimates on pertinent information available

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

to management as of December 31, 2001 and 2000. The Company has not comprehensively updated these fair value estimates for purposes of these consolidated financial statements since such dates.

Cash Equivalents

Cash equivalents consist principally of commercial paper, money market funds, US Government obligations and certificates of deposit with maturities of three months or less when purchased. The carrying amounts of the Company's cash equivalents approximate their fair values.

Inventories - Electronic Retailing

Inventories are stated at the lower of cost or market. Cost is determined by the average cost method, which approximates the first-in, first-out method.

Investments

Investments consist principally of equity securities.

Investments in entities in which the Company has the ability to exercise significant influence over the operating and financial policies of the investee are accounted for under the equity method. Equity method investments are recorded at original cost and adjusted periodically to recognize the Company's proportionate share of the investees' net income or losses after the date of investment, additional contributions made and dividends received. The differences between the Company's recorded investments and its proportionate interests in the book value of the investees' net assets are being amortized to equity in net income or loss, primarily over a period of 20 years, which is consistent with the estimated lives of the underlying assets.

Unrestricted publicly traded investments are classified as available for sale or trading securities and recorded at their fair value. Unrealized gains or losses resulting from changes in fair value between measurement dates for available for sale securities are recorded as a component of other comprehensive income. Unrealized gains or losses resulting from changes in fair value between measurement dates for trading securities are recorded as a component of investment income.

Restricted publicly traded investments and investments in privately held companies are stated at cost, adjusted for any known diminution in value (see Note 6).

Property and Equipment

The Company records property and equipment at cost. Depreciation is provided by the straight-line method over estimated useful lives as follows:

Buildings and improvements.....	4-40 years
Operating facilities.....	2-12 years
Other equipment.....	2-15 years

The Company capitalizes improvements that extend asset lives and expenses other repairs and maintenance charges as incurred. The cost and related accumulated depreciation applicable to assets sold or retired are removed from the accounts and the gain or loss on disposition is recognized as a component of depreciation expense.

The Company capitalizes the costs associated with the construction of cable transmission and distribution facilities and new cable service installations. Costs include all direct labor and materials, as well as certain indirect costs.

Intangible Assets

Goodwill is the excess of the acquisition cost of an acquired entity over the fair value of the identifiable net assets acquired. The Company amortizes goodwill over estimated useful lives ranging principally from 20 to 30 years.

Cable franchise operating rights represent the value attributed to agreements with local authorities that allow access to homes in cable service areas acquired in connection with a business combination. The Company capitalizes these contractual rights and amortizes them over the term of the related franchise agreements. Costs incurred by the Company in negotiating and renewing franchise agreements are included in other intangible assets and are amortized on a straight-line basis over the term of the franchise renewal period, generally 10 to 15 years.

Other intangible assets consist principally of cable and satellite television distribution rights, cable system franchise renewal costs, contractual operating rights, computer software, programming costs and rights, license acquisition costs and non-competition agreements. The Company capitalizes these costs and amortizes them on a straight-line basis over the term of the related agreements or estimated useful life.

Certain of the Company's content subsidiaries and QVC have entered into multi-year affiliation agreements with various cable and satellite system operators for carriage of their respective programming. The Company capitalizes cable or satellite distribution rights and amortizes them on a straight-line basis over the term of the related distribution agreements of 5 to 15 years.

See Note 3 for a discussion of the expected impact of adoption of Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations" ("SFAS No. 141") and SFAS No. 142, "Goodwill and Other Intangible Assets" ("SFAS No. 142").

Valuation of Long-Lived Assets

The Company periodically evaluates the recoverability of its long-lived assets, including property and equipment and intangible assets, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such evaluations include analyses based on the cash flows generated by the underlying assets, profitability information, including estimated future operating results, trends or other determinants of fair value. If the total of the expected future undiscounted cash flows is less than the carrying amount of the asset, a loss is recognized for the difference between the fair value and the carrying value of the asset. Unless presented separately, the loss is included as a component of either depreciation expense or amortization expense, as appropriate.

Foreign Currency Translation

The Company translates assets and liabilities of its foreign subsidiaries, where the functional currency is the local currency, into US dollars at the December 31 exchange rate and records the related translation adjustments as a component of other comprehensive income. The Company translates revenues and expenses using average exchange rates prevailing during the year. Foreign currency transaction gains and losses are included in other income (expense).

Revenue Recognition

The Company recognizes video, high-speed Internet, and programming revenues as service is provided. The Company manages credit risk by disconnecting services to cable and high-speed Internet customers who are delinquent. The Company recognizes advertising sales revenue at estimated realizable values when the advertising is aired. Revenues derived from other sources are recognized when services are provided or events occur.

The Company recognizes net sales from electronic retailing at the time of shipment to customers. The Company classifies all amounts billed to a customer for shipping and handling within net sales from electronic retailing. The Company's policy is to allow customers to return merchandise for up to thirty days after date of shipment. An allowance for returned merchandise is provided as a percentage of sales based on historical experience.

See Note 3 for a discussion of the expected impact of adoption of Emerging Issues Task Force ("EITF") 01-9, "Accounting for Consideration Given to a Customer (Including a Reseller of the Vendor's Products)" ("EITF 01-9") and EITF 01-14, "Income Statement Characterization of Reimbursements Received for 'Out-of-Pocket' Expenses Incurred" ("EITF 01-14").

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations, as permitted by SFAS No. 123, "Accounting for Stock-Based Compensation." Compensation expense for stock options is measured as the excess, if any, of the quoted market price of the Company's stock at the date of the grant over the amount an employee must pay to acquire the stock. The Company records compensation expense for restricted stock awards based on the quoted market price of the Company's stock at the date of the grant and the vesting period. The Company records compensation expense for stock appreciation rights based on the changes in quoted market prices of the Company's stock or other determinants of fair value at the end of the year (see Note 8).

Postretirement and Postemployment Benefits

The Company charges to operations the estimated costs of retiree benefits and benefits for former or inactive employees, after employment but before retirement, during the years the employees provide services.

Investment Income

Investment income includes interest income, dividend income and gains, net of losses, on the sales and exchanges of marketable securities and long-term investments. The Company recognizes gross realized gains and losses using the specific identification method. Investment income also includes unrealized gains or losses on trading securities, mark to market adjustments on derivatives and hedged items, and impairment losses resulting from adjustments to the net realizable value of certain of the Company's investments (see Note 6).

Income Taxes

The Company recognizes deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities and expected benefits of utilizing net operating loss carryforwards. The impact on deferred taxes of changes in tax rates and laws, if any, applied to the years during which temporary differences are expected to be settled, are reflected in the consolidated financial statements in the period of enactment (see Note 9).

Derivative Financial Instruments

The Company uses derivative financial instruments for a number of purposes. The Company manages its exposure to fluctuations in interest rates by entering into interest rate exchange agreements ("Swaps"), interest rate cap agreements ("Caps") and interest rate collar agreements ("Collars"). The Company manages the cost of its share repurchases through the sale of equity put option contracts ("Comcast Put Options"). The Company manages its exposure to fluctuations in the value of certain of its investments by entering into equity collar agreements ("Equity Collars") and equity put option agreements ("Equity Put Options"). The Company makes investments in businesses, to some degree, through the purchase of equity call option or call warrant agreements ("Equity Warrants"). The Company has issued indexed debt instruments and entered into prepaid forward sale agreements ("Prepaid Forward Sales") whose value, in part, is derived from the market value of Sprint PCS common stock, and has also sold call options on certain of its investments in equity securities ("Covered Call Options") in order to monetize a portion of those investments.

Prior to the adoption on January 1, 2001 of SFAS No. 133, "Accounting for Derivatives and Hedging Activities," as amended ("SFAS No. 133"), Swaps, Caps and Collars were matched with either fixed or variable rate debt and periodic cash payments were accrued on a settlement basis as an adjustment to interest expense. Any premiums associated with these instruments were amortized over their term and realized gains or losses as a result of the termination of the instruments were deferred and amortized over the remaining term of the underlying debt. Unrealized gains and losses as a result of these instruments were recognized when the underlying hedged item was extinguished or otherwise terminated.

Equity Collars, Equity Put Options and Equity Warrants were marked to market on a current basis with the result included in accumulated other comprehensive income in the Company's consolidated balance sheet. Covered Call

Options are marked to market on a current basis with the result included in investment income in the Company's consolidated statement of operations.

On January 1, 2001, the Company adopted SFAS No. 133. SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts and hedging activities. SFAS No. 133 requires that all derivative instruments, whether designated in hedging relationships or not, be recorded on the balance sheet at their fair values.

For derivative instruments designated and effective as fair value hedges, such as the Company's Equity Collars, Equity Put Options and Fixed to Variable Swaps, changes in the fair value of the derivative instrument are substantially offset in the consolidated statement of operations by changes in the fair value of the hedged item. For derivative instruments designated as cash flow hedges, such as the Company's Variable to Fixed Swaps, the effective portion of any hedge is reported in other comprehensive income until it is recognized in earnings during the same period in which the hedged item affects earnings. The ineffective portion of all hedges is recognized in current earnings each period. Changes in the fair value of derivative instruments that are not designated as a hedge are recorded each period in current earnings.

When a fair value hedge is terminated, sold, exercised or has expired, the adjustment in the carrying amount of the fair value hedged item is deferred and recognized into earnings when the hedged item is recognized in earnings. When a hedged item is extinguished or sold, the adjustment in the carrying amount of the hedged item is recognized in earnings. When hedged variable rate debt is extinguished, the previously deferred effective portion of the hedge is written off similar to debt extinguishment costs.

Subsequent to the adoption of SFAS No. 133, Equity Warrants are marked to market on a current basis with the result included in investment income in the Company's consolidated statement of operations.

Subsequent to the adoption of SFAS No. 133, derivative instruments embedded in other contracts, such as the Company's indexed debt instruments and Prepaid Forward Sale, are bifurcated into their host and derivative financial instrument components. The derivative component is recorded at its estimated fair value in the Company's consolidated balance sheet with changes in estimated fair value recorded in investment income.

Proceeds from sales of Comcast Put Options are recorded in stockholders' equity and an amount equal to the redemption price of the common stock is reclassified from permanent equity to temporary equity. Subsequent changes in the market value of Comcast Put Options are not recorded.

The Company periodically examines those instruments that have been entered into by the Company to hedge exposure to interest rate and equity price risks to ensure that the instruments are matched with underlying assets or liabilities, reduce the Company's risks relating to interest rates or equity prices and, through market value and sensitivity analysis, maintain a high correlation to the risk inherent in the hedged item. For those instruments that do not meet the above criteria, variations in their fair value are marked-to-market on a current basis in the Company's consolidated statement of operations.

The Company does not hold or issue any derivative financial instruments for trading purposes and is not a party to leveraged instruments (see Note 7). The Company manages the credit risks associated with its derivative financial instruments through the evaluation and monitoring of the creditworthiness of the counterparties. Although the Company may be exposed to losses in the event of nonperformance by the counterparties, the Company does not expect such losses, if any, to be significant.

See Note 3 for a discussion of the impact of adoption of SFAS No. 133.

Sale of Stock by a Subsidiary or Equity Method Investee

Changes in the Company's proportionate share of the underlying equity of a consolidated subsidiary or equity method investee which result from the issuance of additional securities by such subsidiary or investee are recognized as gains or losses in the Company's consolidated statement of operations unless gain realization is not assured in the circumstances. Gains for which realization is not assured are credited directly to additional capital.

Securities Lending Transactions

The Company may enter into securities lending transactions pursuant to which the Company requires the borrower to provide cash collateral equal to the value of the loaned securities, as adjusted for any changes in the value of the underlying loaned securities. Loaned securities for which the Company maintains effective control are included in investments in the Company's consolidated balance sheet.

Reclassifications

Certain reclassifications have been made to the prior years' consolidated financial statements to conform to those classifications used in 2001.

3. RECENT ACCOUNTING PRONOUNCEMENTS

SFAS No. 133, as Amended

On January 1, 2001, the Company adopted SFAS No. 133. SFAS No. 133 establishes accounting and reporting standards for derivatives and hedging activities. SFAS No. 133 requires that all derivative instruments be reported on the balance sheet at their fair values.

Upon adoption of SFAS No. 133, the Company recognized as income a cumulative effect of accounting change, net of related income taxes, of \$384.5 million and a cumulative decrease in other comprehensive income, net of related income taxes, of \$127.0 million.

The increase in income consisted of a \$400.2 million adjustment to record the debt component of indexed debt at a discount from its value at maturity (see Note 7) and \$191.3 million principally related to the reclassification of gains previously recognized as a component of accumulated other comprehensive income on the Company's equity derivative instruments, net of related deferred income taxes of \$207.0 million (see Note 9).

The decrease in other comprehensive income consisted principally of the reclassification of the gains noted above.

SFAS No's. 141 and 142

The Financial Accounting Standards Board ("FASB") issued SFAS No. 141 and SFAS No. 142 in June 2001. These statements address how intangible assets that are acquired individually, with a group of other assets or in connection with a business combination should be accounted for in financial statements upon and subsequent to their acquisition. The new statements require that all business combinations initiated after June 30, 2001 be accounted for using the purchase method and establish specific criteria for the recognition of intangible assets separately from goodwill.

The Company adopted SFAS No. 141 on July 1, 2001, as required by the new statement. The adoption of SFAS No. 141 did not have a material impact on the Company's financial condition or results of operations.

The Company adopted SFAS No. 142 on January 1, 2002, as required by the new statement. Upon adoption, the Company will no longer amortize goodwill and other indefinite lived intangible assets, which consist primarily of cable franchise operating rights. The Company will be required to test its goodwill and intangible assets that are determined to have an indefinite life for impairment at least annually. Other than in the period of adoption or in those periods in which the Company may record an asset impairment, the Company expects that the adoption of SFAS No. 142 will result in increased income as a result of reduced amortization expense.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

The EITF of the FASB is expected to provide further guidance on certain implementation issues related to the adoption of SFAS No. 142 as it relates to identifiable intangible assets other than goodwill. Subject to further guidance to be provided, based upon the Company's interpretation of SFAS No. 142, the Company may record a charge as a cumulative effect of accounting change, net of related deferred income taxes, in an amount not expected to exceed \$1.5 billion upon adoption of SFAS No. 142 on January 1, 2002.

Based on the Company's preliminary evaluation, the estimated effect of adoption of SFAS No. 142 would have been to decrease amortization expense by approximately \$2.0 billion and to increase deferred income tax expense by approximately \$600 million for the year ended December 31, 2001.

SFAS No. 143

The FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations," in June 2001. SFAS No. 143 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. SFAS No. 143 is effective for fiscal years beginning after June 15, 2002. While the Company is currently evaluating the impact the adoption of SFAS No. 143 will have on its financial condition and results of operations, it does not expect such impact to be material.

SFAS No. 144

The FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," in August 2001. SFAS No. 144, which addresses financial accounting and reporting for the impairment of long-lived assets and for long-lived assets to be disposed of, supercedes SFAS No. 121 and is effective for fiscal years beginning after December 15, 2001. While the Company is currently evaluating the impact the adoption of SFAS No. 144 will have on its financial condition and results of operations, it does not expect such impact to be material.

EITF 01-9

In November 2001, the EITF reached a consensus on EITF 01-9. EITF 01-9 requires, among other things, that consideration paid to customers should be classified as a reduction of revenue unless certain criteria are met. Certain of the Company's content subsidiaries have paid or may pay distribution fees to cable television and satellite broadcast systems for carriage of their programming. The Company currently classifies the amortization of these distribution fees as expense in its consolidated statement of operations. Upon adoption of EITF 01-9 on January 1, 2002, the Company will reclassify certain of these distribution fees from expense to a revenue reduction for all periods presented in its consolidated statement of operations. The change in classification will have no impact on the Company's reported operating loss or financial condition. The effect of the reclassification of cable television and satellite broadcast distribution fees from expense to a reduction of revenue is to decrease the amounts reported in the Company's consolidated statement of operations as follows (in millions):

	Year Ended December 31,		
	2001	2000	1999
	-----	-----	-----
Service revenues.....	\$35.8	\$17.3	\$4.6
Selling, general and administrative expense.....	\$4.7	\$5.3	\$4.2
Amortization expense.....	\$31.1	\$12.0	\$0.4

EITF 01-14

In November 2001, the FASB staff announced EITF Topic D-103, "Income Statement Characterization of Reimbursements Received for 'Out-of-Pocket' Expenses Incurred," which has subsequently been recharacterized as EITF 01-14. EITF 01-14 requires that reimbursements received for out-of-pocket expenses incurred be characterized as revenue in the statement of operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

Under the terms of its franchise agreements, the Company is required to pay up to 5% of its gross revenues derived from providing cable services to the local franchising authority. The Company normally passes these fees through to its cable subscribers. The Company currently classifies cable franchise fees collected from its cable subscribers as a reduction of the related franchise fee expense included within selling, general and administrative expenses in its consolidated statement of operations.

EITF 01-14, by analogy, applies to franchise fees. Upon adoption of EITF 01-14 on January 1, 2002, the Company will reclassify franchise fees collected from cable subscribers from a reduction of selling, general and administrative expenses to a component of service revenues in its consolidated statement of operations. The change in classification will have no impact on the Company's reported operating income (loss) or financial condition. The effect of the reclassification of cable franchise fees is to increase the amounts reported in the Company's consolidated statement of operations as follows (in millions):

	Year Ended December 31,		
	2001	2000	1999
Service revenues.....	\$192.3	\$152.3	\$105.6
Selling, general and administrative expense.....	\$192.3	\$152.3	\$105.6

4. EARNINGS PER SHARE

Earnings for common stockholders per common share is computed by dividing net income, after deduction of preferred stock dividends, when applicable, by the weighted average number of common shares outstanding during the period on a basic and diluted basis.

The following table reconciles the numerator and denominator of the computations of diluted earnings for common stockholders per common share ("Diluted EPS") for the years presented.

(Amounts in millions, except per share data)

	Year Ended December 31,		
	2001	2000	1999
Net income for common stockholders.....	\$608.6	\$1,998.0	\$1,036.0
Preferred dividends.....		23.5	29.7
Net income for common stockholders used for Diluted EPS.....	\$608.6	\$2,021.5	\$1,065.7
Basic weighted average number of common shares outstanding.....	949.7	890.7	749.1
Dilutive securities:			
Series A and B convertible preferred stock.....	1.0	42.5	44.0
Stock option and restricted stock plans.....	13.8	15.4	26.8
Put options on Class A Special Common Stock.....		0.1	
Diluted weighted average number of common shares outstanding.....	964.5	948.7	819.9
Diluted earnings for common stockholders per common share.....	\$0.63	\$2.13	\$1.30

Comcast Put Options on a weighted average 0.2 million shares, 1.5 million shares and 2.7 million shares of its Class A Special Common Stock (see Note 8) were outstanding during the years ended December 31, 2001, 2000 and 1999, respectively. Comcast Put Options outstanding during the years ended December 31, 2001 and 1999 were not included in the computation of Diluted EPS as the Comcast Put Options' exercise price was less than the average market price of the Company's Class A Special Common Stock during the periods.

In December 2000 and January 2001, the Company issued \$1.478 billion principal amount at maturity of Zero Coupon Convertible Debentures due 2020 (the "Zero Coupon Debentures" - see Note 7). The Zero Coupon Debentures may be converted at any time prior to maturity if the closing sale price of the Company's Class A Special Common Stock is greater than 110% of the accreted conversion price (as defined). The Zero Coupon Debentures were excluded from the computation of Diluted EPS in 2001 and 2000 as the weighted average closing sale price of the Company's Class A Special Common Stock was not greater than 110% of the accreted conversion price.

5. ACQUISITIONS AND OTHER SIGNIFICANT EVENTS

Agreement and Plan of Merger with AT&T Broadband

On December 19, 2001, the Company entered into an Agreement and Plan of Merger with AT&T Corp. ("AT&T") pursuant to which the Company agreed to a transaction which will result in the combination of the Company and a holding company of AT&T's broadband business ("AT&T Broadband") that AT&T will spin off to its shareholders immediately prior to the combination. As of December 31, 2001, AT&T Broadband served approximately 13.6 million subscribers. Under the terms of the transaction, the combined company will issue approximately 1.235 billion shares of its voting common stock to AT&T Broadband shareholders in exchange for all of AT&T's interests in AT&T Broadband, and approximately 115 million shares of its common stock to Microsoft Corporation ("Microsoft") in exchange for AT&T Broadband shares that Microsoft will receive immediately prior to the completion of the transaction for settlement of their \$5 billion aggregate principal amount in quarterly income preferred securities. The combined company will also assume or incur approximately \$20 billion of AT&T Broadband debt. For each share of a class of common stock of Comcast that they hold at the time of the merger, each Comcast shareholder will receive one share of a corresponding class of stock of the combined company. The Company expects that the transaction will qualify as tax-free to both the Company and to AT&T.

The Company will account for the transaction as an acquisition under the purchase method of accounting, with the Company as the acquiring entity. The identification of the Company as the acquiring entity was made after careful consideration of all facts and circumstances, as follows:

Voting Rights in the New Combined Company. Former AT&T shareholders will own approximately 53.7% of the combined company's economic interest and approximately 60.6% of the combined company's voting interest following the merger. Microsoft will own shares representing approximately 5.2% of the combined company's economic interest and 4.95% of the combined company's voting interest following the merger. No individual former AT&T shareholder will have any significant ownership or voting interest following the merger. Brian L. Roberts, the Company's controlling shareholder and President ("Mr. Roberts"), either directly or through his control of a family holding company, will own an approximately 33.34% voting interest in the combined company following the merger (including a 33.33% non-dilutable voting interest through ownership of the Class B common stock of the combined company), and an approximately .8% economic interest. Mr. Roberts will hold the largest minority voting interest in the combined company. The next largest voting interest held by an individual shareholder will be 4.95%, held by Microsoft. Under the governing documents of the combined company, as a result of his ownership of the Class B stock, Mr. Roberts will have the right to approve any merger involving the combined company or any other transaction in which any other person would own more than 10 percent of the stock of the combined company, the right to approve any issuances of Class B stock, and any charter amendments or other actions that would limit the rights of the Class B stock.

Governance Arrangements Relating to the Board of Directors. The initial Board of the combined company will have twelve members, five of whom will be designated by the Company from its existing Board, five of whom will be designated by AT&T from its existing Board, and two of whom will be jointly designated by the Company and AT&T and will be independent persons. Except for pre-approved designees, the individuals designated by each of the Company and AT&T will be mutually agreed upon by the Company and AT&T. Pursuant to the terms of the merger agreement, existing Company directors Ralph J. Roberts, Mr. Roberts, Sheldon M. Bonovitz, Julian A. Brodsky and Decker Anstrom have been pre-approved as Company director designees of the combined company and existing AT&T director and Chairman C. Michael Armstrong ("Mr. Armstrong") is the sole pre-approved AT&T director designee. The remaining four AT&T designees are subject to the approval of the Company. All of the initial director designees will hold office until the 2005 annual meeting of the combined company shareholders. After this initial term, the entire Board will be elected annually. During the period before the 2005 annual meeting, Mr. Roberts will be the chairman of the Board committee that nominates the slate of directors for the combined company (the "Directors Nominating Committee") if he is the Chairman or the CEO of the combined company. The remaining four members of the Directors Nominating Committee will consist of one director designee who is an independent director selected by the Company's director designees, and three independent directors selected by the Company's director designees from the AT&T director designees and the Company/AT&T joint director designees. Since the initial director designees will hold office until the 2005 annual meeting, the Directors Nominating Committee would be expected to act only in order to fill vacancies that may occur in director positions prior to that meeting. After the 2005 annual meeting of shareholders, Mr. Roberts will continue to be the chairman of the Directors Nominating Committee of the combined company. The remaining four members of the Directors Nominating Committee will be selected by Mr. Roberts from among the combined company's independent directors. Nominations of the Directors Nominating Committee will be submitted directly to the shareholders without any requirement of Board approval or ratification.

Governance Arrangements Relating to Management. The combined company will have an Office of the Chairman, comprised of the Chairman of the Board and the CEO, from the closing of the merger until the earlier to occur of: (i) the 2005 annual meeting of the shareholders, and (ii) the date on which Mr. Armstrong ceases to be Chairman of the Board. The Office of the Chairman will be the combined company's principal executive deliberative body with responsibility for corporate strategy, policy and direction, governmental affairs and other significant matters. While the Office of the Chairman is in effect, the Chairman of the Board and the CEO will advise and consult with each other with respect to those matters. Mr. Armstrong, AT&T's Chairman of the Board, will be Chairman of the Board of the combined company. Mr. Armstrong may serve as Chairman of the Board until the 2005 annual meeting of shareholders. After the 2005 annual meeting of shareholders, or if Mr. Armstrong ceases to serve as Chairman of the Board prior to that date, Mr. Roberts will become the Chairman of the Board of the combined company. Removal of the Chairman of the Board will require the vote of at least 75% of the entire Board until the earlier to occur of: (i) the date on which neither Mr. Armstrong nor Mr. Roberts is Chairman of the Board, and (ii) the fifth anniversary of the 2005 annual meeting of shareholders. Mr. Roberts will be the CEO of the combined company. Mr. Roberts will also be President of the combined company for as long as he is the CEO. The CEO's powers and responsibilities will include: (i) the supervision and management of the combined company's business and operations, (ii) all matters related to officers and employees, including hiring and termination, (iii) all rights and powers typically exercised by the chief executive officer and president of a corporation, and (iv) the authority to call special meetings of the combined company Board. Removal of Mr. Roberts as CEO will require the vote of at least 75% of the entire Board until the earlier to occur of: (i) the date on which Mr. Roberts ceases to be CEO, and (ii) the fifth anniversary of the 2005 annual meeting of the combined company shareholders. Under the terms of the merger agreement, Mr. Roberts has the right to fill all senior management positions of the combined company after consultation with Mr. Armstrong.

Other Factors. The Company made an unsolicited offer to purchase all of AT&T Broadband. Subsequent to the Company's offer, AT&T solicited bids from other potential purchasers.

The headquarters of the combined company will be in Philadelphia, Pennsylvania, the current headquarters of the Company. An executive office will be maintained in the New York City metropolitan area until at least April 2005.

The Company's current investment in shares of AT&T common stock, to the extent still held by the Company at the time of the AT&T Broadband spin-off and merger, will be exchanged into AT&T shares (representing its Consumer Services and Business Services Groups). Therefore, the Company will continue to have an investment in the "selling company." Conversely, AT&T Broadband's current investment in the Company will either be retired to treasury after the merger or used to settle related debt.

Notwithstanding that the former AT&T Broadband shareholders will, in the aggregate, receive the majority of the voting common stock of the combined company, the Company believes that this fact is outweighed by the totality of the other facts and circumstances described above, with the most significance being given to Mr. Roberts' non-dilutable minority voting interest, Mr. Roberts' role on the Nominating Committee of the Board of Directors, Mr. Roberts position as CEO and President, and Mr. Roberts' right to appoint other members of senior management.

The transaction is subject to customary closing conditions and shareholder, regulatory and other approvals. The Company expects to close the transaction by the end of 2002.

At Home Services

On September 28, 2001, At Home Corporation ("At Home"), the Company's provider of high-speed Internet services, filed for protection under Chapter 11 of the U.S. Bankruptcy Code. In October 2001, the Company amended its agreement with At Home to continue service to the Company's existing and new subscribers during October and November 2001. The Company agreed to be charged a higher rate than it had incurred under its previous agreement. On December 3, 2001, the Company and At Home reached a definitive agreement, approved by the Bankruptcy Court, pursuant to which the Company paid \$160 million to At Home and At Home agreed to continue to provide high-speed Internet services to existing and new subscribers through February 28, 2002. In December 2001, the Company began to transfer its high-speed Internet subscribers from the At Home network to the Company's new Company-owned and managed network. The Company completed this transition in February 2002.

In the fourth quarter of 2001, the Company recognized \$139.5 million of net incremental expenses incurred in the continuation of service to and transition of the Company's high-speed Internet subscribers from At Home's network to the Company's own network. This charge is included in operating expenses in the Company's consolidated statement of operations.

Acquisition of Outdoor Life Network

On October 30, 2001, the Company acquired from Fox Entertainment Group, Inc. ("Fox Entertainment"), a subsidiary of The News Corporation Limited ("News Corp.") the approximate 83.2% interest in OLN not previously owned by the Company. OLN is a 24-hour network devoted exclusively to adventure and the outdoor lifestyle with distribution to approximately 41 million subscribers. The Company made the acquisition to increase its investment in programming content. The estimated fair value of the additional interest of OLN acquired by the Company as of the closing date of the transaction was approximately \$512 million, substantially all of which was allocated to affiliation agreements and goodwill in connection with the preliminary purchase price allocation. Upon closing of the acquisition, the Company exchanged its 14.5% interest in the Speedvision Network ("SVN"), together with a previously made loan, for Fox Entertainment's interest in OLN. In connection with the exchange of its interest in SVN, the Company recorded to other income a pre-tax gain of \$106.7 million, representing the difference between the estimated fair value of the Company's interest in SVN as of the closing date of the transaction and the Company's cost basis in SVN. The Company no longer owns any interest in SVN and now owns 100% of OLN.

Baltimore, Maryland System Acquisition

On June 30, 2001, the Company acquired the cable system serving approximately 112,000 subscribers in Baltimore City, Maryland from AT&T for \$518.7 million in cash. The purchase price is subject to adjustment.

Acquisition of Controlling Interest in The Golf Channel

On June 8, 2001, the Company acquired the approximate 30.8% interest in TGC held by Fox Entertainment. In addition, Fox Entertainment and News Corp. agreed to a five-year non-competition agreement. The Company paid aggregate consideration of \$364.9 million in cash. The Company previously accounted for TGC under the equity method. The Company now owns approximately 91.0% of TGC and consolidates TGC.

AT&T Cable Systems Acquisition

On April 30, 2001, the Company acquired cable systems serving approximately 585,000 subscribers from AT&T in exchange for approximately 63.9 million shares of AT&T common stock then held by the Company. The market value of the AT&T shares was approximately \$1.423 billion, based on the price of the AT&T common stock on the closing date of the transaction. The transaction is expected to qualify as tax free to both the Company and to AT&T.

Home Team Sports Acquisition

On February 14, 2001, the Company acquired Home Team Sports (now known as CSN Mid-Atlantic), a regional sports programming network with distribution to approximately 4.8 million homes in the Mid-Atlantic region, from Viacom, Inc. ("Viacom") and Affiliated Regional Communications, Ltd. (an affiliate of Fox Cable Network Services, LLC ("Fox")). The Company also agreed to increase the distribution of certain of Viacom's and Fox's programming networks on certain of the Company's cable systems. The estimated fair value of Home Team Sports as of the closing date of the acquisition was \$240.0 million.

Adelphia Cable Systems Exchange

On January 1, 2001, the Company completed its cable systems exchange with Adelphia Communications Corporation ("Adelphia"). The Company received cable systems serving approximately 445,000 subscribers from Adelphia and Adelphia received certain of the Company's cable systems serving approximately 441,000 subscribers. The Company recorded to other income a pre-tax gain of \$1.199 billion, representing the difference between the estimated fair value of \$1.799 billion as of the closing date of the transaction and the Company's cost basis in the systems exchanged.

AT&T Cable Systems Exchange

On December 31, 2000, the Company completed its cable systems exchange with AT&T. The Company received cable systems serving approximately 770,000 subscribers from AT&T and AT&T received certain of the Company's cable systems serving approximately 700,000 subscribers. The Company recorded to other income a pre-tax gain of \$1.711 billion, representing the difference between the estimated fair value of \$2.840 billion as of the closing date of the transaction and the Company's cost basis in the systems exchanged.

Acquisition of Prime Communications LLC

In December 1998, the Company agreed to invest in Prime Communications LLC ("Prime"), a cable communications company serving approximately 406,000 subscribers. Pursuant to the terms of this agreement, in December 1998 the Company acquired from Prime a \$50.0 million 12.75% subordinated note due 2008 issued by Prime. In July 1999, the Company made a loan to Prime in the form of a \$733.5 million 6% ten year note, convertible into 90% of the equity of Prime. The Company made an additional \$70.0 million in loans to Prime (on the same terms as the original loan). In August 2000, the note, plus accrued interest of \$51.7 million on the note and the loans, was converted and the owners of Prime sold their remaining 10% equity interest in Prime to the Company for \$87.7 million. As a result, the Company owns 100% of Prime and has assumed management control of Prime's operations. Upon closing, the Company assumed and immediately repaid \$532.0 million of Prime's debt with proceeds from borrowings under existing credit facilities.

Acquisition of Jones Intercable, Inc.

In April 1999, the Company acquired a controlling interest in Jones Intercable, Inc. ("Jones Intercable"), a cable communications company serving approximately 1.1 million subscribers, for aggregate consideration of \$706.3 million in cash. In June 1999, the Company purchased an additional 1.0 million shares of Jones Intercable Class A Common Stock for \$50.0 million in cash in a private transaction. The Company contributed its interest in Jones Intercable to Comcast Cable Communications, Inc. ("Comcast Cable"), an indirect wholly owned subsidiary of the Company.

In March 2000, the Jones Intercable shareholders approved a merger agreement pursuant to which the Jones Intercable shareholders, including Comcast Cable, received 1.4 shares of the Company's Class A Special Common Stock in exchange for each share of Jones Intercable Class A Common Stock and Common Stock (the "Jones Merger") and Jones Intercable was merged with and into a wholly owned subsidiary of the Company. In connection with the closing of the Jones Merger, the Company issued approximately 58.9 million shares of its Class A Special Common Stock to the Jones Intercable shareholders, including approximately 23.3 million shares to a subsidiary of the Company and 35.6 million shares with a value of \$1.727 billion to the public shareholders. As required under accounting principles generally accepted in the United States, the shares held by the subsidiary of the Company are presented as issued but not outstanding (held in treasury) in the Company's December 31, 2001 and 2000 consolidated balance sheet.

Acquisition of CalPERS' Interest in Jointly Owned Cable Properties

In February 2000, the Company acquired the California Public Employees Retirement System's ("CalPERS") 45% interest in Comcast MHCP Holdings, L.L.C. ("Comcast MHCP"), formerly a 55% owned consolidated subsidiary of the Company which serves subscribers in Michigan, New Jersey and Florida. As a result, the Company owns 100% of Comcast MHCP. The consideration was \$750.0 million in cash.

Acquisition of Lenfest Communications, Inc.

In January 2000, the Company acquired Lenfest Communications, Inc. ("Lenfest"), a cable communications company serving approximately 1.1 million subscribers primarily in the Philadelphia area from AT&T and the other Lenfest stockholders for approximately 120.1 million shares of the Company's Class A Special Common Stock with a value of \$6.014 billion (the "Lenfest Acquisition"). In connection with the Lenfest Acquisition, the Company assumed approximately \$1.326 billion of debt.

Consolidation of Comcast Cablevision of Garden State, L.P.

Comcast Cablevision of Garden State, L.P. ("Garden State Cable") (formerly Garden State Cablevision L.P.), a cable communications company serving approximately 216,000 subscribers in New Jersey, is a partnership which was owned 50% by Lenfest and 50% by the Company. The Company had accounted for its interest in Garden State Cable under the equity method. As a result of the Lenfest Acquisition, the Company owns 100% of Garden State Cable. As such, the operating results of Garden State Cable have been included in the Company's consolidated statement of operations from the date of the Lenfest Acquisition.

Acquisition of Greater Philadelphia Cablevision, Inc.

In June 1999, the Company acquired Greater Philadelphia Cablevision, Inc. ("Greater Philadelphia"), a cable communications company serving approximately 79,000 subscribers in Philadelphia from Greater Media, Inc. for approximately 8.5 million shares of the Company's Class A Special Common Stock with a value of \$291.7 million.

The acquisitions completed by the Company during the three years in the period ended December 31, 2001 were accounted for under the purchase method of accounting. As such, the Company's results include the operating results of the acquired businesses from the dates of acquisition. During the fourth quarter of 2001, the Company recorded the final purchase price allocation related to the Company's cable systems exchange with AT&T and related to the Company's acquisitions of Home Team Sports and TGC. The allocation of the purchase price for the other 2001 acquisitions and the cable systems exchange with Adelphia made by the Company is preliminary.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

pending completion of final appraisals. The Company's cable systems exchanges with Adelphia and AT&T and certain of the Company's acquisitions had no significant impact on the Company's consolidated statement of cash flows due to their noncash nature (see Note 10).

Unaudited Pro Forma Information

The following unaudited pro forma information has been presented as if the acquisitions and cable systems exchanges made by the Company in 2001 each occurred on January 1, 2000, the acquisitions and cable systems exchanges made by the Company in 2000 each occurred on January 1, 1999, and the acquisitions made by the Company in 1999 each occurred on January 1, 1998. This information is based on historical results of operations, adjusted for acquisition costs, and, in the opinion of management, is not necessarily indicative of what the results would have been had the Company operated the entities acquired since such dates.

	(Amounts in millions, except per share data) Year Ended December 31,		
	2001	2000	1999
	-----	-----	-----
Revenues.....	\$9,926.9	\$9,012.2	\$7,566.5
Income before extraordinary items and cumulative effect of accounting change.....	\$150.2	\$1,652.3	\$252.2
Net income.....	\$533.2	\$1,628.7	\$201.2
Diluted EPS.....	\$0.55	\$1.68	\$0.21

Sale of Comcast Cellular Corporation

In July 1999, the Company sold Comcast Cellular Corporation ("Comcast Cellular") to SBC Communications, Inc. for \$361.1 million in cash and the assumption of \$1.315 billion of Comcast Cellular debt, and recognized a gain on the sale of \$355.9 million, net of income tax expense. The results of operations of Comcast Cellular have been presented as a discontinued operation in accordance with APB Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions." During the year ended December 31, 1999, the Company recognized losses from discontinued operations of \$20.1 million.

Other Income

In August 2000, the Company obtained the right to exchange its At Home Series A Common Stock with AT&T and waived certain of its At Home Board level and shareholder rights under a stockholders agreement (the "Share Exchange Agreement"- see Note 6). The Company also agreed to cause its existing appointee to the At Home Board of Directors to resign. In connection with the transaction, the Company recorded to other income a pre-tax gain of \$1.045 billion, representing the estimated fair value of the investment as of the closing date.

In August 2000, the Company exchanged all of the capital stock of a wholly owned subsidiary which held certain wireless licenses for approximately 3.2 million shares of AT&T common stock. In connection with the exchange, the Company recorded to other income a pre-tax gain of \$98.1 million, representing the difference between the fair value of the AT&T shares received of \$100.0 million and the Company's cost basis in the subsidiary.

In May 1999, the Company received a \$1.5 billion termination fee as liquidated damages from MediaOne Group, Inc. ("MediaOne") as a result of MediaOne's termination of its Agreement and Plan of Merger with the Company dated March 1999. The termination fee, net of transaction costs, was recorded to other income in the Company's consolidated statement of operations.

6. INVESTMENTS

	December 31,	
	2001	2000

	(Dollars in millions)	
Fair value method		
AT&T Corp.....	\$1,514.9	\$1,174.3
Sprint Corp. PCS Group.....	2,109.5	2,149.8
Other.....	136.1	1,873.0
	-----	-----
	3,760.5	5,197.1
Cost method.....	155.2	128.4
Equity method.....	386.7	396.1
	-----	-----
Total investments.....	4,302.4	5,721.6
Less, current investments.....	2,623.2	3,059.7
	-----	-----
Non-current investments.....	\$1,679.2	\$2,661.9
	=====	=====

Fair Value Method

The Company holds unrestricted equity investments in certain publicly traded companies, which it accounts for as available for sale or trading securities. The unrealized pre-tax gains on these investments as of December 31, 2001 and 2000 of \$280.3 million and \$707.1 million, respectively, have been reported in the Company's consolidated balance sheet principally as a component of other comprehensive income, net of related deferred income taxes of \$95.3 million and \$240.0 million, respectively.

The cost, fair value and gross unrealized gains and losses related to the Company's available for sale securities are as follows:

	December 31,	
	2001	2000

	(Dollars in millions)	
Cost.....	\$1,355.0	\$4,490.0
Gross unrealized gains.....	283.2	1,887.6
Gross unrealized losses.....	(2.9)	(1,180.5)
	-----	-----
Fair value.....	\$1,635.3	\$5,197.1
	=====	=====

In June 2001, the Company and AT&T entered into an Amended and Restated Share Issuance Agreement (the "Share Issuance Agreement"). AT&T issued to the Company approximately 80.3 million unregistered shares of AT&T common stock and the Company agreed to settle its right under the Share Exchange Agreement (see Note 5 - Other Income) to exchange an aggregate 31.2 million At Home shares and warrants held by the Company for shares of AT&T common stock. The Company has registration rights, subject to customary restrictions, which allow the Company to require AT&T to register the AT&T shares received. Under the terms of the Share Issuance Agreement, the Company retained the At Home shares and warrants held by it. The Company recorded to investment income a pre-tax gain of \$296.3 million, representing the fair value of the increased consideration received by the Company to settle its right under the Share Exchange Agreement.

In August 2001, the Company entered into a ten year Prepaid Forward Sale of 4.0 million shares of Sprint PCS common stock held by the Company with a fair value of approximately \$98 million and the Company received \$78.3 million in cash. At maturity, the counterparty is entitled to receive between 2.5 million and 4.0 million shares

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

of Sprint PCS common stock, or an equivalent amount of cash at the Company's option, based upon the market value of Sprint PCS common stock at that time. The Company split the Prepaid Forward Sale into its liability and derivative components and recorded both components of the Prepaid Forward Sale obligation in other long-term liabilities. The Company records the change in the fair value of the derivative component and the accretion of the liability component to investment income.

Investment Income

Investment income includes the following (in millions):

	Year Ended December 31,		
	2001	2000	1999
	-----	-----	-----
Interest and dividend income.....	\$76.5	\$171.6	\$172.5
Gains on sales and exchanges of investments, net.....	485.2	886.7	510.6
Investment impairment losses.....	(972.4)	(74.4)	(35.5)
Reclassification of unrealized gains.....	1,330.3		
Unrealized gain on Sprint PCS common stock.....	284.4		
Mark to market adjustments on derivatives related to Sprint PCS common stock.....	(184.6)		
Mark to market adjustments on derivatives and hedged items.....	42.3		
Settlement of call options.....			(18.1)
	-----	-----	-----
Investment income.....	<u>\$1,061.7</u>	<u>\$983.9</u>	<u>\$629.5</u>
	=====	=====	=====

The investment impairment loss for the year ended December 31, 2001 relates principally to an other than temporary decline in the Company's investment in AT&T, a portion of which was exchanged on April 30, 2001 (see Note 5 - AT&T Cable Systems Acquisition).

During the year ended December 31, 2001, the Company wrote-off its investment in At Home common stock based upon a decline in the investment that was considered other than temporary. In connection with the realization of this impairment loss, the Company reclassified to investment income the accumulated unrealized gain of \$237.9 million on the Company's investment in At Home common stock which was previously recorded as a component of accumulated other comprehensive income. The Company recorded this accumulated unrealized gain prior to the Company's designation of its right under the Share Exchange Agreement as a hedge of the Company's investment in the At Home common stock (see Note 5 - Other Income).

The Company reclassified its investment in Sprint PCS from an available for sale security to a trading security in connection with the adoption of SFAS No. 133. As a result, the Company reclassified to investment income the accumulated unrealized gain of \$1.092 billion on the Company's investment in Sprint PCS which was previously recorded as a component of accumulated other comprehensive income.

Equity Price Risk

During 1999, the Company entered into Equity Collars covering \$1.365 billion notional amount of the Company's Sprint PCS common stock, which are accounted for at fair value. The Equity Collars limit the Company's exposure to and benefits from price fluctuations in the underlying Sprint PCS common stock. During 2001, \$483.7 million notional amount of Equity Collars matured and the Company sold or entered into Prepaid Forward Sales of the related Sprint PCS common stock. The remaining \$881.0 million notional amount of Equity Collars mature between 2002 and 2003. As the Company had accounted for the Equity Collars as a hedge, changes in the value of the Equity Collars were substantially offset by changes in the value of the Sprint PCS common stock which was also

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

marked-to-market through accumulated other comprehensive income in the Company's consolidated balance sheet through December 31, 2000.

Equity Method

The Company records its proportionate interests in the net income (loss) of certain of its equity method investees in arrears. The Company's recorded investments exceed its proportionate interests in the book value of the investees' net assets by \$188.7 million as of December 31, 2001 (principally related to the Company's investment in Susquehanna Cable). Such excess is being amortized to equity in net income or loss, over a period of twenty years, which is consistent with the estimated lives of the underlying assets. The original cost of investments accounted for under the equity method totaled \$479.8 million and \$506.5 million as of December 31, 2001 and 2000, respectively. Upon adoption of SFAS No. 142, the Company will no longer amortize this excess but rather will continue to test such excess for impairment in accordance with APB Opinion 18, "The Equity Method of Accounting for Investments in Common Stock."

The Company does not have any additional significant contractual commitments with respect to any of its investments. However, to the extent the Company does not fund its investees' capital calls, it exposes itself to dilution of its ownership interests.

Cost Method

It is not practicable to estimate the fair value of the Company's investments in privately held companies, accounted for under the cost method, due to a lack of quoted market prices.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

7. LONG-TERM DEBT

	December 31,	
	2001	2000

	(in millions)	
Commercial Paper.....	\$397.3	\$1,323.5
Notes payable to banks due in installments through 2009.....	1,222.7	1,751.4
9-5/8% Senior notes, due 2002.....	200.0	200.0
8-1/8% Senior notes, due 2004.....	320.4	299.9
8-3/8% Senior notes, due 2005.....	697.0	696.3
6-3/8% Senior notes, due 2006.....	511.3	
8-3/8% Senior notes, due 2007.....	597.5	597.2
8-7/8% Senior notes, due 2007.....	249.1	249.0
6.20% Senior notes, due 2008.....	798.4	798.2
7-5/8% Senior notes, due 2008.....	206.1	197.1
7-5/8% Senior notes, due 2008.....	147.7	147.4
6-7/8% Senior notes, due 2009.....	751.5	
6-3/4% Senior notes, due 2011.....	993.1	
7-1/8% Senior notes, due 2013.....	748.4	
8-7/8% Senior notes, due 2017.....	545.9	545.8
8-1/2% Senior notes, due 2027.....	249.6	249.6
10-1/4% Senior subordinated debentures, due 2001.....		100.4
10-1/2% Senior subordinated debentures, due 2006.....	133.0	123.8
8-1/4% Senior subordinated debentures, due 2008.....	154.3	149.1
10-5/8% Senior subordinated debentures, due 2012.....	247.8	257.0
Zero Coupon Convertible Debentures, due 2020.....	1,096.4	1,002.0
7% Disney Notes, due 2007.....	132.8	132.8
ZONES at principal amount, due 2029.....	1,612.6	1,806.8
Other, including capital lease obligations.....	188.9	184.0
	-----	-----
	12,201.8	10,811.3
Less current portion.....	460.2	293.9
	-----	-----
	\$11,741.6	\$10,517.4
	=====	=====

Maturities of long-term debt outstanding as of December 31, 2001 for the four years after 2002 are as follows (in millions):

2003.....	\$73.2
2004.....	331.0
2005.....	2,026.2
2006.....	653.2

Senior Notes Offerings

During 2001, Comcast Cable sold an aggregate of \$3.0 billion of public debt. The Company used substantially all of the net proceeds from the offerings to repay a portion of the amounts outstanding under Comcast Cable's commercial paper program and revolving credit facility, and to fund acquisitions.

Zero Coupon Convertible Debentures

In December 2000, the Company issued \$1.285 billion principal amount at maturity of Zero Coupon Debentures for proceeds of \$1.002 billion. In January 2001, the Company issued an additional \$192.8 million principal amount at maturity of Zero Coupon Debentures for proceeds of \$150.3 million. The Company used substantially all of the net proceeds from the offering to repay a portion of the amounts outstanding under Comcast Cable's commercial paper program and revolving credit facility.

The Zero Coupon Debentures have a yield to maturity of 1.25%, computed on a semi-annual bond equivalent basis. The Zero Coupon Debentures may be converted, subject to certain restrictions, into shares of the Company's Class A Special Common Stock at the option of the holder at a conversion rate of 14.2566 shares per \$1,000 principal amount at maturity, representing an initial conversion price of \$54.67 per share. The Zero Coupon Debentures are senior unsecured obligations. The Company may redeem for cash all or part of the Zero Coupon Debentures on or after December 19, 2005.

On December 17, 2001, the Company amended the terms of the Zero Coupon Debentures to permit holders of the Zero Coupon Debentures to require the Company to repurchase the Zero Coupon Debentures on December 19, 2002.

Holders may require the Company to repurchase the Zero Coupon Debentures on December 19, 2001, 2002, 2003, 2005, 2010 and 2015. The Company may choose to pay the repurchase price for 2001, 2002, 2003 and 2005 repurchases in cash or shares of its Class A Special Common Stock or a combination of cash and shares of its Class A Special Common Stock. The Company may pay the repurchase price for the 2010 and 2015 repurchases in cash only.

On December 19, 2001, holders of an aggregate of \$70.3 million accreted value of Zero Coupon Debentures exercised their right to have the Company repurchase their Zero Coupon Debentures for cash. The Company financed the redemption with available cash.

Holders may surrender the Zero Coupon Debentures for conversion at any time prior to maturity if the closing price of the Company's Class A Special Common Stock is greater than 110% of the accreted conversion price for at least 20 trading days of the 30 trading days prior to conversion.

Amounts outstanding under the Zero Coupon Debentures are classified as long-term in the Company's consolidated balance sheet as of December 31, 2001 and 2000 as the Company has both the ability and the intent to refinance the Zero Coupon Debentures on a long-term basis with amounts available under the Comcast Cable Revolver (see "Commercial Paper" below) in the event holders of the Zero Coupon Debentures exercise their rights to require the Company to repurchase the Zero Coupon Debentures in December 2002.

Commercial Paper

The Company's senior bank credit facility consists of a \$2.25 billion, five-year revolving credit facility and a \$2.25 billion, 364-day revolving credit facility (together, the "Comcast Cable Revolver"). The 364-day revolving credit facility supports Comcast Cable's commercial paper program. Amounts outstanding under the commercial paper program are classified as long-term in the Company's consolidated balance sheet as of December 31, 2001 and 2000 as the Company has both the ability and the intent to refinance these obligations, if necessary, on a long-term basis with amounts available under the Comcast Cable Revolver.

ZONES

At maturity, holders of the Company's 2.0% Exchangeable Subordinated Debentures due 2029 (the "ZONES") are entitled to receive in cash an amount equal to the higher of the principal amount of the ZONES or the market value of Sprint PCS Stock. Prior to maturity, each ZONES is exchangeable at the holder's option for an amount of cash equal to 95% of the market value of Sprint PCS Stock.

Prior to the adoption of SFAS No. 133 on January 1, 2001, the Company accounted for the ZONES as an indexed debt instrument since the maturity value is dependent upon the fair value of Sprint PCS Stock. Therefore, the carrying value of the ZONES was adjusted each balance sheet date to reflect the fair value of the underlying Sprint PCS Stock with the change included in income (expense) related to indexed debt in the Company's consolidated statement of operations. As of December 31, 2001, the number of Sprint PCS shares held by the Company exceeded the number of ZONES outstanding.

Upon adoption of SFAS No. 133, the Company split the ZONES into their derivative and debt components. In connection with the adoption of SFAS No. 133, the Company recorded the debt component of the ZONES at a discount from its value at maturity resulting in a reduction in the outstanding balance of the ZONES of \$400.2 million (see Note 3).

The Company recorded the increase in the fair value of the ZONES (see Note 6) and the increase in the carrying value of the debt component of the ZONES as follows (in millions):

	Year Ended December 31, 2001

Increase in derivative component to investment expense.....	\$183.8
Increase in debt component to interest expense.....	\$22.2

Extraordinary Items

Extraordinary items consist of unamortized debt issue costs and debt extinguishment costs, net of related tax benefits, expensed principally in connection with the redemptions and refinancings of certain indebtedness.

Interest Rates

Bank debt interest rates vary based upon one or more of the following rates at the option of the Company:

- Prime rate to prime plus .75%;
- Federal Funds rate plus .5% to 1.25%; and
- LIBOR plus .19% to 1.875%.

As of December 31, 2001 and 2000, the Company's effective weighted average interest rate on its variable rate debt outstanding was 2.70% and 7.34%, respectively.

Interest Rate Risk Management

The Company is exposed to the market risk of adverse changes in interest rates. To manage the volatility relating to these exposures, the Company's policy is to maintain a mix of fixed and variable rate debt and to enter into various interest rate derivative transactions as described below.

Using Swaps, the Company agrees to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. Caps are used to lock in a maximum interest rate should variable rates rise, but enable the Company to otherwise pay lower market rates. Collars limit the Company's exposure to and benefits from interest rate fluctuations on variable rate debt to within a certain range of rates.

All derivative transactions must comply with a board-approved derivatives policy. In addition to prohibiting the use of derivatives for trading purposes or that increase risk, this policy requires quarterly monitoring of the portfolio, including portfolio valuation, measuring counterparty exposure and performing sensitivity analyses.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

The following table summarizes the terms of the Company's existing Swaps (dollars in millions):

	Notional Amount	Maturities	Average Interest Rate	Estimated Fair Value
As of December 31, 2001				
Variable to Fixed Swaps	\$250.3	2002-2003	4.9%	(\$5.5)
Fixed to Variable Swaps	\$950.0	2004-2008	7.5%	\$46.8
As of December 31, 2000				
Variable to Fixed Swaps	\$377.7	2001-2003	5.2%	\$3.7
Fixed to Variable Swaps	\$450.0	2004-2008	7.7%	\$3.2

The notional amounts of interest rate instruments, as presented in the above table, are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The estimated fair value approximates the proceeds (costs) to settle the outstanding contracts. While Swaps, Caps and Collars represent an integral part of the Company's interest rate risk management program, their incremental effect on interest expense for the years ended December 31, 2001, 2000 and 1999 was not significant.

During January and February 2002, the Company settled all \$950.0 million notional amount of its Fixed to Variable Swaps and received proceeds of \$56.8 million.

Estimated Fair Value

The Company's long-term debt had estimated fair values of \$12.559 billion and \$10.251 billion as of December 31, 2001 and 2000, respectively. The estimated fair value of the Company's publicly traded debt is based on quoted market prices for that debt. Interest rates that are currently available to the Company for issuance of debt with similar terms and remaining maturities are used to estimate fair value for debt issues for which quoted market prices are not available.

Debt Covenants

Certain of the Company's subsidiaries' loan agreements contain restrictive covenants which, for example, limit the subsidiaries' ability to enter into arrangements for the acquisition of property and equipment, investments, mergers and the incurrence of additional debt. Certain of these agreements contain financial covenants which require that certain ratios and cash flow levels be maintained and contain certain restrictions on dividend payments and advances of funds to the Company. The Company and its subsidiaries were in compliance with all financial covenants for all periods presented.

As of December 31, 2001, \$246.9 million of the Company's cash, cash equivalents and short-term investments is restricted to use by subsidiaries of the Company under contractual or other arrangements. Restricted net assets of the Company's subsidiaries were approximately \$1.233 billion as of December 31, 2001.

Lines and Letters of Credit

As of December 31, 2001, certain subsidiaries of the Company had unused lines of credit of \$3.460 billion under their respective credit facilities.

As of December 31, 2001, the Company and certain of its subsidiaries had unused irrevocable standby letters of credit totaling \$96.1 million to cover potential fundings under various agreements.

8. STOCKHOLDERS' EQUITY

Preferred Stock

The Company is authorized to issue, in one or more series, up to a maximum of 20.0 million shares of preferred stock. The shares can be issued with such designations, preferences, qualifications, privileges, limitations, restrictions, options, conversion rights and other special or related rights as the Company's board of directors shall from time to time fix by resolution.

The Company's Series B Preferred Stock had a 5.25% pay-in-kind annual dividend. Dividends were paid quarterly through the issuance of additional shares of Series B Preferred Stock (the "Additional Shares") and were cumulative from the issuance date (except that dividends on the Additional Shares accrued from the date such Additional Shares were issued). The Series B Preferred Stock, including the Additional Shares, was convertible, at the option of the holder, into approximately 42.5 million shares of the Company's Class A Special Common Stock, subject to adjustment in certain limited circumstances, which equaled an initial conversion price of \$11.77 per share, increasing as a result of the Additional Shares to \$16.96 per share on June 30, 2004. The Series B Preferred Stock was mandatorily redeemable on June 30, 2017, or, at the option of the Company beginning on June 30, 2004 or at the option of the holder on June 30, 2004 or on June 30, 2012. Upon redemption, the Company, at its option, could redeem the Series B Preferred Stock with cash, Class A Special Common Stock or a combination thereof. The Series B Preferred Stock was generally non-voting. In December 2000, the Company issued approximately 38.3 million shares of its Class A Special Common Stock to the holder in connection with the holder's election to convert \$533.6 million at redemption value of Series B Preferred Stock. In March 2001, the Company issued approximately 4.2 million shares of its Class A Special Common Stock to the holder in connection with the holder's election to convert the remaining \$59.5 million at redemption value of Series B Preferred Stock.

Common Stock

The Company's Class A Special Common Stock is generally nonvoting and each share of the Company's Class A Common Stock is entitled to one vote. Each share of the Company's Class B Common Stock is entitled to fifteen votes and is convertible, share for share, into Class A or Class A Special Common Stock, subject to certain restrictions.

Board-Authorized Repurchase Programs

The following table summarizes the Company's repurchases and sales of Comcast Put Options under its Board-authorized share repurchase programs (shares and dollars in millions):

	Year Ended December 31,		
	2001	2000	1999
	-----	-----	-----
Shares repurchased.....	0.8	9.1	1.0
Aggregate consideration.....	\$27.1	\$324.9	\$30.7
Comcast Put Options sold.....		2.0	5.5

As part of the Company's Board-authorized repurchase programs, the Company sold Comcast Put Options on shares of its Class A Special Common Stock. The Comcast Put Options give the holder the right to require the Company to repurchase such shares at specified prices on specific dates. All Comcast Put Options sold expired unexercised. The Company reclassified the amount it would have been obligated to pay to repurchase such shares had the Comcast Put Options been exercised, from common equity put options to additional capital upon expiration of the Comcast Put Options. The difference between the proceeds from the sale of the Comcast Put Options and their estimated fair value was not significant as of December 31, 2000.

Stock-Based Compensation Plans

As of December 31, 2001, the Company and its subsidiaries have several stock-based compensation plans for certain employees, officers, directors and other persons designated by the applicable compensation committees of the boards of directors of the Company and its subsidiaries. These plans are described below.

Comcast Option Plans. The Company maintains qualified and nonqualified stock option plans for certain employees, directors and other persons under which fixed stock options are granted and the option price is generally not less than the fair value of a share of the underlying stock at the date of grant (collectively, the "Comcast Option Plans"). Under the Comcast Option Plans, 55.9 million shares of Class A Special Common Stock were reserved as of December 31, 2001. Option terms are generally from five to 10 1/2 years, with options generally becoming exercisable between two and 9 1/2 years from the date of grant.

The following table summarizes the activity of the Comcast Option Plans (options in thousands):

	2001		2000		1999	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Class A Special Common Stock						
Outstanding at beginning of year	49,618	\$23.69	40,416	\$16.01	43,002	\$11.09
Granted	10,084	37.52	15,300	39.43	7,403	34.16
Exercised	(3,360)	10.62	(4,805)	8.60	(7,527)	6.76
Canceled	(821)	30.69	(1,293)	25.98	(2,462)	12.90
Outstanding at end of year	55,521	26.89	49,618	23.69	40,416	16.01
Exercisable at end of year	16,892	15.57	13,267	11.35	10,947	8.19

The following table summarizes information about the Class A Special Common Stock options outstanding under the Comcast Option Plans as of December 31, 2001 (options in thousands):

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number Outstanding at 12/31/01	Weighted-Average Remaining Contractual Life	Weighted-Average Exercise Price	Number Exercisable at 12/31/01	Weighted-Average Exercise Price
\$4.96 - \$6.04	2,229	1 year	\$5.74	2,067	\$5.71
\$6.71 - \$10.06	7,095	3.3 years	8.70	4,829	8.95
\$10.11 - \$14.94	4,267	4.9 years	13.13	2,428	13.04
\$15.66 - \$22.88	10,490	6.4 years	17.01	4,809	17.01
\$27.59 - \$34.48	6,112	7.4 years	32.29	2,042	31.96
\$34.50 - \$41.38	21,745	8.9 years	37.78	490	38.52
\$41.44 - \$53.13	3,583	8.3 years	46.05	227	45.71
	55,521			16,892	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

The weighted-average fair value at date of grant of a Class A Special Common Stock option granted under the Comcast Option Plans during 2001, 2000 and 1999 was \$19.07, \$21.20 and \$20.41, respectively. The fair value of each option granted during 2001, 2000 and 1999 was estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	Year Ended December 31,		
	2001	2000	1999
	-----	-----	-----
Dividend yield.....	0%	0%	0%
Expected volatility.....	35.7%	35.8%	36.1%
Risk-free interest rate.....	5.1%	6.3%	5.8%
Expected option lives (in years).....	8.0	8.0	9.9
Forfeiture rate.....	3.0%	3.0%	3.0%

Subsidiary Option Plans. Certain of the Company's subsidiaries maintain qualified and nonqualified combination stock option/stock appreciation rights ("SAR") plans (collectively, the "Tandem Plans") for employees, officers, directors and other designated persons. Under the Tandem Plans, the option price is generally not less than the fair value, as determined by an independent appraisal, of a share of the underlying common stock at the date of grant. If the eligible participant elects the SAR feature of the Tandem Plans, the participant receives 75% of the excess of the fair value of a share of the underlying common stock over the exercise price of the option to which it is attached at the exercise date. Option holders have stated an intention not to exercise the SAR feature of the Tandem Plans. Because the exercise of the option component is more likely than the exercise of the SAR feature, compensation expense is measured based on the stock option component. Under the Tandem Plans, option/SAR terms are ten years from the date of grant, with options/SARs generally becoming exercisable over four to five years from the date of grant.

The QVC Tandem Plan is the most significant of the Tandem Plans. The following table summarizes information related to the QVC Tandem Plan (options/SARs in thousands):

	At December 31,		
	2001	2000	1999
	-----	-----	-----
Options/SARs outstanding at end of year.....	253	219	200
Weighted-average exercise price of options/SARs outstanding at end of year.....	\$913.88	\$789.51	\$618.02
Options/SARs exercisable at end of year.....	113	79	80
Weighted-average exercise price of options/SARs exercisable at end of year.....	\$706.51	\$606.92	\$505.86

As of the latest valuation date, the fair value of a share of QVC Common Stock was \$1,492.00.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

Had compensation expense for the Company's aforementioned stock-based compensation plans been determined based on the fair value at the grant dates for awards under those plans under the provisions of SFAS No. 123, the Company's net income and net income per share would have changed to the pro forma amounts indicated below (dollars in millions, except per share data):

	Year Ended December 31,		
	2001	2000	1999
	-----	-----	-----
Net income:			
As reported.....	\$608.6	\$2,021.5	\$1,065.7
Pro forma.....	\$482.0	\$1,918.1	\$1,005.5
Net income for common stockholders:			
As reported.....	\$608.6	\$1,998.0	\$1,036.0
Pro forma.....	\$482.0	\$1,894.6	\$975.8
Basic earnings for common stockholders per common share:			
As reported.....	\$0.64	\$2.24	\$1.38
Pro forma.....	\$0.51	\$2.13	\$1.30
Diluted earnings for common stockholders per common share:			
As reported.....	\$0.63	\$2.13	\$1.30
Pro forma.....	\$0.50	\$2.02	\$1.23

The pro forma effect on net income and net income per share for the years ended December 31, 2001, 2000 and 1999 by applying SFAS No. 123 may not be indicative of the pro forma effect on net income or loss in future years since SFAS No. 123 does not take into consideration pro forma compensation expense related to awards made prior to January 1, 1995 and since additional awards in future years are anticipated.

Other Stock-Based Compensation Plans

The Company maintains a restricted stock plan under which management employees may be granted restricted shares of the Company's Class A Special Common Stock (the "Restricted Stock Plan"). The shares awarded vest annually, generally over a period not to exceed five years from the date of the award, and do not have voting rights. At December 31, 2001, there were 714,000 unvested shares granted under the Restricted Stock Plan, of which 158,000 vested in January 2002.

The Company maintains a deferred stock option plan for certain employees, officers and directors which provides the optionees with the opportunity to defer the receipt of shares of the Company's Class A Special Common Stock which would otherwise be deliverable upon exercise by the optionees of their stock options. As of December 31, 2001 and 2000, 5.9 million and 5.0 million shares were issuable under options exercised but the receipt of which was irrevocably deferred by the optionees pursuant to the Company's deferred stock option plan.

Certain of the Company's subsidiaries have SAR plans for certain employees, officers, directors and other persons (the "SAR Plans"). Under the SAR Plans, eligible participants are entitled to receive a cash payment equal to 100% of the excess, if any, of the fair value of a share of the underlying common stock at the exercise date over the fair value of such a share at the grant date. The SARs have a term of ten years from the date of grant and become exercisable over four to five years from the date of grant.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

The following table summarizes information related to the Company's Restricted Stock Plan and subsidiary SAR Plans:

	Year Ended December 31,		
	2001	2000	1999
Restricted Stock Plan			
Shares granted (in thousands).....	157	504	170
Weighted-average fair value per share at date of grant.....	\$39.52	\$37.80	\$43.22
Compensation expense (in millions).....	\$8.9	\$9.2	\$4.7
SAR Plans			
Compensation expense (in millions).....	\$3.5	\$2.2	\$6.4

9. INCOME TAXES

The Company joins with its 80% or more owned subsidiaries (the "Consolidated Group") in filing consolidated federal income tax returns. QVC and E! Entertainment, each file separate consolidated federal income tax returns. Income tax expense consists of the following components (in millions):

	Year Ended December 31,		
	2001	2000	1999
Current expense			
Federal.....	\$623.2	\$321.4	\$606.7
State.....	84.8	42.8	188.4
Foreign.....	2.9	2.5	2.0
	710.9	366.7	797.1
Deferred expense (benefit)			
Federal.....	(255.8)	998.6	(65.2)
State.....	15.1	76.0	(8.2)
	(240.7)	1,074.6	(73.4)
Income tax expense.....	\$470.2	\$1,441.3	\$723.7

The Company's effective income tax expense differs from the statutory amount because of the effect of the following items (in millions):

	Year Ended December 31,		
	2001	2000	1999
Federal tax at statutory rate.....	\$299.7	\$1,260.6	\$525.0
Non-deductible depreciation and amortization.....	106.6	102.1	49.8
State income taxes, net of federal benefit.....	64.9	77.2	117.1
Foreign (income) losses and equity in net losses of affiliates..	7.2	8.0	(2.0)
Other.....	(8.2)	(6.6)	33.8
Income tax expense.....	\$470.2	\$1,441.3	\$723.7

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

The Company's net deferred tax liability consists of the following components (in millions):

	December 31,	
	2001	2000
	-----	-----
Deferred tax assets:		
Net operating loss carryforwards.....	\$242.8	\$289.8
Allowances for doubtful accounts and excess and obsolete inventory.....	108.7	109.0
Other.....	167.0	163.5
	-----	-----
	518.5	562.3
	-----	-----
Deferred tax liabilities:		
Temporary differences, principally book and tax basis of property and equipment and intangible assets.....	6,329.0	5,851.7
Differences between book and tax basis in investments.....	644.9	1,221.3
Differences between book and tax basis of indexed debt securities.....	195.7	65.9
	-----	-----
	7,169.6	7,138.9
	-----	-----
Net deferred tax liability.....	\$6,651.1	\$6,576.6
	=====	=====

The Company recorded \$212.3 million of deferred income tax liabilities in 2001 in connection with acquisitions principally related to basis differences in property and equipment and intangible assets. The Company recorded a decrease of (\$148.6) million and (\$3.055) billion, and an increase of \$2.730 billion to deferred income tax liabilities in 2001, 2000 and 1999, respectively, in connection with unrealized gains (losses) on marketable securities which are included in other comprehensive income. The Company recorded \$207.0 million of deferred income tax liabilities in 2001 in connection with the cumulative effect of accounting change related to the adoption of SFAS No. 133 (see Note 3).

The Company has recorded net deferred tax liabilities of \$275.4 million and \$789.9 million, as of December 31, 2001 and 2000, respectively, which have been included in current liabilities, related primarily to current investments. The Company has net operating loss carryforwards of approximately \$250.0 million which expire primarily in periods through 2019.

10. STATEMENT OF CASH FLOWS - SUPPLEMENTAL INFORMATION

The following table summarizes the fair values of the assets and liabilities acquired by the Company through noncash transactions (see Note 5) (in millions):

	Year Ended December 31,		
	2001	2000	1999
Current assets.....	\$56.6	\$216.2	\$6.4
Investments.....		437.3	
Property, plant & equipment.....	580.4	1,295.8	74.0
Intangible assets.....	3,042.7	15,399.4	337.0
Current liabilities.....	(37.0)	(277.3)	(11.1)
Long-term debt.....		(2,146.5)	
Deferred income taxes.....	(76.9)	(3,308.0)	(114.6)
Net assets acquired.....	\$3,565.8	\$11,616.9	\$291.7

The following table summarizes the Company's cash payments for interest and income taxes (in millions):

	Year Ended December 31,		
	2001	2000	1999
Interest.....	\$660.4	\$705.8	\$529.2
Income taxes.....	\$561.2	\$708.9	\$190.5

11. COMMITMENTS AND CONTINGENCIES

Commitments

The Company's programming networks have entered into license agreements for programs and sporting events which will be available for telecast subsequent to December 31, 2001. In addition, the Company, through Comcast-Spectacor, has employment agreements with both players and coaches of its professional sports teams. Certain of these employment agreements, which provide for payments that are guaranteed regardless of employee injury or termination, are covered by disability insurance if certain conditions are met. The following table summarizes the Company's minimum annual programming commitments under these license agreements, the Company's future commitments under long-term professional sports contracts, and the Company's minimum annual rental commitments for office space, equipment and transponder service agreements under noncancellable operating leases as of December 31, 2001 (in millions):

	Programming Agreements	Professional Sports Contracts	Operating Leases	Total
2002.....	\$95.4	\$122.5	\$98.6	\$316.5
2003.....	82.6	108.8	78.0	269.4
2004.....	84.0	84.5	68.8	237.3
2005.....	82.6	50.8	54.3	187.7
2006.....	85.8	28.7	39.6	154.1
Thereafter.....	413.6	8.0	148.6	570.2

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Continued)

The following table summarizes the Company's rental expense charged to operations (in millions):

	Year Ended December 31,		
	2001	2000	1999
	-----	-----	-----
Rental expense.....	\$120.9	\$97.6	\$88.5

Contingencies

The Company and the owners of the 34% interest in Comcast Spectacor that the Company does not own (the "Minority Group") each have the right to initiate an "exit" process under which the fair market value of Comcast Spectacor would be determined by appraisal. Following such determination, the Company would have the option to acquire the interests in Comcast Spectacor owned by the Minority Group based on the appraised fair market value. In the event the Company did not exercise this option, the Company and the Minority Group would then be required to use their best efforts to sell Comcast Spectacor.

The Walt Disney Company ("Disney"), in certain circumstances, is entitled to cause Comcast Entertainment Holdings LLC ("Entertainment Holdings"), which is owned 50.1% by the Company and 49.9% by Disney, to purchase Disney's entire interest in Entertainment Holdings at its then fair market value (as determined by an appraisal process). If Entertainment Holdings elects not to purchase Disney's interests, Disney has the right, at its option, to purchase either the Company's entire interest in Entertainment Holdings or all of the shares of stock of E! Entertainment held by Entertainment Holdings in each case at fair market value. In the event that Disney exercises its rights, as described above, a portion or all of the Disney Notes (see Note 7) may be replaced with a three year note due to Disney.

Liberty Media Group ("Liberty") may, at certain times, trigger the exercise of certain exit rights with respect to its investment in QVC. If Liberty Media triggers its exit rights, the Company has first right to purchase the stock in QVC held by Liberty at Liberty's pro rata portion of the fair market value (on a going concern or liquidation basis, whichever is higher, as determined by an appraisal process) of QVC. The Company may pay Liberty for such stock, subject to certain rights of Liberty to consummate the purchase in the most tax-efficient method available, in cash, the Company's promissory note maturing not more than three years after issuance, the Company's equity securities or any combination thereof. If the Company elects not to purchase the stock of QVC held by Liberty, then Liberty will have a similar right to purchase the stock of QVC held by the Company. If Liberty elects not to purchase the stock of QVC held by the Company, then Liberty and the Company will use their best efforts to sell QVC.

The Company is subject to legal proceedings and claims which arise in the ordinary course of its business. In the opinion of management, the amount of ultimate liability with respect to such actions is not expected to materially affect the financial condition, results of operations or liquidity of the Company.

In connection with a license awarded to an affiliate, the Company is contingently liable in the event of nonperformance by the affiliate to reimburse a bank which has provided a performance guarantee. The amount of the performance guarantee is approximately \$200 million; however the Company's current estimate of the amount of expenditures (principally in the form of capital expenditures) that will be made by the affiliate necessary to comply with the performance requirements will not exceed \$75 million.

12. FINANCIAL DATA BY BUSINESS SEGMENT

The following represents the Company's significant business segments, "Cable" and "Commerce." The Company's regional sports programming networks, which derive a substantial portion of their revenues from the Company's cable operations, were previously included in "Other." In 2001, as a result of a change in the Company's internal reporting structure, the Company's regional sports programming networks are now included in the Company's Cable segment for all periods presented (see Note 1). The components of net income (loss) below operating income (loss) are not separately evaluated by the Company's management on a segment basis (dollars in millions).

	Cable	Commerce	Corporate and Other(1)	Total
2001				
Revenues (2).....	\$5,130.7	\$3,917.3	626.2	\$9,674.2
Operating income (loss) before depreciation and amortization (3)	2,054.1	722.3	(74.6)	2,701.8
Depreciation and amortization.....	3,043.6	143.3	261.1	3,448.0
Operating income (loss).....	(989.5)	579.0	(335.7)	(746.2)
Interest expense.....	546.4	25.9	159.5	731.8
Assets.....	29,084.6	2,680.5	6,366.7	38,131.8
Long-term debt.....	8,363.2	62.7	3,315.7	11,741.6
Capital expenditures.....	1,855.3	142.9	183.5	2,181.7
2000				
Revenues (2).....	\$4,208.5	\$3,535.9	\$474.2	\$8,218.6
Operating income (loss) before depreciation and amortization (3)	1,903.4	619.2	(52.3)	2,470.3
Depreciation and amortization.....	2,419.5	125.9	85.9	2,631.3
Operating income (loss).....	(516.1)	493.3	(138.2)	(161.0)
Interest expense.....	515.9	34.9	140.6	691.4
Assets.....	25,763.9	2,503.0	7,477.6	35,744.5
Long-term debt.....	6,711.0	302.0	3,504.4	10,517.4
Capital expenditures.....	1,248.9	155.9	232.0	1,636.8
1999				
Revenues (2).....	\$2,969.9	\$3,167.4	\$391.9	\$6,529.2
Operating income (loss) before depreciation and amortization (3)	1,358.0	538.8	(16.8)	1,880.0
Depreciation and amortization.....	1,028.3	117.2	70.5	1,216.0
Operating income (loss).....	329.7	421.6	(87.3)	664.0
Interest expense.....	353.5	39.6	145.2	538.3
Assets.....	10,863.6	2,243.6	15,578.4	28,685.6
Long-term debt.....	4,735.5	476.7	3,495.0	8,707.2
Capital expenditures.....	739.9	80.1	73.8	893.8

- (1) Other includes segments not meeting certain quantitative guidelines for reporting including the Company's content (see Note 1) and business communications operations, as well as elimination entries related to the segments presented. Corporate and other assets consist primarily of the Company's investments (see Note 6).
- (2) Revenues include \$508.1 million, \$458.4 million and \$448.2 million in 2001, 2000 and 1999, respectively, of non-US revenues, principally related to the Company's Commerce segment. No single customer accounted for a significant amount of the Company's revenues in any period.
- (3) Operating income (loss) before depreciation and amortization is commonly referred to in the Company's businesses as "operating cash flow (deficit)." Operating cash flow is a measure of a company's ability to generate cash to service its obligations, including debt service obligations, and to finance capital and other expenditures. In part due to the capital intensive nature of the Company's businesses and the resulting significant level of non-cash depreciation and amortization expense, operating cash flow is frequently used as one of the bases for comparing businesses in the Company's industries, although the Company's measure of operating cash flow may not be comparable to similarly titled measures of other companies. Operating cash flow is the primary basis used by the Company's management to measure the operating performance of its businesses. Operating cash flow does not purport to represent net income or net cash.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999 (Concluded)

provided by operating activities, as those terms are defined under generally accepted accounting principles, and should not be considered as an alternative to such measurements as an indicator of the Company's performance.

13. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
(Dollars in millions, except per share data)					
2001					
Revenues.....	\$2,196.1	\$2,298.5	\$2,355.5	\$2,824.1	\$9,674.2
Operating loss.....	(100.5)	(133.3)	(178.2)	(334.2)	(746.2)
Income (loss) before extraordinary items and cumulative effect of accounting change.....	616.7	36.7	(106.8)	(321.0)	225.6
Basic earnings (loss) for common stockholders per common share					
Income (loss) before extraordinary items and cumulative effect of accounting change.....	0.65	0.04	(0.11)	(0.34)	0.24
Net income (loss).....	1.06	0.04	(0.11)	(0.34)	0.64
Diluted earnings (loss) for common stockholders per common share					
Income (loss) before extraordinary items and cumulative effect of accounting change.....	0.64	0.04	(0.11)	(0.34)	0.23
Net income (loss).....	1.04	0.04	(0.11)	(0.34)	0.63
Operating income before depreciation and amortization (1).	640.9	700.4	705.8	654.7	2,701.8
2000					
Revenues.....	\$1,938.9	\$1,912.1	\$1,960.0	\$2,407.6	\$8,218.6
Operating income (loss).....	41.2	(31.6)	(56.4)	(114.2)	(161.0)
Income (loss) before extraordinary items.....	(186.4)	198.8	1,249.1	783.6	2,045.1
Basic earnings (loss) for common stockholders per common share					
Income (loss) before extraordinary items.....	(0.23)	0.21	1.37	0.87	2.27
Net income (loss).....	(0.24)	0.20	1.37	0.86	2.24
Diluted earnings (loss) for common stockholders per common share					
Income (loss) before extraordinary items.....	(0.23)	0.20	1.29	0.81	2.16
Net income (loss).....	(0.24)	0.19	1.29	0.80	2.13
Operating income before depreciation and amortization (1).	586.9	602.8	605.7	674.9	2,470.3

(1) See Note 12, note 3.

ITEM 9 CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND
FINANCIAL DISCLOSURE

None.

PART III

Except for the information regarding executive officers required by Item 401 of Regulation S-K, which is included in Part I of this Annual Report on Form 10-K as Item 4A in accordance with General Instruction G(3), the following required information is incorporated by reference to our definitive Proxy Statement for our Annual Meeting of Shareholders presently scheduled to be held in June 2002:

- Item 10 Directors and Executive Officers of the Registrant
- Item 11 Executive Compensation
- Item 12 Security Ownership of Certain Beneficial Owners and Management
- Item 13 Certain Relationships and Related Transactions

We will file our definitive Proxy Statement for our Annual Meeting of Shareholders with the Securities and Exchange Commission on or before April 30, 2002.

PART IV

ITEM 14 EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) The following consolidated financial statements of ours are included in Part II, Item 8:

Independent Auditors' Report.....	38
Consolidated Balance Sheet--December 31, 2001 and 2000.....	39
Consolidated Statement of Operations--Years Ended December 31, 2001, 2000 and 1999.....	40
Consolidated Statement of Cash Flows--Years Ended December 31, 2001, 2000 and 1999.....	41
Consolidated Statement of Stockholders' Equity--Years Ended December 31, 2001, 2000 and 1999.....	42
Notes to Consolidated Financial Statements.....	43

(b) (i) The following financial statement schedules required to be filed by Items 8 and 14(d) of Form 10-K are included in Part IV:

Schedule II - Valuation and Qualifying Accounts

All other schedules are omitted because they are not applicable, not required or the required information is included in the consolidated financial statements or notes thereto.

(c) Reports on Form 8-K:

(i) We filed a Current Report on Form 8-K under Item 5 and 7(c) on December 20, 2001 relating to our announcement that we had entered into an Agreement and Plan of Merger with AT&T Corp. pursuant to which we agreed to a transaction which will result in the combination of Comcast Corporation and AT&T Broadband, a holding company of AT&T's broadband business.

(d) Exhibits required to be filed by Item 601 of Regulation S-K:

- 2.1 Agreement and Plan of Merger dated as of December 19, 2001 by and among AT&T Corp., AT&T Broadband Corp., Comcast Corporation, AT&T Broadband Acquisition Corp., Comcast Acquisition Corp. and AT&T Comcast Corporation (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed on December 20, 2001).
- 3.1(a) Amended and Restated Articles of Incorporation filed on July 24, 1990 (incorporated by reference to Exhibit 3.1(a) to our Annual Report on Form 10-K for the year ended December 31, 1995).
- 3.1(b) Amendment to Restated Articles of Incorporation filed on July 14, 1994 (incorporated by reference to Exhibit 3.1(b) to our Annual Report on Form 10-K for the year ended December 31, 1995).
- 3.1(c) Amendment to Restated Articles of Incorporation filed on July 12, 1995 (incorporated by reference to Exhibit 3.1(c) to our Annual Report on Form 10-K for the year ended December 31, 1995).
- 3.1(d) Amendment to Restated Articles of Incorporation filed on June 24, 1996 (incorporated by reference to Exhibit 4.1(d) to our Registration Statement on Form S-3, as amended, filed on July 16, 1996).
- 3.1(e) Form of Statement of Designations, Preferences and Rights of Series B Convertible Preferred Stock of the Company (incorporated by reference to Exhibit 3.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 1997).
- 3.1(f) Amendment to Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1(f) to our Annual Report on Form 10-K for the year ended December 31, 2000).

- 3.2 Amended and Restated By-Laws (incorporated by reference to Exhibit 3.1 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 1999).
- 4.1 Specimen Class A Common Stock Certificate (incorporated by reference to Exhibit 2(a) to our Registration Statement on Form S-7 filed on September 17, 1980).
- 4.2 Specimen Class A Special Common Stock Certificate (incorporated by reference to Exhibit 4(2) to our Annual Report on Form 10-K for the year ended December 31, 1986).
- 4.3 Indenture, dated as of October 17, 1991, between the Company and Bank of Montreal/Harris Trust (successor to Morgan Guaranty Trust Company of New York), as Trustee (incorporated by reference to Exhibit 2 to our Current Report on Form 8-K filed on October 31, 1991).
- 4.4 Form of Debenture relating to our \$300,000,000 10-5/8% Senior Subordinated Debentures due 2012 (incorporated by reference to Exhibit 4(17) to our Annual Report on Form 10-K for the year ended December 31, 1992).
- 4.5 Form of Debenture relating to our \$1,477,750,000 Principal Amount at Maturity of Zero Coupon Convertible Debentures due 2020 (incorporated by reference to Exhibit 4.7 to our Annual Report on Form 10-K for the year ended December 31, 2000).
- 10.1* Comcast Corporation 1987 Stock Option Plan, as amended and restated, effective December 15, 1998 (incorporated by reference to Exhibit 10.2 to our Annual Report on Form 10-K for the year ended December 31, 1998).
- 10.2* Comcast Corporation 1996 Stock Option Plan, as amended and restated, effective June 5, 2001 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2001).
- 10.3* Comcast Corporation 1996 Deferred Compensation Plan, as amended and restated, effective December 19, 2000 (incorporated by reference to Exhibit 10.4 to our Annual Report on Form 10-K for the year ended December 31, 2000).
- 10.4* Comcast Corporation 1990 Restricted Stock Plan, as amended and restated, effective June 21, 1999 (incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 1999).
- 10.5* 1992 Executive Split Dollar Insurance Plan (incorporated by reference to Exhibit 10(12) to our Annual Report on Form 10-K for the year ended December 31, 1992).
- 10.6* Comcast Corporation 1996 Cash Bonus Plan, as amended and restated, effective December 19, 2000 (incorporated by reference to Exhibit 10.7 to our Annual Report on Form 10-K for the year ended December 31, 2000).
- 10.7* Comcast Corporation 1996 Executive Cash Bonus Plan, as amended through October 1, 2001.
- 10.8* Compensation and Deferred Compensation Agreement by and between Comcast Corporation and Ralph J. Roberts, as amended and restated effective June 5, 2001.
- 10.9* Compensation Agreement by and between Comcast Corporation and Brian L. Roberts (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2000).
- 10.10* Comcast Corporation Supplemental Executive Retirement Plan, as amended and restated effective June 5, 2001.
- 10.11 The Comcast Corporation Retirement-Investment Plan, as amended and restated (incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2000).
- 10.12 Defined Contribution Plans Master Trust Agreement, between Comcast Corporation and State Street Bank and Trust Company (incorporated by reference to Exhibit 10.2 to our Registration Statement on Form S-8 filed on October 5, 1995).

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 * Constitutes a management contract or compensatory plan or arrangement.

- 10.13 Tax Sharing Agreement, dated as of December 2, 1992, among Storer Communications, Inc., TKR Cable I, Inc., TKR Cable II, Inc., TKR Cable III, Inc., AT&T Corp. (as successor to Tele-Communications, Inc.), the Company and each of the Departing Subsidiaries that are signatories thereto (incorporated by reference to Exhibit 4 to our Current Report on Form 8-K filed on December 17, 1992, as amended by Form 8 filed January 8, 1993).
- 10.14* Comcast Corporation 1997 Deferred Stock Option Plan, as amended and restated, effective November 29, 2001 (incorporated by reference to Exhibit 4.1 to our Registration Statement on Form S-8 filed on January 22, 2002).
- 10.15 Amended and Restated Stockholders Agreement, dated as of February 9, 1995, among the Company, Comcast QVC, Inc., QVC Programming Holdings, Inc., Liberty Media Corporation, QVC Investment, Inc. and Liberty QVC, Inc. (incorporated by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 1995).
- 10.16 Indenture dated as of May 1, 1997, between Comcast Cable Communications, Inc. and The Bank of New York (as successor in interest to Bank of Montreal Trust Company), as Trustee, in respect of Comcast Cable Communications, Inc.'s 8-1/8% Notes due 2004, 8-3/8% Notes due 2007, 8-7/8% Notes due 2017, 8-1/2% Notes due 2027, 6.20% Notes due 2008, 6.375% Notes due 2006, 6.75% Notes due 2011, 6.875% Notes due 2009 and 7.125% Notes due 2013 (incorporated by reference to Exhibit 4.1(a) to the Registration Statement on Form S-4 of Comcast Cable Communications, Inc.).
- 10.17 Purchase and Sale Agreement dated as of January 19, 1999 among SBC Communications Inc., Comcast Cellular Holdings Corporation, Comcast Financial Corporation and Comcast Corporation (incorporated by reference to Exhibit 10.34 to our Annual Report on Form 10-K for the year ended December 31, 1998).
- 10.18 Agreement and Plan of Merger, dated as of November 16, 1999, by and among Comcast Corporation, Comcast LCI Holdings, Inc., a wholly owned subsidiary of Comcast, Lenfest Communications, Inc. ("Lenfest") and Lenfest's stockholders as named therein. (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on December 13, 1999).
- 10.19 Asset Exchange Agreement, dated as of August 11, 2000, among AT&T Corp. and Comcast Corporation (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2000).
- 10.20 Agreement and Plan of Reorganization, dated as of August 11, 2000, among Comcast Corporation, Comcast Cable Communications, Inc., Comcast CCCI II, LLC, Comcast Teleport, Inc., Comcast Heritage, Inc., Comcast Communications Properties, Inc., and AT&T Corp (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2000).
- 10.21 Five-Year Revolving Credit Agreement, dated as of August 24, 2000, among Comcast Cable Communications, Inc. and the Financial Institutions Party Hereto, Banc of America Securities LLC and Chase Securities Inc., as Joint Lead Arrangers and Joint Book Managers, BNY Capital Markets, Inc. and Salomon Smith Barney Inc., as Co-Arrangers, Bank of America, N.A., as Administrative Agent, Swing Line Lender and Letter of Credit Issuing Lender, Chase Securities Inc., as Syndication Agent and Citibank, N.A. and The Bank of New York, as Co-Documentation Agents (incorporated by reference to Exhibit 10.4 to the Comcast Cable Communications, Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2000).
- 10.22 364-Day Revolving Credit Agreement, dated as of July 17, 2001, among Comcast Cable Communications, Inc. and the Financial Institutions Party Hereto, Banc of America Securities LLC and Chase Securities Inc., as Joint Lead Arrangers and Joint Book Managers, BNY Capital Markets, Inc. and Salomon Smith Barney Inc., as Co-Arrangers, Bank of America, N.A., as Administrative Agent, Chase Securities Inc., as Syndication Agent and Citibank, N.A. and The Bank of New York, as Co-Documentation Agents.

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 * Constitutes a management contract or compensatory plan or arrangement.

10.23 Asset Exchange Closing Agreement dated as of January 1, 2001 among Comcast Corporation, the Comcast Parties, Adelphia Communications Corporation and the Adelphia Parties (incorporated by reference to Exhibit 10.24 to our Annual Report on Form 10-K for the year ended December 31, 2000).

21 List of Subsidiaries.

23.1 Consent of Deloitte & Touche LLP.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized in Philadelphia, Pennsylvania on March 29, 2002.

Comcast Corporation

By: /s/ Brian L. Roberts

 Brian L. Roberts
 President and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature -----	Title -----	Date -----
/s/ Ralph J. Roberts ----- Ralph J. Roberts	Chairman of the Board of Directors; Director	March 29, 2002
/s/ Julian A. Brodsky ----- Julian A. Brodsky	Vice Chairman of the Board of Directors; Director	March 29, 2002
/s/ Brian L. Roberts ----- Brian L. Roberts	President; Director (Principal Executive Officer)	March 29, 2002
/s/ John R. Alchin ----- John R. Alchin	Executive Vice President, Treasurer (Principal Financial Officer)	March 29, 2002
/s/ Lawrence J. Salva ----- Lawrence J. Salva	Senior Vice President (Principal Accounting Officer)	March 29, 2002
/s/ Decker Anstrom ----- Decker Anstrom	Director	March 29, 2002
/s/ Sheldon M. Bonovitz ----- Sheldon M. Bonovitz	Director	March 29, 2002
/s/ Joseph L. Castle II ----- Joseph L. Castle II	Director	March 29, 2002
/s/ Felix G. Rohatyn ----- Felix G. Rohatyn	Director	March 29, 2002
/s/ Bernard C. Watson ----- Bernard C. Watson	Director	March 29, 2002
/s/ Irving A. Wechsler ----- Irving A. Wechsler	Director	March 29, 2002
/s/ Anne Wexler ----- Anne Wexler	Director	March 29, 2002

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

Our audits of the financial statements referred to in our report dated February 5, 2002 (which report expresses an unqualified opinion and includes an explanatory paragraph related to the adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, effective January 1, 2001) appearing in the Annual Report on Form 10-K of Comcast Corporation (the "Company") for the year ended December 31, 2001 also included the financial statement schedule of the Company, listed in Item 14(b)(i). This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ Deloitte & Touche LLP

Philadelphia, Pennsylvania
February 5, 2002

COMCAST CORPORATION AND SUBSIDIARIES

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

YEARS ENDED DECEMBER 31, 2001, 2000 AND 1999

(In millions)

	Balance at Beginning of Year	Additions Charged to Costs and Expenses	Deductions from Reserves(A)	Balance at End of Year
Allowance for Doubtful Accounts				
2001	\$141.7	\$86.3	\$74.1	\$153.9
2000	136.6	65.9	60.8	141.7
1999	120.7	48.6	32.7	136.6
Allowance for Excess and Obsolete Electronic Retailing Inventories				
2001	\$105.5	\$55.1	\$46.3	\$114.3
2000	89.2	46.3	30.0	105.5
1999	60.9	61.9	33.6	89.2

(A) Uncollectible accounts and excess and obsolete inventory written off.

1996 EXECUTIVE CASH BONUS PLAN

(as amended through October 1, 2001)

1. PURPOSE

The purpose of the Plan is to provide, subject to shareholder approval and approval by the Committee (as defined below), performance-based cash bonus compensation for certain employees of Comcast Corporation, a Pennsylvania corporation (the "Company") in accordance with a formula that is based on the financial success of the Company as part of an integrated compensation program which is intended to assist the Company in motivating and retaining employees of superior ability, industry and loyalty.

2. DEFINITIONS

The following words and phrases as used herein shall have the following meanings, unless a different meaning is plainly required by the context:

"Board of Directors" shall mean the Board of Directors of the Company.

"Cash Flow" shall mean the operating income before depreciation and amortization for the Company and those of its affiliates which are included with the Company in its consolidated financial statements as prepared by the Company in accordance with generally accepted accounting principles.

"Committee" shall mean the Subcommittee on Performance-Based Compensation of the Compensation Committee of the Board of Directors.

"Company" shall mean Comcast Corporation, a Pennsylvania corporation, and any successor thereto.

"First Tier Goal" shall mean the performance goal, measured in terms of level of Cash Flow, as established by the Committee for each Plan Year. The First Tier Goal is the performance measure which, if achieved, permits payment to each Participant of 66% of the Participant's Target Bonus. The Committee shall in all events establish the First Tier Goal for each Plan Year no later than 90 days after the first day of the Plan Year or, if sooner, within the first 25% of the Plan Year. The First Tier Goal shall be established at the discretion of the Committee, provided, however, that the Committee must determine that, as of the date the First Tier Goal is established, it is substantially uncertain whether the level of Cash Flow required to meet the First Tier Goal will be achieved.

"Participant" shall mean those persons eligible to participate in the Plan in accordance with Section 3.

"Plan" shall mean the Comcast Corporation 1996 Executive Cash Bonus Plan.

"Plan Year" shall mean the calendar year, except that the first Plan Year shall be the period from July 1, 1996 through December 31, 1996.

"Second Tier Goal" shall mean the performance goal, measured in terms of level of Cash Flow, as established by the Committee for each Plan Year. The Second Tier Goal is the performance measure which, if achieved, permits payment to each Participant of 100% of the Participant's Target Bonus. The Committee shall establish the Second Tier Goal for each Plan Year at the same time that it establishes the First Tier Goal for such Plan Year. The Second Tier Goal shall be a level of Cash Flow chosen at the discretion of the Committee that is higher than the level of Cash Flow chosen for the Plan Year as the First Tier Goal.

"Target Bonus" shall mean, with respect to any Participant for any Plan Year, the sum of (a) the Target Percentage of the Participant's base salary and any guaranteed bonus (other than any bonus awarded on account of the termination as of December 31, 1993, of the Company's discretionary cash bonus plan) as of the first day of the Plan Year and (b) the amount, if any, of such Participant's Target Bonus for any prior Plan Year which was not earned due to failure to meet the First Tier Goal or the Second Tier Goal; provided, however, that in no event shall any Participant's Target Bonus for any Plan Year exceed \$3,000,000.

"Target Percentage" shall mean, with respect to any Participant for any Plan Year, a percentage, not to exceed 150%, established by the Committee with respect to such Participant and such Plan Year. If no other percentage is selected by the Committee, the Target Percentage shall be 50%.

3. PARTICIPATION

The Participants in the Plan shall be

(a) Brian L. Roberts, Lawrence S. Smith, John R. Alchin and Stanley Wang;

(b) Effective for Plan Years beginning after 1999, Brian L. Roberts, Lawrence S. Smith, John R. Alchin, Stanley Wang, Stephen B. Burke, Michael A. Tallent, Bradley P. Dusto and David N. Watson;

(c) Effective for Plan Years beginning after 2000, Brian L. Roberts, Lawrence S. Smith, John R. Alchin, Stanley Wang, Stephen B. Burke, Michael A. Tallent, Bradley P. Dusto, David N. Watson, Arthur R. Block, Mark A. Coblitz and Robert A. Pick; and

(d) Effective as of October 1, 2001, Terry S. Bienstock, provided that the amount of Terry S. Bienstock's bonus payable under this Plan for the 2001 Plan Year, if any, shall be 25 percent of the amount it would have been if he had been designated as a Participant in the Plan for the whole 2001 Plan Year; and

(e) Effective for Plan Years beginning after 2003, Brian L. Roberts, Lawrence S. Smith, John R. Alchin, Stanley Wang, Stephen B. Burke, Michael A. Tallent, Bradley P. Dusto, David N. Watson, Arthur R. Block, Mark A. Coblitz, Robert A. Pick, Lawrence J. Salva and Terry S. Bienstock.

In addition, Participants in the Plan shall include such other key executives as may be designated by the Committee to participate in the Plan from time to time.

4. TERM OF PLAN

The original effective date of the Plan was July 1, 1996. Subject to approval of the shareholders of the Company, the Plan shall continue until all amounts required to be paid with respect to all Plan Years up through and including the Plan Year ending December 31, 2006 are paid by the Company, unless the Plan is sooner terminated by the Board of Directors.

5. BONUS ENTITLEMENT

Each Participant shall be entitled to receive a bonus in accordance with the provisions of Section 6 of the Plan only after certification by the Committee that the performance goals set forth in Section 6 have been satisfied. The bonus payment under the Plan shall be paid to each Participant as soon as practicable following the close of the Plan Year with respect to which the bonus is to be paid. Notwithstanding anything contained herein to the contrary, no bonus shall be payable under the Plan without the prior disclosure of the terms of the Plan to the shareholders of the Company and the approval of the Plan by such shareholders.

6. AMOUNT OF PERFORMANCE-BASED COMPENSATION BONUS

(a) Each Participant in the Plan shall be entitled to a bonus with respect to a Plan Year which is equal to 66% of the Participant's Target Bonus if the Company's Cash Flow for the Plan Year is at least equal to the First Tier Goal, and 100% of the Target Bonus if the Company's Cash Flow for the Plan Year is at least equal to the Second Tier Goal. If the level of Cash Flow for the Plan Year is higher than the First Tier Goal and lower than the Second Tier Goal, the bonus with respect to such Plan Year shall be such percentage of the Participant's Target Bonus in excess of 66% as is determined by prorating the difference between 100% and 66% according to the level of Cash Flow in excess of the First Tier Goal divided by the difference between the levels of Cash Flow represented by the Second Tier Goal and the First Tier Goal. If the level of Cash Flow for a Plan Year is below the First Tier Goal established with respect to such Plan Year, no bonus shall be payable under the Plan for that Plan Year.

(b) In the event any payment of a bonus otherwise payable under the Plan occurs more than two months after the close of the Plan Year with respect to which the bonus is paid because the required disclosure of the terms of the Plan to the shareholders of the Company and the approval of the Plan by such shareholders delays such bonus payment, the amount of the bonus otherwise payable shall be increased by the amount such bonus payment would earn if it were invested in an investment bearing a 7% annual rate of return, compounded daily, or such other reasonable rate of interest as may be determined by the Committee, during the period from the close of the Plan Year with respect to which such bonus is paid and the date the bonus is actually paid.

(c) Notwithstanding anything contained herein to the contrary, in the event there is a significant acquisition or disposition of any assets, business division, company or other business operations of the Company that is reasonably expected to have an effect on Cash Flow as otherwise determined under the terms of the Plan, the First Tier Goal and the Second Tier Goal shall be adjusted to take into account the impact of such acquisition or disposition by increasing or decreasing such goals in the same proportion as Cash Flow of the Company would have been affected for the prior Plan Year on a pro forma basis had such an acquisition or disposition occurred on the same date during the prior Plan Year (except in the case of the first Plan Year the adjustment shall be made by reference to the effect such an acquisition or disposition on the same date during the prior calendar year would have had on Cash Flow for the period commencing July 1, 1995 and ending December 31, 1995). Such adjustment shall be based upon the historical equivalent of Cash Flow of the assets so acquired or disposed of for the prior Plan Year, as shown by such records as are available to the Company, as further adjusted to reflect any aspects of the transaction that should be taken into account to ensure comparability between amounts in the prior Plan Year and the current Plan Year.

(d) Notwithstanding the determination of the amount of a Participant's bonus payable with respect to any Plan Year under Section 6(a), the Committee shall have the discretion to reduce or eliminate the bonus otherwise payable to a Participant if it determines that such a reduction or elimination of the bonus is in the best interests of the Company.

7. COMMITTEE

(a) Powers. The Committee shall have the power and duty to do all things necessary or convenient to effect the intent and purposes of the Plan and not inconsistent with any of the provisions hereof, whether or not such powers and duties are specifically set forth herein, and, by way of amplification and not limitation of the foregoing, the Committee shall have the power to:

(i) provide rules and regulations for the management, operation and administration of the Plan, and, from time to time, to amend or supplement such rules and regulations;

(ii) construe the Plan, which construction, as long as made in good faith, shall be final and conclusive upon all parties hereto; and

(iii) correct any defect, supply any omission, or reconcile any inconsistency in the Plan in such manner and to such extent as it shall deem expedient to carry the same into effect, and it shall be the sole and final judge of when such action shall be appropriate.

The resolution of any questions with respect to payments and entitlements pursuant to the provisions of the Plan shall be determined by the Committee, and all such determinations shall be final and conclusive.

(b) Indemnity. No member of the Committee shall be directly or indirectly responsible or under any liability by reason of any action or default by him as a member of the Committee, or the exercise of or failure to exercise any power or discretion as such member. No member of the Committee shall be liable in any way for the acts or defaults of any other member of the Committee, or any of its advisors, agents or representatives. The Company shall indemnify and save harmless each member of the Committee against any and all expenses and liabilities arising out of his own membership on the Committee.

(c) Compensation and Expenses. Members of the Committee shall receive no separate compensation for services other than compensation for their services as members of the Board of Directors, which compensation can include compensation for services at any committee meeting attended in their capacity as members of the Board of Directors. Members of the Committee shall be entitled to receive their reasonable expenses incurred in administering the Plan. Any such expenses, as well as extraordinary expenses authorized by the Company, shall be paid by the Company.

(d) Participant Information. The Company shall furnish to the Committee in writing all information the Company deems appropriate for the Committee to exercise its powers and duties in administration of the Plan. Such information shall be conclusive for all purposes of the Plan and the Committee shall be entitled to rely thereon without any investigation thereof; provided, however, that the Committee may correct any errors discovered in any such information.

(e) Inspection of Documents. The Committee shall make available to each Participant, for examination at the principal office of the Company (or at such other location as may be determined by the Committee), a copy of the Plan and such of its records, or copies thereof, as may pertain to any benefits of such Participant under the Plan.

8. TERMINATION AND AMENDMENT

The Plan may be terminated or revoked by the Company at any time and amended by the Company from time to time, provided that neither the termination, revocation or amendment of the Plan may, without the written approval of the Participant, reduce the amount of a bonus payment that is due, but has not yet been paid, and provided further that no changes that would increase the amount of bonuses determined under provisions of the Plan shall be effective without approval by the Committee and without disclosure to and approval by the shareholders of the Company in a separate vote prior to payment of such bonuses. In addition, the Plan may be modified or amended by the Committee, as it deems appropriate, in order to comply with any rules, regulations or other guidance promulgated by the Internal Revenue Service with respect to applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), as they relate to the exemption for "performance-based compensation" under the limitations on the deductibility of compensation imposed under Code Section 162(m).

9. MISCELLANEOUS PROVISIONS

(a) Unsecured Creditor Status. A Participant entitled to a bonus payment hereunder, shall rely solely upon the unsecured promise of the Company, as set forth herein, for the payment thereof, and nothing herein contained shall be construed to give to or vest in a Participant or any other person now or at any time in the future, any right, title, interest, or claim in or to any specific asset, fund, reserve, account, insurance or annuity policy or contract, or other property of any kind whatever owned by the Company, or in which the Company may have any right, title, or interest, nor or at any time in the future.

(b) Other Company Plans. It is agreed and understood that any benefits under this Plan are in addition to any and all benefits to which a Participant may otherwise be entitled under any other contract, arrangement, or voluntary pension, profit sharing or other compensation plan of the Company, whether funded or unfunded, and that this Plan shall not affect or impair the rights or obligations of the Company or a Participant under any other such contract, arrangement, or voluntary pension, profit sharing or other compensation plan.

(c) Separability. If any term or condition of the Plan shall be invalid or unenforceable to any extent or in any application, then the remainder of the Plan, with the exception of such invalid or unenforceable provision, shall not be affected thereby, and shall continue in effect and application to its fullest extent.

(d) Continued Employment. Neither the establishment of the Plan, any provisions of the Plan, nor any action of the Committee shall be held or construed to confer upon any Participant the right to a continuation of employment by the Company. The Company reserves the right to dismiss any employee (including a Participant), or otherwise deal with any employee (including a Participant) to the same extent as though the Plan had not been adopted.

(e) Incapacity. If the Committee determines that a Participant is unable to care for his affairs because of illness or accident, any benefit due such Participant under the Plan may be paid to his spouse, child, parent, or any other person deemed by the Committee to have incurred expense for such Participant (including a duly appointed guardian, committee, or other legal representative), and any such payment shall be a complete discharge of the Company's obligation hereunder.

(g) Jurisdiction. The Plan shall be construed, administered, and enforced according to the laws of the Commonwealth of Pennsylvania, except to the extent that such laws are preempted by the Federal laws of the United States of America.

(h) Withholding. The Participant shall make appropriate arrangements with the Company for satisfaction of any federal, state or local income tax withholding requirements and Social Security or other tax requirements applicable to the accrual or payment of benefits under the Plan. If no other arrangements are made, the Company may provide, at its discretion, for any withholding and tax payments as may be required.

Executed as of the 1st day of October, 2001.

COMCAST CORPORATION

BY: /s/ Stanley Wang

ATTEST: /s/ Arthur Block

AMENDMENT TO COMPENSATION
AND DEFERRED COMPENSATION AGREEMENT BETWEEN
COMCAST CORPORATION AND RALPH J. ROBERTS

This Amendment is made as of this 5th day of June, 2001, by and between COMCAST CORPORATION, a Pennsylvania corporation (the "Company") and RALPH J. ROBERTS ("Roberts").

RECITALS

WHEREAS, Roberts and the Company entered into an amended and restated Compensation and Deferred Compensation Agreement effective August 31, 1998 (the "Agreement"); and

WHEREAS, Roberts and the Company amended the Agreement by Amendment Agreement dated as of August 19, 1999 (the Agreement as thus amended being referred to herein as the "Amended Agreement"); and

WHEREAS, the Company's board of directors desires to further modify the provisions of the Amended Agreement concerning the beneficiaries of Roberts who would be entitled to receive certain benefits pursuant to the Amended Agreement in the event of Roberts' death; and

WHEREAS, Roberts is agreeable to accepting the Company's proposed modifications to the Amended Agreement;

NOW THEREFORE, in consideration of the foregoing and of the provisions set forth herein, the parties agree as follows:

1. Section 3.9 of the Amended Agreement is modified as follows:

(a) All references to the SERP (as therein defined) shall be deemed refer to the SERP as amended and restated through the date hereof; and

-1-

(b) The last sentence of Section 3.9 is replaced with the following new sentence:

"In the event Roberts dies while a consultant for the Company: (i) Roberts' Designated Beneficiary (as defined in Section 7.2 (c)(1) of the SERP) shall be entitled to receive an annual death benefit equal to one hundred percent (100%) of the annual pension Roberts was receiving immediately prior to his death for a period equal to the greater of (A) the life of Roberts' Spouse (as defined in the SERP) or (B) five (5) years; and (ii) for purposes of Sections 7.2 and 7.4 of the SERP (relating to the payment of benefits to Roberts' Designated Beneficiary), Roberts' death shall be treated as having occurred before the commencement of his Normal Retirement Pension (as defined in the SERP) while employed by the Company."

2. Paragraph (a) of Section 3.11 of the Amended Agreement is replaced with the following new paragraph (a):

"(a) Death Benefit. In addition to the other payments provided or referred to herein, in the event of Roberts' death during the term of this Agreement or thereafter the Company shall pay a supplemental death benefit (the "Death Benefit") as calculated herein to Roberts' beneficiary within six (6) months following Roberts' date of death. As used in this Section 3.11, "Roberts' beneficiary" shall be such one or more individuals, trusts or other entities (including but not limited to organizations which are described in Section 501(c)(3) of the

-2-

Internal Revenue Code of 1986, as amended) as Roberts shall designate in a writing delivered to the Company prior to his death for that purpose and, if Roberts designates more than one beneficiary, then the Death Benefit shall be paid among them in such manner as Roberts specifies or, in the absence of such specification, then in equal parts; however, to the extent Roberts fails to so designate a beneficiary of the Death Benefit who survives him, then the Death Benefit shall be paid to Roberts' personal representatives. Any beneficiary designation may be amended or revoked at any time prior to Roberts' death by filing a new beneficiary designation with the Company."

3. Paragraph (b) of Section 3.11 of the Amended Agreement is modified by replacing the phrase "Roberts' personal representatives" wherever it appears with the phrase "Roberts' beneficiary".

4. Paragraph (g) of Section 3.11 of the Amended Agreement is modified by adding the following sentence at the end thereof:

"The Company shall furnish to Roberts' beneficiary copies of all written reports and information provided to Roberts' personal representatives pursuant to this paragraph (g) following Roberts' death."

5. Section 5.1 of the Amended Agreement is replaced with the following new Section 5.1:

"5.1 If during the Service Period Roberts' services as an executive or a consultant shall be terminated by reason of his death, the Company shall continue to pay to Roberts' beneficiary Roberts' then Base Payment, on a monthly basis for a period of five (5) years. As used in this Section 5, "Roberts'

beneficiary" shall be such one or more individuals, trusts or other entities (including but not limited to organizations which are described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended) as Roberts shall designate in a writing delivered to the Company prior to his death for that purpose and, if Roberts designates more than one beneficiary, then the said Base Payment shall be paid among them in such manner as Roberts specifies or, in the absence of such specification, then in equal parts; however, to the extent Roberts fails to so designate a beneficiary who survives him, then the said Base Payment shall be paid to Roberts' personal representatives. Any beneficiary designation may be amended or revoked at any time prior to Roberts' death by filing a new beneficiary designation with the Company. This death benefit shall be in addition to (x) the Company's obligation to provide to Roberts' spouse during her lifetime all health plan benefits which are available from time to time to the Company's highest paid employee, and (y) any other payments Roberts' spouse, beneficiaries or estate may be entitled to receive pursuant to this Agreement (including, but not limited to, Roberts' Cash Bonus with respect to any period then ended which would have accrued to him on the basis of the Company's performance but which has not yet been paid (the "Accrued Cash Bonus") and the Death Benefit provided in Section 3.11), as well as under any Deferred Compensation Arrangements, Split-Dollar Arrangements or any other pension or employee benefit plans (collectively these arrangements and plans shall be referred to herein as the "Benefit Plans"). In the event of Roberts' death the

Accrued Cash Bonus shall be paid to Roberts' beneficiary determined pursuant to this Section 5.1."

6. The third sentence of Section 5.2 of the Amended Agreement, which begins in line 9 of that Section, is replaced with the following new sentence:

"In the event Roberts dies before the end of the five (5) year payment period: (i) Roberts' beneficiary shall be entitled to receive the remaining payments for the period as a death benefit; and (ii) all benefits described in the second-to-last sentence of Section 5.1 shall be paid as if Roberts' services had been terminated by reason of his death."

7. Section 5.4 (ii) of the Amended Agreement is modified by replacing clause (x) thereof with the following new clause (x):

"(x) should Roberts die before the end of the Service Period, Roberts' beneficiary shall be entitled to the death benefit provided in Section 5.1 hereof, and all benefits described in the second-to-last sentence of Section 5.1 shall be paid as if Roberts' services had been terminated by reason of his death;".

8. Notwithstanding any other provision of the Amended Agreement (as herein amended) to the contrary, unless Roberts affirmatively has elected, in writing, filed with the Company, to waive the application of this provision:

(a) The Company shall withhold and defer payment until the "Death Tax Clearance Date" (as hereinafter defined) of any benefit otherwise payable as a result of Roberts' death (i) to Roberts' beneficiary under Section 3.11, (ii) to Roberts' beneficiary under Section 5, or (iii) to Roberts' Designated Beneficiary under the SERP (as modified by Section 3.9) (all such death benefits

being referred to herein collectively as the "Benefits" and individually as a "Benefit").

(b) The Company shall pay to Roberts' personal representatives from any one or more of the Benefits of a beneficiary such amount as Roberts' personal representatives shall certify to the Company as being necessary to pay the Death Taxes apportioned against all Benefits of such beneficiary.

(c) To the extent any payment made pursuant to paragraph (b) above causes the recognition of income to a beneficiary, the Company shall pay to the beneficiary from any one or more Benefits of such beneficiary, within thirty (30) days of such beneficiary's request, the amount necessary to enable such beneficiary to pay the beneficiary's income tax liability resulting from such recognition of income; additionally, the Company shall pay to such beneficiary from any one or more Benefits of such beneficiary, within thirty (30) days of such beneficiary's request, such additional amounts as are required to enable such beneficiary to pay the beneficiary's income tax liability attributable to such beneficiary's recognition of income resulting from a distribution pursuant to this paragraph (c).

(d) All payments made pursuant to paragraphs (b) and (c) above shall be charged against the earliest distribution of the Benefit to which the beneficiary otherwise would be entitled. Within a reasonable time after the Death Tax Clearance Date, the Company shall pay to each beneficiary the balance of each Benefit of such beneficiary in accordance with the terms and conditions which govern such Benefit.

(e) The Company may, in its discretion, accelerate the time of payment of any part or all of any one or more Benefits of a beneficiary if necessary to enable the Company to make the payments which are described in paragraphs (b) and (c) above.

(f) As used herein, "Death Taxes" shall mean any and all estate, inheritance, generation-skipping transfer, and other death taxes as well as any interest and penalties thereon imposed by any governmental entity with respect to the Benefits as a result of Roberts' death.

(g) As used herein, "Death Tax Clearance Date" shall mean the date upon which Roberts' personal representatives certify to the Company that (i) Roberts' Death Taxes have been finally determined, (ii) all of Roberts' Death Taxes apportioned against all Benefits of a beneficiary as a result of Roberts' death have been paid in full, and (iii) all potential liability for Death Taxes with respect to all Benefits of a beneficiary as a result of Roberts' death has been satisfied.

9. Except as amended hereby, the Amended Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on the dates set forth below.

Attest: COMCAST CORPORATION

/s/ Arthur Block

Assistant Secretary

By: /s/ Stanley Wang June 5, 2001

Title: Executive Vice President

Witness:

/s/ Joan M. French

/s/ Ralph J. Roberts June 5, 2001

Ralph J. Roberts

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN
(AS AMENDED AND RESTATED EFFECTIVE JUNE 5, 2001)

COMCAST CORPORATION
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

TABLE OF CONTENTS

	PAGE
ARTICLE I - CONTINUATION OF PLAN AND PURPOSE.....	1
1.1 Continuation of Plan.....	1
1.2 Purpose of Plan.....	1
ARTICLE II - DEFINITIONS.....	1
2.1 "Affiliated Company".....	1
2.2 "Board"	1
2.3 "Disability".....	1
2.4 "Disability Pension".....	1
2.5 "Early Retirement Date".....	1
2.6 "Early Retirement Pension".....	1
2.7 "Employer".....	1
2.8 "Final Average Compensation".....	1
2.9 "Normal Pension".....	2
2.10 "Normal Retirement Date".....	2
2.11 "Plan".....	2
2.12 "Retirement Benefit Reductions".....	2
2.13 "Senior Executive".....	2
2.14 "Service".....	2
2.15 "Spouse" 2	2
2.16 "Termination of Employment".....	2
ARTICLE III- NORMAL RETIREMENT PENSION.....	2
ARTICLE IV - EARLY RETIREMENT PENSION.....	3
4.1 Pension Amount.....	3
4.2 Waiver of Actuarial Reduction.....	3
4.3 Payment of Pension.....	3
4.4 Deferral of Commencement.....	3
ARTICLE V - DISABILITY PENSION.....	3
ARTICLE VI - NO VESTING.....	3
ARTICLE VII - DEATH.....	4
7.1 Death Benefit before Normal Retirement.....	4
7.2 Death after Age 65.....	4
7.3 Discretionary Death Benefit.....	5
7.4 Death after Benefit Commencement.....	5
7.5 Spouse as Exclusive Beneficiary.....	5

ARTICLE VIII - ALTERNATIVE PENSION.....5
8.1. Forms of Alternative Pension.....5
8.2. Payment of Alternative Pension.....6
8.3. Election Procedure.....6
8.4. Determination of Actuarial Equivalence.....6

ARTICLE IX - FORFEITURES.....6
9.1. Competitive Activities.....6
9.2. Unclaimed Benefits.....6

ARTICLE X - PROHIBITION AGAINST FUNDING.....7

ARTICLE XI - GENERAL PROVISIONS.....7
11.1. Nonalienation.....7
11.2. No Employment Contract.....7
11.3. Incompetent Recipient.....7
11.4. Questions of Identity.....7
11.5. Effect on Other Benefits.....7
11.6. Waiver of Liability.....8
11.7. Amendment and Termination.....8
11.8. Claims Procedure.....8
11.9. Notices.....8
11.10. Governing Law.8
11.11. Binding Effect.....8
11.12. Severability.....8
11.13. Headings.....8
11.14. Counterparts.....8
11.15. Special Provision with respect to Ralph J. Roberts.....9

EXHIBIT A.....10
EXHIBIT B.....11

COMCAST CORPORATION
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN
(AS AMENDED AND RESTATED EFFECTIVE JUNE 5, 2001)

ARTICLE I - CONTINUATION OF PLAN AND PURPOSE

1.1 Continuation of Plan. Comcast Corporation, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation Supplemental Executive Retirement Plan (the "Plan"), effective June 5, 2001. The Plan was initially adopted effective July 31, 1989.

1.2 Purpose of Plan. The purpose of this Plan is to provide for the payment of supplemental retirement, death and disability benefits to or in respect of certain selected senior executives of Comcast Corporation and its affiliated companies as part of an integrated executive compensation program which is intended to assist those employers in attracting, motivating and retaining senior executives of superior ability, industry and loyalty.

ARTICLE II - DEFINITIONS

The following terms when used in this Plan shall have the following designated meanings unless a different meaning is clearly required by the context:

2.1 "Affiliated Company" means (a) any other corporation which is included within a "controlled group of corporations" within which Comcast Corporation is also included, as determined under Section 1563 of the Internal Revenue Code of 1986 (the "Code"), without regard to subsections (a)(4) and (e)(3)(C) of Section 1563; (b) any other trades or businesses (whether or not incorporated) which, based on principles similar to those defining a "controlled group of corporations" for purposes of (a) above, are under common control; and (c) any other organization so designated by the Board.

2.2 "Board" means the Board of Directors of Comcast Corporation.

2.3 "Disability" means a disability due to bodily or mental injury or disease, either occupationally or non-occupationally caused, which is likely to be permanent and will prevent a Senior Executive from performing the duties of any occupation for which the Senior Executive is reasonably suited in light of his professional experience and prior achievements. The Senior Executive shall be deemed to have satisfied these conditions if he becomes eligible for benefits under any insured long-term disability plan maintained by the Employer.

2.4 "Disability Pension" means the annual benefit payable under Article V of this Plan.

2.5 "Early Retirement Date" means the first day of the month following a Senior Executive's 55th birthday or the completion of twenty (20) years of Service, whichever occurs later.

2.6 "Early Retirement Pension" means the annual benefit payable under Article IV of this Plan.

2.7 "Employer" means Comcast Corporation and each of its Affiliated Companies which, upon the approval of the Board, has agreed to participate in this Plan by executing a written declaration of joinder. The use of the singular form shall be considered a reference to each Employer individually.

2.8 "Final Average Compensation" means one-fifth (1/5) times the total of the Senior Executive's compensation for the five (5) highest, consecutive complete calendar years during the ten (10) calendar years immediately preceding the Senior Executive's Termination of Employment. For this purpose, compensation shall mean the total earnings paid by the Employer to a Senior Executive, including his salary, bonuses (regardless of

whether the Senior Executive elects to defer receipt of all or some portion of any such bonus pursuant to the Employer's deferred compensation plan), and any other supplementary or discretionary remuneration, exclusive of any reimbursement of expenses, the cost to the Employer of fringe benefit payments, any amount paid to a Senior Executive for the purpose of reimbursing him for the income taxes incurred upon the exercise of a non-qualified stock option and income arising from the exercise of stock options.

2.9 "Normal Pension" means an annual pension equal to the product of 2% of the Senior Executive's Final Average Compensation and the number of the Senior Executive's years of Service, but in no event shall such annual pension exceed 60% of Final Average Compensation.

2.10 "Normal Retirement Date" means the first day of the month following a Senior Executive's 65th birthday.

2.11 "Plan" means the Comcast Corporation Supplemental Executive Retirement Plan set forth herein, as the same may be amended from time to time.

2.12 "Retirement Benefit Reductions" means the sum of (i) the Senior Executive's annual single-life retirement benefit, if any, which is the actuarial equivalent of the single sum benefit payable from the Employer's special nonqualified deferred compensation plan and (ii) the annual primary Social Security benefit which the Senior Executive is eligible to receive upon his Termination of Employment under the Federal Social Security Act, as in effect as of the Senior Executive's Termination of Employment. However, if the Senior Executive is not eligible to receive an annual benefit from Social Security upon the Senior Executive's Termination of Employment, the Senior Executive's annual primary Social Security benefit shall be an amount equivalent to the annual benefit payable to the Senior Executive upon reaching age 65, calculated under the law in effect at the time of the Senior Executive's Termination of Employment and without considering any amounts, subject to tax under the Federal Insurance Contributions Act, that may be earned after the Termination of Employment. For purposes of this Section 2.12, actuarial equivalence shall be determined in the same manner as provided in Section 8.4.

2.13 "Senior Executive" means each individual who is employed by the Employer as a senior executive employee and who is designated by the Board as being eligible to participate in this Plan. The initial group of Senior Executives is listed on Exhibit A attached at the end hereof.

2.14 "Service" means the most recent period of uninterrupted employment with the Employer and any predecessor company which is listed on Exhibit B at the end hereof, provided that an approved leave of absence shall not be deemed to cause an interruption in employment. Service shall be measured in full years as determined by the Employer from its personnel records. No service credit shall be given for any period of less than a year of employment. For purposes of this definition, each Senior Executive shall be deemed to have been employed as of the first day of the month during which he was actually employed.

2.15 "Spouse" means a Senior Executive's husband or wife who was lawfully married to the Senior Executive at the time of the Senior Executive's death.

2.16 "Termination of Employment" means any cessation of the Senior Executive's employment by the Employer, including any such cessation by reason of death or Disability. Termination of Employment shall be deemed to occur on the last day on which the Senior Executive is employed by the Employer.

ARTICLE III- NORMAL RETIREMENT PENSION

In the event of the Termination of Employment of a Senior Executive on or after his Normal Retirement Date, he shall be entitled to a Normal Retirement Pension in an amount equal to the difference between the Senior Executive's Normal Pension and the Retirement Benefit Reductions. Payment of the Normal Retirement Pension shall be made in equal, monthly installments, commencing on the first day of the month following the month in

which the Senior Executive's retirement occurs. Such payments shall be made through the first day of the month in which the death of the Senior Executive occurs.

ARTICLE IV - EARLY RETIREMENT PENSION

4.1 Pension Amount In the event of the Termination of Employment of the Senior Executive prior to his Normal Retirement Date, but after his Early Retirement Date, for a reason other than Disability or death, he shall be entitled to an Early Retirement Pension, commencing on the first day of the month following the month in which his Termination of Employment occurs, in an amount equal to the difference between the Senior Executive's Normal Pension and the Retirement Benefit Reductions, with such amount being reduced by the percentage determined in accordance with the table set forth below, based on the age of the Senior Executive when his benefit is scheduled to commence:

Age on Benefit Commencement Date -----	Reduction Percentage -----
64	10.8%
63	20.19%
62	28.39%
61	35.58%
60	41.91%
59	47.5%
58	52.25%
57	56.86%
56	60.78%
55	64.29%

4.2 Waiver of Actuarial Reduction. In the sole discretion of the Board, the actuarial reduction for early commencement as set forth in Section 4.1 may be waived in whole or in part.

4.3 Payment of Pension. Payment of the Early Retirement Pension shall be made in equal, monthly installments. Such payments shall be made through the first day of the month in which the Senior Executive's death occurs.

4.4 Deferral of Commencement. If the Senior Executive has become entitled to an Early Retirement Pension, he may, with the approval of the Board, elect to defer the commencement of his Early Retirement Pension to the first day of any month during the period between his Termination of Employment and his Normal Retirement Date. If the deferral of commencement is approved, the amount of the Senior Executive's Early Retirement Pension shall be determined as of the deferred commencement date.

ARTICLE V - DISABILITY PENSION

If the Senior Executive incurs a Disability after having attained his Early Retirement Date, but before having elected an early retirement, the Senior Executive shall be entitled to a Disability Pension in the same amount as he would have received as an Early Retirement Pension, but without the percentage reduction for early commencement. Payment of the Disability Pension shall be made in equal, monthly installments, commencing on the first day of the month following the month in which the Senior Executive's Termination of Employment occurs. Such payments shall be made through the first day of the month in which the Senior Executive's death occurs.

ARTICLE VI - NO VESTING

In the event of the Termination of Employment of the Senior Executive for any reason, other than death or Disability, prior to the later to occur of his fifty-fifth (55th) birthday or the completion of twenty (20) years of Service, the Senior Executive shall not be entitled to a pension from the Plan and the Employer shall have no further obligation hereunder with respect to that Senior Executive. However, a Senior Executive shall nevertheless have a fully vested interest in his Normal Retirement Pension upon reaching his Normal Retirement Date.

ARTICLE VII - DEATH

7.1 Death Benefit before Normal Retirement. In the event of a Senior Executive's death prior to his Normal Retirement Date but after having completed at least twenty (20) years of Service or in the event of the death of a retired Senior Executive who pursuant to Section 4.4 had deferred commencement of his Early Retirement Pension, the Senior Executive's Spouse, except as may otherwise be provided in accordance with Section 7.3, shall be entitled to receive an annual death benefit equal to 50% of the annual pension the Senior Executive would have received had he retired or commenced his Early Retirement Pension, as the case may be, on the first day of the month immediately preceding or coincident with his death and elected Option A as an alternative pension under Article VIII, in lieu of his Normal Retirement Pension. Payment of such death benefit shall be made in equal, monthly installments, commencing on the first day of the month immediately following the month in which the death of the Senior Executive occurs. Such payments shall be made through the first day of the month in which the death of the Spouse occurs.

7.2 Death after Age 65.

(a) Senior Executives other than Ralph J. Roberts. In the event of the death of a Senior Executive other than Ralph J. Roberts ("Roberts") while such Senior Executive is employed after having reached his Normal Retirement Date and after having completed at least twenty-five (25) years of Service, such Senior Executive's Spouse shall be entitled to receive an annual death benefit equal to 100% of the annual pension the Senior Executive would have received had he retired on the first day of the month immediately preceding or coincident with his death and elected Option B as an alternative pension under Article VIII, in lieu of his Normal Retirement Pension. Payment of such death benefit shall be made in the same manner and for the same period as provided for the death benefit payable pursuant to Section 7.1. In the event of such Senior Executive's death while employed after having reached his Normal Retirement Date, but before he has completed twenty-five (25) years of Service, such Senior Executive's surviving Spouse shall be entitled to the death benefit provided under Section 7.1.

(b) Ralph J. Roberts. In the event of Roberts' death while employed after having reached his Normal Retirement Date and after having completed at least twenty-five (25) years of Service, Roberts' "Designated Beneficiary" (as such term is defined in Section 7.2(c)(1)) shall be entitled to receive an annual death benefit equal to 100% of the annual pension Roberts would have received had he retired on the first day of the month immediately preceding or coincident with his death pursuant to a "Joint and 100% Survivor Annuity" (as such term is defined in Section 7.2(c)(2)). Payment of such death benefit shall be made to Roberts' Designated Beneficiary in equal, monthly installments commencing on the first day of the month immediately following the month in which Roberts' death occurs. If Roberts' Spouse survives him, such payments shall be made to Roberts' Designated Beneficiary through the first day of the month in which occurs the death of Roberts' Spouse or through the first day of the month in which occurs the fifth anniversary of Roberts' death, if later. If Roberts' Spouse does not survive him, such payments shall be made to Roberts' Designated Beneficiary through the first day of the month in which occurs the fifth anniversary of Roberts' death.

(c) Definitions.

(1) "Designated Beneficiary" shall mean such one or more individuals, trusts or other entities (including but not limited to organizations which are described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended) as Roberts shall designate in a writing delivered to Employer's chief financial officer prior to his death for that purpose. If Roberts designates more than one beneficiary, then the death benefit shall be paid among them in such manner as Roberts specifies or, in the absence of such specification, then in equal parts. If no valid beneficiary is designated who survives Roberts, the Designated Beneficiary shall be Roberts' personal representatives. Any beneficiary designation may be amended or revoked at any time prior to Roberts' death by filing a new beneficiary designation form with the chief financial officer of the Employer.

(2) "Joint and 100% Survivor Annuity" shall mean a reduced annuity which is payable monthly for the life of Roberts with a survivor annuity payable to Roberts' Designated Beneficiary for a period equal to the greater of (i) the life of Roberts' Spouse or (ii) five (5) years. Such Joint and 100% Survivor Annuity shall be equal to 100% of the amount of the annuity payable during Roberts' life and shall be the actuarial equivalent of the benefit payable to Roberts under Article III.

7.3 Discretionary Death Benefit. The Board, in its sole discretion, may designate one or more Senior Executives to be entitled to the same form and amount of death benefit provided under Section 7.2 even though the Senior Executive has not yet reached his Normal Retirement Date as long as he has completed at least twenty-five (25) years of Service. Each such designation shall be made pursuant to a written resolution adopted by the Board.

7.4 Death after Benefit Commencement. Except as otherwise provided in Section 7.2 with respect to Roberts, if a Senior Executive dies after the commencement of any pension payments under this Plan, there shall be no death benefit payable unless one of the alternative pensions under Article VIII is in effect. If an alternative pension has been elected, the provisions of such alternative pension shall apply.

7.5 Spouse as Exclusive Beneficiary. Except as otherwise provided in Section 7.2 with respect to Roberts, a Senior Executive's surviving Spouse shall be the only person entitled to a death benefit under this Plan as a result of the Senior Executive's death. Except as otherwise provided in Section 7.2 with respect to Roberts, a Senior Executive who is not survived by a Spouse shall not be entitled to the payment of any death benefit.

ARTICLE VIII - ALTERNATIVE PENSION

8.1 Forms of Alternative Pension.

(a) Senior Executives other than Ralph J. Roberts. At any time prior to the commencement of pension payments and subject to the provisions of Section 8.2, a married Senior Executive other than Roberts shall be entitled to elect to receive, in lieu of the form of pension which he would otherwise be entitled to receive under this Plan, an actuarially equivalent alternative pension in one of the following optional forms:

Option A Joint and 50% Survivor Annuity provides a reduced pension during the Senior Executive's lifetime. Upon his death, if the Senior Executive's Spouse survives him, 50% of the Senior Executive's reduced pension will continue to such Spouse until the Spouse's death.

Option B Joint and 100% Survivor Annuity provides a reduced pension during the Senior Executive's lifetime. Upon his death, if the Senior Executive's Spouse survives him, the same pension will continue to such Spouse until the Spouse's death.

(b) Ralph J. Roberts. At any time prior to the commencement of pension payments and subject to the provisions of Section 8.2, Roberts shall be entitled to elect to receive, in lieu of the form of pension which he would otherwise be entitled to receive under this Plan, an actuarially equivalent alternative pension in one of the following optional forms:

Option A Joint and 50% Survivor Annuity provides a reduced pension during Robert's lifetime with a survivor annuity payable to Robert's Designated Beneficiary (as such term is defined in Section 7.2(c)(1)) for a period equal to the greater of (i) the life of Roberts' Spouse or (ii) five (5) years. Such Joint and 50% Survivor Annuity shall be equal to 50% of the amount of the annuity payable during Roberts' life.

Option B Joint and 100% Survivor Annuity provides a reduced pension during Robert's lifetime with a survivor annuity payable to Robert's Designated Beneficiary (as such term is defined in Section 7.2(c)(1)) for a period equal to the greater of (i) the life of Roberts' Spouse or (ii) five (5) years. Such Joint and 100% Survivor Annuity shall be equal to 100% of the amount of the annuity payable during Roberts' life.

8.2 Payment of Alternative Pension. In the event of the election of an alternative pension, Roberts and each other Senior Executive shall be entitled to receive, commencing on the date upon which his pension would otherwise commence under Article III, IV or V, as the case may be, an annual pension equal to the actuarial equivalent of the pension which Roberts and each other Senior Executive would otherwise have been entitled to receive had he not made such election. Payment of the alternative pension shall be made in equal, monthly installments.

8.3 Election Procedure. Any election to receive an alternative pension shall be made by written notice of election given by Roberts or other Senior Executive to the Employer's chief financial officer prior to the commencement of payments. Any election of an alternative pension may be revoked at any time prior to the commencement of payments by written notice of revocation similarly given, provided that Roberts or other Senior Executive may thereafter again make an election of an alternative pension prior to the commencement of payments by giving a new written election to such chief financial officer.

8.4 Determination of Actuarial Equivalence. The determination under this Plan of actuarial equivalence shall be made by the Employer based upon an interest assumption of seven percent (7%) per annum and the 1971 TPF&C Forecast Mortality Table.

ARTICLE IX - FORFEITURES

9.1 Competitive Activities. If, without the prior written consent of the Employer, a Senior Executive who has not yet attained age 65 shall at any time after a Termination of Employment engage in or become associated with, directly or indirectly, either as a stockholder, director, officer, partner, proprietor, employee, agent, adviser or consultant, any business which in the opinion of the Board competes in any way with the business of the Employer (as such business was conducted at the time the Senior Executive's Termination of Employment occurred), the Employer shall be relieved of all further obligations hereunder and all amounts then remaining unpaid under this Plan shall be forfeited. The Employer shall provide written notice of this determination to the Senior

Executive. However, nothing herein shall prevent the Senior Executive from owning up to one percent (1%) of any company which is publicly traded.

9.2 Unclaimed Benefits. If the Employer shall be unable, within one year after any benefit becomes payable to any person under this Plan, to make distribution to such person because of the Employer's inability to ascertain his whereabouts by mailing to the last known address of such person on the records of the Employer and such person has not made written claim therefor before the expiration of the one-year period, then the Employer shall declare all rights of such person under this Plan to be forfeited as of such date as the Employer shall determine. Notwithstanding the foregoing, if any person whose benefit has been forfeited under this Section 9.2 subsequently appears and makes a claim for such benefit, the Employer shall reinstate the benefit on a prospective basis from the date the claim is received by the Employer.

ARTICLE X - PROHIBITION AGAINST FUNDING

Should the Employer elect to acquire any investment in connection with the liabilities assumed by it under the Plan, it is expressly understood and agreed that a Senior Executive shall not have any right with respect to, or claim against, such assets nor shall any such investment be construed to create a trust of any kind or any fiduciary relationship between the Employer and a Senior Executive, his beneficiary or any other person. Any such assets shall be and remain a part of the general, unpledged and unrestricted assets of the Employer, subject to the claims of its general creditors. Each Senior Executive and his beneficiary shall be required to look to the provisions of the Plan and to the Employer itself for enforcement of any and all benefits due under the Plan and to the extent any person acquires a right to receive any payments under the Plan, such right shall be no greater than the right of any unsecured, general creditor of the Employer.

ARTICLE XI - GENERAL PROVISIONS

11.1 Nonalienation. No benefit or payment under this Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, whether voluntary or involuntary, and no attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be valid. Nor shall any such benefit or payment be in any way liable for or subject to the debts, contracts, liabilities, engagements or torts of any person entitled to such benefit or payment, except to such extent as may be required by law. If any person entitled to a benefit or payment under the Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any benefit or payment under the Plan, in whole or in part, or if any attempt is made to subject any such benefit or payment, in whole or in part, to the debts, contracts, liabilities, engagements or torts of the person entitled to any such benefit or payment, then such benefit or payment, in the discretion of the Employer, shall cease and terminate with respect to such person, and the Employer in such case shall hold or apply the same or any part thereof for the benefit of any dependent, relative or beneficiary of such person, in such manner and proportion as the Employer shall deem proper.

11.2 No Employment Contract. The establishment of the Plan shall not be construed to confer upon a Senior Executive the legal right to be retained in the employ of the Employer, or give a Senior Executive or any beneficiary, any right to any payment whatsoever, except to the extent of the benefits provided for hereunder. Each Senior Executive shall remain subject to discharge to the same extent as if the Plan had never been adopted.

11.3 Incompetent Recipient. If the Employer determines that any person to whom a benefit is payable under the Plan is incompetent by reason of age or physical or mental disability, the Employer shall have the power to cause the payments becoming due to such person to be made to another for his benefit without any responsibility to see to the application of such payments. Any payment made pursuant to such power shall, as to the amount of such payment, operate as a complete discharge of the Employer.

11.4 Questions of Identity. If at any time any doubt exists as to the identity of any person entitled to any payment hereunder or the amount or time of such payment, the Employer shall be entitled to hold such sum as a

segregated amount in trust until such identity, amount or time is determined or until an order of a court of competent jurisdiction is obtained. The Employer shall also be entitled to pay such sum into court in accordance with the appropriate rules of law.

11.5 Effect on Other Benefits. The benefits of a Senior Executive or any other person hereunder shall be in addition to any benefits paid or payable to or on account of a Senior Executive or such other person under any other pension, disability, equity, annuity or retirement plan or policy whatsoever. Nothing herein contained shall in any manner modify, impair or affect any existing or future rights of a Senior Executive to receive any employee benefits to which he would otherwise be entitled or to participate in any current or future pension plan of the Employer or any other supplemental arrangement which constitutes a part of the Employer's regular compensation structure. However, any supplemental retirement income credited under this Plan shall not be deemed part of a Senior Executive's total compensation for the purpose of computing benefits to which he may be entitled under any pension plan or other supplemental compensation arrangement, unless such plan or arrangement specifically provides to the contrary.

11.6 Waiver of Liability. No liability shall attach to or be incurred by any officer or director of the Employer under or by reason of the terms, conditions and provisions contained in the Plan, or for the acts or decisions taken or made thereunder or in connection therewith; and as a condition precedent to the establishment of the Plan or the receipt of benefits thereunder, or both, such liability, if any, is expressly waived and released by each Senior Executive and by any and all person claiming under or through such Senior Executive or any other person. Such waiver and release shall be conclusively evidenced by any act of participation in or the acceptance of benefits under the Plan.

11.7 Amendment and Termination. All questions of interpretation, construction, or application arising under the Plan shall be decided in good faith by the Board, whose decisions shall be final and conclusive upon all persons. The Board shall also have the sole authority to modify, amend or terminate the Plan, provided that no amendment or termination shall have a material adverse effect upon rights accrued or amounts being paid as of the date of such amendment or termination. Should the Plan be terminated, each Senior Executive shall receive written notice of when such termination shall be effective.

11.8 Claims Procedure. Benefits payable to a Senior Executive shall be paid when due without any requirement that a claim for benefits be filed. However, any Senior Executive who does not receive the benefits to which he believes himself entitled may file a written claim with the Board's Compensation Committee which shall act on the claim in the manner prescribed by Section 503 of the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder.

11.9 Notices. Any notices required or permitted to be given under this Plan shall be sufficient if in writing and if sent by registered or certified mail to the last known address of a Senior Executive as shown on the Employer's records or to the principal office of the Employer, as the case may be.

11.10 Governing Law. The Plan shall be governed by and construed and administered in accordance with the laws of the Commonwealth of Pennsylvania.

11.11 Binding Effect. This Plan shall be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns. In the event of a merger, consolidation, or reorganization involving the Employer, this Plan shall continue in force and become an obligation of the Employer's successor or successors.

11.12 Severability. If any provision of this Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included therein.

11.13 Headings. The Article and paragraph headings contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, enlarge or describe the scope or intent of the Plan nor in any way shall they affect the Plan or the construction of any provision thereof.

11.14 Counterparts. This Plan may be executed in any number of counterparts and each counterparts shall be deemed to be in original.

11.15 Special Provision with respect to Ralph J. Roberts. The Employer is a party to a certain Compensation and Deferred Compensation Agreement with Ralph J. Roberts which has been amended through the date hereof and which may be further amended hereafter ("the Roberts Agreement"). The Employer recognizes that the Roberts Agreement makes (and in the future may make) certain modifications to this Plan with respect to Ralph J. Roberts which the Employer recognizes constitute amendments to this Plan adopted pursuant to Section 11.7 hereof.

TO RECORD the adoption of this Plan by the Employer has caused this instrument to be executed on this 5th day of June 2001.

Attest:

COMCAST CORPORATION

/s/ Arthur Block

Assistant Secretary

By: /s/ Stanley Wang

Title: Executive Vice President

EXHIBIT A

INITIAL GROUP OF SENIOR EXECUTIVES

Ralph J. Roberts
Daniel Aaron
Julian A. Brodsky

EXHIBIT B

LIST OF PREDECESSOR COMPANIES

Pursuant to Section 2.14 uninterrupted employment with the following predecessor companies shall be recognized as "Service" for purposes of the Plan:

1. International Equity Corporation

among

COMCAST CABLE COMMUNICATIONS, INC.

and

The Financial Institutions Party Hereto

BANC OF AMERICA SECURITIES LLC

and

J.P. MORGAN SECURITIES INC.,

as

Joint Lead Arrangers and Joint Book Managers

BNY CAPITAL MARKETS, INC.

and

SALOMON SMITH BARNEY INC.,

as Co-Arrangers

BANK OF AMERICA, N.A.,

as Administrative Agent

J.P. MORGAN SECURITIES INC.,

as Syndication Agent

CITIBANK, N.A.

and

THE BANK OF NEW YORK,

as Co-Documentation Agents

Dated as of July 17, 2001

- - - - -
*Conformed to reflect signatures.

TABLE OF CONTENTS

Section	Page
- - - - -	- - - - -
SECTION 1.	
DEFINITIONS AND ACCOUNTING TERMS.....	1
1.01 Defined Terms.....	1
1.02 Use of Certain Terms.....	13
1.03 Accounting Terms.....	14
1.04 Rounding.....	14
1.05 Exhibits and Schedules.....	14
1.06 References to Agreements and Laws.....	14
1.07 Pro Forma Calculations.....	14
SECTION 2.	
THE COMMITMENTS AND EXTENSIONS OF CREDIT.....	15
2.01 Amount and Terms of Commitments.....	15
2.02 Borrowings, Conversions and Continuations of Loans.....	16
2.03 Prepayments.....	17
2.04 Reduction or Termination of Commitments.....	17
2.05 Principal and Interest.....	18
2.06 Fees.....	18
2.07 Computation of Interest and Fees.....	19
2.08 Making Payments.....	19
2.09 Funding Sources.....	20
2.10 Extension of Maturity Date.....	20
SECTION 3.	
TAXES, YIELD PROTECTION AND ILLEGALITY.....	22
3.01 Taxes.....	22
3.02 Illegality.....	22
3.03 Inability to Determine Eurodollar Rates.....	23
3.04 Increased Cost and Reduced Return; Capital Adequacy.....	23
3.05 Breakfunding Costs.....	24
3.06 Matters Applicable to all Requests for Compensation.....	24
3.07 Survival.....	24
SECTION 4.	
CONDITIONS PRECEDENT TO EXTENSIONS OF CREDIT.....	25
4.01 Conditions Precedent to Closing Date.....	25
4.02 Conditions to all Extensions of Credit.....	26
SECTION 5.	
REPRESENTATIONS AND WARRANTIES.....	26
5.01 Existence and Qualification; Power; Compliance with Laws.....	26
5.02 Power; Authorization; Enforceable Obligations.....	27

5.03	No Legal Bar.....	27
5.04	Financial Statements; No Material Adverse Effect.....	27
5.05	Litigation.....	27
5.06	No Default.....	27
5.07	Authorizations.....	28
5.08	Taxes.....	28
5.09	Margin Regulations; Investment Company Act; Public Utility Holding Company Act.....	28
5.10	ERISA Compliance.....	28
5.11	Assets; Liens.....	29
5.12	Environmental Compliance.....	29
5.13	Use of Proceeds.....	29
5.14	Disclosure.....	29

SECTION 6.

AFFIRMATIVE COVENANTS.....	29
6.01 Financial Statements.....	29
6.02 Certificates, Notices and Other Information.....	30
6.03 Payment of Taxes.....	30
6.04 Preservation of Existence.....	31
6.05 Maintenance of Properties.....	31
6.06 Maintenance of Insurance.....	31
6.07 Compliance With Laws.....	31
6.08 Inspection Rights.....	31
6.09 Keeping of Records and Books of Account.....	31
6.10 Compliance with ERISA.....	31
6.11 Compliance With Agreements.....	32
6.12 Use of Proceeds.....	32
6.13 Designation of Restricted and Unrestricted Subsidiaries....	32

SECTION 7.

NEGATIVE COVENANTS.....	32
7.01 Liens.....	32
7.02 Subsidiary Indebtedness.....	33
7.03 Fundamental Changes.....	33
7.04 ERISA.....	34
7.05 Limitations on Upstreaming.....	34
7.06 Margin Regulations.....	34
7.07 Financial Covenants.....	34

SECTION 8.

EVENTS OF DEFAULT AND REMEDIES	35
8.01 Events of Default.....	35
8.02 Remedies Upon Event of Default.....	36

SECTION 9.

ADMINISTRATIVE AGENT.....37
9.01 Appointment and Authorization of Administrative Agent.....37
9.02 Delegation of Duties.....37
9.03 Liability of Administrative Agent.....37
9.04 Reliance by Administrative Agent.....38
9.05 Notice of Default.....38
9.06 Credit Decision; Disclosure of Information by
Administrative Agent.....39
9.07 Indemnification of Administrative Agent.....39
9.08 Administrative Agent in Individual Capacity.....39
9.09 Resignation by Administrative Agent.....40
9.10 Other Agents.....40

SECTION 10.

MISCELLANEOUS.....40
10.01 Amendments; Consents.....40
10.02 Requisite Notice; Effectiveness of Signatures and
Electronic Mail.....41
10.03 Attorney Costs, Expenses and Taxes.....42
10.04 Binding Effect; Assignment.....43
10.05 Set-off.....44
10.06 Sharing of Payments.....44
10.07 No Waiver; Cumulative Remedies.....45
10.08 Usury.....45
10.09 Counterparts.....46
10.10 Integration.....46
10.11 Nature of Lenders' Obligations.....46
10.12 Survival of Representations and Warranties.....46
10.13 Indemnity by Borrower.....46
10.14 Nonliability of Lenders.....47
10.15 No Third Parties Benefitted.....47
10.16 Severability.....47
10.17 Confidentiality.....48
10.18 Headings.....48
10.19 Time of the Essence.....48
10.20 Foreign Lenders.....48
10.21 Removal and Replacement of Lenders.....49
10.22 Governing Law.....50
10.23 Waiver of Right to Trial by Jury.....50
10.24 Waiver of Notice by Requisite Time.....50

EXHIBITS

Form of

- A Request for Extension of Credit
- B Compliance Certificate
- C Note
- D Assignment and Acceptance
- E Opinion of Counsel

SCHEDULES

- 2.01 Commitments and Pro Rata Shares
- 7.01 Existing Liens
- 7.02 Existing Subsidiary Indebtedness

This 364-DAY REVOLVING CREDIT AGREEMENT is entered into as of July 17, 2001, by and among COMCAST CABLE COMMUNICATIONS, INC., a Delaware corporation ("Borrower"), each lender from time to time party hereto (collectively, "Lenders" and individually, a "Lender") and BANK OF AMERICA, N.A., as Administrative Agent.

RECITAL

Borrower has requested that Lenders provide a revolving line of credit, and Lenders and Administrative Agent are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

SECTION 1.
DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"Acquisition" means (a) any purchase or other acquisition of assets or series of related purchases or other acquisitions of assets by Borrower or any Restricted Subsidiary (including by way of asset or stock purchase, swap or merger) other than from Borrower or any Restricted Subsidiary or (b) the designation by Borrower of an Unrestricted Subsidiary as a Restricted Subsidiary.

"Administrative Agent" means Bank of America, N.A., in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent permitted under the Loan Documents.

"Administrative Agent's Office" means Administrative Agent's address and, as appropriate, account set forth below its signature to this Agreement, or such other address or account as Administrative Agent hereafter may designate by written notice to Borrower and Lenders.

"Administrative Agent-Related Persons" means Administrative Agent (including any successor agent), together with its Affiliates and the officers, directors, employees, agents and attorneys-in-fact of such Persons and Affiliates.

"Administrative Questionnaire" means, with respect to each Lender, an administrative questionnaire in the form prepared by Administrative Agent and submitted to Administrative Agent (with a copy to Borrower) duly completed by such Lender.

"Affiliate" means any Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, another Person.

"Agreement" means this 364-Day Revolving Credit Agreement, as amended, restated, extended, supplemented or otherwise modified in writing from time to time.

"Annualized EBITDA" means, at any date of determination, EBITDA for the two fiscal quarter periods then most recently ended times two (2).

"Annualized Interest Expense" means, at any date of determination, Interest Expense for the two fiscal quarter periods then most recently ended times two (2).

"Applicable Amount" means the following applicable amount per annum, based upon the applicable Debt Ratings:

Applicable Amount (in basis points per annum)

Pricing Level	Debt Ratings S&P/Moody's	Facility Fee	Eurodollar Rate	Utilization Fee
1	[less than or equal to]A/A2	6.5	21.0	7.5
2	A-/A3	8.0	29.5	7.5
3	BBB+/Baa1	10.0	35.0	10.0
4	BBB/Baa2	12.5	47.5	10.0
5	BBB-/Baa3	15.0	60.0	12.5
6	[less than]BBB-/Baa3 or unrated	20.0	80.0	12.5

As used in this definition, "Debt Rating" means, as of any date of determination, the rating as determined by either S&P or Moody's (collectively, the "Debt Ratings") of Borrower's senior unsecured non-credit enhanced long-term Indebtedness for borrowed money; provided that if a Debt Rating is issued by each of S&P and Moody's, then the higher of such Debt Ratings shall apply (with Pricing Level 1 being the highest and Pricing Level 6 being the lowest), unless there is a split in Debt Ratings of more than one level, in which case the level that is one level higher than the lower Debt Rating shall apply. Initially, the Debt Ratings shall be determined from the certificate delivered pursuant to Section 4.01(a)(v). Thereafter, the Debt Ratings shall be determined from the most recent public announcement of any changes in the Debt Ratings. Any change in the Applicable Amount shall become effective on and as of the date of any public announcement of any Debt Rating that indicates a different Applicable Amount. If the rating system of S&P or Moody's shall change, Borrower and Administrative Agent shall negotiate in good faith to amend this definition to reflect such changed rating system and, pending the effectiveness of such amendment (which shall require the approval of Required Lenders), the Debt Rating shall be determined by reference to the rating most recently in effect prior to such change.

"Applicable Payment Date" means, (a) as to any Eurodollar Rate Loan, the last day of the relevant Interest Period, any date that such Loan is prepaid or Converted in whole or in part and the Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three months, interest

shall also be paid on the Business Day which falls every three months after the beginning of such Interest Period; and (b) as to any other Obligations, the last Business Day of each calendar quarter and the Maturity Date, as otherwise provided herein.

"Applicable Time" means New York time.

"Assignment and Acceptance" means an Assignment and Acceptance substantially in the form of Exhibit D.

"Attorney Costs" means the reasonable fees and disbursements of a law firm or other external counsel.

"Attributable Indebtedness" means, with respect to any Sale-Leaseback Transaction, the present value (discounted at the rate set forth or implicit in the terms of the lease included in such Sale-Leaseback Transaction) of the total obligations of the lessee for rental payments (other than amounts required to be paid on account of taxes, maintenance, repairs, insurance, assessments, utilities, operating and labor costs and other items that do not constitute payments for property rights) during the remaining term of the lease included in such Sale-Leaseback Transaction (including any period for which such lease has been extended). In the case of any lease that is terminable by the lessee upon payment of a penalty, the Attributable Indebtedness shall be the lesser of the Attributable Indebtedness determined assuming termination on the first date such lease may be terminated (in which case the Attributable Indebtedness shall also include the amount of the penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date on which it may be so terminated) or the Attributable Indebtedness determined assuming no such termination.

"Audited Financial Statements" means the audited consolidated balance sheet of Borrower and its Subsidiaries for the fiscal year ended December 31, 2000, and the related consolidated statements of income and cash flows of Borrower and its Subsidiaries for such fiscal year.

"Bank of America" means Bank of America, N.A.

"Base Rate" means for any day a fluctuating rate per annum equal to the higher of (a) the Federal Funds Rate plus 1/2 of 1% and (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate." Such rate is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

"Base Rate Loan" means a Loan made hereunder that bears interest based upon the Base Rate.

"BLR" means Brian L. Roberts, the estate of Brian L. Roberts, or any trust of which Brian L. Roberts is the principal beneficiary.

"Borrower" has the meaning set forth in the introductory paragraph hereto.

"Borrowing" and "Borrow" each mean a borrowing of Loans hereunder.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York or Dallas, Texas are authorized or required by law to close, and, if the applicable Business Day relates to a Eurodollar Rate Loan, any such day on which dealings are carried out in the applicable offshore Dollar market.

"Change of Control" means an event or series of events as a result of which neither Comcast Corporation nor BLR, either separately or on a combined basis, is to be the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 under the Securities Exchange Act of 1934) directly or indirectly of such equity as entitles the holder thereof, under ordinary circumstances, to elect the majority of the board of directors of Borrower.

"Closing Date" means the date upon which this Agreement has been executed by Borrower, Lenders and Administrative Agent and all the conditions precedent in Section 4.01 have been satisfied or waived.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Commitment" means, for each Lender, the amount set forth opposite such Lender's name on Schedule 2.01, as such amount may be reduced or adjusted from time to time in accordance with the terms of this Agreement (collectively, the "combined Commitments").

"Compliance Certificate" means a certificate substantially in the form of Exhibit B, properly completed and signed by a Responsible Officer of Borrower.

"Consolidated Total Indebtedness" means, as of any date of determination, the total Indebtedness of Borrower and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP.

"Continuation" and "Continue" mean, with respect to any Eurodollar Rate Loan, the continuation of such Eurodollar Rate Loan as a Eurodollar Rate Loan on the last day of the Interest Period for such Loan.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or undertaking to which such Person is a party or by which it or any of its property is bound.

"Conversion" and "Convert" mean, with respect to any Loan, the conversion of such Loan from or into another type of Loan.

"Debtor Relief Laws" means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief Laws of the United States of America or other applicable jurisdictions from time to time in effect affecting the rights of creditors generally.

"Default" means any event that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to the Base Rate plus 2% per annum; provided, however, that with respect to a Eurodollar Rate Loan (for so long as it is a Eurodollar Rate Loan), the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Amount) otherwise applicable to such Loan plus 2% per annum, in each case to the fullest extent permitted by applicable Laws.

"Disposition" means (a) any sale, transfer or other disposition of assets or series of sales, transfers or other disposition of assets by Borrower or any Restricted Subsidiary (including by way of asset or stock sale, swap or merger) other than to Borrower or any Restricted Subsidiary or (b) the designation by Borrower of a Restricted Subsidiary as an Unrestricted Subsidiary.

"Dollar" and "\$" means lawful money of the United States of America.

"EBITDA" means, with respect to any Person or any income generating assets, for any period, an amount equal to (a) the net income of such Person or generated by such assets adjusted to exclude (i) gains and losses from unusual or extraordinary items and (ii) interest income, plus (b) income or gross receipts taxes (whether or not deferred), Interest Expense, depreciation, amortization and other non-cash charges to income, in each case for such period, minus (c) any cash payments made during such period in respect of any non-cash charges to income accrued during a prior period and added back in determining EBITDA during such prior period pursuant to clause (b) above, plus (d) in respect of any period ended on or before December 31, 2000, to the extent deducted in determining net income during such period pursuant to clause (a) above, management, programming and similar fees paid (whether actually paid in cash or accrued) by such Person during such period to Comcast Corporation or any of its wholly-owned Subsidiaries other than Borrower or a Restricted Subsidiary; provided such management, programming or similar agreement pursuant to which such fees have been paid or accrued has been assigned to Borrower on or prior to December 31, 2000.

"Environmental Laws" means all Laws relating to environmental, health, safety and land use matters applicable to any property.

"ERISA" means the Employee Retirement Income Security Act of 1974 and any regulations issued pursuant thereto, as amended from time to time.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with Borrower within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" means (a) any "reportable event," as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the existence with respect to any Plan of an "accumulated funding deficiency" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by Borrower or any ERISA Affiliates of any

liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or to appoint a trustee to administer any Plan; (f) the incurrence by Borrower or any ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by any Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from Borrower or any ERISA Affiliate of any notice, concerning the imposition of withdrawal liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

"Eurodollar Base Rate" has the meaning set forth in the definition of Eurodollar Rate.

"Eurodollar Rate" means for any Interest Period with respect to any Eurodollar Rate Loan, a rate per annum determined by Administrative Agent pursuant to the following formula:

$$\text{Eurodollar Rate} = \frac{\text{Eurodollar Base Rate}}{1.00 - \text{Eurodollar Reserve Percentage}}$$

Where,

"Eurodollar Base Rate" means, for such Interest Period:

(a) The rate per annum equal to the rate determined by Administrative Agent to be the offered rate that appears on the page of the Telerate screen that displays an average British Bankers Association Interest Settlement Rate for deposits in Dollars (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period, determined as of approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period, or

(b) In the event the rate referenced in the preceding subsection (a) does not appear on such page or service or such page or service shall cease to be available, the rate per annum equal to the rate reasonably determined by Administrative Agent (after consultation with Borrower) to be the offered rate on such other page or other service that displays an average British Bankers Association Interest Settlement Rate for deposits in Dollars (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period, determined as of approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period, or

(c) In the event the rates referenced in the preceding subsections (a) and (b) are not available, the rate per annum determined by Administrative Agent as the average of the rates of interest (rounded upward to the next 1/100th of 1%) at which deposits in Dollars for delivery on the first day of such Interest Period in same day funds in the approximate amount of the Eurodollar Rate Loan being made, Continued or Converted by Administrative Agent in its capacity as a Lender and with a term equivalent to such Interest Period are offered by Reference Banks to major banks in the London interbank Dollar market at their request at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period. If any Reference Bank does not quote

such a rate at the request of Administrative Agent, such average rate shall be determined from the rates of the Reference Banks that quote such a rate; and

"Eurodollar Reserve Percentage" means, for any day during any Interest Period, the reserve percentage (expressed as a decimal, rounded upward to the next 1/100th of 1%) in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the Board of Governors of the Federal Reserve System for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in respect of "Eurocurrency liabilities" (or in respect of any other category of liabilities, which includes deposits by reference to which the interest rate on Eurodollar Rate Loans is determined or any category of extensions of credit or other assets, which includes loans by a non-United States office of any Lender to United States residents). The Eurodollar Rate for each outstanding Eurodollar Rate Loan shall be adjusted automatically as of the effective date of any change in the Eurodollar Reserve Percentage.

The determination of the Eurodollar Reserve Percentage and the Eurodollar Base Rate by Administrative Agent shall be conclusive in the absence of manifest error.

"Eurodollar Rate Loan" means a Loan bearing interest based on the Eurodollar Rate.

"Event of Default" means any of the events specified in Section 8.

"Extension of Credit" means a Borrowing, Conversion or Continuation of Loans.

"Federal Funds Rate" means, for any day, the rate per annum (rounded upwards to the nearest 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate charged to Bank of America on such day on such transactions as determined by Administrative Agent (which determination shall be conclusive in the absence of manifest error).

"Five-Year Agreement" means the Five-Year Revolving Credit Agreement dated August 24, 2000, among Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and Issuing Lender and the lenders party thereto.

"GAAP" means generally accepted accounting principles applied on a consistent basis (but subject to changes approved by Borrower's independent certified public accountants).

"Governmental Authority" means (a) any international, foreign, federal, state, county or municipal government, or political subdivision thereof, (b) any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality, central bank or public body, including the Federal

Communications Commission, (c) any state public utilities commission or other authority and any federal, state, county, or municipal licensing or franchising authority or (d) any court or administrative tribunal.

"Guaranty Obligation" means, as to any Person, any (a) guaranty by such Person of Indebtedness of any other Person or (b) legally binding obligation of such Person to purchase or pay (or to advance or supply funds for the purchase or payment of) Indebtedness of any other Person, or to purchase property, securities, or services for the purpose of assuring the owner of such Indebtedness of the payment of such Indebtedness or to maintain working capital, equity capital or other financial statement condition of such other Person so as to enable such other Person to pay such Indebtedness; provided, however, that the term Guaranty Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guaranty Obligation shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, covered by such Guaranty Obligation or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the Person in good faith.

"Indebtedness" means, as to any Person, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property or assets purchased by such Person, (d) all obligations of such Person issued or assumed as the deferred purchase price of property or services, (e) all Indebtedness of others secured by any Lien on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (f) all Guaranty Obligations of such Person with respect to Indebtedness of others, (g) all capital lease obligations of such Person, (h) all Attributable Indebtedness under Sale-Leaseback Transactions under which such Person is the lessee and (i) all obligations of such Person as an account party in respect of outstanding letters of credit (whether or not drawn) and bankers' acceptances; provided, however, that Indebtedness shall not include (i) trade accounts payable arising in the ordinary course of business and (ii) deferred compensation; provided, further that in the case of any obligation of such Person which is recourse only to certain assets of such Person, the amount of such Indebtedness shall be deemed to be equal to (but shall not exceed) the value of the assets to which such obligation is recourse as reflected on the balance sheet of such Person at the time of the incurrence of such obligation; and provided, further that the amount of any Indebtedness described in clause (e) above shall be the lesser of the amount of the Indebtedness or the fair market value of the property securing such Indebtedness.

"Indemnified Liabilities" has the meaning set forth in Section 10.13.

"Indemnitees" has the meaning set forth in Section 10.13.

"Interest Coverage Ratio" means, at any date of determination, for Borrower and its Restricted Subsidiaries, on a consolidated basis, the ratio of (a) Annualized EBITDA to (b) Annualized Interest Expense.

"Interest Expense" means, with respect to any Person or any income generating assets, for any period, an amount equal to, without duplication, (a) all interest on Indebtedness of such Person or properly allocable to such assets, and commitment and facility fees in respect thereof, accrued (whether or not actually paid) during such period, plus (b) the net amount accrued (whether or not actually paid) by such Person or

properly allocable to such assets pursuant to any interest rate protection agreement during such period (or minus the net amount receivable (whether or not actually received) by such Person or properly allocable to such assets during such period).

"Interest Period" means, for each Eurodollar Rate Loan, (a) initially, the period commencing on the date such Eurodollar Rate Loan is disbursed or Continued as, or Converted into, such Eurodollar Rate Loan and (b) thereafter, the period commencing on the last day of the preceding Interest Period, and ending, in each case, on the earlier of (x) the scheduled Maturity Date, or (y) one, two, three or six months thereafter; provided that:

(i) Any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) Any Interest Period which begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(iii) Unless Administrative Agent otherwise consents, there may not be more than ten (10) Interest Periods for Eurodollar Rate Loans in effect at any time.

"IRS" means the United States Internal Revenue Service.

"Laws" or "Law" means all international, foreign, federal, state and local statutes, treaties, rules, regulations, ordinances, codes and administrative or judicial precedents or authorities, including, if consistent therewith, the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof.

"Lead Arranger" means each of Banc of America Securities LLC and J.P. Morgan Securities Inc., in its capacity as a joint lead arranger and joint book manager.

"Lender" means each lender from time to time party hereto and, subject to the terms and conditions of this Agreement, their respective successors and assigns (but not any purchaser of a participation hereunder unless otherwise a party to this Agreement).

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such on its Administrative Questionnaire, or such other office or offices as such Lender may from time to time notify Administrative Agent and Borrower.

"Leverage Ratio" means, at any date of determination, the ratio of (a) Consolidated Total Indebtedness as of such date to (b) Annualized EBITDA of Borrower and its Restricted Subsidiaries, on a consolidated basis.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement (in the nature of compensating balances, cash collateral accounts or security interests), encumbrance, lien (statutory or other), charge, or preference, priority or other security interest (including any conditional sale or other title retention agreement, any financing lease or Sale-Leaseback Transaction having substantially the same economic effect as any of the foregoing, and the filing of any financing statement under the Uniform Commercial Code or comparable Laws of any jurisdiction), including the interest of a purchaser of accounts receivable; provided that Liens shall not include ordinary and customary contractual set off rights.

"Loan" means any advance made by any Lender to Borrower as provided in Section 2 (collectively, the "Loans").

"Loan Documents" means this Agreement, each Note, each Request for Extension of Credit, each Compliance Certificate, each fee letter and each other instrument or agreement from time to time delivered by Borrower pursuant to this Agreement.

"Material Acquisition" means any Acquisition (the "Subject Acquisition") (i) made at a time when the Leverage Ratio is in excess of 4.5 to 1.0 or (ii) that has an Annualized Acquisition Cash Flow Value (as defined below) for the period ended on the last day of the fiscal quarter most recently ended that is greater than five percent (5%) of the Annualized EBITDA of Borrower and its Restricted Subsidiaries, on a consolidated basis, for the same period. The "Annualized Acquisition Cash Flow Value" is an amount equal to (a) the Annualized EBITDA of the assets comprising the Subject Acquisition less (b) the Annualized EBITDA of any assets disposed of by Borrower or any Restricted Subsidiary (other than to Borrower or any Restricted Subsidiary) in connection with the Subject Acquisition.

"Material Adverse Effect" means any set of circumstances or events (other than circumstances or events affecting the cable industry in general) which (a) has or would reasonably be expected to have a material adverse effect upon the validity or enforceability against Borrower of any Loan Document or (b) is or would reasonably be expected to be material and adverse to the business, assets, liabilities, results of operations or financial condition of Borrower and its Restricted Subsidiaries, taken as a whole.

"Material Disposition" means any Disposition (the "Subject Disposition") (i) made at a time when the Leverage Ratio is in excess of 4.5 to 1.0 or (ii) that has an Annualized Disposition Cash Flow Value (as defined below), for the period ended on the last day of the fiscal quarter most recently ended that is greater than five percent (5%) of the Annualized EBITDA of Borrower and its Restricted Subsidiaries, on a consolidated basis, for the same period. The "Annualized Disposition Cash Flow Value" is an amount equal to (a) the Annualized EBITDA of the assets comprising the Subject Disposition less (b) the Annualized EBITDA of any assets acquired by Borrower or any Restricted Subsidiary (other than from Borrower or any Restricted Subsidiary) in connection with the Subject Disposition.

"Maturity Date" means (a) July 16, 2002, as such date may be extended pursuant to and in accordance with Section 2.10 or (b) such earlier date upon which the combined Commitments may be terminated in accordance with the terms of this Agreement; provided that, if the Loans are converted to a term loan pursuant to Section 2.10(d), from and after such conversion, "Maturity Date" shall mean (i) the fourth anniversary of the date on which such conversion occurs or (ii) such earlier date upon which the combined Commitments may be terminated in accordance with the terms of this Agreement.

"Minimum Amount" means, with respect to each of the following actions, the minimum amount and any multiples in excess thereof set forth opposite such action:

Type of Action	Minimum Amount	Multiples in excess thereof
Borrowing or prepayment of, or Conversion into, Base Rate Loans	\$10,000,000	\$1,000,000
Borrowing, prepayment or Continuation of, or Conversion into, Eurodollar Rate Loans	\$10,000,000	\$1,000,000
Reduction in Commitments	\$25,000,000	\$5,000,000
Assignments	\$10,000,000	None

"Moody's" means Moody's Investors Service, Inc., or its successor, or if it is dissolved or liquidated or no longer performs the functions of a securities rating agency, such other nationally recognized securities rating agency agreed upon by Borrower and Administrative Agent and approved by Required Lenders.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA.

"Note" means a promissory note made by Borrower in favor of a Lender evidencing Loans made by such Lender, substantially in the form of Exhibit C (collectively, the "Notes").

"Obligations" means all advances to, and debts, liabilities, and obligations of, Borrower arising under any Loan Document, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest that accrues after the commencement of any proceeding under any Debtor Relief Laws by or against Borrower.

"Outstanding Obligations" means, as of any date, and giving effect to the making of any Extension of Credit requested on such date and all payments, repayments and prepayments made on such date, (a) when reference is made to all Lenders, the aggregate outstanding principal amount of all Loans, and (b) when reference is made to one Lender, the aggregate outstanding principal amount of all Loans made by such Lender.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto established under ERISA.

"Person" means any individual, trustee, corporation, general partnership, limited partnership, limited liability company, joint stock company, trust, unincorporated organization, bank, business association, firm, joint venture or Governmental Authority.

"Plan" means any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by Borrower or any ERISA Affiliate or to which Borrower or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer plan (as described in Section 4064(a) of ERISA) has made contributions at any time during the immediately preceding five plan years.

"Prior 364-Day Agreement" means that certain 364-Day Revolving Credit Agreement dated as of August 24, 2000, among Borrower, the lenders party thereto and Bank of America, as administrative agent.

"Pro Rata Share" means, with respect to each Lender, the percentage (rounded, if necessary to the ninth decimal place) of the combined Commitments set forth opposite the name of such Lender on Schedule 2.01, as such share may be adjusted as contemplated herein.

"Reference Banks" means Bank of America, The Chase Manhattan Bank, Citibank, N.A. and The Bank of New York.

"Register" has the meaning set forth in Section 2.01(c).

"Request for Extension of Credit" means, unless otherwise specified herein, a written request substantially in the form of Exhibit A.

"Required Lenders" means, as of any date of determination, (a) if the Commitments are then in effect, Lenders (excluding any Lender that has failed to fund hereunder when the applicable conditions precedent to such funding have been satisfied or waived in accordance herewith, until such failure has been cured) having in the aggregate more than 50% of the combined Commitments (excluding the Commitment of any Lender that has failed to fund hereunder when the applicable conditions precedent to such funding have been satisfied or waived in accordance herewith, until such failure has been cured) then in effect and (b) if the Commitments have then been terminated and there are Outstanding Obligations, Lenders holding Outstanding Obligations aggregating more than 50% of such Outstanding Obligations.

"Requisite Notice" means a notice delivered in accordance with Section 10.02.

"Requisite Time" means, with respect to any of the actions listed below, the time and date set forth below opposite such action:

Type of Action	Applicable Time (New York Time)	Date of Action

Delivery of Request for Extension of Credit for, or notice for:		
* Borrowing or prepayment of Base Rate Loans	11:00 a.m.	Same Business Day as such Borrowing or prepayment

* Conversion into Base Rate Loans	11:00 a.m.	Same Business Day as such Conversion
* Borrowing, prepayment or Continuation of, or Conversion into, Eurodollar Rate Loans	11:00 a.m.	3 Business Days prior to such Borrowing, prepayment, Continuation or Conversion
* Request to extend Maturity Date	11:00 a.m.	Not more than 60 or less than 30 days prior to Maturity Date then in effect
* Election to term out Loans	11:00 a.m.	5 Business Days prior to Maturity Date then in effect
Voluntary reduction in or termination of Commitments	11:00 a.m.	3 Business Days prior to such reduction or termination
Payments by Lenders or Borrower to Administrative Agent	1:00 p.m.	On date payment is due

"Responsible Officer" means the president, any vice president, the controller, the chief financial officer, the treasurer or any assistant treasurer of Borrower. Any document or certificate hereunder that is signed by a Responsible Officer of Borrower shall be conclusively presumed to have been authorized by all necessary corporate action on the part of Borrower and such Responsible Officer shall be conclusively presumed to have acted on behalf of Borrower.

"Restricted Subsidiary" means each Subsidiary of Borrower that is not an Unrestricted Subsidiary.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., or its successor, or if it is dissolved or liquidated or no longer performs the functions of a securities rating agency, such other nationally recognized securities rating agency agreed upon by Borrower and Administrative Agent and approved by Required Lenders.

"Sale-Leaseback Transaction" means any arrangement whereby Borrower or any Restricted Subsidiary shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease property that it intends to use for substantially the same purpose or purposes as the property sold or transferred.

"Significant Subsidiary" means any Restricted Subsidiary whose Annualized EBITDA was greater than 5% of the Annualized EBITDA of Borrower and its Restricted Subsidiaries, on a consolidated basis, for the period ended on the last day of the fiscal quarter most recently ended, or whose assets comprised more than 5% of the total assets of Borrower and its Restricted Subsidiaries, on a consolidated basis, as of the last day of the fiscal quarter most recently ended.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting

power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, directly or indirectly, through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of Borrower.

"Threshold Amount" means \$200,000,000.

"to the best knowledge of" means, when modifying a representation, warranty or other statement of any Person, that the fact or situation described therein is known by such Person (or, in the case of a Person other than a natural Person, known by any officer of such Person) making the representation, warranty or other statement, or, if such Person had exercised ordinary care in performing his or its required duties, would have been known by such Person (or, in the case of a Person other than a natural Person, would have been known by an officer of such Person).

"type" of Loan means (a) a Base Rate Loan or (b) a Eurodollar Rate Loan.

"Unfunded Pension Liability" means the excess of a Plan's benefit liabilities under Section 4001(a)(16) of ERISA, over the current value of that Plan's assets, determined in accordance with the assumptions used for funding the Plan pursuant to Section 412 of the Code for the applicable plan year.

"Unrestricted Subsidiary" means any Subsidiary of Borrower designated as an "Unrestricted Subsidiary" from time to time in accordance with Section 6.13. Until so designated, each Subsidiary of Borrower shall be a Restricted Subsidiary.

1.02 Use of Certain Terms.

(a) All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto or thereto, unless otherwise defined therein.

(b) As used herein, unless the context requires otherwise, the masculine, feminine and neuter genders and the singular and plural include one another.

(c) The words "herein" and "hereunder" and words of similar import when used in any Loan Document shall refer to the applicable Loan Document as a whole and not to any particular provision thereof. The term "including" is by way of example and not limitation. References herein to a Section, subsection or clause shall, unless the context otherwise requires, refer to the appropriate Section, subsection or clause in this Agreement.

(d) The term "or" is disjunctive; the term "and" is conjunctive. The term "shall" is mandatory; the term "may" is permissive.

1.03 Accounting Terms. All accounting terms not specifically or completely defined in this Agreement shall be construed in conformity with, and all financial data required to be submitted by this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time

to time in the United States; provided, however, that for purposes of determining compliance with the covenants set forth in Section 7.07, if there are changes in GAAP after December 31, 2000 that materially affect the calculation of the covenants in Section 7.07 in such a manner as to be inconsistent with the intent of this Agreement, Administrative Agent and Borrower shall negotiate in good faith to determine such adjustments to the method of calculating compliance with Section 7.07 or related definitions as to make them consistent with the intent hereof. Promptly upon Borrower and Administrative Agent reaching such agreement, Administrative Agent shall notify Lenders of such adjustments, which shall be conclusive unless Required Lenders object to such adjustments within 30 days of receipt of notice. Each Compliance Certificate shall be prepared in accordance with this Section 1.03, except for the exclusion of Unrestricted Subsidiaries from the calculations therein.

1.04 Rounding. Any financial ratios required to be maintained by Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed in this Agreement and rounding the result up or down to the nearest number (with a round-up if there is no nearest number) to the number of places by which such ratio is expressed in this Agreement.

1.05 Exhibits and Schedules. All exhibits and schedules to this Agreement, either as originally existing or as the same may from time to time be supplemented, modified or amended, are incorporated herein by this reference. A matter disclosed on any Schedule shall be deemed disclosed on all Schedules.

1.06 References to Agreements and Laws. Unless otherwise expressly provided herein, (a) references to agreements (including the Loan Documents) and other contractual instruments shall include all amendments, restatements, extensions, supplements and other modifications thereto (unless prohibited by any Loan Document), and (b) references to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law.

1.07 Pro Forma Calculations. For the purposes of calculating Annualized EBITDA of Borrower and its Restricted Subsidiaries, on a consolidated basis, and Annualized Interest Expense of Borrower and its Restricted Subsidiaries, on a consolidated basis, for any period (a "Test Period"), (i) if at any time from the period (a "Pro Forma Period") commencing on the first day of such Test Period and ending on the date which is ten days prior to the date of delivery of the Compliance Certificate in respect of such Test Period (or, in the case of any pro forma calculation required to be made pursuant hereto in respect of the designation of a Restricted Subsidiary as an Unrestricted Subsidiary that is a Material Disposition or the designation of an Unrestricted Subsidiary as a Restricted Subsidiary that is a Material Acquisition, ending on the date such Material Disposition or Material Acquisition is consummated, after giving effect thereto), Borrower or any Restricted Subsidiary shall have made any Material Disposition, the Annualized EBITDA for such Test Period shall be reduced by an amount equal to the Annualized EBITDA (if positive) for such Test Period attributable to the assets which are the subject of such Material Disposition or increased by an amount equal to the Annualized EBITDA (if negative) for such Test Period attributable to such assets, and Annualized Interest Expense for such Test Period shall be reduced by an amount equal to the Annualized Interest Expense for such Test Period attributable to any Indebtedness of Borrower or any Restricted Subsidiary repaid, repurchased, defeased or otherwise discharged in connection with such Material Disposition (or, if the capital stock of any Restricted Subsidiary is sold (pursuant to a merger or otherwise), the Annualized Interest Expense for such Test Period directly attributable to the Indebtedness of such Restricted Subsidiary to the

extent Borrower and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness after such Material Disposition); (ii) if during such Pro Forma Period Borrower or any Restricted Subsidiary shall have made a Material Acquisition, Annualized EBITDA of Borrower and its Restricted Subsidiaries, on a consolidated basis, and Annualized Interest Expense of Borrower and its Restricted Subsidiaries, on a consolidated basis, for such Test Period shall be calculated after giving pro forma effect thereto (including the incurrence or assumption of any Indebtedness in connection therewith) as if such Material Acquisition (and the incurrence or assumption of any such Indebtedness) occurred on the first day of such Test Period; and (iii) if during such Pro Forma Period any Person that subsequently became a Restricted Subsidiary or was merged with or into Borrower or any Restricted Subsidiary since the beginning of such Pro Forma Period shall have entered into any Material Disposition or Material Acquisition that would have required an adjustment pursuant to clause (i) or (ii) above if made by Borrower or a Restricted Subsidiary during such Pro Forma Period, Annualized EBITDA of Borrower and its Restricted Subsidiaries, on a consolidated basis, and Annualized Interest Expense of Borrower and its Restricted Subsidiaries, on a consolidated basis, for such Test Period shall be calculated after giving pro forma effect thereto as if such Material Disposition or Material Acquisition occurred on the first day of such Test Period. For the purposes of this section, whenever pro forma effect is to be given to a Material Disposition or Material Acquisition, the amount of income or earnings related thereto and the amount of Annualized Interest Expense associated with any Indebtedness discharged or incurred in connection therewith, the pro forma calculations shall be determined in good faith by a Responsible Officer of Borrower. If any Indebtedness bears a floating rate of interest and the incurrence or assumption thereof is being given pro forma effect, the Annualized Interest Expense on such Indebtedness shall be calculated as if the rate in effect on the last day of the relevant Pro Forma Period had been the applicable rate for the entire relevant Test Period (taking into account any interest rate protection agreement applicable to such Indebtedness if such interest rate protection agreement has a remaining term in excess of 12 months). Comparable adjustments shall be made in connection with any determination of Annualized EBITDA.

SECTION 2.
THE COMMITMENTS AND EXTENSIONS OF CREDIT

2.01 Amount and Terms of Commitments.

(a) Subject to the terms and conditions set forth in this Agreement, each Lender severally agrees to make, Convert and Continue Loans in Dollars until, but not including, the Maturity Date in such amounts as Borrower may from time to time request; provided, however, that (i) the Outstanding Obligations of each Lender shall not exceed such Lender's Commitment at any time, and (ii) the Outstanding Obligations of all Lenders shall not exceed the combined Commitments at any time. This is a revolving credit and, subject to the foregoing and the other terms and conditions hereof (including Section 2.10(d)), Borrower may borrow, Convert, Continue, prepay and reborrow Loans as set forth herein without premium or penalty.

(b) Upon the request of any Lender made through Administrative Agent, a Lender's Loans may be evidenced by a Note, instead of or in addition to its loan accounts or records. Each such Lender may attach schedules to its Note and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto. Any failure so to record or any error in doing so shall not, however, limit or otherwise affect the obligation of Borrower to pay any amount owing with respect to the Obligations.

(c) (i) Administrative Agent shall maintain, at Administrative Agent's Office, a register for the recordation of the names and addresses of Lenders and the Commitments and Extensions of Credit of each Lender from time to time (the "Register"). The Register shall be available for inspection by Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice. Administrative Agent shall maintain the Register, acting, solely for this administrative purpose only, as agent for Borrower (it being acknowledged and agreed that Administrative Agent and each Administrative Agent-Related Person, in such capacity, shall constitute Indemnitees under Section 10.13).

(ii) Administrative Agent shall record in the Register the Commitment and Extensions of Credit from time to time of each Lender, and each repayment or prepayment in respect thereof. Any recordation shall be conclusive and binding on Borrower and each Lender, absent manifest error; provided, however, that the failure to make any such recordation, or any error in such recordation, shall not affect any Lender's Commitment or Outstanding Obligations.

(iii) Each Lender shall record on its internal loan accounts or records (and may record on the Note held by such Lender) the amount of each Extension of Credit made by it and each payment in respect thereof; provided that the failure to make any such recordation, or any error in such recordation, shall not affect any Lender's Commitment or Outstanding Obligations; and provided, further, that in the event of any inconsistency between the Register and any Lender's records, the recordations in the Register shall govern, absent manifest error.

(iv) Borrower, Administrative Agent and Lenders shall deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Commitments and Extensions of Credit listed therein for all purposes hereof, and no assignment or transfer of any such Commitment or Extensions of Credit shall be effective, in each case, unless and until an Assignment and Acceptance effecting the assignment or transfer thereof shall have been accepted by Administrative Agent and recorded in the Register. Prior to such recordation, all amounts owed with respect to the applicable Commitment or Outstanding Obligations shall be owed to the Lender listed in the Register as the owner thereof, and any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is listed in the Register as a Lender shall be conclusive and binding on any subsequent holder, assignee or transferee of the corresponding Commitments or Outstanding Obligations.

2.02 Borrowings, Conversions and Continuations of Loans.

(a) Borrower may irrevocably request a Borrowing, Conversion or Continuation of Loans on any Business Day in a Minimum Amount therefor by delivering a Request for Extension of Credit therefor by Requisite Notice to Administrative Agent not later than the Requisite Time therefor. All Borrowings, Conversions and Continuations shall constitute Base Rate Loans unless properly and timely otherwise designated as set forth in the prior sentence.

(b) Following receipt of a Request for Extension of Credit, Administrative Agent shall promptly notify each Lender by Requisite Notice of its Pro Rata Share thereof. In the case of a Borrowing of Loans, each Lender shall make the funds for its Loan available to Administrative Agent at Administrative Agent's Office not later than the Requisite Time therefor on the Business Day specified in such Request for Extension of Credit. Upon satisfaction of the applicable conditions set forth in Section 4.02 (if applicable to such

Extension of Credit) (and, if the initial Extension of Credit hereunder, Section 4.01), all funds so received shall be made available to Borrower in like funds received. Administrative Agent shall promptly notify Borrower and Lenders of the interest rate applicable to any Eurodollar Rate Loan upon determination of same. Administrative Agent shall from time to time notify Borrower and Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(c) Unless Borrower pays all amounts due under Section 3.05, if any, a Eurodollar Rate Loan may be Continued or Converted only on the last day of the Interest Period for such Eurodollar Rate Loan. During the existence of an Event of Default, the Administrative Agent may (and upon the request of the Required Lenders shall) prohibit Loans from being requested as, Converted into, or Continued as Eurodollar Rate Loans, and Required Lenders may demand that any or all of the then outstanding Eurodollar Rate Loans be Converted immediately into Base Rate Loans.

(d) The failure of any Lender to make any Loan on any date shall not relieve any other Lender of any obligation to make a Loan on such date, but no Lender shall be responsible for the failure of any other Lender to so make its Loan.

2.03 Prepayments.

(a) Upon Requisite Notice to Administrative Agent not later than the Requisite Time therefor, Borrower may at any time and from time to time voluntarily prepay Loans in part in the Minimum Amount therefor or in full without premium or penalty. Administrative Agent will promptly notify each Lender thereof and of such Lender's Pro Rata Share of such prepayment. Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest thereon, together with the costs set forth in Section 3.05.

(b) If for any reason the amount of the Outstanding Obligations exceeds the combined Commitments from time to time in effect, Borrower shall immediately prepay Loans in an aggregate amount equal to such excess.

2.04 Reduction or Termination of Commitments. Upon Requisite Notice to Administrative Agent not later than the Requisite Time therefor, Borrower may at any time and from time to time, without premium or penalty, permanently and irrevocably reduce the Commitments in a Minimum Amount therefor to an amount not less than the Outstanding Obligations at such time or terminate the Commitments. Any such reduction or termination shall be accompanied by payment of all accrued and unpaid facility fees with respect to the portion of the Commitments being reduced or terminated. Administrative Agent shall promptly notify Lenders of any such request for reduction or termination of the Commitments. Each Lender's Commitment shall be reduced by an amount equal to such Lender's Pro Rata Share times the amount of such reduction.

2.05 Principal and Interest.

(a) Except as otherwise provided hereunder, if not sooner paid, Borrower hereby promises to pay the outstanding principal amount of each Loan on the Maturity Date.

(b) Subject to subsection (c) below, and unless otherwise specified herein, Borrower hereby promises to pay interest on the unpaid principal amount of each Loan (before and after default, before and after maturity, before and after judgment and before and after the commencement of any proceeding under any Debtor Relief Laws) from the date borrowed until paid in full (whether by acceleration or otherwise) on each Applicable Payment Date at a rate per annum equal to the interest rate determined in accordance with the definition of such type of Loan, plus, to the extent applicable in each case, the Applicable Amount for such type of Loan.

(c) Beginning on the date that an Event of Default occurs under Sections 8.01 or 8.02 and continuing until the date such Event of Default no longer exists, Borrower hereby promises to pay interest on the unpaid principal amount of each Loan (before or after judgment and before and after the commencement of any proceeding under any Debtor Relief Laws) at a rate per annum equal to the Default Rate. In addition, if any amount payable by Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), Borrower hereby promises to pay interest (after as well as before entry of judgment thereon to the extent permitted by law) on such amount at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Law. Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be payable upon demand.

On any Business Day, Borrower may call Administrative Agent and request information as to the then current Eurodollar Base Rate or Base Rate, and Administrative Agent shall provide such information.

2.06 Fees.

(a) Facility Fee. Borrower shall pay to Administrative Agent for the account of each Lender pro rata according to its Pro Rata Share a facility fee equal to the Applicable Amount times the actual daily amount of its Commitment, regardless of usage. The facility fee shall accrue at all times from the Closing Date until the Maturity Date and shall be payable quarterly in arrears on each Applicable Payment Date. If there is any change in the Applicable Amount during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Amount separately for each period during such quarter that such Applicable Amount was in effect. The facility fee shall accrue at all times, including at any time during which one or more conditions in Section 4 are not met.

(b) Utilization Fee. Borrower shall pay to Administrative Agent for the account of each Lender pro rata according to its Pro Rata Share a utilization fee equal to the Applicable Amount times the outstanding principal amount of Loans, for each day that the sum of (i) the Outstanding Obligations on such day plus (ii) the "Outstanding Obligations," as such term is defined in the Five-Year Agreement, on such day exceeds 33% of the sum of (x) the combined Commitments on such day plus (y) the combined "Commitments," as such term is defined in the Five-Year Agreement, on such day. The utilization fee shall be payable quarterly in arrears on each Applicable Payment Date. The utilization fee shall accrue at all applicable times, including at any time during which one or more conditions in Section 4 are not met.

(c) Agency Fee. Borrower shall pay to Administrative Agent an agency fee in such amounts and at such times as set forth in a separate letter agreement between Borrower and Administrative Agent. The agency fee is for the services to be performed by Administrative Agent in acting as Administrative Agent

and is fully earned on the date paid. The agency fee paid to Administrative Agent is solely for its own account and is nonrefundable.

(d) Structuring Fee. On the Closing Date, Borrower shall pay to each Lead Arranger a structuring fee in the amount set forth in a separate letter agreement among Borrower, each Lead Arranger, Bank of America and The Chase Manhattan Bank. Such structuring fee is for the services of each Lead Arranger in structuring the credit facilities under this Agreement and is fully earned on the date paid. The structuring fee paid to each Lead Arranger is solely for its own account and is nonrefundable.

(e) Lenders' Upfront Fee. On the Closing Date, Borrower shall pay to Administrative Agent, for the respective accounts of Lenders pro rata according to their respective Pro Rata Shares, an upfront fee in an amount set forth in a separate letter agreement among Borrower, each Lead Arranger, Bank of America, and The Chase Manhattan Bank. Such upfront fees are for the credit facility committed by Lenders under this Agreement and are fully earned on the date paid. The upfront fees paid to Lenders are solely for their own account and are nonrefundable.

2.07 Computation of Interest and Fees. Computation of interest on Base Rate Loans when the Base Rate is determined by Bank of America's "prime rate" shall be calculated on the basis of a year of 365 or 366 days, as the case may be, and the actual number of days elapsed. Computation of all other types of interest and all fees shall be calculated on the basis of a year of 360 days and the actual number of days elapsed. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall bear interest for one day.

2.08 Making Payments.

(a) Except as otherwise provided herein, all payments by Borrower or any Lender hereunder shall be made to Administrative Agent at Administrative Agent's Office not later than the Requisite Time for such type of payment. All payments received after such Requisite Time shall be deemed received on the next succeeding Business Day for purposes of the calculation of interest and fees, but not for purposes of determining whether a Default has occurred. All payments of principal and interest shall be made in immediately available funds in Dollars. All payments by Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff.

(b) Upon satisfaction of any applicable terms and conditions set forth herein, Administrative Agent shall promptly make any amounts received in accordance with Section 2.08(a) available in like funds received as follows: (i) if payable to Borrower, by crediting a deposit account designated from time to time by Borrower to Administrative Agent by Requisite Notice, and (ii) if payable to any Lender, by wire transfer to such Lender at its Lending Office. If such conditions are not so satisfied, Administrative Agent shall return any funds it is holding to Lenders making such funds available, without interest.

(c) Subject to the definition of "Interest Period," if any payment to be made by Borrower shall come due on a day other than a Business Day, payment shall instead be considered due on the next succeeding Business Day, and such extension of time shall be reflected in computing interest and fees.

(d) Unless Borrower or any Lender has notified Administrative Agent, prior to the Requisite Time any payment to be made by it is due, that it does not intend to remit such payment, Administrative Agent may, in its sole and absolute discretion, assume that Borrower or such Lender, as the case may be, has timely remitted such payment and may, in its sole and absolute discretion and in reliance thereon, make such payment available to the Person entitled thereto. If such payment was not in fact remitted to Administrative Agent in immediately available funds, then:

(i) If Borrower failed to make such payment, each Lender shall forthwith on demand repay to Administrative Agent the amount of such assumed payment made available to such Lender, together with interest thereon in respect of each day from and including the date such amount was made available by Administrative Agent to such Lender to the date such amount is repaid to Administrative Agent at the Federal Funds Rate; and

(ii) If any Lender failed to make such payment, Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender. If such Lender does not pay such corresponding amount upon Administrative Agent's demand therefor, Administrative Agent promptly shall notify Borrower, and Borrower shall pay such corresponding amount to Administrative Agent. Administrative Agent also shall be entitled to recover interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by Administrative Agent to Borrower to the date such corresponding amount is recovered by Administrative Agent, (A) from such Lender at a rate per annum equal to the Federal Funds Rate, and (B) from Borrower, at a rate per annum equal to the interest rate applicable to such Borrowing. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Commitment or to prejudice any rights which Administrative Agent or Borrower may have against any Lender as a result of any default by such Lender hereunder.

(e) If Administrative Agent or any Lender is required at any time to return to Borrower, or to a trustee, receiver, liquidator, custodian or any official under any proceeding under Debtor Relief Laws, any portion of a payment made by Borrower, each Lender shall, on demand of Administrative Agent, return its share of the amount to be returned, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate.

2.09 Funding Sources. Nothing in this Agreement shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.10 Extension of Maturity Date.

(a) Not earlier or later than the Requisite Time therefor, Borrower may, upon Requisite Notice to Administrative Agent (who shall promptly notify Lenders), request an extension of the Maturity Date then in effect (the "Extension Request"). Within 20 days of delivery of such notice but not earlier than 30 days prior to the Maturity Date then in effect, each Lender shall notify Administrative Agent by Requisite Notice whether or not it consents to such extension. Any Lender not responding within the above time period shall be deemed to have not consented to such extension. Administrative Agent shall promptly notify Borrower of Lenders' responses and the aggregate amount of the Commitments of Rejecting Lenders (the "Rejected

Amount"). If the Maturity Date is extended as provided in Section 2.10(b) and if any Lender (individually, a "Rejecting Lender" and collectively, "Rejecting Lenders") declines, or is deemed to have declined, to consent to such extension, Borrower shall cause each Rejecting Lender to be removed and/or replaced as a Lender no later than the Maturity Date then in effect pursuant to Section 10.21.

(b) The Maturity Date then in effect shall be extended only if Lenders ("Accepting Lenders") holding more than 50% of the combined Commitments (the amount of which shall be calculated prior to giving effect to any removals or replacements of Rejecting Lenders) have consented thereto. If so extended, the Maturity Date then in effect shall be extended to a date 364 days from the Maturity Date then in effect, effective as of the Maturity Date then in effect (the "Extension Effective Date"). Administrative Agent shall promptly confirm in writing to Lenders and Borrower such extension and the Extension Effective Date. As a condition precedent to such extension, Borrower shall deliver to Administrative Agent a certificate dated as of the Extension Effective Date (in sufficient copies for each Accepting Lender) signed by a Responsible Officer of Borrower (i) certifying and attaching the resolutions adopted by Borrower approving or consenting to such extension and (ii) certifying that, before and after giving effect to such extension, no Default or Event of Default exists. Administrative Agent shall distribute an amended Schedule 2.01 (which shall be deemed incorporated into this Agreement) to reflect any changes in Lenders and their Commitments.

(c) If the Maturity Date then in effect is extended pursuant to Section 2.10(b), Borrower shall have the right, in consultation with and through Administrative Agent, either prior to or within 60 days following the Extension Effective Date, to request one or more Accepting Lenders to increase their Commitments by an aggregate amount not to exceed the Rejected Amount. Each Accepting Lender shall have the right, but not the obligation, to offer to increase its Commitment by an amount up to the amount requested by Borrower, which offer shall be made by notice from such Accepting Lender to Administrative Agent not later than ten days after such Accepting Lender is notified of such request by Administrative Agent, specifying the amount of the offered increase in such Accepting Lender's Commitment. If the aggregate amount of the offered increases in the Commitments of all Accepting Lenders does not equal the Rejected Amount, then Borrower shall have the right, prior to or within 60 days following the Extension Effective Date, to add one or more banks or other financial institutions, each of which must be eligible to be an assignee under Section 10.04, as Lenders ("Purchasing Lenders") to replace such Rejecting Lenders, which Purchasing Lenders shall have an aggregate Commitment not greater than the Rejected Amount less any increases in the Commitments of Accepting Lenders.

(d) In the event the Maturity Date then in effect is not extended pursuant to Section 2.10(b), Borrower may, upon Requisite Notice to Administrative Agent (who shall promptly notify Lenders) not later than the Requisite Time therefor elect to convert the outstanding principal amount of the Loans on the Maturity Date then in effect to term loans, which term loans shall be payable on the fourth anniversary of the date on which such conversion occurs; provided that such conversion shall not occur if an Event of Default has occurred and is continuing on the Maturity Date then in effect. From and after such conversion, (i) such term loans shall continue to be Loans for purposes of this Agreement, except that such term loans shall not be a revolving credit and, if prepaid, may not be reborrowed, and (ii) the Commitment of each Lender shall continue to be outstanding, except that immediately after such conversion, the Commitment of each Lender shall automatically be reduced to an amount equal to the principal amount of such term loans owing to such Lender.

(e) This Section 2.10 shall supercede any provisions in Section 10.01 to the contrary.

SECTION 3.
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Any and all payments by Borrower to or for the account of Administrative Agent or any Lender under any Loan Document shall be made free and clear of and without deduction for any and all present or future taxes, duties, levies, imposts, deductions, assessments, fees, withholdings or similar charges, and all liabilities with respect thereto, excluding, in the case of Administrative Agent and each Lender, taxes imposed on or measured by its net income, and franchise taxes imposed on it, by the jurisdiction (or any political subdivision thereof) under the Laws of which Administrative Agent or such Lender, as the case may be, is organized or maintains a Lending Office (all such non-excluded taxes, duties, levies, imposts, deductions, assessments, fees, withholdings or similar charges, and liabilities being hereinafter referred to as "Taxes"). If Borrower shall be required by any Laws to deduct any Taxes from or in respect of any sum payable under any Loan Document to Administrative Agent or any Lender, (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 3.01), Administrative Agent and such Lender receive an amount equal to the sum it would have received had no such deductions been made, (ii) Borrower shall make such deductions, (iii) Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable Laws, and (iv) within 30 days after the date of such payment, Borrower shall furnish to Administrative Agent (who shall forward the same to such Lender) the original or a certified copy of a receipt evidencing payment thereof.

(b) In addition, Borrower agrees to pay any and all present or future stamp, court or documentary taxes and any other excise or property taxes or charges or similar levies which arise from any payment made under any Loan Document or from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, any Loan Document (hereinafter referred to as "Other Taxes").

(c) If Borrower shall be required to deduct or pay any Taxes or Other Taxes from or in respect of any sum payable under any Loan Document to Administrative Agent or any Lender, Borrower shall also pay to Administrative Agent or such Lender such additional amount that Administrative Agent or such Lender specifies as necessary to preserve the after-tax yield (after factoring in all taxes, including taxes imposed on or measured by net income) that Administrative Agent or such Lender would have received if such Taxes or Other Taxes had not been imposed.

(d) Borrower agrees to indemnify Administrative Agent and each Lender for the full amount of Taxes and Other Taxes (including any Taxes or Other Taxes imposed or asserted by any jurisdiction on amounts payable under this Section) paid by Administrative Agent and such Lender, amounts payable under Section 3.01(c) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto.

(e) Notwithstanding anything to the contrary contained in this Section 3.01, all obligations of Borrower to any Lender under this Section 3.01 shall be subject to, and conditioned upon such Lender's compliance with its obligations, if any, under Section 10.20.

3.02 Illegality. If any Lender determines that any Laws have made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Eurodollar Rate Loans, or materially restricts the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the applicable offshore interbank market, or to determine or charge interest rates based upon the Eurodollar Rate, then, on notice thereof by such Lender to Borrower through Administrative Agent, the obligation of such Lender to make Eurodollar Rate Loans shall be suspended until such Lender notifies Administrative Agent and Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, Borrower shall, upon demand from such Lender (with a copy to Administrative Agent), prepay or Convert all Eurodollar Rate Loans of such Lender, either on the last day of the Interest Period thereof, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans. Each Lender agrees to designate a different Lending Office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

3.03 Inability to Determine Eurodollar Rates. If, in connection with any Request for Extension of Credit involving any Eurodollar Rate Loan, (a) Administrative Agent determines that (i) deposits in Dollars are not being offered to banks in the applicable offshore dollar market for the applicable amount and Interest Period of the requested Eurodollar Rate Loan or (ii) adequate and reasonable means do not exist for determining the underlying interest rate for such Eurodollar Rate Loan, or (b) Required Lenders determine that such underlying interest rate does not adequately and fairly reflect the cost to Lenders of funding such Eurodollar Rate Loan, Administrative Agent will promptly notify Borrower and all Lenders. Thereafter, the obligation of Lenders to make or maintain such Eurodollar Rate Loan shall be suspended until Administrative Agent revokes such notice. Upon receipt of such notice, Borrower may revoke any pending request for a Borrowing of Eurodollar Rate Loans or, failing that, be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

3.04 Increased Cost and Reduced Return; Capital Adequacy.

(a) If any Lender determines that any Laws or changes therein effective after the date hereof:

(i) Subject such Lender to any tax, duty, or other charge with respect to any Eurodollar Rate Loans or its obligation to make Eurodollar Rate Loans, or change the basis on which taxes are imposed on any amounts payable to such Lender under this Agreement in respect of any Eurodollar Rate Loans;

(ii) Impose or modify any reserve, special deposit, or similar requirement (other than the reserve requirement utilized in the determination of the Eurodollar Rate) relating to any extensions of credit or other assets of, or any deposits with or other liabilities or commitments of, such Lender (including its Commitment); or

(iii) Impose on such Lender or on the offshore interbank market any other condition affecting this Agreement or any of such extensions of credit or liabilities or commitments;

and the result of any of the foregoing is to increase the cost to such Lender of making, Converting into, Continuing, or maintaining any Eurodollar Rate Loans or to reduce any sum received or receivable by such Lender under this Agreement with respect to any Eurodollar Rate Loans, then from time to time upon demand of Lender (with a copy of such demand to Administrative Agent), Borrower shall pay to such Lender such additional amounts as will compensate such Lender for such increased cost or reduction.

(b) If any Lender determines that any change in or the interpretation of any Laws effective after the date hereof have the effect of reducing the rate of return on the capital of such Lender or compliance by such Lender (or its Lending Office) or any corporation controlling such Lender as a consequence of such Lender's obligations hereunder (taking into consideration its policies with respect to capital adequacy and such Lender's desired return on capital), then from time to time upon demand of such Lender (with a copy to Administrative Agent), Borrower shall pay to such Lender such additional amounts as will compensate such Lender for such reduction.

3.05 Breakfunding Costs. Subject to Section 3.06(a), upon demand of any Lender (with a copy to Administrative Agent) from time to time, Borrower shall promptly compensate such Lender for and hold such Lender harmless from any actual loss, cost or expense incurred by it as a result of:

(a) Any Continuation, Conversion, payment or prepayment of any Eurodollar Rate Loan on a day other than the last day of the Interest Period for such Eurodollar Rate Loan (whether voluntary, mandatory, automatic, by reason of acceleration or otherwise); or

(b) Any failure by Borrower (for a reason other than the failure of such Lender to make a Eurodollar Rate Loan) to prepay, borrow, Continue or Convert any Eurodollar Rate Loan on the date or in the amount notified by Borrower;

excluding any loss of anticipated profits but including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained.

3.06 Matters Applicable to all Requests for Compensation.

(a) A certificate of Administrative Agent or any Lender claiming compensation under this Section 3 and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive in the absence of clearly demonstrable error; provided that such certificate (i) sets forth with reasonable specificity the calculation of the amount to be paid, (ii) states that Administrative Agent or such Lender, as applicable, is treating substantially all similarly situated borrowers in a manner that is consistent with the treatment afforded Borrower hereunder, (iii) is delivered within 90 days of the later of the date of the event giving rise to such compensation and the date Administrative Agent or such Lender knew or, with the exercise of reasonable care, should have known of the requirements for such compensation, and (iv) confirms (in the case of a claim for compensation under Section 3.01 or Section 3.04) that either a change in the Administrative Agent's Office or Lending Office, as the case may be, of Administrative Agent or such

Lender, as the case may be, would not have eliminated the request for compensation or that such change would have been otherwise disadvantageous to Administrative Agent or such Lender, as the case may be. In determining the amount of such compensation, Administrative Agent or any Lender may use any reasonable averaging and attribution methods.

(b) Upon any Lender becoming prohibited from making, maintaining or funding Eurodollar Rate Loans pursuant to Section 3.02, or upon any Lender making a claim for compensation under Section 3.01 or Section 3.04, Borrower may remove and replace such Lender in accordance with Section 10.21.

3.07 Survival. All of Borrower's obligations under this Section 3 shall survive termination of the Commitments and payment in full of all Obligations.

SECTION 4.
CONDITIONS PRECEDENT TO EXTENSIONS OF CREDIT

4.01 Conditions Precedent to Closing Date. This Agreement shall become effective and the Closing Date shall occur when Administrative Agent has received all of the agreements, documents, instruments and other items described in this Section 4.01 and the other conditions precedent set forth in this Section 4.01 have been satisfied (and on the Closing Date, Administrative Agent shall deliver written notice to Borrower and Lenders that such conditions precedent have been satisfied and that the Closing Date has occurred, which written notice shall be conclusive of such occurrence):

(a) Unless waived by all Lenders, each of the following, each of which shall be originals or facsimiles (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of Borrower, each dated on, or in the case of third-party certificates recently before, the Closing Date and each in form and substance satisfactory to Administrative Agent and its legal counsel:

(i) Executed counterparts of this Agreement, sufficient in number for distribution to Administrative Agent, Lenders and Borrower;

(ii) Notes executed by Borrower in favor of each Lender requesting same, substantially in the form attached as Exhibit C;

(iii) Such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of Borrower as Administrative Agent may request to establish the identities of and verify the authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer thereof;

(iv) Such evidence as Administrative Agent may request to verify that Borrower is duly organized or formed, validly existing, in good standing and qualified to engage in business in each jurisdiction in which it is required to be qualified to engage in business, including certified copies of Borrower's certificate of incorporation and bylaws and certificates of good standing and/or qualification to engage in business;

(v) A certificate signed by a Responsible Officer of Borrower certifying (A) that the conditions specified in Sections 4.01(c) and (d) have been satisfied, (B) that there has been no event or circumstance since the date of the Audited Financial Statements which has a Material Adverse Effect, and (C) the current Debt Ratings, together with a Compliance Certificate as of March 31, 2001 that gives effect to results of operations for the period ended on such date;

(vi) Opinions of counsel to Borrower substantially in the form of Exhibit E; and

(vii) Such other assurances, certificates, documents, consents or opinions as Administrative Agent or Required Lenders reasonably may require.

(b) Any fees required to be paid on or before the Closing Date shall have been paid.

(c) The representations and warranties made by Borrower herein, or which are contained in any certificate, document or financial or other statement furnished at any time under or in connection herewith, shall be correct in all material respects on and as of the Closing Date.

(d) No Default or Event of Default shall have occurred and be continuing.

(e) All consents or approvals of, filings with, and other actions by, any Governmental Authority that are necessary or appropriate for the execution, delivery and performance by Borrower of the Loan Documents shall have been obtained, made or taken.

(f) Unless waived by Administrative Agent, Borrower shall have paid all Attorney Costs of Administrative Agent to the extent invoiced prior to or on the Closing Date.

(g) All commitments under the Prior 364-Day Agreement shall have been terminated and all amounts owing thereunder through the date of termination shall have been paid in full.

4.02 Conditions to all Extensions of Credit. In addition to any applicable conditions precedent set forth elsewhere in this Section 4 or in Section 2, the obligation of each Lender to honor any Request for Extension of Credit (other than a Conversion or Continuation) is subject to the following conditions precedent:

(a) The representations and warranties of Borrower contained in Sections 5.01, 5.02 and 5.03 of this Agreement shall be correct in all material respects on and as of the date of such Extension of Credit.

(b) No Default or Event of Default exists, or would result from such Extension of Credit or the use thereof.

(c) Administrative Agent shall have timely received a Request for Extension of Credit by Requisite Notice by the Requisite Time therefor.

(d) Such Extension of Credit shall be permitted by applicable Laws.

Each Request for Extension of Credit by Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of such Extension of Credit.

SECTION 5.
REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Administrative Agent and Lenders that:

5.01 Existence and Qualification; Power; Compliance with Laws. Each of Borrower and its Restricted Subsidiaries (a) is a corporation, partnership or limited liability company duly organized or formed, validly existing and in good standing under the Laws of the state of its organization, (b) has the power and authority and the legal right to own, lease and operate its properties and to conduct its business, (c) is duly qualified and in good standing under the Laws of each jurisdiction where its ownership, lease or operation of its properties or the conduct of its business requires such qualification, except to the extent that the failure to be so qualified and in good standing does not have a Material Adverse Effect, and (d) is in compliance with all Laws, except to the extent that noncompliance does not have a Material Adverse Effect.

5.02 Power; Authorization; Enforceable Obligations. Borrower has the power and authority and the legal right to make, deliver and perform each Loan Document to which it is a party and to borrow hereunder and has taken all necessary action to authorize the Extensions of Credit on the terms and conditions of this Agreement and to authorize the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party. Except for such consents, authorizations, filings or other acts which have been duly made or obtained and are in full force and effect, no consent or authorization of, filing with, or other act by or in respect of any Governmental Authority is required in connection with the Extensions of Credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement or any of the other Loan Documents. The Loan Documents have been duly executed and delivered by Borrower, and constitute legal, valid and binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other Laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

5.03 No Legal Bar. The execution, delivery, and performance by Borrower of the Loan Documents to which it is a party do not and will not (a) violate or conflict with, or result in a breach of, or require any consent under (i) Borrower's certificate of incorporation or bylaws, (ii) any applicable Laws which has a Material Adverse Effect, or (iii) any Contractual Obligation, license or franchise of Borrower or any of its Restricted Subsidiaries or by which any of them or any of their property is bound or subject which has a Material Adverse Effect, (b) constitute a default under any such Contractual Obligation, license or franchise which has a Material Adverse Effect or (c) result in, or require, the creation or imposition of any Lien on any of the properties of Borrower or any of its Restricted Subsidiaries which is not permitted hereby.

5.04 Financial Statements; No Material Adverse Effect.

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly

present the financial condition of Borrower and its consolidated Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein.

(b) Since the date of the Audited Financial Statements and to the Closing Date, there has been no event or circumstance which has a Material Adverse Effect.

5.05 Litigation. No litigation, investigation or proceeding of or before an arbitrator or Governmental Authority is pending or, to the best knowledge of Borrower, threatened by or against Borrower or any of its Restricted Subsidiaries or against any of their properties or revenues that is reasonably likely to be determined adversely, and, if so adversely determined, has a Material Adverse Effect.

5.06 No Default. Neither Borrower nor any of its Restricted Subsidiaries is in default under or with respect to any Contractual Obligation, license or franchise which has a Material Adverse Effect, and no Default or Event of Default has occurred and is continuing or will result from the execution and delivery of this Agreement or any of the other Loan Documents, or the making of the Extensions of Credit hereunder.

5.07 Authorizations. Borrower and its Restricted Subsidiaries possess all licenses, permits, franchises, consents, approvals, and other authorities required to be issued by Governmental Authorities that are necessary or required in the conduct of their businesses, all of which are valid, binding, enforceable, and subsisting without any defaults thereunder, other than any failures to possess or defaults that do not have a Material Adverse Effect.

5.08 Taxes. Borrower and its Restricted Subsidiaries have filed all tax returns which are required to be filed, and have paid, or made provision for the payment of, all taxes with respect to the periods, property or transactions covered by said returns, or pursuant to any assessment received by Borrower or its affected Restricted Subsidiaries, except such taxes, if any, as are being contested in good faith by appropriate proceedings and as to which adequate reserves have been established and maintained in accordance with GAAP, and except for the failure to file tax returns and/or to pay taxes which failures do not, in the aggregate, have a Material Adverse Effect.

5.09 Margin Regulations; Investment Company Act; Public Utility Holding Company Act.

(a) Borrower is not engaged or will engage, principally or as one of its important activities, in the business of extending credit for the purpose of "purchasing" or "carrying" "margin stock" within the respective meanings of each of the quoted terms under Regulation U of the Board of Governors of the Federal Reserve System as now and from time to time hereafter in effect. No part of the proceeds of any Extensions of Credit hereunder will be used for "purchasing" or "carrying" "margin stock" as so defined in a manner which violates, or which would be inconsistent with, the provisions of Regulations T, U, or X of such Board of Governors.

(b) Neither Borrower nor any of its Restricted Subsidiaries (i) is a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company," within the meaning of the Public Utility Holding

Company Act of 1935, or (ii) is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

5.10 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state Laws. Each Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination letter from the IRS or an application for such a letter is currently being processed by the IRS (or will be filed before the end of any applicable remedial amendment period under Section 401(b) of the Code) with respect thereto and, to the best knowledge of Borrower, nothing has occurred which would prevent, or cause the loss of, such qualification. Borrower and each ERISA Affiliate have made all required contributions to each Plan subject to Section 412 of the Code, and no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Code has been made with respect to any Plan.

(b) There are no pending or, to the best knowledge of Borrower, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that has a Material Adverse Effect. There has been no non-exempt prohibited transaction (within the meaning of Section 401 of ERISA) or violation of the fiduciary responsibility rules of ERISA with respect to any Plan that has a Material Adverse Effect.

(c) (i) No ERISA Event has occurred or is reasonably expected to occur which has a Material Adverse Effect; (ii) no Plan has any Unfunded Pension Liability; (iii) neither Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (iv) neither Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Sections 4201 or 4243 of ERISA with respect to a Multiemployer Plan; and (v) neither Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Sections 4069 or 4212(c) of ERISA.

5.11 Assets; Liens. Borrower and its Restricted Subsidiaries own, or possess the right to use, all properties and assets, including without limitation, trademarks, trade names, copyrights, patents, patent rights, franchises, licenses and other intangible assets, that are used in the conduct of their respective businesses as now operated, and none of such properties and assets, to the best knowledge of Borrower, conflicts with the valid ownership or other right of use of any other Person to the extent that such failure to own or possess or conflict has a Material Adverse Effect. None of such properties or assets is subject to any Lien, as permitted in Section 7.01.

5.12 Environmental Compliance. Borrower and its Restricted Subsidiaries are in compliance with Environmental Laws to the extent that noncompliance does not have a Material Adverse Effect.

5.13 Use of Proceeds. Borrower will use the proceeds of Extensions of Credit to refinance existing Indebtedness of Borrower and its Restricted Subsidiaries or Affiliates and for working capital, capital expenditures, commercial paper backup and other lawful corporate purposes.

5.14 Disclosure. No statement, information, report, representation, or warranty made by Borrower in any Loan Document or furnished to Administrative Agent or any Lender in connection with any Loan Document contains any untrue statement of a material fact.

SECTION 6.
AFFIRMATIVE COVENANTS

So long as any Obligation remains unpaid or unperformed, or any portion of the Commitments remains outstanding, Borrower shall, and shall (except in the case of Borrower's reporting covenants) cause each Restricted Subsidiary to:

6.01 Financial Statements. Deliver to Administrative Agent and Lenders, in form and detail satisfactory to Administrative Agent:

(a) As soon as available, but in any event within 105 days after the end of each fiscal year of Borrower, a consolidated balance sheet of Borrower and its consolidated Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, audited and accompanied by a report and opinion of independent certified public accountants of nationally recognized standing reasonably acceptable to Administrative Agent, which report and opinion shall not be subject to any qualifications or exceptions as to the scope of the audit nor to any qualifications or exceptions not reasonably acceptable to Administrative Agent; and

(b) As soon as available, but in any event within 60 days after the end of each of the first three fiscal quarters of each fiscal year of Borrower, a consolidated balance sheet of Borrower and its consolidated Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of income and cash flows for such fiscal quarter and for the portion of Borrower's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of Borrower as fairly presenting the financial condition, results of operations and cash flows of Borrower and its consolidated Subsidiaries in accordance with GAAP, subject only to pro forma adjustments and normal year-end audit adjustments.

6.02 Certificates, Notices and Other Information. Deliver to Administrative Agent in form and detail satisfactory to Administrative Agent, with sufficient copies for each Lender:

(a) No later than the date required for the delivery of the financial statements referred to in Sections 6.01(a) and (b), a duly completed Compliance Certificate signed by a Responsible Officer of Borrower, which Compliance Certificate shall set forth the necessary adjustments to exclude the Indebtedness and EBITDA attributed to Unrestricted Subsidiaries from the calculations set forth therein and shall give pro forma effect (in accordance with Section 1.07) to Material Acquisitions and Material Dispositions in accordance with Section 1.07;

(b) Promptly after the same are available, copies of all annual, regular, periodic and special reports and registration statements which Borrower may file or be required to file with the Securities and

Exchange Commission under Sections 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to Administrative Agent pursuant hereto;

(c) Promptly after Borrower obtaining knowledge of the occurrence thereof, notice of any Default or Event of Default specifying the nature thereof and what action Borrower has taken, is taking or proposes to take with respect thereto;

(d) Promptly after Borrower obtaining knowledge of the commencement thereof, notice of any litigation, investigation or proceeding affecting Borrower or any of its Restricted Subsidiaries where the amount involved exceeds the Threshold Amount, or in which injunctive relief or similar relief is sought, which relief, if granted, has a Material Adverse Effect;

(e) Promptly after Borrower obtaining knowledge of the occurrence thereof, notice of any ERISA Event;

(f) Promptly after Borrower obtaining knowledge of the announcement thereof, notice of any announcement by Moody's or S&P of any change in a Debt Rating; and

(g) Promptly after such request, such other data and information as from time to time may be reasonably requested by Administrative Agent or any Lender through Administrative Agent.

6.03 Payment of Taxes. Pay and discharge when due all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or any of its property, except for any such tax, assessment, charge or levy which is being contested in good faith and by appropriate proceedings, if adequate reserves with respect thereto are maintained on its books in accordance with GAAP, and except for such payments which, if not paid, do not in the aggregate, have a Material Adverse Effect.

6.04 Preservation of Existence. Preserve and maintain its existence, licenses, permits, rights, franchises and privileges necessary or desirable in the normal conduct of its business, except where failure to do so does not have a Material Adverse Effect, and except that nothing in this Section 6.04 shall prohibit any transaction permitted by Section 7.03.

6.05 Maintenance of Properties. Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good order and condition, subject to wear and tear in the ordinary course of business, except to the extent that the failure to do so does not have a Material Adverse Effect.

6.06 Maintenance of Insurance. Maintain liability and casualty insurance with financially sound and reputable insurance companies not Affiliates of Borrower in such amounts with such deductibles and against such risks as is customary for similarly situated businesses, except to the extent Borrower or such Restricted Subsidiary maintains reasonable self-insurance with respect to such risks.

6.07 Compliance With Laws.

(a) Comply with the requirements of all applicable Laws and orders of any Governmental Authority, noncompliance with which has a Material Adverse Effect.

(b) Conduct its operations and keep and maintain its property in compliance with all Environmental Laws, noncompliance with which has a Material Adverse Effect.

6.08 Inspection Rights. At any time during regular business hours, upon reasonable notice, and as often as reasonably requested, but subject to Section 10.17, permit Administrative Agent or any Lender, or any employee, agent or representative thereof, to examine (and during the existence of an Event of Default, make copies and abstracts from) the records and books of account of Borrower and its Restricted Subsidiaries and to visit and inspect their properties and to discuss their affairs, finances and accounts with any of their officers and key employees.

6.09 Keeping of Records and Books of Account. Keep adequate records and books of account reflecting all material financial transactions in conformity with GAAP, consistently applied, and in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over Borrower or the applicable Restricted Subsidiary.

6.10 Compliance with ERISA. Cause, and cause each of its ERISA Affiliates to (a) maintain each Plan in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state law; (b) cause each Plan which is qualified under Section 401(a) of the Code to maintain such qualification; and (c) make all required contributions to any Plan subject to Section 412 of the Code; provided that this Section 6.10 shall not prohibit Borrower and its ERISA Affiliates from terminating any Plan to the extent permitted by ERISA, the Code, and other applicable law or if such termination does not have a Material Adverse Effect.

6.11 Compliance With Agreements. Promptly and fully comply with all Contractual Obligations to which any one or more of them is a party, except for any such Contractual Obligations (a) then being contested or intended to be timely contested by any of them in good faith by appropriate proceedings, or (b) the failure to comply with which does not have a Material Adverse Effect.

6.12 Use of Proceeds. Use the proceeds of Extensions of Credit as represented herein.

6.13 Designation of Restricted and Unrestricted Subsidiaries. So long as no Default or Event of Default exists or arises as a result thereof, Borrower may from time to time designate a Restricted Subsidiary as an Unrestricted Subsidiary or designate an Unrestricted Subsidiary as a Restricted Subsidiary; provided that Borrower shall (a) provide Administrative Agent written notification of such designation prior to or concurrently therewith, and (b) if such designation is a Material Acquisition (in the case of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary) or a Material Disposition (in the case of the designation of a Restricted Subsidiary as an Unrestricted Subsidiary), within 10 Business Days after such notification, deliver to Administrative Agent a certificate, in form reasonably acceptable to Administrative Agent, demonstrating pro-forma compliance (in accordance with Section 1.07) with Section 7.07 immediately prior to and after giving effect to such designation.

SECTION 7.
NEGATIVE COVENANTS

So long as any Obligations remain unpaid or unperformed, or any portion of the Commitments remains outstanding:

7.01 Liens. Borrower shall not, nor shall it permit any Restricted Subsidiary to, directly or indirectly, incur, assume or suffer to exist, any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, except:

(a) Liens pursuant to any Loan Document;

(b) Liens existing on the date hereof securing Indebtedness which does not exceed \$50,000,000 in the aggregate (which, in the case of any such Lien securing Indebtedness in the amount of \$100,000 or more, is listed on Schedule 7.01), and any renewals or extensions thereof, provided that such Liens are not extended to cover any other property, assets or revenues;

(c) Liens for taxes not yet due or which are being contested in good faith and by appropriate proceedings, if adequate reserves with respect thereto are maintained on the books of the applicable Person or such Liens are otherwise permitted under Section 6.03;

(d) Carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 30 days or which are being contested or intended to be timely contested in good faith and by appropriate proceedings;

(e) Pledges or deposits in connection with worker's compensation, unemployment insurance and other social security legislation;

(f) Deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(g) Easements, rights-of-way, restrictions and other similar encumbrances affecting real property which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Attachment, judgment or other similar Liens arising in connection with litigation or other legal proceedings (and not otherwise a Default hereunder) that are currently being contested in good faith by appropriate proceedings or are intended to be timely contested in good faith by appropriate proceedings, if adequate reserves with respect thereto are maintained on the books of the applicable Person;

(i) Liens in favor of Borrower or any Restricted Subsidiary;

(j) Liens on "margin stock" (as defined in Regulation U of the Board of Governors of the Federal Reserve System);

(k) Liens on property acquired (by purchase, merger or otherwise) after the date hereof, existing at the time of acquisition thereof (but not created in anticipation thereof), or placed thereon (at the time of such acquisition or within 180 days of such acquisition to secure a portion of the purchase price thereof), and any renewals or extensions thereof, so long as the Indebtedness secured thereby is permitted hereby; provided that such Liens do not and are not extended to cover any other property;

(l) Liens under Sale-Leaseback Transactions and other Liens, and any renewals or extensions thereof, so long as the Indebtedness secured thereby does not exceed \$500,000,000 in the aggregate; and

(m) Liens not otherwise permitted hereby which do not secure any Indebtedness.

7.02 Subsidiary Indebtedness. Borrower shall not permit any of its Restricted Subsidiaries to create, incur, assume or permit to exist any Indebtedness, except:

(a) Indebtedness existing on the date hereof, which, for all such Indebtedness other than any Indebtedness which is less than \$1,000,000 on an individual basis, is set forth on Schedule 7.02, and extensions, renewals and replacements of such Indebtedness that do not increase the outstanding principal amount thereof;

(b) Indebtedness of any Restricted Subsidiary to Borrower or any other Restricted Subsidiary; and

(c) Other Indebtedness in an aggregate principal amount not exceeding \$750,000,000 at any time.

7.03 Fundamental Changes. (a) Borrower shall not (A) merge or consolidate with or into any Person or (B) liquidate, wind-up or dissolve itself or (C) sell, transfer or dispose of all or substantially all of its assets, provided, nothing in this Section 7.03 shall be construed to prohibit Borrower from reincorporating in another jurisdiction, changing its form of organization or merging into, or transferring all or substantially all of its assets to, another Person so long as

(i) either (x) Borrower shall be the surviving entity with substantially the same assets immediately following the reincorporation or reorganization or (y) the surviving entity or transferee (the "Successor Corporation") shall, immediately following the merger or transfer, as the case may be, (A) have substantially all of the assets of Borrower immediately preceding the merger or transfer, as the case may be, (B) have duly assumed all of Borrower's obligations hereunder and under the other Loan Documents in form and substance satisfactory to Administrative Agent (and, if requested by Administrative Agent, the Successor Corporation shall have delivered an opinion of counsel as to the assumption of such obligations) and (C) either (I) have then-effective ratings (or implied ratings) published by Moody's or S&P applicable to such Successor Corporation's senior, unsecured, non-credit-enhanced, long term indebtedness for borrowed money, which ratings shall be

either Baa3 or higher (if assigned by Moody's) or BBB- or higher (if assigned by S&P) or (II) be acceptable to Required Lenders; and

(ii) immediately after giving effect to such transaction no Default or Event of Default shall have occurred and be continuing.

(b) Borrower and its Restricted Subsidiaries, taken as a whole, shall continue to maintain cable and other communications businesses as their primary lines of business.

7.04 ERISA. Borrower shall not, nor shall it permit any Restricted Subsidiary to, directly or indirectly, at any time engage in a transaction which could be subject to Sections 4069 or 4212(c) of ERISA, or permit any Plan to (a) engage in any non-exempt "prohibited transaction" (as defined in Section 4975 of the Code); (b) fail to comply with ERISA or any other applicable Laws; or (c) incur any material "accumulated funding deficiency" (as defined in Section 302 of ERISA); which, with respect to each event described in clauses (a), (b) or (c) above, has a Material Adverse Effect.

7.05 Limitations on Upstreaming. Borrower shall not, nor shall it permit any Restricted Subsidiary to, directly or indirectly agree to any restriction or limitation on the making of dividends or distributions, the repaying of loans or advances or the transferring of assets from any Restricted Subsidiary to Borrower or any other Restricted Subsidiary, except (a) restrictions and limitations imposed by Law or by the Loan Documents, (b) customary restrictions and limitations contained in agreements relating to the sale of a Subsidiary or its assets that is permitted hereunder and (c) any other restrictions that could not reasonably be expected to impair Borrower's ability to repay the Obligations as and when due.

7.06 Margin Regulations. Borrower shall not, nor shall it permit any Restricted Subsidiary to, directly or indirectly, use the proceeds of any Extensions of Credit hereunder for "purchasing" or "carrying" "margin stock" (as such terms are defined in Regulation U of the Board of Governors of the Federal Reserve System), if such use would violate, or would be inconsistent with, the provisions of Regulations T, U, or X of such Board of Governors.

7.07 Financial Covenants.

(a) Interest Coverage Ratio. Borrower shall not permit the Interest Coverage Ratio as of the end of any fiscal quarter of Borrower to be less than 2.5 to 1.0; and

(b) Leverage Ratio. Borrower shall not permit the Leverage Ratio of Borrower to be greater than 5.50 to 1.0 at any time.

SECTION 8.
EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any one or more of the following events shall constitute an Event of Default:

(a) Borrower fails to pay any principal on any Outstanding Obligation (other than fees) on the date when due; or

(b) Borrower fails to pay any interest on any Outstanding Obligation, or any facility or utilization fees, within three days after the date when due; or fails to pay any other fees or amount payable to Administrative Agent or any Lender under any Loan Document within five days after the date when due or, if applicable, after demand is made for the payment thereof; or

(c) Any default occurs in the observance or performance of any agreement contained in Section 6.02(c), 6.12, 7.03 or 7.07; or

(d) Borrower fails to perform or observe any other covenant or agreement (not specified in subsections (a), (b) or (c) above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after notice thereof to Borrower from Administrative Agent or any Lender; or

(e) Any representation or warranty by Borrower in this Agreement or any Compliance Certificate proves to have been incorrect in any material respect when made or deemed made; or

(f) (i) Borrower (x) defaults in any payment when due (including any stated grace periods) of principal of or interest on any Indebtedness (other than the Obligations) having an aggregate principal amount in excess of the Threshold Amount or (y) defaults in the observance or performance of any other agreement or condition relating to any Indebtedness (other than the Obligations) or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur, the effect of which default or other event (after giving effect to any applicable stated grace periods) is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, Indebtedness having an aggregate principal amount in excess of the Threshold Amount to be demanded or become due (automatically or otherwise) or to become subject to mandatory redemption prior to its stated maturity, or any Guaranty Obligation in such amount to become payable or cash collateral in respect thereof to be demanded (provided that to the extent that any default referred to in the preceding provisions of this Section 8.01(f) is cured or duly waived by the required holders of the applicable Indebtedness, such default shall cease to be an Event of Default hereunder, unless and except to the extent that Administrative Agent has theretofore exercised remedies hereunder pursuant to Section 8.02), or Borrower is unable or admits in writing its inability to pay its debts as they mature; or

(g) Any Loan Document, at any time after its execution and delivery and for any reason other than the agreement of Required Lenders or all Lenders, as may be required hereunder, or satisfaction in full of all the Obligations, ceases to be in full force and effect or is declared by a court of competent jurisdiction to be null and void, invalid or unenforceable in any material respect; or Borrower denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document; or

(h) (i) A final non-appealable judgment against Borrower or any of its Significant Subsidiaries is entered for the payment of money (which is not covered by insurance) in excess of the Threshold Amount,

or any non-monetary final judgment is entered against Borrower or any of its Significant Subsidiaries which has a Material Adverse Effect if, in each case, such judgment remains unsatisfied without procurement of a stay of execution for (A) 30 calendar days after the date of entry of such judgment or (B) if earlier, five days prior to the date of any possible execution sale, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated, stayed or fully bonded within 30 calendar days after its issue or levy; or

(i) Borrower or any of its Significant Subsidiaries institutes or consents to the institution of any proceeding under Debtor Relief Laws, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of that Person and the appointment continues undischarged or unstayed for 60 calendar days; or any proceeding under Debtor Relief Laws relating to any such Person or to all or any part of its property is instituted without the consent of that Person and continues undismitted or unstayed for 60 calendar days, or an order for relief is entered in any such proceeding; or

(j) There occurs any Change of Control.

8.02 Remedies Upon Event of Default. Without limiting any other rights or remedies of Administrative Agent or Lenders provided for elsewhere in this Agreement, or the other Loan Documents, or by applicable Law, or in equity, or otherwise:

(a) Upon the occurrence, and during the continuance, of any Event of Default other than an Event of Default described in Section 8.01(i), Administrative Agent may (and, subject to the terms of Section 9, shall upon the request of Required Lenders) terminate the Commitments and/or declare all or any part of the unpaid principal of all Loans, all interest accrued and unpaid thereon and all other amounts payable under the Loan Documents to be immediately due and payable, whereupon the same shall become and be immediately due and payable, without protest, presentment, notice of dishonor, demand or further notice of any kind, all of which are expressly waived by Borrower.

(b) Upon the occurrence of any Event of Default described in Section 8.01(i):

(i) The Commitments and all other obligations of Administrative Agent or Lenders shall automatically terminate without notice to or demand upon Borrower, which are expressly waived by Borrower; and

(ii) The unpaid principal of all Loans, all interest accrued and unpaid thereon and all other amounts payable under the Loan Documents shall be immediately due and payable, without protest, presentment, notice of dishonor, demand or further notice of any kind, all of which are expressly waived by Borrower.

(c) Upon the occurrence of any Event of Default, Administrative Agent may proceed to protect, exercise and enforce against Borrower the rights and remedies of Administrative Agent and Lenders under the Loan Documents and such other rights and remedies as are provided by Law or equity.

(d) The order and manner in which Administrative Agent's and Lenders' rights and remedies are to be exercised shall be determined by Administrative Agent or Required Lenders in their sole and absolute discretion. Regardless of how a Lender may treat payments for the purpose of its own accounting, for the purpose of computing the Obligations hereunder, payments received during the existence of an Event of Default shall be applied first, to costs and expenses (including Attorney Costs) incurred by Administrative Agent and each Lender (to the extent that each Lender has a right to reimbursement thereof pursuant to the Loan Documents), second, to the payment of accrued and unpaid interest on the Obligations to and including the date of such application, third, to the payment of the unpaid principal of the Obligations, and fourth, to the payment of all other amounts (including fees) then owing to Administrative Agent and Lenders under the Loan Documents, in each case paid pro rata to each Lender in the same proportions that the aggregate Obligations owed to each Lender under the Loan Documents bear to the aggregate Obligations owed under the Loan Documents to all Lenders, without priority or preference among Lenders. No application of payments will cure any Event of Default, or prevent acceleration, or continued acceleration, of amounts payable under the Loan Documents, or prevent the exercise, or continued exercise, of rights or remedies of Administrative Agent and Lenders hereunder or thereunder, at Law or in equity.

SECTION 9.
ADMINISTRATIVE AGENT

9.01 Appointment and Authorization of Administrative Agent. Each Lender hereby irrevocably (subject to Section 9.09) appoints, designates and authorizes Administrative Agent to take such action on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to it by the terms of this Agreement or any other Loan Document, together with such powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or in any other Loan Document, Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, nor shall Administrative Agent have or be deemed to have any fiduciary relationship with any Lender or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against Administrative Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" in this Agreement with reference to Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

9.02 Delegation of Duties. Administrative Agent may execute any of its duties under this Agreement or any other Loan Document by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Administrative Agent shall not be responsible for the negligence or misconduct of any agent or attorney-in-fact that it selects in the absence of gross negligence or willful misconduct.

9.03 Liability of Administrative Agent. No Administrative Agent-Related Person shall (i) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except for its own gross negligence

or willful misconduct in connection with its duties expressly set forth herein), or (ii) be responsible in any manner to any Lender or participant for any recital, statement, representation or warranty made by Borrower or any officer thereof contained in this Agreement or in any other Loan Document, or in any certificate, report, statement or other document referred to or provided for in, or received by Administrative Agent under or in connection with, this Agreement or any other Loan Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document, or for any failure of Borrower or any other party to any Loan Document to perform its obligations hereunder or thereunder. No Administrative Agent-Related Person shall be under any obligation to any Lender or participant to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of Borrower or any Subsidiary or Affiliate thereof.

9.04 Reliance by Administrative Agent.

(a) Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, communication, signature, resolution, representation, notice, consent, certificate, affidavit, letter, telegram, facsimile, telex or telephone message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to Borrower), independent accountants and other experts selected by Administrative Agent. Administrative Agent shall be fully justified in failing or refusing to take any action under any Loan Document unless it shall first receive such advice or concurrence of Required Lenders or all Lenders as it deems appropriate and, if it so requests, it shall first be indemnified to its satisfaction by Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of Required Lenders or all Lenders, if required hereunder, and such request and any action taken or failure to act pursuant thereto shall be binding upon all Lenders and participants. Where this Agreement expressly permits or prohibits an action unless Required Lenders or all Lenders otherwise determine, and in all other instances, Administrative Agent may, but shall not be required to, initiate any solicitation for the consent or a vote of Lenders.

(b) For purposes of determining compliance with the conditions specified in Section 4.01, absent Requisite Notice by such Lender to Administrative Agent to the contrary, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter either sent by Administrative Agent to each Lender for consent, approval, acceptance or satisfaction, or required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender.

9.05 Notice of Default. Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, except with respect to defaults in the payment of principal, interest and fees required to be paid to Administrative Agent for the account of Lenders, unless Administrative Agent shall have received written notice from a Lender or Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." Administrative Agent will notify Lenders of its receipt of any such notice. Administrative Agent shall take such action with respect to such Default or Event of Default as may be directed by Required Lenders in accordance with Section 8; provided, however, that unless and until Administrative Agent has received any

such direction, Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interest of Lenders.

9.06 Credit Decision; Disclosure of Information by Administrative Agent. Each Lender and participant acknowledges that no Administrative Agent-Related Person has made any representation or warranty to it, and that no act by Administrative Agent hereinafter taken, including any consent to and acceptance of any assignment or review of the affairs of Borrower or any of its Subsidiaries or Affiliates, shall be deemed to constitute any representation or warranty by any Administrative Agent-Related Person to any Lender or participant as to any matter, including whether Administrative Agent-Related Persons have disclosed material information in their possession. Each Lender, including any Lender by assignment, and each participant represents to Administrative Agent that it has, independently and without reliance upon any Administrative Agent-Related Person and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, prospects, operations, property, financial and other condition and creditworthiness of Borrower and its Subsidiaries and Affiliates, and all applicable bank regulatory laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to Borrower hereunder. Each Lender and participant also represents that it will, independently and without reliance upon any Administrative Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of Borrower and its Subsidiaries and Affiliates. Except for notices, reports and other documents expressly required to be furnished to Lenders by Administrative Agent herein (which shall include the notices, reports and other documents described in Section 6.02), Administrative Agent shall not have any duty or responsibility to provide any Lender or participant with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of Borrower or any of its Subsidiaries or Affiliates which may come into the possession of any Administrative Agent-Related Person.

9.07 Indemnification of Administrative Agent. Whether or not the transactions contemplated hereby are consummated, Lenders shall indemnify upon demand each Administrative Agent-Related Person (to the extent not reimbursed by or on behalf of Borrower and without limiting the obligation of Borrower to do so), pro rata, and hold harmless each Administrative Agent-Related Person from and against any and all Indemnified Liabilities incurred by it; provided, however, that no Lender shall be liable for the payment to any Administrative Agent-Related Person of any portion of such Indemnified Liabilities resulting from such Person's gross negligence or willful misconduct; provided, however, that no action taken in accordance with the directions of Required Lenders shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section. Without limitation of the foregoing, each Lender shall reimburse Administrative Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including Attorney Costs) incurred by Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, or any document contemplated by or referred to herein, to the extent that Administrative Agent is not reimbursed for such expenses by or on behalf of Borrower. The undertaking in this Section shall survive the payment of all Obligations hereunder and the resignation of Administrative Agent.

9.08 Administrative Agent in Individual Capacity. Bank of America and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire equity interests in and generally engage in any kind of banking, trust, financial advisory, underwriting or other business with Borrower and its Subsidiaries and Affiliates as though Bank of America were not Administrative Agent hereunder and without notice to or consent of Lenders. Lenders and participants acknowledge that, pursuant to such activities, Bank of America or its Affiliates may receive information regarding Borrower or its Affiliates (including information that may be subject to confidentiality obligations in favor of Borrower or such Affiliate) and acknowledge that Administrative Agent shall be under no obligation to provide such information to them. With respect to its Loans, Bank of America shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not Administrative Agent.

9.09 Resignation by Administrative Agent. Administrative Agent may resign as Administrative Agent upon 30 days' notice to Lenders. If Administrative Agent resigns under this Agreement, Required Lenders shall appoint from among Lenders a successor administrative agent for Lenders which successor administrative agent shall be consented to by Borrower at all times other than during the existence of an Event of Default (which approval of Borrower shall not be unreasonably withheld or delayed). If no successor administrative agent is appointed prior to the effective date of the resignation of Administrative Agent, Administrative Agent may appoint, after consulting with Lenders and Borrower, a successor administrative agent from among Lenders (or, if no Lender is willing to act as successor administrative agent, among other commercial banks each having a combined capital and surplus of at least \$1,000,000,000), which successor administrative agent shall be consented to by Borrower at all times other than during the existence of an Event of Default (which approval of Borrower shall not be unreasonably withheld or delayed). Upon the acceptance of its appointment as successor administrative agent hereunder, such successor administrative agent shall succeed to all the rights, powers and duties of the retiring Administrative Agent and the term "Administrative Agent" shall mean such successor administrative agent and the retiring Administrative Agent's appointment, powers and duties as Administrative Agent shall be terminated. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of this Section 9 and Sections 10.03 and 10.13 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement. If no successor administrative agent has accepted appointment as Administrative Agent by the date which is 30 days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and Lenders shall perform all of the duties of Administrative Agent hereunder until such time, if any, as Required Lenders appoint a successor agent as provided for above.

9.10 Other Agents. None of Lenders (other than Bank of America) identified on the facing page or signature pages of this Agreement as having a title or role other than as a Lender shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of Lenders so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of Lenders so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

SECTION 10.
MISCELLANEOUS

10.01 Amendments; Consents. No amendment, modification, supplement, extension, termination or waiver of any provision of this Agreement or any other Loan Document, no approval or consent thereunder, and no consent to any departure by Borrower therefrom shall be effective unless in writing signed by Borrower and Required Lenders and acknowledged by Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Notwithstanding the foregoing sentence, without the approval in writing of Borrower, Administrative Agent and each Lender affected thereby, no amendment, modification, supplement, termination, waiver, approval, or consent may be effective to:

(a) Reduce the amount of principal of any Outstanding Obligations owed to such Lender;

(b) Reduce the rate of interest payable on any Outstanding Obligations owed to such Lender or the amount or rate of any fee or other amount payable to such Lender under the Loan Documents, except that Required Lenders may waive or defer the imposition of the Default Rate;

(c) Waive an Event of Default consisting of the failure of Borrower to pay when due principal, interest, any facility or utilization fee, or any other amount payable to such Lender under the Loan Documents;

(d) Postpone any date scheduled for the payment of principal of, or interest on, any Loan or for the payment of any facility or utilization fee or for the payment of any other amount, in each case payable to such Lender under the Loan Documents, or extend the term of, or increase the amount of, such Lender's Commitment (it being understood that a waiver of any Event of Default not referred to in subsection (c) above shall require only the consent of Required Lenders) or modify the Pro Rata Share of such Lender (except as contemplated hereby);

(e) Amend or waive the definition of "Required Lenders" or the provisions of this Section 10.01 or 10.06; or

(f) Amend or waive any provision of this Agreement that expressly requires the consent or approval of such Lender;

provided, however, that (i) no amendment, waiver or consent shall, unless in writing and signed by Administrative Agent in addition to Required Lenders or each affected Lender, as the case may be, affect the rights or duties of Administrative Agent, and (ii) any fee letters may be amended, or rights or privileges thereunder waived, in a writing executed by the parties thereto. Any amendment, modification, supplement, termination, waiver or consent pursuant to this Section shall apply equally to, and shall be binding upon, all Lenders and Administrative Agent.

10.02 Requisite Notice; Effectiveness of Signatures and Electronic Mail.

(a) Requisite Notice. Notices given in connection with any Loan Document shall be delivered to the intended recipient at the number and/or address set forth on the Administrative Questionnaire (or as

otherwise specified from time to time by such recipient in writing to Administrative Agent) and shall be given by (i) irrevocable written notice or (ii) except as otherwise provided, irrevocable telephonic (not voicemail) notice. Such notices may be delivered, must be confirmed and shall be effective as follows:

Mode of Delivery	Effective on earlier of actual receipt, and:
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Mail	Fourth Business Day after deposit in U.S. Mail, first class postage pre-paid
Courier or hand delivery	When signed for by recipient
Telephone (not voicemail)	When conversation completed (must be confirmed in writing)
Facsimile	When confirmed by telephone (not voicemail)
Electronic Mail	When delivered (usage subject to subsection (c) below)

provided, however, that notices delivered to Administrative Agent pursuant to Section 2 shall not be effective until actually received by Administrative Agent; provided, further, that Administrative Agent may require that any notice be confirmed or followed by a manually-signed hard copy thereof. Notices shall be in any form prescribed herein and, if sent by Borrower, shall be made by a Responsible Officer of Borrower. Notices delivered and, if required, confirmed in accordance with this subsection shall be deemed to have been delivered by Requisite Notice.

(b) Effectiveness of Facsimile Documents and Signatures. Loan Documents may be transmitted and/or signed by facsimile. The effectiveness of any such documents and signatures shall, subject to applicable Law, have the same force and effect as manually-signed hard copies and shall be binding on Borrower, Administrative Agent and Lenders. Administrative Agent may also require that any such documents and signatures be confirmed by a manually-signed hard copy thereof; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any facsimile document or signature.

(c) Limited Usage of Electronic Mail. Electronic mail and internet and intranet websites may be used to distribute routine communications, such as financial statements and other information, and to distribute agreements and other documents to be signed by Administrative Agent, Lenders and Borrower. No other legally-binding and/or time-sensitive communication or Request for Extension of Credit may be sent by electronic mail without the consent of, or confirmation to, the intended recipient in each instance.

(d) Reliance by Administrative Agent and Lenders. Administrative Agent and Lenders shall be entitled to rely and act upon any notices purportedly given by or on behalf of Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. Borrower shall indemnify Administrative Agent-Related Persons and Lenders from

any loss, cost, expense or liability as a result of relying on any notices purportedly given by or on behalf of Borrower absent the gross negligence or willful misconduct of the Person seeking indemnification.

10.03 Attorney Costs, Expenses and Taxes. Borrower agrees (a) to pay or reimburse Administrative Agent and Lead Arrangers for all reasonable costs and expenses incurred in connection with the development, preparation, negotiation and execution of the Loan Documents, and to pay or reimburse Administrative Agent for all reasonable costs and expenses incurred in connection with the development, preparation, negotiation and execution of any amendment, waiver, consent, supplement or modification to, any Loan Documents, and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, including all Attorney Costs of Administrative Agent, and (b) to pay or reimburse Administrative Agent and each Lender for all costs and expenses incurred in connection with any restructuring, reorganization (including a bankruptcy reorganization) or enforcement or attempted enforcement of, or preservation of any rights under, any Loan Documents, and any other documents prepared in connection herewith or therewith, or in connection with any refinancing or restructuring of any such documents in the nature of a "workout" or of any insolvency or bankruptcy proceeding, including Attorney Costs. The agreements in this Section shall survive repayment of all Obligations.

10.04 Binding Effect; Assignment.

(a) This Agreement and the other Loan Documents to which Borrower is a party will be binding upon and inure to the benefit of Borrower, Administrative Agent, Lenders and their respective successors and assigns, except that Borrower may not, except as permitted by Section 7.03, assign its rights hereunder or thereunder or any interest herein or therein without the prior written consent of all Lenders and any such attempted assignment shall be void. Any Lender may at any time pledge its Note or any other instrument evidencing its rights as a Lender under this Agreement to a Federal Reserve Bank or, if such Lender is a fund, to any trustee or to any other representative of holders of obligations owed or securities issued by such fund as security for such obligations or securities, but no such pledge shall release such Lender from its obligations hereunder or grant to such Federal Reserve Bank or trust or other representative the rights of a Lender hereunder absent foreclosure of such pledge, and any transfer to any Person upon the enforcement of such pledge shall be subject to this Section 10.04.

(b) From time to time following the Closing Date, each Lender may assign to one or more banks or other financial institutions, each having a combined capital and surplus of at least \$250,000,000 (such qualifications being subject to waiver by Borrower and Administrative Agent), all or any portion of its Commitment and/or Extensions of Credit; provided that (i) such assignment, if not to a Lender or an Affiliate of the assigning Lender, shall be consented to (which consents shall not be unreasonably withheld) by Borrower at all times other than during the existence of an Event of Default and by Administrative Agent, (ii) a copy of a duly signed and completed Assignment and Acceptance shall be delivered to Administrative Agent, (iii) except in the case of an assignment (A) to an Affiliate of the assigning Lender or to another Lender or (B) of the entire remaining Commitment of the assigning Lender, the portion of the Commitment assigned shall not be less than the Minimum Amount therefor, and (iv) the effective date of any such assignment shall be as specified in the Assignment and Acceptance, but not earlier than the date which is five Business Days after the date Administrative Agent has received the Assignment and Acceptance. Upon obtaining any consent required as set forth in the prior sentence, any forms required by Section 10.20 and

payment of the requisite fee described below, the assignee named therein shall be a Lender for all purposes of this Agreement to the extent of the Assigned Interest (as defined in such Assignment and Acceptance), and, except for rights and obligations which by their terms survive termination of any Commitments, the assigning Lender shall be released from any further obligations under this Agreement to the extent of such Assigned Interest. Upon request, Borrower shall execute and deliver new or replacement Notes to the assigning Lender and the assignee Lender to evidence Loans made by them. Administrative Agent's consent to any assignment shall not be deemed to constitute any representation or warranty by any Administrative Agent-Related Person as to any matter. Administrative Agent shall record the information contained in the Assignment and Acceptance in the Register.

(c) After receipt of a completed Assignment and Acceptance, and receipt of an assignment fee of \$3,500 from such assignee and/or such assigning Lender (including in the case of assignments to Affiliates of assigning Lenders), Administrative Agent shall, promptly following the effective date thereof, provide to Borrower and Lenders a revised Schedule 2.01 giving effect thereto.

(d) Each Lender may from time to time, without the consent of any other Person, grant participations to one or more other Persons (including another Lender) in all or any portion of its Commitment and/or Extensions of Credit; provided, however, that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the participating bank or other financial institution shall not be a Lender hereunder for any purpose except, if the participation agreement so provides, for the purposes of the increased cost provisions of Section 3 (but only to the extent that the cost of such benefits to Borrower does not exceed the cost which Borrower would have incurred in respect of such Lender absent the participation) and for purposes of Section 10.06, (iv) Borrower, Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and (v) the consent of the holder of such participation interest shall not be required for amendments or waivers of provisions of the Loan Documents; provided however, that the assigning Lender may, in any agreement with a participant, give such participant the right to consent (as between the assigning Lender and such participant) to any matter which (A) extends the Maturity Date as to such participant or any other date upon which any payment of money is due to such participant, (B) reduces the rate of interest owing to such participant or any fee or any other monetary amount owing to such participant, or (C) reduces the amount of any scheduled payment of principal owing to such participant. Any Lender that sells a participation to any Person that is a "foreign corporation, partnership or trust" within the meaning of the Code shall include in its participation agreement with such Person a covenant by such Person that such Person will comply with the provisions of Section 10.20 as if such Person were a Lender and provide that Administrative Agent and Borrower shall be third party beneficiaries of such covenant. Each Lender that sells or grants a participation shall (a) withhold or deduct from each payment to the holder of such participation the amount of any tax required under applicable law to be withheld or deducted from such payment and not withheld or deducted therefrom by Borrower or Administrative Agent, (b) pay the tax so withheld or deducted by it to the appropriate taxing authority in accordance with applicable law and (c) indemnify Borrower and Administrative Agent for any losses, cost and expenses that they may incur as a result of any failure to so withhold or deduct and pay such tax.

10.05 Set-off. In addition to any rights and remedies of Administrative Agent and Lenders or any assignee of any Lender or any Affiliate thereof (each, a "Proceeding Party") provided by law, upon the

occurrence and during the continuance of any Event of Default, each Proceeding Party is authorized at any time and from time to time, without prior notice to Borrower, any such notice being waived by Borrower to the fullest extent permitted by law, to proceed directly, by right of set-off, banker's lien or otherwise, against any assets of Borrower which may be in the hands of such Proceeding Party (including all general or special, time or demand, provisional or other deposits and other indebtedness owing by such Proceeding Party to or for the credit or the account of Borrower) and apply such assets against the Obligations then due and payable, irrespective of whether such Proceeding Party shall have made any demand therefor. Each Lender agrees promptly to notify Borrower and Administrative Agent after any such set-off and application made by such Lender; provided, however, that the failure to give such notice shall not affect the validity of such set-off and application.

10.06 Sharing of Payments. Each Lender severally agrees that if it, through the exercise of any right of setoff, banker's lien or counterclaim against Borrower or otherwise, receives payment of the Obligations held by it of a type owed ratably to the various Lenders that is ratably more than any other Lender receives in payment of those Obligations held by such other Lender, then, subject to applicable Laws, (a) such Lender exercising the right of setoff, banker's lien or counterclaim or otherwise receiving such payment shall purchase, and shall be deemed to have simultaneously purchased, from the other Lender a participation in the Obligations held by the other Lender and shall pay to the other Lender a purchase price in an amount so that the share of the Obligations held by each Lender after the exercise of the right of setoff, banker's lien or counterclaim or receipt of payment shall be in the same proportion that existed prior to the exercise of the right of setoff, banker's lien or counterclaim or receipt of payment; and (b) such other adjustments and purchases of participations shall be made from time to time as shall be equitable to ensure that all Lenders share any payment obtained in respect of the Obligations ratably in accordance with each Lender's share of the Obligations immediately prior to, and without taking into account, the payment; provided that, if all or any portion of a disproportionate payment obtained as a result of the exercise of the right of setoff, banker's lien, counterclaim or otherwise is thereafter recovered from the purchasing Lender by Borrower or any Person claiming through or succeeding to the rights of Borrower, the purchase of a participation shall be rescinded and the purchase price thereof shall be restored to the extent of the recovery, but without interest. Each Lender that purchases a participation in the Obligations pursuant to this Section shall from and after the purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Obligations purchased. Borrower expressly consents to the foregoing arrangements and agrees that any Lender holding a participation in an Obligation so purchased may exercise any and all rights of setoff, banker's lien or counterclaim with respect to the participation as fully as if Lender were the original owner of the Obligation purchased.

10.07 No Waiver; Cumulative Remedies.

(a) No failure by any Lender or Administrative Agent to exercise, and no delay by any Lender or Administrative Agent in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege under any Loan Document preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

(b) The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law. Any decision by Administrative Agent or

any Lender not to require payment of any interest (including interest at the Default Rate), fee, cost or other amount payable under any Loan Document or to calculate any amount payable by a particular method on any occasion shall in no way limit or be deemed a waiver of Administrative Agent's or such Lender's right to require full payment thereof, or to calculate an amount payable by another method that is not inconsistent with this Agreement, on any other or subsequent occasion.

(c) Except with respect to Section 9.09, the terms and conditions of Section 9 are for the sole benefit of Administrative Agent and Lenders.

10.08 Usury. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excessive interest shall be applied to the principal of the Outstanding Obligations or, if it exceeds the unpaid principal, refunded to Borrower. In determining whether the interest contracted for, charged or received by Administrative Agent or any Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate and spread, in equal or unequal parts, the total amount of interest throughout the contemplated term of the Obligations.

10.09 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10.10 Integration. This Agreement, together with the other Loan Documents and any letter agreements referred to herein, comprises the complete and integrated agreement of the parties regarding the subject matter hereof and supersedes all prior agreements, written or oral, on the subject matter hereof. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control and govern; provided that the inclusion of supplemental rights or remedies in favor of Administrative Agent or Lenders in any other Loan Document shall not be deemed a conflict with this Agreement. Each Loan Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof. THE LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BY SUCH PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN SUCH PARTIES.

10.11 Nature of Lenders' Obligations. Nothing contained in this Agreement or any other Loan Document and no action taken by Administrative Agent or Lenders or any of them pursuant hereto or thereto may, or may be deemed to, make Lenders a partnership, an association, a joint venture or other entity, either among themselves or with Borrower or any Subsidiary or Affiliate of Borrower. Each Lender's obligation to make any Extension of Credit pursuant hereto is several and not joint or joint and several. A default by any Lender will not increase the Pro Rata Share attributable to any other Lender.

10.12 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document shall survive the execution and delivery thereof. Such representations and warranties have been or will be relied upon by Administrative Agent and each Lender, notwithstanding any investigation made by Administrative Agent or any Lender or on their behalf.

10.13 Indemnity by Borrower.

(a) Whether or not the transactions contemplated hereby are consummated, Borrower agrees to indemnify, save and hold harmless each Administrative Agent-Related Person and each Lender and their respective Affiliates, directors, officers, agents, attorneys and employees (collectively the "Indemnitees") from and against: (i) any and all claims, demands, actions or causes of action that are asserted against any Indemnatee by any Person (other than Administrative Agent or any Lender) relating directly or indirectly to a claim, demand, action or cause of action that such Person asserts or may assert against Borrower, any of its Affiliates or any of its officers or directors; (ii) any and all claims, demands, actions or causes of action arising out of or relating to the Loan Documents, the Commitments, the use or contemplated use of the proceeds of any Extension of Credit, or the relationship of Borrower, Administrative Agent and Lenders under this Agreement; (iii) any administrative or investigative proceeding by any Governmental Authority arising out of or related to a claim, demand, action or cause of action described in subsection (i) or (ii) above; and (iv) any and all liabilities (including liabilities under indemnities), losses, costs or expenses (including Attorney Costs (limited to one law firm for Lenders unless Lenders have differing interests or defenses that preclude the engagement of one law firm to represent Lenders)) that any Indemnatee suffers or incurs as a result of the assertion of any foregoing claim, demand, action, cause of action or proceeding, or as a result of the preparation of any defense in connection with any foregoing claim, demand, action, cause of action or proceeding, in all cases, including settlement costs incurred with the prior written consent of Borrower (which consent shall not be unreasonably withheld), whether or not arising out of the negligence of an Indemnatee, and whether or not an Indemnatee is a party to such claim, demand, action, cause of action or proceeding (all the foregoing, collectively, the "Indemnified Liabilities"); provided that no Indemnatee shall be entitled to indemnification for any loss caused by its own gross negligence or willful misconduct. The agreements in this Section shall survive repayment of all Obligations.

10.14 Nonliability of Lenders. Borrower acknowledges and agrees that:

(a) Any inspections of any property of Borrower made by or through Administrative Agent or Lenders are for purposes of administration of the Loan Documents only, and Borrower is not entitled to rely upon the same (whether or not such inspections are at the expense of Borrower);

(b) By accepting or approving anything required to be observed, performed, fulfilled or given to Administrative Agent or Lenders pursuant to the Loan Documents, neither Administrative Agent nor Lenders shall be deemed to have warranted or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not constitute a warranty or representation to anyone with respect thereto by Administrative Agent or Lenders;

(c) The relationship between Borrower and Administrative Agent and Lenders is, and shall at all times remain, solely that of borrower and lenders; neither Administrative Agent nor any Lender shall under any circumstance be deemed to be in a relationship of confidence or trust or a fiduciary relationship with

Borrower or its Affiliates, or to owe any fiduciary duty to Borrower or its Affiliates; neither Administrative Agent nor any Lender undertakes or assumes any responsibility or duty to Borrower or its Affiliates to select, review, inspect, supervise, pass judgment upon or inform Borrower or its Affiliates of any matter in connection with their property or the operations of Borrower or its Affiliates; Borrower and its Affiliates shall rely entirely upon their own judgment with respect to such matters; and any review, inspection, supervision, exercise of judgment or supply of information undertaken or assumed by Administrative Agent or any Lender in connection with such matters is solely for the protection of Administrative Agent and Lenders and neither Borrower nor any other Person is entitled to rely thereon; and

(d) Neither Administrative Agent nor any Lender shall be responsible or liable to any Person for any loss, damage, liability or claim of any kind relating to injury or death to Persons or damage to property caused by the actions, inaction or negligence of Borrower and/or its Affiliates and Borrower hereby indemnifies and holds Administrative Agent and Lenders harmless from any such loss, damage, liability or claim.

10.15 No Third Parties Benefitted. This Agreement is made for the purpose of defining and setting forth certain obligations, rights and duties of Borrower, Administrative Agent and Lenders in connection with the Extensions of Credit, and is made for the sole benefit of Borrower, Administrative Agent and Lenders, and Administrative Agent's and Lenders' successors and permitted assigns. Except as provided in Sections 10.04 and 10.13, no other Person shall have any rights of any nature hereunder or by reason hereof.

10.16 Severability. Any provision of the Loan Documents that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective and severable to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Administrative Agent, Lenders and Borrower agree to negotiate, in good faith, the terms of a replacement provision as similar to the severed provision as may be possible and be legal, valid, and enforceable.

10.17 Confidentiality. Administrative Agent and each Lender shall use any confidential non-public information concerning Borrower and its Subsidiaries and Affiliates that is furnished to Administrative Agent or such Lender by or on behalf of Borrower and its Subsidiaries in connection with the Loan Documents (collectively, "Confidential Information") solely for the purpose of administering and enforcing the Loan Documents, and it will hold the Confidential Information in confidence. Notwithstanding the foregoing, Administrative Agent and each Lender may disclose Confidential Information (a) to their affiliates or any of their or their affiliates' directors, officers, employees, auditors, counsel, advisors, or representatives (collectively, the "Representatives") who need to know such information for the purposes set forth in this Section 10.17 and who have been advised of and acknowledge their obligation to keep such information confidential in accordance with this Section 10.17, (b) to any bank or financial institution or other entity to which such Lender has assigned or desires to assign an interest or participation in the Loan Documents or the Obligations, provided that any such foregoing recipient of such Confidential Information agrees to keep such Confidential Information confidential as specified herein, (c) to any governmental agency or regulatory body having or claiming to have authority to regulate or oversee any aspect of Administrative Agent's or such Lender's business or that of their Representatives in connection with the exercise of such authority or claimed

authority, (d) to the extent necessary or appropriate to enforce any right or remedy or in connection with any claims asserted by or against Administrative Agent or such Lender or any of their Representatives, and (e) pursuant to any subpoena or any similar legal process. For purposes hereof, the term "Confidential Information" shall not include information that (x) is in Administrative Agent's or a Lender's possession prior to its being provided by or on behalf of Borrower or any of its Subsidiaries or Affiliates, provided that such information is not known by Administrative Agent or such Lender to be subject to another confidentiality agreement with, or other legal or contractual obligation of confidentiality to, Borrower or any of its Subsidiaries or Affiliates, (y) is or becomes publicly available (other than through a breach hereof by Administrative Agent or such Lender), or (z) becomes available to Administrative Agent or such Lender on a nonconfidential basis, provided that the source of such information was not known by Administrative Agent or such Lender to be bound by a confidentiality agreement or other legal or contractual obligation of confidentiality with respect to such information.

10.18 Headings. Section headings in this Agreement and the other Loan Documents are included for convenience of reference only and are not part of this Agreement or the other Loan Documents for any other purpose.

10.19 Time of the Essence. Time is of the essence of the Loan Documents.

10.20 Foreign Lenders. Each Lender organized under the Laws of a jurisdiction outside the United States, on or prior to the Closing Date in the case of each Lender listed on the signature pages hereof and on or prior to the date on which it becomes a Lender in the case of each other Lender, and from time to time thereafter if requested in writing by Borrower or Administrative Agent (but only so long as such Lender remains lawfully able to do so), shall provide Borrower and Administrative Agent with (i) if such Lender is a "bank" within the meaning of Section 881(c)(3)(A) of the Code, IRS Form 1001 or 4224, as appropriate, or any successor form prescribed by the IRS, certifying that such Lender is entitled to benefits under an income tax treaty to which the United States is a party which reduces the rate of withholding tax on payments of interest or certifying that the income receivable pursuant to the Loan Documents is effectively connected with the conduct of a trade or business in the United States, or (ii) if such Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code and intends to claim an exemption from United States withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest," IRS Form W-8, or any successor form prescribed by the IRS, and a certificate representing that such Lender is not a bank for purposes of Section 881(c) of the Code, is not a ten-percent shareholder (within the meaning of Section 871(h)(3)(B) of the Code) of Borrower, and is not a controlled foreign corporation related to Borrower (within the meaning of Section 864(d)(4) of the Code). Thereafter and from time to time, each such Person shall (a) promptly submit to Administrative Agent such additional duly completed and signed copies of one of such forms (or such successor forms as shall be adopted from time to time by the relevant United States taxing authorities) as may then be available under then current United States laws and regulations to avoid, or such evidence as is satisfactory to Borrower and Administrative Agent of any available exemption from or reduction of, United States withholding taxes in respect of all payments to be made to such Person by Borrower pursuant to this Agreement, (b) promptly notify Administrative Agent of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (c) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of such Lender, and as may be reasonably necessary (including the re-designation of its Lending Office) to avoid any requirement of applicable Laws that Borrower make any deduction or

withholding for taxes from amounts payable to such Person. If such Person fails to deliver the above forms or other documentation, then Administrative Agent may withhold from any interest payment to such Person an amount equivalent to the applicable withholding tax imposed by Sections 1441 and 1442 of the Code, without reduction. If any Governmental Authority asserts that Administrative Agent did not properly withhold any tax or other amount from payments made in respect of such Person, such Person shall indemnify Administrative Agent therefor, including all penalties and interest, any taxes imposed by any jurisdiction on the amounts payable to the Agent under this Section, and costs and expenses (including Attorney Costs) of Administrative Agent. The obligation of Lenders under this Section shall survive the payment of all Obligations and the resignation of Administrative Agent.

10.21 Removal and Replacement of Lenders.

(a) Under any circumstances set forth in this Agreement providing that Borrower shall have the right (or, in the case of Section 2.10(a), obligation) to remove or replace a Lender as a party to this Agreement, Borrower may (or, in the case of Section 2.10(a), shall), upon notice to such Lender and Administrative Agent, remove such Lender by (i) non ratably terminating such Lender's Commitment and/or (ii) causing such Lender to assign its Commitment pursuant to Section 10.04(b) to one or more other Lenders or permitted assignees procured by Borrower. Borrower shall, in the case of a termination of such Lender's Commitment pursuant to clause (i) preceding, (y) pay in full all principal, interest, fees and other amounts owing to such Lender through the date of termination (including any amounts payable pursuant to Section 3), and (z) release such Lender from its obligations under the Loan Documents from and after the date of termination. Any such Lender whose Commitment is being assigned shall execute and deliver an Assignment and Acceptance covering such Lender's Commitment. Borrower shall, in the case of an assignment pursuant to clause (ii) preceding, cause to be paid the assignment fee payable to Administrative Agent pursuant to Section 10.04(c). Administrative Agent shall distribute an amended Schedule 2.01, which shall be deemed incorporated into this Agreement, to reflect adjustments to Lenders and their Commitments.

(b) This section shall supercede any provisions in Section 10.01 to the contrary.

10.22 Governing Law.

(a) THE LOAN DOCUMENTS HAVE BEEN ENTERED INTO PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW AND THE LOAN DOCUMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT ADMINISTRATIVE AGENT AND EACH LENDER SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF SUCH STATE, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, BORROWER, ADMINISTRATIVE AGENT AND EACH LENDER CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS PURSUANT TO SECTION 5-1402 OF THE NEW YORK GENERAL

OBLIGATIONS LAW. BORROWER, ADMINISTRATIVE AGENT AND EACH LENDER IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF ANY LOAN DOCUMENT OR OTHER DOCUMENT RELATED THERETO. BORROWER, ADMINISTRATIVE AGENT AND EACH LENDER WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH MAY BE MADE BY THE MAILING OF COPIES THEREOF BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, POSTAGE PREPAID, TO ITS ADDRESS SPECIFIED HEREIN, OR BY ANY OTHER MEANS PERMITTED BY THE LAWS OF THE STATE OF NEW YORK.

10.23 Waiver of Right to Trial by Jury. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

10.24 Waiver of Notice by Requisite Time. By its execution hereof, each Lender that is also a "Lender," under and as defined in the Prior 364-Day Agreement, hereby waives three Business Days' prior notice of the termination of the "combined Commitments," as defined in the Prior 364-Day Agreement, and agrees that such notice shall be effective on as and of the date it is given.

[REMAINDER OF PAGE INTENTIONALLY BLANK.
SIGNATURE PAGE FOLLOWS.]

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

COMCAST CABLE COMMUNICATIONS, INC.,
as Borrower

By /s/ Kenneth Mikalauskas

Kenneth Mikalauskas,
Vice President/Assistant Treasurer

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

BANK OF AMERICA, N.A., as Administrative Agent and as a Lender

By /s/ Todd Shipley

Todd Shipley, Managing Director

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

THE CHASE MANHATTAN BANK, as a Lender

By /s/ Tracey Navin Ewing

Tracey Navin Ewing, Vice President

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THE BANK OF NEW YORK, as a Lender

By /s/ James W. Whitaker

James W. Whitaker,
Senior Vice President

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CITIBANK, N.A., as a Lender

By /s/ Julio Ojea Quintana

Julio Ojea Quintana, Vice President

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BARCLAYS BANK PLC, as a Lender

By /s/ Daniele Iacovone

Daniele Iacovone, Director

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DEUTSCHE BANK AG NEW YORK BRANCH
AND/OR CAYMAN ISLANDS BRANCH, as a
Lender

By /s/ William W. McGinty

William W. McGinty, Director

By /s/ Joel Makowsky

Joel Makowsky, Vice President

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TORONTO DOMINION (TEXAS), INC., as a
Lender

By /s/ Carol Brandt

Carol Brandt, Vice President

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FIRST UNION NATIONAL BANK, as a Lender

By /s/ C. Brand Hosford

C. Brand Hosford, Vice President

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CREDIT SUISSE FIRST BOSTON, as a Lender

By /s/ David L. Sawyer

David L. Sawyer, Vice President

By /s/ David M. Koczan

David M. Koczan, Assistant Vice
President

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FLEET NATIONAL BANK, as a Lender

By /s/ Michael D. Elwell

Michael D. Elwell, Vice President

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ABN AMRO BANK, N.V., as a Lender

By /s/ Thomas Rogers

Thomas Rogers, Group Vice President

By /s/ Thomas Cha

Thomas Cha, Assistant Vice President

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

THE BANK OF NOVA SCOTIA, as a Lender

By /s/ Brenda S. Insull

Brenda S. Insull, Authorized
Signatory

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

LEHMAN COMMERCIAL PAPER INC., as a
Lender

By /s/ G. Andrew Keith

G. Andrew Keith, Authorized
Signatory

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LLOYDS TSB BANK PLC, as a Lender

By /s/ Windsor R. Davies

Director, Corporate Banking, USA

By /s/ Paul D. Briamonte

Director-Project Finance (USA)

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SUMITOMO MITSUI BANKING
CORPORATION, as a Lender

By /s/ Leo E. Pagarigan

Leo E. Pagarigan, Vice President

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SUNTRUST BANK, as a Lender

By /s/ J. Eric Millham

J. Eric Millham, Director

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WESTDEUTSCHE LANDESBANK
GIROZENTRALE, NEW YORK BRANCH, as a
Lender

By /s/ Lucie L. Guernsey

Lucie L. Guernsey, Director

By /s/ Pascal Kabemba

Pascal Kabemba, Associate Director

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

THE DAI-ICHI KANGYO BANK, LTD., as a
Lender

By /s/ Daniel Guevara

Daniel Guevara, Vice President

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

THE INDUSTRIAL BANK OF JAPAN,
LIMITED, as a Lender

By /s/ Takuya Honjo

Takuya Honjo, Deputy General Manager

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

BANK OF TOKYO-MITSUBISHI TRUST
COMPANY, as a Lender

By /s/ Michael J. Wiskind

Michael J. Wiskind, Vice President

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

MELLON BANK, N.A., as a Lender

By /s/ Nancy E. Gale

Nancy E. Gale, Vice President

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

PNC BANK, NATIONAL ASSOCIATION, as a
Lender

By /s/ Steven J. McGehrin

Steven J. McGehrin, Vice President

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BAYERISCHE LANDESBANK
GIROZENTRALE, CAYMAN ISLANDS
BRANCH, as a Lender

By /s/ Peter Obermann

Peter Obermann, Senior Vice
President

By /s/ James H. Boyle

James H. Boyle, Vice President

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MERRILL LYNCH BANK USA, as a Lender

By /s/ D. Kevin Imlay

D. Kevin Imlay, Senior Credit
Officer

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By /s/ Jaycee Earll

Jaycee Earll, Assistant Vice President

Signature Page to that certain 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, each Lender, and Bank of America, N.A., as Administrative Agent.

FIRST TENNESSEE BANK NATIONAL
ASSOCIATION, as a Lender

By /s/ James H. Atchley

James H. Atchley, Senior Vice
President

SCHEDULE 2.01

COMMITMENTS
AND PRO RATA SHARES

Lender -----	Commitment -----	Pro Rata Share -----
Bank of America, N.A.	\$180,000,000.00	8.000000000%
The Chase Manhattan Bank	180,000,000.00	8.000000000%
The Bank of New York	180,000,000.00	8.000000000%
Citibank, N.A.	155,000,000.00	6.888888889%
Barclays Bank Plc	120,000,000.00	5.333333334%
Deutsche Bank AG New York Branch	120,000,000.00	5.333333334%
Toronto Dominion (Texas), Inc.	120,000,000.00	5.333333334%
First Union National Bank	115,000,000.00	5.111111111%
Credit Suisse First Boston	100,000,000.00	4.444444444%
Fleet National Bank	90,000,000.00	4.000000000%
ABN Amro Bank, N.V.	75,000,000.00	3.333333333%
Lehman Commercial Paper Inc.	75,000,000.00	3.333333333%
Lloyds TSB Bank plc	75,000,000.00	3.333333333%
Sumitomo Mitsui Banking Corporation	75,000,000.00	3.333333333%
SunTrust Bank	75,000,000.00	3.333333333%
The Bank of Nova Scotia	75,000,000.00	3.333333333%
Westdeutsche Landesbank Girozentrale, New York Branch	75,000,000.00	3.333333333%
The Dai-ichi Kangyo Bank, Ltd.	60,000,000.00	2.666666667%
The Industrial Bank of Japan, Limited	60,000,000.00	2.666666667%
Bank of Tokyo-Mitsubishi Trust Company	50,000,000.00	2.222222222%
Mellon Bank, N.A.	50,000,000.00	2.222222222%
PNC Bank, National Association	50,000,000.00	2.222222222%

Lender -----	Commitment -----	Pro Rata Share -----
Bayerische Landesbank Girozentrale, Cayman Islands Branch	37,500,000.00	1.666666667%
Merrill Lynch Bank USA	37,500,000.00	1.666666667%
U.S. Bank National Association	12,500,000.00	0.555555556%
First Tennessee Bank National Association	7,500,000.00	0.333333333%

Total	\$2,250,000,000.00	100.000000000%

SCHEDULE 7.01

EXISTING LIENS

Outstanding Amount
Secured
at July 17, 2001

Jones Car Leases (Various Subs)	\$ 3,312,586.02
Lenfest AUL Loan	2,550,830.19
Jones West Chester Data Center Mortgage	2,178,778.82
Lenfest PIDA Loan	839,367.62
Prime Cable Automobile Leases	501,235.72
Holdings - P.C. Building Leases	566,759.13
Lenfest Capital Leases (Various Subs)	326,692.21
CN8 Capital Leases	166,375.71
-----	-----
TOTAL OUTSTANDING LIENS	\$ 10,442,625.42

SCHEDULE 7.02

EXISTING SUBSIDIARY INDEBTEDNESS

	Outstanding Amount at July 17, 2001
Jones Car Leases (Various Subs)	\$ 3,312,586.02
Lenfest AUL Loan	2,550,830.19
Jones West Chester Data Center Mortgage	2,178,778.82
TOTAL SUBSIDIARY INDEBTEDNESS	\$ 8,042,195.03

EXHIBIT A

FORM OF REQUEST FOR EXTENSION OF CREDIT

Date: _____, 200__

To: Bank of America, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain 364-Day Revolving Credit Agreement dated as of July 17, 2001, among Comcast Cable Communications, Inc., a Delaware corporation ("Borrower"), Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined).

The undersigned Responsible Officer hereby requests (select one):

A Borrowing of Loans A Conversion or Continuation of Loans

1. On _____ (a Business Day).

2. In the amount of \$_____.

3. Comprised of _____.

[type of Loan requested]

4. For Eurodollar Rate Loans: with an Interest Period of _____ months.

The foregoing request complies with the requirements of Sections 2.01 and 2.02 of the Agreement. If the requested Extension of Credit is a Borrowing of Loans, the undersigned hereby certifies that the following statements will be true on the date of the requested Extension of Credit:

(a) The representations and warranties of Borrower contained in Sections 5.01, 5.02 and 5.03 of the Agreement are correct in all material respects; and

(b) no Default or Event of Default exists or will result from the requested Extension of Credit.

COMCAST CABLE COMMUNICATIONS, INC.

By: _____

Name: _____

Title: _____

EXHIBIT B

FORM OF COMPLIANCE CERTIFICATE

Financial Statement Date: _____, 200_

To: Bank of America, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain 364-Day Revolving Credit Agreement dated as of July 17, 2001, among Comcast Cable Communications, Inc., a Delaware corporation ("Borrower"), Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined).

The undersigned Responsible Officer hereby certifies as of the date hereof that he is the _____ of Borrower, and that, as such, he is authorized to execute and deliver this Certificate to Administrative Agent on the behalf of Borrower, and that:

[Use following for fiscal year-end financial statements]

1. Attached hereto as Annex 1 are the year-end audited financial statements required by Section 6.01(a) of the Agreement for the fiscal year of Borrower ended as of the above date, together with the report and opinion of independent certified public accountants required by such section.

[Use following for fiscal quarter-end financial statements]

1. Attached hereto as Annex 1 are the unaudited financial statements required by Section 6.01(b) of the Agreement for the fiscal quarter of Borrower ended as of the above date. Such financial statements fairly present the financial condition, results of operations and changes in financial position of Borrower and its Subsidiaries in accordance with GAAP as at such date and for such periods, subject only to pro forma adjustments and normal year-end audit adjustments and the absence of footnotes.

2. The undersigned has reviewed and is familiar with the terms of the Agreement and has made, or has caused to be made under his supervision, a detailed review of the transactions and conditions (financial or otherwise) of Borrower during the accounting period covered by the attached financial statements.

3. A review of the activities of Borrower during such fiscal period has been made under my supervision with a view to determining whether during such fiscal period Borrower performed and observed its Obligations under the Loan Documents, and

[select one:]

[to the best knowledge of the undersigned during such fiscal period, Borrower performed and observed each covenant and condition of the Loan Documents applicable to it.]

--or--

[the following covenants or conditions have not been performed or observed and the following is a list of each such Default or Event of Default and its nature and status:]

4. The financial covenant analyses and information set forth on Annex 2 attached hereto are true and accurate. Such analyses and information set forth the necessary adjustments to exclude the Indebtedness, EBITDA and Interest Expense attributed to Unrestricted Subsidiaries and give pro forma effect (in accordance with Section 1.07 of the Agreement) to Material Acquisitions and Material Dispositions made during the period covered thereby.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, 200_.

COMCAST CABLE COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

ANNEX 1
FINANCIAL STATEMENTS

For the Quarter/Year ended _____, 200_ ("Statement Date")

ANNEX 2
to the Compliance Certificate
(\$ in 000's)

I. Section 7.07(a) - Interest Coverage Ratio.

A. Consolidated EBITDA for two consecutive fiscal quarters ending on Statement Date ("Subject Two Quarters"):

1. Consolidated net income for Subject Two Quarters (excluding gains and losses from unusual or extraordinary items and interest income): \$ _____
2. Consolidated Interest Expense for Subject Two Quarters: \$ _____
3. Provision for income or gross receipts taxes for Subject Two Quarters: \$ _____
4. Depreciation expense for Subject Two Quarters: \$ _____
5. Amortization expense for Subject Two Quarters: \$ _____
6. Other non-cash charges to income for Subject Two Quarters: \$ _____
7. Management and programming fees paid to Comcast Corporation or any of its wholly-owned Subsidiaries other than Borrower or any Restricted Subsidiary during Subject Two Quarters: \$ _____
8. Cash payments made in Subject Two Quarters in respect of non-cash charges accrued during a prior period: \$ _____
9. Consolidated EBITDA for Subject Two Quarters (Lines I.A.1 + 2 + 3 + 4 + 5 + 6 + 7 - 8): \$ _____

B. EBITDA of Unrestricted Subsidiaries for Subject Two Quarters:

1. Net income of Unrestricted Subsidiaries for Subject Two Quarters (excluding gains and losses from unusual or extraordinary items and interest income): \$ _____
2. Interest Expense of Unrestricted Subsidiaries for Subject Two Quarters: \$ _____
3. Provision for income or gross receipts taxes of Unrestricted

Subsidiaries for Subject Two Quarters: \$ _____

4. Depreciation expense of Unrestricted Subsidiaries for Subject Two Quarters: \$ _____

5. Amortization expense of Unrestricted Subsidiaries for Subject Two Quarters: \$ _____

6. Other non-cash charges to income of Unrestricted Subsidiaries for Subject Two Quarters: \$ _____

7. Management and programming fees paid by Unrestricted Subsidiaries to Comcast Corporation or any of its wholly-owned Subsidiaries other than Borrower or a Restricted Subsidiary during Subject Two Quarters: \$ _____

8. Cash payments made by Unrestricted Subsidiaries in Subject Two Quarters in respect of non-cash charges accrued during a prior period: \$ _____

9. EBITDA of Unrestricted Subsidiaries for Subject Two Quarters (Lines I.B.1 + 2 + 3 + 4 + 5 + 6 + 7 - 8): \$ _____

C. EBITDA of Borrower and Restricted Subsidiaries for Subject Two Quarters ((Line I.A.9) - (Line I.B.9)): \$ _____

D. Annualized EBITDA of Borrower and Restricted Subsidiaries (Line I.C times two (2)): \$ _____

E. Consolidated Interest Expense for Subject Two Quarters: \$ _____

F. Interest Expense of Unrestricted Subsidiaries for Subject Two Quarters: \$ _____

G. Interest Expense of Borrower and Restricted Subsidiaries for Subject Two Quarters ((Line I.E) - (Line I.F)): \$ _____

H. Annualized Interest Expense of Borrower and Restricted Subsidiaries (Line I.G times two (2)): \$ _____

I. Interest Coverage Ratio ((Line I.D) / (Line I.H)): _____ to 1

Minimum required: 2.50 to 1

II. Section 7.07(b) - Leverage Ratio.

A. Consolidated Indebtedness at Statement Date: \$ _____

B. Indebtedness of Unrestricted Subsidiaries at Statement Date: \$ _____

C. Consolidated Total Indebtedness at Statement Date: (Line II.A) - (Line II.B) \$ _____

D. Annualized EBITDA of Borrower and Restricted Subsidiaries (Line I.D): \$ _____

E. Leverage Ratio ((Line II.C) / (Line II.D)): _____ to 1

Maximum permitted: 5.50 to 1

EXHIBIT C
FORM OF NOTE

-----, 200_

FOR VALUE RECEIVED, the undersigned ("Borrower"), hereby promises to pay to the order of ("Lender"), on the date specified in the Agreement referred to below, the unpaid principal amount of Loans (as defined in the Agreement referred to below) made by Lender to Borrower under that certain 364-Day Revolving Credit Agreement dated as of July 17, 2001, among Borrower, Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined).

Borrower promises to pay interest on the unpaid principal amount of each Loan from the date of such Loan until such principal amount is paid in full, at such interest rates and at such times as are specified in the Agreement. All payments of principal and interest shall be made to Administrative Agent at Administrative Agent's Office for the account of Lender in immediately available funds. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) at the per annum rate set forth in the Agreement.

This Note is one of the "Notes" referred to in the Agreement. Reference is hereby made to the Agreement for rights and obligations of payment and prepayment, events of default and the right of Administrative Agent, on behalf of Lender, to accelerate the maturity hereof upon the occurrence of such events. Loans made by Lender shall be evidenced by one or more loan accounts or records maintained by Lender in the ordinary course of business. Lender may also attach schedules to this Note and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto.

Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

Borrower agrees to pay all collection expenses, court costs and Attorney Costs (whether or not litigation is commenced) which may be incurred by Administrative Agent or Lender in connection with the collection or enforcement of this Note.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

COMCAST CABLE COMMUNICATIONS, INC.

By: -----

Name: -----

Title: -----

LOANS AND PAYMENTS WITH RESPECT THERETO

Date	Type of Loan Made	Amount of Loan Made	End of Interest Period	Amount of Principal or Interest Paid This Date	Outstanding Principal Balance This Date	Notation Made By
------	-------------------	---------------------	------------------------	--	---	------------------

EXHIBIT D

FORM OF ASSIGNMENT AND ACCEPTANCE

-----, 200_

Reference is made to that certain 364-Day Revolving Credit Agreement dated as of July 17, 2001, among Comcast Cable Communications, Inc., a Delaware corporation ("Borrower"), Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined). The assignor identified on the signature page hereto ("Assignor") and the assignee identified on the signature page hereto ("Assignee") agree as follows:

1. (a) Subject to Paragraph 11, effective as of the date written on Annex 1 hereto (the "Effective Date"), Assignor irrevocably sells and assigns to Assignee without recourse to Assignor, and Assignee hereby irrevocably purchases and assumes from Assignor without recourse to Assignor, the interest described on Annex 1 hereto (the "Assigned Interest") in and to Assignor's rights and obligations under the Agreement.

(b) From and after the Effective Date, (i) Assignee shall be a party under the Agreement and will have all the rights and obligations of a Lender for all purposes under the Loan Documents to the extent of the Assigned Interest and be bound by the provisions thereof, and (ii) Assignor shall relinquish its rights and be released from its obligations under the Agreement to the extent of the Assigned Interest. Assignor and/or Assignee, as agreed by Assignor and Assignee, shall deliver to Administrative Agent any applicable assignment fee required under Section 10.04(c) of the Agreement.

2. On the Effective Date, Assignee shall pay to Assignor, in immediately available funds, an amount equal to the purchase price of the Assigned Interest as agreed upon by Assignor and Assignee.

3. Assignor and Assignee agree that all payments of principal, interest, fees and other amounts in respect of the Assigned Interest accruing from and after the Effective Date shall be for the account of Assignee, and all payments of such amounts in respect of the Assigned Interest accruing prior to the Effective Date shall remain for the account of Assignor. Assignor and Assignee hereby agree that if either receives any payment of such amounts which is for the account of the other, it shall hold the same in trust for such party and shall promptly pay the same to such party.

4. Assignor represents and warrants to Assignee that:

(a) Assignor is the legal and beneficial owner of the Assigned Interest, and the Assigned Interest is free and clear of any adverse claim;

(b) The Assigned Interest listed on Annex 1 accurately and completely sets forth the amount of all Outstanding Obligations relating to the Assigned Interest as of the Effective Date;

(c) It has the power and authority and the legal right to make, deliver and perform, and has taken all necessary action, to authorize the execution, delivery and performance of this Assignment and Acceptance, and any and all other documents delivered by it in connection herewith and to fulfill its obligations under, and to consummate the transactions contemplated by, this Assignment and Acceptance and the Loan Documents, and no consent or authorization of, filing with, or other act by or in respect of any Governmental Authority, is required in connection in connection herewith or therewith; and

(d) This Assignment and Acceptance constitutes the legal, valid and binding obligation of Assignor.

Assignor makes no representation or warranty and assumes no responsibility with respect to the financial condition of Borrower or the performance by Borrower of its obligations under the Loan Documents, and assumes no responsibility with respect to any statements, warranties or representations made under or in connection with any Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of any Loan Document other than as expressly set forth above.

5. Assignee represents and warrants to Assignor and Administrative Agent that:

(a) It is eligible to purchase the Assigned Interest pursuant to Section 10.04 of the Agreement;

(b) It has the power and authority and the legal right to make, deliver and perform, and has taken all necessary action, to authorize the execution, delivery and performance of this Assignment and Acceptance, and any and all other documents delivered by it in connection herewith and to fulfill its obligations under, and to consummate the transactions contemplated by, this Assignment and Acceptance and the Loan Documents, and no consent or authorization of, filing with, or other act by or in respect of any Governmental Authority, is required in connection in connection herewith or therewith;

(c) This Assignment and Acceptance constitutes the legal, valid and binding obligation of Assignee;

(d) Under applicable Laws no tax will be required to be withheld by Administrative Agent or Borrower with respect to any payments to be made to Assignee hereunder or under any Loan Document, and prior to or concurrently with Administrative Agent's receipt of this Assignment and Acceptance, Assignee has delivered to Administrative Agent any tax forms required by Section 10.20 of the Agreement; and

(e) Assignee has received a copy of the Agreement, together with copies of the most recent financial statements delivered pursuant thereto, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance. Assignee has independently and without reliance upon Assignor or Administrative Agent and based on such information as Assignee has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Assignee

will, independently and without reliance upon Administrative Agent or any Lender, and based upon such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Agreement.

6. Assignee appoints and authorizes Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto as are delegated to Administrative Agent by the terms thereof, together with such powers as are incidental thereto.

7. If either Assignee or Assignor desires a Note to evidence its Loans, it shall request Administrative Agent to procure a Note from Borrower.

8. Assignor and Assignee agree to execute and deliver such other instruments, and take such other action, as either party may reasonably request in connection with the transactions contemplated by this Assignment and Acceptance.

9. This Assignment and Acceptance shall be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided however, that Assignee shall not assign its rights or obligations hereunder without the prior written consent of Assignor and any purported assignment, absent such consent, shall be void.

10. This Assignment and Acceptance may be executed by facsimile signatures with the same force and effect as if manually signed and may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Assignment and Acceptance shall be governed by and construed in accordance with the laws of the state specified in the Agreement.

11. The effectiveness of the assignment described herein is subject to:

(a) If such consent is required by the Agreement, Assignor and Assignee obtaining the consent of Administrative Agent and Borrower to the assignment described herein. By delivering a copy of this Assignment and Acceptance to Administrative Agent, Assignor and Assignee hereby request any such required consent and request that Administrative Agent register Assignee as a Lender under the Agreement effective as of the Effective Date.

(b) Receipt by Administrative Agent of (or other arrangements acceptable to Administrative Agent with respect to) any applicable assignment fee referred to in Section 10.04(c) of the Agreement and any tax forms required by Section 10.20 of the Agreement.

By signing below, Administrative Agent agrees to register Assignee as a Lender under the Agreement, effective as of the Effective Date with respect to the Assigned Interest and will adjust the registered Pro Rata Share of Assignor under the Agreement to reflect the assignment of the Assigned Interest.

12. Attached hereto as Annex 2 is all contact, address, account and other administrative information relating to Assignee.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed as of the date first above written by their respective duly authorized officers.

Assignor:

By:

Name:

Title:

Assignee:

Tax forms required by

Section 10.20 of the Agreement
included

By:

Name:

Title:

(Signatures continue)

In accordance with and subject to Section 10.04 of the Credit Agreement, the undersigned consent to the foregoing assignment as of the Effective Date:

COMCAST CABLE COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name: _____
Title: _____

ANNEX 1 TO ASSIGNMENT AND ACCEPTANCE

THE ASSIGNED INTEREST

Effective Date: _____

Assigned Commitment	Amount of Outstanding Obligations assigned	Assigned Pro Rata Share
-----	-----	-----
\$ _____	\$ _____	_____ %

ANNEX 2 TO ASSIGNMENT AND ACCEPTANCE

ADMINISTRATIVE DETAILS

(Assignee to list names of credit contacts, addresses, phone and facsimile numbers, electronic mail addresses and account and payment information)

EXHIBIT E

FORM OF OPINION OF COUNSEL TO BORROWER

July 17, 2001

To the Lenders party to the 364-Day Revolving Credit Agreement referred to below, and to Bank of America, N.A., as Administrative Agent thereunder

We have acted as counsel to Comcast Cable Communications, Inc., a Delaware corporation ("Borrower") in connection with the 364-Day Revolving Credit Agreement (the "Credit Agreement") dated as of July 17, 2001, among Borrower, the Lenders party thereto, and Bank of America, N.A., as Administrative Agent. Except as otherwise provided herein, terms defined in the Credit Agreement are used herein as defined therein. This opinion letter is being delivered pursuant to Section 4.01(a)(vi) of the Credit Agreement.

In rendering the opinions expressed below, we have examined the following agreements, instruments and other documents:

- (a) the Credit Agreement;
- (b) the Notes payable to Lenders requesting them; and
- (c) a good standing certificate issued by the Secretary of State of the State of Delaware on July 17, 2001 (the "Good Standing Certificate"), a certified copy of resolutions of the Board of Directors of the Borrower, dated July 17, 2001 (the "Resolutions"), a certified copy of the by-laws of the Borrower (the "Bylaws"), a certified copy of the Certificate of Incorporation of the Borrower issued by the Secretary of State of the State of Delaware on July 17, 2001 (the "Charter"), a Certificate of the Assistant Secretary of the Borrower, dated as of the date hereof, with the signatures of the authorized officers of the Borrower (the "Incumbency Certificate") and such records of the Borrower and such other documents as we have deemed necessary as a basis for the opinions expressed below.

The agreements and instruments referred to in the foregoing lettered clauses (a) and (b) are collectively referred to as the "Loan Documents."

In our examination, we have assumed the genuineness of all signatures (other than those of Borrower), the authenticity of all documents submitted to us as originals and the conformity with authentic original documents of all documents submitted to us as copies. When relevant facts were not independently established, we have relied upon certificates of governmental officials and upon representations made in or pursuant to the Loan Documents and certificates of appropriate representatives of Borrower.

Based upon and subject to the foregoing and subject to the comments and qualifications hereto, and having considered such questions of law as we have deemed necessary as a basis for the opinions expressed below, we are of the opinion that:

1. Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Borrower has all requisite corporate power and authority to carry on its business as now conducted as described in its most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "10-K").

2. Borrower has all requisite corporate power to execute, deliver, and perform its obligations under the Loan Documents.

3. The execution, delivery, and performance by Borrower of the Loan Documents have been duly authorized by all necessary corporate action on the part of Borrower.

4. Each Loan Document has been duly executed and delivered by Borrower.

5. The Loan Documents constitute the legal, valid and binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other similar laws relating to or affecting the rights of creditors generally and except as the enforceability of the Loan Documents is subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, (a) the possible unavailability of specific performance, injunctive relief or any other equitable remedy and (b) concepts of materiality, reasonableness, good faith and fair dealing.

6. The execution, delivery and performance by Borrower of the Loan Documents (a) will not violate any applicable Law or the Charter or Bylaws of Borrower or, to our knowledge, any order of any Governmental Authority, (b) to our knowledge, will not result in a default under any material indenture, agreement or other instrument binding upon Borrower or its assets, and (c) to our knowledge, will not result in the creation or imposition of any Lien on any asset of Borrower.

7. We have no knowledge of any litigation, investigation, or proceeding of or before an arbitrator or Governmental Authority now pending against or threatened against Borrower that, if determined adversely, has a Material Adverse Effect.

8. Borrower is not an "investment company" as defined in, or subject to registration under, the Investment Company Act of 1940.

9. Borrower is not a "holding company," or a "subsidiary company" of a "holding company" or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company," within the meaning of the Public Utility Act of 1935.

Our opinions expressed above are limited to matters involving the Federal Laws of the United States of America, the laws of the Commonwealth of Pennsylvania, the laws of the State of New York and the General Corporation Law of the State of Delaware. To the extent that this opinion is based on the laws of the State of New York, we have, with your permission, relied exclusively on the opinion of Howe & Addington LLP, a copy of which is attached hereto, and any opinion herein based on New York law is subject to the qualifications and limitations set forth in such opinion. Further, we express no opinion concerning (1) the effects of any local law and regulation, or (2) federal or state laws, rules or regulations governing securities or "blue sky", antitrust or unfair competition, compliance with fiduciary duty, taxation, environmental liability, or any regulated aspect of the communications business, including without limitation, the Federal Communications Act.

When any opinion is subject to the qualification "to our knowledge" or words of similar import, it means that no one in the Primary Lawyer Group (as defined below) has actual knowledge of facts which are contrary to the opinion rendered, without having undertaken independent investigation or verification of any such facts. The words "actual knowledge" mean the conscious attention to such information by the Primary Lawyer Group. The phrase "Primary Lawyer Group" includes only lawyers who are currently members of or employed by this firm who have been involved in the preparation of this letter or involved in the representation of the Borrower in connection with the transaction that is the subject of this letter.

The opinions set forth above are subject to the following qualifications and limitations:

(A) We have assumed the legal capacity of all individuals executing any of the Loan Documents.

(B) We express no opinion as to the enforceability of any provisions in any Loan Document imposing penalties, forfeitures, late payment charges, prepayment premiums, or an increase in interest rate upon the occurrence of a default or an event of default to the extent the same are deemed to be unenforceable penalties.

(C) We express no opinion as to the enforceability of any provision of any Loan Document which is intended to permit modification thereof only by means of any agreement in writing by the parties thereto;

(D) We express no opinion as to the enforceability of provisions contained in any Loan Document which purport to constitute or provide for the waiver and release of any rights, claims, defenses, counterclaims or remedies of the Borrower (including, without limitation, waiver of the applicable statute of limitations in advance of the accrual of a cause of action) to the extent such waiver or release may not be given under applicable law.

(E) We express no opinion concerning the financial condition or solvency of the Borrower, nor do we express any opinion concerning the effect of any action, suit, proceeding, litigation or transaction (including, without limitation, the transactions contemplated in the Credit Agreement) upon either (1) the financial condition of the Borrower or (2) any financial covenants which the Borrower may have agreed to in the Loan Documents.

(F) We express no opinion as to the enforceability of any provision of any Loan Document to the extent that such provision constitutes a waiver of illegality as a defense to performance of contract obligations.

(G) The opinion set forth in the first sentence of paragraph 1 above is based on our review of the Good Standing Certificate and the 10-K. The opinions set forth in paragraphs 2 and 3 above are based on our review of the Charter, Bylaws, Resolutions and applicable law. The opinion set forth in paragraph 4 is based on our review of the Charter, Bylaws, Resolutions, Incumbency Certificate and applicable law. The opinions set forth in paragraphs 7 and 9 are based on our review of the 10-K and applicable law. The opinion set forth in paragraph 8 is based on our review of the 10-K, Comcast Corporation's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission and applicable law.

(H) No opinion is expressed as to the enforceability of any of the following kinds of provisions in the Loan Documents: (1) provisions for self-help except as permitted by applicable law; (2) provisions which purport to establish evidentiary standards; (3) provisions relating to the non-waiver of your rights; (4) provisions containing powers of attorney; (5) provisions which would provide for interest in excess of the "legal rate" permitted under applicable law; and (6) provisions which purport to create obligations to indemnify you, except as permitted by applicable law.

The foregoing opinions are being furnished solely for the benefit of Administrative Agent, Lenders and any participants or assignees as specified in Section 10.04 of the Credit Agreement, and may not be relied upon by any other Person or for any other purpose without our written consent.

Very truly yours,

DRINKER BIDDLE & REATH LLP

STEVEN B. CALLAHAN
BRUCE E. HOOD
ANNE L. STRASSNER
ROBERT W. BENJAMIN
ANDREW J. PAL
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- - - - -

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CINDY G. FINE
R. ANDREW SHORE
STEPHANIE E. BUSLOFF

July 17, 2001

Drinker Biddle & Reath LLP
One Logan Square
18th and Cherry Streets
Philadelphia, Pennsylvania 19103

Re: 364-Day Revolving Credit Agreement, dated as of July 17, 2001 (the "Credit Agreement"), among Comcast Cable Communications, Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto and Bank of America, N. A., as Administrative Agent

Dear Ladies and Gentlemen:

We have acted as special New York counsel to you in support of your role as special counsel to the Borrower in connection with the execution and delivery of the Credit Agreement. Unless otherwise indicated, capitalized terms used but not defined herein shall have the respective meanings set forth in the Credit Agreement.

In connection with this opinion, we have examined the Credit Agreement and the Notes (collectively, the "Loan Documents") in a form that you have confirmed to us has been signed by all parties thereto. We also have made such other investigations as we have deemed relevant and necessary in connection with the opinions expressed herein. In addition, we have examined, and have relied as to matters of fact upon, the representations made in the Loan Documents. We have not undertaken any independent investigation of factual matters.

In rendering the opinion set forth below, we have assumed the genuineness of all signatures, the legal capacity of natural persons executing the Loan Documents, the authenticity of all documents submitted to us as originals, and the conformity to authentic, original documents of all documents submitted to us as copies.

In rendering the opinion set forth below, we have assumed that (1) each of the Loan Documents has been duly authorized by, and is a valid and legally binding obligation of, each of the Lenders party thereto and Bank of America, N.A., as Administrative Agent (collectively, "Addressees") and (2)(a) the Borrower is

duly organized, validly existing and in good standing under the laws of Delaware and has duly authorized, executed and delivered the Loan Documents in accordance with its Certificate of Incorporation, By-Laws and applicable resolutions of its stockholders and board of directors, (b) execution, delivery and performance by the Borrower of the Loan Documents does not violate the laws of Delaware or any other applicable laws (excepting the laws of the State of New York) and (c) execution, delivery and performance by the Borrower of the Loan Documents does not constitute a breach or violation of, or result in, or require, the creation or imposition of, any Lien under, any contract, agreement or instrument which is binding upon the Borrower. As used herein, the term "Requirement of Law" shall mean, and shall be limited to, the laws of the State of New York (other than the categories excluded from this opinion and other than any judicial, administrative or other governmental order, decree, ruling or proceeding that may be applicable to the Borrower) that in our experience are normally applicable to general business corporations and to transactions of the type contemplated by the Loan Documents.

Based upon and subject to the foregoing, and subject to the qualifications and limitations set forth herein, we are of the opinion that:

1. The Loan Documents constitute the legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms.

2. The execution and delivery by the Borrower of, and the performance by the Borrower of its obligations under, the Loan Documents (a) does not violate any Requirement of Law or, to our knowledge, any order of any Governmental Authority of the State of New York and (b) to our knowledge, will not result in, or require, the creation or imposition of any Lien on any of the Borrower's properties or revenues pursuant to any such Requirement of Law, except to the extent that all such violations and creation or imposition of Liens could not, in the aggregate, have a Material Adverse Effect.

3. We have no knowledge of any litigation, investigation or proceeding of or before an arbitrator or Governmental Authority of or in the State of New York now pending or threatened against Borrower that, if determined adversely, would have a Material Adverse Effect.

Our opinion set forth above is subject to (i) the effects of bankruptcy, insolvency, fraudulent conveyance or transfer, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, (ii) general principles of equity (whether considered in a proceeding in equity or at law), including, without limitation, (a) the possible unavailability of specific performance, injunctive relief or any other equitable remedy and (b) concepts of materiality, reasonableness, good faith and fair dealing, and (iii) an implied covenant of good faith and fair dealing.

We express no opinion with respect to:

(1) The enforceability of any provisions in any Loan Document imposing penalties, forfeitures, late payment charges, prepayment premiums, or an increase in the interest rate upon the occurrence of a default or an event of default to the extent the same are deemed to be unenforceable penalties;

(2) The enforceability of any provision of any Loan Document which is intended to permit modification thereof only by means of any agreement in writing by the parties thereto;

(3) The enforceability of provisions contained in any Loan Document which purport to constitute or provide for the waiver and release of any rights, claims, defenses, counterclaims or remedies of the Borrower (including, without limitation, waiver of the applicable statute of limitations in advance of the accrual of a cause of action) to the extent such waiver or release may not be given under applicable law;

(4) The financial condition or solvency of the Borrower, nor do we express any opinion concerning the effect of any action, suit, proceeding, litigation or transaction (including, without limitation, the transactions contemplated in the Credit Agreement) upon either (a) the financial condition of the Borrower or (b) any financial covenants which the Borrower may have agreed to in the Loan Documents;

(5) The enforceability of any provision of any Loan Document to the extent that such provision constitutes a waiver of illegality as a defense to performance of contract obligations;

(6) The enforceability of any of the following kinds of provisions in the Loan Documents: (a) provisions for self-help except as permitted by applicable law; (b) provisions which purport to establish evidentiary standards; (c) provisions relating to the non-waiver of any of Addressees' rights; (d) provisions containing powers of attorney; (e) provisions which would provide for interest in excess of the "legal rate" permitted under applicable law; and (f) provisions which purport to create obligations to indemnify the Addressees, except as permitted by applicable law;

(7) Federal or state laws, rules or regulations governing securities or "blue sky," antitrust or unfair competition, compliance with fiduciary duty, taxation environmental liability or any regulated aspect of the communications business, including, without limitation, the Federal Communications Act.

Our opinions expressed herein are limited to the Requirements of Law (without our having made any investigation as to any other laws), and we do not express any opinion herein concerning any other laws.

When any opinion is subject to the qualification "to our knowledge" or words of similar import, it means that, without having undertaken independent investigation or verification, no one in the Primary Lawyer Group, as defined below, has actual knowledge of facts contrary to the opinion rendered. The words "actual knowledge" mean the conscious attention to such information by the Primary Lawyer Group. The phrase "Primary Lawyer Group" includes only attorneys who are currently members or employed by this firm who have been involved in the review of the Loan Documents and/or the preparation of this letter.

This opinion letter is rendered to you in connection with the above-described transaction. This opinion letter may not be relied upon by you for any purpose other than to the extent necessary for purposes of rendering your opinion of even date herewith to the Addressees in connection with the Loan Documents, nor may this opinion letter be relied upon by any other person, firm or corporation without our prior written consent.

The opinions set forth herein are as of the date hereof, and we hereby disclaim any obligation to advise you of any change in any matter set forth herein which may hereafter arise.

Very truly yours,

Howe & Addington LLP

Entity Name	Entity Status
1227844 Ontario Ltd.	Existing - Active
21st Century Communications Partners	Existing - Active
Accucom Wireless Services, Inc.	Existing - Inactive
Across Media Networks, L.L.C.	Existing - Active
Adlink Cable Advertising, LLC	Existing - Active
Affiliate Investment, Inc.	Existing - Active
Affiliate Marks Investment, Inc.	Existing - Active
Affiliate Relations Holdings, Inc.	Existing - Active
Affiliate Sales & Marketing, Inc.	Existing - Active
ARP Partnership	Existing - Inactive
At Home Corporation	Existing - Active
AT&T Comcast Corporation	Existing - Active
AT&T Corp.	Existing - Active
Australis Media, Ltd.	Existing - Active
Bell Canada International (Brazil Canbras) Limited	Existing - Active
Box Office Enterprises, Inc.	Existing - Inactive
BroadNet Austria GmbH	Existing - Active
BroadNet Belgium S.A.	Existing - Inactive
BroadNet Consorcio, S.A.	Existing - Active
BroadNet Czech s.r.o.	Existing - Active
BroadNet Deutschland GmbH	Existing - Active
BroadNet Europe SPRL	Existing - Active
BroadNet France S.A.S.	Existing - Active
BroadNet Hellas S.A.	Existing - Active
BroadNet Holdings, B.V.	Existing - Active
BroadNet Hungary Holdings Ltd	Existing - Active
BroadNet Ireland Ltd	Existing - Inactive
BroadNet Italy Holdings Ltd	Existing - Active
BroadNet Italy SPA	Existing - Active
BroadNet Magyarorszag Kft	Existing - Active
BroadNet Norge AS	Existing - Active
BroadNet Poland Holdings Ltd	Existing - Active
BroadNet Polska s.p.z.o.o.	Existing - Active
BroadNet Slovakia s.r.o.	Existing - Active
BroadNet Suisse A.S.	Existing - Active
BroadNet UK Ltd.	Existing - Active
Bulldog Acquisition Company, L.L.C.	Existing - Inactive
Cable Enterprises, Inc.	Existing - Inactive
Cable Programming Ventures, LLC	Existing - Active
Cable Sports Southeast, LLC	Existing - Active
Cable TV Fund 12-B, Ltd.	Existing - Active
Cable TV Fund 12-B/C/D Venture	Existing - Active
Cable TV Fund 12-C, Ltd.	Existing - Active
Cable TV Fund 12-D, Ltd.	Existing - Active
Cable TV Fund 14-A, Ltd.	Existing - Active
Cable TV Fund 14-B, Ltd.	Existing - Active
Cablevision Investment of Detroit, Inc.	Existing - Active
Casco Cable Television, Inc.	Existing - Active
CDirect Mexico I, Inc.	Existing - Active
CDirect Mexico II, Inc.	Existing - Active
Classic Services, Inc.	Existing - Active

Entity Name	Entity Status
Clearview Partners	Existing - Active
Clinton Cable TV Investors, Inc.	Existing - Active
Coastal Cable TV, Inc.	Existing - Active
COM Indiana, LLC	Existing - Active
COM Indianapolis, LLC	Existing - Active
COM Inkster, Inc.	Existing - Active
COM MH, Inc.	Existing - Active
COM South Limited Partnership	Existing - Active
COM South, LLC	Existing - Active
COM Sports Holding Company, Inc.	Existing - Active
COM Sports Ventures, Inc.	Existing - Active
Comcast 38GHZ, Inc.	Existing - Active
Comcast Argentina, Inc.	Existing - Inactive
Comcast Asbc, Inc.	Existing - Active
Comcast Brazil, Inc.	Existing - Active
Comcast BroadNet Payroll Services, Inc.	Existing - Active
Comcast Business Communications Financing, Inc.	Existing - Active
Comcast Business Communications Holdings, Inc.	Existing - Active
Comcast Business Communications of Virginia, LLC	Existing - Active
Comcast Business Communications Online, Inc.	Existing - Active
Comcast Business Communications Purchasing, LLC	Existing - Active
Comcast Business Communications Systems, Inc.	Existing - Active
Comcast Business Communications, Inc.	Existing - Active
Comcast Cable Communications of Pennsylvania, Inc.	Existing - Active
Comcast Cable Communications, Inc.	Existing - Active
Comcast Cable Communications, LLC	Existing - Merger in Process
Comcast Cable Funding	Existing - Active
Comcast Cable Funding GP, Inc.	Existing - Active
Comcast Cable Funding I, Inc.	Existing - Active
Comcast Cable Guide, Inc.	Existing - Inactive
Comcast Cable Investors, Inc.	Existing - Active
Comcast Cable of Indiana, Inc.	Existing - Active
Comcast Cable of Maryland, Inc.	Existing - Active
Comcast Cable SC Investment, Inc.	Existing - Active
Comcast Cable Tri-Holdings, Inc.	Existing - Active
Comcast Cable Trust I	Existing - Active
Comcast Cable Trust II	Existing - Active
Comcast Cable Trust III	Existing - Active

Comcast	Cablevision	Communications, Inc.	Existing - Inactive
Comcast	Cablevision	Corporation of California, LLC	Existing - Active
Comcast	Cablevision	Corporation of Connecticut	Existing - Active
Comcast	Cablevision	Investment Corporation	Existing - Merger in Process
Comcast	Cablevision	of Alabama, Inc.	Existing - Active
Comcast	Cablevision	of Arizona, Inc.	Existing - Active
Comcast	Cablevision	of Arkansas, Inc.	Existing - Active
Comcast	Cablevision	of Avalon, LLC	Existing - Active
Comcast	Cablevision	of Birmingham, Inc.	Existing - Inactive
Comcast	Cablevision	of Bryant, Inc.	Existing - Active
Comcast	Cablevision	of Burlington County, Inc.	Existing - Active
Comcast	Cablevision	of Cambridge, Inc.	Existing - Inactive
Comcast	Cablevision	of Carolina, Inc.	Existing - Active

Entity Name	Entity Status
Comcast Cablevision of Celebration, LLC	Existing - Active
Comcast Cablevision of Central New Jersey, Inc.	Existing - Active
Comcast Cablevision of Chesterfield County, Inc.	Existing - Active
Comcast Cablevision of Clinton	Existing - Active
Comcast Cablevision of Clinton, Inc.	Existing - Active
Comcast Cablevision of Clinton, Inc.	Existing - Active
Comcast Cablevision of Danbury, Inc.	Existing - Active
Comcast Cablevision of Delaware County, Inc.	Existing - Merger in Process
Comcast Cablevision of Delmarva, Inc.	Existing - Active
Comcast Cablevision of Detroit	Existing - Active
Comcast Cablevision of Detroit, Inc.	Existing - Active
Comcast Cablevision of Eastern Shore, Inc.	Existing - Active
Comcast Cablevision of Elkton, Inc.	Existing - Active
Comcast Cablevision of Flint, Inc.	Existing - Active
Comcast Cablevision of Fort Wayne Limited Partnership	Existing - Active
Comcast Cablevision of Garden State, Inc.	Existing - Inactive
Comcast Cablevision of Garden State, L.P.	Existing - Active
Comcast Cablevision of Georgia/South Carolina, Inc.	Existing - Active
Comcast Cablevision of Gloucester County, Inc.	Existing - Active
Comcast Cablevision of Grosse Pointe, Inc.	Existing - Active
Comcast Cablevision of Groton, Inc.	Existing - Active
Comcast Cablevision of Harford County, LLC	Existing - Active
Comcast Cablevision of Hopewell Valley, Inc.	Existing - Active
Comcast Cablevision of Howard County, Inc.	Existing - Active
Comcast Cablevision of Indianapolis, Inc.	Existing - Active
Comcast Cablevision of Indianapolis, L.P.	Existing - Active
Comcast Cablevision of Inkster Limited Partnership	Existing - Active
Comcast Cablevision of Jersey City, Inc.	Existing - Active
Comcast Cablevision of Lake County, LLC	Existing - Active
Comcast Cablevision of Laurel, Inc.	Existing - Active
Comcast Cablevision of Lawrence, Inc.	Existing - Active
Comcast Cablevision of Levittown, Inc.	Existing - Active
Comcast Cablevision of Little Rock, Inc.	Existing - Active
Comcast Cablevision of Lompoc, LLC	Existing - Active
Comcast Cablevision of London, Inc.	Existing - Inactive
Comcast Cablevision of Long Beach Island, LLC	Existing - Active
Comcast Cablevision of Lower Merion, Inc.	Existing - Active
Comcast Cablevision of Macomb County, Inc.	Existing - Active
Comcast Cablevision of Macomb, Inc.	Existing - Active
Comcast Cablevision of Marianna, Inc.	Existing - Active
Comcast Cablevision of Maryland Limited Partnership	Existing - Active
Comcast Cablevision of Maryland, Inc.	Existing - Active
Comcast Cablevision of Maryland, LLC	Existing - Active
Comcast Cablevision of Mercer County, Inc.	Existing - Active
Comcast Cablevision of Meridian, Inc.	Existing - Active
Comcast Cablevision of Michigan, LLC	Existing - Active
Comcast Cablevision of Middletown, Inc.	Existing - Active
Comcast Cablevision of Missouri, Inc.	Existing - Active
Comcast Cablevision of Monmouth County, Inc.	Existing - Active
Comcast Cablevision of Mt. Clemens	Existing - Active
Comcast Cablevision of Mt. Clemens, Inc.	Existing - Active

Entity Name	Entity Status
Comcast Cablevision of Muncie, LLC	Existing - Active
Comcast Cablevision of Muncie, LP	Existing - Active
Comcast Cablevision of Nashville I, LLC	Existing - Active
Comcast Cablevision of Nashville II, LLC	Existing - Active
Comcast Cablevision of New Castle County	Existing - Active
Comcast Cablevision of New Castle County, LLC	Existing - Active
Comcast Cablevision of New Haven, Inc.	Existing - Active
Comcast Cablevision of New Jersey, Inc.	Existing - Active
Comcast Cablevision of New Jersey, LLC	Existing - Active
Comcast Cablevision of New Mexico, Inc.	Existing - Active
Comcast Cablevision of New Mexico/Pennsylvania, Inc.	Existing - Active
Comcast Cablevision of Northwest New Jersey, Inc.	Existing - Active
Comcast Cablevision of Oakland County, Inc.	Existing - Inactive
Comcast Cablevision of Ocean County, Inc.	Existing - Active
Comcast Cablevision of Paducah, Inc.	Existing - Active
Comcast Cablevision of Panama City, Inc.	Existing - Active
Comcast Cablevision of Pennsylvania, LLC	Existing - Active
Comcast Cablevision of Perry, Inc.	Existing - Active
Comcast Cablevision of Philadelphia Area I, Inc.	Existing - Active
Comcast Cablevision of Philadelphia Area I, LLC	Existing - Inactive
Comcast Cablevision of Philadelphia, Inc.	Existing - Active
Comcast Cablevision of Plainfield, Inc.	Existing - Active
Comcast Cablevision of Potomac, LLC	Existing - Active
Comcast Cablevision of Quincy, Inc.	Existing - Active
Comcast Cablevision of Santa Maria, LLC	Existing - Active
Comcast Cablevision of Shelby, Inc.	Existing - Active
Comcast Cablevision of South Jersey, Inc.	Existing - Active
Comcast Cablevision of Southeast Michigan, Inc.	Existing - Active
Comcast Cablevision of Southeast Pennsylvania, Inc.	Existing - Active
Comcast Cablevision of Sterling Heights, Inc.	Existing - Active
Comcast Cablevision of Tallahassee, Inc.	Existing - Active
Comcast Cablevision of Taylor, Inc.	Existing - Active
Comcast Cablevision of the District, LLC	Existing - Active
Comcast Cablevision of the Meadowlands, Inc.	Existing - Active
Comcast Cablevision of the South	Existing - Active
Comcast Cablevision of the South, Inc.	Existing - Active
Comcast Cablevision of the South, L.P.	Existing - Active
Comcast Cablevision of the South, LLC	Existing - Active
Comcast Cablevision of Tupelo, Inc.	Existing - Active
Comcast Cablevision of Utica, Inc.	Existing - Active
Comcast Cablevision of Virginia, Inc.	Existing - Active
Comcast Cablevision of Warren	Existing - Active
Comcast Cablevision of Warren, Inc.	Existing - Active
Comcast Cablevision of West Florida, Inc.	Existing - Active
Comcast Cablevision of Wildwood, Inc.	Existing - Active
Comcast Cablevision of Willow Grove, Inc.	Existing - Active
Comcast Cablevision of Wisconsin, Inc.	Existing - Active
Comcast Capital Corporation	Existing - Active
Comcast Cellular Holding Company, Inc.	Existing - Inactive
Comcast Cellular Holdings Corporation	Existing - Inactive
Comcast Central Europe, Inc.	Existing - Merger in Process

Entity Name	Entity Status
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Comcast CICG GP, Inc.	Existing - Active
Comcast CICG LP, Inc.	Existing - Active
Comcast CICG, L.P.	Existing - Active
Comcast Concurrent Holdings, Inc.	Existing - Active
Comcast Corporate Investments II, Inc.	Existing - Active
Comcast Corporate Investments, Inc.	Existing - Active
Comcast Corporation	Existing - Active
Comcast Corporation Political Action Committee of Maryland	Existing - Active
Comcast Corporation Trust I	Existing - Active
Comcast Corporation Trust II	Existing - Active
Comcast Corporation Trust III	Existing - Active
Comcast Crystalvision, Inc.	Existing - Active
Comcast Data Services, Inc.	Existing - Inactive
Comcast DC Radio, Inc.	Existing - Active
Comcast Directory Services, Inc.	Existing - Inactive
Comcast do Brasil Ltda.	Existing - Active
Comcast Entertainment Holdings LLC	Existing - Active
Comcast Europe Holdings, Inc.	Existing - Merger in Process
Comcast Financial Agency Corporation	Existing - Active
Comcast Florida Programming Investments, Inc.	Existing - Active
Comcast France Holdings, Inc.	Existing - Inactive
Comcast Funding I, Inc.	Existing - Active
Comcast Garden State LP, Inc.	Existing - Active
Comcast Garden State, Inc.	Existing - Active
Comcast Gateway Holdings, LLC	Existing - Active
Comcast Hattiesburg Holding Company, Inc.	Existing - Active
Comcast HTS Holdings, Inc.	Existing - Active
Comcast HTS, LLC	Existing - Active
Comcast IAP, Inc.	Existing - Inactive
Comcast ICG Holdings 1, Inc.	Existing - Inactive
Comcast ICG Holdings 10, Inc.	Existing - Inactive
Comcast ICG Holdings 2, Inc.	Existing - Active
Comcast ICG Holdings 3, Inc.	Existing - Active
Comcast ICG Holdings 4, Inc.	Existing - Active
Comcast ICG Holdings 5, Inc.	Existing - Inactive
Comcast ICG Holdings 6, Inc.	Existing - Inactive
Comcast ICG Holdings 7, Inc.	Existing - Inactive
Comcast ICG Holdings 8, Inc.	Existing - Inactive
Comcast ICG Holdings 9, Inc.	Existing - Inactive
Comcast ICG, Inc.	Existing - Active
Comcast In Demand Holdings, Inc.	Existing - Active
Comcast Interactive Capital, L.P.	Existing - Active
Comcast International Holdings, Inc.	Existing - Active
Comcast International Programming, Inc.	Existing - Inactive
Comcast Investment Holdings, Inc.	Existing - Active
Comcast ISD, Inc.	Existing - Inactive
Comcast LCP, Inc.	Existing - Active
Comcast Life Insurance Holding Company	Existing - Active
Comcast LM Investment, Inc.	Existing - Active
Comcast LMDS Communications, Inc.	Existing - Inactive
Comcast Merger, Inc.	Existing - Merger in Process

Entity Name	Entity Status
Comcast Mexico, Inc.	Existing - Merger in Process
Comcast MH Holdings, Inc.	Existing - Active
Comcast MH Online Communications, Inc.	Existing - Dissolution in Process
Comcast MH Telephony Communications of New Jersey, Inc.	Existing - Active
Comcast Michigan Holdings, Inc.	Existing - Active
Comcast Midwest Management, Inc.	Existing - Active
Comcast MLP Partner, Inc.	Existing - Dissolution in Process
Comcast Multicable Media, Inc.	Existing - Inactive
Comcast Nashville I, L.P.	Existing - Active
Comcast Nashville II, L.P.	Existing - Active
Comcast Netherlands, Inc	Existing - Active
Comcast Network Communications, Inc.	Existing - Inactive
Comcast New Media Development, Inc.	Existing - Active
Comcast Online Communications Investment Holdings, Inc.	Existing - Active
Comcast PC Communications, Inc.	Existing - Inactive
Comcast PC Investments Holdings 4, Inc.	Existing - Inactive
Comcast PC Investments Holdings 5, Inc.	Existing - Inactive
Comcast PC Investments Holdings 6, Inc.	Existing - Inactive
Comcast PC Investments Holdings 7, Inc.	Existing - Inactive
Comcast PC Investments Holdings 8, Inc.	Existing - Inactive
Comcast PC Investments Holdings 9, Inc.	Existing - Inactive
Comcast PC Investments, Inc.	Existing - Active
Comcast Prime, LLC	Existing - Active
Comcast Primestar Holdings, Inc.	Existing - Active
Comcast Programming Holdings, Inc.	Existing - Active
Comcast Programming Ventures II, Inc.	Existing - Active
Comcast Programming Ventures III, Inc.	Existing - Active
Comcast Programming Ventures IV, Inc.	Existing - Active
Comcast Programming Ventures, Inc.	Existing - Active
Comcast PSM Holdings, Inc.	Existing - Active
Comcast Publishing Holdings Corporation	Existing - Inactive
Comcast Publishing Holdings Financial Corporation	Existing - Merger in Process
Comcast QIH, Inc.	Existing - Active
Comcast QVC, Inc.	Existing - Active
Comcast Rapid, LLC	Existing - Active
Comcast Real Estate Holdings of Alabama, Inc.	Existing - Active
Comcast Satellite Communications, Inc.	Existing - Inactive
Comcast SC Investment, Inc.	Existing - Active
Comcast SCH Delaware Holdings, Inc.	Existing - Inactive
Comcast SCH Holdings, LLC	Existing - Active
Comcast Shared Services Corporation	Existing - Active
Comcast Soccer, LLC	Existing - Active
Comcast Sound Corporation	Existing - Inactive
Comcast Spectacor Foundation	Existing - Active
Comcast Spectacor, L.P.	Existing - Active
Comcast Sports Holding Company, Inc.	Existing - Active
Comcast Technology, Inc.	Existing - Active
Comcast Telecommunications of Michigan, LLC	Existing - Active
Comcast Telephony Communications of California, Inc.	Existing - Active
Comcast Telephony Communications of Connecticut, Inc.	Existing - Active
Comcast Telephony Communications of Delaware, Inc.	Existing - Active

Entity Name	Entity Status
Comcast Telephony Communications of Georgia, Inc.	Existing - Active
Comcast Telephony Communications of Indiana, Inc.	Existing - Active
Comcast Telephony Communications of Maryland, Inc.	Existing - Active
Comcast Telephony Communications of Pennsylvania, Inc.	Existing - Active
Comcast Telephony Communications of South Carolina, Inc.	Existing - Active
Comcast Telephony Communications, Inc.	Existing - Active
Comcast Telephony Services Holdings, Inc.	Existing - Active
Comcast Telephony Services II, Inc.	Existing - Inactive
Comcast TM, Inc.	Existing - Merger in Process
Comcast TSIX Holdings, Inc.	Existing - Merger in Process
Comcast U.K. Holdings, Inc.	Existing - Inactive
Comcast UK Cable Partners Consulting, Inc.	Existing - Inactive
Comcast Venezuela PCS, Inc.	Existing - Inactive
Comcast WCS Holdings, Inc.	Existing - Inactive
Comcast WCS ME02, Inc.	Existing - Active
Comcast WCS ME04, Inc.	Existing - Active
Comcast WCS ME05, Inc.	Existing - Active
Comcast WCS ME12, Inc.	Existing - Inactive
Comcast WCS ME16, Inc.	Existing - Active
Comcast WCS ME18, Inc.	Existing - Inactive
Comcast WCS ME19, Inc.	Existing - Active
Comcast WCS ME19B, Inc.	Existing - Inactive
Comcast WCS ME22, Inc.	Existing - Active
Comcast WCS ME26, Inc.	Existing - Active
Comcast WCS ME28, Inc.	Existing - Active
Comcast WCS ME33, Inc.	Existing - Inactive
Comcast WCS ME43, Inc.	Existing - Inactive
Comcast WCS ME44, Inc.	Existing - Inactive
Comcast WCS ME46, Inc.	Existing - Inactive
Comcast WCS Merger Holdings, LLC	Existing - Active
Comcast WCS MergerCo, Inc.	Existing - Active
Comcast WCS RE03, Inc.	Existing - Inactive
Comcast Wink, Inc.	Existing - Active
Comcast/Time Warner Charleston Cable Advertising, LLC	Existing - Active
Comcast/Time Warner Detroit Cable Advertising, LLC	Existing - Active
ComCon Entertainment Holdings, Inc.	Existing - Active
ComCon Production Services I, Inc.	Existing - Inactive
Commerce Technologies, Inc.	Existing - Active
Connecticut Cable Advertising L.P.	Existing - Dissolution in Process
CP MI, LLC	Existing - Dissolution in Process
CV Directo de Mexico S. de R.L. de C.V.	Existing - Active
CVN Companies, Inc.	Existing - Active
CVN Direct Marketing Corp.	Existing - Inactive
CVN Distribution Co., Inc.	Existing - Active
CVN Management, Inc.	Existing - Inactive
CVN Michigan, Inc.	Existing - Inactive
Diamonique Corporation	Existing - Active
Diamonique Corporation	Existing - Active
Digital Cable Radio Associates	Existing - Active
Digital Cable Radio Associates, L.P.	Existing - Active
DiscoverMusic.com	Existing - Active

Entity Name	Entity Status
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E! Entertainment Television International Holdings, Inc.	Existing - Active
E! Entertainment Television Latin America	Existing - Active
E! Entertainment Television, Inc.	Existing - Active
E! Online, Inc.	Existing - Active
East Rutherford Realty, Inc.	Existing - Inactive
Eastechnica IV S.G.P.S.	Existing - Active
ER Marks, Inc.	Existing - Active
Exclamation Music, Inc.	Existing - Active
Exclamation Productions, Inc.	Existing - Active
EZShop International, Inc.	Existing - Active
First Television Corporation	Existing - Active
Florida Telecommunications Services, Inc.	Existing - Active
Flyers Skate Zone, Inc.	Existing - Active
Flyers Skate Zone, L.P.	Existing - Active
FPS Rink, Inc.	Existing - Active
FPS Rink, L.P.	Existing - Active
G4 Media, LLC	Existing - Active
Garden State Telecommunications LLC	Existing - Active
Global Spectrum, Inc.	Existing - Active
Global Spectrum, L.P.	Existing - Active
Global Sport, Inc.	Existing - Active
GlobalCom Holding Company, Inc.	Existing - Inactive
Globe Facilities Limited Partnership	Existing - Active
Greater Birmingham Interconnect	Existing - Active
Health Ventures Partners G.P.	Existing - Active
I.C.E. Limited	Existing - Active
IC Marks, Inc.	Existing - Active
IM Experience, Inc.	Existing - Active
Influence Marketing Corporation	Existing - Active
Influence Marketing Services, Inc.	Existing - Active
Innovative Retailing, Inc.	Existing - Active
Interactive Technology Acquisitions, Inc.	Existing - Active
Interactive Technology Holdings, LLC	Existing - Active
Interactive Technology Services, Inc.	Existing - Active
Internet Capital Group, Inc.	Existing - Active
Intertainer, Inc.	Existing - Active
Janco Capital, LP	Existing - Active
Jones Cable Corporation	Existing - Active
Jones Cable Holdings, Inc.	Existing - Active
Jones Communications, Inc.	Existing - Inactive
Jones Entertainment Group, Ltd.	Existing - Active
Jones Intercable Funds, Inc.	Existing - Inactive
Jones International Networks, Ltd.	Existing - Active
Jones Panarama Properties, LLC	Existing - Active
Jones Programming Services, Inc.	Existing - Active
Jones Spacelink Cable Corporation	Existing - Active
Jones Telecommunications of California, LLC	Existing - Active
Jones Telecommunications of Maryland, Inc.	Existing - Active
Jones Telecommunications of Virginia, Inc.	Existing - Active
L-TCI Associates	Existing - Inactive
Lenfest Atlantic Communications, Inc.	Existing - Active

Entity Name	Entity Status
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Lenfest Australia Group Pty Ltd.	Existing - Active
Lenfest Australia Investment Pty Ltd.	Existing - Active
Lenfest Australia, Inc.	Existing - Active
Lenfest Clearview, Inc.	Existing - Active
Lenfest Delaware Properties, Inc.	Existing - Active
Lenfest International Holdings, Inc.	Existing - Inactive
Lenfest International, Inc.	Existing - Active
Lenfest Investments, Inc.	Existing - Active
Lenfest Jersey, Inc.	Existing - Active
Lenfest MCN, Inc.	Existing - Active
Lenfest Oaks, Inc.	Existing - Active
Lenfest Programming Services, Inc.	Existing - Active
Lenfest Raystay Holdings, Inc.	Existing - Active
Lenfest Telephony, Inc.	Existing - Inactive
Lenfest Videopole Holdings, Inc.	Existing - Inactive
Lenfest West, LLC	Existing - Active
Lenfest York, Inc.	Existing - Active
Liberate Technologies	Existing - Active
Liberty City Funding Corporation	Existing - Inactive
Liberty Digital, Inc.	Existing - Active
M H Lightnet Inc.	Existing - Active
MCNS Holdings, L.P.	Existing - Active
MCOM Wireless S.A.	Existing - Active
MComcast S.A.	Existing - Active
MicroUnity Systems Engineering, Inc.	Existing - Active
Mobile Enterprises, Inc.	Existing - Active
Movie Magazine LLC	Existing - Active
Mt. Clemens Cable TV Investors, Inc.	Existing - Active
MTCB S.A.	Existing - Active
Muzak, LLC	Existing - Active
National Cable Communications LLC	Existing - Active
Net Value Holdings	Existing - Active
New England Microwave, Inc.	Existing - Active
New Hope Cable TV, Inc.	Existing - Inactive
New Hydromercial Partners	Existing - Active
NHL Enterprises Canada, L.P.	Existing - Active
NHL Enterprises, Inc.	Existing - Active
NHL Enterprises, L.P.	Existing - Active
Nroca Holdings, Inc.	Existing - Inactive
Nucable Resources Corporation	Existing - Inactive
Outdoor Life Network, L.L.C.	Existing - Active
Ovations Food Services, Inc.	Existing - Active
Ovations Food Services, L.P.	Existing - Active
Pa-Thai Corporation	Existing - Inactive
Pattison Development, Inc.	Existing - Active
Pattison Realty, Inc.	Existing - Active
Philadelphia 76ers, Inc.	Existing - Active
Philadelphia 76ers, L.P.	Existing - Active
Philadelphia Cable Investment Corporation	Existing - Inactive
Philadelphia Flyers Enterprises Co.	Existing - Active
Philadelphia Phantoms, Inc.	Existing - Active

Entity Name	Entity Status
Philadelphia Phantoms, L.P.	Existing - Active
Philadelphia Sports Media, Inc.	Existing - Active
Philadelphia Sports Media, L.P.	Existing - Active
Phoenixstar, Inc.	Existing - Active
Pioneer Studios, Inc.	Existing - Active
Prime Communications Holdings, LLC	Existing - Active
Prime Communications, LLC	Existing - Active
Prime Potomac Performance, LLC	Existing - Active
Prime Potomac Purchasing, LLC	Existing - Active
Prime Telecom Potomac, LLC	Existing - Inactive
Q & M Enterprises	Existing - Active
Q The Music, Inc.	Existing - Active
Q2, Inc.	Existing - Active
QC Marks, Inc.	Existing - Active
QDirect Ventures, Inc.	Existing - Active
QExhibits, Inc.	Existing - Active
QFit, Inc.	Existing - Active
QFlight, Inc.	Existing - Inactive
QHealth, Inc.	Existing - Active
QK Holdings, Inc.	Existing - Active
QVC	Existing - Active
QVC - QRT, Inc.	Existing - Inactive
QVC Britain	Existing - Active
QVC Britain I, Inc.	Existing - Active
QVC Britain II, Inc.	Existing - Active
QVC Britain III, Inc.	Existing - Active
QVC Call Center GmbH & Co. KG	Existing - Active
QVC Call Center Verwaltungs GmbH	Existing - Active
QVC Chesapeake, Inc.	Existing - Active
QVC China Domain Limited	Existing - Active
QVC China, Inc.	Existing - Active
QVC de Mexico de C.V.	Existing - Active
QVC Delaware, Inc.	Existing - Active
QVC Deutschland GmbH	Existing - Active
QVC Edv-Service GmbH	Existing - Inactive
QVC Germany I, Inc.	Existing - Active
QVC Germany II, Inc.	Existing - Active
QVC Handel GmbH	Existing - Active
QVC Holdings, Inc.	Existing - Active
QVC International, Inc.	Existing - Active
QVC Japan Holdings, Inc.	Existing - Active
QVC Japan Services, Inc.	Existing - Active
QVC Japan, Inc.	Existing - Active
QVC Local, Inc.	Existing - Active
QVC Logistik GmbH	Existing - Active
QVC Mexico II, Inc.	Existing - Active
QVC Mexico III, Inc.	Existing - Active
QVC Mexico, Inc.	Existing - Active
QVC Middle East, Inc.	Existing - Active
QVC of Thailand, Inc.	Existing - Inactive
QVC ProductWorks, Inc.	Existing - Active

Entity Name	Entity Status
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QVC Properties, Ltd.	Existing - Active
QVC Publishing, Inc.	Existing - Active
QVC Realty, Inc.	Existing - Active
QVC Rocky Mount, Inc.	Existing - Active
QVC San Antonio, Inc.	Existing - Active
QVC Satellite, Ltd.	Existing - Active
QVC St. Lucie, Inc.	Existing - Active
QVC Studio GmbH	Existing - Active
QVC Virginia, Inc.	Existing - Active
QVC, Inc.	Existing - Active
Raystay Co.	Existing - Active
RS Marks, Inc.	Existing - Active
RS Myrtle Beach, Inc.	Existing - Active
Sandler Capital Partners IV	Existing - Active
Sandler Mezzanine Partners, L.P.	Existing - Active
Saturn Cable TV, Inc.	Existing - Active
SBC Cable Co.	Existing - Active
SCI 11, Inc.	Existing - Active
SCI 34, Inc.	Existing - Active
SCI 36, Inc.	Existing - Active
SCI 37, Inc.	Existing - Active
SCI 38, Inc.	Existing - Active
SCI 39, Inc.	Existing - Inactive
SCI 48, Inc.	Existing - Active
SCI 55, Inc.	Existing - Active
Selkirk Communications (Delaware) Corporation	Existing - Active
Selkirk Systems, Inc.	Existing - Inactive
SKC Hangar Partners	Existing - Active
Spectacor Adjoining Real Estate New Arena, L.P.	Existing - Active
Spectrum Arena Limited Partnership	Existing - Active
Speedvision Network, L.L.C.	Existing - Active
StarNet Development, Inc.	Existing - Inactive
StarNet Interactive Entertainment, Inc.	Existing - Inactive
StarNet, Inc.	Existing - Inactive
Storer Administration, Inc.	Existing - Inactive
Storer Cable TV of Radnor, Inc.	Existing - Inactive
Storer Disbursements, Inc.	Existing - Inactive
Suburban Digital Services, Inc.	Existing - Merger in Process
Sunshine Network of Florida, Ltd.	Existing - Active
Sunshine Network, Inc.	Existing - Active
Sural, LLC	Existing - Active
Susquehanna Cable Co.	Existing - Active
TATV, Inc.	Existing - Active
Tele-Link Telecomunicacoes S.A.	Existing - Active
Telemercado Alameda S. de R.L. de C.V.	Existing - Active
TGC, Inc.	Existing - Active
TGW Telecomunicacoes S.A.	Existing - Active
The Cable Television Network of New Jersey, Inc.	Existing - Dissolution in Process
The Comcast Foundation	Existing - Active
The Detroit Cable Interconnect L.P.	Existing - Dissolution in Process
The Greater Washington Interconnect, LLC	Existing - Dissolution in Process

Entity Name	Entity Status
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The Intercable Group, Ltd.	Existing - Active
The Knot, Inc.	Existing - Active
The Lightspan Partnership, Inc.	Existing - Active
The New York Interconnect L.L.C.	Existing - Active
The Philadelphia Interconnect	Existing - Active
Tri-State Media, Inc.	Existing - Merger in Process
UCTC of Baltimore, Inc.	Existing - Active
United Cable Television of Baltimore Limited Partnership	Existing - Active
Viewer's Choice, L.L.C.	Existing - Active
Westmoreland Financial Corporation	Existing - Inactive
Wilmington Cellular Telephone Company LLC	Existing - Inactive
York Cable Television, Inc.	Existing - Active

INDEPENDENT AUDITORS' CONSENT

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

We consent to the incorporation by reference in Registration Statement Numbers 333-81391 and 333-54032 on Forms S-3 and Registration Statement Numbers 33-63223, 33-56903, 333-08577, 333-18715, 333-69709, 333-62482, 333-69146 and 333-81182 on Forms S-8 of Comcast Corporation of our report dated February 5, 2002 (which report expresses an unqualified opinion and includes an explanatory paragraph related to the adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, effective January 1, 2001) appearing in this Annual Report on Form 10-K of Comcast Corporation for the year ended December 31, 2001.

Philadelphia, Pennsylvania
March 26, 2002