UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

(X) Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the Quarterly Period Ended:

MARCH 31, 2003
OR

( ) Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the Transition Period from ________ to ________.

Commission File Number 000-50093

[COMCAST LOGO OMITTED]

COMCAST CORPORATION
(Exact name of registrant as specified in its charter)

PENNSYLVANIA	27-0000798
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1500 Market Street, Philadelphia, PA 19102-2148
(Address of principal executive offices)
(Zip Code)

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

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 twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such requirements for the past 90 days.

Yes X No ___

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12-b2 of the Exchange Act). Yes X No

As of March 31, 2003, there were 1,355,583,881 shares of Class A Common Stock, 883,855,174 shares of Class A Special Common Stock and 9,444,375 shares of Class B Common Stock outstanding.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED MARCH 31, 2003
TABLE OF CONTENTS

			Page Number
PART I.	FINANCIAL INFORMATION		
	ITEM 1.	Financial Statements	
		Condensed Consolidated Balance Sheet as of March 31, 2003 and December 31, 2002 (Unaudited)	3
		Condensed Consolidated Statement of Operations for the Three Months Ended March 31, 2003 and 2002 (Unaudited)	4
		Condensed Consolidated Statement of Cash Flows for the Three Months Ended March 31, 2003 and 2002 (Unaudited)	5
		Notes to Condensed Consolidated Financial Statements (Unaudited)	6
	ITEM 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	27
	ITEM 4.	Controls and Procedures	35
PART II.	OTHER INFORMATION		
	ITEM 1.	Legal Proceedings	35
	ITEM 6.	Exhibits and Reports on Form 8-K	38
	SIGNATURES		39

CERTIFICATIONS..40

This Quarterly Report on Form 10-Q is for the three months ended March 31, 2003. This Quarterly Report modifies and supersedes documents filed prior to this Quarterly Report. Information that we file with the SEC in the future will automatically update and supersede information contained in this Quarterly Report. In this Quarterly Report, "Comcast," "we," "us" and "our" refer to Comcast Corporation and its subsidiaries.

You should carefully review the information contained in this Quarterly Report and in other reports or documents that we file from time to time with the SEC. In this Quarterly 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 November 18, 2002, we acquired AT&T Corp.'s broadband business, which we refer to as "Broadband" and we refer to this acquisition as the "Broadband acquisition." In this Quarterly Report, we refer to cable operations owned prior to the Broadband acquisition as "historical," and those we acquired in the Broadband acquisition as "newly acquired."

As a result of the Broadband acquisition, we have newly acquired cable operations in communities in which we do not have established relationships with the subscribers, franchising authority and community leaders. Further, a substantial number of new employees are being and must continue to be integrated into our business practices and operations. Our results of operations may be significantly affected by our ability to efficiently and effectively manage these changes.

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

o we may not successfully integrate Broadband or the integration may be more difficult, time-consuming or costly than we expect,

o we may not realize the combination benefits we expect from the Broadband acquisition or these benefits may take longer to achieve, and

o we may incur greater-than-expected operating costs, financing costs, subscriber loss and business disruption, including, without limitation, difficulties in maintaining relationships with employees, subscribers, suppliers or franchising authorities.

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

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

As more fully described elsewhere in this Quarterly Report and in our Annual Report on Form 10-K for the year ended December 31, 2002, the Broadband acquisition substantially increased the size of our cable operations and caused significant changes in our capital structure. As a result, direct comparisons of our results of operations for periods prior to November 18, 2002 to subsequent periods are not meaningful.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED MARCH 31, 2003

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

(Dollars in millions, except share data)

	March 31, 2003	December 31, 2002
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$1,024	$781
Investments	3,153	3,266
Accounts receivable, less allowance for doubtful accounts of $276 and $233	1,323	1,383
Inventories, net	482	479
Assets held for sale		613
Deferred income taxes	129	129
Other current assets	377	425
Total current assets	6,488	7,076
INVESTMENTS	13,188	15,207
PROPERTY AND EQUIPMENT, net of accumulated depreciation of $4,737 and $4,061	18,961	18,866
FRANCHISE RIGHTS	48,290	48,222
GOODWILL	17,039	17,397
OTHER INTANGIBLE ASSETS, net of accumulated amortization of $1,403 and $1,022	5,273	5,599
OTHER NONCURRENT ASSETS, net	773	738
	$110,012	$113,105
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$1,631	$1,663
Accrued expenses and other current liabilities	4,870	5,649
Liabilities related to assets held for sale		13
Deferred income taxes	1,093	1,105
Short-term debt		3,750
Current portion of long-term debt	2,652	3,203
Total current liabilities	10,246	15,383
LONG-TERM DEBT, less current portion	30,258	27,957
DEFERRED INCOME TAXES	23,125	23,110
OTHER NONCURRENT LIABILITIES	5,600	5,652
MINORITY INTEREST	2,729	2,674
COMMITMENTS AND CONTINGENCIES (NOTE 10)		
STOCKHOLDERS' EQUITY		
Preferred stock - authorized 20,000,000 shares; issued, zero		
Class A common stock, $0.01 par value - authorized, 7,500,000,000 shares; issued, 1,599,224,381 and 1,599,014,148; outstanding, 1,355,583,881 and 1,355,373,648	16	16
Class A special common stock, $0.01 par value - authorized, 7,500,000,000 shares; issued 931,145,017 and 930,633,433; outstanding, 883,855,174 and 883,343,590	9	9
Class B common stock, $0.01 par value - authorized, 75,000,000 shares; issued, 9,444,375		
Additional capital	44,643	44,620
Retained earnings	1,043	1,340
Treasury stock, 243,640,500 Class A common shares and 47,289,843 Class A special common shares	(7,517)	(7,517)
Accumulated other comprehensive loss	(140)	(139)
Total stockholders' equity	38,054	38,329
	$110,012	$113,105

See notes to condensed consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED MARCH 31, 2003
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

	(Dollars in millions, except per share data) Three Months Ended March 31, 2003	2002
REVENUES		
Service revenues	$4,456	$1,679
Net sales from electronic retailing	1,062	988
	5,518	2,667
COSTS AND EXPENSES		
Operating (excluding depreciation)	1,930	743
Cost of goods sold from electronic retailing (excluding depreciation)	673	629
Selling, general and administrative	1,277	487
Depreciation	799	334
Amortization	366	53
	5,045	2,246
OPERATING INCOME	473	421
OTHER INCOME (EXPENSE)		
Interest expense	(525)	(187)
Investment loss, net	(230)	(248)
Equity in net losses of affiliates	(20)	(5)
Other income (expense)	18	(23)
	(757)	(463)
LOSS BEFORE INCOME TAXES AND MINORITY INTEREST	(284)	(42)
INCOME TAX BENEFIT (EXPENSE)	68	(3)
LOSS BEFORE MINORITY INTEREST	(216)	(45)
MINORITY INTEREST	(81)	(44)
NET LOSS	($297)	($89)
BASIC NET LOSS FOR COMMON STOCKHOLDERS PER COMMON SHARE	($0.13)	($0.09)
DILUTED NET LOSS FOR COMMON STOCKHOLDERS PER COMMON SHARE	($0.13)	($0.09)

See notes to condensed consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED MARCH 31, 2003
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	(Dollars in millions) Three Months Ended March 31, 2003	2002
OPERATING ACTIVITIES		
Net loss	($297)	($89)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	799	334
Amortization	366	53
Non-cash interest (income) expense, net	(21)	12
Equity in net losses of affiliates	20	5
Losses (gains) on investments and other (income) expense, net	247	277
Minority interest	55	44
Deferred income taxes	(182)	17
Proceeds from sales of trading securities	32	
Other	10	(37)
	1,029	616
Changes in working capital, net of effects of acquisitions and divestitures		
Decrease (increase) in accounts receivable, net	61	(13)
(Increase) decrease in inventories, net	(3)	28
Decrease (increase) in other current assets	48	(47)
Decrease in accounts payable, accrued expenses and other current liabilities	(335)	(65)
	(229)	(97)
Net cash provided by operating activities	800	519
FINANCING ACTIVITIES		
Proceeds from borrowings	3,900	520
Retirements and repayments of debt	(6,079)	(451)
Other	(16)	62
Net cash (used in) provided by financing activities	(2,195)	131
INVESTING ACTIVITIES		
Acquisitions, net of cash acquired		(12)
Proceeds from sales of (purchases of) short-term investments, net	(9)	1
Proceeds from restructuring of TWE investment	2,100	
Proceeds from sales of investments and assets held for sale	668	13
Purchases of investments	(72)	(4)
Capital expenditures	(971)	(399)
Additions to intangible and other noncurrent assets	(78)	(56)
Net cash provided by (used in) investing activities	1,638	(457)
INCREASE IN CASH AND CASH EQUIVALENTS	243	193
CASH AND CASH EQUIVALENTS, beginning of period	781	350
CASH AND CASH EQUIVALENTS, end of period	$1,024	$543

See notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation
Comcast Corporation and its subsidiaries ("Comcast" or the "Company") has prepared these unaudited condensed consolidated financial statements based upon Securities and Exchange Commission ("SEC") rules that permit reduced disclosure for interim periods.

These financial statements include all adjustments that are necessary for a fair presentation of the Company's results of operations and financial condition for the interim periods shown including normal recurring accruals and other items. The results of operations for the interim periods presented are not necessarily indicative of results for the full year.

For a more complete discussion of the Company's accounting policies and certain other information, refer to the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2002.

On November 18, 2002, the Company completed the acquisition (the "Broadband acquisition") of AT&T Corp.'s ("AT&T") broadband business ("Broadband"). Accordingly, the accompanying financial statements include the results of Broadband from the date of the Broadband acquisition (see Note 4). The Broadband acquisition substantially increased the size of the Company's cable operations and caused significant changes in the Company's capital structure, including a substantially higher amount of debt. As a result, direct comparisons of the Company's results of operations and financial condition for periods prior to November 18, 2002 to subsequent periods are not meaningful.

Reclassifications
Certain reclassifications have been made to the prior year financial statements to conform to those classifications used in 2003. In the first quarter of 2003, QVC, Inc. ("QVC") completed the sale of its infomercial operations in Mexico ("QVC Mexico"). The results of operations for QVC Mexico for the 2003 and 2002 interim periods were not significant and are included in equity in net losses of affiliates in the Company's consolidated statement of operations.

2. RECENT ACCOUNTING PRONOUNCEMENTS

SFAS No. 143
The Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("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. The Company adopted SFAS No. 143 on January 1, 2003, in accordance with the new statement. The adoption of SFAS No. 143 had no impact on the Company's financial condition or results of operations.

SFAS No. 148
The FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure," in December 2002. SFAS No. 148 amends SFAS No. 123 to provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation. SFAS No. 148 also amends the disclosure provisions of SFAS No. 123 to require disclosure about the effects on reported net income of an entity's stock-based employee compensation in interim financial statements. SFAS No. 148 is effective for fiscal years beginning after December 31, 2002. The Company adopted SFAS No. 148 on January 1, 2003. The Company did not change to the fair value based method of accounting for stock-based employee compensation. Accordingly, the adoption of SFAS No. 148 would only affect the Company's financial condition or results of operations if the Company elects to change to the fair value method specified in SFAS No. 123. The adoption of SFAS No. 148 requires the Company to disclose the effects of its stock-based employee compensation in interim financial statements beginning with the first quarter of 2003 (see Note 8).

SFAS No. 149

On April 30, 2003, the FASB issued SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities" ("SFAS No. 149"). The Statement amends and clarifies accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133. SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003, for hedging relationships designated after June 30, 2003, and to certain preexisting contracts. The Company will adopt SFAS No. 149 on a prospective basis at its effective date in the fiscal third quarter. The Company is assessing the impact SFAS No. 149 may have on its financial statements.

FIN 45

In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45"). FIN 45 expands on the accounting guidance of SFAS No.'s 5, 57, and 107 and supercedes FIN 34. FIN 45 clarifies that a guarantor is required to disclose in its interim and annual financial statements its obligations under certain guarantees that it has issued, including the nature and terms of the guarantee, the maximum potential amount of future payments under the guarantee, the carrying amount, if any, for the guarantor's obligations under the guarantee, and the nature and extent of any recourse provisions or available collateral that would enable the guarantor to recover the amounts paid under the guarantee. FIN 45 also clarifies that, for certain guarantees, a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. FIN 45 does not prescribe a specific approach for subsequently measuring the guarantor's recognized liability over the term of the related guarantee. The initial recognition and initial measurement provisions of FIN 45 apply on a prospective basis to certain guarantees issued or modified after December 31, 2002. The disclosure requirements in FIN 45 are effective for financial statements of interim or annual periods ending after December 15, 2002. The Company adopted the disclosure provisions of FIN 45 in the fourth quarter of 2002 and adopted the initial recognition and measurement provisions of FIN 45 on January 1, 2003, as required by the Interpretation. The impact of the adoption of FIN 45 will depend on the nature and terms of guarantees entered into or modified by the Company in the future. The adoption of FIN 45 in the first quarter of 2003 did not have a material impact on the Company's consolidated financial statements (see Note 10).

3. EARNINGS PER SHARE

Earnings (loss) per common share is computed by dividing net income (loss) for common stockholders by the weighted average number of common shares outstanding during the period on a basic and diluted basis.

The Company's potentially dilutive securities include potential common shares related to the Company's Zero Coupon Convertible Debentures due 2020 (the "Zero Coupon Debentures"), stock options, restricted stock, and Class A Special common stock held in treasury. Diluted earnings for common stockholders per common share ("Diluted EPS") considers the impact of potentially dilutive securities except in periods in which there is a loss as the inclusion of the potential common shares would have an antidilutive effect. Diluted EPS excludes the impact of potential common shares related to the Company's Zero Coupon Debentures in periods in which the weighted average closing sale price of the Company's Class A Special common stock during the period is not greater than 110% of the accreted conversion price. Diluted EPS excludes the impact of potential common shares related to the Company's stock options in periods in which the option exercise price is greater than the average market price of the Company's common stock for the period.

Diluted EPS for the interim periods in 2003 and 2002 excludes approximately 179.0 million and 82.2 million potential common shares, respectively, related to the Company's stock option and restricted stock plans, Zero Coupon Debentures, and common stock held in treasury because the assumed issuance of such potential common shares is antidilutive in periods in which there is a loss.

Weighted average shares outstanding and loss per share were the same for both Basic EPS and Diluted EPS for both the 2003 and 2002 interim periods since the Company reported a net loss for each period. Weighted average shares outstanding during the 2003 and 2002 interim periods were 2.255 billion shares and 951 million shares, respectively.

4. ACQUISITIONS AND OTHER SIGNIFICANT EVENTS

Acquisition of Broadband
On November 18, 2002, the Company completed the acquisition of Broadband. The allocation of the purchase price for the Broadband acquisition recorded during the fourth quarter of 2002 is preliminary. The values of certain assets and liabilities are based on preliminary valuations and are subject to adjustment as additional information is obtained. Such additional information includes: reports from valuation specialists; information related to the cost of terminating or meeting contractual obligations; and information related to preacquisition contingencies.

As of the acquisition date, the Company initiated certain integration activities based on a preliminary plan to terminate employees and exit certain contractual obligations. Under the guidance in Emerging Issues Task Force ("EITF") 95-3, "Recognition of Liabilities in Connection with a Purchase Business Combination," the plan must be finalized within one year of the acquisition date and must identify all significant actions to be taken to complete the plan. Therefore, costs related to terminating employees and exiting contractual obligations of the acquired entity are included in the purchase price allocation. Changes to these estimated termination or exit costs are reflected as adjustments to the purchase price allocation to the extent they occur within one year of the acquisition date or if there are reductions in the amount of estimated termination or exit costs accrued. Otherwise, changes will affect future results of operations.

Liabilities associated with exit activities recorded in the purchase price allocation consist of accrued employee termination and related costs of $602 million and $929 million associated with either the cost of terminating contracts or the present value of remaining amounts payable under non-cancelable contracts. Amounts paid, adjustments made against these accruals and interest accretion during the 2003 interim period were as follows (in millions):

	Employee Termination and Related Costs	Contract Exit Costs
Balance, December 31, 2002	$492	$913
Payments	(105)	(16)
Adjustments		9
Interest accretion		10
Balance, March 31, 2003	$387	$916

Bresnan Transaction
On March 20, 2003, the Company completed the previously announced transaction with Bresnan Broadband Holdings, LLC and Bresnan Communications, LLC (together, "Bresnan") pursuant to which the Company transferred cable systems serving approximately 314,000 subscribers in Montana, Wyoming and Colorado to Bresnan that the Company had acquired in connection with the Broadband acquisition. The Company received $525 million in cash, plus preferred and common equity interests in Bresnan in exchange for these cable systems. The assets (which consist primarily of cable franchise rights, other intangible assets and property and equipment) for these cable systems were reported as assets held for sale in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," in the Company's consolidated balance sheet as of December 31, 2002. The transfer of these cable systems was accounted for at fair value with no gain or loss recognized. The results of operations for these cable systems for the 2003 interim period were not significant and are included in equity in net losses of affiliates in the Company's consolidated statement of operations.

TWE Restructuring

On March 31, 2003, the Company announced the successful completion of the previously announced restructuring of Time Warner Entertainment Company L.P. ("TWE"). As a result of the restructuring, AOL Time Warner, Inc. ("AOL Time Warner") has assumed complete control over TWE's content assets, including Home Box Office, Warner Bros., and stakes in The WB Network, Comedy Central and Court TV. All of AOL Time Warner's interests in cable, including those held through TWE, are now held through or for the benefit of a new subsidiary of AOL Time Warner called Time Warner Cable, Inc. ("TWC"). In exchange for its 27.6% interest in TWE, the Company received common-equivalent preferred stock of AOL Time Warner, which will be converted into $1.5 billion of AOL Time Warner common stock upon completion of an effective registration statement filing with the SEC, and the Company received a 21% economic stake in the business of TWC. In addition, the Company received $2.1 billion in cash which was used to immediately repay amounts outstanding under certain of the Company's credit facilities (see Note 7). The TWE restructuring was accounted for as a fair value exchange with no gain or loss recognized. TWC is expected to conduct an initial public offering of common stock under the restructuring agreement. Also, under the restructuring agreement, the Company will have registration rights that should facilitate the disposal or monetization of its shares in TWC and in AOL Time Warner.

As part of the process of obtaining approval of the Broadband acquisition from the Federal Communications Commission ("FCC"), at the closing of the Broadband acquisition, the Company placed its entire interest in TWE in trust for orderly disposition. Any non-cash consideration received in respect of such interest as a result of the TWE restructuring, including the AOL Time Warner and TWC stock, will remain in trust until disposed of or FCC approval is obtained to remove such interests from the trust.

Under the trust, the trustee will have exclusive authority to exercise any management or governance rights associated with the securities in trust. The trustee will also have the obligation, subject to the rights of the Company as described in the last sentence of this paragraph, to exercise available registration rights to effect the sale of such interests in a manner intended to maximize the value received consistent with the goal of disposing such securities in their entirety by November 2007. Following this time, if any securities remain in trust, the trustee will be obligated to dispose of the remaining interests as quickly as possible, and in any event by May 2008. The trustee is also obligated, through November 2007, to effect certain specified types of sale or monetization transactions with respect to the securities as may be proposed by the Company from time to time.

As a condition of the closing of the TWE restructuring, the Company entered into a three-year nonexclusive agreement with AOL Time Warner under which the AOL High-Speed Broadband service will be made available over a three-year period on certain of the Company's cable systems which pass approximately 10 million homes.

Unaudited Pro Forma Information

The following unaudited pro forma information has been presented as if the Broadband acquisition occurred on January 1, 2002. 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 Broadband since January 1, 2002.

	(Amounts in millions, except per share data) Three Months Ended March 31, 2002
Revenues	$5,031
Net loss	($709)
Diluted EPS	($0.31)

5. INVESTMENTS

	March 31, 2003	December 31, 2002
	(in millions)	
Fair value method		
AT&T Corp	$110	$287
Cablevision	787	694
Microsoft	1,913	1,967
Sprint Corp. PCS Group	334	369
Vodaphone	1,749	1,759
Other	81	82
	4,974	5,158
Equity Method		
Cable related	2,148	2,094
Other	231	236
	2,379	2,330
Cost method, principally TWC and AOL Time Warner at March 31, 2003 and TWE at December 31, 2002 (see Note 4)	8,988	10,985
Total investments	16,341	18,473
Less, current investments	3,153	3,266
Non-current investments	$13,188	$15,207

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 net unrealized pre-tax gains on investments accounted for as available for sale securities as of March 31, 2003 and December 31, 2002 of $56 million and $72 million, respectively, have been reported in the Company's consolidated balance sheet principally as a component of accumulated other comprehensive loss, net of related deferred income taxes of $20 million and $25 million, respectively.

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

	March 31, 2003	December 31, 2002
Cost	$169	$322
Gross unrealized gains	57	73
Gross unrealized losses	(1)	(1)
Fair value	$225	$394

Cost Method
In connection with the Broadband acquisition, the Company acquired an indirect interest in Charter Communications VIII, LLC ("CC VIII"), a cable joint venture with Charter Communications, Inc. ("Charter"). In April 2002, AT&T exercised its rights to cause Paul G. Allen ("Allen"), Charter's Chairman, or his designee to purchase this indirect interest for approximately $725 million in cash. The parties agreed to delay the settlement of the purchase until April 14, 2003 while they negotiated alternatives to the purchase. On April 14, 2003, the

Company announced that the Company and Allen agreed to delay for a period of up to 30 days the purchase by Allen of Comcast's interest in CC VIII. The transaction is now expected to close in May 2003, unless the parties agree to an alternative arrangement.

Investment Loss, Net

Investment loss, net for the interim periods includes the following (in millions):

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Interest and dividend income	$33	$7
Gains on sales and exchanges of investments, net	22	2
Investment impairment losses	(55)	(13)
Unrealized losses on trading securities	(15)	(1,020)
Mark to market adjustments on derivatives related to trading securities	(11)	847
Mark to market adjustments on derivatives and hedged items	(204)	(71)
Investment loss, net	($230)	($248)

6. GOODWILL

The changes in the carrying amount of goodwill by business segment (see Note 11) for the periods presented are as follows (in millions):

	Cable	Commerce	Corporate and Other	Total
Balance, December 31, 2002	$15,644	$835	$918	$17,397
Purchase price allocation adjustments	(358)			(358)
Intersegment transfers	20		(20)	
Balance, March 31, 2003	$15,306	$835	$898	$17,039

During the 2003 interim period, the Company adjusted its preliminary purchase price allocation of the Broadband acquisition. These adjustments resulted in a reduction of goodwill and corresponding adjustments to franchise rights, other noncurrent liabilities, deferred income taxes and certain working capital accounts (see Note 4).

7. LONG-TERM DEBT

	March 31, 2003	December 31, 2002
	(in millions)	
Notes exchangeable into common stock	$5,679	$5,459
Bank and public debt	26,682	28,702
Other, including capital lease obligations	549	749
Total debt	$32,910	$34,910

The Cross-Guarantee Structure

To simplify the Company's capital structure, effective with the acquisition of Broadband, the Company and four of its cable holding company subsidiaries fully and unconditionally guaranteed each other's debt securities (the "Cross-Guarantee Structure"). Comcast Holdings Corporation is not a guarantor, and none of its debt is guaranteed. Comcast MO of Delaware, Inc. (formerly, MediaOne of Delaware, Inc. and Continental Cablevision, Inc.) was not originally a part of the Cross-Guarantee Structure. On March 12, 2003, the Company announced the successful completion of a bondholder consent solicitation related to Comcast MO of Delaware, Inc.'s $1.7 billion aggregate principal amount in debt securities to permit it to become part of the Cross-Guarantee Structure. As of March 31, 2003, $24.432 billion of the Company's debt securities were entitled to the benefits of the Cross-Guarantee Structure (see Note 12).

Senior Notes Offerings

In January and March 2003, the Company sold an aggregate of $3.0 billion of public debt consisting of $600 million of 5.85% senior notes due 2010, $900 million of 6.50% senior notes due 2015, $750 million of 5.50% senior notes due 2011 and $750 million of 7.05% senior notes due 2033. The Company used all of the net proceeds from the offerings to repay a portion of the Company's short-term debt outstanding.

Repayments of Debt with Proceeds from TWE Restructuring

On March 31, 2003, in connection with the closing of the TWE restructuring, the Company received $2.1 billion in cash which was used to repay debt, including the remaining outstanding balance of its short-term debt (see Note 4).

Redemptions and Refinancings of Debt

On April 9, 2003, the Company announced that it intends to redeem at their respective scheduled redemption price on May 9, 2003, the entire outstanding aggregate principal amount of certain of its senior notes and senior subordinated notes with maturities from 2003 to 2023 and interest rates ranging from 8 1/4% to 9.65%. The Company intends to refinance the redemptions with amounts available under the Company's existing credit facilities. As of March 31, 2003, $451 million of these notes were outstanding.

On May 5, 2003, the Company borrowed an aggregate of $2.75 billion, representing all amounts available under two new credit agreements. Borrowings under the new credit agreements, which are due in 2006, were used to repay a portion of the $3.18 billion outstanding as of March 31, 2003 under the Company's term loan due 2004. The new credit agreements replaced the Company's 364-day credit facility which expired in May 2003.

Notes Exchangeable into Common Stock

As a result of the Broadband acquisition, the Company assumed exchangeable notes (the "Exchangeable Notes") which are mandatorily redeemable at the Company's option into shares of Cablevision NY Group ("Cablevision") Class A common stock or its cash equivalent, Microsoft Corporation ("Microsoft") common stock or its cash equivalent, (i) Vodafone ADRs, (ii) the cash equivalent, or (iii) a combination of cash and Vodafone ADRs, and Comcast Class A Special common stock or its cash equivalent. The maturity value of the Exchangeable Notes varies based upon the fair market value of the security to which it is indexed. The Company's Exchangeable Notes are collateralized by the Company's investments in Cablevision, Microsoft and Vodafone, respectively, and the Comcast Class A Special common stock held in treasury. As of March 31, 2003, the securities held by the Company collateralizing the Exchangeable Notes were sufficient to satisfy the debt obligations associated with the outstanding Exchangeable Notes.

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 common stock. Prior to maturity, each ZONES is exchangeable at the holders' option for an amount of cash equal to 95% of the market value of Sprint PCS Stock. As of March 31, 2003, the number of Sprint PCS shares held by the Company exceeded the number of ZONES outstanding.

The Company split the accounting for the Exchangeable Notes and the ZONES into derivative and debt components. The Company records the change in the fair value of the derivative component of the Exchangeable Notes and the ZONES (see Note 5) and the change in the carrying value of the debt component of the Exchangeable Notes and the ZONES as follows (in millions):

	Exchangeable Notes	ZONES	
	Three Months Ended March 31,	Three Months Ended March 31,	
	2003	2003	2002
Balance at Beginning of Period:			
Debt component	$6,981	$491	$468
Derivative component	(1,522)	208	1,145
Total	5,459	699	1,613
(Decrease) increase in debt component to interest expense	(25)	6	6
Increase (decrease) in derivative component to investment loss, net	245	(1)	(664)
Balance at End of Period:			
Debt component	6,956	497	474
Derivative component	(1,277)	207	481
Total	$5,679	$704	$955

Interest Rates
Excluding the derivative component of the Exchangeable Notes and the ZONES whose changes in fair value are recorded to investment loss, net, the Company's effective weighted average interest rate on its total debt outstanding was 6.54% and 5.86% as of March 31, 2003 and December 31, 2002, respectively.

Derivatives
The Company uses derivative financial instruments to manage its exposure to fluctuations in interest rates and securities prices. The Company has issued indexed debt instruments and prepaid forward sale agreements whose value, in part, is derived from the market value of certain publicly traded common stock.

Lines and Letters of Credit
Certain subsidiaries of the Company had unused lines of credit of $4.763 billion under their respective credit facilities.

As of March 31, 2003, the Company and certain of its subsidiaries had unused irrevocable standby letters of credit totaling $400 million to cover potential fundings under various agreements.

8. STOCKHOLDERS' EQUITY

Stock-Based Compensation
The Company accounts for stock-based compensation in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations, as permitted by SFAS No. 123, "Accounting for Stock-Based Compensation," as amended. 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.

The following table illustrates the effect on net loss and loss per share if the Company had applied the fair value recognition provisions of SFAS No. 123 to stock-based compensation (dollars in millions, except per share data):

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Net loss, as reported	($297)	($89)
Deduct: Total stock-based compensation expense determined under fair value based method for all awards, net of related tax effects	(38)	(33)
Pro forma, net loss	($335)	($122)
Basic and Diluted loss for common stockholders per common share:		
As reported	($0.13)	($0.09)
Pro forma	($0.15)	($0.13)

Total stock-based compensation expense was determined under the fair value method for all awards assuming accelerated vesting of the Company's stock options as permitted under SFAS No. 123. Had the Company applied the fair value recognition provisions of SFAS No. 123 assuming straight-line rather than accelerated vesting of its stock options, total stock-based compensation expense, net of related tax effects, would have been $32 million and $27 million for the interim periods in 2003 and 2002, respectively.

The weighted-average fair value at date of grant of a Class A common stock option granted under the Company's option plans during the 2003 interim period was $11.56. The weighted-average fair value at date of grant of a Class A Special common stock option granted under the option plans during the interim period in 2002 was $16.43. The fair value of each option granted during the interim periods in 2003 and 2002 was estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	Three Months Ended March 31, 2003	2002
	Class A Common Stock	Class A Special Common Stock
Dividend yield	0%	0%
Expected volatility	29.2%	29.2%
Risk-free interest rate	3.8%	5.3%
Expected option lives (in years)	8.0	8.0
Forfeiture rate	3.0%	3.0%

The pro forma effect on net loss and net loss per share for the interim periods by applying SFAS No. 123 may not be indicative of the 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.

Comcast Option Plans

The Company maintains stock option plans for certain employees, directors and other persons (collectively, the "Comcast Option Plans"). The following table summarizes the activity of the Comcast Option Plans during the 2003 interim period (options in thousands):

	Class A Common Stock		Class A Special Common Stock	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Outstanding at beginning of period....	63,575	$43.31	64,890	$28.57
Granted..............................	16,843	27.23		
Exercised............................	(167)	15.85	(316)	9.71
Canceled.............................	(801)	41.38	(252)	38.96
Outstanding at end of period..........	79,450	39.98	64,322	28.63
Exercisable at end of period..........	58,010	44.79	25,000	21.91

Comprehensive Loss

The Company's total comprehensive loss for the interim periods was as follows (in millions):

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Net loss..	($297)	($89)
Unrealized losses on marketable securities...........	(31)	(141)
Reclassification adjustments for losses included in net loss..............................	24	5
Unrealized losses on the effective portion of cash flow hedges..................................		(4)
Foreign currency translation gains (losses)..........	6	(12)
Comprehensive loss.................................	($298)	($241)

9. STATEMENT OF CASH FLOWS - SUPPLEMENTAL INFORMATION

The Company made cash payments for interest and income taxes during the interim periods as follows (in millions):

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Interest..	$567	$110
Income taxes...	$41	$30

10. COMMITMENTS AND CONTINGENCIES

Commitments

Certain subsidiaries of the Company support debt compliance with respect to obligations aggregating $1.731 billion as of March 31, 2003 of certain cable television partnerships and investments in which the Company holds an ownership interest (see Note 5). The obligations expire between May 2008 and September 2010. Although there can be no assurance, management believes that it will not be required to meet its obligations under such commitments. The total notional amount of commitments for the Company was $1.731 billion as of March 31, 2003, at which time there were no quoted market prices for similar agreements.

Contingencies

On March 3, 2003, the Company announced that Liberty Media Corporation ("Liberty") delivered a notice to it, pursuant to the stockholders agreement between the Company and Liberty, that triggers an exit rights process with respect to Liberty's approximate 42% interest in QVC. An appraisal process will determine the value of QVC. The Company will then have the right to purchase Liberty's interest in QVC based on the determined value. The Company may pay Liberty for the QVC stock in cash, in a promissory note maturing not more than three years after issuance, in its equity securities or in a combination of these, subject to Liberty's right to request payment in all equity securities and the parties' obligation to use reasonable efforts to consummate the purchase in the most tax efficient method available (provided that the Company is not required to issue securities representing more than 4.9% of the outstanding equity or vote of the Company's common stock). If the Company elects not to purchase Liberty's interest in QVC, Liberty then will have a similar right to purchase the Company's approximate 57% interest in QVC. If neither the Company nor Liberty elect to purchase the interest of the other, then the Company and Liberty are required to use their best efforts to sell QVC; either company is permitted to be a purchaser in any such sale. The Company and Liberty may agree not to enter into a transaction, or may agree to a transaction other than that specified in the stockholders agreement. Under the current terms of the stockholders agreement between the Company and Liberty, the Company would no longer control QVC if it elects not to purchase Liberty's interest in QVC.

Litigation has been filed against the Company as a result of alleged conduct of the Company with respect to its investment in and distribution relationship with At Home Corporation. At Home was a provider of high-speed Internet access and content services which filed for bankruptcy protection in September 2001. Filed actions are: (i) class action lawsuits against the Company, Brian L. Roberts (the Company's President and Chief Executive Officer and a director), AT&T (the former controlling shareholder of At Home and also a former distributor of the At Home service) and other corporate and individual defendants in the Superior Court of San Mateo County, California, alleging breaches of fiduciary duty on the part of the Company and the other defendants in connection with transactions agreed to in March 2000 among At Home, the Company, AT&T and Cox Communications, Inc. (Cox is also an investor in At Home and a former distributor of the At Home service); (ii) class action lawsuits against Comcast Cable Communications, Inc., AT&T and others in the United States District Court for the Southern District of New York, alleging securities law violations and common law fraud in connection with disclosures made by At Home in 2001; and (iii) a lawsuit brought in the United States District Court for the District of Delaware in the name of At Home by certain At Home bondholders against the Company, Brian L. Roberts, Cox and others, alleging breaches of fiduciary duty relating to the March 2000 transactions and seeking recovery of alleged short- swing profits of at least $600 million pursuant to Section 16(b) of the Securities Exchange Act of 1934 purported to have arisen in connection with certain transactions relating to At Home stock effected pursuant to the March 2000 agreements. The actions in San Mateo County, California have been stayed by the United States Bankruptcy Court for the Northern District of California, the court in which At Home filed for bankruptcy, as violating the automatic bankruptcy stay. In the Southern District of New York actions, the court ordered the actions consolidated into a single action. An amended consolidated class action complaint was filed on November 8, 2002. All of the defendants served motions to dismiss on February 11, 2003.

Under the terms of the Broadband acquisition, the Company is contractually liable for 50% of any liabilities of AT&T relating to At Home, including any resulting from any pending or threatened litigation. AT&T will be liable for the other 50% of these liabilities. In addition to the actions against AT&T described above, where the Company is also a defendant, there are two additional actions brought by At Home's bondholders' liquidating trust against AT&T, not naming the Company: (i) a lawsuit filed against AT&T and certain of its senior officers in Santa Clara, California state court alleging various breaches of fiduciary duties, misappropriation of trade secrets and other causes of action in connection with the transactions in March 2000 described above, and prior and subsequent alleged conduct on the part of the defendants, and (ii) an action filed against AT&T in the District Court for the Northern District of California, alleging that AT&T infringes an At Home patent by using its broadband distribution and high-speed Internet backbone networks and equipment. AT&T moved to dismiss the Santa Clara action on the grounds that California is an inconvenient forum, but the court denied AT&T's motion. AT&T also moved to transfer the Northern District of California action to the Southern District of New York as being a more convenient venue. AT&T's motion was denied on April 25, 2003.

The Company denies any wrongdoing in connection with the claims which have been made directly against the Company, its subsidiaries and Brian L. Roberts, and intends to defend all of these claims vigorously. In management's opinion, the final disposition of these claims is not expected to have a material adverse effect on the Company's consolidated financial position, but could possibly be material to the Company's consolidated results of operations of any one period. Further, no assurance can be given that any adverse outcome would not be material to such consolidated financial position.

Management is continuing to evaluate this litigation and is unable to currently determine what impact, if any, that the Company's 50% share of the AT&T At Home potential liabilities would have on the Company's consolidated financial position or results of operations. No assurance can be given that any adverse outcome would not be material.

Some of the entities formerly attributed to Broadband which are now subsidiaries of the Company are parties to an affiliation term sheet with Starz Encore Group LLC, an affiliate of Liberty Media Corporation, which extends to 2022. The term sheet requires annual fixed price payments, subject to adjustment for various factors, including inflation. The term sheet also requires the Company to pay two-thirds of Starz Encore's programming costs above levels designated in the term sheet. Excess programming costs that may be payable by the Company in future years are not presently estimable, and could be significant.

By letter dated May 29, 2001, Broadband disputed the enforceability of the excess programming pass-through provisions of the Starz Encore term sheet and questioned the validity of the term sheet as a whole. Broadband also has raised certain issues concerning the uncertainty of the provisions of the term sheet and the contractual interpretation and application of certain of its provisions to, among other things, the acquisition and disposition of cable systems. In July 2001, Starz Encore filed a lawsuit in Colorado state court seeking payment of the 2001 excess programming costs and a declaration that the term sheet is a binding and enforceable contract. In October 2001, Broadband and Starz Encore agreed to delay any further proceedings in the litigation until August 31, 2002 to allow the parties time to continue negotiations toward a potential business resolution of this dispute. As part of this standstill agreement, Broadband and Starz Encore settled Starz Encore's claim for the 2001 excess programming costs, and Broadband agreed to continue to make the standard monthly payments due under the term sheet, with a full reservation of rights with respect to these payments. In connection with the standstill agreement, the court granted a stay on October 30, 2001. The terms of the stay order allowed either party to petition the court to lift the stay after April 30, 2002 and to proceed with the litigation. Broadband and Starz Encore agreed to extend the standstill agreement to and including January 31, 2003, with a requirement that the parties attempt to mediate the dispute. A mediation session held in January 2003 did not result in any resolution of the matter.

On November 18, 2002, the Company and Comcast Holdings filed suit against Starz Encore in the United States District Court for the Eastern District of Pennsylvania. The Company and Comcast Holdings seek a declaratory judgment that, pursuant to their rights under a March 17, 1999 contract with a predecessor of Starz Encore, upon the completion of the Broadband acquisition that contract now provides the terms under which Starz Encore programming is acquired and transmitted by the Company's cable systems. On January 8, 2003, Starz Encore filed a motion to dismiss the lawsuit on the grounds that claims asserted by the Company and Comcast Holdings raised issues of state law that the United States District Court should decline to decide. The Company has responded contesting these assertions. That motion has been submitted to the Court for decision.

On January 31, 2003, Starz Encore filed an amended complaint in its lawsuit against Broadband in Colorado state court. The amended complaint adds the Company and Comcast Holdings as defendants and adds new claims against the Company, Comcast Holdings and Broadband asserting alleged breaches of, and interference with, the standstill agreement relating to the lawsuit filed by the Company and Comcast Holdings in federal District Court in Pennsylvania and to the defendants' position that since the completion of the Broadband acquisition, the March 17, 1999 contract now provides the terms under which Starz Encore programming is acquired and transmitted by the Company's cable systems.

On March 3, 2003, Starz Encore filed a motion for leave to file a second amended complaint that would add allegations that Broadband has breached certain joint-marketing obligations under the term sheet and that the Company and Comcast Holdings have breached certain joint-marketing obligations under the March 17, 1999 contract and other agreements. The Company, Comcast Holdings and Broadband intend to oppose Starz Encore's motion for leave to file a second amended complaint and, in light of Starz Encore's pending motion for leave to amend, have sought an extension of time from the Court to respond to Starz Encore's amended complaint.

On April 3, 2003, the Company and Comcast Holdings filed a motion for summary judgment in the federal action in Pennsylvania. On April 16, 2003, Starz Encore filed a motion seeking (i) to strike the affidavit supporting the summary judgment motion or, in the alternative, (ii) a general postponement of Starz Encore's response date (or at a minimum a three week extension). On April 29, 2003, the Company and Comcast Holdings filed an opposition to Starz Encore's motion. The Court has not yet ruled on either motion.

An entity formerly attributed to Broadband, which is now a subsidiary of the Company, is party to a master agreement that may not expire until December 31, 2012, under which it purchases certain billing services from CSG Systems, Inc. The master agreement requires monthly payments, subject to adjustment for inflation. The master agreement also contains a most favored nation provision that may affect the amounts paid thereunder.

On May 10, 2002, Broadband filed a demand for arbitration against CSG before the American Arbitration Association asserting, among other things, the right to terminate the master agreement and seeking damages under the most favored nation provision or otherwise. On May 31, 2002, CSG answered Broadband's arbitration demand and asserted various counterclaims, including for (i) breach of the master agreement; (ii) a declaration that the Company is now bound by the master agreement to use CSG as its exclusive provider for certain billing and customer care services; (iii) tortious interference with prospective contractual relations; and (iv) civil conspiracy. A hearing in the arbitration is scheduled to commence on May 9, 2003.

On June 21, 2002, CSG filed a lawsuit against Comcast Holdings in federal court in Denver, Colorado asserting claims related to the master agreement and the pending arbitration. On November 4, 2002, CSG withdrew its complaint against Comcast Holdings without prejudice. On November 15, 2002, the Company initiated a lawsuit against CSG in federal court in Philadelphia, Pennsylvania asserting that cable systems owned by Comcast Holdings are not required to use CSG as a billing service or customer care provider pursuant to the master agreement, and that the former Broadband cable systems owned by the Company may be added to a billing service agreement between the Company and CSG. CSG moved to dismiss or stay the lawsuit on the ground that the issues raised by the complaint could be wholly or substantially determined by the above-mentioned arbitration. By Order dated February 10, 2003, the Court stayed the lawsuit until further notice.

On January 8, 2003, Liberty Digital, Inc. filed a complaint in Colorado state court against the Company and Comcast Cable Holdings, LLC (formerly AT&T Broadband LLC and Tele-Communications, Inc.), a wholly owned subsidiary of the Company. The complaint alleges that Comcast Cable Holdings breached a 1997 "contribution agreement" between Liberty Digital and Comcast Cable Holdings and that the Company tortiously interfered with that agreement. The complaint alleges that this purported agreement obligates Comcast Cable Holdings to pay fees to Liberty Digital totaling $18 million (increasing at CPI) per year through 2017. The Company and Comcast Cable Holdings filed their answer to the complaint on March 5, 2003, in which the Company and Comcast Cable Holdings denied the essential allegations of the complaint and asserted various affirmative defenses.

In management's opinion, the final disposition of the Starz Encore, CSG and Liberty Digital contractual disputes is not expected to have a material adverse effect on the Company's consolidated financial position or results of operations. However, no assurance can be given that any adverse outcome would not be material to such consolidated financial position or results of operations.

The Company is subject to other 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 $165 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 $50 million.

11. FINANCIAL DATA BY BUSINESS SEGMENT

The following represents the Company's significant business segments, "Cable" and "Commerce." The components of net income (loss) below operating income (loss) before depreciation and amortization are not separately evaluated by the Company's management on a segment basis (in millions).

	Cable	Commerce	Corporate and Other (1)	Total
Three Months Ended March 31, 2003				
Revenues (2)	$4,232	$1,062	$224	$5,518
Operating income before depreciation and amortization (3)	1,421	211	6	1,638
Depreciation and amortization	1,080	31	54	1,165
Operating income (loss)	341	180	(48)	473
Interest expense	448	1	76	525
Capital expenditures	953	13	5	971
Three Months Ended March 31, 2002				
Revenues (2)	$1,469	$988	$210	$2,667
Operating income before depreciation and amortization (3)	597	192	19	808
Depreciation and amortization	293	27	67	387
Operating income (loss)	304	165	(48)	421
Interest expense	146	3	38	187
Capital expenditures	358	32	9	399
As of March 31, 2003				
Assets	$100,314	$3,083	$6,615	$110,012
Long-term debt, less current portion	25,236		5,022	30,258
As of December 31, 2002				
Assets	$106,291	$3,000	$3,814	$113,105
Long-term debt, less current portion	26,033	1	1,923	27,957

(1) Other includes segments not meeting certain quantitative guidelines for reporting including the Company's content operations and elimination entries related to the segments presented. Corporate and other assets consist primarily of the Company's investments and intangible assets related to the Company's content operations (see Notes 5 and 6).

(2) Revenues include $215 million and $140 million during the 2003 and 2002 interim periods, 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 before depreciation and amortization is commonly referred to in the Company's businesses as EBITDA. EBITDA is the measure of profit or loss used to evaluate performance of all of the Company's operating segments and operating units within all of the Company's segments. EBITDA is defined as operating income before depreciation and amortization and impairment charges, if any, related to fixed and intangible assets. As such, it eliminates the significant level of non-cash depreciation and amortization expense that results from the capital intensive nature of the Company's businesses and intangible assets recognized in business combinations and is unaffected by the Company's capital structure or investment activities. EBITDA is frequently used as one of the bases for comparing the Company's operating performance with other companies in the Company's industries, although the Company's measure of EBITDA may not be directly comparable to similarly titled measures of other companies. EBITDA should not be considered as a substitute for operating income (loss), net income (loss), net cash provided by operating activities or other measures of performance or liquidity reported in accordance with GAAP.

12. CONDENSED CONSOLIDATING FINANCIAL INFORMATION

In November 2002, in order to simplify the Company's capital structure, the Company and four of its cable holding company subsidiaries, Comcast Cable Communications, Inc. (Comcast Cable or "CCCI"), Comcast Cable Communications Holdings, Inc. (Comcast Cable Communications Holdings or "CCCH"), Comcast MO Group, Inc. ("Comcast MO Group"), and Comcast Cable Holdings, LLC (Comcast Cable Holdings or "CCH"), fully and unconditionally guaranteed each other's debt securities. Comcast MO of Delaware, Inc. ("Comcast MO of Delaware") was not originally a part of the Cross-Guarantee Structure. On March 12, 2003, the Company announced the successful completion of a bondholder consent solicitation related to Comcast MO of Delaware's $1.7 billion aggregate principal amount in debt securities to permit it to become part of the Cross-Guarantee Structure (see Note 7). Comcast MO Group and CCH (as of December 31, 2002) and Comcast MO Group, CCH and Comcast MO of Delaware (as of March 31, 2003 and for the 2003 interim period) are collectively referred to as the "Combined CCHMO Parents." Condensed consolidating financial information of the Company is as follows (in millions):

Comcast Corporation
Condensed Consolidating Balance Sheet
As of March 31, 2003

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
ASSETS							
Cash and cash equivalents	$	$	$	$	$1,024	$	$1,024
Investments	31				3,122		3,153
Accounts receivable, net					1,323		1,323
Inventories, net					482		482
Deferred income taxes					129		129
Other current assets	10				367		377
Total current assets	41				6,447		6,488
INVESTMENTS					13,188		13,188
INVESTMENTS IN AND AMOUNTS DUE FROM SUBSIDIARIES ELIMINATED UPON CONSOLIDATION	42,088	21,016	29,849	37,993	13,800	(144,746)	
PROPERTY AND EQUIPMENT, net					18,961		18,961
FRANCHISE RIGHTS					48,290		48,290
GOODWILL					17,039		17,039
OTHER INTANGIBLE ASSETS, net					5,273		5,273
OTHER NONCURRENT ASSETS, net	86	52	37		598		773
Total Assets	$42,215	$21,068	$29,886	$37,993	$123,596	($144,746)	$110,012
LIABILITIES AND STOCKHOLDERS' EQUITY							
Accounts payable	$	$	$	$	$1,631	$	$1,631
Accrued expenses and other current liabilities	212	175	56	273	4,154		4,870
Deferred income taxes					1,093		1,093
Current portion of long-term debt				856	1,796		2,652
Total current liabilities	212	175	56	1,129	8,674		10,246
LONG-TERM DEBT, less current portion	3,670	7,093	5,998	6,815	6,682		30,258
DEFERRED INCOME TAXES					23,125		23,125
OTHER NONCURRENT LIABILITIES	279			200	5,121		5,600
MINORITY INTEREST					2,729		2,729
STOCKHOLDERS' EQUITY							
Common stock	25						25
Other stockholders' equity	38,029	13,800	23,832	29,849	77,265	(144,746)	38,029
Total Stockholders' Equity	38,054	13,800	23,832	29,849	77,265	(144,746)	38,054
Total Liabilities and Stockholders' Equity	$42,215	$21,068	$29,886	$37,993	$123,596	($144,746)	$110,012

Comcast Corporation
Condensed Consolidating Balance Sheet
As of December 31, 2002

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
ASSETS							
Cash and cash equivalents	$	$	$	$	$781	$	$781
Investments	30				3,236		3,266
Accounts receivable, net					1,383		1,383
Inventories, net					479		479
Assets held for sale					613		613
Deferred income taxes					129		129
Other current assets	22				403		425
Total current assets	52				7,024		7,076
INVESTMENTS					15,207		15,207
INVESTMENTS IN AND AMOUNTS DUE FROM SUBSIDIARIES ELIMINATED UPON CONSOLIDATION	39,356	21,818	33,683	40,749	13,913	(149,519)	
PROPERTY AND EQUIPMENT, net					18,866		18,866
FRANCHISE RIGHTS					48,222		48,222
GOODWILL					17,397		17,397
OTHER INTANGIBLE ASSETS, net					5,599		5,599
OTHER NONCURRENT ASSETS, net	74	99	121		444		738
Total Assets	$39,482	$21,917	$33,804	$40,749	$126,672	($149,519)	$113,105
LIABILITIES AND STOCKHOLDERS' EQUITY							
Accounts payable	$1	$	$	$	$1,662	$	$1,663
Accrued expenses and other current liabilities	208	107	46	469	4,819		5,649
Liabilities related to assets held for sale					13		13
Deferred income taxes					1,105		1,105
Short-term debt			3,750				3,750
Current portion of long-term debt				1,465	1,738		3,203
Total current liabilities	209	107	3,796	1,934	9,337		15,383
LONG-TERM DEBT, less current portion	680	7,897	6,005	4,932	8,443		27,957
DEFERRED INCOME TAXES					23,110		23,110
OTHER NONCURRENT LIABILITIES	264			200	5,188		5,652
MINORITY INTEREST					2,674		2,674
STOCKHOLDERS' EQUITY							
Common stock	25						25
Other stockholders' equity	38,304	13,913	24,003	33,683	77,920	(149,519)	38,304
Total Stockholders' Equity	38,329	13,913	24,003	33,683	77,920	(149,519)	38,329
Total Liabilities and Stockholders' Equity	$39,482	$21,917	$33,804	$40,749	$126,672	($149,519)	$113,105

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Three Months Ended March 31, 2003

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES							
Service revenues	$	$	$	$	$4,456	$	$4,456
Net sales from electronic retailing					1,062		1,062
Management fee revenue	95	37	58	58		(248)	
	95	37	58	58	5,518	(248)	5,518
COSTS AND EXPENSES							
Operating (excluding depreciation)					1,930		1,930
Cost of goods sold from electronic retailing (excluding depreciation)					673		673
Selling, general and administrative	38	37	58	58	1,334	(248)	1,277
Depreciation					799		799
Amortization					366		366
	38	37	58	58	5,102	(248)	5,045
OPERATING INCOME	57				416		473
OTHER INCOME (EXPENSE)							
Interest expense	(44)	(135)	(113)	(115)	(118)		(525)
Investment loss, net					(230)		(230)
Equity in net income (losses) of affiliates	(305)	229	(337)	(262)	121	534	(20)
Other income					18		18
	(349)	94	(450)	(377)	(209)	534	(757)
INCOME (LOSS) BEFORE INCOME TAXES AND MINORITY INTEREST	(292)	94	(450)	(377)	207	534	(284)
INCOME TAX BENEFIT (EXPENSE)	(5)	47	40	40	(54)		68
INCOME (LOSS) BEFORE MINORITY INTEREST	(297)	141	(410)	(337)	153	534	(216)
MINORITY INTEREST					(81)		(81)
NET INCOME (LOSS)	($297)	$141	($410)	($337)	$72	$534	($297)

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Three Months Ended March 31, 2002

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiar	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES							
Service revenues	$	$	$	$	$1,679	$	$1,679
Net sales from electronic retailing					988		988
					2,667		2,667
COSTS AND EXPENSES							
Operating (excluding depreciation)					743		743
Cost of goods sold from electronic retailing (excluding depreciation)					629		629
Selling, general and administrative					487		487
Depreciation					334		334
Amortization					53		53
					2,246		2,246
OPERATING INCOME					421		421
OTHER INCOME (EXPENSE)							
Interest expense		(140)			(47)		(187)
Investment loss, net					(248)		(248)
Equity in net income (losses) of affiliates		192			96	(293)	(5)
Other expense					(23)		(23)
		52			(222)	(293)	(463)
INCOME (LOSS) BEFORE INCOME TAXES AND MINORITY INTEREST		52			199	(293)	(42)
INCOME TAX BENEFIT (EXPENSE)		49			(52)		(3)
INCOME (LOSS) BEFORE MINORITY INTEREST		101			147	(293)	(45)
MINORITY INTEREST					(44)		(44)
NET INCOME (LOSS)		$101			$103	($293)	($89)

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED MARCH 31, 2003
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(Unaudited)

Comcast Corporation
Condensed Consolidating Statement of Cash Flows
For the Three Months Ended March 31, 2003

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
OPERATING ACTIVITIES							
Net income (loss)	($297)	$141	($410)	($337)	$72	$534	($297)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:							
Depreciation					799		799
Amortization					366		366
Non-cash interest (income) expense, net		(4)		(33)	16		(21)
Equity in net (income) losses of affiliates	305	(229)	337	262	(121)	(534)	20
Losses (gains) on investments and other (income) expense, net					247		247
Minority interest					55		55
Deferred income taxes					(182)		(182)
Proceeds from sales of trading securities					32		32
Other					10		10
	8	(92)	(73)	(108)	1,294		1,029
Changes in working capital							
Decrease in accounts receivable, net					61		61
Increase in inventories, net					(3)		(3)
Increase in other current assets					48		48
Increase (decrease) in accounts payable, accrued expenses and other current liabilities	4	68	10	(196)	(221)		(335)
	4	68	10	(196)	(115)		(229)
Net cash provided by (used in) operating activities	12	(24)	(63)	(304)	1,179		800
FINANCING ACTIVITIES							
Proceeds from borrowings	3,690	200			10		3,900
Retirements and repayments of debt	(700)	(1,000)	(3,750)	(608)	(21)		(6,079)
Other					(16)		(16)
Net cash provided by (used in) financing activities	2,990	(800)	(3,750)	(608)	(27)		(2,195)
INVESTING ACTIVITIES							
Net transactions with affiliates	(3,002)	824	3,813	912	(2,547)		
Proceeds from sales of (purchases of) short-term investments, net					(9)		(9)
Proceeds from restructuring of TWE investment					2,100		2,100
Proceeds from sales of investments and assets held for sale					668		668
Purchases of investments					(72)		(72)
Capital expenditures					(971)		(971)
Additions to intangible and other noncurrent assets					(78)		(78)
Net cash provided by (used in) investing activities	(3,002)	824	3,813	912	(909)		1,638
INCREASE IN CASH AND CASH EQUIVALENTS					243		243
CASH AND CASH EQUIVALENTS, beginning of period					781		781
CASH AND CASH EQUIVALENTS, end of period	$	$	$	$	$1,024	$	$1,024

Comcast Corporation
Condensed Consolidating Statement of Cash Flows
For the Three Months Ended March 31, 2002

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
OPERATING ACTIVITIES							
Net income (loss)		$101			$103	($293)	($89)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:							
Depreciation					334		334
Amortization					53		53
Non-cash interest (income) expense, net		(3)			15		12
Equity in net (income) losses of affiliates		(192)			(96)	293	5
Losses (gains) on investments and other (income) expense, net					277		277
Minority interest					44		44
Deferred income taxes					17		17
Other					(37)		(37)
		(94)			710		616
Changes in working capital							
Increase in accounts receivable, net					(13)		(13)
Decrease in inventories					28		28
Increase in other current assets					(47)		(47)
Increase (decrease) in accounts payable, accrued expenses and other current liabilities		34			(99)		(65)
		34			(131)		(97)
Net cash provided by (used in) operating activities		(60)			579		519
FINANCING ACTIVITIES							
Proceeds from borrowings		400			120		520
Retirements and repayments of debt					(451)		(451)
Other					62		62
Net cash provided by (used in) financing activities		400			(269)		131
INVESTING ACTIVITIES							
Net transactions with affiliates		(340)			340		
Acquisitions, net of cash required					(12)		(12)
Proceeds from sales of (purchase of) short-term investments, net					1		1
Proceeds from sales of investments					13		13
Purchases of investments					(4)		(4)
Capital expenditures					(399)		(399)
Additions to intangible and other noncurrent assets					(56)		(56)
Net cash provided by (used in) investing activities		(340)			(117)		(457)
INCREASE IN CASH AND CASH EQUIVALENTS					193		193
CASH AND CASH EQUIVALENTS, beginning of period					350		350
CASH AND CASH EQUIVALENTS, end of period	$	$	$	$	$543	$	$543

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We have grown significantly in recent years through both strategic acquisitions and growth in our existing businesses. On November 18, 2002, we completed the acquisition of AT&T Corp.'s broadband business (the "Broadband acquisition"). The Broadband acquisition substantially increased the size of our cable operations and caused significant changes in our capital structure, including a substantially higher amount of debt. As a result, direct comparisons of our results of operations for periods prior to November 18, 2002 to subsequent periods are not meaningful. See "Results of Operations" for a discussion of the effects of the Broadband acquisition on our results of operations.

We have historically met our cash needs for operations through our cash flows from operating activities. We have generally financed our acquisitions and capital expenditures through issuances of our common stock, borrowings of long-term debt, sales of investments and from existing cash, cash equivalents and short-term investments.

General Developments of Business

Refer to Note 4 to our financial statements included in Item 1 for a discussion of our acquisitions and other significant events.

Liquidity and Capital Resources

The cable 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.

Available sources of financing to fund these requirements include our existing cash and cash equivalents, amounts available under our and our subsidiaries' lines of credit, which total $4.763 billion, and through the future sales or monetizations of our investments.

In addition, as more fully described in Note 4 to our financial statements included in Item 1 (see TWE Restructuring), upon closing of the TWE restructuring agreement, we received common-equivalent preferred stock of the AOL Time Warner, Inc., which will be converted into $1.5 billion of AOL Time Warner common stock upon completion of an effective registration statement filing with the SEC, and an approximate 21% economic interest in Time Warner Cable, Inc.

Cash and Cash Equivalents

We have traditionally maintained significant levels of cash and cash equivalents to meet our short-term liquidity requirements. Our cash equivalents are recorded at fair value. Cash and cash equivalents as of March 31, 2003 were $1.024 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 5 to our financial statements included in Item 1 for a discussion of our investments.

Financing

As of March 31, 2003 and December 31, 2002, our debt, including capital lease obligations, was $32.910 billion and $34.910 billion, respectively.

The $2.0 billion decrease from December 31, 2002 to March 31, 2003 results principally from the effects of our net repayments during 2003. Included in our debt as of March 31, 2003 and December 31, 2002 was short-term debt and current portion of long-term debt of $2.652 and $6.953 billion, respectively.

In January and March 2003, we sold an aggregate of $3.0 billion of public debt consisting of $600 million of 5.85% senior notes due 2010, $900 million of 6.50% senior notes due 2015, $750 million of 5.50% senior notes due 2011 and $750 million of 7.05% senior notes due 2033. We used all of the net proceeds from the offerings to repay a portion of our short-term debt.

On March 31, 2003, in connection with the closing of the TWE restructuring we received $2.1 billion in cash which was used to repay debt, including the remaining outstanding balance of our short-term debt.

On April 9, 2003, we announced that we intend to redeem at their respective scheduled redemption price on May 9, 2003, the entire outstanding aggregate principal amount of certain of our senior notes and senior subordinated notes with maturities from 2003 to 2023 and interest rates ranging from 8 1/4% to 9.65%. We intend to refinance the redemptions with amounts available under our existing credit facilities. As of March 31, 2003, $451 million of these notes were outstanding.

On May 5, 2003, we borrowed an aggregate of $2.75 billion, representing all amounts available under two new credit agreements. Borrowings under the new credit agreements, which are due in 2006, were used to repay a portion of the $3.18 billion outstanding as of March 31, 2003 under our term loan due 2004. The new credit agreements replaced our 364-day credit facility which expired in May 2003.

Excluding the effects of interest rate risk management instruments, 19.8% and 31.8% of our long- term debt, including short-term debt and current portion, as of March 31, 2003 and December 31, 2002, respectively, was at variable rates.

We have and may 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 Note 7 to our financial statements included in Item 1 for a discussion of our long-term debt.

Equity Price Risk Management

We have entered into cashless collar agreements (the "Equity Collars") and prepaid forward sales agreements ("Prepaid Forward Sales") which we account for at fair value. The Equity Collars and Prepaid Forward Sales limit our exposure to and benefits from price fluctuations in the common stock of certain of our investments accounted for as trading securities.

The change in the fair value of our investments accounted for as trading securities was substantially offset by the changes in the fair values of the Equity Collars and the derivative components of the ZONES, Exchangeable Notes and Prepaid Forward Sales. See "Results of Operations - Investment Loss, Net" below.

Statement of Cash Flows

Cash and cash equivalents increased $243 million as of March 31, 2003 from December 31, 2002. The increase in cash and cash equivalents resulted from cash flows from operating, financing and investing activities, which are explained below.

Net cash provided by operating activities amounted to $800 million for the three months ended March 31, 2003, due principally to our operating income before depreciation and amortization (see "Results of Operations"), and by changes in working capital as a result of the timing of receipts and disbursements and the effects of interest and income tax payments.

Net cash used in financing activities consists primarily of borrowings and repayments of debt. Net cash used in financing activities was $2.195 billion for the three months ended March 31, 2003. During the three months ended March 31, 2003, we borrowed $3.900 billion, consisting of:

- $3.000 billion of senior notes, and
- $900 million under revolving credit facilities.

During the three months ended March 31, 2003, we repaid $6.079 billion of our debt, consisting of:

- $3.750 billion of our short-term debt,
- $1.710 billion on certain of our revolving credit facilities,
- $608 million of our senior notes, and
- $11 million under capital leases and other.

Net cash provided by investing activities was $1.638 billion for the three months ended March 31, 2003, including capital expenditures of $971 million, proceeds from the restructuring of our TWE investment of $2.100 billion, and proceeds from sales of investments and assets held for sale of $668 million.

Results of Operations

The effects of the Broadband acquisition were to increase our revenues and expenses, resulting in increases in our operating income before depreciation and amortization. The increase in our depreciation expense from the 2002 to 2003 interim period is primarily due to the effects of the Broadband acquisition and our increased levels of capital expenditures. The increases in our amortization expense and interest expense from the 2002 to 2003 interim period are primarily due to the effects of the Broadband acquisition.

As the effect of the Broadband acquisition was to substantially increase the size of our cable operations, direct comparisons of our results of operations for periods prior to November 18, 2002 to subsequent periods are not meaningful. Refer to "Pro Forma Results" below for additional information relating to our cable segment operating results as if the Broadband acquisition occurred on January 1, 2002.

Our summarized financial information for the interim periods is as follows (dollars in millions, "NM" denotes percentage is not meaningful):

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002	Increase / (Decrease) $	Increase / (Decrease) %
Revenues	$5,518	$2,667	$2,851	106.9%
Cost of goods sold from electronic retailing	673	629	44	7.0
Operating, selling, general and administrative expenses	3,207	1,230	1,977	160.7
Depreciation and amortization	1,165	387	778	201.0
Operating income	473	421	52	12.4
Interest expense	(525)	(187)	338	180.7
Investment loss, net	(230)	(248)	(18)	(7.3)
Equity in net losses of affiliates	(20)	(5)	15	300.0
Other income (expense)	18	(23)	41	NM
Income tax benefit (expense)	68	(3)	71	NM
Minority interest	(81)	(44)	37	84.1
Net loss	($297)	($89)	$208	233.7%
Operating income before depreciation and amortization (1)	$1,638	$808	$830	102.8%

(1) Operating income before depreciation and amortization is commonly referred to in our businesses as EBITDA. EBITDA is the measure of profit or loss used to evaluate performance of all of our operating segments and operating units within all of our segments. EBITDA is defined as operating income before depreciation and amortization and impairment charges, if any, related to fixed and intangible assets. As such, it eliminates the significant level of non-cash depreciation and amortization expense that results from the capital intensive nature of our businesses and intangible assets recognized in business combinations and is unaffected by our capital structure or investment activities. EBITDA is frequently used as one of the bases for comparing our operating performance with other companies in our industries, although our measure of EBITDA may not be directly comparable to similarly titled measures of other companies. Because we use EBITDA as the measure of our segment profit or loss, we reconcile it to operating income, the most directly comparable financial measure calculated and presented in accordance with Generally Accepted Accounting Principles (GAAP), in the business segment footnote to our financial statements. Therefore, we believe our measure of EBITDA is not a Non-GAAP financial measure as contemplated by Regulation G adopted by the Securities and Exchange Commission. EBITDA should not be considered as a substitute for operating income (loss), net income (loss), net cash provided by operating activities or other measures of performance or liquidity reported in accordance with GAAP.

Consolidated Operating Results

Revenues

The increase in consolidated revenues for the interim period from 2002 to 2003 is primarily attributable to an increase in service revenues in our Cable segment due to the effects of the Broadband acquisition and, to a lesser extent, to an increase in net sales in our Commerce segment (see "Operating Results by Business Segment" below). The remaining increase is primarily the result of increases in revenues from our content operations, principally due to increases in distribution of our cable channels.

Cost of goods sold from electronic retailing

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

Operating, selling, general and administrative expenses

The increase in consolidated operating, selling, general and administrative expenses for the interim period from 2002 to 2003 is primarily attributable to increases in expenses in our Cable segment due to the effects of the

Broadband acquisition 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.

Depreciation and Amortization

The increase in depreciation and amortization expense for the interim period from 2002 to 2003 is primarily attributable to our Cable segment and is principally due to the effects of the Broadband acquisition, as well as our increased levels of capital expenditures. As a result of the Broadband acquisition, we recorded approximately $4 billion of franchise related customer relationship intangible assets which we are amortizing over their average estimated useful life of approximately four years.

Operating Results by Business Segment

The following represent the operating results of our significant business segments, "Cable" and "Commerce." The remaining components of our operations are not independently significant to our consolidated financial condition or results of operations. Refer to Note 11 to our financial statements included in Item 1 for a summary of our financial data by business segment (dollars in millions).

Cable

The discussion of our cable segment operating results is presented as a historical comparison of the 2003 interim period and the pre-Broadband acquisition 2002 interim period. In order to provide additional information relating to our cable segment operating results, we also present a discussion comparing our cable segment operating results on a pro forma basis. Pro Forma data is used by management to evaluate performance when significant acquisitions or dispositions occur. Historical data reflects results of acquired businesses only after the acquisition dates while pro forma data enhances comparability of financial information between periods by adjusting the data as if the acquisitions (or dispositions) occurred at the beginning of the prior year. Our pro forma data is only adjusted for the timing of acquisitions and does not include adjustments for costs related to integration activities, cost savings or synergies that have or may be achieved by the combined businesses. In the opinion of management, this information is not indicative of what our results would have been had we operated Broadband since January 1, 2002, nor of our future results.

Pro Forma Results

As previously described, the following discussion includes the pro forma results of our cable segment operations as if the Broadband acquisition had occurred on January 1, 2002.

	Three Months Ended March 31,		Increase/(Decrease)	
	2003	2002	$	%
Video	$2,982	$2,827	$155	5.4%
High-speed Internet	492	312	180	57.5
Phone	224	175	49	27.9
Advertising sales	235	217	18	8.3
Other	147	165	(18)	(10.9)
Franchise fees	151	148	3	2.0
Revenues	4,231	3,844	387	10.0
Operating, selling, general and administrative expenses	2,810	2,798	12	0.4
Operating income before depreciation and amortization (a)	$1,421	$1,046	$375	35.8%

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

Video revenue consists of our basic, expanded basic, premium, pay-per-view, equipment and digital cable services. The increase in video revenue for the interim period from 2002 to 2003 is primarily due to the effects of rate increases in our traditional analog video service and growth in digital subscribers, offset by subscriber losses in the newly acquired cable systems during 2002. From March 31, 2002 to March 31, 2003, we added approximately 1,289,000 digital subscribers, or a 23.4% increase in digital subscribers.

The increase in high-speed Internet revenue for the interim period from 2002 to 2003 is primarily due to the addition of approximately 1,387,000 high-speed Internet subscribers from March 31, 2002 to March 31, 2003, or a 52.3% increase in high-speed Internet subscribers, as well as to the effects of rate increases and less promotional discounting.

The increase in phone revenue for the interim period from 2002 to 2003 is primarily due to the addition of approximately 262,000 phone subscribers from March 31, 2002 to March 31, 2003, or a 22.7% increase in phone subscribers.

The increase in advertising sales revenue for the interim period from 2002 to 2003 is primarily due to the effects of a stronger advertising market and the continued leveraging of our market-wide fiber interconnects.

Other revenue includes installation revenues, guide revenues, commissions from electronic retailing, revenues of our digital media center, revenues of our regional sports programming networks and revenue from other product offerings.

The increase in franchise fees collected from our cable subscribers for the interim period from 2002 to 2003 is primarily attributable to the increase in our revenues upon which the fees apply.

Operating, selling, general and administrative expense for the 2003 interim period did not increase significantly from 2002 primarily because the effects of approximately $88 million of acquisition and employee termination related costs recorded by Broadband during the 2002 interim period offset the effects of increases in the costs of cable programming, high-speed Internet subscriber growth, and increases in labor costs and other volume related expenses in our operations.

Our cost of programming increases as a result of changes in rates, subscriber growth, additional channel offerings and our acquisitions. 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.

Historical Results

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002	Increase $	Increase %
Video	$2,982	$1,150	$1,832	159.3%
High-speed Internet	492	119	373	313.4
Phone	224	6	218	NM
Advertising sales	236	81	155	191.4
Other	147	62	85	137.1
Franchise fees	151	51	100	196.1
Revenues	4,232	1,469	2,763	188.0
Operating, selling, general and administrative expenses	2,811	872	1,939	222.4
Operating income before depreciation and amortization (a)	$1,421	$597	$824	137.9%

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

Of the $1.832 billion increase in video revenues for the interim period from 2002 to 2003, $1.752 billion is attributable to the effects of our acquisition of Broadband and $80 million relates to changes in rates and subscriber growth in our historical operations, driven principally by growth in digital subscribers. From March 31, 2002 to March 31, 2003, we added approximately 466,000 digital subscribers in our historical operations, or a 25.1% increase in digital subscribers. During the 2003 interim period, we added approximately 169,000 digital subscribers.

The increase in high-speed Internet revenue for the interim period from 2002 to 2003 is primarily due to the effects of the Broadband acquisition and growth in high- speed Internet subscribers. From March 31, 2002 to March 31, 2003, we added approximately 678,000 high- speed Internet subscribers in our historical operations, or a 65.1% increase in high-speed Internet subscribers. During the 2003 interim period, we added approximately 417,000 high-speed Internet subscribers.

The increase in phone revenue is attributable to the effects of our acquisition of Broadband.

The increase in advertising sales revenue for the interim period from 2002 to 2003 is primarily due to the effects of the Broadband acquisition, as well as to the effects of a stronger advertising market and the continued leveraging of our market-wide fiber interconnects.

The increase in other revenue for the interim period from 2002 to 2003 is primarily attributable to the effects of the Broadband acquisition.

The increase in franchise fees collected from our cable subscribers for the interim period from 2002 to 2003 is primarily attributable to the increase in our revenues upon which the fees apply.

The increase in operating, selling, general and administrative expense for the interim period from 2002 to 2003 is primarily due to the effects of the Broadband acquisition, 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.

Commerce (QVC, Inc. and Subsidiaries)	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002	Increase $	Increase %
Net sales from electronic retailing	$1,062	$988	$74	7.5%
Cost of goods sold from electronic retailing	673	629	44	7.0
Operating, selling, general and administrative expenses	178	167	11	6.6
Operating income before depreciation and amortization (a)	$211	$192	$19	9.8%
Gross margin	36.6%	36.4%		

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

The $74 million increase in net sales from electronic retailing for the interim period from 2002 to 2003 is attributable to increases in net sales in Germany, Japan, and the United Kingdom, and to the effects of fluctuations in foreign currency exchange rates during the interim periods. Net sales from electronic retailing in the United States for the interim period in 2003 were flat as compared to the prior year period, principally as a result of a decrease in net sales per home. Changes in the average number of homes receiving QVC services and net sales per home in the United States as compared to the prior year interim period are as follows:

	Three Months Ended March 31, 2003
Increase in average number of homes	3.1%
Decrease in net sales per home	2.6%

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 97% 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 growth in repeat sales to existing customers.

The increase in cost of goods sold is primarily related to the growth in net sales. The increase in gross margin is primarily due to the effects of a shift in sales mix.

The increase in operating, selling, general and administrative expenses is 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 for the interim period from 2002 to 2003 is due to the effects of our increased amount of debt outstanding as a result of the Broadband acquisition.

We anticipate that, for the foreseeable future, interest expense will be significant. We believe we will continue to be able to meet our obligations through our ability both to generate cash flow from operations and to obtain external financing.

Investment Loss, Net

Investment loss, net for the interim periods includes the following (in millions):

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Interest and dividend income	$33	$7
Gains on sales and exchanges of investments, net	22	2
Investment impairment losses	(55)	(13)
Unrealized losses on trading securities	(15)	(1,020)
Mark to market adjustments on derivatives related to trading securities	(11)	847
Mark to market adjustments on derivatives and hedged items	(204)	(71)
Investment loss, net	($230)	($248)

Investment loss during the 2003 interim period of $197 million resulting from the fair value adjustment of the derivative component of the Comcast exchangeable notes was not offset in our statement of operations by the corresponding increase in the fair value of the Comcast Class A Special common stock held in treasury during the period since the Comcast common stock will continue to be carried at our historical cost and not adjusted for changes in fair value between measurement dates. Accordingly, our future results of operations may be affected by fluctuations in the fair value of the derivative component of the Comcast exchangeable notes in future periods.

Income Tax Benefit (Expense)

The change in income tax benefit (expense) for the interim period from 2002 to 2003 is primarily the result of the effects of changes in our loss before taxes and minority interest.

Minority Interest

The increase in minority interest for the interim period from 2002 to 2003 is attributable to the effects of changes in the net income or loss of our less than wholly owned consolidated subsidiaries, as well as to the minority interests in certain subsidiaries acquired in connection with the Broadband acquisition.

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

ITEM 4. CONTROLS AND PROCEDURES

(a) Disclosure controls and procedures. Our chief executive officer and our co-chief financial officers, after evaluating the effectiveness of our "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15d-14(c)) as of a date (the "Evaluation Date") within 90 days before the filing date of this quarterly report, have concluded that as of the Evaluation Date, our disclosure controls and procedures were adequate and designed to ensure that material information relating to us and our consolidated subsidiaries would be made known to them by others within those entities.

(b) Changes in internal controls. There were no significant changes in our internal controls or to our knowledge, in other factors that could significantly affect our internal controls and procedures subsequent to the Evaluation Date.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Litigation has been filed against us as a result of alleged conduct with respect to our investment in and distribution relationship with At Home Corporation. At Home was a provider of high-speed Internet access and content services which filed for bankruptcy protection in September 2001. Filed actions are: (i) class action lawsuits against us, Brian L. Roberts (our President and Chief Executive Officer and a director), AT&T (the former controlling shareholder of At Home and also a former distributor of the At Home service) and other corporate and individual defendants in the Superior Court of San Mateo County, California, alleging breaches of fiduciary duty on the part of us and the other defendants in connection with transactions agreed to in March 2000 among At Home, us, AT&T and Cox Communications, Inc. (Cox is also an investor in At Home and a former distributor of the At Home service); (ii) class action lawsuits against Comcast Cable Communications, Inc., AT&T and others in the United States District Court for the Southern District of New York, alleging securities law violations and common law fraud in connection with disclosures made by At Home in 2001; and (iii) a lawsuit brought in the United States District Court for the District of Delaware in the name of At Home by certain At Home bondholders against us, Brian L. Roberts, Cox and others, alleging breaches of fiduciary duty relating to the March 2000 transactions and seeking recovery of alleged short swing profits of at least $600 million pursuant to Section 16(b) of the Securities Exchange Act of 1934 purported to have arisen in connection with certain transactions relating to At Home stock effected pursuant to the March 2000 agreements. The actions in San Mateo County, California have been stayed by the United States Bankruptcy Court for the Northern District of California, the court in which At Home filed for bankruptcy, as violating the automatic bankruptcy stay. In the Southern District of New York actions, the court ordered the actions consolidated into a single action. An amended consolidated class action complaint was filed on November 8, 2002. All of the defendants served motions to dismiss on February 11, 2003.

Under the terms of the Broadband acquisition, we are contractually liable for 50% of any liabilities of AT&T relating to At Home, including any resulting from any pending or threatened litigation. AT&T will be liable for the other 50% of these liabilities. In addition to the actions against AT&T described above, where we are also a defendant, there are two additional actions brought by At Home's bondholders' liquidating trust against AT&T, not naming us: (i) a lawsuit filed against AT&T and certain of its senior officers in Santa Clara, California state court alleging various breaches of fiduciary duties, misappropriation of trade secrets and other causes of action in connection with the transactions in March 2000 described above, and prior and subsequent alleged conduct on the part of the defendants, and (ii) an action filed against AT&T in the District Court for the Northern District of California, alleging that AT&T infringes an At Home patent by using its broadband distribution and high-speed Internet backbone networks and equipment. AT&T moved to dismiss the Santa Clara action on the grounds that California is an inconvenient forum, but the court denied AT&T's motion. AT&T also moved to transfer the Northern District of California action to the Southern District of New York as being a more convenient venue. AT&T's motion was denied on April 25, 2003.

We deny any wrongdoing in connection with the claims which have been made directly against us, our subsidiaries and Brian L. Roberts, and intend to defend all of these claims vigorously. In management's opinion, the final disposition of these claims is not expected to have a material adverse effect on our consolidated financial position, but could possibly be material to our consolidated results of operations of any one period. Further, no assurance can be given that any adverse outcome would not be material to such consolidated financial position.

Management is continuing to evaluate this litigation and is unable to currently determine what impact, if any, that our 50% share of the AT&T At Home potential liabilities would have on our consolidated financial position or results of operations. No assurance can be given that any adverse outcome would not be material.

Some of the entities formerly attributed to Broadband which are now our subsidiaries are parties to an affiliation term sheet with Starz Encore Group LLC, an affiliate of Liberty Media Corporation, which extends to 2022. The term sheet requires annual fixed price payments, subject to adjustment for various factors, including inflation. The term sheet also requires us to pay two-thirds of Starz Encore's programming costs above levels designated in the term sheet. Excess programming costs that may be payable by us in future years are not presently estimable, and could be significant.

By letter dated May 29, 2001, Broadband disputed the enforceability of the excess programming pass-through provisions of the Starz Encore term sheet and questioned the validity of the term sheet as a whole. Broadband also has raised certain issues concerning the uncertainty of the provisions of the term sheet and the contractual interpretation and application of certain of its provisions to, among other things, the acquisition and disposition of cable systems. In July 2001, Starz Encore filed a lawsuit in Colorado state court seeking payment of the 2001 excess programming costs and a declaration that the term sheet is a binding and enforceable contract. In October 2001, Broadband and Starz Encore agreed to delay any further proceedings in the litigation until August 31, 2002 to allow the parties time to continue negotiations toward a potential business resolution of this dispute. As part of this standstill agreement, Broadband and Starz Encore settled Starz Encore's claim for the 2001 excess programming costs, and Broadband agreed to continue to make the standard monthly payments due under the term sheet, with a full reservation of rights with respect to these payments. In connection with the standstill agreement, the court granted a stay on October 30, 2001. The terms of the stay order allowed either party to petition the court to lift the stay after April 30, 2002 and to proceed with the litigation. Broadband and Starz Encore agreed to extend the standstill agreement to and including January 31, 2003, with a requirement that the parties attempt to mediate the dispute. A mediation session held in January 2003 did not result in any resolution of the matter.

On November 18, 2002, we filed suit against Starz Encore in the United States District Court for the Eastern District of Pennsylvania. We seek a declaratory judgment that, pursuant to our rights under a March 17, 1999 contract with a predecessor of Starz Encore, upon the completion of the Broadband acquisition that contract now provides the terms under which Starz Encore programming is acquired and transmitted by our cable systems. On January 8, 2003, Starz Encore filed a motion to dismiss the lawsuit on the grounds that claims asserted by us raised issues of state law that the United States District Court should decline to decide. We have responded contesting these assertions. That motion has been submitted to the Court for decision.

On January 31, 2003, Starz Encore filed an amended complaint in its lawsuit against Broadband in Colorado state court. The amended complaint adds us and Comcast Holdings as defendants and adds new claims against us, Comcast Holdings and Broadband asserting alleged breaches of, and interference with, the standstill agreement relating to the lawsuit filed by us and Comcast Holdings in federal District Court in Pennsylvania and to the defendants' position that since the completion of the Broadband acquisition, the March 17, 1999 contract now provides the terms under which Starz Encore programming is acquired and transmitted by our cable systems.

On March 3, 2003, Starz Encore filed a motion for leave to file a second amended complaint that would add allegations that Broadband has breached certain joint-marketing obligations under the term sheet and that we and Comcast Holdings have breached certain joint-marketing obligations under the March 17, 1999 contract and other agreements. We, Comcast Holdings and Broadband intend to oppose Starz Encore's motion for leave to file a second amended complaint and, in light of Starz Encore's pending motion for leave to amend, have sought an extension of time from the Court to respond to Starz Encore's amended complaint.

On April 3, 2003, we and Comcast Holdings filed a motion for summary judgment in the federal action in Pennsylvania. On April 16, 2003, Starz Encore filed a motion seeking (i) to strike the affidavit supporting the summary judgment motion or, in the alternative, (ii) a general postponement of Starz Encore's response date (or at a minimum a three week extension). On April 29, 2003, we and Comcast Holdings filed an opposition to Starz Encore's motion. The Court has not yet ruled on either motion.

An entity formerly attributed to Broadband, which is now our subsidiary, is party to a master agreement that may not expire until December 31, 2012, under which it purchases certain billing services from CSG Systems, Inc. The master agreement requires monthly payments, subject to adjustment for inflation. The master agreement also contains a most favored nation provision that may affect the amounts paid thereunder.

On May 10, 2002, Broadband filed a demand for arbitration against CSG before the American Arbitration Association asserting, among other things, the right to terminate the master agreement and seeking damages under the most favored nation provision or otherwise. On May 31, 2002, CSG answered Broadband's arbitration demand and asserted various counterclaims, including for (i) breach of the master agreement; (ii) a declaration that we are now bound by the master agreement to use CSG as our exclusive provider for certain billing and customer care services; (iii) tortious interference with prospective contractual relations; and (iv) civil conspiracy. A hearing in the arbitration is scheduled to commence on May 9, 2003.

On June 21, 2002, CSG filed a lawsuit against Comcast Holdings in federal court in Denver, Colorado asserting claims related to the master agreement and the pending arbitration. On November 4, 2002, CSG withdrew its complaint against Comcast Holdings without prejudice. On November 15, 2002, we initiated a lawsuit against CSG in federal court in Philadelphia, Pennsylvania asserting that cable systems owned by Comcast Holdings are not required to use CSG as a billing service or customer care provider pursuant to the master agreement, and that the former Broadband cable systems owned by us may be added to a billing service agreement between us and CSG. CSG moved to dismiss or stay the lawsuit on the ground that the issues raised by the complaint could be wholly or substantially determined by the above-mentioned arbitration. By Order dated February 10, 2003, the Court stayed the lawsuit until further notice.

On January 8, 2003, Liberty Digital, Inc. filed a complaint in Colorado state court against us and Comcast Cable Holdings, LLC (formerly AT&T Broadband LLC and Tele-Communications, Inc.), our wholly owned subsidiary. The complaint alleges that Comcast Cable Holdings breached a 1997 "contribution agreement" between Liberty Digital and Comcast Cable Holdings and that we tortiously interfered with that agreement. The complaint alleges that this purported agreement obligates Comcast Cable Holdings to pay fees to Liberty Digital totaling $18 million (increasing at CPI) per year through 2017. We and Comcast Cable Holdings filed our answer to the complaint on March 5, 2003, in which we and Comcast Cable Holdings denied the essential allegations of the complaint and asserted various affirmative defenses.

In management's opinion, the final disposition of the Starz Encore, CSG and Liberty Digital contractual disputes is not expected to have a material adverse effect on our consolidated financial position or results of operations. However, no assurance can be given that any adverse outcome would not be material to such consolidated financial position or results of operations.

We are subject to other 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 6. EXHIBITS AND REPORTS ON FORM 8-K

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

10.1 Term Life Insurance Premium and Tax Bonus Agreement between Comcast Holdings Corporation and Brian L. Roberts, dated as of September 23, 1998.

(b) Reports on Form 8-K:

(i) We filed a Current Report on Form 8-K under Items 5 and 7(c) on January 10, 2003 announcing the closing of a $1.5 billion note offering and announcing a shareholder proposal deadline for our 2003 Annual Meeting of Shareholders.

(ii) We filed a Current Report on Form 8-K under Item 5 on February 5, 2003 announcing the resignation of a member of our Board of Directors and his subsequent replacement.

(iii) We filed a Current Report on Form 8-K under Items 5 and 7(c) on March 6, 2003 announcing our results of operations for the year ended December 31, 2002 and announcing that Liberty Media Corporation delivered a notice to us that triggers an exit rights process with respect to QVC, Inc.

SIGNATURES

Pursuant to the requirements 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.

COMCAST CORPORATION

/S/ LAWRENCE J. SALVA

Lawrence J. Salva
Senior Vice President and Controller
(Principal Accounting Officer)

Date: May 9, 2003

CERTIFICATIONS

I, Brian L. Roberts, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Comcast Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 9, 2003

/s/ BRIAN L. ROBERTS
- --
Name: Brian L. Roberts
Chief Executive Officer

I, Lawrence S. Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Comcast Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 9, 2003

/s/ LAWRENCE S. SMITH
- ---
Name: Lawrence S. Smith
Co-Chief Financial Officer

I, John R. Alchin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Comcast Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 9, 2003

/s/ JOHN R. ALCHIN

- ---

Name: John R. Alchin

Co-Chief Financial Officer

TERM LIFE INSURANCE PREMIUM AND TAX BONUS AGREEMENT

THIS AGREEMENT is made as of the 23 day of September, 1998, by and between Comcast Corporation, a Pennsylvania corporation (the "Company") and Brian L. Roberts ("Roberts"), the President of the Company.

RECITALS

WHEREAS, Roberts has rendered loyal and valuable service to the Company since January 1, 1984; and

WHEREAS, the Company's Board of Directors (the "Board") recognize that Roberts' contribution to the growth and success of the Company has continued to be substantial throughout his service with the Company and that without his continued leadership and vision the Company would not have achieved and maintained its current preeminent status in the cable television and cellular communications industries nor would the Company have achieved its performance levels or successfully consummated the many strategic transactions that have closed during the past several years, including the recent capital investment into the Company by Microsoft Corp.;

WHEREAS, in recognition of the foregoing, the Company, in addition to other forms of compensation afforded Roberts, wishes to provide funding for additional life insurance protection of (i) $150,000,000 under policies of life insurance insuring the life of Roberts, which are described on the attached Schedule A and which were issued by the insurance companies identified in Schedule A and (ii) $20,000,000 under policies of life insurance insuring the life of Roberts, which are described on the attached Schedule B and which were issued by the insurance companies identified in Schedule B (the policies described in Schedule A and Schedule B are hereinafter individually referred to as a "Policy" and collectively as the "Policies" and the insurance companies identified in Schedule A and Schedule B are hereinafter individually referred to as the "Insurer" and collectively as the "Insurers"):

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements of the parties herein contained, the parties, hereto intending to be legally bound hereby, agree as follows

1. Life Insurance Premiums. No later than thirty business days before the due date of each annual premium under each Policy, the Company or the "Trust" (as defined herein) shall pay to Roberts (the full amount of the animal premiums under the Policies (the Premium Payments)

2. Bonus. (a) In addition to the Premium Payments, the Company or the Trust shall pay to Roberts, thirty days prior to the time the Premium Payments arc made under Section 1 hereof, the following supplemental amounts (none of which shall be considered advances) (the "Bonus"): An income tax gross-up amount equal to (i) the product of the Premium Payments

paid under Section 1 hereof times the highest marginal income tax rate, (ii) divided by one minus the highest marginal income tax rate. For purposes of this Section 2, the term "highest marginal income tax rate" shall mean the sum of the highest marginal combined local, state and federal personal income tax rates (including any state unemployment compensation tax rate, any surtax rate as well as the Medicare hospital insurance tax rate imposed on employees under the Federal Insurance Contributions Act), as in effect for the calendar year as to which the Bonus relates, provided that in determining such tax rate the highest marginal state and local income tax rates shall be reduced by such number of percentage points as will give effect to the tax benefit obtained by Roberts in connection with his deduction of state and local income taxes for federal income tax proposes.

(b) All Bonuses to be paid under this Agreement are subject to applicable tax withholding requirements.

3. Funding of Trust.

(a) Prior to the occurrence of a "Change of Control" (as hereinafter defined), the Company shall establish a grantor trust (the "Trust"), the terms of which shall be consistent with the requirements applicable under the Code in order to avoid the constructive receipt of the assets held in the Trust by Roberts or his family. The trust document for the Trust shall be in a form that is satisfactory to both the Company and Roberts, and may, but need not, be in substantially the same form, as the model trust agreement published by the Internet Revenue Service in Revenue Procedure 92-64. The trustee of the Trust shall be such person or institution acceptable both to the Company and Roberts. The Company shall contribute such amounts in cash or such assets as it deems appropriate for the purpose of funding Promotion Payments and the Bonus payable under the terms of this Agreement. Upon the occurrence of a Change of Control, the Trust, if not already irrevocable, shall become irrevocable. The Company shall be required immediately prior to a Change of Control (or in the event that the Company does not receive notice of a proposed Change of Control prior to such event, immediately upon a Change of Control to contribute (the "Change of Control Payment") to the Trust an amount equal to the "Present Value" (as hereinafter defined) of:

(i) The remaining Premium Payments that the Company is obligated to pay until the death of Roberts under Section I hereof; and

(ii) The remaining Bonuses that the Company is obligated to pay to Roberts pursuant to the provisions of Section 2 hereof,

(b) For purposes of this Agreement: (i) a "Charge of Control" shall be deemed to have occurred on the date that Roberts and members of his immediate family (or trusts for their benefit) first cease to beneficially own at least 50% of the voting power of the Company; and (ii) "Present Value" shall mean that sum of the remaining Premium Payments and Bonus amounts that the Company is obligated to pay for the remainder of the respective premium periods under the policies discounted from the respective dates on which those payments will become due to the date of fee Change of Control Payment, at the then current yields of U.S.

Treasury Bonds maturing on the respective dates on which the Premium Payments and Bonuses will become due.

4. Payment In All Events. The Company shall satisfy during the terms of the Policies and continue to satisfy thereafter its obligations under this Agreement for all benefits granted to Roberts until the death of Roberts.

5. Policy Proceeds. Upon the death of Roberts, the Policies shall be paid directly to the beneficiary or beneficiaries designated by Roberts (or the owner of the Policies, if assigned by, Roberts) in the manner and in the amount or amounts provided in the beneficiary designation provision of the applicable Policy. The Company shall have no claim with respect to the proceeds of the Policies, whether on account of the Premium Payments, the Bonuses or otherwise.

6. Termination. Roberts may terminate this Agreement by written notice to the Company. Such termination shall be effective as of the date of such notice. The Company may not terminate this Agreement.

7. Amendment. This Agreement may not be amended, altered or modified, except by a written instrument signed by the parties to this Agreement, or their respective successors or assigns, and may not otherwise be terminated except as provided herein.

8. Succession. This Agreement shall be binding upon and shall inure to the benefit of the Company and its successors and assigns, and Roberts and his successors, assigns, heirs, executors, administrators and beneficiaries.

9. Notices. Any notice, consent or demand required or permitted to be given under the previsions of this Agreement shall be in writing, and shall be signed by the party making the same. If such notice, consent or demand is mailed to a party hereto, it shall be sent by certified mail, postage prepaid, or delivered by a nationally recognized overnight courier service addressed to such party's last known address as shown on the records of the Company. The date of such mailing or delivery to such service shall be deemed date of notice, consent or demand.

10. Captions. The captions of the Sections herein are inserted as a matter of convenience of reference only and in no way define, limit or describe the scope of this Agreement or any provisions hereof.

11. Governing Law. The Agreement, and the rights of the parties hereunder, shall be governed by and construed in accordance with the internal laws of the Commonwealth of Pennsylvania and shall be enforced in the Commonwealth of Pennsylvania,

12. Representations. The Company has the corporate power and authority to enter into and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance of this Agreement by the Company has been duly authorized by all necessary corporate action required to have been taken under applicable law and the Company's

organizational documents. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms. Neither the execution nor performance of this Agreement by the Company will conflict with or result in to breach of the provisions of the Company's Articles of Incorporation or Bylaws or any agreement to which the Company is a party, or violate or require any consent under any law, regulation, order or decree.

IN WITNESS WHEREOF, the parties have cause this Agreement to be duty executed as of the date first above written.

Attest: COMCAST CORPORATION

By: ______________________

By: /s/ Stanley Wang
Stanley Wang

Title: ______________________

Title: Senior Vice President

/s/ Brian L. Roberts
Brian L. Roberts

SCHEDULE A

Summary of Term Life Insurance Reserved for Brian Roberts

20 Year Level Term

Insurance Carrier	Policy Number	Policy Date	Death Benefit	Annual Premium
CNA (Valley Forge)	VINY010673	10/07/98	18,750,000	17,516,40
	VINY011691	10/07/98	18,750,000	17,516.40
	VINY011693	10/07/98	18,750,000	17,516.40
	VINY011701	10/07/98	18,750,000	17,516.40
Subtotal:			75,000,000	70,065.60
Lincoln Benefit	01TI050038	09/25/98	7,500,000	8,910.00
	01TI050059	09/25/98	7,500,000	8,910.00
	01T1050060	09/25/98	7,500,000	8,910.00
	01T1050061	09/25/98	7,500,000	8,910.00
Subtotal:			30,000,000	35,640.00
Mass Mutual	6282675	09/25/98	3,000,000	3,847.20
	6282682	09/25/98	3,000,000	3,847.20
	6282676	09/25/98	3,000,000	3,847.20
	6282651	09/25/98	3.000,000	3,847.20
Subtotal:			12,000,000	15,388.80
Prudential	77377372	09/25/98	5,375,000	7,360.00
	77377370	09/25/98	5,375,000	7,360.00
	B4002956	09/25/98	5,375,000	7,360.00
	B4002962	09/25/98	5,375,000	7,360.00
Subtotal:			21,500,000	29,440.00
Manulife	55624191	09/25/98	375,000	497.50
	55624217	09/25/98	375,000	497.50
	55624209	09/25/98	375,000	497.50
	54417969	09/25/98	375,000	497.50
Subtotal:			1,500,000	1,990.00
Travelers				
	4790587	09/25/98	2,500,000	3,175.00
	4790588	09/25/98	2,500,000	3,175.00
	4790589	09/25/98	2,500,000	3,175.00
	4790591	09/25/98	2,500,000	3,175.00
Subtotal:			10,000,000	12,700.00
Grand Total			150,000,000	165,244.40

SCHEDULE B

Summary of Term Life Insurance Reserved for Brian Roberts

10 Year Level Term

Insurance Carrier	Policy Number	Policy Date	Death Benefit	Annual Premium
Prudential	B4004939	09/25/98	8,500,000	7,700
CIGNA	N/A	N/A	11,500,000	11,575
Total:			20,000,000	19,275