

FORM 10-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

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

DECEMBER 31, 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 CORPORATION

(Exact name of registrant as specified in its charter)

PENNSYLVANIA

(State or other jurisdiction of incorporation or organization)

27-0000798

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

1500 Market Street, Philadelphia, PA

(Address of principal executive offices)

19102-2148

(Zip Code)

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

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

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

Class A Common Stock, \$0.01 par value
Class A Special Common Stock, \$0.01 par value

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

Yes

No

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

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).

Yes

No

As of June 30, 2003, the aggregate market value of the Class A Common Stock and Class A Special Common Stock held by non-affiliates of the Registrant was \$40.933 billion and \$25.497 billion, respectively.

As of December 31, 2003, there were 1,357,520,557 shares of Class A Common Stock, 884,443,033 shares of Class A Special Common Stock and 9,444,375 shares of Class B Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III — The Registrant's definitive Proxy Statement for its Annual Meeting of Shareholders presently scheduled to be held in May 2004.

COMCAST CORPORATION
2003 FORM 10-K ANNUAL REPORT
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This Annual Report on Form 10-K is for the year ended December 31, 2003. This Annual Report modifies and supersedes documents filed prior to this Annual Report. The SEC allows us to “incorporate by reference” information that we file with them, which means that we can disclose important information to you by referring you directly to those documents. Information incorporated by reference is considered to be part of this Annual Report. In addition, information that we file with the SEC in the future will automatically update and supersede information contained in this Annual Report. Throughout this Annual Report, we refer to Comcast Corporation (formerly AT&T Comcast Corporation) as “Comcast”; Comcast and its consolidated subsidiaries as “we”, “us” and “our”; and Comcast Holdings Corporation (formerly Comcast Corporation and our predecessor) as “Comcast Holdings.”

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

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.

PART I

ITEM 1 BUSINESS

We are a Pennsylvania corporation and were incorporated in December 2001. We have been involved, through our predecessors, in the development, management and operation of broadband cable networks since 1963.

We are involved in:

- Cable-through the development, management and operation of broadband communications networks, including video, high-speed Internet and phone service, and
- Content-through our consolidated programming investments, including our national cable television networks E! Entertainment Television, Style Network, The Golf Channel, Outdoor Life Network and G4, and our regional programming-related enterprises Comcast Spectacor, Comcast SportsNet, Comcast SportsNet Mid-Atlantic, Comcast SportsNet Chicago, Cable Sports Southeast and CN8, as well as other programming investments.

We have our principal executive offices at 1500 Market Street, Philadelphia, PA 19102-2148. Our telephone number is (215) 665-1700. We also have a world wide web site at <http://www.comcast.com>. Copies of the annual, quarterly and current reports we file with the SEC, and any amendments to those reports, are available on our web site. The information posted on our web site is not incorporated into this Annual Report.

FINANCIAL INFORMATION ABOUT BUSINESS SEGMENTS

Refer to Note 14 to our consolidated financial statements included in Item 8 for information about our operations by business segment.

GENERAL DEVELOPMENTS OF OUR BUSINESS

Broadband Acquisition and Integration

On November 18, 2002, we acquired AT&T Corp.'s broadband business, which we refer to as "Broadband." The Broadband cable systems included 12.8 million subscribers and other cable-related investments.

During 2003, we continued integrating Broadband's operations into ours. The key integration priorities achieved include improved operating results, accelerated system rebuilds, and the reversal of Broadband's basic subscriber losses.

TWE Restructuring

On March 31, 2003, we announced the successful completion of the restructuring of Time Warner Entertainment Company L.P., which we acquired as part of the Broadband acquisition. As a result of the restructuring, we received common-equivalent preferred stock of Time Warner Inc. and a 21% economic stake in the business of Time Warner Cable Inc., a Time Warner subsidiary that now holds all of its cable interests. In addition, we received \$2.1 billion in cash. The trust that holds the shares has exercised a right to have Time Warner Cable register the sale of up to 17.9% of Time Warner Cable, although we cannot predict when the trustee will be able to sell the shares. Refer to [Note 5](#) to our consolidated financial statements included in Item 8 for more information about the Time Warner Entertainment restructuring and the trust.

Sale of QVC

On September 17, 2003, we completed the sale to Liberty Media Corporation of our approximate 57% interest in QVC, Inc. for an aggregate value of approximately \$7.7 billion. QVC markets a wide variety of products directly to consumers primarily on merchandise-focused television programs. Financial information related to QVC is presented as discontinued operations in our financial statements. Refer to [Note 5](#) to our consolidated financial statements included in Item 8 for more information about the sale of QVC.

Debt Reduction

During 2003, we reduced our total debt outstanding by approximately \$7.9 billion primarily with proceeds received from the sale of QVC and related Liberty Notes, the TWE restructuring and other transactions.

Proposed Merger with The Walt Disney Company

On February 11, 2004, we announced that we had made a proposal to The Walt Disney Company to merge the two companies in a tax-free transaction. The terms of the proposal include our issuing 0.78 shares of our Class A common stock for each Disney share, which represented, based upon the closing price of our Class A common stock on February 10, 2004, an aggregate equity value of approximately \$54 billion, and our assumption of

\$11.9 billion of Disney net debt, for a total transaction value of approximately \$66 billion. On February 16, 2004, the Disney Board of Directors rejected this proposal, although the proposal remains outstanding.

DESCRIPTION OF OUR BUSINESSES

Cable

We currently are the largest cable operator in the United States. As of December 31, 2003, our consolidated cable operations served 21.5 million subscribers in 35 states, passed 39.8 million homes, and provided digital cable to 7.7 million subscribers, high-speed Internet to 5.3 million subscribers and phone to 1.3 million subscribers.

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

	2002 (1)						
	2003	Total	Broadband Systems	Historical Systems	2001(2)	2000(2)	1999(2)
Cable							
Homes Passed (3)	39.8	39.2	25.0	14.2	13.9	12.7	9.5
Subscribers (4)	21.5	21.3	12.8	8.5	8.5	7.6	5.7
Penetration	53.9%	54.4%	51.1%	60.2%	60.8%	60.0%	60.1%
Digital Cable							
"Digital Ready" Subscribers (5)	21.5	21.3	12.8	8.5	8.4	7.3	4.6

Subscribers (6)	7.7	6.6	4.4	2.2	1.7	1.2	0.5
Penetration	35.7%	31.1%	34.3%	26.3%	20.8%	16.6%	9.8%
High-Speed Internet							
"Available" Homes (7)	34.7	30.1	17.5	12.6	10.4	6.4	3.3
Subscribers	5.3	3.6	2.1	1.5	0.9	0.4	0.1
Penetration	15.2%	12.0%	12.0%	12.1%	9.1%	6.3%	4.4%
Phone (8)							
"Available" Homes (7)	9.4	8.7	8.4	0.3			
Subscribers	1.3	1.4	1.4				
Penetration	13.5%	16.5%	16.6%				

- (1) On November 18, 2002, we consummated the Broadband acquisition. The Broadband acquisition substantially increased the size of our cable operations and direct comparisons of our cable information for periods prior to November 18, 2002 to subsequent periods are not meaningful. The information as of December 31, 2002 excludes the operating statistics for Broadband cable systems held for sale.
- (2) In April 1999, we acquired a controlling interest in Jones Intercable, Inc. In January 2000, we acquired Lenfest Communications, Inc. and began consolidating the results of Comcast Cablevision of Garden State, L.P. In August 2000, we acquired Prime Communications LLC. On December 31, 2000 and January 1, 2001, we completed our cable systems exchanges with AT&T and Adelphia Communications, respectively. In April and June 2001, we acquired cable systems serving an aggregate of approximately 697,000 subscribers from AT&T. The subscriber information as of December 31, 2000 excludes the effects of our exchange with AT&T.
- (3) A home is "passed" if we can connect it to our distribution system without further extending the transmission lines. As described in Note 4 below, in the case of certain multiple dwelling units, or MDUs, homes "passed" are counted on an adjusted basis. "Homes passed" is an estimate based on the best available information.
- (4) Generally, a dwelling or commercial unit with one or more television sets connected to a system counts as one cable subscriber. In the case of certain MDUs, we count cable subscribers on an FCC equivalent basis.
- (5) A subscriber is "digital ready" if the subscriber is in a market where we have launched our digital cable service.
- (6) A dwelling with one or more digital converter boxes counts as one digital cable subscriber. On average, as of December 31, 2003, each digital cable subscriber had 1.5 digital set-top boxes.
- (7) A home passed is "available" if we can connect it to our distribution system without further upgrading the transmission lines and if we offer the service in that area.
- (8) Prior to the Broadband acquisition, the number of phone "available" homes and subscribers was not material.

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Cable Services

We offer a variety of services over our cable networks, including video, high-speed Internet and phone. The greater the bandwidth, the greater the information-carrying capacity of the system. Over the past several years, we have deployed fiber optic cable and digital compression technology, and upgraded the technical quality of our cable networks. As a result, we have increased the reliability and capacity of our systems, enabling us to deliver additional services, such as digital cable, high-speed Internet and phone. As of December 31, 2003, approximately 95% of our cable systems are capable of handling two-way communications. We expect to continue to make substantial capital expenditures during 2004 to complete the upgrade of the cable systems acquired in the Broadband acquisition.

Video Services

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

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

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

Expanded basic programming. Our expanded basic cable service includes a group of satellite-delivered or non-broadcast channels in addition to the basic channel line-up.

Premium services. Our premium services generally offer, without commercial interruption, feature motion pictures, live and taped sporting events, concerts and other special features.

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

Digital cable. Subscribers to our digital cable service receive one or more of the following:

- an interactive program guide,
- multiple channels of digital programming and music,
- "multiplexes" of premium channels that are varied as to time of broadcast or programming content theme,
- additional pay-per-view programming, such as more pay-per-view options and/or frequent showings of the most popular films,
- video-on-demand service, commonly known as VOD,
- high-definition television, and
- digital video recorders.

High-Speed Internet Services

Residential subscribers can connect their personal computers via cable modems to access online information, including the Internet, at faster speeds than that of conventional modems. Prior to March 2002, in areas our cable systems served, we marketed high-speed Internet services operated by a third-party Internet service provider. By March 2002, we had moved all of our high-speed Internet subscribers to our own service. In addition to offering our own high-speed Internet service, we have agreements with a number of third-party Internet service providers, or ISPs, under which we make access to our facilities available and the ISP markets a high-speed Internet service that is provided over our cable systems.

Phone Services

In certain areas, we provide to our subscribers traditional circuit-switched local telephone services, a full array of associated features and third-party long distance services, all under the brand "Comcast Digital Phone." We are also beginning to launch Voice over Internet Protocol ("VoIP"), a phone service delivered over our cable infrastructure involving voice transmissions using Internet protocol, on a limited commercial basis.

Advertising Sales

We generate revenues from the sale of advertising time to local, regional and national advertisers on non-broadcast networks we carry over our cable systems. As part of our programming carriage agreements with these networks, we receive an allocation of scheduled advertising time into which we insert commercials. In any particular cable system market area, we generally insert commercials into an average of 32 networks.

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We also coordinate the advertising sales efforts of other cable operators in certain markets. Utilizing these arrangements, we have formed and operate advertising interconnects, which establish a physical, direct link between multiple unaffiliated cable systems and provide for the insertion primarily of regional and national advertising across larger geographic areas.

Other Revenue Sources

We also generate revenues from installation services, commissions from third-party electronic retailing and from other services, such as providing businesses with Internet connectivity and networked business applications.

Sales and Marketing

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

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

Programming

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

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

We attempt to secure long-term programming contracts with volume discounts and/or marketing support and incentives from programming suppliers. Our programming contracts are generally for a fixed period of time and are subject to negotiated renewal. We expect our programming costs to remain our largest single expense item for the foreseeable future. In recent years, the cable and satellite video industries have experienced a substantial increase in the cost of programming, particularly sports programming. We anticipate our programming costs will increase in the future primarily as a result of increased cost to produce and purchase programming and additional programming channels provided to our subscribers. These increases are mitigated, to some extent, by additional volume discounts associated with our increased size and future growth in subscribers receiving such programming channels. The inability to pass these programming cost increases on to our subscribers would have a material adverse impact on our operating results.

We also expect to be subject to increasing demands by broadcasters to obtain the required consent for the retransmission of broadcast programming to our subscribers. We cannot predict the impact of these negotiations or the effect on our subscribers should we be required to stop offering this programming.

Customer and Technical Service

We service our customers through local, regional and national call and technical centers. Generally, our call centers provide 24-hour per day, 7-day per week call answering capability, telemarketing and other services. Our technical services function performs various tasks, including cable installations, transmission and distribution plant maintenance, plant upgrades and other customer service related activities. In 2003, we opened new call centers and expanded certain of our existing call centers to provide customer service and support to the cable systems acquired in the Broadband acquisition.

Competition

Video Services

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

- program distributors that use direct broadcast satellite, or DBS, systems that transmit satellite signals containing video programming, data and other information to receiving dishes of varying sizes located on the subscriber's premises,
- local television broadcast stations that provide off-air programming which can be received using an antenna and a television set, as well as broadcast digital subscription services that can be received by a special set-top box,
- satellite master antenna television systems, commonly known as SMATVs, that generally serve condominiums, apartment and office complexes, and residential developments,
- other operators who build and operate wireline communications systems in the same communities that we serve, including those operating as franchised cable operations or under

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- an alternative regulatory scheme known as Open Video Systems, or OVS,
- interactive online computer services, including Internet distribution of movies,
 - newspapers, magazines and book stores,
 - movie theaters,
 - live concerts and sporting events, and
 - video stores and home video products.

In recent years, Congress has enacted legislation and the FCC has adopted regulatory policies intended to provide a favorable operating environment for existing competitors and for potential new competitors to our cable systems. The FCC has recently created a new wireless service, known as Multichannel Video Distribution and Data Service, or MVDDS, that we also expect to compete with our cable systems. In order to compete effectively, we strive to provide, at a reasonable price to subscribers, new products and services, superior technical performance and customer service, and a greater variety of video programming.

DBS Systems. According to recent government and industry reports, conventional, medium and high-power satellites currently provide video programming to over 20 million customers in the United States. DBS providers with high-power satellites typically offer to their subscribers more than 300 channels of programming, including programming services substantially similar to those our cable systems provide. Two companies, DIRECTV and EchoStar, provide service to substantially all of these DBS subscribers.

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

Federal legislation establishes, among other things, a permanent compulsory copyright license that permits DBS systems to retransmit local broadcast television signals to subscribers who reside in the local television station's market. These companies are currently transmitting local broadcast signals in most markets that we currently serve. Additionally, federal law generally provides DBS systems with access to all cable-affiliated video programming services delivered by satellite. As a result, satellite carriers are competitive to cable system operators like us because they offer programming that closely resembles what we offer. These satellite carriers are attempting to expand their service offerings to include, among other things, high-speed Internet service, and are entering marketing arrangements in which their service is promoted and sold by local exchange carriers.

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

Overbuilds. We operate our cable systems pursuant to a non-exclusive franchise that is issued by the community's governing body such as a city council, a county board of supervisors or, in some cases, by a state regulatory agency. Federal law prohibits franchising authorities from unreasonably denying requests for additional franchises, and it permits franchising authorities to operate cable systems. Companies that traditionally have not provided cable services and that have substantial financial resources (such as public utilities that own certain of the poles to which our cables are attached) may also obtain cable franchises and may provide competing communications services. These and other wireline communications systems offer cable and other communications services in various areas where we hold franchises. We anticipate that facilities-based competitors will develop in other franchise areas that we serve.

High-Speed Internet Services

Most of our cable systems offer high-speed Internet services within their service areas. These systems compete with a number of other companies, many of whom have substantial resources, including:

- local telephone companies, such as Verizon Communications, Inc., SBC Communications, Inc., BellSouth Corporation and Qwest Communications International, Inc.,
- existing ISPs, such as America Online, Earthlink, Inc. and Microsoft Corporation, and
- long distance telephone companies, such as AT&T Corp. and Sprint Corporation.

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The deployment of digital subscriber line, or DSL, technology allows Internet access to be provided to subscribers over telephone lines at data transmission speeds substantially greater than that of conventional telephone modems. Numerous companies, including telephone companies, have introduced DSL service, and certain telephone companies are seeking to provide high-speed Internet services without regard to present service boundaries and other regulatory restrictions. The FCC recently adopted an order that will reduce the obligations of local telephone companies to offer their broadband facilities on a wholesale basis to competitors, and the FCC is considering further measures to deregulate the retail broadband offerings of local telephone companies as well. Congress may also consider measures to deregulate such broadband offerings.

A number of cable operators have reached agreements to provide unaffiliated ISPs access to their cable systems in the absence of regulatory requirements. We reached "access" agreements with several national and regional third-party ISPs. Additionally, in connection with the restructuring of Time Warner Entertainment, we entered into a three-year non-exclusive access agreement with Time Warner. Under an agreement entered into in connection with the Broadband acquisition, we also agreed to offer to Microsoft an access agreement on terms no less favorable than those provided to these and other ISPs with respect to specified cable systems. We cannot provide any assurance, however, that regulatory authorities will not impose "open access" or similar requirements on us as part of an industry-wide requirement. These requirements could adversely affect our results of operations.

During 2003, a number of competitors offered substantial price discounts to subscribers willing to sign annual contracts or purchase additional bundled services. We expect competition for high-speed Internet service subscribers to remain intense, with companies competing on service availability, price, transmission speed and bundled services.

Phone Services

Our traditional circuit-switched local service competes against incumbent local exchange carriers, cellular telephone service providers, competitive local exchange carriers (including established long distance companies) and VoIP service providers. Many telecommunications carriers are expanding their offerings to include high-speed Internet service, such as DSL. The incumbent local exchange carriers have substantial capital and other resources, longstanding customer relationships, extensive existing facilities and network rights-of-way. A few competitive local exchange carriers also have existing local networks and significant financial resources.

We expect advances in communications technology, as well as changes in the marketplace and the regulatory and legislative environments, to occur in the future. We refer you to [page 7](#) for a detailed discussion of legislative and regulatory factors that may affect the telecommunications market. Other new technologies and services may develop and may compete with services that our cable systems offer. Consequently, we are unable to predict the effect that ongoing or future developments might have on our business and operations.

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Content

We have made investments in national cable television networks and other regional programming-related enterprises as a means of generating additional revenues and subscriber interest. Our consolidated programming investments as of December 31, 2003 include (approximate subscribers in millions):

Investment	Economic Ownership Percentage	Approximate Subscribers	Description
E! Entertainment Television	50.1%	74.2	Entertainment-related news and original programming
Style Network	50.1	29.6	Lifestyle-related programming
The Golf Channel	99.9	50.1	Golf-related programming
Outdoor Life Network	100.0	50.6	Outdoor sports and leisure programming
G4	93.6	11.7	Programming focused on video and computer games
Comcast Spectacor	66.3	N/A	Live sporting events, concerts and other events
Comcast SportsNet	78.3	2.9	Regional sports programming and events
Comcast SportsNet Mid-Atlantic	100.0	4.5	Regional sports programming and events
Comcast SportsNet Chicago	30.0	(a)	Regional sports programming and events
Cable Sports Southeast	62.2	3.9	Regional sports programming and events
CN8-The Comcast Network	100.0	6.2	Regional and local programming

(a) Comcast SportsNet Chicago is scheduled to launch in October 2004.

Consolidated Programming Investments

Our programming investments are comprised of the following:

- E! Entertainment Television, Style Network, The Golf Channel, Outdoor Life Network and G4 are our 24-hour national cable television networks. These networks provide programming dedicated to a variety of special interests.
- Comcast Spectacor is our group of businesses that perform live sporting events and that own or manage facilities and venues for sports activities, sports events, concerts and other special events. It consists principally of the Philadelphia Flyers NHL hockey team, the Philadelphia 76ers NBA basketball team and two large multi-purpose arenas in Philadelphia.
- Comcast SportsNet, Comcast SportsNet Mid-Atlantic, Comcast SportsNet Chicago, Cable Sports Southeast and CN8-The Comcast Network are our 24-hour, regional programming-related enterprises that provide programming principally to support our cable networks.

Our shareholder agreements with Comcast Spectacor and E! Entertainment contain certain exit rights processes with the minority shareholders. Refer to [Note 13](#) to our financial statements included in Item 8 for a discussion of these exit rights processes.

Other Programming Interests. We also own other non-controlling interests in programming investments including iN DEMAND, a pay-per-view and video-on-demand service, TV One, the Discovery Health Channel, Fox Sports New England, New England Cable News and Pittsburgh Cable News Channel.

LEGISLATION AND REGULATION

Our cable and phone businesses are subject to numerous regulatory requirements, prohibitions and limitations imposed by various federal and state laws, local ordinances and our franchise agreements. Our content businesses are generally not subject to direct governmental regulation. Our high-speed Internet business, while not currently regulated, may be subject to regulation in the future. Laws and regulations affect the prices we can charge for some services, such as basic cable service and associated customer-premises equipment, the costs we incur (for example, for attaching our wires to poles owned by utility companies), the relationships we establish with our suppliers, subscribers and competitors, and many other aspects of our business.

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The most significant federal law affecting our cable business is the Communications Act of 1934, as amended. The provisions of the Communications Act and the manner in which the FCC, state and local authorities, and the courts implement and interpret those provisions affect our ability to develop and execute business plans, our ability to raise capital and the competitive dynamics between and among different sectors of the communications and entertainment industries in which we operate. The FCC also has the authority to enforce its regulations through the imposition of substantial fines, the issuance of cease-and-desist orders and the imposition of other administrative sanctions, such as the revocation of FCC licenses needed to operate some of the transmission facilities we use in connection with our cable business.

We believe we are currently in substantial compliance with all applicable statutory and regulatory requirements imposed by, or under, the Communications Act, but caution that the precise requirements of the law are not always clear. Moreover, many laws and regulations can be interpreted in after-the-fact enforcement proceedings or private party litigation in a manner that is inconsistent with the judgments we have made. We also note that regulators at all levels of government frequently consider changing, and sometimes do change, existing rules or interpretations of existing rules, or prescribe new ones. Judicial decisions often alter the regulatory framework in ways that are inconsistent with regulator, business and investor expectations. In addition, our cable business can be significantly affected by the enactment of new legislation. Congress seriously considers the enactment of new legislative requirements potentially affecting our businesses virtually every year. Even though new laws infrequently result, we always face the risk that Congress will approve legislation significantly affecting the cable industry. In particular, we could be materially disadvantaged if we are subject to new laws or regulations that do not equally affect our satellite, wireline and wireless competitors.

A major objective of Congress and the FCC is to increase competition in all communications services, including those central to our business. For example, over the last ten years, Congress removed barriers to local telephone companies offering video services in their local service areas, and the FCC has assigned spectrum licenses for MVDDS, a new wireless service for providing multichannel video programming. The FCC has also paved the way for additional satellite competition and is currently pursuing efforts intended to enable utility power lines to be used to provide video and high-speed Internet services. Our cable business could be affected by any new competitors that enter the video or high-speed Internet businesses as a result of these and similar efforts by Congress or the FCC. In particular, we could be materially disadvantaged if we remain subject to legal constraints that do not apply equally to these new competitors.

There are potential risks associated with various proceedings that are currently pending at the FCC, in the courts, and before federal and state legislatures and local franchise authorities. We believe few of these proceedings hold the potential to materially affect our ability to conduct our cable business. Among the more substantial areas of exposure are the following:

Broadband Acquisition. The FCC approved the Broadband acquisition in November 2002, subject to various conditions. The most significant were a requirement for the divestiture of our interest in Time Warner Cable, a requirement that the Time Warner Cable interest be placed in trust pending divestiture, and safeguards that limit our involvement in Time Warner Cable and the programming-related activities of the two partnerships held jointly by us and Time Warner Cable. Complying with these conditions has limited and will continue to limit our flexibility as to the timing and nature of a sale of the Time Warner Cable interest and, in the interim, will constrain our business dealings with Time Warner Cable and Time Warner. We have fully complied with these conditions, and are committed to meeting our obligations under the FCC's merger order going-forward.

Ownership Limits. The FCC is considering imposing "horizontal ownership limits" that would limit the percentage of multichannel video subscribers – those that subscribe to cable, DBS, MMDS and other multichannel distributors – that any single provider could serve nationwide. A federal appellate court struck down the previous 30% limit, and the FCC is now considering this issue anew. As we already serve nearly 29% of multichannel video subscribers, limits similar to those previously imposed would restrict our ability to take advantage of future growth opportunities. The FCC is also assessing whether it should reinstate "vertical ownership limits" on the number of affiliated programming services a cable operator may carry on its cable systems (the previous limit of 40% of the first 75 channels had also been invalidated by the federal appellate court). While our video programming interests are modest, new vertical limits could affect our content-related business plans. Finally, the FCC is considering revisions to its ownership attribution rules that would affect which cable subscribers are counted under any horizontal ownership limit and which programming interests are counted for purposes of any vertical ownership limit.

Pricing. The Communications Act and the FCC's regulations and policies limit the prices that cable systems may charge for basic services and equipment in communities that are not subject to effective competition, as defined by federal law. Failure to comply with these

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rate rules could result in rate reductions and refunds for subscribers. From time to time, Congress considers imposing new pricing or packaging regulations on the cable industry. Also, the General Accounting Office occasionally issues reports regarding cable pricing or packaging issues. We cannot now predict whether or when Congress or any regulatory agency may adopt any new constraints on the pricing or packaging of cable

services. Also, various competitors are trying to persuade the FCC and the Justice Department to limit our ability to respond to increased competition by offering promotions or other discounts in an effort to retain existing subscribers or regain those we have lost. We believe our competitive pricing practices are lawful and pro-competitive. If we cannot make individualized offers to subscribers who would otherwise choose a different provider, our subscriber attrition may increase, or our overall prices may need to be reduced, or both.

High-Speed Internet Service. Ever since high-speed Internet service was introduced, some local governments and various competitors have sought to impose regulatory requirements on how we deal with third-party ISPs. Thus far, only a few local governments have imposed such requirements, and the courts have invalidated all of them. Likewise, the FCC has refused to treat our service as a common carrier “telecommunications service,” but has instead classified it as an “interstate information service,” which has historically meant that no regulations apply. However, the FCC’s decision recently was vacated by a panel of a federal appellate court. The FCC has asked for a rehearing of the case by a larger panel of the appellate court, but there is likely to be continuing uncertainty about how our high-speed Internet service will ultimately be classified for regulatory purposes. In addition, even if the FCC’s decision is upheld, the FCC will then renew its assessment of whether to impose any regulatory requirements on high-speed Internet service and also whether local franchising authorities should be permitted to impose fees or other requirements, such as service quality or customer service standards. A few franchising authorities have sued us seeking payment of franchise fees on high-speed Internet service revenues. Further, a number of software and content providers and electronic retailers are now urging the FCC to adopt certain “nondiscrimination principles” that purport to be intended to allow Internet customers access to the Internet content of their choosing (something we already provide). We cannot now predict whether these or similar regulations will be adopted and, if so, what effects, if any, they would have on our business.

Internet Regulation. Congress and federal regulators have adopted a wide range of measures affecting Internet use, including, for example, consumer privacy, copyright protection, defamation liability, taxation and obscenity, and state and local governmental organizations have adopted Internet-related regulations, as well. These various governmental jurisdictions are also considering additional regulations in these and other areas, such as pricing, service and product quality, and intellectual property ownership. The adoption of new laws or the adaptation of existing laws to the Internet could have a material adverse effect on our high-speed Internet business. Recently, Congress enacted anti-SPAM legislation creating certain rights and obligations applicable to us as an ISP, and also imposing limitations on our ability to use electronic mail for the purpose of sending commercial messages to existing and potential customers. The exact parameters of the law remain to be developed by regulations that are to be promulgated by the Federal Trade Commission, or FTC, and the FCC. In addition, Congress has not extended the moratorium on state and local taxation of Internet access (including access via high-speed Internet service). The five-year moratorium expired on November 1, 2003. Congress is still considering bills that would extend the moratorium, but it is uncertain if and when such an extension might be adopted. In the absence of the moratorium, state and local governments might seek to impose new taxes on Internet access, which could adversely affect the operating results of our high-speed Internet service.

Must-Carry/Retransmission Consent. Cable companies are currently subject to a requirement that they carry, without compensation, the programming transmitted by most commercial and non-commercial local television stations (“must-carry”). Alternatively, local television stations may insist that a cable operator negotiate for “retransmission consent,” which may enable popular stations to demand significant concessions (such as the carriage of and payment for other programming networks) as a condition of our ability to transmit the TV broadcast signals that cable subscribers expect to receive. As broadcasters transition from analog to digital transmission technologies, the FCC is considering whether to require cable companies to simultaneously carry both analog and digital signals of a single broadcaster. It is also considering whether to allow broadcasters to choose must-carry for either their analog or digital signals during this transition period. Additionally, it is considering whether, following the digital transition and the return of broadcaster analog spectrum to the government, a cable company may be required to carry multiple digital programming streams that each broadcaster may include within its digital transmission. If the FCC should adopt such must-carry requirements, we would have less freedom to allocate the usable spectrum of our cable plant to provide the services that we believe will be of greatest interest to our subscribers. This could diminish our ability to attract and retain subscribers. In addition, must-carry requirements may similarly reduce the freedom of other cable operators to allocate use of their cable plant. This could adversely impact the ability of our cable networks

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to maintain or increase their carriage. We cannot now predict whether the FCC will impose these or similar carriage obligations on us.

Program Access. The Communications Act and the FCC’s “program access” rules prevent satellite video programmers affiliated with cable operators from favoring cable operators over competing multichannel video distributors, such as DBS, and limit the ability of such programmers to offer exclusive programming arrangements to cable operators. The FCC has extended the exclusivity restrictions through October 2007. The FCC has concluded that the program access rules do not apply to programming services, such as Comcast SportsNet, that are delivered terrestrially. However, the FCC has indicated that it may reconsider how it regulates cable operators with regional sports programming interests in its cable ownership rulemaking. Any decision by the FCC or Congress to single out for new regulation cable operators like us who have regional sports programming interests could have an adverse impact on our cable and programming businesses. Some initiatives are underway to enact program access-type regulations at the state or local level. We believe any such regulations would be preempted by federal law or otherwise be unlawful, but we cannot predict at this time whether such regulations will be enacted or found to be enforceable.

Consumer Electronics Equipment Compatibility. The FCC has adopted rules to implement an agreement between the cable and consumer electronics industries aimed at promoting the manufacture of “plug-and-play” TV sets that can connect directly to the cable network and receive one-way, analog and digital cable services without the need for a set-top box. Among other things, the rules: direct cable operators to implement technical standards in their networks to support these digital television sets; require operators to provide a sufficient supply of conditional access devices to subscribers who want to receive scrambled programming services on their digital television sets; and require operators to support basic home recording rights and copy protection rules for digital programming content. These rules are being challenged at the FCC and in the courts, and we cannot at this time predict the outcome of these challenges. In addition, the FCC has initiated rulemaking that will consider additional plug-and-play regulations, including standards for approving new digital connectors and copy protection technologies that cable operators would have to support. It is uncertain when the FCC will complete this rulemaking and how it might affect cable operators. Also, the cable and consumer electronics industries are currently negotiating an agreement that would allow for the manufacture of two-way, interactive plug-and-play television sets. Once this agreement is finalized, it will likely be subject to a separate FCC rulemaking. It is unclear how this process will unfold and how it will ultimately affect our cable business and our efforts to sell cable services at retail outlets.

Phone Service. Our traditional circuit-switched phone business is subject to federal, state and local regulation. In general, the Communications Act imposes interconnection requirements and universal service obligations on all telecommunications service providers, including those that provide traditional circuit-switched phone service over cable facilities, and more significant regulations on incumbent local exchange carriers, such as Verizon and SBC. These traditional common carrier rules, however, are being re-evaluated at the FCC and in Congress. For example, the FCC has initiated several rulemakings that, in the aggregate, could significantly change the rules that apply to telephone competition, including the relationship between wireless and wireline providers, long distance and local providers, and incumbents and new entrants, and it is unclear how those proceedings (and the litigation and implementation proceedings that are already underway as a product of one such rulemaking) will affect our phone business. We are beginning to launch VoIP on a limited commercial basis. The FCC has initiated rulemaking to consider whether and how to regulate VoIP services. VoIP services may also be subject to potential regulation at the state level, and several states have attempted to impose traditional common-carrier regulation on such services. It is unclear how these VoIP-related proceedings at the federal and state levels, and the related judicial proceedings that will ensue, might affect our planned VoIP service.

Franchise Matters. Cable operators generally operate their cable systems pursuant to non-exclusive franchises granted by local or state franchising authorities. While the terms and conditions of franchises vary materially from jurisdiction to jurisdiction, these franchises typically last for a fixed term, obligate the franchisee to pay franchise fees and meet service quality, customer service and other requirements, and are terminable if the franchisee fails to comply with material provisions. The Communications Act includes provisions governing the franchising process, including, among other things, renewal procedures designed to protect incumbent franchisees against arbitrary denials of renewal. We anticipate that our future franchise renewal prospects generally will be favorable.

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

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State and Local Taxes. Some states and their subdivisions are considering imposing new taxes, including sales taxes, on the services we offer. We cannot predict at this time whether such taxes will be enacted or what impact they might have on our business.

Other Regulatory Issues. There are a number of other regulatory matters under review by Congress, the FCC, and other federal agencies that could affect our cable business. We briefly highlight these issues below:

- *Cable/Broadcast Cross-Ownership:* In 1996, the FCC eliminated regulations precluding the cross-ownership of a national broadcasting network and a cable system and in 2003 it repealed its regulations prohibiting the common ownership of other broadcasting interests and cable systems in the same geographical areas.
- *Tier Buy Through:* The Communications Act requires cable operators to allow subscribers to purchase premium or pay-per-view services without the necessity of subscribing to any tier of service, other than the basic service tier. The applicability of this rule in certain situations remains unclear, and adverse decisions by the FCC on this issue could affect our pricing and packaging of such services.
- *Content Regulation:* The Communications Act prohibits the transmission of obscene programming over cable systems. Members of Congress, the FCC and some consumers from time to time express concerns about the distribution of certain other programming over cable systems that could lead to efforts to regulate the content of the programming we carry.
- *Set-Top Box Regulation:* Current FCC rules bar cable operators from leasing subscribers digital set-top boxes that integrate security and other operating functions, effective July 1, 2006. The FCC is conducting a rulemaking on the ban, and we have urged elimination of the ban on the grounds that it will limit consumer choice, increase the cost of set-top box equipment, and slow the deployment of digital cable services, but there is no assurance that the FCC will accept our position.
- *Broadcast Flag:* The FCC has adopted rules that require cable operators to implement the "broadcast flag," a code that may be embedded in digital broadcast programming that directs digital TVs and certain other consumer electronics equipment to block the redistribution of such content over the Internet. It is unclear how these rules might affect the future design of cable-related equipment and home-networking technologies. Several petitions have been filed at the FCC requesting revisions to the broadcast flag rules. We cannot now predict how or when the FCC will rule on these petitions. The FCC has also initiated rulemaking to consider, among other things, whether cable operators should be permitted to encrypt digital basic services. It is uncertain when this rulemaking will be completed and how it will affect cable operators.
- *MDU Access:* The FCC has adopted rules to promote competitive entry into the MDU market. These rules are intended to make it easier for new multichannel video service providers to compete with established cable operators.
- *Pole Attachments:* The Communications Act requires that utilities provide cable systems with nondiscriminatory access to any pole, or right-of-way controlled by the utility, and the FCC has adopted rules, upheld by the courts, that regulate the rates utilities may charge for such access. There is always the possibility that the FCC could alter the pole attachment rate paid by cable operators, and such adverse decisions could potentially increase our pole attachment costs. Additionally, significantly increased pole attachment rates apply to those pole attachments that are subject to the FCC's telecommunications services pole rates.
- *Privacy Regulation:* The Communications Act generally restricts the nonconsensual collection and disclosure of subscribers' personal information by cable operators. There are possible interpretations of the Communications Act that could severely limit the ability of service providers to collect and use personal information for commercial purposes. Further constraints could be imposed if and to the extent that state or local authorities establish their own privacy standards. In addition, the FCC and the FTC have adopted rules that limit the telemarketing practices of cable operators and other commercial entities.
- *Copyright Regulation:* In exchange for filing certain reports and contributing a percentage of their revenue to a U.S. federal

substantial modification of the cable compulsory license could adversely affect our ability to obtain certain programming and substantially increase our programming costs. Further, the Copyright Office has not yet made any determinations as to how the compulsory license will apply to digital broadcast signals and services. In addition, we pay standard industry licensing fees to use music in the programs we provide to subscribers, including local advertising, local origination programming and pay-per-view events. These licensing fees have been the source of litigation between the cable industry and music performance rights organizations in the past, and we cannot predict with certainty whether license fee disputes may arise in the future.

- *Other Areas:* The FCC actively regulates other aspects of our cable business, including, among other things: (1) the mandatory blackout of syndicated, network, and sports programming; (2) customer service standards; (3) advertising in children's programming; (4) political advertising; (5) origination cablecasting; (6) sponsorship identification; (7) closed captioning of video programming; (8) equal employment opportunity; (9) lottery programming; (10) emergency alert systems; and (11) technical standards relating to operation of the cable network. The FCC is not considering any significant revisions to these rules at this time, but we are unable to predict how these regulations might be changed in the future and how any such changes might affect our business.

In all these areas and a variety of others, we face the potential of increased regulation. Given the intensely competitive nature of every aspect of our business, we believe that increased regulation is not warranted. We can not provide any assurance, however, that regulation of our business will not increase.

EMPLOYEES

As of December 31, 2003, we had approximately 68,000 employees. Of these employees, approximately 59,000 were associated with cable and approximately 9,000 were associated with our other divisions. Approximately 3,000 of our employees are covered by collective bargaining agreements or have organized but are not covered by collective bargaining agreements. We believe that our relationships with our employees are good.

ITEM 2 PROPERTIES

Cable

A central receiving apparatus, distribution cables, servers, analog and digital converters, cable modems, customer service call centers and local business offices are the principal physical assets of a cable system. We own or lease the receiving and distribution equipment of each system and own or lease parcels of real property for the receiving sites, customer service call centers and local business offices.

Content

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

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

ITEM 3 LEGAL PROCEEDINGS

At Home.

Litigation has been filed against us as a result of our alleged conduct with respect to our investment in and distribution relationship with At Home Corporation. At Home was a provider of high-speed Internet services that 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 in connection with transactions agreed to in March 2000 among At Home, AT&T, Cox Communications, Inc. (Cox is also an investor in At Home and a former distributor of the At Home service) and us; (ii) class action lawsuits against Comcast Cable Communications, LLC, 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; (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; and (iv) a lawsuit brought in the United States Bankruptcy Court for the Northern District of California by certain At Home bondholders against Comcast Cable Holdings, LLC and Comcast Cable Communications Holdings, Inc., as well as AT&T, AT&T Credit Holdings, Inc. and AT&T Wireless Services, Inc., seeking to avoid and recover certain alleged "preference" payments in excess of \$89 million allegedly made to the defendants prior to the At Home bankruptcy filing. 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. All of the defendants served motions to dismiss on February 11, 2003. The court dismissed the common law claims against us and Mr. Roberts, leaving only a claim against them for "control person" liability under the Securities Exchange Act of 1934. In a subsequent decision, the court limited

the remaining claim against us and Mr. Roberts to disclosures that are alleged to have been made by At Home prior to August 28, 2000. The Delaware case has been transferred to the United States District Court for the Southern District of New York, and we have moved to dismiss the Section 16(b) claims.

Under the terms of the Broadband acquisition, we are generally contractually liable for 50% of any liabilities of AT&T relating to At Home, including most liabilities resulting from any pending or threatened litigation, with the exception, among other things, of liabilities arising out of contracts between At Home and AT&T (or its affiliates) for the benefit of the businesses retained by AT&T following the divestiture of Broadband. In those situations where we are contractually liable for 50% of any liabilities, 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. Both of these actions are in the discovery stage.

We deny any wrongdoing in connection with the claims that have been made directly against us, our subsidiaries and Brian L. Roberts, and intend to defend all of these claims vigorously. In our 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 our consolidated financial position.

We are currently waiting to obtain additional information, and, therefore, are unable to determine what impact, if any, the final resolution of our share of these 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.

AT&T.

We, in connection with our acquisition of Broadband, are potentially responsible for a portion of the liabilities arising from two purported securities class action lawsuits brought against AT&T and others and consolidated for pre-trial purposes in the United States District Court for the District of New Jersey. These lawsuits assert claims under Section 11, Section 12(a)(2) and Section 15 of the Securities Act of 1933, as amended, and Section 10(b) and Section 20(a) of the Securities Exchange Act of 1934, as amended. The first lawsuit, for which our portion of the exposure is up to 15%, alleges, among other things, that AT&T made material misstatements and omissions in the Registration Statement and Prospectus for the AT&T Wireless initial public offering. The second lawsuit, for which our portion of the exposure is up to 50%, alleges, among other things, that AT&T knowingly provided false projections relating to AT&T common stock. The complaints seek damages in an unspecified amount, but because the trading activity during the purported class periods was extensive the amounts ultimately demanded may be significant. We and AT&T believe that AT&T has meritorious defenses and these actions are being vigorously defended. The parties are currently engaged in discovery and motions for summary judgment were filed in March 2004.

On June 24, 1998, the first of a number of purported class action lawsuits was filed by then-shareholders of Tele-Communications, Inc. ("TCI") Series A TCI Group Common Stock ("Common A") against AT&T and the

directors of TCI relating to the acquisition of TCI by AT&T. A consolidated amended complaint combining the various different actions was filed on February 10, 1999 in the Delaware Court of Chancery. The consolidated amended complaint alleges that former members of the TCI board of directors breached their fiduciary duties to Common A shareholders by agreeing to transaction terms whereby holders of the Series B TCI Group Common Stock received a 10% premium over what Common A shareholders received in connection with the transaction. The complaint further alleges that AT&T aided and abetted the TCI directors' breach.

In connection with the TCI acquisition, which was completed in early 1999, AT&T agreed under certain circumstances to indemnify TCI's former directors for certain losses, expenses, claims or liabilities, potentially including those incurred in connection with this action. In connection with the Broadband acquisition, Broadband agreed to indemnify AT&T for certain losses, expenses, claims or liabilities. Those losses and expenses potentially include those incurred by AT&T in connection with this action, both as a defendant and in connection with any obligation that AT&T may have to indemnify the former TCI directors for liabilities incurred as a result of the claims against them in this action.

On September 8, 1999, AT&T moved to dismiss the amended complaint for failure to state a cause of action against AT&T. On July 7, 2003, the Delaware Court of Chancery granted AT&T's motion to dismiss on the ground that the complaint failed to adequately plead AT&T's "knowing participation," as required to state a claim for aiding and abetting a breach of fiduciary duty. The other claims made in the complaint remain outstanding. Discovery in this matter is now closed.

In our 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 our consolidated financial position.

Liberty Digital.

On January 8, 2003, Liberty Digital, Inc. filed a complaint in Colorado state court against us and Comcast Cable Holdings, LLC. 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. Liberty Digital seeks, among other things, compensatory damages, specific performance of the purported agreement, a declaration that the agreement is valid and enforceable going forward, and an unspecified amount of exemplary damages from us based on the alleged intentional interference claim. We and Comcast Cable Holdings filed our answer to the complaint on March 5, 2003, in which we denied the essential allegations of the complaint and asserted various affirmative defenses.

On November 6, 2003, Liberty Digital was granted leave to file an amended complaint that contained one minor revision to the original complaint. On December 16, 2003, we and Comcast Cable Holdings filed our answer to the amended complaint, in which we again denied the essential allegations of the complaint and asserted various affirmative defenses. Discovery in this matter is currently underway and a trial is scheduled to commence on May 31, 2004.

In our 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 our consolidated financial position.

Other.

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

ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 4A EXECUTIVE OFFICERS OF THE REGISTRANT

Except for our Chairman of the Board and our Chief Executive Officer, as explained in more detail in our proxy statement for our 2004 shareholders' meeting, the current term of office of each of our officers expires at the first meeting of our Board of Directors following the next Annual Meeting of Shareholders, presently scheduled to be held in May 2004, or as soon thereafter as each of their successors is elected and qualified. The following table sets forth certain information concerning our executive officers, including their ages, positions and tenure as of December 31, 2003:

Name	Age	Officer Since	Position with Comcast
Ralph J. Roberts	83	1969	Chairman of the Executive and Finance Committee of the Board of Directors; Director
C. Michael Armstrong	65	2002	Chairman of the Board of Directors; Director
Brian L. Roberts	44	1986	President and Chief Executive Officer; Director
Julian A. Brodsky	70	1969	Vice Chairman; Director
John R. Alchin	55	1990	Co-Chief Financial Officer; Executive Vice President and Treasurer
Stephen B. Burke	45	1998	Executive Vice President; President, Comcast Cable
David L. Cohen	48	2002	Executive Vice President
Lawrence S. Smith	56	1988	Co-Chief Financial Officer; Executive Vice President
Arthur R. Block	49	1993	Senior Vice President; General Counsel; Secretary
Lawrence J. Salva	47	2000	Senior Vice President and Controller

Ralph J. Roberts has served as a director and as our Chairman of the Executive and Finance Committee of the Board of Directors since November 2002. Prior to November 2002, Mr. Roberts served as a director and Chairman of the Board of Directors of Comcast Holdings for more than five years. He is the father of Mr. Brian L. Roberts.

C. Michael Armstrong has served as a director and as our Chairman of the Board of Directors since November 2002. On May 7, 2003, Mr. Armstrong became non-executive Chairman of the Board of Directors. Prior to November 2002, Mr. Armstrong served as Chairman and Chief Executive Officer of AT&T since 1997. Mr. Armstrong is also a director of Citigroup Inc. and HCA, Inc.

Brian L. Roberts has served as a director and as our President and Chief Executive Officer since November 2002. Prior to November 2002, Mr. Roberts served as a director and President of Comcast Holdings for more than five years. As of December 31, 2003, Mr. Roberts had sole voting power over approximately 33 1/3% of the combined voting power of our two classes of voting common stock. He is a son of Mr. Ralph J. Roberts. Mr. Roberts is also a director of Comcast Holdings and The Bank of New York Company, Inc.

Julian A. Brodsky has served as a director and as our Vice Chairman since November 2002. Prior to November 2002, he served as a director and Vice Chairman of Comcast Holdings for more than five years. Mr. Brodsky is also Chairman of Comcast Interactive Capital, LP, a venture fund that is consolidated in our financial statements. He is also a director of RBB Fund, Inc. and Amdocs Ltd.

John R. Alchin has served as our Co-Chief Financial Officer, Executive Vice President and Treasurer since November 2002. Prior to November 2002, Mr. Alchin served as an Executive Vice President and Treasurer of Comcast Holdings since January 2000. Prior to January 2000, Mr. Alchin served as a Senior Vice President and Treasurer of Comcast Holdings for more than five years. Mr. Alchin is also a director of BNY Capital Markets, Inc.

Stephen B. Burke has served as our Executive Vice President and President of Comcast Cable and Comcast Cable Communications Holdings since November 2002. Prior to November 2002, Mr. Burke served as an Executive Vice President of Comcast Holdings and President of Comcast Cable since January 2000. Mr. Burke joined Comcast Holdings in June 1998 as Senior Vice President and President of Comcast Cable. Mr. Burke is also a director of Bank One Corporation.

David L. Cohen has served as our Executive Vice President since November 2002. Mr. Cohen joined Comcast Holdings in July 2002 as an Executive Vice President. Prior to that time, he was partner in, and Chairman of, the law firm of Ballard Spahr Andrews & Ingersoll, LLP for more than five years. Mr. Cohen is also a director of Comcast Holdings.

Lawrence S. Smith has served as our Co-Chief Financial Officer and Executive Vice President since November 2002. Prior to November 2002, Mr. Smith served as an Executive Vice President of Comcast Holdings for more than five years. For more than five years prior to January 2000, Mr. Smith served as Principal Accounting Officer of Comcast Holdings. Mr. Smith is also a director of Comcast Holdings.

Arthur R. Block has served as our Senior Vice President, General Counsel and Secretary since November 2002. Prior to November 2002, Mr. Block served as General Counsel of Comcast Holdings since June 2000 and as Senior Vice President of Comcast Holdings since January 2000. Prior to those dates in 2000, Mr. Block served as Vice President and Senior Deputy General Counsel of Comcast Holdings for more than five years. Mr. Block is also a director of Comcast Holdings.

Lawrence J. Salva has served as our Senior Vice President and Controller since November 2002. Mr. Salva joined Comcast Holdings in January 2000 as Senior Vice President and Chief Accounting Officer. Prior to that time, Mr. Salva was a national accounting consulting partner in the public accounting firm of PricewaterhouseCoopers LLP for more than five years.

PART II

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

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

	Class A		Class A Special	
	High	Low	High	Low
2002				
First Quarter	\$37.13	\$30.10	\$37.33	\$29.65
Second Quarter	33.67	23.35	32.15	22.33
Third Quarter	25.87	17.57	25.12	16.80
Fourth Quarter	26.78	17.40	26.24	16.93
2003				
First Quarter	\$30.80	\$24.47	\$29.33	\$23.57
Second Quarter	34.54	28.65	32.60	27.50
Third Quarter	32.95	28.52	31.72	27.15
Fourth Quarter	33.87	30.76	32.49	29.47

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

Holders of our Class A common stock in the aggregate hold 66 2/3% of the aggregate voting power of our capital stock. The number of votes that each share of our Class A common stock will have at any given time will depend on the number of shares of Class A common stock and Class B common stock then outstanding. If you hold shares of our Class A Special common stock, you cannot vote in the election of directors or otherwise, except where class voting is required by law. In that case, if you hold Class A Special common stock, you will have the same number of votes per share as each share of Class A common stock. Our Class B common stock has a 33 1/3% nondilutable voting interest and each share of Class B common stock has 15 votes per share. Mr. Brian L. Roberts beneficially owns all outstanding shares of our Class B common stock. Generally, including as to the election of directors, holders of Class A common stock and Class B common stock vote as one class except where class voting is required by law.

As of December 31, 2003, there were 1,160,769 record holders of our Class A common stock, 2,594 record holders of our Class A Special common stock and three record holders of our Class B common stock.

ITEM 6 SELECTED FINANCIAL DATA

	Year Ended December 31,				
	2003(1)	2002(1)	2001(1)	2000	1999
	(Dollars in millions, except per share data)				
Statement of Operations Data:					
Revenues	\$18,348	\$8,102	\$5,937	\$4,836	\$3,465
Operating income (loss)	1,954	921	(1,325)	(654)	242
Income (loss) from continuing operations before cumulative effect of accounting change	(218)	(469)	4	1,873	607
Discontinued operations (2)	3,458	195	220	148	459

Cumulative effect of accounting change			385		
Net income (loss)	3,240	(274)	609	2,021	1,066

Basic earnings (loss) for common stockholders per common share

Income (loss) from continuing operations before cumulative effect of accounting change	(\$0.10)	(\$0.42)	\$0.00	\$2.08	\$0.77
Discontinued operations (2)	1.54	0.17	0.24	0.16	0.61
Cumulative effect of accounting change			0.40		
Net income (loss)	<u>\$1.44</u>	<u>(\$0.25)</u>	<u>\$0.64</u>	<u>\$2.24</u>	<u>\$1.38</u>

Diluted earnings (loss) for common stockholders per common share

Income (loss) from continuing operations before cumulative effect of accounting change	(\$0.10)	(\$0.42)	\$0.00	\$1.97	\$0.74
Discontinued operations (2)	1.54	0.17	0.23	0.16	0.56
Cumulative effect of accounting change			0.40		
Net income (loss)	<u>\$1.44</u>	<u>(\$0.25)</u>	<u>\$0.63</u>	<u>\$2.13</u>	<u>\$1.30</u>

Balance Sheet Data (at year end):

Total assets	\$109,159	\$113,128	\$38,261	\$35,874	\$28,823
Long-term debt	23,835	27,956	11,679	10,215	8,230
Stockholders' equity	41,662	38,329	14,473	14,086	10,341

- (1) You should see ["Management's Discussion and Analysis of Financial Condition and Results of Operations"](#) in Item 7 of this Annual Report for a discussion of events that affect the comparability of the information reflected in this financial data.
- (2) In September 2003, we sold our interest in QVC to Liberty Media Corporation. QVC is presented as a discontinued operation for all periods presented (see [Note 5](#) to our consolidated financial statements in Item 8 of this Annual Report). In July 1999, we sold Comcast Cellular Corporation to SBC Communications, Inc. Comcast Cellular is also presented as a discontinued operation for the year ended December 31, 1999.

ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Comcast is principally involved in the management and operation of cable communications networks and in the management of programming content over cable and satellite television networks. In 2003, we received over 95% of our revenue from our cable operations, primarily through monthly subscriptions to our video, high-speed Internet and phone services, and advertising. Subscribers typically pay us monthly, based on rates and related charges that vary according to their chosen level of service and the type of equipment they use. Revenue from our national television networks is derived from the sale of advertising time and affiliation agreements with cable and satellite television companies.

Highlights for the year 2003 included the following:

- Integration of Broadband acquisition
 - We improved the profitability of the Broadband systems, increasing revenues and operating margins.
 - We increased the number of basic subscribers in the Broadband systems, reversing their three-year trend of losses prior to our acquisition.
 - We accelerated our upgrade program. By the end of 2003, 93% of our acquired systems have been upgraded to provide two-way digital cable and high-speed Internet service.
- Continued growth in our new services such as digital cable and high-speed Internet. Digital cable grew 15.6% to 7.7 million subscribers while high-speed Internet grew 45.9% to 5.3 million subscribers.
- We reduced our total debt outstanding by \$7.9 billion primarily with proceeds received from the sale of QVC and related Liberty Notes, the TWE restructuring and other transactions.

The following provides the details of these highlights and insights into our company's financial statements, including critical accounting judgments and estimates used in preparing the financial statements, our liquidity and capital resources, and a discussion of our results of operations.

Business Developments

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, which we refer to as "Broadband." 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 Continuing Operations"](#) for a discussion of the effects of the Broadband acquisition on our results of operations.

On September 17, 2003 we completed the sale to Liberty Media Corporation of our approximate 57% interest in QVC, Inc. for approximately \$7.7 billion. We received from Liberty \$4.0 billion of three-year senior unsecured floating rate notes, approximately 218 million shares of Liberty Series A common stock valued at \$2.339 billion and cash of \$1.35 billion. QVC has been presented as a discontinued operation in our financial statements. Refer to [Note 5](#) to our consolidated financial statements included in Item 8 for more information on the sale of QVC.

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

Critical Accounting Judgments and Estimates

We believe our judgments and related estimates associated with the impairment testing and valuation of our cable franchise rights, and the valuation of acquisition related assets, liabilities and legal contingencies, to be critical in the preparation of our consolidated financial statements. Management has discussed the development and selection of these critical accounting judgments and estimates with the Audit Committee of our Board of Directors and the Audit Committee has reviewed our disclosures relating to them presented below.

Impairment Testing and Valuation of Cable Franchise Rights

Our cable systems are constructed and operated under non-exclusive franchises granted by state or local governmental authorities for varying lengths of time. As of December 31, 2003, we served approximately 4,400 franchise areas in the United States. We have concluded that our cable franchise rights have an indefinite useful life since there are no legal, regulatory, contractual, competitive, economic or other factors limiting the period over which these rights will contribute to our cash flows. Accordingly, our cable franchise rights are not subject to amortization but are assessed periodically for impairment in accordance with SFAS No. 142, “Goodwill and Other Intangible Assets.”

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We have acquired these franchise rights either directly from local franchise authorities or through many separate cable system acquisitions that include multiple franchise territories. Upon acquisition, we integrate the individual franchise territories into our national footprint, typically by incorporating the management of those territories into our existing geographic regions. We control the sourcing of content, pricing, marketing and branding, and capital deployment throughout the company, as if our cable franchise rights were a single asset. Therefore, we have concluded the franchise rights are operated as a single asset within our cable segment. From time to time, however, the franchise rights are separated and sold in units below the cable segment level. We have concluded that Emerging Issues Task Force 02-07, “Unit of Accounting for Testing Impairment of Indefinite-Lived Intangible Assets,” supports the testing of our cable franchise rights for impairment at a level no higher than where the assets both are operated together *and* are essentially inseparable. During 2002 and 2003, we tested our cable franchise rights for impairment at the cable segment level. Effective in the first quarter of 2004, we will change the unit of accounting used for testing impairment to geographic regions and will perform impairment testing on our cable franchise rights. We do not anticipate recording any impairment charge in connection with the impairment testing.

We assess the recoverability of our cable franchise rights annually or more frequently whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. We estimate the fair value of our cable franchise rights primarily based on multiples of operating income before depreciation and amortization generated by the underlying assets, discounted cash flow analyses, analyses of current market transactions, and profitability information, including estimated future operating results, trends or other determinants of fair value. If the value of our cable franchise rights determined by these evaluations is less than its carrying amount, an impairment charge would be recognized for the difference between the estimated fair value and the carrying value of the assets. Future adverse changes in market conditions or in the operating results of the related business may indicate an inability to recover the carrying value of the assets, thereby possibly requiring a future impairment charge.

The carrying amount of cable franchise rights related to some of our historical cable systems is significantly less than their current estimated fair value largely because we acquired many of these rights directly from local franchise authorities rather than through separate cable system acquisitions. Conversely, the carrying amount of cable franchise rights for our more recent cable system acquisitions has not been significantly reduced through amortization (and has not been reduced at all for acquisitions made subsequent to the adoption of SFAS No. 142). Nevertheless, testing for impairment at a level higher than the individual franchise agreement or cable system level reduces the likelihood of a future impairment charge related to our cable franchise rights.

As more fully described in Note 5 to our financial statements included in Item 8 (see *Acquisition of Broadband*), the fair value of the shares issued for Broadband was based on the date the non-equity, or “other,” consideration being paid was substantively changed from the terms of the original merger agreement. The fair value of the shares issued for Broadband based on the new measurement date was approximately one-half the fair value of the shares as of the date of the original merger agreement. Accordingly, the effect of the modification was to reduce by approximately one-half (approximately \$23 billion) the value assigned to the equity consideration issued in connection with the Broadband acquisition. The reduction in the fair value of the equity consideration reduces the likelihood of a future impairment charge related to our goodwill.

Fair Value of Acquisition Related Assets, Liabilities and Legal Contingencies

We allocate the purchase price of acquired companies to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values. In determining fair value, management is required to make estimates and assumptions that affect the recorded amounts. To assist in this process, third party valuation specialists are engaged to value certain of these assets and liabilities.

Estimates used in valuing acquired assets and liabilities include but are not limited to: expected future cash flows, market rate assumptions for contractual obligations, actuarial assumptions for benefit plans, settlement plans for litigation and contingencies, and appropriate discount rates. Our estimates of fair value are based upon assumptions believed to be reasonable, but that are inherently uncertain. In addition, estimated liabilities to exit activities of the acquired operations, including the exiting of contractual obligations and the termination of employees, are subject to change as we complete the implementation of the plan.

The assets and assumed liabilities related to the Broadband acquisition that required significant judgment in estimating fair value included investments, cable franchise rights, franchise related customer relationships, assumed contractual and other obligations, and costs related to terminating certain of Broadband's contractual obligations and employees. In addition, we are party to certain legal contingencies, including those described in Item 3, Legal Proceedings. If, based on information available, a potential loss arising from the lawsuits, claims and actions involving AT&T or Broadband was deemed

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probable and reasonably estimable or the fair value of the contingency could be determined, we recorded the liability in the purchase price allocation. For certain other cases, we are awaiting additional information to determine if a liability should be recorded. In addition, the inherent limitations in the estimation process may cause future actual losses to exceed expected losses.

Significant and Subjective Estimates

The following discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and contingent liabilities (such as income taxes and litigation). We base our judgments on historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making estimates about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

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

Liquidity and Capital Resources

During 2003, we significantly strengthened our balance sheet and increased our liquidity through the repayment and refinancing of debt, and through the sales or restructurings of certain of our investments, which are more fully described below (see [Financing](#) on page 23).

Anticipated Sources of Liquidity

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, through available borrowings under our existing credit facilities, and through our ability to obtain future external financing.

Cash and Cash Equivalents

We have traditionally maintained significant levels of cash and cash equivalents to meet our short-term liquidity requirements. As of December 31, 2003, our cash and cash equivalents totaled \$1.55 billion, substantially all of which is unrestricted.

Investments

Investments that we determine to be non-strategic, highly-valued or both, are considered by us to be a source of liquidity. As of December 31, 2003, we consider our investments in the following to be potential sources of liquidity:

- \$1.5 billion in Time Warner Inc. common equivalent preferred stock,
- \$1.4 billion in Liberty common stock,
- 21% interest in Time Warner Cable Inc., and
- interests in certain cable television partnerships.

We do not have any significant contractual funding commitments with respect to any of our investments.

Refer to [Note 6](#) to our financial statements included in Item 8 for a discussion of our investments.

Available Borrowings Under Credit Facilities

We have traditionally maintained significant availability under our lines of credit to meet our short-term liquidity requirements. As of December 31, 2003, amounts available under our lines of credit totaled \$5.876 billion.

On January 8, 2004, we refinanced three of our existing revolving credit facilities with a new \$4.5 billion, five-year revolving bank credit facility due January 2009. As of January 8, 2004, remaining amounts available under our lines of credit totaled \$4.381 billion (see [Debt Covenants](#) on page 24).

Anticipated Uses of Cash

Capital Expenditures

Our most significant recurring investing activity has been and is expected to continue to be capital expenditures. During 2004, however, we expect cable capital expenditures to decline compared to 2003 as we complete the upgrade of our cable systems.

We expect to incur approximately \$3.4 billion of capital expenditures in our cable and content businesses, substantially all of which will be in our cable business. As of December 31, 2003, we do not have any significant contractual obligations for capital expenditures. The amount of our capital expenditures for 2004 and for subsequent years will depend on numerous factors, some of which are beyond our control, including:

- competition,

- changes in technology, and
- the timing and rate of deployment of new services.

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The following table illustrates the capital expenditures we incurred in our cable business during 2003 and expect to incur in 2004 (in millions):

	2003	2004
Upgrading of certain cable systems	\$1,414	\$760
Deployment of cable modems, digital converters, and new service offerings	1,923	1,880
Recurring capital projects	760	710
Total capital expenditures	<u>\$4,097</u>	<u>\$3,350</u>

Interest

During 2003, we made cash payments for interest totaling \$2.053 billion. We anticipate that, for the foreseeable future, our cash paid interest will decline modestly as average debt balances decline, but will remain significant.

Income Taxes

During 2003, we made cash payments for income taxes totaling \$945 million, primarily as a result of our sale of QVC and certain of our other investments. We anticipate that our cash paid for income taxes will be significantly reduced in 2004.

Stock Repurchases

In December 2003, our Board of Directors authorized the repurchase of up to \$1 billion of our outstanding common equity securities. We expect such repurchases to occur from time to time, in the open market or in private transactions, subject to market conditions.

Affiliation Agreements

Certain of our content subsidiaries enter into multi-year affiliation agreements with various cable and satellite television system operators for carriage of their respective programming. In connection with these affiliation agreements, we generally pay a launch fee to the cable or satellite television operator based upon the number of subscribers. During 2004, we expect to incur fees of no more than \$150 million related to these affiliation agreements, excluding amounts applicable to our cable systems.

Off-Balance Sheet Arrangements

We do not have any significant off-balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, results of operations, liquidity, capital expenditures or capital resources.

Contractual Obligations

Our unconditional contractual obligations as of December 31, 2003, which consist primarily of our debt obligations, and the effect such obligations are expected to have on our liquidity and cash flow in future periods, are summarized in the table below.

Refer to Note 8 to our financial statements included in Item 8 for a discussion of our long-term debt. Refer to [Note 13](#) to our financial statements included in Item 8 for a discussion of our operating lease and purchase obligations. Refer to [Note 5](#) to our financial statements included in Item 8 for a discussion of our acquisition-related obligations.

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Contractual Obligations

	Payments Due by Period				
	Total	Year 1	Years 2 - 3	Years 4 - 5	More than 5 years
	(dollars in millions)				
Debt obligations, excluding Exchangeable Notes	\$22,451	\$684	\$3,500	\$2,389	\$15,878
Exchangeable Notes	4,318	2,427	1,839	52	
Capital lease obligations	227	50	89	78	10
Operating lease obligations	979	200	281	200	298
Purchase obligations (1)	9,177	2,138	2,293	1,816	2,930
Other long-term liabilities reflected on the balance sheet					

Acquisition related obligations (2)	897	372	195	102	228
Other long-term obligations (3)	3,642	247	279	121	2,995
Total	\$41,691	\$6,118	\$8,476	\$4,758	\$22,339

- Purchase obligations consist of agreements to purchase goods and services that are enforceable and legally binding on us and that specify all significant terms including fixed or minimum quantities to be purchased, price provisions and timing of the transaction. Our purchase obligations include payments under the employment agreements that we, through Comcast Spectacor, have with both players and coaches of our professional sports teams that are guaranteed regardless of employee injury or termination. Certain of these agreements may be covered by disability insurance if certain conditions are met. Also included are payments under license agreements that our programming networks have entered into for programs and sporting events that will be available for telecast subsequent to December 31, 2003. Also included are the minimum guaranteed payments under programming contracts that our cable segment enters into for the purchase of programming from cable network providers. We have also included commitments to purchase cable related equipment. We did not include contracts with immaterial future commitments.
- Acquisition related obligations consist primarily of costs related to terminating employees, costs relating to exiting contractual obligations, and other assumed contractual obligations of the acquired entity.
- Other long-term obligations consist principally of our prepaid forward transactions on equity securities we hold, subsidiary preferred shares, deferred compensation obligations, pension, post-retirement and post-employment benefit obligations, and program rights payable under license agreements.

Financing

As of December 31, 2003 and 2002, our debt, including capital lease obligations, was \$26.996 billion and \$34.909 billion, respectively. The \$7.913 billion decrease from December 31, 2002 to December 31, 2003 results from our net debt repayments and non-cash financing transactions during 2003. Included in our debt as of December 31, 2003 and 2002 was short-term debt and current portion of long-term debt of \$3.161 billion and \$6.953 billion, respectively.

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

Refer to Notes [8](#) and [10](#) to our financial statements included in Item 8 for a discussion of our financing activities.

The following table illustrates the sources of cash received from our significant investing and financing activities during 2003. The majority of these proceeds were used to repay or refinance a portion of our outstanding debt and other obligations.

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<u>Date</u>	<u>Amount</u>	<u>Source</u>
January 2003 March 2003 May 2003	\$4.0 billion	Sale of public debt
March 2003	\$.53 billion	Transfer of cable systems to Bresnan Broadband Holdings, LLC and Bresnan Communications, LLC
March 2003	\$2.1 billion	Closing of the TWE restructuring
June 2003	\$.73 billion	Sale of interest in CC VIII, LLC, a cable joint venture with Charter Communications, Inc.
September 2003 December 2003	\$5.35 billion	Sale of QVC and sale of Liberty Notes received in connection with the sale of QVC
December 2003	\$.89 billion	Monetization of a portion of Liberty shares received in connection with the sale of QVC

The Cross-Guarantee Structure

To simplify our capital structure, we and a number of our wholly-owned subsidiaries that hold substantially all of our cable communications assets have unconditionally guaranteed each other's debt securities and indebtedness for borrowed money, including amounts outstanding under the new credit facilities. As of December 31, 2003, \$20.866 billion of our debt was included in the cross-guarantee structure.

Comcast Holdings is not a guarantor and none of its debt is guaranteed under the cross-guarantee structure. As of December 31, 2003, \$1.024 billion of our debt was outstanding at Comcast Holdings.

Debt Covenants

We and our cable subsidiaries that have provided guarantees are subject to the covenants and restrictions set forth in the indentures governing our public debt securities and in the credit agreement governing our bank credit facilities. We and the guarantors are in compliance with the covenants and we believe that neither the covenants nor the restrictions in our indentures or loan documents will limit our ability to

operate our business or raise additional capital. The two financial covenants in our bank credit facility are tested on an ongoing basis and measure our leverage and interest coverage. We have significant headroom under these financial covenants. The entire amount of our new \$4.5 billion bank credit facility is currently available for our use, and future compliance with our financial covenants is not dependent on further debt reduction or on improved operating results.

Exchangeable Notes

We have outstanding notes exchangeable into the common stock of Cablevision NY Group ("Cablevision") Class A common stock, Microsoft Corporation ("Microsoft") common stock, Vodafone ADRs and Comcast Class A Special common stock (together, the "Exchangeable Notes"). At maturity the Exchangeable Notes are mandatorily redeemable at our option into (i) a number of shares of common stock or ADRs equal to the underlying shares multiplied by an exchange ratio (as defined), or (ii) 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 Exchangeable Notes are collateralized by our investments in Cablevision, Microsoft and Vodafone, respectively.

The Comcast exchangeable notes are collateralized by our Class A Special common stock held in treasury. We have and intend in the future to settle the Comcast exchangeable notes using cash.

During 2003, we settled \$1.851 billion of our obligations relating to certain of our Exchangeable Notes by delivering the underlying shares of common stock or cash to the counterparty upon maturity of the instruments, and the equity collar agreements related to the underlying shares expired or were settled.

As of December 31, 2003, our debt includes an aggregate of \$4.318 billion of Exchangeable Notes, including \$2.427 billion and \$1.891 billion within current portion of long-term debt and long-term debt, respectively. As of December 31, 2003, the securities held by us collateralizing the Exchangeable Notes were

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sufficient to satisfy the debt obligations associated with the outstanding Exchangeable Notes.

Interest Rate Risk Management

We are exposed to the market risk of adverse changes in interest rates. We maintain a mix of fixed and variable rate debt and enter into various derivative transactions pursuant to our policies to manage the volatility relating to these exposures.

We monitor our interest rate risk exposures using techniques including market value and sensitivity analyses. We do not hold or issue any derivative financial instruments for trading purposes and are not a party to leveraged instruments.

We manage the credit risks associated with our derivative financial instruments through the evaluation and monitoring of the creditworthiness of the counterparties. Although we may be exposed to losses in the event of nonperformance by the counterparties, we do not expect such losses, if any, to be significant.

We use the following derivative financial instruments to manage the market risk of adverse changes in interest rates:

- Interest rate exchange agreements ("Swaps") to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount;
- Interest rate lock agreements ("Rate Locks") to hedge the risk that cash flows related to the interest payments on an anticipated issuance or assumption of fixed rate debt may be adversely affected by interest rate fluctuations;
- Interest rate cap agreements ("Caps") to lock in a maximum interest rate should variable rates rise, but enable us to otherwise pay lower market rates; and
- Interest rate collar agreements ("Collars") to limit our exposure to and benefits from interest rate fluctuations on variable rate debt to within a certain range of rates.

While Swaps, Rate Locks, Caps and Collars represent an integral part of our interest rate risk management program, their effect on interest expense for the years ended December 31, 2003, 2002 and 2001 was not significant. However, Swaps, Rate Locks, Caps and Collars may have a significant effect on our interest expense in the future.

The table set forth below summarizes the fair values and contract terms of financial instruments subject to interest rate risk maintained by us as of December 31, 2003 (dollars in millions):

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Thereafter</u>	<u>Total</u>	<u>Fair Value at 12/31/03</u>
Debt								
Fixed Rate	\$1,930	\$2,762	\$1,725	\$974	\$1,493	\$15,887	\$24,771	\$27,993
Average Interest Rate	6.8%	7.2%	7.3%	8.4%	7.2%	7.7%	7.6%	
Variable Rate	\$1,231	\$941		\$52		\$1	\$2,225	\$2,225
Average Interest Rate	2.2%	3.4%		5.9%		7.4%	2.8%	
Interest Rate Instruments								
Variable to Fixed Swaps (notional amounts)	\$715	\$488					\$1,203	\$25
Average Pay Rate	7.6%	7.6%					7.6%	
Average Receive Rate	2.2%	3.4%					2.7%	

Fixed to Variable Swaps

(notional amounts)	\$200	\$600	\$1,650	\$2,450	\$15
Average Pay Rate	6.1%	7.0%	6.4%	6.5%	
Average Receive Rate	6.4%	6.2%	6.8%	6.6%	

The notional amounts of interest rate instruments, as presented in the table above, are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The estimated fair value approximates the proceeds to settle the outstanding contracts. We estimate interest rates on variable debt using the average implied forward London Interbank Offer Rate ("LIBOR") rates for the year of maturity based

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on the yield curve in effect at December 31, 2003, plus the borrowing margin in effect for each credit facility at December 31, 2003. We estimate the floating rates on our Swaps using the average implied forward LIBOR rates for the year of maturity based on the yield curve in effect at December 31, 2003.

Excluding the effects of interest rate risk management instruments, 8.2% of our total debt as of December 31, 2003 was at variable rates, compared to 31.8% at December 31, 2002. The decrease from December 31, 2002 in the percentage of our variable rate debt was due to the repayment of substantially all of our variable rate bank debt during 2003.

As a matter of practice, we typically do not structure our financial contracts to include credit ratings-based triggers that could affect our liquidity. In the ordinary course of business, certain of our Swaps could be subject to termination provisions if we do not maintain investment-grade credit ratings. As of December 31, 2003, the fair value of the liability related to those Swaps was approximately \$19 million. The amount due upon termination, if any, would be based upon the fair value of those outstanding contracts at that time.

Equity Price Risk Management

We are exposed to the market risk of changes in the equity prices of certain of our investments accounted for as trading securities. We enter into various derivative transactions pursuant to our policies to manage the volatility relating to these exposures.

We monitor our equity price risk exposures to ensure that the instruments are matched with the underlying assets or liabilities, reduce our risks relating to equity prices, and through market value and sensitivity analyses, maintain a high correlation to the risk inherent in the hedged item.

We use the following derivative financial instruments, which we account for at fair value, to limit our exposure to and benefits from price fluctuations in the common stock of certain of our investments accounted for as trading securities:

- Cashless collar agreements ("Equity Collars");
- Prepaid forward sales agreements ("Prepaid Forward Sales");
- Indexed debt instruments ("Exchangeable Notes").

Except as described in [Results of Continuing Operations — Investment Income \(Loss\), Net on page 31](#), the changes in the fair value of our investments accounted for as trading securities were substantially offset by the changes in the fair values of the Equity Collars and the derivative components of the Exchangeable Notes and the Prepaid Forward Sales.

Refer to [Note 2](#) to our financial statements included in Item 8 for a discussion of our accounting policies with respect to derivative financial instruments and to [Notes 6 and 8](#) to our financial statements included in Item 8 for discussions of our derivative financial instruments.

Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive income (loss) primarily are unrealized losses on our Rate Locks, offset by unrealized gains and losses on available for sale securities. Changes to these components account for the change in accumulated other comprehensive income (loss) from December 31, 2002 to December 31, 2003. Refer to [Notes 6 and 8](#) to our financial statements included in Item 8 for more information about these components of accumulated other comprehensive income (loss).

Statement of Cash Flows

Cash and cash equivalents increased \$1.045 billion as of December 31, 2003 from December 31, 2002. The increase in cash and cash equivalents resulted from cash flows from operating, financing and investing activities as explained below.

Net cash provided by operating activities from continuing operations amounted to \$2.854 billion for the year ended December 31, 2003, due principally to our operating income before depreciation and amortization (see ["Results of Continuing Operations"](#)), the effects of interest and income tax payments, and changes in operating assets and liabilities as a result of the timing of receipts and disbursements.

Net cash used in financing activities from continuing operations consists primarily of borrowings and repayments of debt. Net cash used in financing activities from continuing operations was \$7.048 billion for the year ended December 31, 2003. During 2003, we borrowed \$9.398 billion, consisting principally of:

- \$3.988 billion of senior notes,
- \$3.707 billion under revolving credit facilities, and
- \$1.650 billion under a term loan due 2006.

During 2003, we repaid \$16.465 billion of our debt, consisting principally of:

- \$4.830 billion of our term loans,

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- \$4.496 billion on certain of our revolving credit facilities,
 - \$3.750 billion of short-term debt,
 - \$1.959 billion of our senior and medium term notes,
 - \$517 million of Trust Preferred Securities, and
 - \$498 million of exchangeable debt.

Net cash provided by investing activities from continuing operations was \$5.239 billion for the year ended December 31, 2003. During 2003, proceeds from investing activities include sales, settlements and restructuring of investments as listed in the table under [Financing](#) on page 24, offset, in part, by capital expenditures of \$4.161 billion.

Results of Continuing Operations

Revenues

Consolidated revenues for the years 2003 and 2002 increased \$10.2 billion and \$2.2 billion, respectively, from the previous year. Of these increases, \$10.1 billion and \$2.0 billion, respectively, relate to our cable segment, which is discussed separately below. The remaining increases are primarily the result of our content businesses, which achieved combined revenue growth of 15.4% and 26.5%, during the years 2003 and 2002, respectively. Such increases in the content businesses were primarily the result of increases in distribution revenues, increases in advertising revenues and the effects of our 2001 acquisitions.

Operating, selling, general and administrative expenses

Consolidated operating, selling, general and administrative expenses for the years 2003 and 2002 increased \$6.7 billion and \$1.3 billion, respectively, from the previous year. Of these increases, \$6.6 billion and \$1.3 billion, respectively, relate to our cable segment, which is discussed separately below. The remaining increases are primarily the result of growth in our content businesses and increases in corporate overhead.

Depreciation

The increases in depreciation expense for the years 2003 and 2002 are primarily attributable to our cable segment. The increases in our cable segment are principally due to the effects of the Broadband acquisition, as well as our increased levels of capital expenditures.

Amortization

The increase in amortization expense for the year 2003 is primarily attributable to our cable segment. The increase in our cable segment is principally due to the effects of the Broadband acquisition. As a result of the Broadband acquisition, we recorded approximately \$3.4 billion of franchise-related customer relationship intangible assets, which we are amortizing over their average estimated useful life of approximately four years.

The decrease in amortization expense for the year 2002 is primarily attributable to our cable segment, principally due to the effects of the adoption of SFAS No. 142 on January 1, 2002 as we no longer amortize goodwill or franchise rights intangible assets. This decrease is partially offset by the effects of the Broadband acquisition.

Cable Segment Operating Results

The discussion of our cable segment historical operating results is presented as a comparison of the 2003, 2002 and 2001 periods, which only include the Broadband results subsequent to November 18, 2002. In order to provide additional information relating to our cable segment operating results, we also present a comparison of 2003 actual results to 2002 results on a pro forma basis. Management uses pro forma data 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 (amounts in millions).

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2003 to 2002 Pro Forma Comparisons

Our 2003 cable operating results reflect revenue growth of 9.1% and operating income before depreciation and amortization growth of 42.1% compared to the pro forma 2002 year. The growth in revenue is primarily the result of growth in basic, digital cable and high-speed Internet subscribers, and rate increases. The increase in high-speed Internet subscribers reflects increased consumer demand for the faster and more reliable Internet service provided over our cable networks. The increase in our video subscribers was driven by an increase of approximately 117,000 subscribers in 2003 in the Broadband systems that reversed a loss of approximately 483,000 subscribers in 2002. The growth in digital cable subscribers reflects increased demand for additional programming choices and enhancements in digital service packages.

Rate increases occurred in our traditional video service, as well as from the repricing and repackaging of the digital and premium channel products in the Broadband systems.

The 2003 operating income before depreciation and amortization results reflect the significant operating trends and efficiencies achieved in integrating the Broadband operations. The integration of Broadband involved changing the organizational structure and refocusing priorities including:

- Focusing on selling video and high-speed Internet services, and emphasizing profitability over subscriber growth in phone.
- Accelerating our upgrade of Broadband systems to deploy and market expanded services sooner. In 2003, we upgraded over 53,000 miles versus 27,500 miles in pro forma 2002.
- Renegotiating programming contracts or achieving synergies in existing programming contracts. The impact of these initiatives was to reduce the growth in our programming costs.
- Reducing redundant Broadband overhead functions.

	2003	2002	Increase (Decrease)	% Increase (Decrease)
Video	\$12,096	\$11,460	\$636	5.5%
High-speed Internet	2,255	1,486	769	51.7
Phone	801	818	(17)	(2.2)
Advertising sales	1,112	1,036	76	7.4
Other	619	667	(48)	(7.2)
Franchise fees	608	570	38	6.8
Revenues	17,491	16,037	1,454	9.1
Programming expenses	3,909	3,822	87	2.3
Other operating, selling, general and administrative expenses	7,232	7,746	(514)	(6.6)
Operating income before depreciation and amortization (a)	\$6,350	\$4,469	\$1,881	42.1%
Video subscribers	21,468.0	21,327.4	140.6	0.7%
High-speed Internet subscribers	5,283.9	3,620.4	1,663.5	45.9%
Phone subscribers	1,266.9	1,438.4	(171.5)	(11.9%)
Monthly average revenue per video subscriber	\$47.15	\$44.54	\$2.61	5.9%
Monthly average revenue per high-speed Internet subscriber	\$42.44	\$41.81	\$0.63	1.5%
Monthly average revenue per phone subscriber	\$48.90	\$54.35	(\$5.45)	(10.0%)

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

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income before depreciation and amortization 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. This measure 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.

Revenues

Video revenue consists of our basic, expanded basic, premium, pay-per-view, equipment and digital cable services. The increase in video revenue from 2002 to 2003 is primarily due to increases in monthly average revenue per video subscriber as a result of rate increases in our traditional video service, growth in digital subscribers, and repricing and repackaging of the digital and premium channel services in the Broadband systems. From December 31, 2002 to December 31, 2003, we added approximately 140,000 basic subscribers and over 1.0 million digital subscribers, or a 15.6% increase in digital subscribers. We expect continued growth in our video services revenue.

The increase in high-speed Internet revenue from 2002 to 2003 is primarily due to the addition in 2003 of approximately 1.7 million high-speed Internet subscribers, or a 45.9% increase in high-speed Internet subscribers, as well as to the effects of an increase in monthly average revenue per subscriber. We expect continued revenue growth as overall demand for our services continues to increase.

The decrease in phone revenue from 2002 to 2003 is primarily as a result of our focus on operating efficiencies to drive profitability in the phone business, rather than focusing on subscriber growth. As a result, during 2003 our phone subscribers decreased by approximately 171,000 subscribers.

The increase in advertising sales revenue from 2002 to 2003 is primarily due to the effects of growth in regional/national advertising as a result of the continuing success of our regional interconnects, offset by reduced growth in a soft local advertising market.

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

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

Expenses

Total expenses decreased \$427 million or 3.7% in 2003 from 2002, which is primarily the result of the effects of approximately \$425 million of acquisition and employee termination related costs recorded by Broadband in 2002. Excluding the effects of these costs, total expenses were nearly level with the 2002 amounts. This is a result of cost efficiencies generated from the integration of Broadband.

Programming costs represent our single largest operating expense and represent fees paid to license programming from cable and broadcast networks that we distribute, package and sell to our video subscribers. Programming expenses are impacted by changes in programming rates, the number of subscribers and programming channels. In 2003, programming costs increased 2.3% as compared to 2002. During 2003, we were able to negotiate reductions in programming rates, primarily in premium channels. We anticipate our programming costs will increase in the future primarily as a result of increased cost to produce and purchase programming and additional programming channels provided to our subscribers. These increases are mitigated, to some extent, by additional volume discounts associated with our increased size and future growth in subscribers receiving such programming channels.

Other operating, selling and general and administrative expenses decreased from 2002 to 2003 primarily due to the effects of approximately \$425 million of acquisition and employee termination related costs recorded by Broadband in 2002. Additionally, in 2003, customer service expenses slightly declined because we no longer outsource Broadband's customer service operations. We also reduced administrative and overhead expenses through reductions in headcount and the elimination of redundancies. Offsetting these decreases were increases in labor and other volume related operating expenses associated with the growth in our high-speed Internet and digital cable services.

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2003 to 2002 Historical Comparisons

	2003	2002	Increase	% Increase
Video	\$12,096	\$5,516	\$6,580	119.3%
High-speed Internet	2,255	715	1,540	215.4
Phone	801	127	674	530.7
Advertising sales	1,112	474	638	134.6
Other	620	275	345	125.5
Franchise fees	608	243	365	150.2
Revenues	17,492	7,350	10,142	138.0
Operating, selling, general and administrative expenses	11,142	4,552	6,590	144.8
Operating income before depreciation and amortization (a)	\$6,350	\$2,798	\$3,552	126.9%

(a) Refer to [footnote \(a\) on page 28](#).

Video revenue increased \$6.580 billion from 2002 to 2003, of which \$6.286 billion is attributable to the effects of the Broadband acquisition and \$294 million relates to changes in rates and subscriber growth in our historical operations, driven principally by growth in our digital subscribers. During 2003, we added over 1.0 million digital subscribers.

The increase in high-speed Internet revenue from 2002 to 2003 is primarily due to the Broadband acquisition and growth in high-speed Internet subscribers. During 2003, we added approximately 1.7 million high-speed Internet subscribers.

The increase in phone, advertising sales and other revenue is principally attributable to the effects of the Broadband acquisition. Our historical operations prior to the Broadband acquisition did not contain significant phone revenue.

The increase in franchise fees collected from our cable subscribers 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 expenses from 2002 to 2003 is primarily attributable to the effects of the Broadband acquisition, as well as to the effects of an increase in the costs of cable programming, an increase in labor costs and other volume-related expenses in our historical operations, and, to a lesser extent, to the effect of high-speed Internet subscriber growth.

	2002	2001	Increase	% Increase
Video	\$5,516	\$4,278	\$1,238	28.9%
High-speed Internet	715	294	421	143.2
Advertising sales	474	326	148	45.4
Other	402	232	170	73.3
Franchise fees	243	193	50	25.9
Revenues	7,350	5,323	2,027	38.1
Operating, selling, general and administrative expenses	4,552	3,269	1,283	39.2
Operating income before depreciation and amortization (a)	\$2,798	\$2,054	\$744	36.2%

(a) Refer to [footnote \(a\) on page 28](#).

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Video revenues increased \$1.238 billion from 2001 to 2002, of which \$945 million is attributable to the effects of our acquisitions of cable systems and \$293 million relates to changes in rates and subscriber growth in our historical operations, driven principally by growth in digital subscribers. During 2002, we added approximately 4.4 million digital subscribers as a result of the Broadband acquisition and we added approximately 0.5 million digital subscribers through growth in our historical operations.

The increase in high-speed Internet revenue from 2001 to 2002 is primarily due to the addition of high-speed Internet subscribers. During 2002, we added approximately 2.1 million high-speed Internet subscribers as a result of the Broadband acquisition and we added approximately 0.6 million high-speed Internet subscribers through growth in our historical operations.

The increase in advertising sales revenue from 2001 to 2002 is due to the effects of the Broadband acquisition, as well as to the effects of a stronger advertising market and the continued success of our regional interconnects.

The increase from 2001 to 2002 in other revenue is primarily attributable to other product revenues, including phone revenue, as a result of the Broadband acquisition. The remaining increase from 2001 to 2002 is attributable to growth in our historical operations.

The increase in franchise fees collected from our cable subscribers from 2001 to 2002 is primarily attributable to the increases in our revenues upon which the fees apply.

The increase in operating, selling, general and administrative expense from 2001 to 2002 is primarily attributable to the effects of the Broadband acquisition, as well as to the effect of an increase in the costs of cable programming, an increase in labor costs and other volume-related expenses in our historical operations, and, to a lesser extent, to the effect of high-speed Internet subscriber growth.

On September 28, 2001, At Home Corporation ("At Home"), our former provider of high-speed Internet services, filed for protection under Chapter 11 of the U.S. Bankruptcy Code. In October 2001, we amended our agreement with At Home to continue service to our existing and new subscribers during October and November 2001. We agreed to be charged a higher rate than we had incurred under our previous agreement. On December 3, 2001, we reached a definitive agreement, approved by the Bankruptcy Court, with At Home pursuant to which At Home agreed to continue to provide high-speed Internet services to our existing and new subscribers through February 28, 2002. In December 2001, we began to transfer our high-speed Internet subscribers from the At Home network to our new Comcast-owned and managed network. We completed this transition in February 2002. Operating expenses in our consolidated statement of operations for the year ended December 31, 2001 include \$140 million of net incremental expenses incurred in the fourth quarter of 2001 in the continuation of service to and transition of our high-speed Internet subscribers from At Home's network to our network.

Consolidated Other Income (Expense) Items

Interest Expense

The increases in interest expense for the years ended December 31, 2003 and 2002 from the previous year are due to our increased amount of debt outstanding as a result of the Broadband acquisition.

Investment Income (Loss), Net

Investment income (loss), net for the years ended December, 31, 2003, 2002 and 2001 includes the following (in millions):

	2003	2002	2001
Interest and dividend income	\$166	\$53	\$59
Gains (losses) on sales and exchanges of investments, net	28	(48)	485
Investment impairment losses	(72)	(247)	(972)
Reclassifications of unrealized gains			1,330
Unrealized gains (losses) on trading securities	965	(1,569)	285

Mark to market adjustments on derivatives related to trading securities	(818)	1,284	(227)
Mark to market adjustments on derivatives and hedged items	(353)	(16)	26
	<u> </u>	<u> </u>	<u> </u>
Investment income (loss), net	<u>(\$84)</u>	<u>(\$543)</u>	<u>\$986</u>

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We have entered into derivative financial instruments that we account for at fair value and which economically hedge the market price fluctuations in the common stock of certain of our investments accounted for as trading securities. Investment income (loss), net includes the fair value adjustments related to our trading securities and derivative financial instruments. The change in the fair value of our investments accounted for as trading securities, with the exception in 2003 of the unrealized gain on 118 million shares of our Liberty common shares discussed below, was substantially offset by the changes in the fair value of the related derivatives.

Beginning in 2003, we are exposed to changes in the fair value of 118 million shares of Liberty common stock we hold and account for as a trading security as we have not entered into a corresponding derivative to hedge this market exposure.

We are also exposed to changes in the fair value of the derivative component of the Comcast exchangeable notes we have outstanding since the underlying 30.9 million shares of Comcast Class A Special common stock we hold in treasury are carried at our historical cost and are not adjusted for changes in fair value.

Accordingly, our future results of operations may be affected by fluctuations in the fair value of both the Liberty common stock and the derivative component of the Comcast exchangeable notes in future periods.

Gains (losses) on sales and exchanges of investments, net in 2001 relates principally to our investment in At Home.

The investment impairment losses relate principally to other than temporary declines in our investment in AT&T.

In connection with the reclassification of our investment in Sprint PCS from an available for sale security to a trading security upon the adoption of SFAS No. 133 on January 1, 2001, we reclassified to investment income (loss), net the accumulated unrealized gain of \$1.092 billion on our investment in Sprint PCS that was previously recorded as a component of accumulated other comprehensive income (loss).

Equity in Net Losses of Affiliates

Equity in net losses of affiliates for 2003 results principally from the full-year impact of losses of investees we acquired in the Broadband acquisition.

The increase in equity in net losses of affiliates from 2001 to 2002 is primarily due to an other than temporary decline in certain of our equity method investees, the effects of our additional investments, a change in the net income or loss of our equity method investees, as well as to the effects of the discontinuance of amortization of equity method goodwill as a result of the adoption of SFAS No. 142 on January 1, 2002.

Other Income

The increase in other income from 2002 to 2003 is primarily attributable to lease rental income related to certain assets acquired in the Broadband acquisition.

On October 30, 2001, we acquired from Fox Entertainment Group, Inc. ("Fox Entertainment") the approximate 83.2% interest in Outdoor Life Network ("OLN") not previously owned by us. Upon closing of the acquisition, we exchanged our 14.5% interest in Speedvision Network ("SVN"), together with a previously made loan, for Fox Entertainment's interest in OLN. In connection with the exchange of our interest in SVN, we recorded a pre-tax gain of \$107 million, representing the difference between the estimated fair value of our interest in SVN as of the closing date of the transaction and our cost basis in SVN.

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

Income Tax Benefit (Expense)

The changes in income tax benefit (expense) are primarily the result of the effects of changes in our income before taxes and minority interest, and non-deductible goodwill amortization in 2001.

Minority Interest

The increases in minority interest are attributable to increases in the net income of our less than wholly owned consolidated subsidiaries, as well as, in 2003, to dividends recorded to minority interest related to certain subsidiaries acquired in the Broadband acquisition prior to the adoption of SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity."

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Income from discontinued operations decreased from 2002 to 2003 primarily as a result of the 2003 period including QVC's results through August 31, while the 2002 period includes QVC's results for the full year. As a result of the sale of QVC, we recognized a \$3.290 billion gain, net of approximately \$2.865 billion of related income taxes.

Income from discontinued operations decreased from 2001 to 2002 primarily as a result of an investment loss recognized by QVC during 2002.

Cumulative Effect of Accounting Change

Upon adoption of SFAS No. 133, we recognized as income a cumulative effect of accounting change, net of related income taxes, of \$385 million during the year ended December 31, 2001. The income consisted of a \$400 million adjustment to record the debt component of our 2.0% Exchangeable Subordinated Debentures due 2029 at a discount from its value at maturity and \$192 million principally related to the reclassification of gains previously recognized as a component of accumulated other comprehensive income (loss) on our equity derivative instruments, net of related deferred income taxes of \$207 million.

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

ITEM 7A QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Refer to [Interest Rate Risk Management](#) on page 25 and [Equity Price Risk Management](#) on page 26 for a discussion of this item.

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ITEM 8 FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

We have audited the accompanying consolidated balance sheet of Comcast Corporation and its subsidiaries (the "Company") as of December 31, 2003 and 2002, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Comcast Corporation and its subsidiaries as of December 31, 2003 and 2002, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

As discussed in [Note 2](#) to the consolidated financial statements, the Company adopted Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, effective January 1, 2001, and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," effective January 1, 2002.

Deloitte & Touche LLP

Philadelphia, Pennsylvania
March 11, 2004

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COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET (Dollars in millions, except share data)

	December 31,	
	2003	2002
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$1,550	\$505
Investments	2,493	3,258
Accounts receivable, less allowance for doubtful accounts of \$146 and \$172	907	862
Other current assets	453	380
Current assets of discontinued operations		1,481
Current assets held for sale		613

Total current assets	5,403	7,099
INVESTMENTS	14,818	15,174
PROPERTY AND EQUIPMENT, net of accumulated depreciation of \$6,563 and \$3,855 .	18,473	18,381
FRANCHISE RIGHTS	51,050	48,222
GOODWILL	14,841	16,562
OTHER INTANGIBLE ASSETS, net of accumulated amortization of \$2,182 and \$735	3,859	5,429
OTHER NONCURRENT ASSETS, net	715	666
NONCURRENT ASSETS OF DISCONTINUED OPERATIONS		1,595
	<u>\$109,159</u>	<u>\$113,128</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$1,251	\$1,296
Accrued expenses and other current liabilities	4,563	5,236
Deferred income taxes	679	1,105
Short-term debt		3,750
Current portion of long-term debt	3,161	3,203
Current liabilities of discontinued operations		816
Total current liabilities	<u>9,654</u>	<u>15,406</u>
LONG-TERM DEBT, less current portion	<u>23,835</u>	<u>27,956</u>
DEFERRED INCOME TAXES	<u>25,900</u>	<u>23,104</u>
OTHER NONCURRENT LIABILITIES	<u>7,816</u>	<u>7,161</u>
MINORITY INTEREST	<u>292</u>	<u>249</u>
NON-CURRENT LIABILITIES AND MINORITY INTEREST OF DISCONTINUED OPERATIONS		<u>923</u>
COMMITMENTS AND CONTINGENCIES (NOTE 13)		
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, 1,601,161,057 and 1,599,014,148; outstanding, 1,357,520,557 and 1,355,373,648	16	16
Class A special common stock, \$0.01 par value - authorized, 7,500,000,000 shares; issued 931,732,876 and 930,633,433; outstanding, 884,443,033 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	44,742	44,620
Retained earnings	4,552	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	<u>41,662</u>	<u>38,329</u>
	<u>\$109,159</u>	<u>\$113,128</u>

COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS

(Amounts in millions, except per share data)

	Year Ended December 31,		
	2003	2002	2001
REVENUES	\$18,348	\$8,102	\$5,937
COSTS AND EXPENSES			
Operating (excluding depreciation)	7,041	3,012	2,446
Selling, general and administrative	4,915	2,254	1,543
Depreciation	3,166	1,694	1,130
Amortization	1,272	221	2,143
	<u>16,394</u>	<u>7,181</u>	<u>7,262</u>
OPERATING INCOME (LOSS)	1,954	921	(1,325)
OTHER INCOME (EXPENSE)			
Interest expense	(2,018)	(870)	(708)
Investment income (loss), net	(84)	(543)	986
Equity in net losses of affiliates	(60)	(63)	(16)
Other income	71	1	1,290
	<u>(2,091)</u>	<u>(1,475)</u>	<u>1,552</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES, MINORITY INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE	(137)	(554)	227
INCOME TAX BENEFIT (EXPENSE)	<u>16</u>	<u>128</u>	<u>(216)</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE	(121)	(426)	11
MINORITY INTEREST	<u>(97)</u>	<u>(43)</u>	<u>(7)</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	(218)	(469)	4
INCOME FROM DISCONTINUED OPERATIONS, net of tax	168	195	220
GAIN ON DISCONTINUED OPERATIONS, net of tax	<u>3,290</u>		
INCOME (LOSS) BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	3,240	(274)	224
CUMULATIVE EFFECT OF ACCOUNTING CHANGE			<u>385</u>
NET INCOME (LOSS)	<u>\$3,240</u>	<u>(\$274)</u>	<u>\$609</u>
BASIC EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE			
Income (loss) from continuing operations before cumulative effect of accounting change	(\$0.10)	(\$0.42)	\$0.00
Income from discontinued operations	0.08	0.17	0.24
Gain on discontinued operations	1.46		
Cumulative effect of accounting change			<u>0.40</u>

Net income (loss)	\$1.44	(\$0.25)	\$0.64
DILUTED EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE			
Income (loss) from continuing operations before cumulative effect of accounting change	(\$0.10)	(\$0.42)	\$0.00
Income from discontinued operations	0.08	0.17	0.23
Gain on discontinued operations	1.46		
Cumulative effect of accounting change			0.40
Net income (loss)	\$1.44	(\$0.25)	\$0.63

See [notes to consolidated financial statements](#).

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COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (Dollars in millions)

	Year Ended December 31,		
	2003	2002	2001
OPERATING ACTIVITIES			
Net income (loss)	\$3,240	(\$274)	\$609
Income from discontinued operations	(168)	(195)	(220)
Gain on discontinued operations	(3,290)		
Income (loss) from continuing operations	(218)	(469)	389
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by operating activities from continuing operations:			
Depreciation	3,166	1,694	1,130
Amortization	1,272	221	2,143
Non-cash interest (income) expense, net	(113)	10	43
Equity in net losses of affiliates	60	63	16
Losses (gains) on investments and other (income) expense, net	145	604	(2,229)
Minority interest	45	43	7
Cumulative effect of accounting change			(385)
Deferred income taxes	820	(95)	(253)
Proceeds from sales of trading securities	85		367
Current tax associated with sale of discontinued operation	(2,028)		
Change in operating assets and liabilities, net of effects of acquisitions and divestitures			
Change in accounts receivable, net	(45)	80	(15)
Change in accounts payable	(45)	51	10
Change in other operating assets and liabilities	(290)	219	(54)
Net cash provided by operating activities from continuing operations	2,854	2,421	1,169
FINANCING ACTIVITIES			
Proceeds from borrowings	9,398	8,759	5,687
Retirements and repayments of debt	(16,465)	(9,508)	(4,013)
Proceeds from settlement of interest rate exchange agreements		57	
Issuances of common stock and sales of put options on common stock	67	19	27
Repurchases of common stock	(14)		(27)
Deferred financing costs	(34)	(332)	(23)
Net cash (used in) provided by financing activities from continuing operations	(7,048)	(1,005)	1,651
INVESTING ACTIVITIES			
Acquisitions, net of cash acquired	(152)	(251)	(1,329)
Proceeds from sales of (purchases of) short-term investments, net	(32)	(21)	(6)
Proceeds from sales of discontinued operations and assets held for sale	1,875		

Capital contributions to and purchases of investments	(202)	(67)	(277)
Proceeds from sales, settlements and restructuring of investments	7,971	1,263	806
Capital expenditures	(4,161)	(1,852)	(2,039)
Additions to intangible and other noncurrent assets	(155)	(197)	(305)
Proceeds from settlement of contract of acquired company	95		
Net cash provided by (used in) investing activities from continuing operations	5,239	(1,125)	(3,150)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,045	291	(330)
CASH AND CASH EQUIVALENTS, beginning of year	505	214	544
CASH AND CASH EQUIVALENTS, end of year	\$1,550	\$505	\$214

See [notes to consolidated financial statements](#).

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COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (Dollars in millions)

	Common Stock					Retained Earnings	Treasury Stock At Cost	Accumulated Other Comprehensive Income (Loss)		Total
	Series B Preferred Stock	Class A	Class Special	Class B	Additional Capital			Unrealized Gains (Losses)	Cumulative Translation Adjustments	
BALANCE, JANUARY 1, 2001	\$60		\$9		\$12,529	\$1,055		\$446	(\$13)	\$14,086
Comprehensive income:										
Net income						609				
Unrealized gains on marketable securities, net of deferred taxes of \$114								212		
Reclassification adjustments for gains included in net income, net of deferred taxes of \$264								(491)		
Unrealized losses on effective portion of cash flow hedges, net of deferred taxes of \$0.3								(1)		
Cumulative translation adjustments									(9)	
Total comprehensive income										320
Stock compensation plans					55	(16)				39
Retirement of common stock					(11)	(16)				(27)
Conversion of Series B preferred	(60)				60					
Temporary equity related to put options					55					55
BALANCE, DECEMBER 31, 2001			9		12,688	1,632		166	(22)	14,473
Comprehensive loss:										
Net loss						(274)				
Unrealized losses on marketable securities, net of deferred taxes of \$165								(307)		
Reclassification adjustments for losses included in net loss, net of deferred taxes of \$92								169		
Unrealized losses on effective portion of cash flow hedges, net of deferred taxes of \$79								(146)		
Cumulative translation adjustments									1	
Total comprehensive loss										(557)
Acquisitions		16			31,870		(7,517)			24,369
Stock compensation plans					52	(18)				34

Employee stock purchase plan								10	10
BALANCE, DECEMBER 31, 2002	16	9	44,620	1,340	(7,517)	(118)	(21)	38,329	
Comprehensive income:									
Net income	3,240								
Unrealized losses on marketable securities, net of deferred taxes of \$12	(23)								
Reclassification adjustments for losses included in net income, net of deferred taxes of \$15	29								
Cumulative translation adjustments	(7)								
Total comprehensive income	3,239								
Stock compensation plans	117								
Retirement of common stock	(14)								
Employee stock purchase plan	19								
BALANCE, DECEMBER 31, 2003	\$ 16	\$ 9	\$ 44,742	\$ 4,552	(\$7,517)	(\$112)	(\$28)	\$41,662	

See [notes to consolidated financial statements](#).

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001

1. ORGANIZATION AND BUSINESS

We were incorporated in December 2001 in order to acquire AT&T Corp.'s broadband business, which we refer to as "Broadband." On November 18, 2002, we, Comcast Holdings Corporation ("Comcast Holdings") and AT&T completed a transaction that resulted in the combination of Comcast Holdings and Broadband (the "Broadband acquisition"). Upon completion of the Broadband acquisition, Comcast Holdings and Broadband are our wholly owned subsidiaries, with Comcast Holdings as our predecessor. Accordingly, the accompanying financial statements include the results of Comcast Holdings for all periods presented and the results of Broadband from the date of the Broadband acquisition (see [Note 5](#)).

Our cable business is principally involved in the development, management and operation of broadband communications networks in the United States. Our consolidated cable operations served approximately 21.5 million subscribers as of December 31, 2003. Our cable business represents our only reportable segment (see [Note 14](#)).

We conduct the national networks of our content business through our consolidated subsidiaries E! Entertainment Television, Inc., The Golf Channel ("TGC"), Outdoor Life Network ("OLN"), and G4 Media, LLC. Our content business also includes Comcast Spectator, our three 24-hour regional sports programming networks, Comcast SportsNet ("CSN"), Comcast SportsNet Mid-Atlantic ("CSN Mid-Atlantic") and Cable Sports Southeast ("CSS"), a fourth 24-hour regional sports network, Comcast SportsNet Chicago ("CSN Chicago"), that we anticipate will launch in October 2004, and our regional network, CN8. Our regional networks are included in our cable segment as they derive a substantial portion of their revenues from our cable operations and are managed by cable segment management.

On September 17, 2003, we sold our approximate 57% interest in QVC, Inc., which markets a wide variety of products directly to consumers primarily on merchandise-focused television programs. Accordingly, we present QVC as a discontinued operation pursuant to Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" (see [Note 5](#)).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements include our accounts and all entities that we directly or indirectly control. We have eliminated all significant intercompany accounts and transactions among consolidated entities.

Variable Interest Entities

We account for our interests in variable interest special purpose entities ("SPEs") in accordance with Financial Accounting Standards Board ("FASB") Interpretation No. 46, "Consolidation of Variable Interest Entities" ("FIN 46"). We consolidate all SPEs for which we are the primary beneficiary and for which the entities do not effectively disperse risks among parties involved. We do not consolidate variable interest entities that effectively disperse risks unless we hold an interest or combination of interests that effectively recombines risks that were previously dispersed. We adopted the initial recognition and measurement provisions of FIN 46 effective January 1, 2002. The adoption of FIN 46 had no impact on our financial condition or results of operations. See [Note 3](#) for further discussion of FIN 46 interpretations and amendments.

Our Use of Estimates

We prepare our financial statements in conformity with accounting principles generally accepted in the United States, which requires us to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

Estimates are used when accounting for certain items, such as allowances for doubtful accounts, investments and derivative financial instruments, depreciation and amortization, asset impairment, non-monetary transactions, certain acquisition-related liabilities, pensions and other postretirement benefits, income taxes and contingencies.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Fair Values

We have determined the estimated fair value amounts presented in these consolidated financial statements using available market information and appropriate methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. The estimates presented in these consolidated financial statements are not necessarily indicative of the amounts that we could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts. We based these fair value estimates on pertinent information available to us as of December 31, 2003 and 2002. We have not comprehensively updated these fair value estimates for purposes of these consolidated financial statements since such dates.

Cash Equivalents

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

Investments

Investments in entities in which we have the ability to exercise significant influence over the operating and financial policies of the investee are accounted for under the equity method. Equity method investments are recorded at original cost and adjusted periodically to recognize our proportionate share of the investees' net income or losses after the date of investment, amortization of basis differences, additional contributions made and dividends received, and impairment losses resulting from adjustments to net realizable value. Prior to the adoption of SFAS No. 142, "Goodwill and Other Intangible Assets," on January 1, 2002, the goodwill resulting from differences between our recorded investments and our proportionate interests in the book value of the investees' net assets were amortized to equity in net income or loss, primarily over a period of 20 years. Subsequent to the adoption of SFAS No. 142, we no longer amortize such equity method goodwill (see [Notes 6 and 7](#)).

Unrestricted publicly traded investments are classified as available for sale or trading securities and recorded at their fair value. Unrealized gains or losses resulting from changes in fair value between measurement dates for available for sale securities are recorded as a component of other comprehensive income (loss). Unrealized gains or losses resulting from changes in fair value between measurement dates for trading securities are recorded as a component of investment income (loss), net. Cash flows from all trading securities are classified as cash flows from operating activities while cash flows from all other investment securities are classified as cash flows from investing activities in our statement of cash flows.

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

Property and Equipment

Depreciation is recorded using the straight-line method over estimated useful lives and the significant components of property and equipment are as follows (in millions):

	Useful Life	December 31, 2003	December 31, 2002
Transmission and distribution plant	2-15 years	\$22,609	\$19,027
Buildings and building improvements	3-40 years	1,255	1,271
Land	N/A	152	172
Other	2-10 years	1,020	1,766
Property and equipment, at cost		25,036	22,236
Less: accumulated depreciation		(6,563)	(3,855)
Property and equipment, net		\$18,473	\$18,381

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

We capitalize improvements that extend asset lives and expense other repairs and maintenance charges as incurred. The cost and related accumulated depreciation applicable to assets sold or retired are removed from the accounts and the gain or loss on disposition is

recognized as a component of depreciation expense.

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

Intangible Assets

Cable franchise rights represent the value attributed to agreements with local authorities that allow access to homes in cable service areas acquired in connection with business combinations. Prior to the adoption of SFAS No. 142, we amortized the value of these rights over periods related to the term of the related franchise agreements. Subsequent to the adoption of SFAS No. 142, we no longer amortize cable franchise rights because we have determined that they have an indefinite life. We reassess this determination periodically for each franchise based on the factors included in SFAS No. 142. Costs we incur in negotiating and renewing cable franchise agreements are included in other intangible assets and are amortized on a straight-line basis over the term of the franchise renewal period, generally 10 to 15 years.

Goodwill is the excess of the acquisition cost of an acquired entity over the fair value of the identifiable net assets acquired. Prior to the adoption of SFAS No. 142, we amortized goodwill over estimated useful lives ranging principally from 20 to 30 years. Subsequent to the adoption of SFAS No. 142, we no longer amortize goodwill.

We are required to test our goodwill and intangible assets that are determined to have an indefinite life for impairment at least annually. The provisions of SFAS No. 142 required the completion of an initial transitional impairment assessment, with any impairments identified treated as a cumulative effect of a change in accounting principle. We completed this assessment in 2002 and determined that no cumulative effect resulted from adopting this change in accounting principle. The provisions of SFAS No. 142 also require the completion of an annual impairment test, with any impairments recognized in current earnings.

Other intangible assets consist principally of franchise related customer relationships acquired in business combinations subsequent to the adoption of SFAS No. 141, "Business Combinations," on July 1, 2001, cable and satellite television distribution rights, cable franchise renewal costs, contractual operating rights, computer software, programming costs and rights, and non-competition agreements. We record these costs as assets and amortize them on a straight-line basis over the term of the related agreements or estimated useful life, which generally range from 2 to 20 years.

Certain of our content subsidiaries have entered into multi-year affiliation agreements with various cable and satellite television system operators for carriage of their respective programming. We capitalize cable or satellite television distribution rights and amortize them on a straight-line basis over the term of the related distribution agreements of 5 to 11 years. We classify the amortization of distribution fees paid by our content subsidiaries pursuant to Emerging Issues Task Force ("EITF") 01-09, "Accounting for Consideration Given to a Customer (including a reseller of the Vendors Products)". Under EITF 01-09, the amortization of such fees is classified as a reduction of revenue unless the content subsidiary receives, or will receive, an identifiable benefit from the cable or satellite system operator separate from the distribution fee, in which case we recognize the fair value of the identified benefit as an operating expense in the period in which it is received.

Certain direct development costs associated with internal-use software are capitalized, including external direct costs of material and services, and payroll costs for employees devoting time to the software projects. Such costs are included within other assets and are amortized over a period not to exceed five years beginning when the asset is substantially ready for use. Costs incurred during the preliminary project stage, as well as maintenance and training costs, are expensed as incurred. Initial operating-system software costs are capitalized and amortized over the life of the associated hardware.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Valuation of Long-Lived and Indefinite-Lived Assets

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

We evaluate the recoverability of our goodwill and indefinite life intangible assets annually or more frequently whenever events or changes in circumstances indicate that the asset might be impaired. We perform the impairment assessment of our goodwill one level below the business segment level, except for our cable business. In our cable business, components one level below the segment level are not separate reporting units and also have similar economic characteristics that allow them to be aggregated into one reporting unit at the cable segment level. During 2002 and 2003, we performed the impairment assessment of our cable franchise rights at the cable segment level based on our analysis of the factors outlined in EITF 02-07, "Unit of Accounting for Testing Impairment of Indefinite-Lived Intangible Assets." Effective in the first quarter of 2004, we will change the unit of accounting used for testing impairment to geographic regions and will perform impairment testing on our cable franchise rights. We do not anticipate recording any impairment charge in connection with the impairment testing.

We estimate the fair value of our cable franchise rights primarily based on multiples of operating income before depreciation and amortization generated by the underlying assets, discounted cash flow analyses, analyses of current market transactions and profitability information, including estimated future operating results, trends or other determinants of fair value. If the value of our cable franchise

rights determined by these evaluations is less than its carrying amount, an impairment charge would be recognized for the difference between the estimated fair value and the carrying value of the assets.

Foreign Currency Translation

We translate assets and liabilities of our foreign subsidiaries, where the functional currency is the local currency, into US dollars at the December 31 exchange rate and record the related translation adjustments as a component of other comprehensive income. We translate revenues and expenses using average exchange rates prevailing during the year. Foreign currency transaction gains and losses are included in other income.

Revenue Recognition

We recognize video, high-speed Internet, and phone revenues as service is provided. We manage credit risk by disconnecting services to customers who are delinquent. We recognize advertising sales revenue at estimated realizable values when the advertising is aired. Installation revenues obtained from the connection of subscribers to our broadband communications network are less than related direct selling costs. Therefore, such revenues are recognized as connections are completed. Revenues derived from other sources are recognized when services are provided or events occur. Under the terms of our franchise agreements, we are generally required to pay up to 5% of our gross revenues derived from providing cable services to the local franchising authority. We normally pass these fees through to our cable subscribers. We classify fees collected from cable subscribers as a component of revenues pursuant to EITF 01-14, "Income Statement Characterization of Reimbursements Received for 'Out-of-Pocket' Expenses Incurred."

Our content businesses recognize affiliate fees from cable and satellite television system operators as programming is provided. Advertising revenue is recognized in the period in which commercial announcements or programs are telecast in accordance with the broadcast calendar. In certain instances, our content businesses guarantee viewer ratings for their programming. A liability for deferred revenue is provided for estimated shortfalls, which are primarily settled by providing additional advertising time.

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Programming Costs

Our cable subsidiaries have received or may receive distribution fees from programming networks for carriage of their programming. We reflect the deferred portion of these fees within noncurrent liabilities and recognize the fees as a reduction of programming costs (which are included in operating expenses) over the term of the programming contract.

Stock-Based Compensation

We account for stock-based compensation in accordance with Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations, as permitted by SFAS No. 123, "Accounting for Stock-Based Compensation," as amended. Compensation expense for stock options is measured as the excess, if any, of the quoted market price of our stock at the date of the grant over the amount an employee must pay to acquire the stock. We record compensation expense for restricted stock awards based on the quoted market price of our stock at the date of the grant and the vesting period. We record compensation expense for stock appreciation rights based on the changes in quoted market prices of our stock or other determinants of fair value (see [Note 10](#)).

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

The following table illustrates the effect on net income (loss) and earnings (loss) per share if we had applied the fair value recognition provisions of SFAS No. 123 to stock-based compensation. Upon further analysis during 2003, it was determined that the expected option lives for options granted in prior years should have been 7 years rather than the 8 years used previously. The amounts in the table reflect this revision for all periods presented. Total stock-based compensation expense was determined under the fair value method for all awards using the accelerated recognition method as permitted under SFAS No. 123 (dollars in millions, except per share data):

	Year Ended December 31,		
	2003	2002	2001
Net income (loss), as reported	\$3,240	(\$274)	\$609
Add: Total stock-based compensation expense included in net income (loss), as reported above	10	11	10
Deduct: Total stock-based compensation expense determined under fair value based method for all awards relating to continuing operations, net of related tax effects	(160)	(126)	(110)
Deduct: Total stock-based compensation expense determined under fair value based method for all awards relating to discontinued operations, net of related tax effects	(12)	(19)	(17)

Pro forma, net income (loss)	\$3,078	(\$408)	\$492
Basic earnings (loss) from continuing operations before cumulative effect of accounting change for common stockholders per common share:			
As reported	(\$0.10)	(\$0.42)	\$0.00
Pro forma	(\$0.16)	(\$0.53)	(\$0.10)
Diluted earnings (loss) from continuing operations before cumulative effect of accounting change for common stockholders per common share:			
As reported	(\$0.10)	(\$0.42)	\$0.00
Pro forma	(\$0.16)	(\$0.53)	(\$0.10)
Basic earnings (loss) for common stockholders per common share:			
As reported	\$1.44	(\$0.25)	\$0.64
Pro forma	\$1.36	(\$0.37)	\$0.52
Diluted earnings (loss) for common stockholders per common share:			
As reported	\$1.44	(\$0.25)	\$0.63
Pro forma	\$1.36	(\$0.37)	\$0.51

The weighted-average fair value at date of grant of a Class A common stock option granted under our option plans during 2003 was \$9.81 and during 2002 was previously presented as \$10.72, and was recalculated as \$9.81 based on the revised estimate of expected option life. The weighted-average fair value at date of grant of a Class A Special common stock option granted under the option plans during 2002 and 2001 was previously presented as \$14.93 and \$19.07, respectively, and was recalculated as \$13.72 and \$17.73, respectively, based on the revised estimate of expected option life. The fair value of each option granted during 2003, 2002 and 2001 was estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

	2003	2002		2001
	Class A Common Stock	Class A Common Stock	Class A Special Common Stock	Class A Special Common Stock
Dividend yield	0%	0%	0%	0%
Expected volatility	29.3%	29.2%	29.6%	35.6%
Risk-free interest rate	3.2%	4.0%	4.9%	5.0%
Expected option lives (in years)	5.9	7.0	7.0	7.0
Forfeiture rate	3.0%	3.0%	3.0%	3.0%

The pro forma effect on net income (loss) and net income (loss) per share for the years ended December 31, 2003, 2002 and 2001 by applying SFAS No. 123 may not be indicative of the pro forma effect on net income or loss in future years since SFAS No. 123 does not take into consideration pro forma compensation expense related to awards made prior to January 1, 1995 and also because additional awards in future years are anticipated.

Postretirement and Postemployment Benefits

We charge to operations the estimated costs of retiree benefits and benefits for former or inactive employees, after employment but before retirement, during the years the employees provide services (see [Note 9](#)).

Investment Income (Loss), Net

Investment income (loss), net includes interest income, dividend income, and gains and losses on the sales and exchanges of marketable securities and long-term investments. We recognize realized gains and losses using the specific identification method. Investment income (loss), net also includes unrealized gains or losses on trading securities, fair value adjustments on derivative instruments and hedged items, and impairment losses resulting from adjustments to the net realizable value of certain of our investments (see [Note 6](#)).

Income Taxes

We recognize deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of our assets and liabilities and expected benefits of utilizing net operating loss carryforwards. The impact on deferred taxes of changes in tax rates and laws, if any, applied to the years during which temporary differences are expected to be settled, are reflected in the consolidated financial statements in the period of enactment (see [Note 11](#)).

Derivative Financial Instruments

We use derivative financial instruments for a number of purposes. We manage our exposure to fluctuations in interest rates by entering into interest rate exchange agreements (“Swaps”), interest rate lock agreements (“Rate Locks”), interest rate cap agreements (“Caps”) and interest rate collar agreements (“Collars”). We manage the cost of our share repurchases through the sale of equity put option contracts (“Comcast Put Options”). We manage our exposure to fluctuations in the value of certain of our investments by entering into equity collar agreements (“Equity Collars”) and equity put option agreements (“Equity Put Options”). We make investments in businesses, to some degree, through the purchase of equity call option or call warrant agreements (“Equity Warrants”). We have issued indexed debt instruments (“Exchangeable Notes” and “ZONES”) and entered into prepaid forward sale agreements (“Prepaid Forward Sales”) whose value, in part, is derived from the market value of certain publicly traded common stock, and have also sold call options on certain of our investments in equity securities in order to monetize a portion of those investments. Equity hedges are used to manage exposure to changes in equity prices associated with stock appreciation rights of certain of Broadband’s previously affiliated companies. These equity hedges are recorded at fair value based on market quotes.

On January 1, 2001, we adopted SFAS No. 133, “Accounting for Derivative Instruments and Hedging Activities.” SFAS No. 133 established accounting and reporting standards for derivative instruments, including certain derivative

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

instruments embedded in other contracts and hedging activities. SFAS No. 133 requires that all derivative instruments, whether designated in hedging relationships or not, be recorded on the balance sheet at their fair values. Upon adoption of SFAS No. 133, we recognized as income a cumulative effect of accounting change, net of related income taxes, of \$385 million. The increase in income consisted of a \$400 million adjustment to record the debt component of indexed debt at a discount from its value at maturity and \$192 million principally related to the reclassification of gains previously recognized as a component of accumulated other comprehensive income (loss) on our equity derivative instruments, net of related income taxes of \$207 million.

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

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

Equity Warrants and Equity Collars are adjusted to estimated fair value on a current basis with the result included in investment income (loss), net in our consolidated statement of operations.

Derivative instruments embedded in other contracts, such as our Exchangeable Notes, ZONES and Prepaid Forward Sales, are separated into their host and derivative financial instrument components. The derivative component is recorded at its estimated fair value in our consolidated balance sheet with changes in estimated fair value recorded in investment income (loss), net.

We periodically examine those instruments we use to hedge exposure to interest rate and equity price risks to ensure that the instruments are matched with underlying assets or liabilities, reduce our risks relating to interest rates or equity prices and, through market value and sensitivity analysis, maintain a high correlation to the risk inherent in the hedged item. For those instruments that do not meet the above criteria, variations in their fair value are reflected on a current basis in our consolidated statement of operations.

We do not hold or issue any derivative financial instruments for trading purposes and are not a party to leveraged instruments (see [Note 8](#)). We manage the credit risks associated with our derivative financial instruments through the evaluation and monitoring of the creditworthiness of the counterparties. Although we may be exposed to losses in the event of nonperformance by the counterparties, we do not expect such losses, if any, to be significant.

Sale of Stock by a Subsidiary or Equity Method Investee

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

Securities Lending Transactions

We may enter into securities lending transactions pursuant to which we require the borrower to provide cash collateral equal to the value of the loaned securities, as adjusted for any changes in the value of the underlying

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

loaned securities. Loaned securities for which we maintain effective control are included in investments in our consolidated balance sheet.

Reclassifications

Certain reclassifications have been made to the prior years' consolidated financial statements to conform to those classifications used in 2003.

3. RECENT ACCOUNTING PRONOUNCEMENTS

SFAS No. 143

The FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations," in June 2001. SFAS No. 143 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. SFAS No. 143 is effective for fiscal years beginning after June 15, 2002. We adopted SFAS No. 143 on January 1, 2003. SFAS No. 143 requires that a liability be recognized for an asset retirement obligation in the period in which it is incurred if a reasonable estimate of fair value can be made. Certain of our franchise agreements and leases contain provisions requiring us to restore facilities or remove equipment in the event that the franchise or lease agreement is not renewed. We expect to continually renew our franchise agreements and have concluded that the related franchise right is an indefinite-lived intangible asset. Accordingly, it is remote that we would be required to incur significant restoration or removal costs. We would record an estimated liability in the unlikely event a franchise agreement containing such a provision is no longer expected to be renewed. We also expect to renew many of our lease agreements related to the continued operation of our cable business in the franchise areas. For our lease agreements, the liabilities related to the removal provisions, if any, are either not estimable due to the wide range of potential expiration dates or are not material.

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. We adopted SFAS No. 148 on January 1, 2003. We 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 our financial condition or results of operations if we elect to change to the fair value method specified in SFAS No. 123.

SFAS No. 149

In April 2003, the FASB issued SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." 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. We adopted SFAS No. 149 on July 1, 2003 on a prospective basis in accordance with the new statement. The adoption of SFAS No. 149 did not have a material impact on our financial condition or results of operations.

SFAS No. 150

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." This Statement establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. SFAS No. 150 requires that an issuer classify a financial instrument that is within its scope as a liability or, in some circumstances, as an asset, with many such financial instruments having been previously classified as equity. We adopted SFAS No. 150 on July 1, 2003. In connection with the adoption of SFAS No. 150, we reclassified our subsidiary preferred shares totaling

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

approximately \$1.6 billion previously included in minority interest to other noncurrent liabilities in our consolidated balance sheet.

The FASB is addressing certain implementation issues associated with the application of SFAS No. 150. In October 2003, the FASB decided to defer certain provisions of SFAS No. 150 related to mandatorily redeemable financial instruments representing non-controlling interests in subsidiaries included in consolidated financial statements. We will monitor the actions of the FASB and assess the impact, if any, that these actions may have on our 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

preferred stock								1	
Assumed exercise of stock option and restricted stock plans								14	
Diluted EPS	(\$218)	2,256	(\$0.10)	(\$469)	1,110	(\$0.42)	\$4	965	\$0.00

5. ACQUISITIONS AND OTHER SIGNIFICANT EVENTS

Acquisition of Broadband

On November 18, 2002, we completed the acquisition of Broadband. The results of the Broadband operations have been included in our consolidated financial statements since that date. The acquisition created the largest cable operator in the United States by combining Broadband's and our cable networks.

The consideration to complete the acquisition of Broadband was \$50.660 billion, consisting of \$25.495 billion of our common stock and options, \$24.740 billion of assumed debt, and \$425 million of transaction costs directly related to the acquisition. We issued approximately 1.348 billion shares of our common stock (excluding shares of Class A common stock issued and classified as treasury stock) consisting of 1.233 billion shares of our Class A common stock to Broadband shareholders in exchange for all of AT&T's interests in Broadband, and the issuance of

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

approximately 100.6 million shares and 14.4 million shares of our Class A and Class A Special common stock, respectively, to Microsoft in exchange for Broadband shares that Microsoft received immediately prior to the completion of the Broadband acquisition for settlement of its \$5 billion aggregate principal amount in quarterly income preferred securities. We also issued 61.1 million options in exchange for outstanding Broadband options. The shares issued for Broadband were valued based on a price per share of \$18.80 that reflects the weighted average market price of Comcast Holdings common stock during the period beginning two days before and ending two days after August 12, 2002. The acquisition was structured as a tax-free transaction to us, to Comcast Holdings and to AT&T. The identification of Comcast Holdings as the acquiring entity was made after careful consideration of all facts and circumstances, including those outlined in SFAS No. 141 related to voting rights, the existence of a large minority voting interest, governance arrangements and composition of senior management.

Under the terms of the original merger agreement dated December 19, 2001, we were to assume public debt of Broadband's subsidiaries and fund Broadband's intercompany payable due to AT&T. Subsequent to the original merger agreement, economic and business factors changed resulting in a modification of the consideration to be exchanged. On August 12, 2002, in connection with the filing of a proposed exchange offer by AT&T, the form of consideration to be exchanged was modified to provide for the assumption by Broadband of a portion of AT&T's public debt securities, thereby increasing the amount of debt assumed by us by \$3.5 billion and reducing the amount of intercompany indebtedness paid at closing. This modification represented a substantive change in the non-equity, or "other" consideration, being paid, resulting in a new measurement date for determining the value of the common stock issued in the acquisition. Accordingly, the fair value of the shares issued for Broadband was based on the August 12, 2002 measurement date.

Purchase Price Allocation. The application of purchase accounting under SFAS No. 141 requires that the total purchase price be allocated to the fair value of the assets acquired and liabilities assumed based on their fair values at the acquisition date. The allocation process requires an analysis of acquired contracts, franchise related customer relationships, employee benefit plans, contractual commitments and legal contingencies to identify and record the fair value of all assets acquired and liabilities assumed. In valuing acquired assets and liabilities, fair value estimates are based on, but are not limited to: future expected cash flows; market rate assumptions for contractual obligations; actuarial assumptions for benefit plans; settlement plans for litigation and contingencies; and appropriate discount rates. During 2003, we finalized the purchase price allocation except for certain of the litigation contingencies relating to our share of AT&T's potential liability associated with the At Home Corporation litigation where we are waiting for additional information that we have arranged with AT&T to obtain. We expect to obtain this information during 2004 (see [Note 13](#)).

As of the acquisition date, we initiated certain integration activities based on a preliminary plan to terminate employees and exit certain contractual obligations. Under the guidance in 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 results of operations.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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The following table summarizes the fair values of the assets acquired and liabilities assumed and the related deferred income taxes as of the acquisition date and reflects adjustments to the purchase price allocation during 2003.

Current assets	\$1,768
Investments	17,325
Property, plant & equipment	11,023
Amortizable intangible assets:	
Franchise related customer relationships	3,386
Other	146
Cable franchise rights	34,390
Goodwill	9,178
Other noncurrent assets	300
	77,516
Accounts payable, accrued expenses and other current liabilities	(4,407)
Short-term debt and current portion of long-term debt	(8,049)
Long-term debt	(16,691)
Deferred income taxes	(18,397)
Other non-current liabilities	(5,178)
	(52,722)
Comcast shares held by Broadband, classified as treasury stock	1,126
	\$25,920

In the aggregate, the intangible assets that are subject to amortization have a weighted average useful life of 4 years. Franchise related customer relationships have a weighted average useful life of 4 years. The \$9.178 billion of goodwill, none of which was deductible for income tax purposes, was assigned to our cable segment.

Liabilities associated with exit activities originally 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 2003 were as follows (in millions):

	Employee Termination and Related Costs	Contract Exit Costs
Balance, December 31, 2002	\$492	\$913
Payments	(216)	(48)
Adjustments	(141)	(412)
Interest accretion		8
	\$135	\$461
Balance, December 31, 2003	\$135	\$461

The adjustments in the preceding table reflect reductions in the estimated payments related to employee termination and contract exit costs.

2003 Acquisitions

In December 2003, we, in conjunction with affiliates of the Chicago Blackhawks, Bulls, Cubs and White Sox professional sports teams, formed Comcast SportsNet Chicago. This new 24-hour regional sports network will be available to approximately 1.5 million of our Chicago-area subscribers upon its launch in October 2004. We acquired our controlling interest in this network for approximately \$87 million in cash. The preliminary purchase

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

price allocation resulted in the recording of \$87 million of contract-related intangibles to be amortized over a period of 15 years.

In December 2003, we acquired the approximate 8.6% interest in TGC previously held by the Tribune Company for \$100 million in cash. This amount has been allocated to cable and satellite television distribution rights and goodwill pending completion of a valuation. As a result, we now own 99.9% of TGC.

Bresnan Transaction

On March 20, 2003, we completed the previously announced transaction with Bresnan Broadband Holdings, LLC and Bresnan Communications, LLC (together, "Bresnan") pursuant to which we transferred cable systems serving approximately 314,000 subscribers in Montana, Wyoming, Colorado and Utah to Bresnan that we had acquired in connection with the Broadband acquisition. We received \$525 million in cash, plus preferred and common equity interests in Bresnan in exchange for these cable systems. The assets of \$613 million (which consist primarily of cable franchise rights, other intangible assets and property and equipment) were reported as current assets held for sale in accordance with SFAS No. 144 in our 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 first quarter of 2003 were not significant and were included in equity in net losses of affiliates in our consolidated statement of operations.

TWE Restructuring

On March 31, 2003, we completed the restructuring of our investment in Time Warner Entertainment Company L.P. ("TWE"). As a result of the restructuring, Time Warner Inc. ("Time Warner") 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 Time Warner's interests in cable, including those held through TWE, are now held through or for the benefit of a new subsidiary of Time Warner called Time Warner Cable Inc. ("TWC"). In exchange for our 27.6% interest in TWE, we received common-equivalent preferred stock of Time Warner, which will be converted into \$1.5 billion of Time Warner common stock valued upon completion of an effective registration statement filing with the SEC, and we received a 21% economic stake in the business of TWC. In addition, we received \$2.1 billion in cash that was used immediately to repay amounts outstanding under certain of our credit facilities (see Notes 6 and 8). The TWE restructuring was accounted for as a fair value exchange with no gain or loss recognized. Under the restructuring agreement, we have registration rights that should facilitate the disposal or monetization of our shares in TWC and in Time Warner. On December 29, 2003, demand registration rights were exercised to start the registration process for the sale of up to 17.9% of TWC.

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, we placed our 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 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 has exclusive authority to exercise any management or governance rights associated with the securities in trust. The trustee also has the obligation, subject to our rights 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 us from time to time.

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Sale of QVC

On September 17, 2003, we completed the sale to Liberty Media Corporation ("Liberty") of all shares of QVC common stock held by a number of our direct wholly-owned subsidiaries for an aggregate value of approximately \$7.7 billion, consisting of \$4 billion principal amount of Liberty's Floating Rate Senior Notes due 2006 (the "Liberty Notes"), \$1.35 billion in cash and approximately 218 million shares of Liberty Series A common stock. The shares had a fair value on the closing date of \$10.73 per share. As a condition of closing, certain equity awards were required to be settled. The cost of settling the awards was included in costs of the transaction. The consideration received, net of transaction costs, over our carrying value of the net assets of QVC resulted in a gain of approximately \$3.290 billion, net of approximately \$2.865 billion of related income taxes.

The current and noncurrent assets and liabilities of QVC included within the related discontinued operations captions are as follows (in millions):

	December 31, 2002
Cash	\$276
Accounts receivable, less allowance for doubtful accounts	569
Inventories, net	479
Other current assets	157
	<hr/>
Total current assets of discontinued operations	\$1,481
	<hr/>
Property and equipment, net of accumulated depreciation	\$485
Goodwill	835
Other intangible assets, net of accumulated amortization	170
Other noncurrent assets, net	105
	<hr/>
Total noncurrent assets of discontinued operations	\$1,595

Accounts payable	\$367
Accrued expenses and other current liabilities	449
	<hr/>
Total current liabilities of discontinued operations	\$816
	<hr/>
Minority interest	\$867
Other noncurrent liabilities	56
	<hr/>
Total noncurrent liabilities and minority interest of discontinued operations	\$923
	<hr/>

The results of operations of QVC prior to its disposition are included within income from discontinued operations, net of tax as follows (in millions):

	Year Ended December 31,		
	2003	2002	2001
	<hr/>	<hr/>	<hr/>
Revenues	\$2,915	\$4,381	\$3,917
Income before income taxes and minority interest	\$496	\$624	\$627
Income tax expense	\$184	\$263	\$254

For financial reporting purposes, the QVC transaction is presented as having occurred on September 1, 2003. As such, the 2003 period includes QVC operations through August 31, 2003, as reported to us by QVC.

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

2001 Acquisitions and Exchanges

In 2001, we acquired the regional sports programming network Home Team Sports (“HTS”) from Viacom, Inc. (“Viacom”) and Affiliated Regional Communications, Ltd. (“ARC”), various cable systems serving an aggregate of 697,000 subscribers from AT&T, and additional interests in programming networks TGC and OLN from Fox Entertainment Group, Inc. (“Fox Entertainment”). Upon closing of the OLN acquisition, we exchanged our 14.5% interest in the Speedvision Network (“SVN”), together with a previously made loan, for Fox Entertainment’s interest in OLN and recorded to other income a pre-tax gain of \$107 million, representing the difference between the estimated fair value of our interest in SVN as of the closing date of the transaction and our cost basis in SVN. In 2001, we also completed our cable systems exchange with Adelphia Communications Corporation (“Adelphia”). We recorded to other income a pre-tax gain of \$1.199 billion, representing the difference between the estimated fair value of \$1.799 billion as of the closing date of the transaction and our cost basis in the systems exchanged.

The acquisitions we completed during 2001 were accounted for under the purchase method of accounting. As such, our results include the operating results of the acquired businesses from the dates of acquisition. A summary of our acquisitions and cable systems exchange for 2001 is as follows (dollars in millions):

Acquisition/Exchange	%	Date	Seller	Consideration	Value
	Interest Acquired				
<u>2001</u>					
OLN	83.2%	October 30	Fox Entertainment	Cash and 14.5% interest in SVN	\$512
AT&T Cable System	100%	June 30	AT&T	Cash	\$519
TGC	30.8%	June 8	Fox Entertainment	Cash	\$365
AT&T Cable Systems	100%	April 30	AT&T	63.9 million shares of AT&T common stock	\$1,423
HTS	100%	February 14	Viacom and ARC	Cable distribution of programming	\$240
Adelphia Exchange	100%	January 1	Adelphia	Cable systems	\$1,799

The Broadband acquisition, our cable systems exchange with Adelphia, and certain of our acquisitions did not result in cash payments but affected recognized assets and liabilities (see [Note 12](#)).

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Unaudited Pro Forma Information

The following unaudited pro forma information has been presented as if the Broadband acquisition occurred on January 1, 2001 and the acquisitions and cable systems exchange we made in 2001 each occurred on January 1, 2000. 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 we operated the entities acquired since such dates.

	(Amounts in millions, except per share data)	
	Year Ended December 31,	
	2002	2001
Revenues	\$16,754	\$16,213
Loss before cumulative effect of accounting change	(\$15,071)	(\$3,178)
Net loss	(\$15,071)	(\$2,793)
Diluted EPS	(\$6.55)	(\$1.22)

The unaudited pro forma information for the year ended December 31, 2002 includes \$11.781 billion, net of tax, of goodwill and franchise impairment charges, and \$56 million of asset impairment, restructuring and other charges recorded by Broadband prior to the closing of the Broadband acquisition. The unaudited pro forma information for the year ended December 31, 2001 includes \$1.494 billion of asset impairment, restructuring and other charges recorded by Broadband prior to the closing of the Broadband acquisition. The unaudited pro forma information for the year ended December 31, 2001 reflects the elimination of Broadband's amortization expense related to goodwill and cable franchise rights since the Broadband acquisition was accounted for under the provisions of SFAS No. 142.

Pro forma information reflecting our 2003 acquisitions is not presented due to immateriality.

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

6. INVESTMENTS

	December 31,	
	2003	2002
	(Dollars in millions)	
Fair value method		
AT&T Corp.	\$	\$287
Cablevision	970	694
Liberty	2,644	43
Microsoft	1,331	1,967
Sprint Corp. PCS Group	349	369
Vodaphone	1,245	1,759
Other	44	30
	<u>6,583</u>	<u>5,149</u>
Equity Method		
Cable related	2,145	2,094
Other	242	204
	<u>2,387</u>	<u>2,298</u>
Cost method, principally TWC and Time Warner at December 31, 2003 and TWE at December 31, 2002	8,341	10,985

Total investments	17,311	18,432
Less, current investments	2,493	3,258
Non-current investments	\$14,818	\$15,174

Fair Value Method

We hold unrestricted equity investments, which we account for as available for sale or trading securities, in certain publicly traded companies. The net unrealized pre-tax gains on investments accounted for as available for sale securities as of December 31, 2003 and 2002 of \$65 million and \$72 million, respectively, have been reported in our consolidated balance sheet principally as a component of other comprehensive income (loss), net of related deferred income taxes of \$23 million and \$25 million, respectively.

The cost, fair value and unrealized gains and losses related to our available for sale securities are as follows:

	December 31,	
	2003	2002
	(Dollars in millions)	
Cost	\$92	\$322
Unrealized gains	66	73
Unrealized losses	(1)	(1)
Fair value	\$157	\$394

Proceeds from the sales of available for sale securities for the years ended December 31, 2003, 2002 and 2001 were \$1.2 billion, \$0.87 billion and \$0.71 billion, respectively. Gross realized gains and losses on these sales for the years ended December 31, 2003, 2002 and 2001 were \$27 million, (\$48) million and \$10 million, respectively.

Our investments in Microsoft and Vodafone and substantially all of our investment in Cablevision are accounted for as trading securities. We also hold a series of option agreements (the "Microsoft Collars" and "Vodafone Collars")

COMCAST CORPORATION AND SUBSIDIARIES

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with a single bank counterparty that limit our exposure to and benefits from price fluctuations in the Microsoft common stock and Vodafone ADRs. The Microsoft Collars and Vodafone Collars are recorded in investments at fair value, with unrealized gains or losses being recorded to investment income (loss), net. These unrealized gains or losses are substantially offset by the changes in the fair value of shares of Microsoft common stock and Vodafone ADRs.

The Liberty Notes and shares of Liberty common stock received in the sale of QVC have been registered with the SEC pursuant to the sale agreement. During 2003, we sold all \$4.0 billion principal amount of the Liberty Notes for net proceeds of approximately \$4.0 billion. In December 2003, we entered into a ten year prepaid forward sale of 100 million shares of Liberty common stock and we received \$894 million in cash. At maturity, the counterparty is entitled to receive between 71 million and 100 million shares of Liberty common stock, or an equivalent amount of cash at our option, based upon the market value of Liberty common stock at the time. The shares of Liberty common stock are classified as trading securities.

In August 2001, we entered into a ten year prepaid forward sale of 4.0 million shares of Sprint PCS common stock and we received \$78 million in cash. At maturity, the counterparty is entitled to receive between 2.5 million and 4.0 million shares of Sprint PCS common stock, or an equivalent amount of cash at our option, based upon the market value of Sprint PCS common stock at that time.

We separated both of the prepaid forward sales into their liability and derivative components and recorded both components of the prepaid forward sales obligations to other long-term liabilities. We record the change in the fair value of the derivative component and the accretion of the liability component to investment income (loss), net.

We reclassified our investment in Sprint PCS from an available for sale security to a trading security in connection with the adoption of SFAS No. 133 in 2001. In connection with this reclassification, we recorded to investment income (loss), net the accumulated unrealized gain of \$1.092 billion on our investment in Sprint PCS, which was previously recorded as a component of accumulated other comprehensive income (loss).

Equity Method

Our recorded investments exceed our proportionate interests in the book value of the investees' net assets by \$1.696 billion and \$1.623 billion as of December 31, 2003 and 2002, respectively (principally related to our 50% owned investments in Texas Cable Partners, Kansas City Cable Partners and Insight Midwest). A portion of this basis difference has been attributed to franchise related customer

relationships of the investees. This difference is amortized to equity in net income or loss of affiliates over a period of four years. As a result of the adoption of SFAS No. 142, we do not amortize the portion of the basis difference attributable to goodwill but will continue to test such excess for impairment in accordance with APB Opinion 18, "The Equity Method of Accounting for Investments in Common Stock."

Equity in net losses of affiliates for the year ended December 31, 2002 includes impairment losses of \$31 million, related principally to other than temporary declines in our investments in and advances to certain of our equity method investees.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Summarized financial information for investments deemed significant and accounted for under the equity method was as follows (amounts in millions):

	(A) GSI Commerce, Inc.			Broadnet Consorcio, S.A.		
	December 31, 2002			December 31, 2003		
Current assets	\$105			\$3	\$16	
Noncurrent assets	83			42	52	
Current liabilities	67			37	20	
Noncurrent liabilities	0			34	25	

	(A) GSI Commerce, Inc.			Broadnet Consorcio, S.A.		
	For the years ended December 31,			For the years ended December 31,		
	2003	2002	2001	2003	2002	2001
Revenues	\$147	\$173	\$103	\$3	\$1	\$24
Operating loss	(16)	(30)	(34)	(17)	(23)	(1)
Loss from continuing operation before extraordinary items and cumulative effect of accounting change	(15)	(34)	(31)	(18)	(23)	(1)
Net loss	(15)	(34)	(31)	(18)	(23)	(1)

(A) GSI Commerce, Inc. was an equity method investment of QVC, and such amounts are included within discontinued operations for all periods through QVC's sale date (see [Note 5](#)).

Cost Method

In connection with the TWE Restructuring, we received a 21% economic stake in the business of TWC. This investment is accounted for under the cost method because we do not have the ability to exercise significant influence over the operating and financial policies of TWC (see [Note 5](#)).

We hold two series of preferred stock of AirTouch Communications, Inc., a subsidiary of Vodafone, that are recorded at \$1.409 billion and \$1.394 billion as of December 31, 2003 and 2002, respectively. The dividend and redemption activity of the AirTouch preferred stock is tied to the dividend and redemption payments associated with substantially all of the preferred shares issued by one of our subsidiaries. The subsidiary has outstanding three series of preferred stock with an aggregate redemption value of \$1.750 billion. Substantially all of the preferred shares are redeemable in April 2020 at a redemption value of \$1.650 billion with one of the series bearing a 9.08% dividend rate. The subsidiary preferred shares are recorded at \$1.520 billion and \$1.511 billion, respectively, and such amounts are included in other noncurrent liabilities as of December 31, 2003 and 2002.

In connection with the Broadband acquisition, we acquired an indirect interest in CC VIII, LLC, a cable joint venture with Charter Communications, Inc. In April 2002, AT&T exercised its rights to cause Paul G. Allen, Charter's Chairman, or his designee to purchase this indirect interest. In June 2003, Paul Allen purchased our interest in CC VIII for \$728 million in cash. We accounted for the sale of our interest in CC VIII at fair value with no gain or loss recognized. We used the proceeds from the sale to repay a portion of the amounts outstanding under our revolving credit facilities (see [Note 8](#)).

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Investment Income (Loss), Net

Investment income (loss), net includes the following (in millions):

	Year Ended December 31,		
	2003	2002	2001
Interest and dividend income	\$166	\$53	\$59
Gains (losses) on sales and exchanges of investments, net	28	(48)	485
Investment impairment losses	(72)	(247)	(972)
Reclassification of unrealized gains			1,330
Unrealized gains (losses) on trading securities	965	(1,569)	285
Mark to market adjustments on derivatives related to trading securities	(818)	1,284	(227)
Mark to market adjustments on derivatives and hedged items	(353)	(16)	26
Investment income (loss), net	(\$84)	(\$543)	\$986

Gains (losses) on sales and exchanges of investments, net in 2001 relate principally to our investment in At Home.

The investment impairment losses for the years ended December 31, 2003, 2002 and 2001 relate principally to other than temporary declines in our investment in AT&T.

7. GOODWILL AND INTANGIBLE ASSETS

The changes in the carrying amount of goodwill by business segment (see [Note 14](#)) for the periods presented are as follows (in millions):

	Cable	Corporate and Other	Total
Balance, December 31, 2002	\$15,644	\$918	\$16,562
Purchase price allocation adjustments	(1,773)		(1,773)
Acquisitions		52	52
Intersegment transfers	20	(20)	
Balance, December 31, 2003	\$13,891	\$950	\$14,841

During 2003, we adjusted our purchase price allocation of the Broadband acquisition. The decrease to goodwill primarily relates to the changes in values assigned to property and equipment, franchise rights and franchise-related customer relationship intangible assets as a result of obtaining updated valuation reports. Additionally, a portion of this change relates to the reduction in our estimated liabilities associated with employee termination costs, estimated contractual obligations assumed in the acquisition and the impact of the adjustments on deferred taxes.

During 2003, we acquired an additional interest in TGC (see [Note 5](#)). A portion of the purchase price was allocated to goodwill.

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The gross carrying amount and accumulated amortization of our intangible assets subject to amortization are as follows (in millions):

	As of December 31, 2003		As of December 31, 2002	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Franchise related customer relationships	\$3,386	(\$1,090)	\$4,019	(\$42)
Cable and satellite television distribution rights	1,303	(430)	1,266	(261)
Cable franchise renewal costs and contractual operating rights	394	(126)	313	(99)
Computer software	259	(76)	126	(41)
Programming costs and rights	338	(274)	188	(143)
Non-competition agreements and other	361	(186)	252	(149)

\$6,041(\$2,182)\$6,164(\$735)

As of December 31, 2003, the weighted average amortization period for our intangible assets subject to amortization is 4.1 years and estimated related amortization expense for each of the five years ended December 31 is as follows (in millions):

2004	\$1,096
2005	\$1,013
2006	\$553
2007	\$318
2008	\$213

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

The following pro forma financial information for 2003, 2002 and 2001 is presented as if SFAS No. 142 was adopted as of January 1, 2001 (amounts in millions, except per share data):

	Years Ended December 31,		
	2003	2002	2001
Net Income (Loss)			
As reported	\$3,240	(\$274)	\$609
Amortization of goodwill from continuing operations			299
Amortization of goodwill from discontinued operations			36
Amortization of equity method goodwill			15
Amortization of franchise rights			1,083
As adjusted	<u>\$3,240</u>	<u>(\$274)</u>	<u>\$2,042</u>
Basic EPS			
As reported	\$1.44	(\$0.25)	\$0.64
Amortization of goodwill from continuing operations			0.31
Amortization of goodwill from discontinued operations			0.04
Amortization of equity method goodwill			0.02
Amortization of franchise rights			1.14
As adjusted	<u>\$1.44</u>	<u>(\$0.25)</u>	<u>\$2.15</u>
Diluted EPS			
As reported	\$1.44	(\$0.25)	\$0.63
Amortization of goodwill from continuing operations			0.31
Amortization of goodwill from discontinued operations			0.04
Amortization of equity method goodwill			0.02
Amortization of franchise rights			1.12
As adjusted	<u>\$1.44</u>	<u>(\$0.25)</u>	<u>\$2.12</u>

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

8. LONG-TERM DEBT

	December 31,	
	2003	2002
	(in millions)	
Notes exchangeable into common stock, due 2003-2007	\$4,318	\$5,459
Notes payable to banks due in installments through 2009	2	7,767
5.30% - 6.95% Senior notes, due 2003-2037	6,723	4,267
7.05% - 7.95% Senior notes, due 2003-2097	3,492	2,832
8% - 8-7/8% Senior notes, due 2003-2032	7,726	8,710
9% - 10-1/8% Senior notes, due 2003-2023	2,794	3,015
8-1/4% - 10-5/8% Senior subordinated debentures, due 2006-2012	372	521
Zero Coupon Convertible Debentures, due 2020		86
ZONES due 2029	783	699
9.04% - 9.65% Debt supporting Trust Preferred Securities, due 2027-2038	301	805
Other, including capital lease obligations	485	748
	<u>26,996</u>	<u>34,909</u>
Less current portion	3,161	3,203
Less short-term debt		3,750
	<u>\$23,835</u>	<u>\$27,956</u>

Maturities of long-term debt outstanding as of December 31, 2003 for the four years after 2004 are as follows (in millions):

2005	\$3,703
2006	\$1,725
2007	\$1,026
2008	\$1,493

The Cross-Guarantee Structure

To simplify our capital structure, we and a number of our wholly-owned subsidiaries that hold substantially all of our cable communications assets have unconditionally guaranteed each other's debt securities and indebtedness for borrowed money, including amounts outstanding under the new credit facilities. As of December 31, 2003, \$20.866 billion of our debt was included in the cross-guarantee structure.

Comcast Holdings is not a guarantor and none of its debt is guaranteed under the cross-guarantee structure. As of December 31, 2003, \$1.024 billion of our debt was outstanding at Comcast Holdings.

Debt Borrowings, Repayments and Refinancings

During 2003, we borrowed \$9.398 billion and repaid \$16.465 billion of our debt. We reduced our total debt outstanding by \$7.913 billion primarily as a result of our net debt repayments and the settlements of portions of our Exchangeable Notes upon maturity of the instruments (see [Notes Exchangeable into Common Stock](#) below).

We used the proceeds from these borrowings and substantially all of the proceeds received from the following transactions, which are more fully described in Notes [5](#) and [6](#), to refinance the maturities of certain of our debt obligations and to repay our debt, including substantially all of our notes payable to banks.

- Sale of QVC and Liberty Notes Transactions - \$5.35 billion
- TWE Restructuring - \$2.1 billion
- Sale of Interest in CC VIII, LLC - \$.73 billion
- Bresnan Transaction - \$.53 billion

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

In January 2004, we entered into a new \$4.5 billion, five-year revolving bank credit facility. Interest rates on this facility vary based on an underlying base rate ("Base Rate"), chosen at our option, plus a borrowing margin. The Base Rate is either LIBOR or the greater of the prime rate or the Federal Funds rate plus 0.5%. The borrowing margin is based on our senior unsecured debt ratings. The interest rate for borrowings under this revolver is LIBOR plus 0.625% based on our current credit ratings. This revolver replaces three previously existing revolvers that bore interest at LIBOR plus 0.875% and aggregated \$6.0 billion which were terminated simultaneously with the effectiveness of the new facility (see [Lines and Letters of Credit](#) below).

Notes Exchangeable into Common Stock

Our Exchangeable Notes are mandatorily redeemable at our option into shares of Cablevision Class A common stock or its cash equivalent, 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. Our Exchangeable Notes are collateralized by our investments in Cablevision, Microsoft and Vodafone, respectively, and the Comcast Class A Special common stock held in treasury (see [Note 6](#)).

During 2003, we settled an aggregate of \$1.851 billion of our obligations relating to our Exchangeable Notes. We settled an aggregate of \$1.213 billion of our obligations relating to Microsoft and Vodafone exchangeable notes by delivering the underlying shares of common stock to the counterparty upon maturity of the instruments, and the equity collar agreements related to the underlying shares expired. We also settled an aggregate of \$638 million of our obligations relating to Comcast exchangeable notes by paying \$498 million in cash and by exercising our options to put the underlying equity collar agreements, which had a value of \$140 million, to the counterparty. The Microsoft and Vodafone transactions, and the put option exercises in the Comcast transactions, represented non-cash investing and financing activities and had no effect on our statement of cash flows due to their non-cash nature. As of December 31, 2003, the securities we hold collateralizing the Exchangeable Notes were sufficient to satisfy the debt obligations associated with the outstanding Exchangeable Notes (see [Notes 6 and 12](#)).

ZONES

At maturity, holders of our 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 December 31, 2003, the number of Sprint PCS shares we held exceeded the number of ZONES outstanding.

We separated the accounting for the Exchangeable Notes and the ZONES into derivative and debt components. We record the change in the fair value of the derivative component of the Exchangeable Notes and the ZONES (see [Note 6](#)) and the change in the carrying value of the debt component of the Exchangeable Notes and the ZONES as follows (in millions):

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

	Year Ended December 31, 2003	
	Exchangeable Notes	ZONES
Balance at Beginning of Year:		
Debt component	\$6,981	\$491
Derivative component	(1,522)	208
Total	5,459	699
Decrease in debt component due to maturities	(1,851)	
Change in debt component to interest expense	(100)	24
Change in derivative component to investment income (loss), net	810	60
Balance at End of Year:		
Debt component	5,030	515
Derivative component	(712)	268
Total	\$4,318	\$783

Interest Rates

Excluding the derivative component of the Exchangeable Notes and the ZONES whose changes in fair value are recorded to investment income (loss), net, our effective weighted average interest rate on our total debt outstanding was 7.08% and 6.00% as of December 31, 2003 and 2002, respectively. The weighted average interest rate on our short-term debt was 2.53% as of December 31, 2002.

Interest Rate Risk Management

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

Using Swaps, we agree to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. Rate Locks are used to hedge the risk that the cash flows related to the interest payments on an anticipated issuance or assumption of fixed rate debt may be adversely affected by interest rate fluctuations. Caps are used to lock in a maximum interest rate should variable rates rise, but enable us otherwise to pay lower market rates. Collars limit our exposure to and benefits from interest rate fluctuations on variable rate debt to within a certain range of rates.

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

The following table summarizes the terms of our existing Swaps (dollars in millions):

	Notional Amount	Maturities	Average Pay Rate	Average Receive Rate	Estimated Fair Value
<u>As of December 31, 2003</u>					
Variable to Fixed Swaps	\$1,203	2004-2005	7.6%	1.7%	\$25
Fixed to Variable Swaps	\$2,450	2006-2027	3.7%	6.6%	\$15
<u>As of December 31, 2002</u>					
Variable to Fixed Swaps	\$1,774	2003-2005	7.6%	1.9%	\$64
Fixed to Variable Swaps	\$300	2027	3.7%	9.7%	\$41

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

The notional amounts of interest rate instruments, as presented in the above table, are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The estimated fair value approximates the proceeds (costs) to settle the outstanding contracts. While Swaps, Rate Locks, Caps and Collars represent an integral part of our interest rate risk management program, their effect on interest expense for the years ended December 31, 2003, 2002 and 2001 was not significant.

In 2002, we entered into Rate Locks to hedge the risk that the cash flows related to the interest payments on an anticipated issuance or assumption of certain fixed rate debt in connection with the Broadband acquisition may be adversely affected by interest rate fluctuations. To the extent the Rate Locks are effective in offsetting the variability of the hedged cash flows, changes in the fair value of the Rate Locks are not included in earnings but are reported as a component of accumulated other comprehensive income (loss). Upon the assumption of certain fixed rate debt in connection with the Broadband acquisition, the value of the Rate Locks is being recognized as an adjustment to interest expense, similar to a deferred financing cost, over 15 years, which is the same period in which the related interest costs on the debt are recognized in earnings. The unrealized pre-tax losses on cash flow hedges as of December 31, 2003 and 2002 of \$213 million and \$228 million, respectively, have been reported in our balance sheet as a component of accumulated other comprehensive income (loss), net of related deferred income taxes of \$75 million and \$80 million, respectively.

Estimated Fair Value

Our debt had estimated fair values of \$30.218 billion and \$36.826 billion as of December 31, 2003 and 2002, respectively. The estimated fair value of our publicly traded debt is based on quoted market prices for that debt. Interest rates that are currently available to us for issuance of debt with similar terms and remaining maturities are used to estimate fair value for debt issues for which quoted market prices are not available.

Debt Covenants

Certain of our and our subsidiaries' loan agreements require that we maintain financial ratios based on debt, interest and operating income before depreciation and amortization, as defined in the agreements. In addition, certain of our subsidiary loan agreements contain restrictions on dividend payments and advances of funds to us. We were in compliance with all financial covenants for all periods presented.

As of December 31, 2003, \$50 million of our cash, cash equivalents and short-term investments is restricted under contractual or other arrangements. Restricted net assets of our subsidiaries were approximately \$368 million as of December 31, 2003.

Lines and Letters of Credit

As of December 31, 2003, certain of our subsidiaries had unused lines of credit of \$5.876 billion under their respective credit facilities.

On January 8, 2004, we refinanced three of our existing revolving credit facilities with a new \$4.5 billion, five-year revolving bank credit facility due January 2009. As of January 8, 2004, amounts available under our lines of credit totaled \$4.381 billion.

As of December 31, 2003, we and certain of our subsidiaries had unused irrevocable standby letters of credit totaling \$419 million to cover potential fundings under various agreements.

9. PENSION, POSTRETIREMENT AND OTHER EMPLOYEE BENEFIT PLANS

We sponsor two former Broadband pension plans that together provide benefits to substantially all former Broadband employees. Future benefits for both plans have been frozen, except for some union groups and some change-in-control payments.

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

The following table provides certain condensed information relating to our pension benefits and postretirement benefits for the periods presented (dollars in millions):

	Year Ended December 31,			
	2003		2002	
	Pension Benefits	Postretirement Benefits	Pension Benefits	Postretirement Benefits
Net periodic benefit cost	\$15	\$19	\$3	\$10
Benefit obligation	234	200	350	154
Fair value of plan assets	69		72	1
Plan funded status and recorded benefit obligation	(166)	(195)	(277)	(176)
Discount rate	6.00%	6.25%	6.50%	6.75%
Expected return on plan assets	7.00%	N/A	7.00%	5.00%

We also sponsor various retirement-investment plans that allow eligible employees to contribute a portion of their compensation through payroll deductions in accordance with specified guidelines. We match a percentage of the employees' contributions up to certain limits. Expense related to these plans amounted to \$85 million, \$28 million and \$18 million for the years ended December 31, 2003, 2002 and 2001, respectively.

10. STOCKHOLDERS' EQUITY

Preferred Stock

We are authorized to issue, in one or more series, up to a maximum of 20 million shares of preferred stock. We can issue the shares with such designations, preferences, qualifications, privileges, limitations, restrictions, options, conversion rights and other special or related rights as our board of directors shall from time to time fix by resolution.

Our Series B Preferred Stock had a 5.25% pay-in-kind annual dividend. Dividends were paid quarterly through the issuance of additional shares of our Series B Preferred Stock. In March 2001, we issued approximately 4.2 million shares of our Class A Special common stock to the holder in connection with the holder's election to convert the remaining \$60 million at redemption value of Series B Preferred Stock.

Common Stock

Our Class A Special common stock is generally nonvoting. Holders of our Class A common stock in the aggregate hold 66 2/3% of the aggregate voting power of our capital stock. The number of votes that each share of our Class A common stock will have at any given time will depend on the number of shares of Class A common stock and Class B common stock then outstanding. Each share of our Class B common stock is entitled to fifteen votes and all shares of our Class B common stock in the aggregate have 33 1/3% of the voting power of all of our common stock. The 33 1/3% aggregate voting power of our Class B common stock will not be diluted by additional issuances of any other class of our common stock. Our Class B common stock is convertible, share for share, into Class A or Class A Special common stock, subject to certain restrictions.

Treasury Stock

Certain Broadband subsidiaries held AT&T preferred stock convertible into AT&T common stock. Prior to the closing of the Broadband acquisition, these subsidiaries converted the AT&T preferred stock into AT&T common stock. Upon closing of the Broadband acquisition, the shares of Broadband common stock were exchanged for approximately 243.6 million shares of our Class A common stock. We classified these shares, which are held by certain of our subsidiaries, as treasury stock within stockholders' equity. The shares were valued at \$6.391 billion based on the closing share price of our Class A common stock as of the closing date of the Broadband acquisition and will continue to be carried at this amount. The shares are deemed issued but not outstanding and are not included in the computation of Diluted EPS.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Prior to the Broadband acquisition, Broadband held approximately 47.3 million shares of our Class A Special common stock that collateralize the related Comcast exchangeable notes (see [Note 8](#)). Upon closing of the Broadband acquisition, we classified these shares, which are held by our subsidiary, as treasury stock within stockholders' equity. The shares were valued based on the closing share price of our Class A Special common stock as of the closing date of the Broadband acquisition and will continue to be carried at this amount. The shares are deemed issued but not outstanding and are not included in the computation of Diluted EPS because it is our intent to settle the related Comcast exchangeable notes using cash.

Board-Authorized Repurchase Programs

In December 2003, our Board of Directors authorized the repurchase of up to \$1 billion of our outstanding common equity securities. We expect such repurchases to occur from time to time, in the open market or in private transactions, subject to market conditions.

As part of a previous Board-authorized repurchase program, we sold Comcast Put Options on shares of our Class A Special common stock that expired unexercised in 2001.

The following table summarizes our share activity for the three years ended December 31, 2003:

	Common Stock			
	Series B Preferred Stock	Class A	Class A Special	Class B
Balance, January 1, 2001	59,450	21,832,250	908,015,192	9,444,375
Stock compensation plans		(2,828)	2,515,538	
Retirement of common stock			(808,000)	
Conversion of Series B Preferred	(59,450)		4,208,824	
Balance, December 31, 2001		21,829,422	913,931,554	9,444,375
Acquisitions		1,577,117,883	14,376,283	
Shares classified as treasury stock		(243,640,500)	(47,289,843)	
Stock compensation plans		66,843	1,861,961	
Employee Stock Purchase Plan			463,635	
Balance, December 31, 2002		1,355,373,648	883,343,590	9,444,375
Stock compensation plans		1,451,469	1,807,358	
Employee Stock Purchase Plan		695,440	137,085	
Repurchases of common stock			(845,000)	
Balance, December 31, 2003		1,357,520,557	884,443,033	9,444,375

Stock-Based Compensation Plans

As of December 31, 2003, we and our subsidiaries have several stock-based compensation plans for certain employees, officers, directors and other persons designated by the applicable compensation committees of our and our subsidiaries' boards of directors. These plans are described below.

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Comcast Option Plans. We maintain stock option plans for certain employees, directors and other persons under which fixed stock options are granted and the option price is generally not less than the fair value of a share of the underlying stock at the date of grant (collectively, the "Comcast Option Plans"). Under the Comcast Option Plans, 204 million shares of our Class A and Class A Special common stock were reserved for issuance upon the exercise of options, including those outstanding as of December 31, 2003. Option terms are generally ten years, with options generally becoming exercisable between two and 9½ years from the date of grant.

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

	2003		2002		2001	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
<u>Class A Common Stock</u>						
Outstanding at beginning of year	63,575	\$43.31				
Options exchanged for outstanding Broadband options in connection with acquisition			61,094	\$44.17		
Granted	25,206	28.84	2,762	24.85		

Exercised	(1,264)	20.44	(43)	17.79
Canceled	(2,366)	47.14	(238)	55.19
Outstanding at end of year	85,151	39.28	63,575	43.31
Exercisable at end of year	56,110	44.90	58,135	44.91

Class A Special Common Stock

Outstanding at beginning of year	64,890	\$28.57	55,521	\$26.89	49,618	\$23.69
Granted			13,857	32.29	10,084	37.52
Exercised	(3,176)	8.92	(2,347)	8.83	(3,360)	10.62
Canceled	(1,250)	36.19	(2,141)	30.38	(821)	30.69
Outstanding at end of year	60,464	29.43	64,890	28.57	55,521	26.89
Exercisable at end of year	29,212	25.26	22,798	21.08	16,892	15.57

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

The following table summarizes information about the options outstanding under the Comcast Option Plans as of December 31, 2003 (options in thousands):

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number Outstanding at 12/31/03	Weighted- Average Remaining Contractual Life	Weighted- Average Exercise Price	Number Exercisable at 12/31/03	Weighted- Average Exercise Price
<u>Class A Common Stock</u>					
\$3.89 - \$15.21	1,794	2.6 years	\$9.62	1,794	\$9.62
\$16.11 - \$27.74	24,977	8.3 years	26.25	5,574	24.28
\$27.76 - \$33.73	22,564	5.5 years	32.07	13,215	32.41
\$33.74 - \$45.07	13,241	3.3 years	38.49	12,952	38.59
\$45.08 - \$60.89	13,658	4.7 years	54.65	13,658	54.65
\$60.90 - \$89.85	8,917	4.9 years	77.65	8,917	77.65
	85,151			56,110	
<u>Class A Special Common Stock</u>					
\$7.31 - \$14.94	7,894	2.4 years	\$10.49	7,122	\$10.79
\$16.94 - \$25.58	13,317	5.5 years	18.40	8,008	17.03
\$27.04 - \$35.49	16,358	7.0 years	34.11	4,503	32.29
\$35.53 - \$45.17	21,445	6.8 years	38.26	8,679	38.48
\$45.94 - \$53.13	1,450	5.9 years	50.47	900	50.41
	60,464			29,212	

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

Other Stock-Based Compensation Plans

We maintain a restricted stock plan under which management employees may be granted restricted share awards in our Class A or Class A Special common stock (the “Restricted Stock Plan”). The share awards vest annually, generally over a period not to exceed five years from the date of the award, and do not have voting rights. At December 31, 2003, there were 312,000 shares of our Class A common stock and

573,000 shares of our Class A Special common stock issuable in connection with restricted share awards under the Restricted Stock Plan, of which 35,000 shares and 172,000 shares were issued in January 2004, respectively.

We also maintain a deferred stock option plan for certain employees, officers and directors that provides the optionees with the opportunity to defer the receipt of shares of our Class A or Class A Special common stock which would otherwise be deliverable upon exercise by the optionees of their stock options. As of December 31, 2003, 6.1

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

million shares of Class A Special common stock were issuable under options exercised but the receipt of which was irrevocably deferred by the optionees pursuant to our deferred stock option plan.

The following table summarizes information related to our Restricted Stock Plan:

	Year Ended December 31,		
	2003	2002	2001
<u>Restricted Stock Plan</u>			
Share awards granted (in thousands)	197	61	157
Weighted-average fair value per share at date of grant	\$30.85	\$28.47	\$39.52
Compensation expense (in millions)	\$8	\$8	\$9

11. INCOME TAXES

We join with our 80% or more owned subsidiaries (the "Consolidated Group") in filing consolidated federal income tax returns. E! Entertainment files separate consolidated federal income tax returns. Income tax expense (benefit) consists of the following components (in millions):

	Year Ended December 31,		
	2003	2002	2001
Current expense (benefit)			
Federal	(\$846)	(\$73)	\$418
State	10	40	51
	<u>(836)</u>	<u>(33)</u>	<u>469</u>
Deferred expense (benefit)			
Federal	886	(88)	(266)
State	(66)	(7)	13
	<u>820</u>	<u>(95)</u>	<u>(253)</u>
Income tax expense (benefit)	<u>(\$16)</u>	<u>(\$128)</u>	<u>\$216</u>

Our effective income tax expense differs from the statutory amount because of the effect of the following items (in millions):

	Year Ended December 31,		
	2003	2002	2001
Federal tax at statutory rate	(\$48)	(\$193)	\$80
Non-deductible depreciation and amortization			91
State income taxes, net of federal benefit	(37)	22	42
Foreign income and equity in net losses of affiliates	(23)	(3)	4
Adjustments to prior year accrual	90	45	
Other	2	1	(1)
	<u>(\$16)</u>	<u>(\$128)</u>	<u>\$216</u>
Income tax expense (benefit)	<u>(\$16)</u>	<u>(\$128)</u>	<u>\$216</u>

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COMCAST CORPORATION AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Our net deferred tax liability consists of the following components (in millions):

	December 31,	
	2003	2002
	-----	-----
Deferred tax assets:		
Net operating loss carryforwards	\$224	\$530
Differences between book and tax basis of long-term debt	231	424
Non- deductible accruals and other	1,339	1,850
	-----	-----
	1,794	2,804
	-----	-----
Deferred tax liabilities:		
Temporary differences, principally book and tax basis of property and equipment and intangible assets	\$21,991	\$20,566
Differences between book and tax basis of investments	5,926	6,038
Differences between book and tax basis of indexed debt securities	456	409
	-----	-----
	28,373	27,013
	-----	-----
Net deferred tax liability	\$26,579	\$24,209
	-----	-----

We recorded \$820 million and \$837 million of deferred income tax liabilities in 2003 through income tax benefit and gain on discontinued operations, respectively. We increased deferred income tax liabilities by an additional \$713 million in 2003, principally in connection with adjustments made to the Broadband purchase price allocation. We recorded an increase (decrease) of \$3 million, (\$152) million and (\$149) million to deferred income tax liabilities in 2003, 2002 and 2001, respectively, in connection with unrealized gains (losses) on marketable securities and cash flow hedges that are included in accumulated other comprehensive income (loss). We recorded \$207 million of deferred income tax liabilities in 2001 in connection with the cumulative effect of accounting change related to the adoption of SFAS No. 133 (see [Note 2](#)).

We have recorded net deferred tax liabilities of \$679 million and \$1.105 billion, as of December 31, 2003 and 2002, respectively, that have been included in current liabilities, related primarily to our current investments. We have net operating loss carryforwards, primarily state, that expire in periods through 2023. The determination of the state net operating loss carryforwards are dependent upon the subsidiaries' taxable income or loss, apportionment percentages and other respective state laws, which can change year-to-year and impact the amount of such carryforward.

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COMCAST CORPORATION AND SUBSIDIARIESNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

12. STATEMENT OF CASH FLOWS — SUPPLEMENTAL INFORMATION

The following table summarizes the fair values of the assets and liabilities associated with our acquisitions through noncash transactions (see [Note 5](#)) (in millions):

	Year Ended December 31,	
	2002	2001
	-----	-----
Current assets	\$1,533	\$57
Investments	17,325	
Property and equipment	11,757	580
Intangible assets	46,510	3,043
Other noncurrent assets	300	
Current liabilities	(4,694)	(37)
Short-term debt and current portion of long-term debt	(8,049)	
Long-term debt	(16,811)	

Deferred income taxes	(17,541)	(77)
Other noncurrent liabilities and minority interest	(5,831)	
Comcast shares held by Broadband	1,126	
Net assets acquired	\$25,625	\$3,566

The following table summarizes our cash payments for interest and income taxes (in millions):

	Year Ended December 31,		
	2003	2002	2001
Interest	\$2,053	\$788	\$631
Income taxes	\$945	\$33	\$344

During the year ended December 31, 2003, we entered into non-cash financing and investing activities related to certain of our Exchangeables Notes (see [Note 8](#)). The Liberty Shares and Liberty Notes received in connection with the sale of QVC are non-cash investing activities (see [Note 5](#)).

13. COMMITMENTS AND CONTINGENCIES

Commitments

Our programming networks have entered into license agreements for programs and sporting events that are available for telecast. In addition, we, through Comcast-Spectacor, have employment agreements with both players and coaches of our professional sports teams. Certain of these employment agreements, which provide for payments that are guaranteed regardless of employee injury or termination, are covered by disability insurance if certain conditions are met.

Certain of our subsidiaries support debt compliance with respect to obligations of certain cable television partnerships and investments in which we hold an ownership interest (see [Note 6](#)). The obligations expire between May 2008 and September 2010. Although there can be no assurance, we believe that we will not be required to meet our obligations under such commitments. The total notional amount of our commitments was \$1.021 billion as of December 31, 2003, at which time there were no quoted market prices for similar agreements.

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

The following table summarizes our minimum annual commitments under program license agreements and our minimum annual rental commitments for office space, equipment and transponder service agreements under noncancellable operating leases as of December 31, 2003 (in millions):

	Programming Agreements	Operating Leases	Total
2004	\$121	\$200	\$321
2005	173	152	325
2006	181	129	310
2007	180	109	289
2008	180	91	271
Thereafter	1,758	298	2,056

The following table summarizes our rental expense charged to operations (in millions):

	Year Ended December 31,		
	2003	2002	2001
Rental expense	\$157	\$140	\$94

Contingencies

We and the minority owner group in Comcast Spectacor each have the right to initiate an "exit" process under which the fair market value of Comcast Spectacor would be determined by appraisal. Following such determination, we would have the option to acquire the interests in Comcast Spectacor owned by the minority owner group based on the appraised fair market value. In the event we do not exercise this option, we and the minority owner group would then be required to use our best efforts to sell Comcast Spectacor. This exit process includes the minority owner group's interest in CSN.

We hold the majority of our interest in E! Entertainment through Comcast Entertainment Holdings, LLC ("Entertainment Holdings"), which is owned 50.1% by us and 49.9% by The Walt Disney Company ("Disney"). Under a limited liability company agreement between us and Disney, we control E! Entertainment's operations. As a result of the Broadband acquisition and in certain other circumstances, under the agreement Disney is entitled to trigger a potential exit process in which Entertainment Holdings would have the right to purchase Disney's entire interest in Entertainment Holdings at its then fair market value (as determined by an appraisal process). If Disney

exercises this right within a specified time period, and Entertainment Holdings elects not to purchase Disney's interest, Disney then has the right to purchase, at appraised fair market value, either our entire interest in Entertainment Holdings or all of the shares of stock of Entertainment held by Entertainment Holdings. In the event that Disney exercises its right and neither Disney's nor our interest is purchased, Entertainment Holdings will continue to be owned as it is today, as if the exit process had not been triggered.

At Home.

Litigation has been filed against us as a result of our alleged conduct with respect to our investment in and distribution relationship with At Home Corporation. At Home was a provider of high-speed Internet services that 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 in connection with transactions agreed to in March 2000 among At Home, AT&T, Cox Communications, Inc. (Cox is also an investor in At Home and a former distributor of the At Home service) and us; (ii) class action lawsuits against Comcast Cable Communications, LLC, 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;

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

(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; and (iv) a lawsuit brought in the United States Bankruptcy Court for the Northern District of California by certain At Home bondholders against Comcast Cable Holdings, LLC and Comcast Cable Communications Holdings, Inc., as well as AT&T, AT&T Credit Holdings, Inc. and AT&T Wireless Services, Inc., seeking to avoid and recover certain alleged "preference" payments in excess of \$89 million allegedly made to the defendants prior to the At Home bankruptcy filing. 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. All of the defendants served motions to dismiss on February 11, 2003. The court dismissed the common law claims against us and Mr. Roberts, leaving only a claim against them for "control person" liability under the Securities Exchange Act of 1934. In a subsequent decision, the court limited the remaining claim against us and Mr. Roberts to disclosures that are alleged to have been made by At Home prior to August 28, 2000. The Delaware case has been transferred to the United States District Court for the Southern District of New York, and we have moved to dismiss the Section 16(b) claims.

Under the terms of the Broadband acquisition, we are generally contractually liable for 50% of any liabilities of AT&T relating to At Home, including most liabilities resulting from any pending or threatened litigation, with the exception, among other things, of liabilities arising out of contracts between At Home and AT&T (or its affiliates) for the benefit of the businesses retained by AT&T following the divestiture of Broadband. In those situations where we are contractually liable for 50% of any liabilities, 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. Both of these actions are in the discovery stage.

We deny any wrongdoing in connection with the claims that have been made directly against us, our subsidiaries and Brian L. Roberts, and intend to defend all of these claims vigorously. In our 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 our consolidated financial position.

We are currently waiting to obtain additional information, and, therefore, are unable to determine what impact, if any, the final resolution of our share of these 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.

AT&T.

We, in connection with our acquisition of Broadband, are potentially responsible for a portion of the liabilities arising from two purported securities class action lawsuits brought against AT&T and others and consolidated for pre-trial purposes in the United States District Court for the District of New Jersey. These lawsuits assert claims under Section 11, Section 12(a)(2) and Section 15 of the Securities Act of 1933, as amended, and Section 10(b) and Section 20(a) of the Securities Exchange Act of 1934, as amended. The first lawsuit, for which our portion of the

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

exposure is up to 15%, alleges, among other things, that AT&T made material misstatements and omissions in the Registration Statement and Prospectus for the AT&T Wireless initial public offering. The second lawsuit, for which our portion of the exposure is up to 50%, alleges, among other things, that AT&T knowingly provided false projections relating to AT&T common stock. The complaints seek damages in an unspecified amount, but because the trading activity during the purported class periods was extensive the amounts ultimately demanded may be significant. We and AT&T believe that AT&T has meritorious defenses and these actions are being vigorously defended. The parties are currently engaged in discovery and motions for summary judgment were filed in March 2004.

On June 24, 1998, the first of a number of purported class action lawsuits was filed by then-shareholders of Tele-Communications, Inc. ("TCI") Series A TCI Group Common Stock ("Common A") against AT&T and the directors of TCI relating to the acquisition of TCI by AT&T. A consolidated amended complaint combining the various different actions was filed on February 10, 1999 in the Delaware Court of Chancery. The consolidated amended complaint alleges that former members of the TCI board of directors breached their fiduciary duties to Common A shareholders by agreeing to transaction terms whereby holders of the Series B TCI Group Common Stock received a 10% premium over what Common A shareholders received in connection with the transaction. The complaint further alleges that AT&T aided and abetted the TCI directors' breach.

In connection with the TCI acquisition, which was completed in early 1999, AT&T agreed under certain circumstances to indemnify TCI's former directors for certain losses, expenses, claims or liabilities, potentially including those incurred in connection with this action. In connection with the Broadband acquisition, Broadband agreed to indemnify AT&T for certain losses, expenses, claims or liabilities. Those losses and expenses potentially include those incurred by AT&T in connection with this action, both as a defendant and in connection with any obligation that AT&T may have to indemnify the former TCI directors for liabilities incurred as a result of the claims against them in this action.

On September 8, 1999, AT&T moved to dismiss the amended complaint for failure to state a cause of action against AT&T. On July 7, 2003, the Delaware Court of Chancery granted AT&T's motion to dismiss on the ground that the complaint failed to adequately plead AT&T's "knowing participation," as required to state a claim for aiding and abetting a breach of fiduciary duty. The other claims made in the complaint remain outstanding. Discovery in this matter is now closed.

In our 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 our consolidated financial position.

Liberty Digital.

On January 8, 2003, Liberty Digital, Inc. filed a complaint in Colorado state court against us and Comcast Cable Holdings, LLC. 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. Liberty Digital seeks, among other things, compensatory damages, specific performance of the purported agreement, a declaration that the agreement is valid and enforceable going forward, and an unspecified amount of exemplary damages from us based on the alleged intentional interference claim. We and Comcast Cable Holdings filed our answer to the complaint on March 5, 2003, in which we denied the essential allegations of the complaint and asserted various affirmative defenses.

On November 6, 2003, Liberty Digital was granted leave to file an amended complaint that contained one minor revision to the original complaint. On December 16, 2003, we and Comcast Cable Holdings filed our answer to the

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

amended complaint, in which we again denied the essential allegations of the complaint and asserted various affirmative defenses. Discovery in this matter is currently underway and a trial is scheduled to commence on May 31, 2004.

In our 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 our consolidated financial position.

Other.

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

14. FINANCIAL DATA BY BUSINESS SEGMENT

As a result of the sale of QVC, our only reportable segment is "Cable." Our other business segments do not meet the quantitative guidelines for segment reporting. The components of net income (loss) below operating income before depreciation and amortization are

not separately evaluated by our management on a segment basis (in millions).

	Cable	Corporate and Other(1)	Total
<u>2003</u>			
Revenues (2)	\$17,492	\$856	\$18,348
Operating income before depreciation and amortization (3)	6,350	42	6,392
Depreciation and amortization	4,223	215	4,438
Operating income (loss)	2,127	(173)	1,954
Interest expense	1,631	387	2,018
Assets	99,135	10,024	109,159
Long-term debt	18,625	5,210	23,835
Capital expenditures	4,097	64	4,161
<u>2002</u>			
Revenues (2)	\$7,350	\$752	\$8,102
Operating income before depreciation and amortization (3)	2,798	38	2,836
Depreciation and amortization	1,670	245	1,915
Operating income (loss)	1,128	(207)	921
Interest expense	723	147	870
Assets	106,291	6,837	113,128
Long-term debt	26,033	1,923	27,956
Capital expenditures	1,814	38	1,852
<u>2001</u>			
Revenues (2)	\$5,323	\$614	\$5,937
Operating income (loss) before depreciation and amortization (3)	2,054	(106)	1,948
Depreciation and amortization	3,044	229	3,273
Operating loss	(990)	(335)	(1,325)
Interest expense	546	162	708
Assets	29,085	9,176	38,261
Long-term debt	8,363	3,316	11,679
Capital expenditures	1,855	184	2,039

(1) Corporate and other includes segments not meeting certain quantitative guidelines for reporting (see [Note 1](#)), corporate activities and elimination entries. Our regional networks are included in our cable segment and all

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

other content businesses, including our national networks, are included in the Corporate and Other caption. Assets included in this caption consist primarily of our investments and intangible assets related to our content operations (see [Notes 6 and 7](#)) and, as of December 31, 2002, \$3.689 billion of assets associated with discontinued operations and assets held for sale and, as of December 31, 2001, \$2.881 billion of assets associated with discontinued operations.

- (2) Non-US revenues were not significant in any period. No single customer accounted for a significant amount of our revenue in any period.
- (3) Operating income (loss) before depreciation and amortization is defined as operating income before depreciation and amortization, impairment charges, if any, related to fixed and intangible assets and gains or losses from the sale of assets, if any. As such, it eliminates the significant level of non-cash depreciation and amortization expense that results from the capital intensive nature of our businesses and intangible assets recognized in business combinations, and is unaffected by our capital structure or investment activities. Our management and Board of Directors use this measure in evaluating our consolidated operating performance and the operating performance of all of our operating segments. This metric is used to allocate resources and capital to our operating segments and is a significant component of our annual incentive compensation programs. We believe that this measure is also useful to investors as it is one of the bases for comparing our operating performance with other companies in our industries, although our measure may not be directly comparable to similar measures used by other companies. This measure 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 generally accepted accounting principles.

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

15. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
(Dollars in millions, except per share data)					
<u>2003</u>					
Revenues	\$4,466	\$4,594	\$4,546	\$4,742	\$18,348
Operating income (1)	294	425	493	742	1,954
Income (loss) from continuing operations	(355)	(93)	(153)	383	(218)
Income from discontinued operations (2)	58	71	39		168
Gain on discontinued operations			3,290		3,290
Net income (loss)	(297)	(22)	3,176	383	3,240
Basic earnings (loss) for common stockholders per common share					
Income (loss) from continuing operations	(0.16)	(0.04)	(0.07)	0.17	(0.10)
Income from discontinued operations (2)	0.03	0.03	0.02		0.08
Gain on discontinued operations			1.46		1.46
Net income (loss)	(0.13)	(0.01)	1.41	0.17	1.44
Diluted earnings (loss) for common stockholders per common share					
Income (loss) from continuing operations	(0.16)	(0.04)	(0.07)	0.17	(0.10)
Income from discontinued operations (2)	0.03	0.03	0.02		0.08
Gain on discontinued operations			1.46		1.46
Net income (loss)	(0.13)	(0.01)	1.41	0.17	1.44
Operating income before depreciation and amortization (3)	1,428	1,612	1,632	1,720	6,392
<u>2002</u>					
Revenues	\$1,684	\$1,720	\$1,698	\$3,000	\$8,102
Operating income	256	313	271	81	921
Income (loss) from continuing operations	(135)	(253)	24	(105)	(469)
Income from discontinued operations (2)	46	43	52	54	195
Net income (loss)	(89)	(210)	76	(51)	(274)
Basic earnings (loss) for common stockholders per common share					
Income (loss) from continuing operations	(0.14)	(0.27)	0.03	(0.07)	(0.42)
Income from discontinued operations (2)	0.05	0.05	0.05	0.04	0.17
Net income (loss)	(0.09)	(0.22)	0.08	(0.03)	(0.25)
Diluted earnings (loss) for common stockholders per common share					
Income (loss) from continuing operations	(0.14)	(0.27)	0.03	(0.07)	(0.42)
Income from discontinued operations (2)	0.05	0.05	0.05	0.04	0.17
Net income (loss)	(0.09)	(0.22)	0.08	(0.03)	(0.25)
Operating income before depreciation and amortization (3)	616	673	642	905	2,836

- (1) In the fourth quarter of 2003, we reduced our intangible assets as a result of obtaining updated valuation reports related to the Broadband acquisition. Accordingly, fourth quarter operating income includes a reduction in amortization expense of approximately \$115 million related to prior quarters.
- (2) In September 2003, we sold our interest in QVC to Liberty Media. QVC is presented as a discontinued operation for all periods presented.
- (3) See [Note 14](#), [note 3](#).

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

16. CONDENSED CONSOLIDATING FINANCIAL INFORMATION

In November 2002, in order to simplify our capital structure, we and four of our cable holding company subsidiaries, Comcast Cable Communications, LLC ("CCCL"), Comcast Cable Communications Holdings, Inc. ("CCCH"), Comcast MO Group, Inc. ("Comcast MO Group"), and Comcast Cable Holdings, LLC ("CCH"), fully and unconditionally guaranteed each other's debt securities. On March 12, 2003, Comcast MO of Delaware, LLC ("Comcast MO of Delaware") was added to the cross-guarantee structure (see [Note 8](#)). Comcast MO Group and CCH (as of December 31, 2002) and Comcast MO Group, CCH and Comcast MO of Delaware (as of December 31, 2003 and for the year ended December 31, 2003) are collectively referred to as the "Combined CCHMO Parents." Our condensed consolidating financial information is as follows (in millions):

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

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non- Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
ASSETS							
Cash and cash equivalents	\$	\$	\$	\$	\$1,550	\$	\$1,550
Investments	50				2,443		2,493
Accounts receivable, net					907		907
Other current assets	15				438		453
Total current assets	65				5,338		5,403
INVESTMENTS					14,818		14,818
INVESTMENTS IN AND AMOUNTS DUE FROM SUBSIDIARIES ELIMINATED UPON CONSOLIDATION	46,268	26,643	26,957	33,738	19,678	(153,284)	
PROPERTY AND EQUIPMENT, net	7		4		18,462		18,473
FRANCHISE RIGHTS					51,050		51,050
GOODWILL					14,841		14,841
OTHER INTANGIBLE ASSETS, net					3,859		3,859
OTHER NONCURRENT ASSETS, net	87	43	30		555		715
Total Assets	\$46,427	\$26,686	\$26,991	\$33,738	\$128,601	(\$153,284)	\$109,159
LIABILITIES AND STOCKHOLDERS' EQUITY							
Accounts payable	\$	\$	\$	\$	\$1,251	\$	\$1,251
Accrued expenses and other current liabilities	391	99	76	316	3,681		4,563
Deferred income taxes					679		679
Current portion of long-term debt		303		314	2,544		3,161
Total current liabilities	391	402	76	630	8,155		9,654
LONG-TERM DEBT, less current portion	3,994	6,606	3,498	6,151	3,586		23,835
DEFERRED INCOME TAXES					25,900		25,900
OTHER NONCURRENT LIABILITIES	380				7,436		7,816
MINORITY INTEREST					292		292
STOCKHOLDERS' EQUITY							
Common stock	25						25
Other stockholders' equity	41,637	19,678	23,417	26,957	83,232	(153,284)	41,637
Total Stockholders' Equity	41,662	19,678	23,417	26,957	83,232	(153,284)	41,662
Total Liabilities and Stockholders' Equity	\$46,427	\$26,686	\$26,991	\$33,738	\$128,601	(\$153,284)	\$109,159

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

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

Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non- Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
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ASSETS

Cash and cash equivalents	\$	\$	\$	\$	\$505	\$	\$505
Investments		30			3,228		3,258
Accounts receivable, net					862		862
Other current assets		22			358		380
Current assets of discontinued operations					1,481		1,481
Current assets held for sale					613		613
Total current assets		52			7,047		7,099
INVESTMENTS					15,174		15,174
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					18,381		18,381
FRANCHISE RIGHTS					48,222		48,222
GOODWILL					16,562		16,562
OTHER INTANGIBLE ASSETS, net					5,429		5,429
OTHER NONCURRENT ASSETS, net	74	99	121		372		666
NON-CURRENT ASSETS OF DISCONTINUED OPERATIONS					1,595		1,595
Total Assets	\$39,482	\$21,917	\$33,804	\$40,749	\$126,695	(\$149,519)	\$113,128

LIABILITIES AND STOCKHOLDERS' EQUITY

Accounts payable	\$1	\$	\$	\$	\$1,295	\$	\$1,296
Accrued expenses and other current liabilities	208	107	46	469	4,406		5,236
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
Current liabilities of discontinued operations					816		816
Total current liabilities	209	107	3,796	1,934	9,360		15,406
LONG-TERM DEBT, less current portion	680	7,897	6,005	4,932	8,442		27,956
DEFERRED INCOME TAXES					23,104		23,104
OTHER NONCURRENT LIABILITIES	264			200	6,697		7,161
MINORITY INTEREST					249		249
NON-CURRENT LIABILITIES AND MINORITY INTEREST OF DISCONTINUED OPERATIONS					923		923
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	\$126,695	(\$149,519)	\$113,128

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2003

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non- Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES							
Service revenues	\$	\$	\$	\$	\$18,348	\$	\$18,348
Management fee revenue	376	147	231	231		(985)	
	<u>376</u>	<u>147</u>	<u>231</u>	<u>231</u>	<u>18,348</u>	<u>(985)</u>	<u>18,348</u>
COSTS AND EXPENSES							
Operating (excluding depreciation)					7,041		7,041
Selling, general and administrative	156	147	231	231	5,135	(985)	4,915
Depreciation					3,166		3,166
Amortization					1,272		1,272
	<u>156</u>	<u>147</u>	<u>231</u>	<u>231</u>	<u>16,614</u>	<u>(985)</u>	<u>16,394</u>
OPERATING INCOME	220				1,734		1,954
OTHER INCOME (EXPENSE)							
Interest expense	(292)	(527)	(373)	(398)	(428)		(2,018)
Investment loss, net					(84)		(84)
Equity in net (losses) income of affiliates	3,287	996	(356)	(97)	593	(4,483)	(60)
Other income					71		71
	<u>2,995</u>	<u>469</u>	<u>(729)</u>	<u>(495)</u>	<u>152</u>	<u>(4,483)</u>	<u>(2,091)</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST							
	3,215	469	(729)	(495)	1,886	(4,483)	(137)
INCOME TAX BENEFIT (EXPENSE)							
	25	184	131	139	(463)		16
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST							
	3,240	653	(598)	(356)	1,423	(4,483)	(121)
MINORITY INTEREST							
					(97)		(97)
INCOME (LOSS) FROM CONTINUING OPERATIONS							
	3,240	653	(598)	(356)	1,326	(4,483)	(218)
INCOME FROM DISCONTINUED OPERATIONS, net of tax							
					168		168
GAIN ON DISCONTINUED OPERATIONS, net of tax							
					3,290		3,290

NET INCOME (LOSS)	\$3,240	\$653	(\$598)	(\$356)	\$4,784	(\$4,483)	\$3,240
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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2002

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non- Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES	\$	\$	\$	\$	\$8,102	\$	\$8,102
COSTS AND EXPENSES							
Operating (excluding depreciation)					3,012		3,012
Selling, general and administrative	24			37	2,193		2,254
Depreciation					1,694		1,694
Amortization					221		221
	24			37	7,120		7,181
OPERATING INCOME (LOSS)	(24)			(37)	982		921
OTHER INCOME (EXPENSE)							
Interest expense	(2)	(566)	(59)	(46)	(197)		(870)
Investment loss, net					(543)		(543)
Equity in net (losses) income of affiliates	(124)	847	(176)	(125)	439	(924)	(63)
Other income					1		1
	(126)	281	(235)	(171)	(300)	(924)	(1,475)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST	(150)	281	(235)	(208)	682	(924)	(554)
INCOME TAX BENEFIT (EXPENSE)	10	221	23	32	(158)		128
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST	(140)	502	(212)	(176)	524	(924)	(426)
MINORITY INTEREST					(43)		(43)
INCOME (LOSS) FROM CONTINUING OPERATIONS	(140)	502	(212)	(176)	481	(924)	(469)
INCOME FROM DISCONTINUED OPERATIONS					195		195
NET INCOME (LOSS)	(\$140)	\$502	(\$212)	(\$176)	\$676	(\$924)	(\$274)

COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2001

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non- Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES	\$	\$	\$	\$	\$5,937	\$	\$5,937
COSTS AND EXPENSES							
Operating (excluding depreciation)					2,446		2,446
Selling, general and administrative					1,543		1,543
Depreciation					1,130		1,130
Amortization					2,143		2,143
					7,262		7,262
OPERATING INCOME (LOSS)					(1,325)		(1,325)
OTHER INCOME (EXPENSE)							
Interest expense		(546)			(162)		(708)
Investment income, net					986		986
Equity in net (losses) income of affiliates		(67)			(438)	489	(16)
Other income					1,290		1,290
		(613)			1,676	489	1,552
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES, MINORITY INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE		(613)			351	489	227
INCOME TAX (EXPENSE) BENEFIT		191			(407)		(216)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE		(422)			(56)	489	11
MINORITY INTEREST					(7)		(7)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE		(422)			(63)	489	4

INCOME FROM DISCONTINUED OPERATIONS				220		220	
CUMULATIVE EFFECT OF ACCOUNTING CHANGE				385		385	
NET INCOME (LOSS)	\$	(\$422)	\$	\$	\$542	\$489	\$609

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Comcast Corporation
Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2003

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
OPERATING ACTIVITIES							
Net income (loss)	\$3,240	\$653	(\$598)	(\$356)	\$4,784	(\$4,483)	\$3,240
Income from discontinued operations					(168)		(168)
Gain on discontinued operations					(3,290)		(3,290)
Loss from continuing operations	3,240	653	(598)	(356)	1,326	(4,483)	(218)
Adjustments to reconcile net loss from continuing operations to net cash provided by (used in) operating activities from continuing operations:							
Depreciation					3,166		3,166
Amortization					1,272		1,272
Non-cash interest (income) expense, net	36	(2)		(141)	(6)		(113)
Equity in net losses (income) of affiliates	(3,287)	(996)	356	97	(593)	4,483	60
Losses (gains) on investments and other							
(income) expense, net					145		145
Minority interest					45		45
Deferred income taxes					820		820
Proceeds from sales of trading securities					85		85
Current tax associated with sale of discontinued operation					(2,028)		(2,028)
Change in operating assets and liabilities, net of effects of acquisitions and divestitures							
Change in accounts receivable, net					(45)		(45)
Change in accounts payable					(45)		(45)
Change in other operating assets and liabilities	176	48	121	(153)	(482)		(290)
Net cash provided by (used in) operating activities from							

continuing operations	165	(297)	(121)	(553)	3,660		2,854
FINANCING ACTIVITIES							
Proceeds from borrowings	8,138	1,150			110		9,398
Retirements and repayments of debt	(4,830)	(2,104)	(6,250)	(2,407)	(874)		(16,465)
Issuances of common stock and sales of put options on common stock					67		67
Repurchases of common stock					(14)		(14)
Deferred financing costs					(34)		(34)
Net cash (used in) provided by financing activities from continuing operations	3,308	(954)	(6,250)	(2,407)	(745)		(7,048)
INVESTING ACTIVITIES							
Net transactions with affiliates	(3,473)	1,251	6,371	2,960	(7,109)		
Acquisitions, net of cash acquired					(152)		(152)
Proceeds from sales of (purchases of) short-term investments, net					(32)		(32)
Proceeds from sale of discontinued operations and assets held for sale					1,875		1,875
Capital contributions to and purchases of investments					(202)		(202)
Proceeds from sales, settlements and restructuring of investments					7,971		7,971
Capital expenditures					(4,161)		(4,161)
Additions to intangible and other noncurrent assets					(155)		(155)
Proceeds from settlement of contract of acquired company					95		95
Net cash provided by (used in) investing activities from continuing operations	(3,473)	1,251	6,371	2,960	(1,870)		5,239
INCREASE IN CASH AND CASH EQUIVALENTS							
CASH AND CASH EQUIVALENTS, beginning of year					505		505
CASH AND CASH EQUIVALENTS, end of year	\$	\$	\$	\$	\$1,550	\$	\$1,550

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Continued)

Comcast Corporation Condensed Consolidating Statement of Cash Flows For the Year Ended December 31, 2002

Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
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OPERATING ACTIVITIES							
Net income (loss)	(\$140)	\$502	(\$212)	(\$176)	\$676	(\$924)	(\$274)
Income from discontinued operations					(195)		(195)
Income (loss) from continuing operations	(140)	502	(212)	(176)	481	(924)	(469)
Adjustments to reconcile net income							
(loss) from continuing operations net of cash provided by operating activities from continuing operations:							
Depreciation					1,694		1,694
Amortization					221		221
Non-cash interest expense, net		(16)		(11)	37		10
Equity in net losses (income) of affiliates	124	(847)	176	125	(439)	924	63
Losses (gains) on investments and other (income) expense, net					604		604
Minority interest					43		43
Deferred income taxes					(95)		(95)
Change in operating assets and liabilities, net of effects of acquisitions and divestitures							
Change in accounts receivable, net					80		80
Change in accounts payable					51		51
Change in other operating assets and liabilities	16	3	(15)	(112)	327		219
Net cash provided by (used in) operating activities from continuing operations		(358)	(51)	(174)	3,004		2,421
FINANCING ACTIVITIES							
Proceeds from borrowings	680	1,568	6,501		10		8,759
Retirements and repayments of debt		(2,216)	(6,100)	(10)	(1,182)		(9,508)
Proceeds from settlement of interest rate exchange agreements		57					57
Issuances of common stock					19		19
Deferred financings costs		(225)			(107)		(332)
Net cash (used in) provided by financing activities from continuing operations	680	(816)	401	(10)	(1,260)		(1,005)
INVESTING ACTIVITIES							
Net transactions with affiliates	(680)	1,174	(350)	184	(328)		
Acquisitions, net of cash acquired					(251)		(251)
Proceeds from sales of (purchases of) short-term investments, net					(21)		(21)
Capital contributions to and purchases of investments					(67)		(67)
Proceeds from sales and settlements of investments					1,263		1,263
Capital expenditures					(1,852)		(1,852)
Additions to intangible and other noncurrent assets					(197)		(197)
Net cash (used in) provided by investing activities from continuing operations	(680)	1,174	(350)	184	(1,453)		(1,125)

INCREASE IN CASH AND
CASH

EQUIVALENTS					291	291
CASH AND CASH EQUIVALENTS						
beginning of year					214	214
CASH AND CASH EQUIVALENTS						
end of year	\$	\$	\$	\$	\$505	\$505

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COMCAST CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001 (Concluded)

Comcast Corporation
Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2001

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non- Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
OPERATING ACTIVITIES							
Net income (loss)	\$	(\$422)	\$	\$	\$542	\$489	\$609
Income from discontinued operations					(220)		(220)
Income (loss) from continuing operations		(422)			322	489	389
Adjustments to reconcile net income							
(loss) from continuing operation net of cash provided by operating activities from continuing operations:							
Depreciation					1,130		1,130
Amortization					2,143		2,143
Non-cash interest expense, net					43		43
Equity in net losses (income) of affiliates		67			438	(489)	16
(Gains) losses on investments and other (income) expense, net					(2,229)		(2,229)
Minority interest					7		7
Cumulative effect of accounting change					(385)		(385)
Deferred income taxes					(253)		(253)
Proceeds from sales of trading securities					367		367
Change in operating assets and liabilities, net of effects of acquisitions and divestitures							
Change in accounts receivable, net					(15)		(15)
Change in accounts payable					10		10
Change in other operating assets and liabilities					(54)		(54)
Net cash provided by (used in) operating activities from continuing operations		(355)			1,524		1,169
FINANCING ACTIVITIES							
Proceeds from borrowings		5,515			172		5,687

Retirements and repayments of debt	(3,725)	(288)	(4,013)
Proceeds from settlement of interest			
rate exchange agreements			
Issuances of common stock		27	27
Repurchases of common stock		(27)	(27)
Deferred financings costs		(23)	(23)
Net cash provided by (used in) financing activities from continuing operations	1,790	(139)	1,651
INVESTING ACTIVITIES			
Net transactions with affiliates	(1,435)	1,435	
Acquisitions, net of cash acquired		(1,329)	(1,329)
Proceeds from (purchases of) sales of			
short-term investments, net		(6)	(6)
Capital contributions to and purchases of investments		(277)	(277)
Proceeds from sales and settlements of investments		806	806
Capital expenditures		(2,039)	(2,039)
Additions to intangible and other noncurrent assets		(305)	(305)
Net cash used in investing activities from continuing operations	(1,435)	(1,715)	(3,150)
DECREASE IN CASH AND CASH EQUIVALENTS			
CASH AND CASH EQUIVALENTS beginning of year		544	544
CASH AND CASH EQUIVALENTS end of year	\$	\$	\$
		\$214	\$214

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

None.

ITEM 9A 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-15(e) or 15d-15(e)) as of the end of the period covered by this report, have concluded, based on the evaluation of these controls and procedures required by paragraph (b) of Exchange Act Rules 13a-15 or 15d-15, that 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.

Changes in internal control over financial reporting. There were no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 or 15d-15 that occurred during our last fiscal quarter that have materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART III

ITEM 10 DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Except for the information regarding executive officers required by Item 401 of Regulation S-K, which is included in Part I of this Annual Report on Form 10-K as Item 4A, we incorporate the information required by this item by reference to our definitive proxy statement for our annual meeting of shareholders presently scheduled to be held in May 2004. We refer to this proxy statement as the 2004 Proxy Statement.

ITEM 11 EXECUTIVE COMPENSATION

We incorporate the information required by this item by reference to our 2004 Proxy Statement.

ITEM 12 SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

We incorporate the information required by this item by reference to our 2004 Proxy Statement.

ITEM 13 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

We incorporate the information required by this item by reference to our 2004 Proxy Statement.

ITEM 14 PRINCIPAL ACCOUNTING FEES AND SERVICES

We incorporate the information required by this item by reference to our 2004 Proxy Statement.

We will file our definitive Proxy Statement for our Annual Meeting of Shareholders with the Securities and Exchange Commission on or before April 30, 2004.

PART IV

ITEM 15 EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

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

Independent Auditors' Report	34
Consolidated Balance Sheet--December 31, 2003 and 2002	35

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Consolidated Statement of Operations--Years Ended December 31, 2003, 2002 and 2001	36
Consolidated Statement of Cash Flows--Years Ended December 31, 2003, 2002 and 2001	37
Consolidated Statement of Stockholders' Equity--Years Ended December 31, 2003, 2002 and 2001	38
Notes to Consolidated Financial Statements	39

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

[Schedule II - Valuation and Qualifying Accounts](#)

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

(c) Reports on Form 8-K:

(i) We filed a Current Report on Form 8-K under Items 2, 7(b) and 7(c) on October 1, 2003 announcing the terms of the previously announced disposition of QVC, Inc. We included the Amended and Restated Stock Purchase Agreement dated as of June 30, 2003 and pro forma information of Comcast Corporation, giving effect to the disposition of QVC.

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

- 2.1 Composite copy of Agreement and Plan of Merger dated as of December 19, 2001, as amended, among Comcast Holdings Corporation, AT&T Corp., Comcast Cable Communications Holdings, Inc., Comcast Corporation and the other parties signatory thereto (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K12g3 filed on November 18, 2002).
- 2.2 Composite copy of Separation and Distribution Agreement dated as of December 19, 2001, as amended, between AT&T Corp. and Comcast Cable Communications Holdings, Inc. (incorporated by reference to Exhibit 2.3 to our Current Report on Form 8-K12g3 filed on November 18, 2002).
- 2.3 Support Agreement dated as of December 19, 2001, as amended, among AT&T Corp., Comcast Holdings Corporation, Comcast Corporation, Sural LLC and Brian L. Roberts (incorporated by reference to Exhibit 2.3 to our registration statement on Form S-4 filed on February 11, 2002).
- 2.4 Tax Sharing Agreement dated as of December 19, 2001 between AT&T Corp. and Comcast Cable Communications Holdings, Inc. (incorporated by reference to Exhibit 2.4 to our registration statement on Form S-4 filed on February 11, 2002).
- 2.5 Composite Copy of Employee Benefits Agreement dated as of December 19, 2001, as amended, between AT&T Corp. and Comcast Cable Communications Holdings, Inc. (incorporated by reference to Exhibit 2.5 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 2.6 Exchange Agreement dated as of December 7, 2001, as amended, between Microsoft Corporation and Comcast Holdings

- 2.7 Corporation (incorporated by reference to Exhibit 2.6 to our registration statement on Form S-4 filed on February 11, 2002).
Instrument of Admission dated as of December 19, 2001, as amended, between Comcast Corporation and AT&T Corp. (incorporated by reference to Exhibit 2.7 to our amended registration statement on Form S-4/A filed on April 10, 2002).
- 3.1 Composite copy of Amended and Restated Articles of Incorporation of Comcast Corporation.
- 3.2 Amended and Restated By-Laws (incorporated by reference to Exhibit 3.2 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 4.1 Specimen Class A Common Stock Certificate (incorporated by reference to Exhibit 4.1 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 4.2 Specimen Class A Special Common Stock Certificate (incorporated by reference to Exhibit 4.2 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 4.3 Rights Agreement dated as of November 18, 2002 between Comcast Corporation and EquiServe Trust Company, N.A., as Rights Agent, which includes the Form of Certificate of Designation of Series A Participant's Cumulative Preferred Stock as Exhibit A and the Form of Right Certificate as

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- 4.4 Exhibit B (incorporated by reference to our registration statement on Form 8-A12g filed on November 18, 2002).
Credit Agreement dated as of April 26, 2002 among Comcast Corporation, Comcast Cable Communications Holdings, Inc., the Financial Institutions party thereto, JPMorgan Chase Bank, as Administrative Agent, Swing Line Lender and Issuing Lender, Citibank, N.A., as Syndication Agent, and Bank of America, N.A., Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley Senior Funding, Inc., as Co-Documentation Agent (incorporated by reference to Exhibit 4.1 to our amended registration statement on Form S-4/A filed on May 14, 2002).
- 4.5 Bridge Credit Agreement dated as of April 26, 2002 among Comcast Corporation, Comcast Cable Communications Holdings, Inc., the Financial Institutions party thereto, JPMorgan Chase Bank, as Administrative Agent, Citibank, N.A., as Syndication Agent, and Bank of America, N.A., Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley Senior Funding, Inc., as Co-Documentation Agents (incorporated by reference to Exhibit 4.2 to our amended registration statement on Form S-4/A filed on May 14, 2002).
- 4.6 Amended and Restated Five-Year Revolving Credit Agreement effective as of November 18, 2002, amending and restating the Five-Year Revolving Credit Agreement dated as of August 24, 2000, among Comcast Cable Communications, LLC, Comcast Corporation, the Lenders party thereto and Bank of America, N.A., as Administrative Agent. (incorporated by reference to Annex I of Exhibit 10.3 to the Comcast Cable Communications, LLC Quarterly Report on Form 10-Q for the quarter ended March 31, 2002).
- 4.7 First Amendment to Amended and Restated Five-Year Revolving Credit Agreement dated as of February 7, 2003, among Comcast Cable Communications, LLC, Comcast Corporation, the Lenders party thereto and Bank of America, N.A., as Administrative Agent (incorporated by reference to Exhibit 4.7 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 4.8 Amended and Restated 364-Day Revolving Credit Agreement effective as of November 18, 2002, amending and restating the 364-Day Revolving Credit Agreement dated as of August 24, 2000, among Comcast Cable Communications, LLC, Comcast Corporation, the Lenders party thereto and Bank of America, N.A., as Administrative Agent. (incorporated by reference to Annex I of Exhibit 10.4 to the Comcast Cable Communications, LLC Quarterly Report on Form 10-Q for the quarter ended March 31, 2002).
- 4.9 First Amendment to Amended and Restated 364-Day Revolving Credit Agreement dated as of February 7, 2003, among Comcast Cable Communications, LLC, Comcast Corporation, the Lenders party to thereto and Bank of America, N.A., as Administrative Agent (incorporated by reference to Exhibit 4.9 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 4.10 Indenture, dated as of October 17, 1991, between Comcast Holdings Corporation and Bank of Montreal/Harris Trust (successor to Morgan Guaranty Trust Company of New York), as Trustee, relating to Comcast Holdings' 10-5/8% Senior Subordinated Debentures due 2012 (incorporated by reference to Exhibit 2 to the Comcast Holdings Corporation Current Report on Form 8-K filed on October 31, 1991).
- 4.11 Form of Debenture relating to Comcast Holdings Corporation's 10-5/8% Senior Subordinated Debentures due 2012 (incorporated by reference to Exhibit 4(17) to the Comcast Holdings Corporation Annual Report on Form 10-K for the year ended December 31, 1992).
- 4.12 Senior Indenture dated as of June 15, 1999 between Comcast Holdings Corporation and The Bank of New York (as successor in interest to Bank of Montreal Trust Company), as Trustee (incorporated by reference to Exhibit 4.1 to the registration statement on Form S-3 of Comcast Holdings filed on June 23, 1999).
- 4.13 Form of Debenture relating to Comcast Holdings Corporation's Zero Coupon Convertible Debentures due 2020 (incorporated by reference to Exhibit 4.7 to the Comcast Holdings Corporation Annual Report on Form 10-K for the year ended December 31, 2000).
- 4.14 Indenture dated as of May 1, 1997, between Comcast Cable Communications, LLC and The Bank of New York (as successor in interest to Bank of Montreal Trust Company), as Trustee, relating to Comcast Cable Communications, LLC's 8-1/8% Notes due 2004, 8-3/8% Notes due 2007, 8-7/8% Notes due 2017, 8-1/2% Notes due 2027, 6.20% Notes due 2008, 6.375% Notes due 2006, 6.75% Notes due 2011, 6.875% Notes due 2009 and 7.125% Notes due 2013 (incorporated by reference to Exhibit 4.1(a) to the registration statement on Form S-4 of Comcast Cable Communications, LLC filed on June 3, 1997).

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- 4.15 Form of Comcast Cable Communications, LLC's 8-1/8% Notes due 2004, 8-3/8% Notes due 2007, 8-7/8% Notes due 2017 and 8-1/2% Notes due 2027, 6.20% Notes due 2008, 6.375% Notes due 2006, 6.75% Notes due 2011, 6.875% Notes due 2009 and 7.125% Notes due 2013 (incorporated by reference to Exhibit 4.1(b) to the registration statement on Form S-4 of Comcast Cable Communications, LLC filed on June 3, 1997).
- 4.16 Form of Indenture among Comcast Corporation, Comcast Cable Communications, LLC, Comcast Cable Communications

- Holdings, Inc., Comcast Cable Holdings, LLC, Comcast MO Group, Inc., and The Bank of New York, as Trustee relating to Comcast Cable Communications Holdings, Inc.'s 8.375% Notes due March 15, 2013 and 9.455% Notes Due November 15, 2022 (incorporated by reference to Exhibit 4.18 to our amended registration statement on Form S-4/A filed on September 26, 2002).
- 4.17 Form of Comcast Cable Communications Holdings, Inc.'s 8.375% Notes Due March 15, 2013 (incorporated by reference to Exhibit 4.19 to our amended registration statement on Form S-4/A filed on September 26, 2002).
- 4.18 Form of Comcast Cable Communications Holdings, Inc.'s 9.455% Notes Due November 15, 2022 (incorporated by reference to Exhibit 4.20 to our amended registration statement on Form S-4/A filed on September 26, 2002).
- 4.19 Form of Indenture among Comcast Corporation, Comcast Cable Communications, LLC, Comcast Cable Communications Holdings, Inc., Comcast Cable Holdings, LLC, Comcast MO Group, Inc., and The Bank of New York, as Trustee relating to our 5.85% Notes due 2010 and 6.50% Notes Due 2015 (incorporated by reference to Exhibit 4.5 to our registration statement on Form S-3 filed on December 16, 2002).
- 4.20 Form of Comcast Corporation's 5.85% Notes due 2010 (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on January 10, 2003).
- 4.21 Form of Comcast Corporation's 6.50% Notes due 2015 (incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K filed on January 10, 2003).
- 4.22 Form of Subordinated Indenture between Comcast Holdings Corporation and Bankers Trust Company, as Trustee, relating to Comcast Holdings Corporation's 2.0% Exchangeable Subordinated Debentures Due 2029 and 2.0% Exchangeable Subordinated Debentures Due November 2029 (incorporated by reference to Exhibit 4.2 to Comcast Holdings Corporation's registration statement on Form S-3 filed on June 23, 1999).
- 4.23 Form of Comcast Holdings Corporation's 2.0% Exchangeable Subordinated Debentures Due 2029 (ZONES I) (incorporated by reference to Exhibit 4 to Comcast Holdings Corporation's Current Report on Form 8-K filed on October 14, 1999).
- 4.24 Form of Comcast Holdings Corporation's 2.0% Exchangeable Subordinated Debentures Due November 2029 (ZONES II) (incorporated by reference to Exhibit 4 to Comcast Holdings Corporation's Current Report on Form 8-K filed on November 3, 1999).
- 4.25 Form of Supplemental Indenture among Comcast Corporation, Comcast Cable Holdings, LLC, Comcast Cable Communications Holdings, Inc., Comcast Cable Communications, LLC, Comcast MO Group, Inc., Comcast MO of Delaware, Inc. and The Bank of New York as Trustee relating to our 5.85% Notes due 2010, 6.50% Notes due 2015, 5.50% Notes due 2011, 7.05% Notes Due 2033 and 5.30% Notes due 2014.
- 4.26 Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, the registrant hereby agrees to furnish upon request to the Securities and Exchange Commission other instruments defining the rights of holders of long-term debt. The amount of securities authorized under each such instrument does not exceed ten percent of the total assets of the registrant and its subsidiaries on a consolidated basis.
- 9.1 Agreement and Declaration of Trust of TWE Holdings I Trust by and among MOC Holdco I, Inc., Edith E. Holiday and The Capital Trust Company of Delaware (incorporated by reference to Exhibit 99.2 to our Current Report on Form 8-K12g3 filed on November 18, 2002).
- 9.2 Form of Agreement and Declaration of Trust of TWE Holdings II Trust by and among MOC Holdco II, Inc., Edith E. Holiday and The Capital Trust Company of Delaware (incorporated by reference to Exhibit 99.3 to our Current Report on Form 8-K12g3 filed on November 18, 2002).
- 9.3 Agreement and Declaration of Trust of TWE Holdings III Trust by and among Media One TWE Holdings, Inc., Edith E. Holiday and The Capital Trust Company of Delaware (incorporated by reference to Exhibit 99.4 to our Current Report on Form 8-K12g3 filed on November 18, 2002).

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- 10.1* Comcast Corporation 1987 Stock Option Plan, as amended and restated, effective November 18, 2002 (incorporated by reference to Exhibit 10.1 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.2* Comcast Corporation 2002 Stock Option Plan, as amended and restated, effective January 30, 2004.
- 10.3* Comcast Corporation 2003 Stock Option Plan, as amended and restated, effective January 30, 2004.
- 10.4* Comcast Corporation 2002 Deferred Compensation Plan, as amended and restated, effective February 24, 2004.
- 10.5* Comcast Corporation 2002 Deferred Stock Option Plan, as amended and restated, effective January 30, 2004.
- 10.6* Comcast Corporation 2002 Restricted Stock Plan, as amended and restated, effective February 24, 2004.
- 10.7* 2004 Management Achievement Plan, effective January 1, 2004.
- 10.8* 1992 Executive Split Dollar Insurance Plan (incorporated by reference to Exhibit 10(12) to the Comcast Holdings Corporation Annual Report on Form 10-K for the year ended December 31, 1992).
- 10.9* Comcast Corporation 2002 Cash Bonus Plan (formerly, the 1996 Cash Bonus Plan), as amended and restated, effective March 3, 2003.
- 10.10* Comcast Corporation 2002 Executive Cash Bonus Plan (formerly the 1996 Executive Cash Bonus Plan), as amended and restated, effective January 30, 2004.
- 10.11* Comcast Corporation 2002 Supplemental Cash Bonus Plan, as amended and restated, effective January 30, 2004.
- 10.12* Comcast Corporation 2002 Non-Employee Director Compensation Plan, as amended and restated, effective December 17, 2003.
- 10.13* Compensation and Deferred Compensation Agreement and Stock Appreciation Bonus Plan between Comcast Holdings Corporation and Ralph J. Roberts, as amended and restated March 16, 1994 (incorporated by reference to Exhibit 10(13) to the Comcast Holdings Corporation Annual Report on Form 10-K for the year ended December 31, 1993).
- 10.14* Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation and Ralph J. Roberts, as amended and restated August 31, 1998 (incorporated by reference to Exhibit 10.1 to the Comcast Holdings Corporation quarterly report on Form 10-Q for the quarter ended September 30, 1998).
- 10.15* Amendment Agreement to Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation and Ralph J. Roberts, dated as of August 19, 1999 (incorporated by reference to Exhibit 10.2 to the Comcast Holdings Corporation quarterly report on Form 10-Q for the quarter ended March 31, 2000).
- 10.16* Amendment to Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation and Ralph J. Roberts, dated as of June 5, 2001 (incorporated by reference to Exhibit 10.8 to the Comcast Holdings Corporation Annual

- Report on Form 10-K for the year ended December 31, 2001).
- 10.17* Amendment to Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation and Ralph J. Roberts, dated as of January 24, 2002 (incorporated by reference to Exhibit 10.16 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.18* Amendment to Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation and Ralph J. Roberts, dated as of November 18, 2002 (incorporated by reference to Exhibit 10.17 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.19* Employment Agreement between Comcast Corporation and C. Michael Armstrong, dated as of November 18, 2002 (incorporated by reference to Exhibit 10.18 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.20* Compensation Agreement between Comcast Holdings Corporation and Brian L. Roberts, dated as of June 16, 1998 (incorporated by reference to Exhibit 10.1 to the Comcast Holdings Corporation quarterly report on Form 10-Q for the quarter ended March 31, 2000).
- 10.21* Amendment to Compensation Agreement between Comcast Holdings Corporation and Brian L. Roberts, dated as of November 18, 2002 (incorporated by reference to Exhibit 10.20 to our Annual Report on Form 10-K for the year ended December 31, 2002).

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- 10.22* Certificate of Interest of Julian Brodsky under the Comcast Holdings Corporation Unfunded Plan of Deferred Compensation (incorporated by reference to Exhibit 10.21 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.23* Employment Agreement between Comcast Holdings Corporation and Julian A. Brodsky, dated as of May 1, 2002 (incorporated by reference to Exhibit 10.22 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.24* Amendment to Employment Agreement between Comcast Holdings Corporation and Julian A. Brodsky, dated as of November 18, 2002 (incorporated by reference to Exhibit 10.23 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.25 Executive Employment Agreement between Comcast Holdings Corporation and Stephen B. Burke, dated as of May 31, 2000 (incorporated by reference to Exhibit 10.24 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.26 First Amendment to Executive Employment Agreement between Comcast Holdings Corporation and Stephen B. Burke, dated as of July 30, 2001 (incorporated by reference to Exhibit 10.25 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.27* Executive Employment Agreement between Comcast Holdings Corporation and Lawrence S. Smith, dated as of May 31, 2000 (incorporated by reference to Exhibit 10.26 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.28* Executive Employment Agreement between Comcast Holdings Corporation and John R. Alchin, dated as of May 31, 2000 (incorporated by reference to Exhibit 10.27 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.29* Comcast Corporation Supplemental Executive Retirement Plan, as amended and restated, effective June 5, 2001 (incorporated by reference to Exhibit 10.10 to the Comcast Holdings Corporation Annual Report on Form 10-K for the year ended December 31, 2001).
- 10.30* Comcast Holdings Corporation 2002 Employee Stock Purchase Plan, as amended and restated, effective November 18, 2002 (incorporated by reference to Exhibit 10.29 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.31* Comcast Cable Communications Holdings, Inc. Deferred Compensation Plan, as amended and restated, effective November 18, 2002 (incorporated by reference to Exhibit 4.4 to our registration statement on Form S-8 filed on November 19, 2002).
- 10.32* Comcast Cable Communications Holdings, Inc. Adjustment Plan (incorporated by reference to Exhibit 10.31 to our Annual Report on Form 10-K for the year ended December 31, 2002).
- 10.33 Amended and Restated Stock Purchase Agreement, dated as of June 30, 2003, among Comcast Corporation, Comcast QVC, Inc., Liberty Media Corporation and QVC, Inc. (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on October 1, 2003).
- 10.34 Term Life Insurance Premium and Tax Bonus Agreement between Comcast Holdings Corporation and Brian L. Roberts, dated as of September 23, 1998 (incorporated by reference to Exhibit 10.1 to our quarterly report on Form 10-Q for the quarter ended March 31, 2003).
- 21 List of Subsidiaries.
- 23.1 Consent of Deloitte & Touche LLP.
- 31 Certifications of Chief Executive Officer and Co-Chief Financial Officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32 Certifications of Chief Executive Officer and Co-Chief Financial Officers pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Constitutes a management contract or compensatory plan or arrangement.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized in Philadelphia, Pennsylvania on March 12, 2004.

By: /s/ Brian L. Roberts

Brian L. Roberts
President, Chief Executive Officer and Director

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

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Ralph J. Roberts</u> Ralph J. Roberts	Chairman of the Executive and Finance Committee of the Board of Directors; Director	March 12, 2004
<u>/s/ C. Michael Armstrong</u> C. Michael Armstrong	Chairman of the Board of Directors; Director	March 12, 2004
<u>/s/ Brian L. Roberts</u> Brian L. Roberts	President and Chief Executive Officer; Director (Principal Executive Officer)	March 12, 2004
<u>/s/ Julian A. Brodsky</u> Julian A. Brodsky	Vice Chairman; Director	March 12, 2004
<u>/s/ Lawrence S. Smith</u> Lawrence S. Smith	Executive Vice President (Co-Principal Financial Officer)	March 12, 2004
<u>/s/ John R. Alchin</u> John R. Alchin	Executive Vice President and Treasurer (Co-Principal Financial Officer)	March 12, 2004
<u>/s/ Lawrence J. Salva</u> Lawrence J. Salva	Senior Vice President and Controller (Principal Accounting Officer)	March 12, 2004
<u>/s/ S. Decker Anstrom</u> S. Decker Anstrom	Director	March 12, 2004
<u>/s/ Kenneth J. Bacon</u> Kenneth J. Bacon	Director	March 12, 2004
<u>/s/ Sheldon M. Bonovitz</u> Sheldon M. Bonovitz	Director	March 12, 2004
<u>/s/ Joseph L. Castle, II</u> Joseph L. Castle, II	Director	March 12, 2004
<u>/s/ J. Michael Cook</u> J. Michael Cook	Director	March 12, 2004
<u>/s/ Dr. Judith Rodin</u> Dr. Judith Rodin	Director	March 12, 2004
<u>/s/ Michael I. Sovern</u> Michael I. Sovern	Director	March 12, 2004

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

We have audited the consolidated financial statements of Comcast Corporation and its subsidiaries (the "Company") as of December 31, 2003 and 2002, and for each of the three years in the period ended December 31, 2003, and have issued our report thereon dated March 11, 2004 (which report expresses an unqualified opinion and includes an explanatory paragraph related to the adoption of Statement of Financial

Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, effective January 1, 2001, and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," effective January 1, 2002); such report is included elsewhere in this Form 10-K. Our audits also included the consolidated financial statement schedule of Comcast Corporation and its subsidiaries, listed in Item 15(b)(i). This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

Deloitte & Touche LLP

Philadelphia, Pennsylvania
March 11, 2004

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COMCAST CORPORATION AND SUBSIDIARIES

SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS

YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001

(In millions)

	Balance at Beginning of Year	Additions Charged to Costs and Expenses(A)	Deductions from Reserves(B)	Balance at End of Year
<u>Allowance for Doubtful Accounts</u>				
2003	\$172	\$220	\$246	\$146
2002	71	198	97	172
2001	47	57	33	71

(A) Includes \$71 million not charged to costs and expenses but resulting from the Broadband acquisition in 2002.

(B) Uncollectible accounts written off.

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Amended and Restated Articles of Incorporation of Comcast Corporation

The Articles of Incorporation of the Corporation shall be amended and restated in their entirety so as to read as follows:

FIRST: The name of the Corporation is Comcast Corporation (the "Corporation").

SECOND: The location and post office address of the Corporation's current registered office in this Commonwealth is:

1500 Market Street, 35th floor
Philadelphia, PA 19102-2148

THIRD: The Corporation is incorporated under the provisions of the Business Corporation Law of 1988. The purpose or purposes for which the Corporation is organized are:

To have unlimited power to engage in and to do any lawful act concerning any or all lawful business for which corporations may be incorporated under the Business Corporation Law.

FOURTH: The term of its existence is perpetual.

FIFTH: A. The aggregate number of shares which the Corporation shall have authority to issue is SEVEN BILLION FIVE HUNDRED MILLION (7,500,000,000) shares of Class A Common Stock, par value \$0.01 per share, SEVEN BILLION FIVE HUNDRED MILLION (7,500,000,000) shares of Class A Special Common Stock, par value \$0.01 per share, SEVENTY FIVE MILLION (75,000,000) shares of Class B Common Stock, par value \$0.01 per share, and TWENTY MILLION (20,000,000) shares of Preferred Stock, which the Board of Directors may issue, in one or more series, without par value, with full, limited, multiple, fractional, or no voting rights, and with such designations, preferences, qualifications, privileges, limitations, restrictions, options, conversion rights and other special or relative rights as shall be fixed by the Board of Directors.

B. The descriptions, preferences, qualifications, limitations, restrictions and the voting, special or relative rights in respect of the shares of each class of Common Stock are as follows:

1. (a) Subject to paragraph (B)(1)(c) of this Article FIFTH, each share of Class A Common Stock shall entitle the holder thereof to the number of votes equal to a quotient the numerator of which is the excess of (i) the Total Number of Votes (as defined below) over (ii) the sum of (A) the Total Number of B Votes (as defined below) and (B) the Total Number of Other Votes (as defined below) and the denominator of which is the number of outstanding shares of Class A Common Stock (provided that if at any time there are no outstanding shares of Class B Common Stock, each share of Class A Common Stock shall entitle the holder thereof to one (1) vote) and each share of Class B Common Stock shall entitle the holder thereof to fifteen (15) votes. Holders of shares of Class A Special Common Stock shall not be entitled to vote for the election of Directors (as defined below in Article SIXTH) or any other matter except as may be required by applicable law, in which case each share of Class A Special Common Stock shall entitle the holder thereof to the same number of votes to which each holder of Class A Common Stock is entitled for each of such holder's shares of Class A Common Stock. "Total Number of Votes" on any record date is equal to a quotient the numerator of which is the Total Number of B Votes on such record date and the denominator of which is the B Voting Percentage (as defined below) on such record date. "Total Number of B Votes" on any record date is equal to the product of (i) 15 and (ii) the number of outstanding shares of Class B Common Stock on such record date. "Total Number of Other Votes" on any record date means the aggregate number of votes to which holders of all classes of capital stock of the Corporation other than holders of Class A Common Stock and Class B Common Stock are entitled to cast on such record date in an election of Directors. "B Voting Percentage" on any record date means the portion (expressed as a percentage) of the total number of votes entitled to be cast in an election of Directors by the holders of capital stock of the Corporation to which all holders of Class B Common Stock are entitled to cast on such record date in an election of Directors, as specified and determined pursuant to paragraph (B)(1)(c) of this Article FIFTH.

(b) Except as provided in Article SEVENTH or required by applicable law, only the holders of Class A Common Stock, the holders of Class B Common Stock and the holders of any other class or series of Common Stock, Preferred Stock or other class of capital stock of the Corporation (if any) with voting rights shall be entitled to vote and shall vote as a single class on all matters with respect to which a vote of the shareholders of the Corporation is required or permitted under applicable law, these Articles of Incorporation, or the By-Laws of the Corporation. Whenever applicable law, these Articles of Incorporation or the By-Laws of the Corporation provide

for a vote of the shareholders of the Corporation on any matter, approval of such matter shall require the affirmative vote of a majority of the votes cast by the holders entitled to vote thereon unless otherwise expressly provided under applicable law, these Articles of Incorporation or the By-Laws of the Corporation.

(c) Notwithstanding any other provision of these Articles of Incorporation, including paragraph (B)(1)(a) of this Article FIFTH, but subject to Article SEVENTH, with respect to any matter on which the holders of Class B Common Stock and the holders of one or more classes or series of Common Stock, Preferred Stock or any other class of capital stock of the Corporation (if any) vote as a single class, each share of Class B Common Stock shall entitle the holder thereof to the number of votes necessary so that, if all holders of Class B Common Stock and all holders of each such other class or series of Common Stock, Preferred Stock and other class of capital stock of the Corporation (if any) were to cast all votes they are entitled to cast on such matter, the holders of the Class B Common Stock in the aggregate would cast thirty three and one-third (33 1/3) per cent of the total votes cast by all such holders, subject to reduction as set forth in the following sentence. If at any time after the Effective Time for any reason whatsoever the number of shares of Class B Common Stock outstanding at such time is reduced below the number of shares of Class B Common Stock outstanding at the Effective Time (appropriately adjusted for any stock dividend paid in Class B Common Stock, stock splits or reverse stock splits of the Class B Common Stock or combinations, consolidations or reclassifications of the Class B Common Stock), the percentage specified in the preceding sentence shall be reduced to a percentage equal to the product of (i) thirty three and one-third (33 1/3) and (ii) the fraction obtained by dividing the number of shares of Class B Common Stock outstanding at such time by the number of shares of Class B Common Stock outstanding at the Effective Time (appropriately adjusted for any stock dividend paid in Class B Common Stock, stock splits or reverse stock splits of the Class B Common Stock or combinations, consolidations or reclassifications of the Class B Common Stock). No reduction in the percentage of the voting power of the Class B Common Stock pursuant to the preceding sentence shall be reversed by any issuance of Class B Common Stock that occurs after such reduction.

2. The holders of Class A Common Stock, the holders of Class A Special Common Stock and the holders of Class B Common Stock shall be entitled to receive, from time to time, when and as declared, in the discretion of the Board of Directors, such cash dividends as the Board of Directors may from time to time determine, out of such funds as are legally available therefor, in proportion to the number of shares held by them, respectively, without regard to class.

3. The holders of Class A Common Stock, the holders of Class A Special Common Stock, and the holders of Class B Common Stock shall be entitled to receive, from time to time, when and as declared by the Board of Directors, such dividends of stock of the Corporation or other property as the Board of Directors may determine, out of such funds as are legally available therefor. Stock dividends on, or stock splits of, any class of Common Stock shall not be paid or issued unless paid or issued on all classes of Common Stock, in which case they shall be paid or issued only in shares of that class; provided, however, that stock dividends on, or stock splits of, Class B Common Stock may be paid or issued in shares of Class A Special Common Stock. Any decrease in the number of shares of any class of Common Stock resulting from a combination or consolidation of shares or other capital reclassification shall not be permitted unless parallel action is taken with respect to each other class of Common Stock, so that the number of shares of each class of Common Stock outstanding shall be decreased proportionately. Notwithstanding anything to the contrary contained herein, in the event of a distribution of property, plan of merger or consolidation, plan of asset transfer, plan of division, plan of exchange, or recapitalization pursuant to which the holders of Class A Common Stock, the holders of Class A Special Common Stock and the holders of Class B Common Stock would be entitled to receive equity interests of one or more corporations (including, without limitation, the Corporation) or other entities, or rights to acquire such equity interests, then the Board of Directors may, by resolution duly adopted, provide that the holders of Class A Common Stock, the holders of Class A Special Common Stock, and the holders of Class B Common Stock, respectively and as separate classes, shall receive with respect to their Class A Common Stock, Class A Special

Common Stock, or Class B Common Stock (whether by distribution, exchange, redemption or otherwise), in proportion to the number of shares held by them, equity interests (or rights to acquire such equity interests) of separate classes or series having substantially equivalent relative designations, preferences, qualifications, privileges, limitations, restrictions and rights as the relative designations, preferences, qualifications, privileges, limitations, restrictions and rights of the Class A Common Stock, Class A Special Common Stock and Class B Common Stock. Except as provided above, if there should be any distribution of property, merger, consolidation, purchase or acquisition of property or stock, asset transfer, division, share exchange, recapitalization or reorganization of the Corporation, the holders of Class A Common Stock, the holders of Class A Special Common Stock, and the holders of Class B Common Stock shall receive the shares of stock, other securities or rights or other assets as would be issuable or payable upon such distribution, merger, consolidation, purchase or acquisition of such property or stock, asset transfer, division, share exchange, recapitalization or reorganization in proportion to the number of shares held by them, respectively, without regard to class.

4. Each share of Class B Common Stock shall be convertible at the option of the holder thereof into one share of Class A Common Stock or one share of Class A Special Common Stock. Each share of Class B Common Stock shall be cancelled after it has been converted as provided herein.

5. Subject to Article SEVENTH and except as otherwise permitted by applicable law, each and any provision of these Articles of Incorporation may from time to time, when and as desired, be amended by a resolution of the Board of Directors and the affirmative vote of a majority of the votes cast by all shareholders entitled to vote thereon, as determined in accordance with the provisions of this Article FIFTH. There shall be no class voting on any such amendments or on any other matter except as shall be required by Article SEVENTH or by applicable law, in which case there shall be required the affirmative vote of a majority of the votes cast by the holders of the outstanding shares of each class entitled to vote by Article SEVENTH or by applicable law, voting as a separate class.

6. If there should be any merger, consolidation, purchase or acquisition of property or stock, separation, reorganization, division or share exchange, the Board of Directors shall take such action as may be necessary to enable the holders of the Class B Common Stock to receive upon any subsequent conversion of their stock into Class A Common Stock or Class A Special Common Stock (as the case may be), in whole or in part, in lieu of any shares of Class A Common Stock or Class A Special Common Stock (as the case may be) of the Corporation, the shares of stock, securities, or other assets as would be issuable or payable upon such merger, consolidation, purchase, or acquisition of property or stock, separation, reorganization, division or share exchange in respect of or in exchange for such share or shares of Class A Common Stock or Class A Special Common Stock (as the case may be).

7. In the event of any liquidation, dissolution or winding up (either voluntary or involuntary) of the Corporation, the holders of Class A Common Stock, the holders of Class A Special Common Stock and the holders of Class B Common Stock shall be entitled to receive the assets and funds of the Corporation in proportion to the number of shares held by them, respectively, without regard to class.

8. At all times the Board of Directors shall take such action to adjust the conversion privileges of the Class B Common Stock and the number of shares of Class B Common Stock to be outstanding after any particular transaction to prevent the dilution of the conversion rights of the holders of Class B Common Stock.

9. Except as expressly set forth in these Articles of Incorporation (including, without limitation, this Article FIFTH and Article SEVENTH), the rights of the holders of Class A Common Stock, the rights of the holders of Class A Special Common Stock and the rights of the holders of Class B Common Stock shall be in all respects identical.

10. Neither the holders of the Class A Common Stock nor the holders of the Class B Common Stock nor the holders of any other class or series of Common Stock, Preferred Stock or other class of capital stock of the Corporation, whether issued prior to or after the Effective Time, shall have cumulative voting rights.

SIXTH: Governance

A. Definitions

1. "Additional Independent Director" has the meaning specified in paragraph (B)(1) of this Article SIXTH.

2. "AT&T" means AT&T Corp., a New York corporation.

3. "AT&T Directors" means (i) those five (5) Directors designated by AT&T to serve as members of the Board of Directors pursuant to a contractual right of AT&T to designate such Directors, (ii) any Replacement AT&T Director and (iii) any Director elected to replace an AT&T Director at the 2004 annual meeting of shareholders of the Corporation or designated as an AT&T Director pursuant to the last sentence of paragraph (E)(2) of this Article SIXTH.

4. "Board of Directors" means the Board of Directors of the Corporation.

5. "CEO" means the Chief Executive Officer of the Corporation.

6. "Chairman" means the Chairman of the Board of Directors.

7. "Class of Director" means the Comcast Directors, the AT&T Directors or the Independent Directors, as the case may be.

8. "Comcast" means Comcast Corporation, a Pennsylvania corporation.

9. "Comcast Directors" means (i) those five (5) Directors designated by Comcast to serve as members of the Board of Directors pursuant to a contractual right of Comcast to designate such Directors, (ii) any Replacement Comcast Director and (iii) any Director elected to replace a Comcast Director at the 2004 annual meeting of shareholders of the Corporation or designated as a Comcast Director pursuant to the last sentence of paragraph (E)(2) of this Article SIXTH.

10. "Director" means a director of the Corporation.

11. "Effective Time" means the date and time at which these Amended and Restated Articles of Incorporation become effective with the Department of State of the Commonwealth of Pennsylvania.

12. "Governance and Directors Nominating Committee" has the meaning specified in paragraph (E)(1) of this Article SIXTH.

13. "Holiday" has the meaning specified in paragraph (B)(6) of this Article SIXTH.

14. "Independent Director" means (i) those two (2) Independent Persons jointly designated by AT&T and Comcast to serve as members of the Board of Directors pursuant to a contractual right of AT&T and Comcast to designate such Directors, (ii) any Additional Independent Director, (iii) any Replacement Independent Director and (iv) any Director elected to replace an Independent Director at the 2004 annual meeting of shareholders of the Corporation or designated as an Independent Director pursuant to the last sentence of paragraph (E)(2) of this Article SIXTH.

15. "Independent Person" means an independent person (determined in accordance with the rules of the principal stock exchange or interdealer quotation system on which the class of Corporation common stock with the greatest aggregate market capitalization (as determined in good faith by the Board of Directors) is traded), it being understood that (i) each individual who was a member of the Board of Directors of AT&T as of December 19, 2001 (other than Mr. C. Michael Armstrong) was deemed to be an Independent Person as of December 19, 2001, (ii) subject to clauses (iii) and (iv) of this definition, none of the members of the Board of Directors of Comcast as of December 19, 2001 was deemed to be an Independent Person as of December 19, 2001, (iii) Mr. Decker Anstrom was deemed to be an Independent Person as of December 19, 2001, (iv) for any period during which Mr. Decker Anstrom is not a Director, one person (other than Mr. Ralph J. Roberts, Mr. Brian L. Roberts,

Mr. Julian A. Brodsky or Mr. Sheldon M. Bonovitz) designated by the CEO (which designation may be changed at any time by the CEO) who was a member of the Board of Directors of Comcast on December 19, 2001 and who would qualify as an Independent Person under this definition not taking into account clause (ii) of this definition shall be deemed to be an Independent Person; provided that such person shall not be eligible to be an AT&T Director or an Independent Director (any such designee, a "Comcast Independent Designee") and (v) none of the spouse, parents, siblings, lineal descendants, aunts, uncles, cousins and other close relatives (or their respective spouses) of Mr. Brian L. Roberts will be deemed Independent Persons at any time.

16. "Initial Term" means the period beginning at the Effective Time and ending at the 2004 annual meeting of shareholders of the Corporation.

17. "Replacement AT&T Director" has the meaning specified in paragraph (B)(3) of this Article SIXTH.

18. "Replacement Comcast Director" has the meaning specified in paragraph (B)(3) of this Article SIXTH.

19. "Replacement Director" has the meaning specified in paragraph (B)(3) of this Article SIXTH.

20. "Replacement Independent Director" has the meaning specified in paragraph (B)(3) of this Article SIXTH.

21. "Specified Period" means the period beginning at the Effective Time and ending at the 2005 annual meeting of shareholders of the Corporation or, if earlier, the date on which Mr. C. Michael Armstrong ceases to be the Chairman.

22. "2004 Term" means the period beginning at the 2004 annual meeting of shareholders of the Corporation and ending at the 2005 annual meeting of shareholders of the Corporation.

B. Directors

1. From the Effective Time until the expiration of the 2004 Term, subject to the fourth sentence of this paragraph (B)(1) of Article SIXTH and the second to last sentence of paragraph (B)(3) of Article SIXTH, the Board of Directors shall consist of five (5) Comcast Directors (at least one (1) of whom shall be an Independent Person), five (5) AT&T Directors and two (2) Independent Directors. If the size of the Board of Directors is increased as described in the fourth sentence of this paragraph (B)(1) of Article SIXTH or there is a vacancy in the Comcast or AT&T Class of Directors that pursuant to the second to last sentence of paragraph (B)(3) of Article SIXTH the applicable Class of Directors is not required to fill, the size of the Board of Directors shall be fixed at the number of Directors in place after such increase or vacancy and shall remain fixed at such number unless subsequently increased again pursuant to the fourth sentence of this paragraph (B)(1) of Article SIXTH or such vacancy is filled pursuant to paragraph (B)(3) of Article SIXTH (in either of such events the size of the Board of Directors shall be fixed at such increased number until subsequently changed as provided in this paragraph (B)(1) and paragraph (B)(3) of this Article SIXTH). At all times, the Board of Directors shall consist of a majority of Independent Persons. From the Effective Time until the expiration of the 2004 Term, a majority of the Directors may increase the size of the Board of Directors by up to two (2) members. The Board of Directors shall take all action necessary to ensure that any vacancy on the Board of Directors created as a result of any such increase shall be filled promptly by an Independent Person nominated by the Governance and Directors Nominating Committee and approved by the Board of Directors (an "Additional Independent Director"). After the election of an Additional Independent Director, such Additional Independent Director shall be considered an Independent Director for all purposes of this Article SIXTH. After the expiration of the 2004 Term, the size of the Board of Directors shall be determined in accordance with the By-Laws of the Corporation and the provisions of these Articles of Incorporation relating to Classes of Directors shall no longer apply.

2. Following the occurrence of a vacancy on the Board of Directors that results in the absence of one or more of (i) a majority of Independent Persons on the Board of Directors, (ii) at least one Comcast Director who is an Independent Person, (iii) the then required number of Independent Directors, (iv) four (4) Comcast Directors or (v) four (4) AT&T Directors, and notwithstanding the occurrence of such vacancy, the applicable

Directors specified in paragraph (B)(3) of this Article SIXTH shall be authorized to take the actions contemplated by such paragraph to permit the Board of Directors to fill such vacancy (which vacancy shall be filled by an Independent Person in the case of clauses (i), (ii) and (iii)) and the Board of Directors shall be authorized to fill the vacancy in accordance with such paragraph. In addition to the foregoing and subject to the last sentence of paragraph (B)(3) of Article SIXTH, for a ninety (90) day period following the occurrence of a vacancy in the Board of Directors that results in one or more of the circumstances described in clauses (i), (ii), (iii), (iv) and (v) of the preceding sentence, the Directors then in office shall have and may exercise all of the powers of the Board of Directors to the extent provided under these Articles of Incorporation, the By-Laws of the Corporation and applicable law.

3. From the Effective Time until the expiration of the 2004 Term, the Board of Directors shall take all action necessary to ensure that any seat on the Board of Directors held by (i) a Comcast Director which becomes vacant is filled promptly by a person designated by a majority of the Comcast Directors remaining on the Board of Directors (such person, a "Replacement Comcast Director"), (ii) an AT&T Director which becomes vacant is filled promptly by a person designated by a majority of the AT&T Directors remaining on the Board of Directors (such person, a "Replacement AT&T Director") and (iii) an Independent Director which becomes vacant is filled promptly by an Independent Person designated by the Governance and Directors Nominating Committee (such person, a "Replacement Independent Director" and, together with any Replacement Comcast Director and any Replacement AT&T Director, a "Replacement Director"); provided that the designation of any Replacement Independent Director by the Governance and Directors Nominating Committee shall be subject to the approval of the Board of Directors prior to such person becoming a Replacement Independent Director. Notwithstanding anything to the contrary contained herein, the remaining Comcast Directors or the remaining AT&T Directors, as the case may be, shall be under no obligation to designate a person to fill a vacancy in its Class of Directors (and during the pendency of any such vacancy the Board of Directors shall continue to exercise all of its powers to the extent provided under these Articles of Incorporation, the By-Laws of the Corporation and applicable law), except to the extent such vacancy results in fewer than four (4) Directors in the affected Class of Directors or, in the case of the Comcast Directors, the absence of one Comcast Director who is an Independent Person. In the absence of a designation by the Comcast Directors, the AT&T Directors or the Governance and Directors Nominating Committee, as the case may be, of a person to fill a vacancy in the relevant Class of Directors, the Board of Directors shall have no authority to fill a vacancy in the applicable Class of Directors.

4. Subject to paragraph (B)(7) of this Article SIXTH, each of the Comcast Directors, AT&T Directors and Independent Directors at the Effective Time, and each Replacement Director and Additional Independent Director elected to the Board of Directors in accordance with this Article SIXTH during the Initial Term, shall hold office until the expiration of the Initial Term and until such Director's successor has been selected and qualified or until such Director's earlier death, resignation or removal.

5. Subject to paragraph (B)(7) of this Article SIXTH, each of the Comcast Directors, AT&T Directors and Independent Directors immediately after the annual meeting of shareholders of the Corporation in 2004, and each Replacement Director and Additional Independent Director elected to the Board of Directors in accordance with this Article SIXTH during the 2004 Term, shall hold office until the expiration of the 2004 Term and until such Director's successor has been selected and qualified or until such Director's earlier death, resignation or removal.

6. The first (or in the event the Board of Directors calls an annual meeting of shareholders pursuant to the last sentence of this paragraph (B)(6), the second) annual meeting of shareholders of the Corporation after the Effective Time shall occur on such date and at such time in April 2004 as the Board of Directors may determine, or if the Board of Directors fails to set a date and time, on the second Thursday of April 2004 at 9:00 o'clock a.m., if, in either case, not a holiday on which national banks are or may elect to be closed ("Holiday"), and if such day is a Holiday, then such meeting shall be held on the next business day at such time. The second (or in the event the Board of Directors calls an annual meeting of shareholders pursuant to the last sentence of this paragraph (B)(6), the third) annual meeting of shareholders of the Corporation after the Effective Time shall occur on such date and at such time in April 2005 as the Board of Directors may determine, or if the Board of Directors fails to set a date and time, on the second Thursday of April 2005 at 9:00 o'clock a.m., if, in either case, not a Holiday, and if such day is a Holiday, then such meeting shall be held on the next business day at

such time. The Corporation may, at the election of the Board of Directors, call an annual meeting of shareholders of the Corporation in 2003 for the purpose of conducting such business, other than the election of Directors, as the Board of Directors shall determine.

7. In addition to the events set forth in each of paragraphs (B)(4) and (B)(5) of this Article SIXTH, the term of office of any Comcast Director or AT&T Director, in either case who was an Independent Person on the date of such Director's designation, appointment or election as a member of the Board of Directors, or of any Independent Director, shall terminate on any date on which such Director shall cease to be an Independent Person if as a result of such Director ceasing to be an Independent Person the Board of Directors shall not include (i) a majority of Independent Persons and (ii) at least one Comcast Director who is an Independent Person.

C. Office of the Chairman

1. At the Effective Time and during the Specified Period, there shall be an Office of the Chairman which shall be comprised of the Chairman and the CEO.

2. The Office of the Chairman shall be the Corporation's principal executive deliberative body with responsibility for corporate strategy, policy and direction, governmental affairs and other matters of significance to the Corporation. The Chairman and the CEO shall advise and consult with each other with respect to each of the foregoing matters.

D. Officers

1. Chairman.

(a) At the Effective Time and during the Specified Period, the Chairman shall be Mr. C. Michael Armstrong if he is willing and available to serve; provided that from and after April 1, 2004, if the Specified Period has not expired, Mr. C. Michael Armstrong shall be non-executive Chairman for the remainder of the Specified Period. After the Specified Period, the Chairman shall be Mr. Brian L. Roberts if he is willing and available to serve.

(b) The Chairman shall preside at all meetings of the shareholders of the Corporation and of the Board of Directors. In the absence of the Chairman, if the Chairman and the CEO are not the same person, the CEO shall chair such meetings.

(c) The Chairman shall have the authority to call special meetings of the Board of Directors, in the manner provided by the By-Laws of the Corporation.

(d) Removal of the Chairman shall require the affirmative vote of at least 75% of the entire Board of Directors until the earlier to occur of (i) the date on which neither Mr. C. Michael Armstrong nor Mr. Brian L. Roberts is the Chairman and (ii) the sixth anniversary of the expiration of the Initial Term.

2. Chief Executive Officer and President.

(a) At the Effective Time, the CEO shall be Mr. Brian L. Roberts if he is willing and available to serve. For so long as Mr. Brian L. Roberts shall be the CEO, he shall also be the President of the Corporation.

(b) The powers, rights, functions and responsibilities of the CEO shall include, without limitation, the following, subject to the control and direction of the Board of Directors:

(i) the supervision, coordination and management of the Corporation's business, operations, activities, operating expenses and capital allocation;

(ii) matters relating to officers (other than the Chairman) and employees, including, without limitation, hiring, terminating, changing positions and allocating responsibilities of such officers and employees; provided that, if the Chairman and the CEO are not the same person, the CEO shall consult with the

Chairman in connection with the foregoing as it relates to the senior executives of the Corporation; provided, further, that following the initial designation of officers by the CEO (in consultation with the Chairman) as provided herein, the election of officers shall be as provided in the By-Laws of the Corporation;

(iii) all of the powers, rights, functions and responsibilities typically exercised by a chief executive officer and president of a corporation; and

(iv) the authority to call special meetings of the Board of Directors, in the manner provided by the By-Laws of the Corporation.

(c) Removal of the CEO shall require the affirmative vote of at least 75% of the entire Board of Directors until the earlier to occur of (i) the date on which Mr. Brian L. Roberts ceases to be the CEO and (ii) the sixth anniversary of the expiration of the Initial Term.

E. Governance and Directors Nominating Committee.

1. The Governance and Directors Nominating Committee (the "Governance and Directors Nominating Committee") shall have the power to designate Replacement Independent Directors as described in paragraph (B)(3) of this Article SIXTH, to nominate Additional Independent Directors as described in paragraph (B)(1) of this Article SIXTH and to nominate individuals for election by the shareholders of the Corporation as Directors at the 2004 annual meeting of shareholders of the Corporation and thereafter. During the Initial Term, the Governance and Directors Nominating Committee shall consist of Mr. Brian L. Roberts, if he is the Chairman or the CEO, one (1) Comcast Director who is an Independent Person selected by the Comcast Directors and two (2) Directors who are Independent Persons selected from the AT&T Directors by the AT&T Directors who are Independent Persons and the Independent Directors after consultation with Mr. Brian L. Roberts. During the Initial Term, if Mr. Brian L. Roberts is not the Chairman or the CEO, the Governance and Directors Nominating Committee shall consist of two (2) Comcast Directors selected by the Comcast Directors at least one of whom shall be an Independent Person and two (2) Directors who are Independent Persons selected from the AT&T Directors by the AT&T Directors who are Independent Persons and the Independent Directors after consultation with a Comcast Director selected by the two (2) Comcast Directors selected to serve on the Governance and Directors Nominating Committee. During the 2004 Term, the Governance and Directors Nominating Committee shall consist of Mr. Brian L. Roberts, if he is the Chairman or the CEO, one (1) Comcast Director who is an Independent Person selected by the Comcast Directors and three (3) Directors who are Independent Persons selected from the AT&T Directors and the Independent Directors by the Comcast Directors. During the 2004 Term, if Mr. Brian L. Roberts is not the Chairman or the CEO, the Governance and Directors Nominating Committee shall consist of two (2) Comcast Directors selected by the Comcast Directors at least one of whom shall be an Independent Person and three (3) Independent Persons selected from the AT&T Directors and the Independent Directors by the Comcast Directors. After the 2004 Term, the Governance and Directors Nominating Committee shall consist of Mr. Brian L. Roberts, if he is the Chairman or CEO, and four (4) Directors who are Independent Persons selected by Mr. Brian L. Roberts; provided that no more than one (1) person who was a Comcast Director or a Comcast Independent Designee may be selected by Mr. Brian L. Roberts as a member of the Governance and Directors Nominating Committee pursuant to this sentence prior to the seventh anniversary of the date that such Director was initially elected to the Board of Directors. After the 2004 Term, if Mr. Brian L. Roberts is not the Chairman or CEO, the Governance and Directors Nominating Committee shall be constituted as determined by the Board of Directors. Notwithstanding the foregoing, if Mr. Brian L. Roberts is the Chairman or CEO but is ineligible to serve on the Governance and Directors Nominating Committee at any relevant time under the applicable rules of the principal U.S. securities exchange or quotation system on which the Class A Common Stock is listed and traded, (i) during the Initial Term and the 2004 Term the Governance and Directors Nominating Committee shall be composed as it would be composed if Mr. Brian L. Roberts were not the Chairman or CEO at such time (all of the members of which shall be eligible to serve under such rules) and (ii) after the 2004 Term the Governance and Directors Nominating Committee shall be composed of five (5) directors (all of whom shall be eligible to serve under such rules and at least four of whom shall be Independent Persons) selected by Mr. Brian L. Roberts; provided that no more than two (2) persons who were Comcast Directors or Comcast Independent Designees may be selected by Mr. Brian L. Roberts as members of the Governance and Directors Nominating Committee pursuant to this clause (ii) prior to the seventh anniversary of the date such Director was initially elected to the Board of Directors. At any time that Mr. Brian

L. Roberts is a member of the Governance and Directors Nominating Committee, he shall be the Chairman of the Governance and Directors Nominating Committee. Subject to paragraph (E)(2) of this Article SIXTH, all powers otherwise held by the Board of Directors to nominate individuals for election by the shareholders of the Corporation as Directors shall reside exclusively in the Governance and Directors Nominating Committee, no such nominations shall be made by the Board of Directors and all nominations of the Governance and Directors Nominating Committee shall be submitted directly to the shareholders of the Corporation without any requirement that such nominations be submitted to the Board of Directors for its approval or ratification.

2. If the Governance and Directors Nominating Committee is able to reach agreement on a full slate of nominations for the 2004 annual meeting of shareholders of the Corporation, each of the individuals selected as a nominee who is a Director then in office will maintain the status of a "Comcast Director," "AT&T Director" or "Independent Director," as the case may be, and each of the other individuals, if any, selected as a nominee will have the status determined by the Governance and Directors Nominating Committee; provided that (i) the number of nominees constituting a full slate of nominations shall be equal to the number of Directors then in office and (ii) the number of nominees that have the status of a particular Class of Directors shall be equal to the number of Directors then in that Class of Directors. If the Governance and Directors Nominating Committee is unable to reach agreement on a full slate of nominations for the 2004 annual meeting of shareholders of the Corporation, each of the Directors then in office shall be nominated for election as a Director at the 2004 annual meeting of shareholders of the Corporation and shall maintain the status of a "Comcast Director," "AT&T Director" or "Independent Director," as the case may be. In the event that any of such Directors declines to stand for election as a Director at the 2004 annual meeting of shareholders of the Corporation, a replacement nominee will be selected by (i) if the Director declining to stand for election is a Comcast Director, a majority of the Comcast Directors then in office (other than the Comcast Director declining to stand for election), (ii) if the Director declining to stand for election is an AT&T Director, a majority of the AT&T Directors then in office (other than the AT&T Director declining to stand for election) and (iii) if the Director declining to stand for election is an Independent Director, the Governance and Directors Nominating Committee, subject to the prior approval of the Board of Directors (other than the Independent Director declining to stand for election). If a replacement nominee is selected to replace a declining Director pursuant to the preceding sentence, such replacement nominee shall be deemed to have the status of the declining Director as a "Comcast Director," "AT&T Director" or "Independent Director," as the case may be. If a Comcast Director or AT&T Director declines to stand for election, the Comcast Directors or the AT&T Directors, as the case may be, shall not be obligated to select a replacement nominee, except to the extent that their failure to select a replacement nominee would result in fewer than four (4) Directors in the affected Class of Directors. If a person is elected as a Director at the 2004 annual meeting of shareholders who was not nominated pursuant to the provisions of this paragraph (E), such person will be deemed to have the status of the former Director he or she was elected in lieu of. If multiple persons are elected as Directors at the 2004 annual meeting of shareholders who were not nominated pursuant to the provisions of this paragraph (E) and it is not possible to determine whom they were elected in lieu of, their status as "Comcast Directors," "AT&T Directors" or "Independent Directors" shall be determined by the entire Board of Directors; provided that the number of Directors that have the status of a particular Class of Directors shall be equal to the number of Directors in that Class of Directors immediately prior to the 2004 annual meeting of shareholders and the status of the other Directors shall not be affected as a result of such determination.

3. Any action of the Governance and Directors Nominating Committee shall require the approval of a majority of the entire Governance and Directors Nominating Committee. If any provision of this paragraph (E) provides for a selection or determination to be made by any given group or Class of Directors, such selection or determination shall require the approval of a majority of the Directors in such entire group or Class, as the case may be, and (except as otherwise specifically provided) not the approval of any given subset of such group or Class, as the case may be.

F. Executive Committee. If the Board of Directors decides to establish an Executive Committee, if he is willing and able to serve and for so long as he shall be a member of the Board of Directors, Mr. Ralph J. Roberts shall be the Chairman of the Executive Committee.

G. Amendment. Subject to paragraph (H) of this Article SIXTH, until the earlier to occur of (i) the date on which Mr. Brian L. Roberts is no longer serving as the Chairman or the CEO and (ii) the sixth anniversary of the

expiration of the Initial Term, the provisions of this Article SIXTH and the provisions of Article 9 of the By-Laws may not be amended, altered, repealed or waived in any respect without the prior approval of at least 75% of the entire Board of Directors.

H. Termination. If Mr. Brian L. Roberts is no longer serving as the Chairman or the CEO, the provisions of this Article SIXTH (other than paragraphs (A), (B)(2) (but only insofar as such paragraph relates to the requirement that a majority of the Directors be Independent Persons) and (E) and the second sentence of paragraph (B)(1), in each case of this Article SIXTH) shall terminate automatically without any further action of the Board of Directors or the shareholders of the Corporation; provided that notwithstanding the foregoing, in the event that Mr. Brian L. Roberts ceases to serve as the Chairman or the CEO prior to the 2005 annual meeting of shareholders of the Corporation, the provisions of paragraphs (A), (B), (C), (D)(1)(a)-(c) and (E) of this Article SIXTH shall survive through the close of such annual meeting.

SEVENTH: In addition to any other approval required by law or by these Articles of Incorporation, and notwithstanding any provision of Article FIFTH, the approval of the holders of Class B Common Stock, voting separately as a class, shall be necessary to approve (i) any merger or consolidation of the Corporation with another entity or any other transaction, in each case that requires the approval of the shareholders of the Corporation pursuant to the law of the Commonwealth of Pennsylvania or other applicable law, or any other transaction that would result in any person or group (as such term is defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) owning shares representing in excess of 10% of the combined voting power of the resulting or surviving corporation, or any issuance of securities (other than pursuant to director or officer stock option or purchase plans) requiring shareholder approval under the applicable rules and regulations of any stock exchange or quotation system, (ii) any issuance of shares of Class B Common Stock or any securities exercisable or exchangeable for or convertible into shares of Class B Common Stock or (iii) any amendment to these Articles of Incorporation (including, without limitation, any amendment to elect to have any of Subchapters E, F, G, H, I and J or Section 2538 of Subchapter D, in each case of Chapter 25 of the Business Corporation Law of 1988, be applicable to the Corporation or any amendment to this Article SEVENTH) or the By-Laws of the Corporation or any other action (including, without limitation, the adoption, amendment or redemption of a shareholder rights plan) that would, in any such case, limit the rights of the holders of Class B Common Stock or any subsequent transferee of Class B Common Stock to transfer, vote or otherwise exercise rights with respect to capital stock of the Corporation. In addition to any other approval required by law or by these Articles of Incorporation, and notwithstanding any provision of Article FIFTH, the approval of the holder of any class or series of shares of the Corporation shall be necessary to approve any amendment to these Articles of Incorporation which would make any change in the preferences, limitations or rights of the shares of such class or series adverse to such class or series.

EIGHTH: Special meetings of shareholders may be called only by the Board of Directors and may not be called by shareholders of the Corporation.

NINTH: The shareholders of the Corporation shall not be permitted to act by written consent in lieu of a meeting; provided that notwithstanding the foregoing, the holders of a majority of the Class B Common Stock shall be permitted to act by written consent in lieu of a meeting in the exercise of their approval rights under Article SEVENTH.

TENTH: The Board of Directors shall have the power to amend the By-Laws to the extent provided therein, subject only to applicable law. Any amendment to the By-Laws approved by the shareholders of the Corporation shall not be deemed to have been adopted by the Corporation unless it has been previously approved by the Board of Directors.

ELEVENTH: No person who is or was a Director shall be personally liable, as such, for monetary damages (other than under criminal statutes and under federal, state and local laws imposing liability on directors for the payment of taxes) unless the person's conduct constitutes self-dealing, willful misconduct or recklessness. No amendment or repeal of this Article ELEVENTH shall apply to or have any effect on the liability or alleged liability of any person who is or was a Director for or with respect to any acts or omissions of the Director occurring prior to the effective date of such amendment or repeal. If the Business Corporation Law of 1988 is amended to permit a Pennsylvania corporation to provide greater protection from personal liability for its directors than the express terms of this Article ELEVENTH, this Article ELEVENTH shall be construed to provide for such greater protection.

TWELFTH: No person who is or was an officer of the Corporation shall be personally liable, as such, for monetary damages (other than under criminal statutes and under federal, state and local laws imposing liability on directors for the payment of taxes) unless the person's conduct constitutes self-dealing, willful misconduct or recklessness. No amendment or repeal of this Article TWELFTH shall apply to or have any effect on the liability or alleged liability of any person who is or was an officer of the Corporation for or with respect to any acts or omissions of the officer occurring prior to the effective date of such amendment or repeal. If the Business Corporation Law of 1988 is amended to permit a Pennsylvania corporation to provide greater protection from personal liability for its officers than the express terms of this Article TWELFTH, this Article TWELFTH shall be construed to provide for such greater protection.

THIRTEENTH: Any or all classes and series of shares of the Corporation, or any part thereof, may be represented by uncertificated shares to the extent determined by the Board of Directors, except that shares represented by a certificate that is issued and outstanding shall continue to be represented thereby until the certificate is surrendered to the Corporation. Within a reasonable time after the issuance or transfer of uncertificated shares, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates. The rights and obligations of the holders of shares represented by certificates and the rights and obligations of the holders of uncertificated shares of the same class and series shall be identical.

FOURTEENTH: Subchapters E, F, G, H, I and J and Section 2538 of Subchapter D, in each case of Chapter 25 of the Business Corporation Law of 1988, shall not be applicable to the Corporation.

FIFTEENTH: Henceforth, these Articles supersede the original Articles and all amendments filed thereto.

COMCAST CORPORATION
\$1,000,000,000 5.30% Notes Due 2014
May 15, 2003

FIRST SUPPLEMENTAL INDENTURE

FIRST SUPPLEMENTAL INDENTURE dated as of March 25, 2003 (this "Supplemental Indenture"), among Comcast Corporation, a Delaware corporation (excluding its Subsidiaries, the "Company" or "Comcast"), Comcast Cable Holdings, LLC, a Delaware: limited liability company, (excluding its Subsidiaries, "Comcast Cable Holdings"), Comcast Cable Communications Holdings, Inc., a Delaware corporation (excluding its Subsidiaries, "Comcast Cable Communications Holdings"), Comcast Cable Communications, Inc., a Delaware corporation (excluding its Subsidiaries, "Comcast Cable"), Comcast MO Group, Inc., a Delaware corporation (excluding its Subsidiaries, "Comcast MO Group" and collectively with Comcast Cable Holdings, Comcast Cable Communications Holdings and Comcast Cable, each an "Original Guarantor"), Comcast MO of Delaware, Inc., a Delaware corporation (excluding its Subsidiaries, "Continental") and The Bank of New York, a New York banking corporation, as trustee (the "Trustee").

WHEREAS, the Company is the issuer under the Indenture, dated as of January 7, 2003 among the Company, the Trustee and the Original Guarantors (the "Original Indenture" and together with this Supplemental Indenture, the "Indenture"), pursuant to which the Company issued, and the Trustee authenticated and delivered 5.85% Notes Due 2010, 6.50% Notes Due 2015, 5.50% Notes Due 2011, and 7.05% Notes Due 2033 which are, as of the date hereof, outstanding (the "Outstanding Securities") and pursuant to which the Company may issue Securities in the future (the "New Securities," and together with the Outstanding Securities, the "Securities");

WHEREAS, each of Comcast Cable Communications Holdings, Comcast Cable, Comcast MO Group, Comcast Cable Holdings and Continental is a Wholly-Owned Subsidiary of Comcast;

WHEREAS, the Company is the obligor with respect to the Securities;

WHEREAS, the Original Guarantors irrevocably, fully and unconditionally guaranteed, jointly and severally, on an unsecured basis, the full and punctual payment (whether at maturity, upon redemption, or otherwise) of the principal of and interest on, and all other amounts payable under, each Security, and the full and punctual payment of all other amounts payable by the Company under the Indenture;

WHEREAS, Continental desires to irrevocably, fully and unconditionally guarantee, jointly and severally with the Original Guarantors, on an unsecured basis, the full and punctual payment (whether at maturity, upon redemption, or otherwise) of the principal of and interest on, and all other amounts payable

under, each Security, and the full and punctual payment of all other amounts payable by the Company under the Indenture; and

WHEREAS, the Company, the Original Guarantors and Continental have requested that the Trustee execute and deliver this Supplemental Indenture and all requirements necessary to make this Supplemental Indenture a valid instrument in accordance with its terms and to make the guarantees provided under the Indenture the valid obligations of Continental, and the execution and delivery of this Supplemental Indenture have been duly authorized in all respects.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the Company, each Original Guarantor, Continental and the Trustee hereby agree as follows for the equal and ratable benefit of the holders of the Securities:

ARTICLE I
DEFINITIONS

Section 1.01. Certain Terms Defined. The Indenture is hereby amended as follows:

"Cable Guarantor" means each of Comcast Cable Holdings, Comcast Cable Communications Holdings, Comcast Cable, Comcast MO Group, and Continental.

ARTICLE 2
GUARANTEES

Section 2.01. Guarantee. Continental hereby agrees to be bound by all obligations of a Cable Guarantor as set forth under the Indenture including, but not limited to irrevocably, fully and unconditionally guaranteeing, jointly and severally, on an unsecured basis, the full and punctual payment (whether at maturity, upon redemption, or otherwise) of the principal of and interest on, and all other amounts payable under each Security, and the full and punctual payment of an other amounts payable by the Company under the Indenture, upon the terms and subject to the conditions of the Indenture.

The following Section 13.10 is hereby added to Article 13 of the Original Indenture:

"Section 13.10. Additional Cable Guarantors. If, from time to time, a Comcast Subsidiary desires to be added as a Cable Guarantor under the Indenture

and such Subsidiary agrees to assume all the obligations of a Cable Guarantor under the Indenture including without limitation, the obligations specified under this Article 13, such Subsidiary may be added to the definition of "Cable Guarantor" under the Indenture by entering into a written agreement with the Company and the Trustee in the form attached as Exhibit A. Execution of such written agreement by a Subsidiary evidences the Cable Guarantee of such Subsidiary and constitutes due delivery of the Cable Guarantee as set forth in this Supplemental Indenture on behalf of the Subsidiary with respect to the Outstanding Securities. The execution of such written agreement evidences the Cable Guarantee of such Subsidiary with respect to any New Security, whether or not the person signing as an officer of the Subsidiary still holds that office at the time of authentication of such New Security. The delivery of any New Security by the Trustee after authentication constitutes due delivery of the Cable Guarantees as set forth in this Supplemental Indenture on behalf of the Subsidiary."

ARTICLE 3
MISCELLANEOUS

Section 3.01. Date and Time of Effectiveness. This Supplemental Indenture shall become a legally effective and binding instrument at and as of the date hereof.

Section 3.02. Supplemental Indenture Incorporated Into Indenture. The terms and conditions of this Supplemental Indenture shall be deemed to be part of the Indenture for all purposes relating to the Securities. The Original Indenture is hereby incorporated by reference herein and the Original Indenture, as supplemented by this Supplemental Indenture, is in all respects adopted, ratified and confirmed..

Section 3.03. Outstanding Securities Deemed Conformed. As of the date hereof, the provisions of the Outstanding Securities shall be deemed to be conformed, without the necessity for any reissuance or exchange of such Outstanding Security or any other action on the party of the holders of Outstanding Securities, the Company or the Trustee, so as to reflect this Supplemental Indenture.

Section 3.04. Separability. In case any provision in this Supplemental Indenture, or in the Indenture, shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, it being intended that all of the provisions hereof shall be enforceable to the full extent permitted by law.

Section 3.05. Benefits of Supplemental Indenture. Nothing in this Supplemental Indenture, expressed or implied, shall give or be construed to give

to any person, firm or corporation, other than the parties hereto and the holders of Securities, any benefit or any legal or equitable right, remedy or claim under this Supplemental Indenture or the Indenture.

Section 3.06. Successors. Subject to Section 13.09 of the Original Indenture dated as of January 7, 2003, all agreements of the Company, the Guarantors and the Trustee in this Supplemental Indenture and in the Indenture shall bind their respective successors.

Section 3.07. New York Law to Govern. This Supplemental Indenture shall be deemed to be a contract under the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of such State.

Section 3.08. Counterpart³. This Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 3.09. Effect Of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

IN WITNESS WHEREOF, each the parties have caused this Supplemental Indenture to be duly executed, and its corporate seal to be hereunto affixed and attested, all as of the first date written above.

COMCAST CORPORATION

By: /s/ William E. Dordelman

Name: William E. Dordelman
Title: Vice President - Finance

[CORPORATE SEAL]

Attest:

By: /s/ Arthur R. Block

COMCAST CABLE COMMUNICATIONS
HOLDINGS, INC.

By: /s/ William E. Dordelman

Name: William E. Dordelman
Title: Vice President - Finance

[CORPORATE SEAL]

Attest:

By: /s/ Arthur R. Block

COMCAST CABLE COMMUNICATIONS, INC.

By: /s/ William E. Dordelman

Name: William E. Dordelman
Title: Vice President - Finance

[CORPORATE SEAL]

Attest:

By: /s/ Arthur R. Block

COMCAST MO GROUP, INC.

By: /s/ William E. Dordelman

Name: William E. Dordelman

Title: Vice President - Finance

[CORPORATE SEAL]

Attest:

By: /s/ Arthur R. Block

COMCAST CABLE HOLDINGS, LLC

By: /s/ William E. Dordelman

Name: William E. Dordelman

Title: Vice President - Finance

[CORPORATE SEAL]

Attest:

By: /s/ Arthur R. Block

COMCAST MO OF DELAWARE, INC.

By: /s/ William E. Dordelman

Name: William E. Dordelman

Title: Vice President - Finance

[CORPORATE SEAL]

Attest:

By: /s/ Arthur R. Block

THE BANK OF NEW YORK, as Trustee

By: /s/ Ming J. Ryan

Name: Ming J. Ryan

Title: Vice President

[CORPORATE SEAL]

Attest:

By: /s/

COMCAST CORPORATION

2002 STOCK OPTION PLAN

(AS AMENDED AND RESTATED EFFECTIVE JANUARY 30, 2004)

1. Background and Purpose of Plan

(a) Background. COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Stock Option Plan (the "Plan"), effective January 30, 2004.

(b) Purpose. The purpose of the Plan is to assist the Sponsor and its Affiliates in retaining valued employees, officers and directors by offering them a greater stake in the Sponsor's success and a closer identity with it, and to aid in attracting individuals whose services would be helpful to the Sponsor and would contribute to its success.

2. Definitions

(a) "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(b) "AT&T Broadband Transaction" means the acquisition of AT&T Broadband Corp. (now known as Comcast Cable Communications Holdings, Inc.) by the Sponsor.

(c) "Board" means the board of directors of the Sponsor.

(d) "Cash Right" means any right to receive cash in lieu of Shares granted under the Plan and described in Paragraph 3(a)(iii).

(e) "Cause" means (i) fraud; (ii) misappropriation; (iii) embezzlement; (iv) gross negligence in the performance of duties; (v) self-dealing; (vi) dishonesty; (vii) misrepresentation; (viii) conviction of a crime of a felony; (ix) material violation of any Company policy; (x) material violation of the Company's Code of Ethics and Business Conduct or, (xi) in the case of an employee of a Company who is a party to an employment agreement with a Company, material breach of such agreement; provided that as to items (ix), (x) and (xi), if capable of being cured, such event or condition remains uncured following 30 days written notice thereof.

(f) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such

transaction or series of transactions owns then-outstanding securities of the Sponsor such that such Person has the ability to direct the management of the Sponsor, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(g) "Code" means the Internal Revenue Code of 1986, as amended.

(h) "Comcast Plan" means any restricted stock, stock bonus, stock option or other compensation plan, program or arrangement established or maintained by the Sponsor or an Affiliate of the Sponsor, including, but not limited to this Plan, the Comcast Corporation 2002 Restricted Stock Plan, the Comcast Corporation 1987 Stock Option Plan and the AT&T Broadband Corp. Adjustment Plan.

(i) "Committee" means the committee described in Paragraph 5, provided that for purposes of Paragraph 7:

(i) all references to the Committee shall be treated as references to the Board with respect to any Option granted to or held by a Non-Employee Director; and

(ii) all references to the Committee shall be treated as references to the Committee's delegate with respect to any Option granted within the scope of the delegate's authority pursuant to Paragraph 5(b).

(j) "Common Stock" means the Sponsor's Class A Common Stock, par value, \$.01.

(k) "Company" means the Sponsor and the Subsidiary Companies.

(l) "Date of Grant" means the date as of which an Option is granted.

(m) "Disability" means a disability within the meaning of section 22(e)(3) of the Code.

(n) "Fair Market Value." If Shares are listed on a stock exchange, Fair Market Value shall be determined based on the last reported sale price of a Share on the principal exchange on which Shares are listed on the date of determination, or if such date is not a trading day, the next trading date. If Shares are not so listed, but trades of Shares are reported on the Nasdaq National Market, Fair Market Value shall be determined based on the last quoted sale price of a Share on the Nasdaq National Market on the date of determination, or if such date is not a trading day, the next trading date. If Shares are not so listed nor trades of Shares so reported, Fair Market Value shall be determined by the Board or the Committee in good faith.

(o) "Immediate Family" means an Optionee's spouse and lineal descendants, any trust all beneficiaries of which are any of such persons and any partnership all partners of which are any of such persons.

(p) "Incentive Stock Option" means an Option granted under the Plan, designated by the Committee at the time of such grant as an Incentive Stock Option within the meaning of section 422 of the Code and containing the terms specified herein for Incentive Stock Options; provided, however, that to the extent an Option granted under the Plan and designated by the Committee at the time of grant as an Incentive Stock Option fails to satisfy the requirements for an incentive stock option under section 422 of the Code for any reason, such Option shall be treated as a Non-Qualified Option.

(q) "Non-Employee Director" means an individual who is a member of the Board, and who is not an employee of a Company, including an individual who is a member of the Board and who previously was, but at the time of reference is not, an employee of a Company.

(r) "Non-Qualified Option" means:

(i) an Option granted under the Plan, designated by the Committee at the time of such grant as a Non-Qualified Option and containing the terms specified herein for Non-Qualified Options; and

(ii) an Option granted under the Plan and designated by the Committee at the time of grant as an Incentive Stock Option, to the extent such Option fails to satisfy the requirements for an incentive stock option under section 422 of the Code for any reason.

(s) "Option" means any stock option granted under the Plan and described in Paragraph 3(a)(i) or Paragraph 3(a)(ii).

(t) "Optionee" means a person to whom an Option has been granted under the Plan, which Option has not been exercised in full and has not expired or terminated.

(u) "Other Available Shares" means, as of any date, the sum of:

(i) the total number of Shares owned by an Optionee that were not acquired by such Optionee pursuant to a Comcast Plan or otherwise in connection with the performance of services to the Sponsor or an Affiliate; plus

(ii) the excess, if any of:

(A) the total number of Shares owned by an Optionee other than the Shares described in Paragraph 2(v)(i); over

(B) the sum of:

(1) the number of such Shares owned by such Optionee for less than six months; plus

(2) the number of such Shares owned by such Optionee that has, within the preceding six months, been the subject of a withholding

certification pursuant to Paragraph 15(b) or any similar withholding certification under any other Comcast Plan; plus

(3) the number of such Shares owned by such Optionee that has, within the preceding six months, been received in exchange for Shares surrendered as payment, in full or in part, or as to which ownership was attested to as payment, in full or in part, of the exercise price for an option to purchase any securities of the Sponsor or an Affiliate of the Sponsor, under any Comcast Plan, but only to the extent of the number of Shares surrendered or attested to; plus

(4) the number of such Shares owned by such Optionee as to which evidence of ownership has, within the preceding six months, been provided to the Sponsor in connection with the crediting of "Deferred Stock Units" to such Optionee's Account under the Comcast Corporation 2002 Deferred Stock Option Plan (as in effect from time to time).

For purposes of this Paragraph 2(u), a Share that is subject to a deferral election pursuant to another Comcast Plan shall not be treated as owned by an Optionee until all conditions to the delivery of such Share have lapsed. The number of Other Available Shares shall be determined separately for Common Stock and for Special Common Stock. For purposes of determining the number of Other Available Shares, the term "Shares" shall also include the securities held by a Participant immediately before the consummation of the AT&T Broadband Transaction that became Common Stock or Special Common Stock as a result of the AT&T Broadband Transaction.

(v) "Outside Director" means a member of the Board who is an "outside director" within the meaning of section 162(m)(4)(C) of the Code and applicable Treasury Regulations issued thereunder.

(w) "Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization.

(x) "Plan" means the Comcast Corporation 2002 Stock Option Plan.

(y) "Share" or "Shares."

(i) Except as otherwise provided in this Paragraph 2(y), the term "Share" or "Shares" means a share or shares of Common Stock.

(ii) With respect to Options granted before the consummation of the AT&T Broadband Transaction, the term "Share" or "Shares" means a share or shares of Special Common Stock.

(iii) For purposes of Paragraphs 2(u), 7(d) and 15, the term "Share" or "Shares" also means a share or shares of Special Common Stock.

(iv) The term "Share" or "Shares" also means such other securities issued by the Sponsor as may be the subject of an adjustment under Paragraph 10, or

for purposes of Paragraph 2(u) and Paragraph 15, as may have been the subject of a similar adjustment under similar provisions of the Plan as in effect before the AT&T Broadband Transaction.

(z) "Special Common Stock" means the Sponsor's Class A Special Common Stock, par value \$0.01.

(aa) "Sponsor" means Comcast Corporation, a Pennsylvania corporation, as successor to Comcast Holdings Corporation (formerly known as Comcast Corporation), including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

(bb) "Subsidiary Companies" means all business entities that, at the time in question, are subsidiaries of the Sponsor within the meaning of section 424(f) of the Code.

(cc) "Ten Percent Shareholder" means a person who on the Date of Grant owns, either directly or within the meaning of the attribution rules contained in section 424(d) of the Code, stock possessing more than 10% of the total combined voting power of all classes of stock of his employer corporation or of its parent or subsidiary corporations, as defined respectively in sections 424(e) and (f) of the Code, provided that the employer corporation is a Company.

(dd) "Terminating Event" means any of the following events:

- (i) the liquidation of the Sponsor; or
- (ii) a Change of Control.

(ee) "Third Party" means any Person other than a Company, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Sponsor or an Affiliate of the Sponsor.

(ff) "1933 Act" means the Securities Act of 1933, as amended.

(gg) "1934 Act" means the Securities Exchange Act of 1934, as amended.

3. Rights To Be Granted

(a) Types of Options and Other Rights Available for Grant. Rights that may be granted under the Plan are:

(i) Incentive Stock Options, which give an Optionee who is an employee of a Company the right for a specified time period to purchase a specified number of Shares for a price not less than the Fair Market Value on the Date of Grant;

(ii) Non-Qualified Options, which give the Optionee the right for a specified time period to purchase a specified number of Shares for a price determined by the Committee; and

(iii) Cash Rights, which give an Optionee the right for a specified time period, and subject to such conditions, if any, as shall be determined by the Committee and stated in the option document, to receive a cash payment of such amount per Share as shall be determined by the Committee and stated in the option document, in lieu of exercising a Non-Qualified Option.

(b) Limit on Grant of Options. The maximum number of Shares for which Options may be granted to any single individual in any calendar year, adjusted as provided in Paragraph 10, shall be 10,000,000 Shares.

4. Shares Subject to Plan

Subject to adjustment as provided in Paragraph 10, not more than 75,000,000 Shares in the aggregate (including Shares granted pursuant to the Plan as in effect immediately before the closing of the AT&T Broadband Transaction) may be issued pursuant to the Plan upon exercise of Options. Shares delivered pursuant to the exercise of an Option may, at the Sponsor's option, be either treasury Shares or Shares originally issued for such purpose. If an Option covering Shares terminates or expires without having been exercised in full, other Options may be granted covering the Shares as to which the Option terminated or expired.

5. Administration of Plan

(a) Committee. The Plan shall be administered by the Compensation Committee of the Board or any other committee or subcommittee designated by the Board, provided that the committee administering the Plan is composed of two or more non-employee members of the Board, each of whom is an Outside Director.

(b) Delegation of Authority. The Committee may delegate to an officer of the Sponsor, or a committee of two or more officers of the Sponsor, discretion under the Plan to grant Options to any employee or officer of a Company other than an employee or officer who, at the time of the grant, has a base salary of \$500,000 or more, holds a position with Comcast Corporation of Senior Vice President or a position of higher rank than Senior Vice President or is subject to the short-swing profit recapture rules of section 16(b) of the 1934 Act; provided, however, that the maximum number of Shares subject to any Option granted to any individual pursuant to such delegation shall not exceed 50,000 Shares. Such delegation of authority shall continue in effect until the earliest of:

(i) such time as the Committee shall, in its discretion, revoke such delegation of authority;

(ii) the delegate shall cease to be an employee of the Company for any reason; or

(iii) the delegate shall notify the Committee that he declines to continue exercise such authority.

(c) Meetings. The Committee shall hold meetings at such times and places as it may determine. Acts approved at a meeting by a majority of the members of the Committee or acts approved in writing by the unanimous consent of the members of the Committee shall be the valid acts of the Committee.

(d) Exculpation. No member of the Committee shall be personally liable for monetary damages for any action taken or any failure to take any action in connection with the administration of the Plan or the granting of Options thereunder unless (i) the member of the Committee has breached or failed to perform the duties of his office, and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Paragraph 5(d) shall not apply to the responsibility or liability of a member of the Committee pursuant to any criminal statute

(e) Indemnification. Service on the Committee shall constitute service as a member of the Board. Each member of the Committee shall be entitled without further act on his part to indemnity from the Sponsor to the fullest extent provided by applicable law and the Sponsor's By-laws in connection with or arising out of any actions, suit or proceeding with respect to the administration of the Plan or the granting of Options thereunder in which he may be involved by reasons of his being or having been a member of the Committee, whether or not he continues to be such member of the Committee at the time of the action, suit or proceeding..

6. Eligibility

(a) Eligible individuals to whom Options may be granted shall be employees, officers or directors of a Company who are selected by the Committee for the grant of Options. Eligible individuals to whom Cash Rights may be granted shall be individuals who are employees of a Company on the Date of Grant. The terms and conditions of Options granted to individuals other than Non-Employee Directors shall be determined by the Committee, subject to Paragraph 7. The terms and conditions of Cash Rights shall be determined by the Committee, subject to Paragraph 7. The terms and conditions of Options granted to Non-Employee Directors shall be determined by the Board, subject to Paragraph 7.

(b) An Incentive Stock Option shall not be granted to a Ten Percent Shareholder except on such terms concerning the option price and term as are provided in Paragraph 7(b) and 7(g) with respect to such a person. An Option designated as Incentive Stock Option granted to a Ten Percent Shareholder but which does not comply with the requirements of the preceding sentence shall be treated as a Non-Qualified Option. An Option designated as an Incentive Stock Option shall be treated as a Non-Qualified Option if the Optionee is not an employee of a Company on the Date of Grant.

7. Option Documents and Terms - In General

All Options granted to Optionees shall be evidenced by option documents. The terms of each such option document for any Optionee who is an employee of a Company shall be determined from time to time by the Committee, and the terms of each such option document for

any Optionee who is a Non-Employee Director shall be determined from time to time by the Board, consistent, however, with the following:

(a) Time of Grant. All Options shall be granted on or before March 13, 2006.

(b) Option Price. Except as otherwise provided in Section 13(b), the option price per Share with respect to any Option shall be determined by the Committee, provided, however, that with respect to any Incentive Stock Options, the option price per share shall not be less than 100% of the Fair Market Value of such Share on the Date of Grant, and provided further that with respect to any Incentive Stock Options granted to a Ten Percent Shareholder, the option price per Share shall not be less than 110% of the Fair Market Value of such Share on the Date of Grant.

(c) Restrictions on Transferability. No Option granted under this Paragraph 7 shall be transferable otherwise than by will or the laws of descent and distribution and, during the lifetime of the Optionee, shall be exercisable only by him or for his benefit by his attorney-in-fact or guardian; provided that the Committee may, in its discretion, at the time of grant of a Non-Qualified Option or by amendment of an option document for an Incentive Stock Option or a Non-Qualified Option, provide that Options granted to or held by an Optionee may be transferred, in whole or in part, to one or more transferees and exercised by any such transferee; provided further that (i) any such transfer is without consideration and (ii) each transferee is a member of such Optionee's Immediate Family; and provided further that any Incentive Stock Option granted pursuant to an option document which is amended to permit transfers during the lifetime of the Optionee shall, upon the effectiveness of such amendment, be treated thereafter as a Non-Qualified Option. No transfer of an Option shall be effective unless the Committee is notified of the terms and conditions of the transfer and the Committee determines that the transfer complies with the requirements for transfers of Options under the Plan and the option document. Any person to whom an Option has been transferred may exercise any Options only in accordance with the provisions of Paragraph 7(g) and this Paragraph 7(c).

(d) Payment Upon Exercise of Options. Full payment for Shares purchased upon the exercise of an Option shall be made in cash, by certified check payable to the order of the Sponsor, or, at the election of the Optionee and as the Committee may, in its sole discretion, approve, by surrendering or attesting to ownership of Shares with an aggregate Fair Market Value equal to the aggregate option price, or by attesting to ownership and delivering such combination of Shares and cash as the Committee may, in its sole discretion, approve; provided, however, that ownership of Shares may be attested to and Shares may be surrendered in satisfaction of the option price only if the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares as of the date the Option is exercised that is at least equal to the number of Shares as to which ownership has been attested, or the number of Shares to be surrendered in satisfaction of the Option Price, as applicable; provided further, however, that the option price may not be paid in Shares if the Committee determines that such method of payment would result in liability under section 16(b) of the 1934 Act to an Optionee. Except as otherwise provided by the Committee, if payment is made in whole or in part by surrendering Shares, the Optionee shall deliver to the Sponsor certificates registered in the name

of such Optionee representing Shares legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a Fair Market Value on the date of delivery that is equal to or greater than the aggregate option price for the Option Shares subject to payment by the surrender of Shares, accompanied by stock powers duly endorsed in blank by the record holder of the Shares represented by such certificates; and if payment is made in whole or in part by attestation of ownership, the Optionee shall attest to ownership of Shares representing Shares legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a Fair Market Value on the date of attestation that is equal to or greater than the aggregate option price for the Option Shares subject to payment by attestation of Share ownership. If the Committee, in its sole discretion, should refuse to accept Shares in payment of the option price, any certificates representing Shares which were delivered to the Sponsor shall be returned to the Optionee with notice of the refusal of the Committee to accept such Shares in payment of the option price. The Committee may impose such limitations and prohibitions on attestation or ownership of Shares and the use of Shares to exercise an Option as it deems appropriate.

(e) Issuance of Certificate Upon Exercise of Options; Payment of Cash. Only whole Shares shall be issuable upon exercise of Options. Any right to a fractional Share shall be satisfied in cash. Upon satisfaction of the conditions of Paragraph 10, a certificate for the number of whole Shares and a check for the Fair Market Value on the date of exercise of any fractional Share to which the Optionee is entitled shall be delivered to such Optionee by the Sponsor.

(f) Termination of Employment. For purposes of the Plan, a transfer of an employee between two employers, each of which is a Company, shall not be deemed a termination of employment. For purposes of Paragraph 7(g), an Optionee's termination of employment shall be deemed to occur on the date an Optionee ceases to have a regular obligation to perform services for a Company, without regard to whether (i) the Optionee continues on the Company's payroll for regular, severance or other pay or (ii) the Optionee continues to participate in one or more health and welfare plans maintained by the Company on the same basis as active employees. Whether an Optionee ceases to have a regular obligation to perform services for a Company shall be determined by the Committee in its sole discretion. Notwithstanding the foregoing, if an Optionee is a party to an employment agreement or severance agreement with a Company which establishes the effective date of such Optionee's termination of employment for purposes of this Paragraph 7(g), that date shall apply. For an Optionee who is a Non-Employee Director, all references to any termination of employment shall be treated as a termination of service to the Sponsor as a Non-Employee Director.

(g) Periods of Exercise of Options. An Option shall be exercisable in whole or in part at such time or times as may be determined by the Committee and stated in the option document, provided, however, that if the grant of an Option would be subject to section 16(b) of the 1934 Act, unless the requirements for exemption therefrom in Rule 16b-3(c)(1), under such Act, or any successor provision, are met, the option document for such Option shall provide that such Option is not exercisable until not less than six months have elapsed from the Date of Grant. Except as otherwise provided by the Committee in its discretion, no Option shall first become exercisable following an Optionee's termination of employment for any reason; provided further, that:

(i) In the event that an Optionee terminates employment with the Company for any reason other than death or Cause, any Option held by such Optionee and which is then exercisable shall be exercisable for a period of 90 days following the date the Optionee terminates employment with the Company (unless a longer period is established by the Committee); provided, however, that if such termination of employment with the Company is due to the Disability of the Optionee, he shall have the right to exercise those of his Options which are then exercisable for a period of one year following such termination of employment (unless a longer period is established by the Committee); provided, however, that in no event shall an Incentive Stock Option be exercisable after five years from the Date of Grant in the case of a grant to a Ten Percent Shareholder, nor shall any other Option be exercisable after ten years from the Date of Grant.

(ii) In the event that an Optionee terminates employment with the Company by reason of his death, any Option held at death by such Optionee which is then exercisable shall be exercisable for a period of one year from the date of death (unless a longer period is established by the Committee) by the person to whom the rights of the Optionee shall have passed by will or by the laws of descent and distribution; provided, however, that in no event shall an Incentive Stock Option be exercisable after five years from the Date of Grant in the case of a grant to a Ten Percent Shareholder, nor shall any other Option be exercisable after ten years from the Date of Grant.

(iii) In the event that an Optionee's employment with the Company is terminated for Cause, each unexercised Option held by such Optionee shall terminate and cease to be exercisable; provided further, that in such event, in addition to immediate termination of the Option, the Optionee, upon a determination by the Committee shall automatically forfeit all Shares otherwise subject to delivery upon exercise of an Option but for which the Sponsor has not yet delivered the Share certificates, upon refund by the Sponsor of the option price.

(h) Date of Exercise. The date of exercise of an Option shall be the date on which written notice of exercise, addressed to the Sponsor at its main office to the attention of its Secretary, is hand delivered, telecopied or mailed first class postage prepaid; provided, however, that the Sponsor shall not be obligated to deliver any certificates for Shares pursuant to the exercise of an Option until the Optionee shall have made payment in full of the option price for such Shares. Each such exercise shall be irrevocable when given. Each notice of exercise must (i) specify the Incentive Stock Option, Non-Qualified Option or combination thereof being exercised; and (ii) include a statement of preference (which shall be binding on and irrevocable by the Optionee but shall not be binding on the Committee) as to the manner in which payment to the Sponsor shall be made (Shares or cash or a combination of Shares and cash). Each notice of exercise shall also comply with the requirements of Paragraph 15.

(i) Cash Rights. The Committee may, in its sole discretion, provide in an option document for an eligible Optionee that Cash Rights shall be attached to Non-Qualified Options granted under the Plan. All Cash Rights that are attached to Non-Qualified Options shall be subject to the following terms:

(i) Such Cash Right shall expire no later than the Non-Qualified Option to which it is attached.

(ii) Such Cash Right shall provide for the cash payment of such amount per Share as shall be determined by the Committee and stated in the option document.

(iii) Such Cash Right shall be subject to the same restrictions on transferability as the Non-Qualified Option to which it is attached.

(iv) Such Cash Right shall be exercisable only when such conditions to exercise as shall be determined by the Committee and stated in the option document, if any, have been satisfied.

(v) Such Cash Right shall expire upon the exercise of the Non-Qualified Option to which it is attached.

(vi) Upon exercise of a Cash Right that is attached to a Non-Qualified Option, the Option to which the Cash Right is attached shall expire.

8. Limitation on Exercise of Incentive Stock Options

The aggregate Fair Market Value (determined as of the time Options are granted) of the Shares with respect to which Incentive Stock Options may first become exercisable by an Optionee in any one calendar year under the Plan and any other plan of the Company shall not exceed \$100,000. The limitations imposed by this Paragraph 8 shall apply only to Incentive Stock Options granted under the Plan, and not to any other options or stock appreciation rights. In the event an individual receives an Option intended to be an Incentive Stock Option which is subsequently determined to have exceeded the limitation set forth above, or if an individual receives Options that first become exercisable in a calendar year (whether pursuant to the terms of an option document, acceleration of exercisability or other change in the terms and conditions of exercise or any other reason) that have an aggregate Fair Market Value (determined as of the time the Options are granted) that exceeds the limitations set forth above, the Options in excess of the limitation shall be treated as Non-Qualified Options.

9. Rights as Shareholders

An Optionee shall not have any right as a shareholder with respect to any Shares subject to his Options until the Option shall have been exercised in accordance with the terms of the Plan and the option document and the Optionee shall have paid the full purchase price for the number of Shares in respect of which the Option was exercised and the Optionee shall have made arrangements acceptable to the Sponsor for the payment of applicable taxes consistent with Paragraph 15.

10. Changes in Capitalization

In the event that Shares are changed into or exchanged for a different number or kind of shares of stock or other securities of the Sponsor, whether through merger, consolidation, reorganization, recapitalization, stock dividend, stock split-up or other substitution

of securities of the Sponsor, the Board shall make appropriate equitable anti-dilution adjustments to the number and class of shares of stock available for issuance under the Plan, and subject to outstanding Options, and to the option prices and the amounts payable pursuant to any Cash Rights. Any reference to the option price in the Plan and in option documents shall be a reference to the option price as so adjusted. Any reference to the term "Shares" in the Plan and in option documents shall be a reference to the appropriate number and class of shares of stock available for issuance under the Plan, as adjusted pursuant to this Paragraph 10. The Board's adjustment shall be effective and binding for all purposes of this Plan.

11. Terminating Events

(a) The Sponsor shall give Optionees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. Upon receipt of such notice, and for a period of ten (10) days thereafter (or such shorter period as the Board shall reasonably determine and so notify the Optionees), each Optionee shall be permitted to exercise the Option to the extent the Option is then exercisable; provided that, the Sponsor may, by similar notice, require the Optionee to exercise the Option, to the extent the Option is then exercisable, or to forfeit the Option (or portion thereof, as applicable). The Committee may, in its discretion, provide that upon the Optionee's receipt of the notice of a Terminating Event under this Paragraph 11(a), the entire number of Shares covered by Options shall become immediately exercisable.

(b) Notwithstanding Paragraph 11(a), in the event the Terminating Event is not consummated, the Option shall be deemed not to have been exercised and shall be exercisable thereafter to the extent it would have been exercisable if no such notice had been given.

12. Interpretation

The Committee shall have the power to interpret the Plan and to make and amend rules for putting it into effect and administering it. It is intended that the Incentive Stock Options granted under the Plan shall constitute incentive stock options within the meaning of section 422 of the Code, and that Shares transferred pursuant to the exercise of Non-Qualified Options shall constitute property subject to federal income tax pursuant to the provisions of section 83 of the Code. The provisions of the Plan shall be interpreted and applied insofar as possible to carry out such intent.

13. Amendments

(a) In General. The Board or the Committee may amend the Plan from time to time in such manner as it may deem advisable. Nevertheless, neither the Board nor the Committee may, without obtaining approval within twelve months before or after such action by such vote of the Sponsor's shareholders as may be required by Pennsylvania law for any action requiring shareholder approval, or by a majority of votes cast at a duly held shareholders' meeting at which a majority of all voting stock is present and voting on such amendment, either in person or in proxy (but not, in any event, less than the vote required pursuant to Rule 16b-3(b))

under the 1934 Act) change the class of individuals eligible to receive an Incentive Stock Option, extend the expiration date of the Plan, decrease the minimum option price of an Incentive Stock Option granted under the Plan or increase the maximum number of shares as to which Options may be granted, except as provided in Paragraph 10 hereof.

(b) Repricing of Options. Notwithstanding any provision in the Plan to the contrary, neither the Board nor the Committee may, without obtaining prior approval by the Sponsor's shareholders, reduce the option price of any issued and outstanding Option granted under the Plan at any time during the term of such option (other than by adjustment pursuant to Paragraph 10 relating to Changes in Capitalization). This Paragraph 13(b) may not be repealed, modified or amended without the prior approval of the Sponsor's shareholders.

14. Securities Law

(a) In General. The Committee shall have the power to make each grant under the Plan subject to such conditions as it deems necessary or appropriate to comply with the then-existing requirements of the 1933 Act or the 1934 Act, including Rule 16b-3 (or any similar rule) of the Securities and Exchange Commission.

(b) Acknowledgment of Securities Law Restrictions on Exercise. To the extent required by the Committee, unless the Shares subject to the Option are covered by a then current registration statement or a Notification under Regulation A under the 1933 Act, each notice of exercise of an Option shall contain the Optionee's acknowledgment in form and substance satisfactory to the Committee that:

(i) the Shares subject to the Option are being purchased for investment and not for distribution or resale (other than a distribution or resale which, in the opinion of counsel satisfactory to the Sponsor, may be made without violating the registration provisions of the Act);

(ii) the Optionee has been advised and understands that (A) the Shares subject to the Option have not been registered under the 1933 Act and are "restricted securities" within the meaning of Rule 144 under the 1933 Act and are subject to restrictions on transfer and (B) the Sponsor is under no obligation to register the Shares subject to the Option under the 1933 Act or to take any action which would make available to the Optionee any exemption from such registration;

(iii) the certificate evidencing the Shares may bear a restrictive legend; and

(iv) the Shares subject to the Option may not be transferred without compliance with all applicable federal and state securities laws.

(c) Delay of Exercise Pending Registration of Securities. Notwithstanding any provision in the Plan or an option document to the contrary, if the Committee determines, in its sole discretion, that issuance of Shares pursuant to the exercise of an Option should be delayed pending registration or qualification under federal or state securities laws or the receipt of a legal opinion that an appropriate exemption from the application of

federal or state securities laws is available, the Committee may defer exercise of any Option until such Shares are appropriately registered or qualified or an appropriate legal opinion has been received, as applicable.

15. Withholding of Taxes on Exercise of Option

(a) Whenever the Company proposes or is required to deliver or transfer Shares in connection with the exercise of an Option, the Company shall have the right to (i) require the recipient to remit to the Sponsor an amount sufficient to satisfy any federal, state and local withholding tax requirements prior to the delivery or transfer of any certificate or certificates for such Shares or (ii) take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Sponsor's obligation to make any delivery or transfer of Shares on the exercise of an Option shall be conditioned on the recipient's compliance, to the Sponsor's satisfaction, with any withholding requirement. In addition, if the Committee grants Options or amends option documents to permit Options to be transferred during the life of the Optionee, the Committee may include in such option documents such provisions as it determines are necessary or appropriate to permit the Company to deduct compensation expenses recognized upon exercise of such Options for federal or state income tax purposes.

(b) Except as otherwise provided in this Paragraph 15(b), any tax liabilities incurred in connection with the exercise of an Option under the Plan other than an Incentive Stock Option shall be satisfied by the Sponsor's withholding a portion of the Shares underlying the Option exercised having a Fair Market Value approximately equal to the minimum amount of taxes required to be withheld by the Sponsor under applicable law, unless otherwise determined by the Committee with respect to any Optionee. Notwithstanding the foregoing, the Committee may permit an Optionee to elect one or both of the following: (i) to have taxes withheld in excess of the minimum amount required to be withheld by the Sponsor under applicable law; provided that the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares having a Fair Market Value that is at least equal to the Fair Market Value of Option Shares to be withheld by the Company for the then-current exercise on account of withheld taxes in excess of such minimum amount, and (ii) to pay to the Sponsor in cash all or a portion of the taxes to be withheld upon the exercise of an Option. In all cases, the Shares so withheld by the Company shall have a Fair Market Value that does not exceed the amount of taxes to be withheld minus the cash payment, if any, made by the Optionee. Any election pursuant to this Paragraph 15(b) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 15(b) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal representative. No Shares withheld pursuant to this Paragraph 15(b) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 15(b) as it deems appropriate.

(c) Except as otherwise provided in this Paragraph 15(c), any tax liabilities incurred in connection with the exercise of an Incentive Stock Option under the Plan shall be satisfied by the Optionee's payment to the Sponsor in cash all of the taxes to be withheld upon exercise of the Incentive Stock Option. Notwithstanding the foregoing, the Committee may permit an Optionee to elect to have the Sponsor withhold a portion of the Shares underlying

the Incentive Stock Option exercised having a Fair Market Value approximately equal to the minimum amount of taxes required to be withheld by the Sponsor under applicable law. Any election pursuant to this Paragraph 15(c) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 15(c) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal representative. No Shares withheld pursuant to this Paragraph 15(c) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 15(c) as it deems appropriate.

16. Effective Date and Term of Plan

This amendment and restatement of the Plan as the Comcast Corporation 2002 Stock Option Plan shall be effective January 30, 2004. The Plan shall expire no later than March 13, 2006, the tenth anniversary of the date the Plan was initially adopted by the board of directors of the Sponsor, unless sooner terminated by the Board.

17. General

Each Option shall be evidenced by a written instrument containing such terms and conditions not inconsistent with the Plan as the Committee may determine. The issuance of Shares on the exercise of an Option shall be subject to all of the applicable requirements of the corporation law of the Sponsor's state of incorporation and other applicable laws, including federal or state securities laws, and all Shares issued under the Plan shall be subject to the terms and restrictions contained in the Articles of Incorporation and By-Laws of the Sponsor, as amended from time to time.

Executed as of the 30th day of January, 2003.

COMCAST CORPORATION

By: /s/ David L. Cohen

Attest: /s/ Arthur R. Block

COMCAST CORPORATION

2003 STOCK OPTION PLAN

(AS AMENDED AND RESTATED EFFECTIVE JANUARY 30, 2004)

1. Background and Purpose of Plan

(a) Background. COMCAST CORPORATION, a Pennsylvania corporation hereby amends and restates the Comcast Corporation 2003 Stock Option Plan, (the "Plan"), effective January 30, 2004.

(b) Purpose. The purpose of the Plan is to assist the Sponsor and its Affiliates in retaining valued employees, officers and directors by offering them a greater stake in the Sponsor's success and a closer identity with it, and to aid in attracting individuals whose services would be helpful to the Sponsor and would contribute to its success.

2. Definitions

(a) "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(b) "AT&T Broadband Transaction" means the acquisition of AT&T Broadband Corp. (now known as Comcast Cable Communications Holdings, Inc.) by the Sponsor.

(c) "Board" means the board of directors of the Sponsor.

(d) "Cash Right" means any right to receive cash in lieu of Shares granted under the Plan and described in Paragraph 3(a)(iii).

(e) "Cause" means (i) fraud; (ii) misappropriation; (iii) embezzlement; (iv) gross negligence in the performance of duties; (v) self-dealing; (vi) dishonesty; (vii) misrepresentation; (viii) conviction of a crime of a felony; (ix) material violation of any Company policy; (x) material violation of the Company's Code of Ethics and Business Conduct or, (xi) in the case of an employee of a Company who is a party to an employment agreement with a Company, material breach of such agreement; provided that as to items (ix), (x) and (xi), if capable of being cured, such event or condition remains uncured following 30 days written notice thereof.

(f) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Sponsor such that such Person has the ability to direct the management of the Sponsor, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(g) "Code" means the Internal Revenue Code of 1986, as amended.

(h) "Comcast Plan" means any restricted stock, stock bonus, stock option or other compensation plan, program or arrangement established or maintained by the Sponsor or an Affiliate of the Sponsor, including, but not limited to this Plan, the Comcast Corporation 2002 Stock Option Plan, the Comcast Corporation 2002 Restricted Stock Plan, the Comcast Corporation 1987 Stock Option Plan and the AT&T Broadband Corp. Adjustment Plan.

(i) "Committee" means the committee described in Paragraph 5, provided that for purposes of Paragraph 7:

(i) all references to the Committee shall be treated as references to the Board with respect to any Option granted to or held by a Non-Employee Director; and

(ii) all references to the Committee shall be treated as references to the Committee's delegate with respect to any Option granted within the scope of the delegate's authority pursuant to Paragraph 5(b).

(j) "Common Stock" means the Sponsor's Class A Common

Stock, par value, \$.01.

(k) "Company" means the Sponsor and the Subsidiary Companies.

(l) "Date of Grant" means the date as of which an Option is granted.

(m) "Disability" means a disability within the meaning of section 22(e)(3) of the Code.

(n) "Fair Market Value." If Shares are listed on a stock exchange, Fair Market Value shall be determined based on the last reported sale price of a Share on the principal exchange on which Shares are listed on the date of determination, or if such date is not a trading day, the next trading date. If Shares are not so listed, but trades of Shares are reported on the Nasdaq National Market, Fair Market Value shall be determined based on the last quoted sale price of a Share on the Nasdaq National Market on the date of determination, or if such date is not a trading day, the next trading date. If Shares are not so listed nor trades of Shares so reported, Fair Market Value shall be determined by the Board or the Committee in good faith.

(o) "Immediate Family" means an Optionee's spouse and lineal descendants, any trust all beneficiaries of which are any of such persons and any partnership all partners of which are any of such persons.

(p) "Incentive Stock Option" means an Option granted under the Plan, designated by the Committee at the time of such grant as an Incentive Stock Option within the meaning of section 422 of the Code and containing the terms specified herein for Incentive Stock Options; provided, however, that to the extent an Option granted under the Plan and designated by the Committee at the time of grant as an Incentive Stock Option fails to satisfy the requirements for an incentive stock option under section 422 of the Code for any reason, such Option shall be treated as a Non-Qualified Option.

(q) "Non-Employee Director" means an individual who is a member of the Board, and who is not an employee of a Company, including an individual who is a member of the Board and who previously was, but at the time of reference is not, an employee of a Company.

(r) "Non-Qualified Option" means:

(i) an Option granted under the Plan, designated by the Committee at the time of such grant as a Non-Qualified Option and containing the terms specified herein for Non-Qualified Options; and

(ii) an Option granted under the Plan and designated by the Committee at the time of grant as an Incentive Stock Option, to the extent such Option fails to satisfy the requirements for an incentive stock option under section 422 of the Code for any reason.

(s) "Officer" means an officer of the Sponsor (as defined in section 16 of the 1934 Act).

(t) "Option" means any stock option granted under the Plan and described in Paragraph 3(a)(i) or Paragraph 3(a)(ii).

(u) "Optionee" means a person to whom an Option has been granted under the Plan, which Option has not been exercised in full and has not expired or terminated.

(v) "Other Available Shares" means, as of any date, the sum of:

(i) the total number of Shares owned by an Optionee that were not acquired by such Optionee pursuant to a Comcast Plan or otherwise in connection with the performance of services to the Sponsor or an Affiliate; plus

(ii) the excess, if any of:

(A) the total number of Shares owned by an Optionee other than the Shares described in Paragraph 2(v)(i); over

(B) the sum of:

(1) the number of such Shares owned by such Optionee for less than six months; plus

(2) the number of such Shares owned by such Optionee that has, within the preceding six months, been the subject of a withholding certification pursuant to Paragraph 15(b) or any similar withholding certification under any other Comcast Plan; plus

(3) the number of such Shares owned by such Optionee that has, within the preceding six months, been received in exchange for Shares surrendered as payment, in full or in part, or as to which ownership was attested to as payment, in full or in part, of the exercise price for an option to purchase any securities of the Sponsor or an Affiliate of the Sponsor, under any Comcast Plan, but only to the extent of the number of Shares surrendered or attested to; plus

(4) the number of such Shares owned by such Optionee as to which evidence of ownership has, within the preceding six months, been provided to the Sponsor in connection with the crediting of "Deferred Stock Units" to such Optionee's Account under the Comcast Corporation 2002 Deferred Stock Option Plan (as in effect from time to time).

For purposes of this Paragraph 2(v), a Share that is subject to a deferral election pursuant to another Comcast Plan shall not be treated as owned by an Optionee until all conditions to the delivery of such Share have lapsed. The number of Other Available Shares shall be determined separately for Common Stock and for Special Common Stock. For purposes of determining the number of Other Available Shares, the term "Shares" shall also include the securities held by a Participant immediately before the consummation of the AT&T Broadband Transaction that became Common Stock or Special Common Stock as a result of the AT&T Broadband Transaction.

(w) "Outside Director" means a member of the Board who is an "outside director" within the meaning of section 162(m)(4)(C) of the Code and applicable Treasury Regulations issued thereunder.

(x) "Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization.

(y) "Plan" means the Comcast Corporation 2002 Stock Option Plan.

(z) "Share" or "Shares."

(i) Except as provided in this Paragraph 2(z), a share or shares Common Stock;

(ii) For purposes of Paragraphs 2(v), 7(d) and Paragraph 15, the term "Share" or "Shares" also means a share or shares of Special Common Stock.

(iii) The term "Share" or "Shares" also means such other securities issued by the Sponsor as may be the subject of an adjustment under Paragraph 10, or for purposes of Paragraph 2(v) and Paragraph 15, as may have been the subject of a similar adjustment under similar provisions of a Comcast Plan as now in effect or as may have been in effect before the AT&T Broadband Transaction.

(aa) "Special Common Stock" means the Sponsor's Class A Special Common Stock, par value \$0.01.

(bb) "Sponsor" means Comcast Corporation, a Pennsylvania corporation, as successor to Comcast Holdings Corporation (formerly known as Comcast Corporation), including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

(cc) "Subsidiary Companies" means all business entities that, at the time in question, are subsidiaries of the Sponsor within the meaning of section 424(f) of the Code.

(dd) "Ten Percent Shareholder" means a person who on the Date of Grant owns, either directly or within the meaning of the attribution rules contained in section 424(d) of the Code, stock possessing more than 10% of the total combined voting power of all classes of stock of his employer corporation or of its parent or subsidiary corporations, as defined respectively in sections 424(e) and (f) of the Code, provided that the employer corporation is a Company. (ee) "Terminating Event" means any of the following events:

(i) the liquidation of the Sponsor; or

(ii) a Change of Control.

(ff) "Third Party" means any Person other than a Company, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Sponsor or an Affiliate of the Sponsor.

(gg) "1933 Act" means the Securities Act of 1933, as amended.

(hh) "1934 Act" means the Securities Exchange Act of 1934, as amended.

3. Rights To Be Granted

(a) Types of Options and Other Rights Available for Grant. Rights that may be granted under the Plan are:

(i) Incentive Stock Options, which give an Optionee who is an employee of a Company the right for a specified time period to purchase a specified number of Shares for a price not less than the Fair Market Value on the Date of Grant.

(ii) Non-Qualified Options, which give the Optionee the right for a specified time period to purchase a specified number of Shares for a price determined by the Committee; and

(iii) Cash Rights, which give an Optionee the right for a specified time period, and subject to such conditions, if any, as shall be determined by the Committee and stated in the option document, to receive a cash payment of such amount per Share as shall be determined by the Committee and stated in the option document, in lieu of exercising a Non-Qualified Option.

(b) Limit on Grant of Options. The maximum number of Shares for which Options may be granted to any single individual in any calendar year, adjusted as provided in Paragraph 10, shall be 10,000,000 Shares.

4. Shares Subject to Plan

Subject to adjustment as provided in Paragraph 10, not more than 70 million Shares in the aggregate (including Shares granted pursuant to the Plan as in effect immediately before the closing of the AT&T Broadband Transaction) may be issued pursuant to the Plan upon exercise of Options. Shares delivered pursuant to the exercise of an Option may, at the Sponsor's option, be either treasury Shares or Shares originally issued for such purpose. If an Option covering Shares terminates or expires without having been exercised in full, other Options may be granted covering the Shares as to which the Option terminated or expired.

5. Administration of Plan

(a) Committee. The Plan shall be administered by the Compensation Committee of the Board or any other committee or subcommittee designated by the Board, provided that the committee administering the Plan is composed of two or more non-employee members of the Board, each of whom is an Outside Director.

(b) Delegation of Authority. The Committee may delegate to an officer of the Sponsor, or a committee of two or more officers of the Sponsor, discretion under the Plan to grant Options to any employee or officer of a Company other than an employee or officer who, at the time of the grant, has a base salary of \$500,000 or more, holds a position with Comcast Corporation of Senior Vice President or a position of higher rank than Senior Vice President or is subject to the short-swing profit recapture rules of section 16(b) of the 1934 Act; provided, however, that the maximum number of Shares subject to any Option granted to any individual pursuant to such delegation shall not exceed 50,000 Shares. Such delegation of authority shall continue in effect until the earliest of:

(i) such time as the Committee shall, in its discretion, revoke such delegation of authority;

(ii) the delegate shall cease to be an employee of the Company for any reason; or

(iii) the delegate shall notify the Committee that he declines to continue exercise such authority.

(c) Meetings. The Committee shall hold meetings at such times and places as it may determine. Acts approved at a meeting by a majority of the members of the Committee or acts approved in writing by the unanimous consent of the members of the Committee shall be the valid acts of the Committee.

(d) Exculpation. No member of the Committee shall be personally liable for monetary damages for any action taken or any failure to take any action in connection with the administration of the Plan or the granting of Options thereunder unless (i) the member of the Committee has breached or failed to perform the duties of his office, and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Paragraph 5(d) shall not apply to the responsibility or liability of a member of the Committee pursuant to any criminal statute

(e) Indemnification. Service on the Committee shall constitute service as a member of the Board. Each member of the Committee shall be entitled without further act on his part to indemnity from the Sponsor to the fullest extent provided by applicable law and the Sponsor's By-laws in connection with or arising out of any actions, suit or proceeding with respect to the administration of the Plan or the granting of Options thereunder in which he may be involved by reasons of his being or having been a member of the Committee, whether or not he continues to be such member of the Committee at the time of the action, suit or proceeding.

6. Eligibility

(a) Eligible individuals to whom Options may be granted shall be employees, officers or directors of a Company who are selected by the Committee for the grant of Options. Eligible individuals to whom Cash Rights may be granted shall be individuals who are employees of a Company on the Date of Grant other than Officers. The terms and conditions of Options granted to individuals other than Non-Employee Directors shall be determined by the Committee, subject to Paragraph 7. The terms and conditions of Cash Rights shall be determined by the Committee, subject to Paragraph 7. The terms and conditions of Options granted to Non-Employee Directors shall be determined by the Board, subject to Paragraph 7.

(b) An Incentive Stock Option shall not be granted to a Ten Percent Shareholder except on such terms concerning the option price and term as are provided in Paragraph 7(b) and 7(g) with respect to such a person. An Option designated as Incentive Stock Option granted to a Ten Percent Shareholder but which does not comply with the requirements of the preceding sentence shall be treated as a Non-Qualified Option. An Option designated as an Incentive Stock Option shall be treated as a Non-Qualified Option if the Optionee is not an employee of a Company on the Date of Grant.

7. Option Documents and Terms - In General

All Options granted to Optionees shall be evidenced by option documents. The terms of each such option document for any Optionee who is an employee of a Company shall be determined from time to time by the Committee, and the terms of each such option document for

any Optionee who is a Non-Employee Director shall be determined from time to time by the Board, consistent, however, with the following:

(a) Time of Grant. All Options shall be granted on or before February 25, 2013.

(b) Option Price. Except as otherwise provided in Section 13(b), the option price per Share with respect to any Option shall be determined by the Committee, provided, however, that with respect to any Incentive Stock Options, the option price per share shall not be less than 100% of the Fair Market Value of such Share on the Date of Grant, and provided further that with respect to any Incentive Stock Options granted to a Ten Percent Shareholder, the option price per Share shall not be less than 110% of the Fair Market Value of such Share on the Date of Grant.

(c) Restrictions on Transferability. No Option granted under this Paragraph 7 shall be transferable otherwise than by will or the laws of descent and distribution and, during the lifetime of the Optionee, shall be exercisable only by him or for his benefit by his attorney-in-fact or guardian; provided that the Committee may, in its discretion, at the time of grant of a Non-Qualified Option or by amendment of an option document for an Incentive Stock Option or a Non-Qualified Option, provide that Options granted to or held by an Optionee may be transferred, in whole or in part, to one or more transferees and exercised by any such transferee; provided further that (i) any such transfer is without consideration and (ii) each transferee is a member of such Optionee's Immediate Family; and provided further that any Incentive Stock Option granted pursuant to an option document which is amended to permit transfers during the lifetime of the Optionee shall, upon the effectiveness of such amendment, be treated thereafter as a Non-Qualified Option. No transfer of an Option shall be effective unless the Committee is notified of the terms and conditions of the transfer and the Committee determines that the transfer complies with the requirements for transfers of Options under the Plan and the option document. Any person to whom an Option has been transferred may exercise any Options only in accordance with the provisions of Paragraph 7(g) and this Paragraph 7(c).

(d) Payment Upon Exercise of Options. Full payment for Shares purchased upon the exercise of an Option shall be made in cash, by certified check payable to the order of the Sponsor, or, at the election of the Optionee and as the Committee may, in its sole discretion, approve, by surrendering or attesting to ownership of Shares with an aggregate Fair Market Value equal to the aggregate option price, or by attesting to ownership and delivering such combination of Shares and cash as the Committee may, in its sole discretion, approve; provided, however, that ownership of Shares may be attested to and Shares may be surrendered in satisfaction of the option price only if the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares as of the date the Option is exercised that is at least equal to the number of Shares as to which ownership has been attested, or the number of Shares to be surrendered in satisfaction of the Option Price, as applicable; provided further, however, that the option price may not be paid in Shares if the Committee determines that such method of payment would result in liability under section 16(b) of the 1934 Act to an Optionee. Except as otherwise provided by the Committee, if payment is made in whole or in part by surrendering Shares, the Optionee shall deliver to the Sponsor certificates registered in the name

of such Optionee representing Shares legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a Fair Market Value on the date of delivery that is equal to or greater than the aggregate option price for the Option Shares subject to payment by the surrender of Shares, accompanied by stock powers duly endorsed in blank by the record holder of the Shares represented by such certificates; and if payment is made in whole or in part by attestation of ownership, the Optionee shall attest to ownership of Shares representing Shares legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a Fair Market Value on the date of attestation that is equal to or greater than the aggregate option price for the Option Shares subject to payment by attestation of Share ownership. If the Committee, in its sole discretion, should refuse to accept Shares in payment of the option price, any certificates representing Shares which were delivered to the Sponsor shall be returned to the Optionee with notice of the refusal of the Committee to accept such Shares in payment of the option price. The Committee may impose such limitations and prohibitions on attestation or ownership of Shares and the use of Shares to exercise an Option as it deems appropriate.

(e) Issuance of Certificate Upon Exercise of Options; Payment of Cash. Only whole Shares shall be issuable upon exercise of Options. Any right to a fractional Share shall be satisfied in cash. Upon satisfaction of the conditions of Paragraph 10, a certificate for the number of whole Shares and a check for the Fair Market Value on the date of exercise of any fractional Share to which the Optionee is entitled shall be delivered to such Optionee by the Sponsor.

(f) Termination of Employment. For purposes of the Plan, a transfer of an employee between two employers, each of which is a Company, shall not be deemed a termination of employment. For purposes of Paragraph 7(g), an Optionee's termination of employment shall be deemed to occur on the date an Optionee ceases to have a regular obligation to perform services for a Company, without regard to whether (i) the Optionee continues on the Company's payroll for regular, severance or other pay or (ii) the Optionee continues to participate in one or more health and welfare plans maintained by the Company on the same basis as active employees. Whether an Optionee ceases to have a regular obligation to perform services for a Company shall be determined by the Committee in its sole discretion. Notwithstanding the foregoing, if an Optionee is a party to an employment agreement or severance agreement with a Company which establishes the effective date of such Optionee's termination of employment for purposes of this Paragraph 7(f), that date shall apply. For an Optionee who is a Non-Employee Director, all references to any termination of employment shall be treated as a termination of service to the Sponsor as a Non-Employee Director.

(g) Periods of Exercise of Options. An Option shall be exercisable in whole or in part at such time or times as may be determined by the Committee and stated in the option document, provided, however, that if the grant of an Option would be subject to section 16(b) of the 1934 Act, unless the requirements for exemption therefrom in Rule 16b-3(c)(1), under such Act, or any successor provision, are met, the option document for such Option shall provide that such Option is not exercisable until not less than six months have elapsed from the Date of Grant. Except as otherwise provided by the Committee in its discretion, no Option shall first become exercisable following an Optionee's termination of employment for any reason; provided further, that:

(i) In the event that an Optionee terminates employment with the Company for any reason other than death or Cause, any Option held by such Optionee and which is then exercisable shall be exercisable for a period of 90 days following the date the Optionee terminates employment with the Company (unless a longer period is established by the Committee); provided, however, that if such termination of employment with the Company is due to the Disability of the Optionee, he shall have the right to exercise those of his Options which are then exercisable for a period of one year following such termination of employment (unless a longer period is established by the Committee); provided, however, that in no event shall an Incentive Stock Option be exercisable after five years from the Date of Grant in the case of a grant to a Ten Percent Shareholder, nor shall any other Option be exercisable after ten years from the Date of Grant.

(ii) In the event that an Optionee terminates employment with the Company by reason of his death, any Option held at death by such Optionee which is then exercisable shall be exercisable for a period of one year from the date of death (unless a longer period is established by the Committee) by the person to whom the rights of the Optionee shall have passed by will or by the laws of descent and distribution; provided, however, that in no event shall an Incentive Stock Option be exercisable after five years from the Date of Grant in the case of a grant to a Ten Percent Shareholder, nor shall any other Option be exercisable after ten years from the Date of Grant.

(iii) In the event that an Optionee's employment with the Company is terminated for Cause, each unexercised Option held by such Optionee shall terminate and cease to be exercisable; provided further, that in such event, in addition to immediate termination of the Option, the Optionee, upon a determination by the Committee shall automatically forfeit all Shares otherwise subject to delivery upon exercise of an Option but for which the Sponsor has not yet delivered the Share certificates, upon refund by the Sponsor of the option price.

(h) Date of Exercise. The date of exercise of an Option shall be the date on which written notice of exercise, addressed to the Sponsor at its main office to the attention of its Secretary, is hand delivered, telecopied or mailed first class postage prepaid; provided, however, that the Sponsor shall not be obligated to deliver any certificates for Shares pursuant to the exercise of an Option until the Optionee shall have made payment in full of the option price for such Shares. Each such exercise shall be irrevocable when given. Each notice of exercise must (i) specify the Incentive Stock Option, Non-Qualified Option or combination thereof being exercised; and (ii) include a statement of preference (which shall be binding on and irrevocable by the Optionee but shall not be binding on the Committee) as to the manner in which payment to the Sponsor shall be made (Shares or cash or a combination of Shares and cash). Each notice of exercise shall also comply with the requirements of Paragraph 15.

(i) Cash Rights. The Committee may, in its sole discretion, provide in an option document for an eligible Optionee that Cash Rights shall be attached to Non-Qualified Options granted under the Plan. All Cash Rights that are attached to Non-Qualified Options shall be subject to the following terms:

(i) Such Cash Right shall expire no later than the Non-Qualified Option to which it is attached.

(ii) Such Cash Right shall provide for the cash payment of such amount per Share as shall be determined by the Committee and stated in the option document.

(iii) Such Cash Right shall be subject to the same restrictions on transferability as the Non-Qualified Option to which it is attached.

(iv) Such Cash Right shall be exercisable only when such conditions to exercise as shall be determined by the Committee and stated in the option document, if any, have been satisfied.

(v) Such Cash Right shall expire upon the exercise of the Non-Qualified Option to which it is attached.

(vi) Upon exercise of a Cash Right that is attached to a Non-Qualified Option, the Option to which the Cash Right is attached shall expire.

8. Limitation on Exercise of Incentive Stock Options

The aggregate Fair Market Value (determined as of the time Options are granted) of the Shares with respect to which Incentive Stock Options may first become exercisable by an Optionee in any one calendar year under the Plan and any other plan of the Company shall not exceed \$100,000. The limitations imposed by this Paragraph 8 shall apply only to Incentive Stock Options granted under the Plan, and not to any other options or stock appreciation rights. In the event an individual receives an Option intended to be an Incentive Stock Option which is subsequently determined to have exceeded the limitation set forth above, or if an individual receives Options that first become exercisable in a calendar year (whether pursuant to the terms of an option document, acceleration of exercisability or other change in the terms and conditions of exercise or any other reason) that have an aggregate Fair Market Value (determined as of the time the Options are granted) that exceeds the limitations set forth above, the Options in excess of the limitation shall be treated as Non-Qualified Options.

9. Rights as Shareholders

An Optionee shall not have any right as a shareholder with respect to any Shares subject to his Options until the Option shall have been exercised in accordance with the terms of the Plan and the option document and the Optionee shall have paid the full purchase price for the number of Shares in respect of which the Option was exercised and the Optionee shall have made arrangements acceptable to the Sponsor for the payment of applicable taxes consistent with Paragraph 15.

10. Changes in Capitalization

In the event that Shares are changed into or exchanged for a different number or kind of shares of stock or other securities of the Sponsor, whether through merger, consolidation, reorganization, recapitalization, stock dividend, stock split-up or other substitution

of securities of the Sponsor, the Board shall make appropriate equitable anti-dilution adjustments to the number and class of shares of stock available for issuance under the Plan, and subject to outstanding Options, and to the option prices and the amounts payable pursuant to any Cash Rights. Any reference to the option price in the Plan and in option documents shall be a reference to the option price as so adjusted. Any reference to the term "Shares" in the Plan and in option documents shall be a reference to the appropriate number and class of shares of stock available for issuance under the Plan, as adjusted pursuant to this Paragraph 10. The Board's adjustment shall be effective and binding for all purposes of this Plan.

11. Terminating Events

(a) The Sponsor shall give Optionees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. Upon receipt of such notice, and for a period of ten (10) days thereafter (or such shorter period as the Board shall reasonably determine and so notify the Optionees), each Optionee shall be permitted to exercise the Option to the extent the Option is then exercisable; provided that, the Sponsor may, by similar notice, require the Optionee to exercise the Option, to the extent the Option is then exercisable, or to forfeit the Option (or portion thereof, as applicable). The Committee may, in its discretion, provide that upon the Optionee's receipt of the notice of a Terminating Event under this Paragraph 11(a), the entire number of Shares covered by Options shall become immediately exercisable.

(b) Notwithstanding Paragraph 11(a), in the event the Terminating Event is not consummated, the Option shall be deemed not to have been exercised and shall be exercisable thereafter to the extent it would have been exercisable if no such notice had been given.

12. Interpretation

The Committee shall have the power to interpret the Plan and to make and amend rules for putting it into effect and administering it. It is intended that the Incentive Stock Options granted under the Plan shall constitute incentive stock options within the meaning of section 422 of the Code, and that Shares transferred pursuant to the exercise of Non-Qualified Options shall constitute property subject to federal income tax pursuant to the provisions of section 83 of the Code. The provisions of the Plan shall be interpreted and applied insofar as possible to carry out such intent.

13. Amendments

(a) In General. The Board or the Committee may amend the Plan from time to time in such manner as it may deem advisable. Nevertheless, neither the Board nor the Committee may, without obtaining approval within twelve months before or after such action by such vote of the Sponsor's shareholders as may be required by Pennsylvania law for any action requiring shareholder approval, or by a majority of votes cast at a duly held shareholders' meeting at which a majority of all voting stock is present and voting on such amendment, either in person or in proxy (but not, in any event, less than the vote required pursuant to Rule 16b-3(b))

under the 1934 Act) change the class of individuals eligible to receive an Incentive Stock Option, extend the expiration date of the Plan, decrease the minimum option price of an Incentive Stock Option granted under the Plan or increase the maximum number of shares as to which Options may be granted, except as provided in Paragraph 10 hereof.

(b) Repricing of Options. Notwithstanding any provision in the Plan to the contrary, neither the Board nor the Committee may, without obtaining prior approval by the Sponsor's shareholders, reduce the option price of any issued and outstanding Option granted under the Plan at any time during the term of such option (other than by adjustment pursuant to Paragraph 10 relating to Changes in Capitalization). This Paragraph 13(b) may not be repealed, modified or amended without the prior approval of the Sponsor's shareholders.

14. Securities Law

(a) In General. The Committee shall have the power to make each grant under the Plan subject to such conditions as it deems necessary or appropriate to comply with the then-existing requirements of the 1933 Act or the 1934 Act, including Rule 16b-3 (or any similar rule) of the Securities and Exchange Commission.

(b) Acknowledgment of Securities Law Restrictions on Exercise. To the extent required by the Committee, unless the Shares subject to the Option are covered by a then current registration statement or a Notification under Regulation A under the 1933 Act, each notice of exercise of an Option shall contain the Optionee's acknowledgment in form and substance satisfactory to the Committee that:

(i) the Shares subject to the Option are being purchased for investment and not for distribution or resale (other than a distribution or resale which, in the opinion of counsel satisfactory to the Sponsor, may be made without violating the registration provisions of the Act);

(ii) the Optionee has been advised and understands that (A) the Shares subject to the Option have not been registered under the 1933 Act and are "restricted securities" within the meaning of Rule 144 under the 1933 Act and are subject to restrictions on transfer and (B) the Sponsor is under no obligation to register the Shares subject to the Option under the 1933 Act or to take any action which would make available to the Optionee any exemption from such registration;

(iii) the certificate evidencing the Shares may bear a restrictive legend; and

(iv) the Shares subject to the Option may not be transferred without compliance with all applicable federal and state securities laws.

(c) Delay of Exercise Pending Registration of Securities. Notwithstanding any provision in the Plan or an option document to the contrary, if the Committee determines, in its sole discretion, that issuance of Shares pursuant to the exercise of an Option should be delayed pending registration or qualification under federal or state securities laws or the receipt of a legal opinion that an appropriate exemption from the application of

federal or state securities laws is available, the Committee may defer exercise of any Option until such Shares are appropriately registered or qualified or an appropriate legal opinion has been received, as applicable.

15. Withholding of Taxes on Exercise of Option

(a) Whenever the Company proposes or is required to deliver or transfer Shares in connection with the exercise of an Option, the Company shall have the right to (i) require the recipient to remit to the Sponsor an amount sufficient to satisfy any federal, state and local withholding tax requirements prior to the delivery or transfer of any certificate or certificates for such Shares or (ii) take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Sponsor's obligation to make any delivery or transfer of Shares on the exercise of an Option shall be conditioned on the recipient's compliance, to the Sponsor's satisfaction, with any withholding requirement. In addition, if the Committee grants Options or amends option documents to permit Options to be transferred during the life of the Optionee, the Committee may include in such option documents such provisions as it determines are necessary or appropriate to permit the Company to deduct compensation expenses recognized upon exercise of such Options for federal or state income tax purposes.

(b) Except as otherwise provided in this Paragraph 15(b), any tax liabilities incurred in connection with the exercise of an Option under the Plan other than an Incentive Stock Option shall be satisfied by the Sponsor's withholding a portion of the Shares underlying the Option exercised having a Fair Market Value approximately equal to the minimum amount of taxes required to be withheld by the Sponsor under applicable law, unless otherwise determined by the Committee with respect to any Optionee. Notwithstanding the foregoing, the Committee may permit an Optionee to elect one or both of the following: (i) to have taxes withheld in excess of the minimum amount required to be withheld by the Sponsor under applicable law; provided that the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares having a Fair Market Value that is at least equal to the Fair Market Value of Option Shares to be withheld by the Company for the then-current exercise on account of withheld taxes in excess of such minimum amount, and (ii) to pay to the Sponsor in cash all or a portion of the taxes to be withheld upon the exercise of an Option. In all cases, the Shares so withheld by the Company shall have a Fair Market Value that does not exceed the amount of taxes to be withheld minus the cash payment, if any, made by the Optionee. Any election pursuant to this Paragraph 15(b) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 15(b) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal representative. No Shares withheld pursuant to this Paragraph 15(b) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 15(b) as it deems appropriate.

(c) Except as otherwise provided in this Paragraph 15(c), any tax liabilities incurred in connection with the exercise of an Incentive Stock Option under the Plan shall be satisfied by the Optionee's payment to the Sponsor in cash all of the taxes to be withheld upon exercise of the Incentive Stock Option. Notwithstanding the foregoing, the Committee may permit an Optionee to elect to have the Sponsor withhold a portion of the Shares underlying

the Incentive Stock Option exercised having a Fair Market Value approximately equal to the minimum amount of taxes required to be withheld by the Sponsor under applicable law. Any election pursuant to this Paragraph 15(c) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 15(c) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal representative. No Shares withheld pursuant to this Paragraph 15(c) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 15(c) as it deems appropriate.

16. Effective Date and Term of Plan

This amendment and restatement of the Plan shall be effective January 30, 2004. The Plan shall expire on February 25, 2013, unless sooner terminated by the Board.

17. General

Each Option shall be evidenced by a written instrument containing such terms and conditions not inconsistent with the Plan as the Committee may determine. The issuance of Shares on the exercise of an Option shall be subject to all of the applicable requirements of the corporation law of the Sponsor's state of incorporation and other applicable laws, including federal or state securities laws, and all Shares issued under the Plan shall be subject to the terms and restrictions contained in the Articles of Incorporation and By-Laws of the Sponsor, as amended from time to time.

Executed as of the 30th day of January, 2004.

COMCAST CORPORATION

By: /s/ David L. Cohen

Attest: /s/ Arthur R. Block

ARTICLE 1 - COVERAGE OF PLAN

1.1. Continuation of Plan. Comcast Corporation, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Deferred Compensation Plan (the "Plan"), effective February 24, 2004. The Plan was initially adopted effective February 12, 1974 and was amended and restated effective August 15, 1996, June 21, 1999, December 19, 2000, October 26, 2001, April 29, 2002, July 9, 2002, November 18, 2002, March 3, 2003, December 1, 2003 and January 30, 2004.

1.2. Plan Unfunded and Limited to Outside Directors and Select Group of Management or Highly Compensated Employees. The Plan is unfunded and is maintained primarily for the purpose of providing outside directors and a select group of management or highly compensated employees the opportunity to defer the receipt of compensation otherwise payable to such outside directors and eligible employees in accordance with the terms of the Plan.

ARTICLE 2 - DEFINITIONS

2.1. "Account" means the bookkeeping accounts established pursuant to Section 5.1 and maintained by the Administrator in the names of the respective Participants, to which all amounts deferred and earnings allocated under the Plan shall be credited, and from which all amounts distributed pursuant to the Plan shall be debited.

2.2. "Active Participant" means:

- (a) Each Participant who is in active service as an Outside Director; and
- (b) Each Participant who is actively employed by a Participating Company as an Eligible Employee.

2.3. "Administrator" means the Committee.

2.4. "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

2.5. "Annual Rate of Pay" means, as of any date, an employee's annualized base pay rate. An employee's Annual Rate of Pay shall not include sales commissions or other similar payments or awards.

2.6. "Applicable Interest Rate" means:

- (a) Except as otherwise provided in Sections 2.6(b) or (c), the Applicable Interest Rate means the interest rate that, when compounded daily pursuant to rules established by the Administrator from time to time, is mathematically equivalent to 12% per annum, compounded annually.
- (b) Except to the extent otherwise required by Section 10.2, effective for the period beginning as soon as administratively practicable following a Participant's employment termination date to the date the Participant's Account is distributed in full, the Administrator, in its sole discretion, may designate the term "Applicable Interest Rate" for such Participant's Account to mean the lesser of (i) the rate in effect under Section 2.6(a) or (ii) the Prime Rate plus one percent. Notwithstanding the foregoing, the Administrator may delegate its authority to determine the Applicable Interest Rate under this Section 2.6(b) to an officer of the Company or committee of two or more officers of the Company.
- (c) Except to the extent otherwise required by Section 10.2, the Applicable Interest Rate for Severance Pay deferred pursuant to Article 3 shall be determined by the Administrator, in its sole discretion, provided that the Applicable Interest Rate shall not be less than the lower of the Prime Rate or LIBOR, nor more than the rate specified in Section 2.6(a). Notwithstanding the foregoing, the Administrator may delegate its authority to determine the Applicable Interest Rate under this Section 2.6(c) to an officer of the Company.

2.7. "Beneficiary" means such person or persons or legal entity or entities, including, but not limited to, an organization exempt from federal income tax under section 501(c)(3) of the Code, designated by a Participant or

Beneficiary to receive benefits pursuant to the terms of the Plan after such Participant's or Beneficiary's death. If no Beneficiary is designated by the Participant or Beneficiary, or if no Beneficiary survives the Participant or Beneficiary (as the case may be), the Participant's Beneficiary shall be the Participant's Surviving Spouse if the Participant has a Surviving Spouse and otherwise the Participant's estate, and the Beneficiary of a Beneficiary shall be the Beneficiary's Surviving Spouse if the Beneficiary has a Surviving Spouse and otherwise the Beneficiary's estate.

2.8. "Board" means the Board of Directors of the Company.

2.9. "CCCHI" means Comcast Cable Communications Holdings, Inc., formerly known as AT&T Broadband Corp.

2.10. "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Company such that such Person has the ability to direct the management of the Company, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

2.11. "CHC" means Comcast Holdings Corporation, formerly known as Comcast Corporation.

2.12. "Code" means the Internal Revenue Code of 1986, as amended.

2.13. "Committee" means the Compensation Committee of the Board of Directors of the Company.

2.14. "Company" means Comcast Corporation, a Pennsylvania corporation, as successor to CHC, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

2.15. "Company Stock" means:

- (a) except as provided in Section 2.15(b), Comcast Corporation Class A Special Common Stock, par value, \$0.01, including a fractional share; and
- (b) with respect to amounts credited to the Company Stock Fund pursuant to deferral elections by Outside Directors made pursuant to Section 3.1(a), Comcast Corporation Class A Common Stock, par value \$0.01, including a fractional share;

and such other securities issued by Comcast Corporation as may be subject to adjustment in the event that shares of either class of Company Stock are changed into, or exchanged for, a different number or kind of shares of stock or other securities of the Company, whether through merger, consolidation, reorganization, recapitalization, stock dividend, stock split-up or other substitution of securities of the Company. In such event, the Committee shall make appropriate equitable anti-dilution adjustments to the number and class of hypothetical shares of Company Stock credited to Participants' Accounts under the Company Stock Fund. Any reference to the term "Company Stock" in the Plan shall be a reference to the appropriate number and class of shares of stock as adjusted pursuant to this Section 2.15. The Committee's adjustment shall be effective and binding for all purposes of the Plan.

2.16. "Company Stock Fund" means a hypothetical investment fund pursuant to which income, gains and losses are credited to a Participant's Account as if the Account, to the extent deemed invested in the Company Stock Fund, were invested in hypothetical shares of Company Stock, and all dividends and other distributions paid with respect to Company Stock were held uninvested in cash, and reinvested in additional hypothetical shares of Company Stock as of the next succeeding December 31 (to the extent the Account continues to be deemed invested in the Company Stock Fund through such December 31), based on the Fair Market Value of the Company Stock for such December 31.

2.17. "Compensation" means:

- (a) In the case of an Outside Director, the total remuneration payable in cash or payable in Company Stock (as elected by the Outside Director pursuant to the Comcast Corporation 2003 Director Compensation Plan) for services as a member of the Board and as a member of any Committee of the Board; and
- (b) In the case of an Eligible Employee, the total cash remuneration for services payable by a Participating Company, excluding sales commissions or other similar payments or awards.

2.18. "Death Tax Clearance Date" means the date upon which a Deceased Participant's or a deceased Beneficiary's Personal Representative certifies to the Administrator that (i) such Deceased Participant's or deceased Beneficiary's Death Taxes have been finally determined, (ii) all of such Deceased Participant's or deceased Beneficiary's Death Taxes apportioned against the Deceased Participant's or deceased Beneficiary's Account have been paid in full and (iii) all potential liability for Death Taxes with respect to the Deceased Participant's or deceased Beneficiary's Account has been satisfied.

2.19. "Death Taxes" means any and all estate, inheritance, generation-skipping transfer, and other death taxes as well as any interest and penalties thereon imposed by any governmental entity (a "taxing authority") as a result of the death of the Participant or the Participant's Beneficiary.

2.20. "Deceased Participant" means a Participant whose employment, or, in the case of a Participant who was an Outside Director, a Participant whose service as an Outside Director, is terminated by death.

2.21. "Disabled Participant" means:

- (a) A Participant whose employment or, in the case of a Participant who is an Outside Director, a Participant whose service as an Outside Director, is terminated by reason of disability;
- (b) The duly-appointed legal guardian of an individual described in Section 2.21(a) acting on behalf of such individual.

2.22. "Eligible Employee" means:

- (a) Each employee of a Participating Company who, as of December 31, 1989, was eligible to participate in the Prior Plan.
- (b) Each employee of a Participating Company who was, at any time before January 1, 1995, eligible to participate in the Prior Plan and whose Annual Rate of Pay is \$90,000 or more as of both (i) the date on which an Initial Election is filed with the Administrator and (ii) the first day of each calendar year beginning after December 31, 1994.
- (c) Each individual who was an employee of an entity that was a Participating Company in the Plan as of June 30, 2002 and who has an Annual Rate of Pay of \$125,000 as of each of (i) June 30, 2002; (ii) the date on which an Initial Election is filed with the Administrator and (iii) the first day of each calendar year beginning after December 31, 2002.
- (d) Each employee of a Participating Company whose Annual Rate of Pay is \$200,000 or more as of both (i) the date on which an Initial Election is filed with the Administrator and (ii) the first day of the calendar year in which such Initial Election is filed.
- (e) Each New Key Employee.

- (f) Each employee of a Participating Company who (i) as of December 31, 2002, was an "Eligible Employee" within the meaning of Section 2.34 of the AT&T Broadband Deferred Compensation Plan (as amended and restated, effective November 18, 2002) with respect to whom an account was maintained, and (ii) for the period beginning on December 31, 2002 and extending through any date of determination, has been actively and continuously in service to the Company or an Affiliate.
- (g) Each other employee of a Participating Company who is designated by the Committee, in its discretion, as an Eligible Employee.

2.23. "Fair Market Value"

- (a) If shares of Company Stock are listed on a stock exchange, Fair Market Value shall be determined based on the last reported sale price of a share on the principal exchange on which shares are listed on the date of determination, or if such date is not a trading day, the next trading date.
- (b) If shares of Company Stock are not so listed, but trades of shares are reported on the Nasdaq National Market, Fair Market Value shall be determined based on the last quoted sale price of a share on the Nasdaq National Market on the date of determination, or if such date is not a trading day, the next trading date.
- (c) If shares of Company Stock are not so listed nor trades of shares so reported, Fair Market Value shall be determined by the Committee in good faith.

2.24. "Former Eligible Employee" means an employee of a Participating Company who, as of any relevant date, does not satisfy the requirements of an "Eligible Employee" but who previously met such requirements under the Plan or the Prior Plan.

2.25. "Grandfathered Participant" means an Inactive Participant who, on or before December 31, 1991, entered into a written agreement with the Company to terminate service to the Company or gives written notice of intention to terminate service to the Company, regardless of the actual date of termination of service.

2.26. "Hardship" means a Participant's severe financial hardship due to an unforeseeable emergency resulting from a sudden and unexpected illness or accident of the Participant, or, a sudden and unexpected illness or accident of a dependent (as defined by section 152(a) of the Code) of the Participant, or loss of the Participant's property due to casualty, or other similar and extraordinary unforeseeable circumstances arising as a result of events beyond the control of the Participant. A need to send the Participant's child to college or a desire to purchase a home is not an unforeseeable emergency. No Hardship shall be deemed to exist to the extent that the financial hardship is or may be relieved (a) through reimbursement or compensation by insurance or otherwise, (b) by borrowing from commercial sources on reasonable commercial terms to the extent that this borrowing would not itself cause a severe financial hardship, (c) by cessation of deferrals under the Plan, or (d) by liquidation of the Participant's other assets (including assets of the Participant's spouse and minor children that are reasonably available to the Participant) to the extent that this liquidation would not itself cause severe financial hardship. For the purposes of the preceding sentence, the Participant's resources

shall be deemed to include those assets of his spouse and minor children that are reasonably available to the Participant; however, property held for the Participant's child under an irrevocable trust or under a Uniform Gifts to Minors Act custodianship or Uniform Transfers to Minors Act custodianship shall not be treated as a resource of the Participant. The Board shall determine whether the circumstances of the Participant constitute an unforeseeable emergency and thus a Hardship within the meaning of this Section. Following a uniform procedure, the Board's determination shall consider any facts or conditions deemed necessary or advisable by the Board, and the Participant shall be required to submit any evidence of the Participant's circumstances that the Board requires. The determination as to whether the Participant's circumstances are a case of Hardship shall be based on the facts of each case; provided however, that all determinations as to Hardship shall be uniformly and consistently made according to the provisions of this Section for all Participants in similar circumstances.

2.27. "Inactive Participant" means each Participant (other than a Retired Participant, Deceased Participant or Disabled Participant) who is not in active service as an Outside Director and is not actively employed by a Participating Company.

2.28. "Income Fund" means a hypothetical investment fund pursuant to which income, gains and losses are credited to a Participant's Account as if the Account, to the extent deemed invested in the Income Fund, were credited with interest at the Applicable Interest Rate.

2.29. "Initial Election" means a written election on a form provided by the Administrator, filed with the Administrator in accordance with Article 3, pursuant to which an Outside Director or an Eligible Employee may:

- (a) Elect to defer all or any portion of the Compensation payable for the performance of services as an Outside Director or as an Eligible Employee (including Severance Pay, to the extent permitted with respect to an Eligible Employee pursuant to Section 3.2) following the time that such election is filed; and
- (b) Designate the time of payment of the amount of deferred Compensation to which the Initial Election relates.

2.30. "Insider" means an Eligible Employee or Outside Director who is subject to the short-swing profit recapture rules of section 16(b) of the Securities Exchange Act of 1934, as amended.

2.31. "LIBOR" means, for any calendar year, the interest rate that, when compounded daily pursuant to rules established by the Administrator from time to time, is mathematically equivalent to the annual London Inter Bank Offered Rate (compounded annually), as published in the Eastern Edition of The Wall Street Journal, on the last business day preceding the first day of such calendar year, and as adjusted as of the last business day preceding the first day of each calendar year beginning thereafter.

2.32. "New Key Employee" means each employee of a Participating Company:

- (a) who becomes an employee of a Participating Company and has an Annual Rate of Pay of \$200,000 or more as of his employment commencement date, or

- (b) who has an Annual Rate of Pay that is increased to \$200,000 or more and who, immediately preceding such increase, was not an Eligible Employee.

2.33. "Normal Retirement" means:

- (a) For a Participant who is an employee of a Participating Company immediately preceding his termination of employment, a termination of employment that is treated by the Participating Company as a retirement under its employment policies and practices as in effect from time to time; and
- (b) For a Participant who is an Outside Director immediately preceding his termination of service, his normal retirement from the Board.

2.34. "Outside Director" means a member of the Board, who is not an employee of a Participating Company.

2.35. "Participant" means each individual who has made an Initial Election, or for whom an Account is established pursuant to Section 5.1, and who has an undistributed amount credited to an Account under the Plan, including an Active Participant, a Deceased Participant and an Inactive Participant.

2.36. "Participating Company" means:

- (a) The Company;
- (b) CHC;
- (c) Comcast Cable Communications, LLC, and its subsidiaries;
- (d) Comcast International Holdings, Inc.;
- (e) Comcast Online Communications, Inc.;
- (f) Comcast Business Communications, Inc.;
- (g) CCCHI and its subsidiaries;
- (h) Comcast Shared Services Corporation ("CSSC"), to the extent individual employees of CSSC or groups of CSSC employees, categorized by their secondment, are designated as eligible to participate by the Committee or its delegate; and
- (i) Any other entities that are subsidiaries of the Company as designated by the Committee in its sole discretion.

2.37. "Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization.

2.38. "Plan" means the Comcast Corporation 2002 Deferred Compensation Plan, as set forth herein, and as amended from time to time.

2.39. "Prime Rate" means, for any calendar year, the interest rate that, when compounded daily pursuant to rules established by the Administrator from time to time, is mathematically equivalent to the prime rate of interest (compounded annually) as published in the Eastern Edition of The Wall Street Journal on the last business day preceding the first day of such calendar year, and as adjusted as of the last business day preceding the first day of each calendar year beginning thereafter.

2.40. "Prior Plan" means the Comcast Corporation 1996 Deferred Compensation Plan, as in effect immediately preceding the amendment, restatement and renaming of the Plan as the Comcast Corporation 2002 Deferred Compensation Plan.

2.41. "Retired Participant" means a Participant who has terminated service pursuant to a Normal Retirement.

2.42. "Severance Pay" means any amount that is payable in cash and is identified by a Participating Company as severance pay, or any amount which is payable on account of periods beginning after the last date on which an employee (or former employee) is required to report for work for a Participating Company.

2.43. "Subsequent Election" means a written election on a form provided by the Administrator, filed with the Administrator in accordance with Article 3, pursuant to which a Participant or Beneficiary may elect to defer (or, in limited cases, accelerate) the time of payment or to change the manner of payment of amounts previously deferred in accordance with the terms of a previously made Initial Election or Subsequent Election.

2.44. "Surviving Spouse" means the widow or widower, as the case may be, of a Deceased Participant or a Deceased Beneficiary (as applicable).

2.45. "Terminating Event" means either of the following events:

- (a) the liquidation of the Company; or
- (b) a Change of Control.

2.46. "Third Party" means any Person, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Company or an Affiliate of the Company.

ARTICLE 3 - INITIAL AND SUBSEQUENT ELECTIONS

3.1. Elections.

- (a) Initial Elections. Each Outside Director and Eligible Employee shall have the right to defer all or any portion of the Compensation (including bonuses, if any, and, in the case of Outside Directors, including any portion of an Outside Director's Compensation payable in the form of Company Stock) that he would otherwise be entitled to receive in a calendar year by filing an Initial Election at the time and in the manner described in this Article 3; provided that Severance Pay shall be included as "Compensation" for purposes of this Section

3.1 only to the extent permitted, and subject to such rules regarding the length of any initial deferral period and subsequent deferral period, if any, established by the Administrator in its sole discretion. The Compensation of such Outside Director or Eligible Employee for a calendar year shall be reduced in an amount equal to the portion of the Compensation deferred by such Outside Director or Eligible Employee for such calendar year pursuant to such Outside Director's or Eligible Employee's Initial Election. Such reduction shall be effected on a pro rata basis from each periodic installment payment of such Outside Director's or Eligible Employee's Compensation for the calendar year (in accordance with the general pay practices of the Participating Company), and credited, as a bookkeeping entry, to such Outside Director's or Eligible Employee's Account in accordance with Section 5.1. Amounts credited to the Accounts of Outside Directors in the form of Company Stock shall be credited to the Company Stock Fund and credited with income, gains and losses in accordance with Section 5.2(c).

- (b) Subsequent Elections. Each Participant or Beneficiary shall have the right to elect to defer (or, in limited cases, accelerate) the time of payment or to change the manner of payment of amounts previously deferred in accordance with the terms of a previously made Initial Election pursuant to the terms of the Plan by filing a Subsequent Election at the time, to the extent, and in the manner described in this Article 3.

3.2. Filing of Initial Election: General. An Initial Election shall be made on the form provided by the Administrator for this purpose. Except as provided in Section 3.3, no such Initial Election shall be effective unless it is filed with the Administrator on or before December 31 of the calendar year preceding the calendar year to which the Initial Election applies; provided that an Initial Election with respect to Severance Pay shall not be effective unless it is filed within 30 days following the date of written notification to an Eligible Employee from the Administrator or its duly authorized delegate of such Eligible Employee's eligibility to defer Severance Pay.

3.3. Filing of Initial Election by New Key Employees and New Outside Directors.

- (a) New Key Employees. Notwithstanding Section 3.1 and Section 3.2, a New Key Employee may elect to defer all or any portion of his Compensation that he would otherwise be entitled to receive in the calendar year in which the New Key Employee was employed, beginning with the payroll period next following the filing of an Initial Election with the Administrator and before the close of such calendar year by making and filing the Initial Election with the Administrator within 60 days of such New Key Employee's date of hire or within 60 days of the date such New Key Employee first becomes eligible to participate in the Plan. Any Initial Election by such New Key Employee for succeeding calendar years shall be made in accordance with Section 3.1 and Section 3.2.
- (b) New Outside Directors. Notwithstanding Section 3.1 and Section 3.2, an Outside Director may elect to defer all or any portion of his Compensation that he would otherwise be entitled to receive in the calendar year in which an Outside Director's election as a member of the Board becomes effective (provided that such Outside Director is not a member of the Board immediately preceding such effective date), beginning with Compensation payable following the filing of an Initial Election with the Administrator and before the close of such

calendar year by making and filing the Initial Election with the Administrator within 60 days of the effective date of such Outside Director's election. Any Initial Election by such Outside Director for succeeding calendar years shall be made in accordance with Section 3.1 and Section 3.2

3.4. Calendar Years to which Initial Election May Apply. A separate Initial Election may be made for each calendar year as to which an Outside Director or Eligible Employee desires to defer all or any portion of such Outside Director's or Eligible Employee's Compensation. The failure of an Outside Director or Eligible Employee to make an Initial Election for any calendar year shall not affect such Outside Director's or Eligible Employee's right to make an Initial Election for any other calendar year.

- (a) Initial Election of Distribution Date. Each Outside Director or Eligible Employee shall, contemporaneously with an Initial Election, also elect the time of payment of the amount of the deferred Compensation to which such Initial Election relates; provided, however, that, subject to acceleration pursuant to Section 3.5(e) or (f), Section 3.7, Section 7.1, 7.2, or Article 8, no distribution may commence earlier than January 2nd of the second calendar year beginning after the date the Initial Election is filed with the Administrator, nor later than January 2nd of the eleventh calendar year beginning after the date the Initial Election is filed with the Administrator. Further, each Outside Director or Eligible Employee may select with each Initial Election the manner of distribution in accordance with Article 4.

3.5. Subsequent Elections.

- (a) Active Participants. Each Active Participant, who has made an Initial Election, or who has made a Subsequent Election, may elect to change the manner of distribution or defer the time of payment of any part or all of such Participant's Account for a minimum of two and a maximum of ten additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on June 30 of the calendar year preceding the calendar year in which the lump-sum distribution or initial installment payment would otherwise be made. The number of Subsequent Elections under this Section 3.5(a) shall not be limited.
- (b) Inactive Participants. The Committee may, in its sole and absolute discretion, permit an Inactive Participant to make a Subsequent Election to change the manner of distribution, or defer the time of payment of any part or all of such Inactive Participant's Account for a minimum of two years and a maximum of ten additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on June 30 of the calendar year preceding the calendar year in which the lump-sum distribution or initial installment payment would otherwise be made. The number of Subsequent Elections under this Section 3.5(b) shall be determined by the Committee in its sole and absolute discretion.
- (c) Surviving Spouses.
 - (i) General Rule. A Surviving Spouse who is a Deceased Participant's Beneficiary may elect to change the manner of distribution, or defer the time of

payment, of any part or all of such Deceased Participant's Account the payment of which would be made neither within six (6) months after, nor within the calendar year of, the date of such election. Such election shall be made by filing a Subsequent Election with the Administrator in which the Surviving Spouse shall specify the change in the manner of distribution or the change in the time of payment, which shall be no less than two nor more than ten years from the previously-elected payment date, or such Surviving Spouse may elect to defer payment until such Surviving Spouse's death. A Surviving Spouse may make a total of two (2) Subsequent Elections under this Section 3.5(c)(i), with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(c)(i) may specify different changes with respect to different parts of the Deceased Participant's Account.

(ii) Exception. Notwithstanding the above Section 3.5(c)(i), a Subsequent Election may be made by a Surviving Spouse within sixty (60) days of the Deceased Participant's death; provided, however, such election may only be made with respect to amounts which would not be paid under the Deceased Participant's election as in effect on the date of the Deceased Participant's death until a date which is at least six (6) months from the Deceased Participant's date of death. Such election shall be made by filing a Subsequent Election with the Administrator in which the Surviving Spouse shall specify the change in the manner of distribution or the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment date, or such Surviving Spouse may elect to defer payment until such Surviving Spouse's death. A Surviving Spouse may only make one (1) Subsequent Election under this Section 3.5(c)(ii) with respect to all or any part of the Deceased Participant's Account. Such Surviving Spouse may, however, make one additional Subsequent Election under Section 3.5(c)(i) in accordance with the terms of Section 3.5(c)(i). The one (1) Subsequent Election permitted under this Section 3.5(c)(ii) may specify different changes for different parts of the Deceased Participant's Account.

(d) Beneficiary of a Deceased Participant Other Than a Surviving Spouse.

(i) General Rule. A Beneficiary of a Deceased Participant (other than a Surviving Spouse) may elect to change the manner of distribution, or defer the time of payment, of any part or all of such Deceased Participant's Account the payment of which would be made neither within six (6) months after, nor within the calendar year of, the date of such election. Such election shall be made by filing a Subsequent Election with the Administrator in which the Beneficiary shall specify the change in the manner of distribution or the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment date. A Beneficiary may make one (1) Subsequent Election under this Section 3.5(d)(i), with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(d)(i) may specify different changes for different parts of the Deceased Participant's Account.

(ii) Exception. Notwithstanding the above Section 3.5(d)(i), a Subsequent Election may be made by a Beneficiary within sixty (60) days of the Deceased Participant's death; provided, however, such election may only be made with respect to amounts which would not be paid under the Deceased Participant's election as in effect on the date of the Deceased Participant's death until a date which is at least six (6) months from the Deceased Participant's date of death. Such election shall be made by filing a Subsequent Election with the

Administrator in which the Beneficiary shall specify the change in the manner of distribution or the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment date. A Beneficiary may make one (1) Subsequent Election under this Section 3.5(d)(ii) with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(d)(ii) may specify different changes for different parts of the Deceased Participant's Account.

(e) Other Deferral and Acceleration by a Beneficiary. Any Beneficiary (other than a Surviving Spouse who has made a Subsequent Election under Section 3.5(c) or a Beneficiary who has made a Subsequent Election under Section 3.5(d)) may elect to change the manner of distribution from the manner of distribution in which payment of a Deceased Participant's Account would otherwise be made, and

(i) Defer the time of payment of any part or all of the Deceased Participant's Account or deceased Beneficiary's Account for one additional year from the date a payment would otherwise be made or begin (provided that if a Subsequent Election is made pursuant to this Section 3.5(e)(i), the Deceased Participant's Account or deceased Beneficiary's Account shall be in all events distributed in full on or before the fifth anniversary of the Deceased Participant's or a deceased Beneficiary's death); or

(ii) Accelerate the time of payment of a Deceased Participant's Account or deceased Beneficiary's Account from the date or dates that payment would otherwise be made or begin to the date that is the later of (A) six (6) months after the date of the Deceased Participant's or deceased Beneficiary's death and (B) January 2nd of the calendar year beginning after the Deceased Participant's or deceased Beneficiary's death, provided that if a Subsequent Election is made pursuant to this Section 3.5(e)(ii), the Deceased Participant's Account or deceased Beneficiary's Account shall be distributed in full on such accelerated payment date.

A Subsequent Election pursuant to this Section 3.5(e) must be filed with the Administrator within one hundred and twenty (120) days following the Deceased Participant's or deceased Beneficiary's death. One and only one Subsequent Election shall be permitted pursuant to this Section 3.5(e) with respect to a Deceased Participant's Account or deceased Beneficiary's Account, although if such Subsequent Election is filed pursuant to Section 3.5(e)(i), it may specify different changes for different parts of the Account.

(f) Disabled Participant. A Disabled Participant (who has not been permitted to make a Subsequent Election under Section 3.5(h)) may elect to change the form of distribution from the form of distribution that the payment of the Disabled Participant's Account would otherwise be made and may elect to accelerate the time of payment of the Disabled Participant's Account from the date payment would otherwise be made to January 2nd of the calendar year beginning after the Participant became disabled. A Subsequent Election pursuant to this Section 3.5(f) must be filed with the Administrator on or before the close of business on the later of (i) the June 30 following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant on or before May 1 of a calendar year; (ii) the 60th day following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant after May 1 and before November 2 of a calendar year or (iii) the

December 31 following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant after November 1 of a calendar year.

- (g) Retired Participant. A Retired Participant (who has not been permitted to make a Subsequent Election under Section 3.5(h)) may elect to change the form of distribution from the form of distribution that payment of the Retired Participant's Account would otherwise be made and may elect to defer the time of payment of the Retired Participant's Account for a minimum of two additional years from the date payment would otherwise be made (provided that if a Subsequent Election is made pursuant to this Section 3.5(g), the Retired Participant's Account shall be distributed in full on or before the fifth anniversary of the Retired Participant's Normal Retirement). A Subsequent Election pursuant to this Section 3.5(g) must be filed with the Administrator on or before the close of business on the later of (i) the June 30 following the Participant's Normal Retirement on or before May 1 of a calendar year, (ii) the 60th day following the Participant's Normal Retirement after May 1 and before November 2 of a calendar year or (iii) the December 31 following the Participant's Normal Retirement after November 1 of a calendar year.
- (h) Retired Participants and Disabled Participants. The Committee may, in its sole and absolute discretion, permit a Retired Participant or a Disabled Participant to make a Subsequent Election to change the form of distribution that the payment of the Retired Participant's account would otherwise be made or to defer the time of payment of any part or all of such Retired or Disabled Participant's Account for a minimum of two years and a maximum of ten additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on June 30 of the calendar year preceding the calendar year in which the lump-sum distribution or initial installment payment would otherwise be made. The number of Subsequent Elections under this Section 3.5(h) shall be determined by the Committee in its sole and absolute discretion.
- (i) Most Recently Filed Initial Election or Subsequent Election Controlling. Subject to acceleration pursuant to Section 3.5(e) or 3.5(f), Section 3.7 or Section 7.1, no distribution of the amounts deferred by a Participant for any calendar year shall be made before the payment date designated by the Participant or Beneficiary on the most recently filed Initial Election or Subsequent Election with respect to each deferred amount.

3.6. Distribution in Full Upon Terminating Event. The Company shall give Participants at least thirty (30) days notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Committee may, in its discretion, provide in such notice that notwithstanding any other provision of the Plan or the terms of any Initial Election or Subsequent Election, upon the consummation of a Terminating Event, the Account balance of each Participant shall be distributed in full and any outstanding Initial Elections or Subsequent Elections shall be revoked.

3.7. Withholding and Payment of Death Taxes.

- (a) Notwithstanding any other provisions of this Plan to the contrary, including but not limited to the provisions of Article 3 and Article 7, or any Initial or Subsequent Election filed by a Deceased Participant or a Deceased Participant's Beneficiary (for purposes of

this Section, the "Decedent"), the Administrator shall apply the terms of Section 3.7(b) to the Decedent's Account unless the Decedent affirmatively has elected, in writing, filed with the Administrator, to waive the application of Section 3.7(b).

- (b) Unless the Decedent affirmatively has elected, pursuant to Section 3.7(a), that the terms of this Section 3.7(b) not apply:
- (i) The Administrator shall prohibit the Decedent's Beneficiary from taking any action under any of the provisions of the Plan with regard to the Decedent's Account other than the Beneficiary's making of a Subsequent Election pursuant to Section 3.5;
 - (ii) The Administrator shall defer payment of the Decedent's Account until the later of the Death Tax Clearance Date and the payment date designated in the Decedent's Initial Election or Subsequent Election;
 - (iii) The Administrator shall withdraw from the Decedent's Account such amount or amounts as the Decedent's Personal Representative shall certify to the Administrator as being necessary to pay the Death Taxes apportioned against the Decedent's Account; the Administrator shall remit the amounts so withdrawn to the Personal Representative, who shall apply the same to the payment of the Decedent's Death Taxes, or the Administrator may pay such amounts directly to any taxing authority as payment on account of Decedent's Death Taxes, as the Administrator elects;
 - (iv) If the Administrator makes a withdrawal from the Decedent's Account to pay the Decedent's Death Taxes and such withdrawal causes the recognition of income to the Beneficiary, the Administrator shall pay to the Beneficiary from the Decedent's Account, within thirty (30) days of the Beneficiary's request, the amount necessary to enable the Beneficiary to pay the Beneficiary's income tax liability resulting from such recognition of income; additionally, the Administrator shall pay to the Beneficiary from the Decedent's Account, within thirty (30) days of the Beneficiary's request, such additional amounts as are required to enable the Beneficiary to pay the Beneficiary's income tax liability attributable to the Beneficiary's recognition of income resulting from a distribution from the Decedent's Account pursuant to this Section 3.7(b)(iv);
 - (v) Amounts withdrawn from the Decedent's Account by the Administrator pursuant to Sections 3.7(b)(iii) and 3.7(b)(iv) shall be withdrawn from the portions of Decedent's Account having the earliest distribution dates as specified in Decedent's Initial Election or Subsequent Election; and
 - (vi) Within a reasonable time after the later to occur of the Death Tax Clearance Date and the payment date designated in the Decedent's Initial Election or Subsequent Election, the Administrator shall pay the Decedent's Account to the Beneficiary.

ARTICLE 4 - MANNER OF DISTRIBUTION

4.1. Manner of Distribution.

- (a) Amounts credited to an Account shall be distributed, pursuant to an Initial Election or Subsequent Election in either (i) a lump sum payment or (ii) substantially equal annual installments over a five (5), ten (10) or fifteen (15) year period or (iii) substantially equal monthly installments over a period not exceeding fifteen (15) years. Installment distributions payable in the form of shares of Company Stock shall be rounded to the nearest whole share.
- (b) Notwithstanding any Initial Election or Subsequent Election or any other provision of the Plan to the contrary:
 - (i) distributions pursuant to Initial Elections or Subsequent Elections shall be made in one lump sum payment unless the portion of a Participant's Account subject to distribution, as of both the date of the Initial Election or Subsequent Election and the benefit commencement date, has a value of more than \$10,000;
 - (ii) following a Participant's termination of employment for any reason, if the amount credited to the Participant's Account has a value of \$25,000 or less, the Administrator may, in its sole discretion, direct that such amount be distributed to the Participant (or Beneficiary, as applicable) in one lump sum payment; provided, however, that this Section 4.1(b)(ii) shall not apply to any amount credited to a Participant's Account until the expiration of the deferral period applicable under any Initial Election or Subsequent Election in effect as of April 29, 2002.

4.2. Determination of Account Balances for Purposes of Distribution. The amount of any distribution made pursuant to Section 4.1 shall be based on the balances in the Participant's Account on the date of distribution. For this purpose, the balance in a Participant's Account shall be calculated by crediting income, gains and losses under the Company Stock Fund and Income Fund, as applicable, through the date immediately preceding the date of distribution.

ARTICLE 5 - BOOK ACCOUNTS

5.1. Deferred Compensation Account. A deferred Compensation Account shall be established for each Outside Director and Eligible Employee when such Outside Director or Eligible Employee becomes a Participant. Compensation deferred pursuant to the Plan shall be credited to the Account on the date such Compensation would otherwise have been payable to the Participant.

5.2. Crediting of Income, Gains and Losses on Accounts.

- (a) In General. Except as otherwise provided in this Section 5.2, the Administrator shall credit income, gains and losses with respect to each Participant's Account as if it were invested in the Income Fund.
- (b) Investment Fund Elections.
 - (i) Except for amounts credited to the Accounts of Participants who are Outside Directors who have elected to defer the receipt of Compensation payable in the

form of Company Stock, all amounts credited to Participants' Accounts on and after July 9, 2002 shall be credited with income, gains and losses as if it were invested in the Income Fund. Each Participant who, as of July 9, 2002, has all or any portion of his or her Account credited with income, gains and losses as if it were invested in the Company Stock Fund may direct, as of any business day, to have all or any portion of the amount credited to the Company Stock Fund deemed transferred to the Income Fund, in accordance with procedures established by the Administrator from time to time. No portion of the Participant's Account credited to the Income Fund may be deemed transferred to the Company Stock Fund.

- (ii) With respect to amounts credited to Participants' Accounts through July 9, 2002, investment fund elections shall continue in effect until revoked or superseded. Except for amounts credited to the Accounts of Participants who are Outside Directors who have elected to defer the receipt of Compensation payable in the form of Company Stock, all amounts credited to Participants' Accounts on and after July 9, 2002 shall be deemed to be invested in the Income Fund. Except for amounts described in Section 5.2(c), notwithstanding any investment fund election to the contrary, as of the valuation date (as determined under Section 4.2) for the distribution of all or any portion of a Participant's Account that is subject to distribution in the form of installments described in Section 4.1(a) or (b), such Account, or portion thereof, shall be deemed invested in the Income Fund (and transferred from the Company Stock Fund to the Income Fund, to the extent necessary) until such Account, or portion thereof, is distributed in full.
 - (iii) Investment fund elections under this Section 5.2(b) shall be effective as soon as practicable following the Participant's election, pursuant to procedures established by the Administrator. An Active Participant may not make an investment fund election with respect to Compensation to be deferred for a calendar year.
 - (iv) Except for amounts described in Section 5.2(c), if a Participant ceases to continue in service as an Active Participant, then, notwithstanding any election to the contrary, such Participant's Account shall be deemed invested in the Income Fund, effective as of the first day of any calendar year beginning after such Participant ceases to continue in service as an Active Participant.
- (c) Outside Director Stock Fund Credits. Amounts credited to the Accounts of Outside Directors in the form of Company Stock shall be credited with income, gains and losses as if they were invested in the Company Stock Fund. No portion of such Participant's Account attributable to amounts credited after December 31, 2002 to the Company Stock Fund may be deemed transferred to the Income Fund. Distributions of amounts credited to the Company Stock Fund with respect to Outside Directors' Accounts after December 31, 2002 shall be distributable in the form of Company Stock, rounded to the nearest whole share.
- (d) Timing of Credits. Compensation deferred pursuant to the Plan shall be deemed invested in the Income Fund on the date such Compensation would otherwise have been payable to the Participant. Accumulated Account balances subject to an investment fund election under Section 5.2(b) shall be deemed invested in the applicable investment fund as of the effective date of such election. The value of amounts deemed invested in the Company

Stock Fund shall be based on hypothetical purchases and sales of Company Stock at Fair Market Value as of the effective date of an investment election

5.3. Status of Deferred Amounts. Regardless of whether or not the Company is a Participant's employer, all Compensation deferred under this Plan shall continue for all purposes to be a part of the general funds of the Company.

5.4. Participants' Status as General Creditors. Regardless of whether or not the Company is a Participant's employer, an Account shall at all times represent a general obligation of the Company. The Participant shall be a general creditor of the Company with respect to this obligation, and shall not have a secured or preferred position with respect to the Participant's Accounts. Nothing contained herein shall be deemed to create an escrow, trust, custodial account or fiduciary relationship of any kind. Nothing contained herein shall be construed to eliminate any priority or preferred position of a Participant in a bankruptcy matter with respect to claims for wages.

ARTICLE 6 - NO ALIENATION OF BENEFITS; PAYEE DESIGNATION

Except as otherwise required by applicable law, the right of any Participant or Beneficiary to any benefit or interest under any of the provisions of this Plan shall not be subject to encumbrance, attachment, execution, garnishment, assignment, pledge, alienation, sale, transfer, or anticipation, either by the voluntary or involuntary act of any Participant or any Participant's Beneficiary or by operation of law, nor shall such payment, right, or interest be subject to any other legal or equitable process. However, subject to the terms and conditions of the Plan, a Participant or Beneficiary may direct that any amount payable pursuant to an Initial Election or a Subsequent Election on any date designated for payment be paid to any person or persons or legal entity or entities, including, but not limited to, an organization exempt from federal income tax under section 501(c)(3) of the Code, instead of to the Participant or Beneficiary. Such a payee designation shall be provided to the Administrator by the Participant or Beneficiary in writing on a form provided by the Administrator, and shall not be effective unless it is provided immediately preceding the time of payment. The Company's payment pursuant to such a payee designation shall relieve the Company and its Affiliates of all liability for such payment.

ARTICLE 7 - DEATH OF PARTICIPANT

7.1. Death of Participant. A Deceased Participant's Account shall be distributed in accordance with the last Initial Election or Subsequent Election made by the Deceased Participant before the Deceased Participant's death, unless the Deceased Participant's Surviving Spouse or other Beneficiary timely elects to accelerate or defer the time or change the manner of payment pursuant to Section 3.5.

7.2. Designation of Beneficiaries. Each Participant and Beneficiary shall have the right to designate one or more Beneficiaries to receive distributions in the event of the Participant's or Beneficiary's death by filing with the Administrator a Beneficiary designation on the form provided by the Administrator for such purpose. The designation of a Beneficiary or Beneficiaries may be changed by a Participant or Beneficiary at any time prior to such

Participant's or Beneficiary's death by the delivery to the Administrator of a new Beneficiary designation form.

ARTICLE 8 - HARDSHIP DISTRIBUTIONS

Notwithstanding the terms of an Initial Election or Subsequent Election, if, at the Participant's request, the Board determines that the Participant has incurred a Hardship, the Board may, in its discretion, authorize the immediate distribution of all or any portion of the Participant's Account.

ARTICLE 9 - INTERPRETATION

9.1. Authority of Committee. The Committee shall have full and exclusive authority to construe, interpret and administer this Plan and the Committee's construction and interpretation thereof shall be binding and conclusive on all persons for all purposes.

9.2. Claims Procedure. If an individual (hereinafter referred to as the "Applicant," which reference shall include the legal representative, if any, of the individual) does not receive timely payment of benefits to which the Applicant believes he is entitled under the Plan, the Applicant may make a claim for benefits in the manner hereinafter provided.

An Applicant may file a claim for benefits with the Administrator on a form supplied by the Administrator. If the Administrator wholly or partially denies a claim, the Administrator shall provide the Applicant with a written notice stating:

- (a) The specific reason or reasons for the denial;
- (b) Specific reference to pertinent Plan provisions on which the denial is based;
- (c) A description of any additional material or information necessary for the Applicant to perfect the claim and an explanation of why such material or information is necessary; and
- (d) Appropriate information as to the steps to be taken in order to submit a claim for review.

Written notice of a denial of a claim shall be provided within 90 days of the receipt of the claim, provided that if special circumstances require an extension of time for processing the claim, the Administrator may notify the Applicant in writing that an additional period of up to 90 days will be required to process the claim.

If the Applicant's claim is denied, the Applicant shall have 60 days from the date of receipt of written notice of the denial of the claim to request a review of the denial of the claim by the Administrator. Request for review of the denial of a claim must be submitted in writing. The Applicant shall have the right to review pertinent documents and submit issues and comments to the Administrator in writing. The Administrator shall provide a written decision within 60 days of its receipt of the Applicant's request for review, provided that if special

circumstances require an extension of time for processing the review of the Applicant's claim, the Administrator may notify the Applicant in writing that an additional period of up to 60 days shall be required to process the Applicant's request for review.

It is intended that the claims procedures of this Plan be administered in accordance with the claims procedure regulations of the Department of Labor set forth in 29 CFR ss. 2560.503-1.

Claims for benefits under the Plan must be filed with the Administrator at the following address:

Comcast Corporation
1500 Market Street
Philadelphia, PA 19102
Attention: General Counsel

ARTICLE 10 - AMENDMENT OR TERMINATION

10.1. Amendment or Termination. Except as otherwise provided by Section 10.2, the Company, by action of the Board or by action of the Committee, shall have the right at any time, or from time to time, to amend or modify this Plan. The Company, by action of the Board, shall have the right to terminate this Plan at any time.

10.2. Amendment of Rate of Credited Earnings. No amendment shall change the Applicable Interest Rate with respect to the portion of a Participant's Account that is attributable to an Initial Election or Subsequent Election made with respect to Compensation earned in a calendar year and filed with the Administrator before the date of adoption of such amendment by the Board. For purposes of this Section 10.2, a Subsequent Election to defer the payment of part or all of an Account for an additional period after a previously-elected payment date (as described in Section 3.5) shall be treated as a separate Subsequent Election from any previous Initial Election or Subsequent Election with respect to such Account.

ARTICLE 11 - WITHHOLDING OF TAXES

Whenever the Participating Company is required to credit deferred Compensation to the Account of a Participant, the Participating Company shall have the right to require the Participant to remit to the Participating Company an amount sufficient to satisfy any federal, state and local withholding tax requirements prior to the date on which the deferred Compensation shall be deemed credited to the Account of the Participant, or take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Participating Company's obligation to credit deferred Compensation to an Account shall be conditioned on the Participant's compliance, to the Participating Company's satisfaction, with any withholding requirement. To the maximum extent possible, the Participating Company shall satisfy all applicable withholding tax requirements by withholding tax from other Compensation payable by the Participating Company to the Participant, or by the Participant's delivery of cash to the Participating Company in an amount equal to the applicable withholding tax.

ARTICLE 12 - MISCELLANEOUS PROVISIONS

12.1. No Right to Continued Employment. Nothing contained herein shall be construed as conferring upon any Participant the right to remain in service as an Outside Director or in the employment of a Participating Company as an executive or in any other capacity.

12.2. Expenses of Plan. All expenses of the Plan shall be paid by the Participating Companies.

12.3. Gender and Number. Whenever any words are used herein in any specific gender, they shall be construed as though they were also used in any other applicable gender. The singular form, whenever used herein, shall mean or include the plural form, and vice versa, as the context may require.

12.4. Law Governing Construction. The construction and administration of the Plan and all questions pertaining thereto, shall be governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and other applicable federal law and, to the extent not governed by federal law, by the laws of the Commonwealth of Pennsylvania.

12.5. Headings Not a Part Hereof. Any headings preceding the text of the several Articles, Sections, subsections, or paragraphs hereof are inserted solely for convenience of reference and shall not constitute a part of the Plan, nor shall they affect its meaning, construction, or effect.

12.6. Severability of Provisions. If any provision of this Plan is determined to be void by any court of competent jurisdiction, the Plan shall continue to operate and, for the purposes of the jurisdiction of that court only, shall be deemed not to include the provision determined to be void.

ARTICLE 13 - EFFECTIVE DATE

The effective date of this amendment and restatement of the Plan shall be February 24, 2004.

IN WITNESS WHEREOF, COMCAST CORPORATION has caused this Plan to be executed by its officers thereunto duly authorized, and its corporate seal to be affixed hereto, as of the 24th day of February, 2004.

COMCAST CORPORATION

BY: /s/ David L. Cohen

ATTEST:

/s/ Arthur R. Block

COMCAST CORPORATION
2002 DEFERRED STOCK OPTION PLAN

ARTICLE 1 - CONTINUATION AND COVERAGE OF PLAN

1.1. Continuation of Plan. COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Deferred Stock Option Plan (the "Plan"), effective January 30, 2004. The Plan was initially adopted effective September 16, 1997 and was amended and restated effective June 21, 1999, December 19, 2000, November 29, 2001, April 29, 2002, November 18, 2002, February 26, 2003 and July 30, 2003.

1.2. Plan Unfunded and Limited to Outside Directors and Select Group of Management or Highly Compensated Employees. The Plan is unfunded and is maintained primarily for the purpose of providing outside directors and a select group of management or highly compensated employees the opportunity to defer compensation otherwise payable to such outside directors and management or highly compensated employees. The Plan provides an opportunity for outside directors and management or highly compensated employees to defer the receipt of Shares upon the exercise of Options and to convert the right to receive Shares to the right to receive the cash value thereof as of the date of such conversion, plus interest thereon from the date of such conversion, in accordance with the terms of the Plan.

ARTICLE 2 - DEFINITIONS

2.1. "Account" means unfunded bookkeeping accounts established pursuant to Section 5.1 and maintained by the Administrator in the names of the respective Participants (a) to which Deferred Stock Units, dividend equivalents and earnings on dividend equivalents shall be credited with respect to the portion of the Account allocated to the Company Stock Fund and (b) to which an amount equal to the Fair Market Value of Deferred Stock Units with respect to which a Diversification Election has been made and interest thereon from the date of such election shall be credited with respect to the portion of the Account allocated to the Income Fund, and from which all amounts distributed pursuant to the Plan shall be debited.

2.2. "Active Participant" means:

- (a) Each Participant who is in active service as an Outside Director;
- (b) Each Participant who is actively employed by a Participating Company as an Eligible Employee; and
- (c) A Permitted Transferee of an individual described in Section 2.2(a) or Section 2.2(b), if applicable.

2.3. "Administrator" means the Committee.

2.4. "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or

indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

2.5. "Annual Rate of Pay" means, as of any date, an employee's annualized base pay rate. An employee's Annual Rate of Pay shall not include sales commissions or other similar payments or awards.

2.6. "Applicable Interest Rate" means:

- (a) Except as otherwise provided in Section 2.6(b), the Applicable Interest Rate means 8% per annum, compounded annually as of the last day of the calendar year, or such other interest rate established by the Administrator from time to time. The effective date of any reduction in the Applicable Interest Rate shall not precede the latest of (i) November 29, 2003, (ii) the 30th day following the date of the Administrator's action to establish a reduced rate or (iii) the lapse of 24 full calendar months from the date of the most recent adjustment of the Applicable Interest Rate by the Administrator.
- (b) Effective for the period extending from a Participant's employment termination date to the date the Participant's Account is distributed in full, the Administrator, in its sole and absolute discretion, may designate the term

"Applicable Interest Rate" for such Participant's Account to mean the lesser of (i) the rate in effect under Section 2.6(a) or (ii) the Prime Rate plus one percent, compounded annually as of the last day of the calendar year. Notwithstanding the foregoing, the Administrator may delegate its authority to determine the Applicable Interest Rate under this Section 2.6(b) to an officer of the Company or committee of two or more officers of the Company.

2.7. "AT&T Broadband Transaction" means the acquisition of AT&T Broadband Corp. (now known as Comcast Cable Communications Holdings, Inc.) by the Company.

2.8. "Beneficiary" means such person or persons or legal entity or entities, including, but not limited to, an organization exempt from federal income tax under section 501(c)(3) of the Code, designated by a Participant or Beneficiary to receive benefits pursuant to the terms of the Plan after such Participant's or Beneficiary's death. If no Beneficiary is designated by the Participant or Beneficiary or if no Beneficiary survives the Participant or Beneficiary (as the case may be), the Participant's Beneficiary shall be the Participant's Surviving Spouse if the Participant has a Surviving Spouse and otherwise the Participant's estate and the Beneficiary of a Beneficiary shall be the Beneficiary's Surviving Spouse if the Beneficiary has a Surviving Spouse and otherwise the Beneficiary's estate.

2.9. "Board" means the Board of Directors of the Company.

2.10. "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Company such that such Person has the ability to direct the management of the Company, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

2.11. "Code" means the Internal Revenue Code of 1986, as amended.

2.12. "Comcast Option Plan or Plans" means the Comcast Corporation 1987 Stock Option Plan, or the Comcast Corporation 2002 Stock Option Plan, the AT&T Broadband Corp. Adjustment Plan, or any other incentive or non-qualified stock option plan subsequently adopted by the Company or a Related Corporation.

2.13. "Comcast Plan" means any restricted stock, stock bonus, stock option or other compensation plan, program or arrangement established or maintained by the Company or an Affiliate, including, but not limited to this Plan, the Comcast Corporation 2002 Restricted Stock Plan and the Comcast Option Plans.

2.14. "Committee" means the Compensation Committee of the Board of Directors of the Company.

2.15. "Common Stock" means Company's Class A Common Stock, par value \$.01 per share, including a fractional share.

2.16. "Company" means Comcast Corporation, a Pennsylvania corporation, as successor to Comcast Corporation, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

2.17. "Company Stock" means Common Stock or such other securities as may be issued by the Company pursuant to adjustments as provided in Article 11.

2.18. "Company Stock Fund" means a hypothetical investment fund pursuant to which Deferred Stock Units are credited with respect to an Option subject to an Initial Election, and thereafter until the date of distribution or the effective date of a Diversification Election, to the extent a Diversification Election applies to such Deferred Stock Units, as applicable. The portion of a Participant's Account deemed invested in the Company Stock Fund shall be treated as if such portion of the Account were invested in hypothetical shares of Common Stock or Special Common Stock otherwise deliverable as Option Shares on the exercise of an Option, and all dividends and other distributions paid with respect to Common Stock or Special Common Stock were held uninvested in cash and credited with interest at the Applicable Interest Rate as of the next succeeding December 31 (to the extent the Account continues to be deemed credited in the form of Deferred Stock Units through such December 31).

2.19. "Date of Grant" means the date as of which an Option is granted.

2.20. "Death Tax Clearance Date" means the date upon which a Deceased Participant's or a deceased Beneficiary's Personal Representative certifies to the Administrator that (a) such Deceased Participant's or deceased Beneficiary's Death Taxes have been finally determined, (b) all of such Deceased Participant's or deceased Beneficiary's Death Taxes apportioned against the Deceased Participant's or deceased Beneficiary's Account have been paid in full and (c) all potential liability for Death Taxes with respect to the Deceased Participant's or deceased Beneficiary's Account has been satisfied.

2.21. "Death Taxes" means any and all estate, inheritance, generation-skipping transfer, and other death taxes as well as any interest and penalties thereon imposed by any governmental entity (a "taxing authority") as a result of the death of the Participant or the Participant's Beneficiary.

2.22. "Deceased Participant" means:

- (a) A Participant whose employment, or, in the case of a Participant who was an Outside Director, a Participant whose service as an Outside Director, is terminated by death;
- (b) A Participant who dies following termination of active employment or active service; or
- (c) A Permitted Transferee of an individual described in Section 2.22(a) or 2.22(b), if applicable.

2.23. "Deferred Stock Units" mean the number of hypothetical Shares determined as the excess of (a) the number of Option Shares over (b) the number of Other Available Shares having a Fair Market Value as of the date of exercise of an Option equal to the exercise price for such Option Shares (hereinafter referred to in this Section 2.23 as the "Payment Shares"), as to which an Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee or Successor-in-Interest provides to the Company evidence of ownership of sufficient Payment Shares to pay the exercise price for such Option Shares; provided, however, that if the Option is for Common Stock, the Deferred Stock Units shall be credited to the Participant's Account as Deferred Common Stock Units, and if the Option is for Special Common Stock, the Deferred Stock Units shall be credited to the Participant's Account as Deferred Special Common Stock Units. Provision of a notarized statement under oath to the Company by the Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee or Successor-in-Interest attesting to the number of Payment Shares owned by the Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee or Successor-in-Interest and held by a securities broker for the Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee or Successor-in-Interest in "street name" or provision of the certificate numbers to the Company by the Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee or Successor-in-Interest of the Payment Share stock certificates actually held by the Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee or Successor-in-Interest shall constitute acceptable evidence of ownership.

2.24. "Disabled Participant" means

- (a) A Participant whose employment or, in the case of a Participant who is an Outside Director, a Participant whose service as an Outside Director, is terminated by reason of disability;
- (b) A Participant who becomes disabled (as determined by the Committee) following termination of active service;

- (c) The duly-appointed legal guardian of an individual described in Section 2.24(a) or 2.24(b) acting on behalf of such individual; or
- (d) A Permitted Transferee of an individual described in Section 2.24(a) or 2.24(b), if applicable.

2.25. "Diversification Election" means a Participant's election to have a portion of the Participant's Account credited in the form of Deferred Stock Units under the Company Stock Fund deemed liquidated and credited thereafter under the Income Fund, as provided in Section 5.2(b).

2.26. "Eligible Employee" means:

- (a) Each employee of a Participating Company whose Annual Rate of Pay is \$200,000 or more as of both (i) the date on which an Initial Election is filed with the Administrator and (ii) the first day of the calendar year in which such Initial Election is filed
- (b) Each employee of a Participating Company who has an Annual Rate of Pay of \$125,000 as of each of (i) June 30, 2002; (ii) the date on which an Initial Election is filed with the Administrator and (iii) the first day of each calendar year beginning after December 31, 2002.
- (c) Each New Key Employee.
- (d) Each other employee of a Participating Company who is designated by the Committee, in its sole and absolute discretion, as an Eligible Employee.

2.27. "Fair Market Value" shall mean:

- (a) If Shares are listed on a stock exchange, Fair Market Value shall be determined based on the last reported sale price of a Share on the principal exchange on which Shares are listed on the date of determination, or if such date is not a trading day, the next trading date.
- (b) If Shares are not so listed, but trades of Shares are reported on the Nasdaq National Market, Fair Market Value shall be determined based on the last quoted sale price of a Share on the Nasdaq National Market on the date of determination, or if such date is not a trading day, the next trading date.
- (c) If Shares are not so listed nor trades of Shares so reported, Fair Market Value shall be determined by the Committee in good faith.

2.28. "Former Eligible Employee" means an individual who has ceased to be actively employed by a Participating Company for any reason but who, immediately preceding his termination of employment, was an Eligible Employee.

2.29. "Former Outside Director" means an individual who has ceased to be a member of the Board, but who, immediately preceding his cessation of service as a member of the Board was an Outside Director.

2.30. "Immediate Family" means an Outside Director's, Former Outside Director's, Eligible Employee's or Former Eligible Employee's spouse and lineal descendants, any trust all beneficiaries of which are any of such persons and any other entity all members or owners of which are any of such persons.

2.31. "Income Fund" means a hypothetical investment fund pursuant to which an amount equal to the Fair Market Value of Deferred Stock Units subject to a Diversification Election is credited as of the effective date of such Diversification Election and as to which interest is credited thereafter until the date of distribution at the Applicable Interest Rate.

2.32. "Initial Election" means a written election on a form provided by the Administrator, filed with the Administrator in accordance with Article 3, pursuant to which an Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee who:

- (a) Elects, within the time or times specified in Article 3, to defer the receipt of Shares pursuant to the exercise of all or part of an Option; and
- (b) Designates the time that such Shares and any dividend equivalents shall be distributed.

2.33. "New Key Employee"

- (a) means each employee of a Participating Company:
- (b) who becomes an employee of a Participating Company and has an Annual Rate of Pay of \$200,000 or more as of his employment commencement date; and
- (c) who has an Annual Rate of Pay that is increased to \$200,000 or more and who, immediately preceding such increase, was not an Eligible Employee.

2.34. "Normal Retirement" means:

- (a) For a Participant who is an employee of a Participating Company immediately preceding his termination of employment, a termination of employment that is treated by the Participating Company as a retirement under its employment policies and practices as in effect from time to time; and
- (b) For a Participant who is an Outside Director immediately preceding his termination of service, his normal retirement from the Board.

2.35. "Option" means a non-qualified stock option to purchase Shares granted pursuant to an Comcast Option Plan; provided that each Option with a different Date of Grant shall be considered a separate Option.

2.36. "Option Shares" mean the Shares that are subject to the portion of an Option as to which an Initial Election or Subsequent Election is in effect as adjusted to reflect a Share Withholding Election.

2.37. "Other Available Shares" means, as of any date, the sum of:

- (a) the total number of Shares owned by a Participant that were not acquired by such Participant pursuant to a Comcast Plan or otherwise in connection with the performance of services to the Company or an Affiliate; plus
- (b) the excess, if any, of:
 - (i) the total number of Shares owned by a Participant other than the Shares described in Section 2.37(a); over
 - (ii) the excess, if any of:
 - (A) The sum of:
 - (1) The number of such Shares owned by such Participant for less than six months; plus
 - (2) The number of such Shares owned by such Participant that has, within the preceding six months, been the subject of a withholding certification under any Comcast Plan; plus
 - (3) The number of such Shares owned by such Participant that has, within the preceding six months, been received in exchange for Shares surrendered as payment, in full or in part, or as to which ownership was attested to as payment, in full or in part, of the exercise price for an option to purchase any securities of the Company or an Affiliate of the Company, under any Comcast Plan, but only to the extent of the number of Shares surrendered or attested to; plus
 - (4) The number of such Shares owned by such Participant as to which evidence of ownership has, within the preceding six months, been provided to the Company in connection with the crediting of Deferred Stock Units to such Participant's Account.

For purposes of this Section 2.37, a Share that is subject to a deferral election pursuant to this Plan or another Comcast Plan shall not be treated as owned by a Person until all conditions to the delivery of such Share have lapsed. The number of Other Available Shares shall be determined separately for Common Stock and Special Common Stock. For purposes of determining the number of Other Available Shares, the term "Shares" shall also include the securities held by a Participant immediately before the consummation of the AT&T Broadband Transaction that became Common Stock and Special Common Stock as a result of the AT&T Broadband Transaction.

2.38. "Outside Director" means a member of the Board, who is not an employee of a Participating Company.

2.39. "Participant" means each Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee who is the grantee or transferee of an Option that has made an Initial Election or Subsequent Election and that has an undistributed amount credited to an Account under the Plan.

2.40. "Participating Company" means Comcast Corporation and each Related Corporation with respect to Comcast Corporation. Effective January 1, 2003, "Participating Company" means the Company and each Related Corporation.

2.41. "Permitted Transferee" means a member of the Immediate Family of an Outside Director, Former Outside Director, Eligible Employee or Former Eligible Employee to whom the right to exercise an Option has been transferred pursuant to an Comcast Option Plan.

2.42. "Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization.

2.43. "Personal Representative" means the executor, the administrator, or the personal representative of a deceased individual's estate.

2.44. "Plan" means the Comcast Corporation 2002 Deferred Stock Option Plan, as set forth herein, and as amended from time to time.

2.45. "Prime Rate" means the annual rate of interest identified by PNC Bank as its prime rate as of the first day of each calendar year.

2.46. "Related Corporation" means a subsidiary of Comcast Corporation or, effective January 1, 2003, a subsidiary of the Company, as defined in section 424(f) of the Code.

2.47. "Retired Participant" means a Participant who has terminated employment pursuant to a Normal Retirement.

2.48. "Share" or "Shares."

- (a) Except as provided in this Section 2.48, a share or shares Common Stock or Special Common Stock.
- (b) The term "Share" or "Shares" also means such other securities issued by the Sponsor as may be the subject of an adjustment under Section 11, or for purposes of Section 2.37 and Section 10, as may have been the subject of a similar adjustment under similar provisions of a Comcast Plan as now in effect or as may have been in effect before the AT&T Broadband Transaction.

2.49. "Share Withholding Election" means a written election on a form provided by the Administrator, filed with the Administrator in accordance with the rules applicable to the filing of Initial Elections under Article 3, pursuant to which an Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee elects to have the number of Shares deferred pursuant to the exercise of all or part of an Option and credited under the Plan as Deferred Stock Units adjusted so that Deferred Stock Units that would, but for a Share

Withholding Election, be credited to an Account under the Plan, shall be deemed distributed pursuant to the Plan to satisfy applicable withholding tax liabilities, as described in Section 10.2.

2.50. "Special Common Stock" means the Company's Class A Special Common Stock, par value \$.01 per share, including a fractional share.

2.51. "Special Diversification Election" means a Diversification Election by a Participant other than an Outside Director to have more than 40 percent of the Deferred Stock Units credited to such Participant's Account in the Company Stock Fund that are attributable to any Option deemed liquidated and credited thereafter under the Income Fund, as provided in Section 5.2(b), if (and to the extent that) it is approved by the Administrator in accordance with Section 5.2(b). An Outside Director may not make a Special Diversification Election.

2.52 "Subsequent Election" means a written election on a form provided by the Administrator, filed with the Administrator in accordance with Article 3, pursuant to which a Participant or Beneficiary may elect to defer (or, in limited cases, accelerate) the time of receipt of amounts credited to an Account previously deferred in accordance with the terms of a previously made Initial Election or Subsequent Election.

2.53 "Successor-in-Interest" means the Beneficiary of a deceased Former Outside Director, a deceased Former Eligible Employee or another deceased Participant, to whom the right to exercise an Option or the right to payment under the Plan shall have passed, as applicable.

2.54 "Surviving Spouse" means the widow or widower, as the case may be, of a Deceased Participant or a Deceased Beneficiary (as applicable).

2.55 "Terminating Event" means either of the following events:

- (a) the liquidation of the Company; or
- (b) a Change of Control.

2.56 "Third Party" means any Person, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Company or an Affiliate of the Company.

ARTICLE 3 - INITIAL AND SUBSEQUENT ELECTIONS

3.1. Elections.

- (a) Initial Elections. Each Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee who is the grantee or transferee of an Option, shall have the right to make an Initial Election to defer the receipt of Shares upon exercise of all or part of such Option by filing an Initial Election at the time and in the manner described in this Article 3. Unless otherwise specifically provided in the Initial Election, following a Diversification Election, an Initial Election shall apply to the portion of a Participant's Account credited to the Income Fund on the same basis as the portion of such Participant's Account credited to the Company Stock Fund.

- (b) Subsequent Elections. Each Participant and Beneficiary shall have the right to elect to defer (or, in limited cases, accelerate) the time of receipt of amounts previously deferred in accordance with the terms of a previously made Initial Election by filing a Subsequent Election at the time, to the extent, and in the manner described in this Article 3. Unless otherwise specifically provided in the Subsequent Election, a Subsequent Election shall apply to the portion of a Participant's Account credited to the Income Fund on the same basis as the portion of such Participant's Account credited to the Company Stock Fund.

3.2. Filing of Initial Election: General. An Initial Election shall be made on the form provided by the Administrator for this purpose. No such Initial Election shall be effective unless it is filed with the Administrator on or before a date that is both (i) more than six (6) months prior to the exercise of such Option and (ii) in the calendar year preceding the calendar year in which such Option is exercised, provided that an Initial Election filed with the Administrator on or before December 31, 1997, shall be effective with respect to the exercise of any Option after December 31, 1997.

3.3. Options to which Initial Elections May Apply. A separate Initial Election may be made for each Option, or a portion of such Option, with respect to which an Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee desires to defer receipt of Shares upon exercise of all or a portion of such Option. The failure of such a Person to make an Initial Election with respect to an Option shall not affect such Person's right to make an Initial Election for any other Option.

3.4. Initial Election of Distribution Date. Each Participant who elects to defer the receipt of Shares shall, on the Initial Election, also elect the distribution date for such Shares or any corresponding amounts which may be credited to the Income Fund following a Diversification Election; provided, however, that subject to acceleration pursuant to Section 3.5(d), Section 3.5(e), Section 3.6, Section 3.7, Section 3.8 or Section 7.1, no distribution may be made earlier than January 2nd of the third calendar year beginning after the date of the Initial Election nor later than January 2nd of the eleventh calendar year beginning after the date of the Initial Election. The designation of the distribution date may vary with each separate Initial Election.

3.5. Subsequent Elections.

- (a) Active Participants. Each Active Participant who has made an Initial Election, or who has made a Subsequent Election pursuant to this Section 3.5(a), may elect to defer the time of payment of part or all of such Active Participant's Account for a minimum of two and a maximum of ten additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on June 30 of the calendar year preceding the calendar year in which the distribution would otherwise be made. The number of Subsequent Elections under this Section 3.5(a) shall not be limited.
- (b) Surviving Spouses.
 - (i) General Rule. A Surviving Spouse who is a Deceased Participant's Beneficiary may elect to defer the time of payment of any part or all of such

Deceased Participant's Account the payment of which would be made neither within six (6) months after, nor within the calendar year of, the date of such election. Such election shall be made by filing a Subsequent Election with the Administrator in which the Surviving Spouse shall specify the change in the time of payment, which shall be no less than two nor more than ten years from the previously-elected payment date, or such Surviving Spouse may elect to defer payment until such Surviving Spouse's death. A Surviving Spouse may make a total of two (2) Subsequent Elections under this Section 3.5(b)(i) with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(b)(i) may specify different changes with respect to different parts of the Deceased Participant's Account.

- (ii) Exception. Notwithstanding the above Section 3.5(b)(i), a Subsequent Election may be made by a Surviving Spouse within sixty (60) days of the Deceased Participant's death; provided, however, such election may only be made with respect to amounts which would not be paid under the Deceased Participant's election as in effect on the date of the Deceased Participant's death until a date which is at least six (6) months from the Deceased Participant's date of death. Such election shall be made by filing a Subsequent Election with the Administrator in which the Surviving Spouse shall specify the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment date, or such Surviving Spouse may elect to defer payment until such Surviving Spouse's death. A Surviving Spouse may only make one (1) Subsequent Election under this Section 3.5(b)(ii) with respect to all or any part of the Deceased Participant's Account. Such Surviving Spouse may, however, make one additional Subsequent Election under Section 3.5(b)(i) in accordance with the terms of Section 3.5(b)(i). The one (1) Subsequent Election permitted under this Section 3.5(b)(ii) may specify different changes for different parts of the Deceased Participant's Account.

- (c) Beneficiary of a Deceased Participant Other Than a Surviving Spouse.

- (i) General Rule. A Beneficiary of a Deceased Participant (other than a Surviving Spouse) may elect to defer the time of payment, of any part or all of such Deceased Participant's Account the payment of which would be made neither within six (6) months after, nor within the calendar year of, the date of such election. Such election shall be made by filing a Subsequent Election with the Administrator in which the Beneficiary shall specify the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment date. A Beneficiary may make one (1) Subsequent Election under this Section 3.5(c)(i), with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(c)(i) may specify different changes for different parts of the Deceased Participant's Account.

- (ii) Exception. Notwithstanding the above Section 3.5(c)(i), a Subsequent Election may be made by a Beneficiary within sixty (60) days of the Deceased Participant's death; provided, however, such election may only be made with respect to amounts which would not be paid under the Deceased Participant's election as in effect on the date of the Deceased Participant's death until a date which is at least six (6) months from the Deceased Participant's date of death. Such election shall be made by filing a Subsequent Election with the Administrator in which the Beneficiary shall specify the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment

date. A Beneficiary may make one (1) Subsequent Election under this Section 3.5(c)(ii) with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(c)(ii) may specify different changes for different parts of the Deceased Participant's Account.

- (d) Other Deferral and Acceleration by a Beneficiary. Any Beneficiary (other than a Surviving Spouse who has made a Subsequent Election under Section 3.5(b) or a Beneficiary who has made a Subsequent Election under Section 3.5(c)) may elect to:
- (i) Defer the time of payment of any part or all of the Deceased Participant's Account or deceased Beneficiary's Account for one additional year from the date payment would otherwise be made (provided that if a Subsequent Election is made pursuant to this Section 3.5(d)(i), the Deceased Participant's Account or deceased Beneficiary's Account shall be in all events distributed in full on or before the fifth anniversary of the Deceased Participant's or deceased Beneficiary's death); or
 - (ii) Accelerate the time of payment of a Deceased Participant's Account or deceased Beneficiary's Account from the date or dates that payment would otherwise be made to the date that is the later of (A) six (6) months after the date of the Deceased Participant's or deceased Beneficiary's death and (B) January 2nd of the calendar year beginning after the Deceased Participant's or deceased Beneficiary's death, provided that if a Subsequent Election is made pursuant to this Section 3.5(d)(ii), the Deceased Participant's Account or deceased Beneficiary's Account shall be distributed in full on such accelerated payment date.

A Subsequent Election pursuant to this Section 3.5(d) must be filed with the Administrator within one hundred twenty (120) days following the Deceased Participant's or deceased Beneficiary's death. One and only one Subsequent Election shall be permitted pursuant to this Section 3.5(d) with respect to a Deceased Participant's Account or deceased Beneficiary's Account, although if such Subsequent Election is filed pursuant to Section 3.5(d)(i), it may specify different changes for different parts of the Account.

- (e) Acceleration by Disabled Participant or Permitted Transferee of Disabled Participant. A Disabled Participant, or the Permitted Transferee of a Disabled Participant if applicable, may elect to accelerate the time of payment of the Disabled Participant's Account from the date payment would otherwise be made to January 2nd of the calendar year beginning after the Participant became disabled. A Subsequent Election pursuant to this Section 3.5(e) must be filed with the Administrator on or before the close of business on the later of (i) the June 30 following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant on or before May 1 of a calendar year, (ii) the 60th day following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant after May 1 and before November 2 of a calendar year or (iii) the December 31 following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant after November 1 of a calendar year.
- (f) Retired Participants and Disabled Participants. The Committee may, in its sole and absolute discretion, permit a Retired Participant or a Disabled Participant to make a Subsequent Election to defer the time of payment of any part or all of such Retired or Disabled

Participant's Account for a minimum of two years and a maximum of ten additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on June 30 of the calendar year preceding the calendar year in which the lump-sum distribution or initial installment payment would otherwise be made. The number of Subsequent Elections under this Section 3.5(f) shall be determined by the Committee in its sole and absolute discretion.

- (g) Retired Participant or Permitted Transferee of Retired Participant. A Retired Participant (who has not been permitted to make a Subsequent Election under Section 3.5(f)) or a Permitted Transferee of a Retired Participant may elect to defer the time of payment of the Retired Participant's Account for a minimum of two additional years from the date payment would otherwise be made (provided that if a Subsequent Election is made pursuant to this Section 3.5(g), the Retired Participant's Account shall be distributed in full on or before the fifth anniversary of the Retired Participant's Normal Retirement). A Subsequent Election pursuant to this Section 3.5(g) must be filed with the Administrator on or before the close of business on the later of (i) the June 30 following the Participant's Normal Retirement on or before May 1 of a calendar year, (ii) the 60th day following the Participant's Normal Retirement after May 1 and before November 2 of a calendar year or (iii) the December 31 following the Participant's Normal Retirement after November 1 of a calendar year.
- (h) Disabled Participant or Permitted Transferee of Disabled Participant. A Disabled Participant (who has not been permitted to make a Subsequent Election under 3.5(f)) or a Permitted Transferee of a Disabled Participant may elect to defer the time of payment of the Disabled Participant's Account for a minimum of two additional years from the date payment would otherwise be made (provided that if a Subsequent Election is made pursuant to this Section 3.5(h), the Disabled Participant's Account shall be distributed in full on or before the fifth anniversary of the date the Participant became a Disabled Participant). A Subsequent Election pursuant to this Section 3.5(h) must be filed with the Administrator on or before the close of business on the later of (i) the June 30 following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant on or before May 1 of a calendar year, (ii) the 60th day following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant after May 1 and before November 2 of a calendar year or (iii) the December 31 following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant after November 1 of a calendar year.
- (i) Most Recently Filed Initial Election or Subsequent Election Controlling. Subject to acceleration pursuant to Section 3.5(d), or 3.5(e), Section 3.6 or 7.1, no distribution of the amounts deferred pursuant to this Article 3 for any calendar year shall be made before the distribution date designated by the Participant or Beneficiary, Permitted Transferee or Successor-in-Interest, as applicable, on the most recently filed Initial Election or Subsequent Election with respect to each deferred amount.

3.6. Distribution in Full upon Terminating Event. The Company shall give Participants at least thirty (30) days notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Company may, in its sole and absolute discretion, provide in such notice that

notwithstanding any other provision of the Plan or the terms of any Initial or Subsequent Election, upon the consummation of a Terminating Event, the Account balance of each Participant shall be distributed in full and any outstanding Initial Elections or Subsequent Elections shall be revoked.

3.7. Withholding and Payment of Death Taxes.

- (a) Notwithstanding any other provisions of this Plan to the contrary, including but not limited to the provisions of Article 3 and Article 7, or any Initial or Subsequent Election filed by a Deceased Participant or a Deceased Participant's Beneficiary (for purposes of this Section, the "Decedent"), the Administrator shall apply the terms of Section 3.7(b) to the Decedent's Account unless the Decedent affirmatively has elected, in writing, filed with the Administrator, to waive the application of Section 3.7(b).
- (b) Unless the Decedent affirmatively has elected, pursuant to Section 3.7(a), that the terms of this Section 3.7(b) not apply:
 - (i) The Administrator shall prohibit the Decedent's Beneficiary from taking any action under any of the provisions of the Plan with regard to the Decedent's Account other than the Beneficiary's making of a Subsequent Election pursuant to Section 3.5;
 - (ii) The Administrator shall defer payment of the Decedent's Account until the later of the Death Tax Clearance Date and the payment date designated in the Decedent's Initial Election or Subsequent Election;
 - (iii) The Administrator shall withdraw from the Decedent's Account such amount or amounts as the Decedent's Personal Representative shall certify to the Administrator as being necessary to pay the Death Taxes apportioned against the Decedent's Account; the Administrator shall remit the amounts so withdrawn to the Personal Representative, who shall apply the same to the payment of the Decedent's Death Taxes, or the Administrator may pay such amounts directly to any taxing authority as payment on account of Decedent's Death Taxes, as the Administrator elects;
 - (iv) If the Administrator makes a withdrawal from the Decedent's Account to pay the Decedent's Death Taxes and such withdrawal causes the recognition of income to the Beneficiary, the Administrator shall pay to the Beneficiary from the Decedent's Account, within thirty (30) days of the Beneficiary's request, the amount necessary to enable the Beneficiary to pay the Beneficiary's income tax liability resulting from such recognition of income; additionally, the Administrator shall pay to the Beneficiary from the Decedent's Account, within thirty (30) days of the Beneficiary's request, such additional amounts as are required to enable the Beneficiary to pay the Beneficiary's income tax liability attributable to the Beneficiary's recognition of income resulting from a distribution from the Decedent's Account pursuant to this Section 3.7(b)(iv);
 - (v) Amounts withdrawn from the Decedent's Account by the Administrator pursuant to Sections 3.7(b)(iii) and 3.7(b)(iv) shall be withdrawn from the portions of Decedent's Account having the earliest distribution dates as specified in Decedent's Initial Election or Subsequent Election; and

- (vi) Within a reasonable time after the later to occur of the Death Tax Clearance Date and the payment date designated in the Decedent's Initial Election or Subsequent Election, the Administrator shall pay the Decedent's Account to the Beneficiary.

3.8. Effect of Distribution within Five Years of Effective Date of Diversification Election. If, pursuant to Section 3.1 through 3.7, Shares distributable with respect to Deferred Stock Units credited to the Company Stock Fund that are attributable to the Option as to which a Diversification Election was made are distributed on or before the fifth anniversary of the effective date of such Diversification Election (and, in the case of a Participant who is a Successor-in-Interest or a Permitted Transferee, whether or not such Diversification Election was made by a Participant's predecessor-in-interest), then, except as may otherwise be provided by the Committee in its sole and absolute discretion, the following percentage of the Participant's Account credited to the Income Fund and attributable to such Diversification Election shall be distributed simultaneously with such Shares, without regard to any election to the contrary:

Time that Shares are Distributable -----	Distributable Percentage of Corresponding Income Fund Amount -----
On or before the third anniversary of a Diversification Election	60%
After the third anniversary of a Diversification Election and on or before the fourth anniversary of a Diversification Election	40%
After the fourth anniversary of a Diversification Election and on or before the fifth anniversary of a Diversification Election	20%
After the fifth anniversary of a Diversification Election	0%

ARTICLE 4 - MANNER OF DISTRIBUTION

4.1. Manner of Distribution.

- (a) Deferred Stock Units credited to an Account shall be distributed in a lump sum in shares of Common Stock and/or Special Common Stock, as applicable. Dividend equivalents shall be distributed in a lump sum in cash. Amounts credited to the Income Fund pursuant to a Diversification Election shall be distributed in a lump sum in cash.
- (b) Notwithstanding any Initial Election or Subsequent Election or any other provision of the Plan to the contrary, following a Participant's termination of employment for any reason, if the amount credited to the Participant's Account has a value of \$25,000 or less, the Administrator may, in its sole discretion, direct that such amount be distributed to the Participant (or Beneficiary, as applicable) in one lump sum payment; provided, however, that this Section 4.1(b) shall not apply to any amount credited to a Participant's Account until the expiration of the deferral period applicable under any Initial Election or Subsequent Election in effect as of April 29, 2002.

ARTICLE 5 - BOOK ACCOUNTS

5.1. Account. An Account shall be established for each Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee when such Person becomes a Participant. Deferred Stock Units shall be credited to the Account as of the date of exercise of an Option as to which an Initial or Subsequent Election is in effect. Each Deferred Stock Unit that represented a hypothetical share of Comcast Corporation Class A Common Stock, par value \$1.00 immediately before the consummation of the AT&T Broadband Transaction shall be treated as a hypothetical share of Common Stock. Each Deferred Stock Unit that represented a hypothetical share of Comcast Corporation Class A Special Common Stock, par value \$1.00 shall be treated as a hypothetical share of Special Common Stock. To the extent an Account is deemed invested in the Income Fund, the Administrator shall credit earnings with respect to such Account at the Applicable Interest Rate, as further provided in Section 5.2.

5.2. Crediting of Income, Gains and Losses on Accounts.

- (a) In General. Except as otherwise provided in this Section 5.2, the value of a Participant's Account as of any date shall be determined as if it were invested in the Company Stock Fund.
- (b) Diversification Elections.
- (i) In General. A Diversification Election shall be available (A) at any time that a Registration Statement filed under the Securities Act of 1933, as amended (a "Registration Statement"), is effective with respect to the Plan and (B) with respect to a Special Diversification Election, if and to the extent that the opportunity to make such a Special Diversification Election has been approved by the Administrator. No approval is required for a Diversification Election other than a Special Diversification Election.
- (ii) Administrator Approval of Special Diversification Elections. The opportunity to make a Special Diversification Election and the extent to which a Special Diversification Election applies to Deferred Stock Units credited to the Company Stock Fund may be approved or rejected by the Administrator in its sole discretion. A Special Diversification Election shall only be effective if (and to the extent) approved by the Administrator.
- (iii) Conversion of Deferred Stock Units to Cash Equivalents. Each Participant who is an Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee may make a Diversification Election to convert up to 40 percent (or in the case of a Special Diversification Election, up to the approved percentage) of Deferred Stock Units credited to the Company Stock Fund that are attributable to any Option to the Income Fund. No deemed transfers shall be permitted from the Income Fund to the Company Stock Fund. Diversification Elections under this Section 5.2(b) shall be prospectively effective on the later of (A) the date designated by the Participant on a Diversification Election filed with the Administrator or (B) the business day next following the lapse of six months from the date Deferred Stock Units subject to the Diversification Election are credited to the Participant's Account.

(c) Timing of Credits. Account balances subject to a Diversification Election under Section 5.2(b) shall be deemed transferred from the Company Stock Fund to the Income Fund as of the effective date of such Diversification Election. The value of amounts deemed invested in the Income Fund immediately following the effective date of a Diversification Election shall be based on hypothetical sales of Company Stock underlying liquidated Deferred Stock Units at Fair Market Value as of the effective date of a Diversification Election.

5.3. Status of Deferred Amounts. Regardless of whether or not the Company is a Participant's employer, all amounts deferred under this Plan shall continue for all purposes to be a part of the general funds of the Company.

5.4. Participants' Status as General Creditors. Regardless of whether or not the Company is a Participant's employer, an Account shall at all times represent a general obligation of the Company. The Participant shall be a general creditor of the Company with respect to this obligation, and shall not have a secured or preferred position with respect to the Participant's Accounts. Nothing contained herein shall be deemed to create an escrow, trust, custodial account or fiduciary relationship of any kind. Nothing contained herein shall be construed to eliminate any priority or preferred position of a Participant in a bankruptcy matter with respect to claims for wages.

ARTICLE 6 - NONALIENATION OF BENEFITS

6.1. Alienation Prohibited. Except as otherwise required by applicable law, the right of any Participant or Beneficiary to any benefit or interest under any of the provisions of this Plan shall not be subject to encumbrance, attachment, execution, garnishment, assignment, pledge, alienation, sale, transfer, or anticipation, either by the voluntary or involuntary act of any Participant or any Participant's Beneficiary or by operation of law, nor shall such payment, right, or interest be subject to any other legal or equitable process.

ARTICLE 7 - DEATH OF PARTICIPANT

7.1. Death of Participant. Except as provided in Section 3.7, a Deceased Participant's Account shall be distributed in accordance with the last Initial Election or Subsequent Election made by the Deceased Participant before the Deceased Participant's death, unless the Deceased Participant's Surviving Spouse, Permitted Transferee, Successor-in-Interest or Beneficiary timely elects to accelerate or defer the time of payment pursuant to Section 3.5(b), Section 3.5(c), Section 3.5(d), Section 3.5(e), or Section 3.5(f).

7.2. Designation of Beneficiaries. Each Participant and Beneficiary shall have the right to designate one or more Beneficiaries to receive distributions in the event of the Participant's or Beneficiary's death by filing with the Administrator a Beneficiary designation on the form provided by the Administrator for such purpose. The designation of a Beneficiary or Beneficiaries may be changed by a Participant or Beneficiary at any time prior to such Participant's or Beneficiary's death by the delivery to the Administrator of a new Beneficiary designation form.

ARTICLE 8 - INTERPRETATION

8.1. Authority of Committee. The Committee shall have full and exclusive authority to construe, interpret and administer this Plan and the Committee's construction and interpretation thereof shall be binding and conclusive on all persons for all purposes.

8.2. Claims Procedure. If an individual (hereinafter referred to as the "Applicant," which reference shall include the legal representative, if any, of the individual) does not receive timely payment of benefits to which the Applicant believes he is entitled under the Plan, the Applicant may make a claim for benefits in the manner hereinafter provided.

An Applicant may file a claim for benefits with the Administrator on a form supplied by the Administrator. If the Administrator wholly or partially denies a claim, the Administrator shall provide the Applicant with a written notice stating:

- (a) The specific reason or reasons for the denial;
- (b) Specific reference to pertinent Plan provisions on which the denial is based;
- (c) A description of any additional material or information necessary for Applicant to perfect the claim and an explanation of why such material or information is necessary; and
- (d) Appropriate information as to the steps to be taken in order to submit a claim for review.

Written notice of a denial of a claim shall be provided within 90 days of the receipt of the claim, provided that if special circumstances require an extension of time for processing the claim, the Administrator may notify the Applicant in writing that an additional period of up to 90 days will be required to process the claim.

If the Applicant's claim is denied, the Applicant shall have 60 days from the date of receipt of written notice of the denial of the claim to request a review of the denial of the claim by the Administrator. Request for review of the denial of a claim must be submitted in writing. The Applicant shall have the right to review pertinent documents and submit issues and comments to the Administrator in writing. The Administrator shall provide a written decision within 60 days of its receipt of the Applicant's request for review, provided that if special circumstances require an extension of time for processing the review of the Applicant's claim, the Administrator may notify the Applicant in writing that an additional period of up to 60 days shall be required to process the Applicant's request for review.

It is intended that the claims procedures of this Plan be administered in accordance with the claims procedure regulations of the Department of Labor set forth in 29 CFR ss. 2560.503-1.

Claims for benefits under the Plan must be filed with the Administrator at the following address:

Comcast Corporation
1500 Market Street
Philadelphia, PA 19102
Attention: General Counsel

ARTICLE 9 - AMENDMENT OR TERMINATION

9.1. Amendment or Termination. The Company, by action of the Board or by action of the Committee, shall have the right at any time, or from time to time, to amend or modify this Plan. The Company, by action of the Board, shall have the right to terminate this Plan at any time.

ARTICLE 10 - WITHHOLDING OF TAXES ON EXERCISE OF OPTION

10.1. In General. Whenever the Company proposes or is required to credit Deferred Stock Units to an Account in connection with the exercise of an Option, the Company shall have the right to require the Participant to remit to the Company an amount sufficient to satisfy any federal, state and local withholding tax requirements prior to the date on which Deferred Stock Units shall be deemed credited to the Account, or take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Company's obligation to credit Deferred Stock Units to an Account on the exercise of an Option subject to an Initial or Subsequent Election shall be conditioned on the Participant's compliance, to the Company's satisfaction, with any withholding requirement. Except as otherwise provided in Section 10.2, the Company shall satisfy all applicable withholding tax requirements by withholding tax from other compensation payable by the Company to the Participant, or by the Participant's delivery of cash or other property acceptable to the Company having a value equal to the applicable withholding tax.

10.2. Share Withholding Election. With respect to any Option subject to an Initial Election, an Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee may elect to have the number of Option Shares determined such that Shares subject to such Option are withheld by the Company to the extent necessary to satisfy any withholding tax liabilities incurred in connection with the exercise of such Option. The number of Shares subject to an Option to be withheld pursuant to such a Share Withholding Election shall have a Fair Market Value approximately equal to the sum of:

- (a) The minimum amount of withholding taxes required to be withheld by the Company under applicable law, plus
- (b) Either (i) the minimum amount of withholding taxes arising because of the recognition of income (and consequent non-deferral of income) with respect to such withheld Shares, or (ii) the amount of withholding taxes arising because of the recognition of income (and consequent non-deferral of income) with respect to such withheld Shares, calculated at the highest applicable marginal tax rates, as indicated on the Share Withholding Election.

Notwithstanding any other provision of the Plan or the terms of any Initial or Subsequent Election, the number of Deferred Stock Units credited to Participants' Accounts shall be adjusted appropriately to reflect the withholding of Shares pursuant to such Share Withholding Elections.

ARTICLE 11 - CAPITAL ADJUSTMENTS

11.1. Capital Adjustments. In the event that the Common Stock or Special Common Stock is changed into, or exchanged for, a different number or kind of shares of stock or other securities of the Company, whether through merger, consolidation, reorganization, recapitalization, stock dividends, stock split-ups or other substitution of securities of the Company, the Committee shall make appropriate equitable anti-dilution adjustments to the number of Deferred Stock Units credited to Participants' Accounts. The Committee's adjustment shall be effective and binding for all purposes of the Plan.

ARTICLE 12 - MISCELLANEOUS PROVISIONS

12.1. No Right to Continued Employment. Nothing contained herein shall be construed as conferring upon any Participant the right to remain in service as an Outside Director or in the employment of a Participating Company as an executive or in any other capacity. 12.2. Expenses of Plan. All expenses of the Plan shall be paid by the Participating Companies.

12.3. Gender and Number. Whenever any words are used herein in any specific gender, they shall be construed as though they were also used in any other applicable gender. The singular form, whenever used herein, shall mean or include the plural form, and vice versa, as the context may require.

12.4. Law Governing Construction. The construction and administration of the Plan and all questions pertaining thereto, shall be governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and other applicable federal law and, to the extent not governed by federal law, by the laws of the Commonwealth of Pennsylvania.

12.5. Headings Not a Part Hereof. Any headings preceding the text of the several Articles, Sections, subsections, or paragraphs hereof are inserted solely for convenience of reference and shall not constitute a part of the Plan, nor shall they affect its meaning, construction, or effect.

12.6. Severability of Provisions. If any provision of this Plan is determined to be void by any court of competent jurisdiction, the Plan shall continue to operate and, for the purposes of the jurisdiction of that court only, shall be deemed not to include the provision determined to be void.

12.7. Expiration of Options. Notwithstanding any provision of the Plan or an Initial or Subsequent Election, no Initial or Subsequent Election shall be effective with respect to an Option that has expired. In addition, no provision of the Plan or an Initial or Subsequent Election shall be construed to extend the expiration date of any Option.

ARTICLE 13 - EFFECTIVE DATE

13.1. Effective Date. The effective date of this amendment and restatement of the Plan shall be January 30, 2004.

IN WITNESS WHEREOF, COMCAST CORPORATION has caused this Plan to be executed by its officers thereunto duly authorized, and its corporate seal to be affixed hereto, as of the 30th day of January, 2004.

COMCAST CORPORATION

By: /s/ David L. Cohen

Attest: /s/ Arthur R. Block

2002 RESTRICTED STOCK PLAN

(As Amended And Restated, Effective February 24, 2004)

1. BACKGROUND AND PURPOSE

COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Restricted Stock Plan (the "Plan"), effective February 24, 2004. The purpose of the Plan is to promote the ability of Comcast Corporation to recruit and retain employees and enhance the growth and profitability of Comcast Corporation by providing the incentive of long-term awards for continued employment and the attainment of performance objectives.

2. DEFINITIONS

(a) "Acceleration Election" means a written election on a form provided by the Committee, filed with the Committee in accordance with Paragraphs 8(d)(ii) or 8(d)(iii), pursuant to which a Deceased Grantee's Successor-in-Interest or a Disabled Grantee elects to accelerate the distribution date of Shares issuable with respect to Restricted Stock and/or Restricted Stock Units.

(b) "Account" means unfunded bookkeeping accounts established pursuant to Paragraph 8(e) and maintained by the Committee in the names of the respective Grantees (i) to which Deferred Stock Units are deemed credited and (ii) to which an amount equal to the Fair Market Value of Deferred Stock Units with respect to which a Diversification Election has been made and interest thereon are deemed credited, reduced by distributions in accordance with the Plan.

(c) "Active Grantee" means each Grantee who is actively employed by a Participating Company.

(d) "Affiliate" means, with respect to any Person, any other person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(e) "Annual Rate of Pay" means, as of any date, an employee's annualized base pay rate. An employee's Annual Rate of Pay shall not include sales commissions or other similar payments or awards.

(f) "Applicable Interest Rate" means:

(i) Except as otherwise provided in Paragraph (f)(ii), the Applicable Interest Rate means the interest rate that, when compounded annually pursuant to rules established by the Committee from time to time, is mathematically equivalent to 8% per annum, compounded annually, or such other interest rate established by the Committee from time to time. The effective date of any reduction in the Applicable Interest Rate shall not precede the later of: (A) the 30th day following the date of the Committee's action to establish a reduced rate; or (B) the lapse of 24 full calendar months from the date of the most recent adjustment of the Applicable Interest Rate by the Committee.

(ii) Effective for the period extending from a Grantee's employment termination date to the date the Grantee's Account is distributed in full, the Committee, in its sole and absolute discretion, may designate the term "Applicable Interest Rate" for such Grantee's Account to mean the lesser of: (A) the rate in effect under Paragraph (f)(i) or (B) the interest rate that, when compounded annually pursuant to rules established by the Committee from time to time, is mathematically equivalent to the Prime Rate plus one percent, compounded annually as of the last day of the calendar year. Notwithstanding the foregoing, the Committee may delegate its authority to determine the Applicable Interest Rate under this Paragraph (ii) to an officer of the Company or committee of two or more officers of the Company.

(g) "AT&T Broadband Transaction" means the acquisition of AT&T Broadband Corp. (now known as Comcast Cable Communications Holdings, Inc.) by the Company.

(h) "Award" means an award of Restricted Stock or Restricted Stock Units granted under the Plan.

(i) "Board" means the Board of Directors of the Company.

(j) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Company such that such Person has the ability to direct the management of the Company, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(k) "Code" means the Internal Revenue Code of 1986, as amended.

(l) "Comcast Plan" means any restricted stock, restricted stock unit, stock bonus, stock option or other compensation plan, program or arrangement established or maintained by the Company or an Affiliate, including but not limited to this Plan, the Comcast Corporation 2003 Stock Option Plan, the Comcast Corporation 2002 Stock Option Plan, the Comcast Corporation 1996 Stock Option Plan, Comcast Corporation 1987 Stock Option Plan and the Comcast Corporation 2002 Deferred Stock Option Plan.

(m) "Committee" means the Compensation Committee of the Board.

(n) "Common Stock" means Class A Common Stock, par value \$0.01, of the Company.

(o) "Company" means Comcast Corporation, a Pennsylvania corporation, as successor to Comcast Holdings Corporation (formerly known as Comcast Corporation), including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

(p) "Company Stock Fund" means a hypothetical investment fund pursuant to which Deferred Stock Units are credited with respect to a portion of an Award subject to an Election, and thereafter until (i) the date of distribution or (ii) the effective date of a Diversification Election, to the extent a Diversification Election applies to such Deferred Stock Units, as applicable. The portion of a Participant's Account deemed invested in the Company Stock Fund shall be treated as if such portion of the Account were invested in hypothetical shares of Common Stock or Special Common Stock otherwise deliverable as Shares upon the Vesting Date associated with Restricted Stock or Restricted Stock Units, and all dividends and other distributions paid with respect to Common Stock or Special Common Stock were held uninvested in cash and credited with interest at the Applicable Interest Rate as of the next succeeding December 31 (to the extent the Account continues to be deemed credited in the form of Deferred Stock Units through such December 31).

(q) "Date of Grant" means the date on which an Award is granted.

(r) "Deceased Grantee" means:

- (i) a Grantee whose employment by a Participating Company is terminated by death; or
- (ii) a Grantee who dies following termination of employment by a Participating Company.

(s) "Deferral Eligible Employee" means:

- (i) An Eligible Employee whose Annual Rate of Pay is \$200,000 or more as of both: (i) the date on which an Initial Election is filed with the Committee; and (ii) the first day of the calendar year in which such Initial Election filed.

- (ii) An Eligible Employee whose Annual Rate of Pay is \$125,000 as of each of: (A) June 30, 2002; (B) the date on which an Initial Election is filed with the Committee; and (C) the first day of each calendar year beginning after December 31, 2002.
- (iii) Each New Key Employee.
- (iv) Each other employee of a Participating Company who is designated by the Committee, in its sole and absolute discretion, as a Deferral Eligible Employee.

(t) "Deferred Stock Units" means the number of hypothetical Shares subject to an Election.

(u) "Disabled Grantee" means:

- (i) a Grantee whose employment by a Participating Company is terminated by reason of disability;
- (ii) a Grantee who becomes disabled (as determined by the Committee) following termination of employment by a Participating Company; or
- (iii) the duly-appointed legal guardian of an individual described in Paragraph 2(u)(i) or 2(u)(ii) acting on behalf of such individual.

(v) "Diversification Election" means a Grantee's election to have a portion of the Grantee's Account credited in the form of Deferred Stock Units and attributable to any grant of Restricted Stock or Restricted Stock Units deemed liquidated and credited thereafter under the Income Fund, as provided in Paragraph 8(g).

(w) "Election" means, as applicable, an Initial Election, a Subsequent Election, or an Acceleration Election.

(x) "Eligible Employee" means an employee of a Participating Company, as determined by the Committee.

(y) "Fair Market Value" means:

- (i) If Shares are listed on a stock exchange, Fair Market Value shall be determined based on the last reported sale price of a Share on the principal exchange on which Shares are listed on the date of determination, or if such date is not a trading day, the next trading date.
- (ii) If Shares are not so listed, but trades of Shares are reported on the Nasdaq National Market, Fair Market Value shall be determined based on the last quoted sale price of a Share on the Nasdaq

National Market on the date of determination, or if such date is not a trading day, the next trading date.

- (iii) If Shares are not so listed nor trades of Shares so reported, Fair Market Value shall be determined by the Committee in good faith.

(z) "Grantee" means an Eligible Employee who is granted an Award.

(aa) "Income Fund" means a hypothetical investment fund pursuant to which an amount equal to the Fair Market Value of Deferred Stock Units subject to a Diversification Election is credited as of the effective date of such Diversification Election and as to which interest is credited thereafter until the date of distribution at the Applicable Interest Rate.

(bb) "Initial Election" means a written election on a form provided by the Committee, filed with the Committee in accordance with Paragraph 8(a), pursuant to which a Grantee: (i) elects, within the time or times specified in Paragraph 8(a), to defer the distribution date of Shares issuable with respect to Restricted Stock or Restricted Stock Units; and (ii) designates the distribution date of such Shares.

(cc) "New Key Employee" means each employee of a Participating Company who: (i) becomes an employee of a Participating Company and has an Annual Rate of Pay of \$200,000 or more as of his employment commencement date; or (ii) has an Annual Rate of Pay that is increased to \$200,000 or more and who, immediately preceding such increase, was not a Deferral Eligible Employee.

(dd) "Normal Retirement" means a Grantee's termination of employment that is treated by the Participating Company as a retirement under its employment policies and practices as in effect from time to time.

(ee) "Other Available Shares" means, as of any date, the sum of:

- (i) the total number of Shares owned by a Grantee that were not acquired by such Grantee pursuant to a Comcast Plan or otherwise in connection with the performance of services to the Company or an Affiliate; plus
- (ii) the excess, if any of:
 - (1) the total number of Shares owned by a Grantee other than the Shares described in Paragraph 2(ee)(i); over
 - (2) the sum of:
 - (A) the number of such Shares owned by such Grantee for less than six months; plus

- (B) the number of such Shares owned by such Grantee that has, within the preceding six months, been the subject of a withholding certification pursuant to Paragraph 9(c)(ii) or any similar withholding certification under any other Comcast Plan; plus
- (C) the number of such Shares owned by such Grantee that has, within the preceding six months, been received in exchange for Shares surrendered as payment, in full or in part, or as to which ownership was attested to as payment, in full or in part, of the exercise price for an option to purchase any securities of the Company or an Affiliate of the Company, under any Comcast Plan, but only to the extent of the number of Shares surrendered or attested to; plus
- (D) the number of such Shares owned by such Grantee as to which evidence of ownership has, within the preceding six months, been provided to the Company in connection with the crediting of "Deferred Stock Units" to such Grantee's Account under the Comcast Corporation 2002 Deferred Stock Option Plan (as in effect from time to time).

For purposes of this Paragraph 2(ee), a Share that is subject to an Election pursuant to Paragraph 8 or a deferral election pursuant to another Comcast Plan shall not be treated as owned by a Grantee until all conditions to the delivery of such Share have lapsed. The number of Other Available Shares shall be determined separately for Common Stock and Special Common Stock. For purposes of determining the number of Other Available Shares, the term "Shares" shall also include the securities held by a Participant immediately before the consummation of the AT&T Broadband Transaction that became Shares as a result of the AT&T Broadband Transaction.

(ff) "Participating Company" means the Company and each of the Subsidiary Companies.

(gg) "Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization.

(hh) "Plan" means the Comcast Corporation 2002 Restricted Stock Plan, as set forth herein, and as amended from time to time.

(ii) "Plan Year" means the 365-day period (or the 366-day period) extending from January 3 to the next following January 2.

(jj) "Prime Rate" means, for any calendar year, the interest rate that, when compounded daily pursuant to rules established by the Committee from time to time, is mathematically equivalent to the prime rate of interest (compounded annually) as published in the Eastern Edition of The Wall Street Journal on the last business day preceding the first day of such calendar year, and as adjusted as of the last business day preceding the first day of each calendar year beginning thereafter.

(kk) "Restricted Stock" means Shares subject to restrictions as set forth in an Award.

(ll) "Restricted Stock Unit" means a unit that entitles the Grantee, upon the Vesting Date set forth in an Award, to receive one Share.

(mm) "Retired Grantee" means a Grantee who has terminated employment pursuant to a Normal Retirement.

(nn) "Rule 16b-3" means Rule 16b-3 promulgated under the 1934 Act, as in effect from time to time.

(oo) "Share" or "Shares" means:

(i) except as provided in Paragraph 2(oo)(ii), a share or shares of Common Stock.

(ii) with respect to Awards granted before the consummation of the AT&T Broadband Transaction as to which a Vesting Date has not occurred, and for purposes of Paragraphs 2(ee) and 9(c), the term "Share" or "Shares" also means a share or shares of Special Common Stock.

(pp) "Special Common Stock" means Class A Special Common Stock, par value \$0.01, of the Company.

(qq) "Special Diversification Election" means, with respect to each separate grant of Restricted Stock or Restricted Stock Units, a Diversification Election by a Grantee to have more than 40 percent of the Deferred Stock Units credited to such Grantee's Account in the Company Stock Fund liquidated and credited thereafter under the Income Fund, as provided in Paragraph 8(g)(i), if (and to the extent that) it is approved by the Committee in accordance with Paragraph 8(g)(ii).

(rr) "Subsequent Election" means a written election on a form provided by the Committee, filed with the Committee in accordance with Paragraph 8(d), pursuant to which a Grantee: (i) elects, within the time or times specified in Paragraph 8(d), to further defer the distribution date of Shares issuable with respect to Restricted Stock or Restricted Stock Units; and (ii) designates the distribution date of such Shares.

(ss) "Subsidiary Companies" means all business entities that, at the time in question, are subsidiaries of the Company, within the meaning of section 424(f) of the Code.

(tt) "Successor-in-Interest" means the estate or beneficiary to whom the right to payment under the Plan shall have passed by will or the laws of descent and distribution.

(uu) "Terminating Event" means any of the following events:

- (i) the liquidation of the Company; or
- (ii) a Change of Control.

(vv) "Third Party" means any Person, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Company or an Affiliate of the Company.

(ww) "Vesting Date" means, as applicable: (i) the date on which the restrictions imposed on a Share of Restricted Stock lapse or (ii) the date on which the Grantee vests in a Restricted Stock Unit.

(xx) "1933 Act" means the Securities Act of 1933, as amended.

(yy) "1934 Act" means the Securities Exchange Act of 1934, as amended.

3. RIGHTS TO BE GRANTED

Rights that may be granted under the Plan are: (a) rights to Restricted Stock which gives the Grantee ownership rights in the Shares subject to the Award, subject to a substantial risk of forfeiture, as set forth in Paragraph 7, and to deferred payment, as set forth in Paragraph 8; and (b) rights to Restricted Stock Units which give the Grantee the right to receive Shares upon a Vesting Date, as set forth in Paragraph 7, and to deferred payment, as set forth in Paragraph 8. The maximum number of Shares subject to Awards that may be granted to any single individual in any calendar year, adjusted as provided in Paragraph 10, shall be one million Shares.

4. SHARES SUBJECT TO THE PLAN

(a) Subject to shareholder approval at the Company's Annual Meeting of Shareholders to be held on May 26, 2004 (or such other date as the 2004 Annual Meeting of Shareholders may be held), not more than 15 million Shares in the aggregate may be issued under the Plan pursuant to the grant of Awards, subject to adjustment in accordance with Paragraph 10. The Shares issued under the Plan may, at the Company's option, be either Shares held in treasury or Shares originally issued for such purpose.

(b) If Restricted Stock or Restricted Stock Units are forfeited pursuant to the term of an Award, other Awards with respect to such Shares may be granted.

5. ADMINISTRATION OF THE PLAN

(a) Administration. The Plan shall be administered by the Committee.

(b) Grants. Subject to the express terms and conditions set forth in the Plan, the Committee shall have the power, from time to time, to:

- (i) select those Employees to whom Awards shall be granted under the Plan, to determine the number of Shares and/or Restricted Stock Units, as applicable, to be granted pursuant to each Award, and, pursuant to the provisions of the Plan, to determine the terms and conditions of each Award, including the restrictions applicable to such Shares and the conditions upon which a Vesting Date shall occur; and
- (ii) interpret the Plan's provisions, prescribe, amend and rescind rules and regulations for the Plan, and make all other determinations necessary or advisable for the administration of the Plan.

The determination of the Committee in all matters as stated above shall be conclusive.

(c) Meetings. The Committee shall hold meetings at such times and places as it may determine. Acts approved at a meeting by a majority of the members of the Committee or acts approved in writing by the unanimous consent of the members of the Committee shall be the valid acts of the Committee.

(d) Exculpation. No member of the Committee shall be personally liable for monetary damages for any action taken or any failure to take any action in connection with the administration of the Plan or the granting of Awards thereunder unless (i) the member of the Committee has breached or failed to perform the duties of his office, and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Paragraph 5(d) shall not apply to the responsibility or liability of a member of the Committee pursuant to any criminal statute.

(e) Indemnification. Service on the Committee shall constitute service as a member of the Board. Each member of the Committee shall be entitled without further act on his part to indemnity from the Company to the fullest extent provided by applicable law and the Company's Articles of Incorporation and By-laws in connection with or arising out of any action, suit or proceeding with respect to the administration of the Plan or the granting of Awards thereunder in which he may be involved by reason of his being or having been a member of the Committee, whether or not he continues to be such member of the Committee at the time of the action, suit or proceeding.

(f) Delegation of Authority. The Committee may delegate to an officer of the Company, or a committee of two or more officers of the Company, discretion under the Plan to grant Restricted Stock and/or Restricted Stock Units to any Grantee other than a Grantee who, at the time of the grant:

- (i) has a base salary of \$500,000 or more;
- (ii) holds a position with Comcast Corporation of Senior Vice President or a position of higher rank than Senior Vice President; or

(iii) is subject to the short-swing profit recapture rules of section 16(b) of the 1934 Act.

(g) Termination of Delegation of Authority. Any delegation of authority described in Paragraph 5(f) shall continue in effect until the earliest of:

- (i) such time as the Committee shall, in its discretion, revoke such delegation of authority;
- (ii) the delegate shall cease to be an employee of the Company for any reason; or
- (iii) the delegate shall notify the Committee that he declines to continue exercise such authority.

6. ELIGIBILITY

Awards may be granted only to Eligible Employees. No Awards shall be granted to an individual who is not an employee of a Participating Company.

7. RESTRICTED STOCK AND RESTRICTED STOCK UNIT AWARDS

The Committee may grant Awards in accordance with the Plan. The terms and conditions of Awards shall be set forth in writing as determined from time to time by the Committee, consistent, however, with the following:

(a) Time of Grant. All Awards shall be granted within ten (10) years from the date of adoption of the Plan by the Board.

(b) Terms of Awards. The provisions of Awards need not be the same with respect to each Grantee. No cash or other consideration shall be required to be paid by the Grantee in exchange for an Award.

(c) Awards and Agreements. Each Grantee shall be provided with an agreement specifying the terms of an Award. In addition, a certificate shall be issued to each Grantee in respect of Restricted Shares subject to an Award. Such certificate shall be registered in the name of the Grantee and shall bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Award. The Company may require that the certificate evidencing such Restricted Stock be held by the Company until all restrictions on such Restricted Stock have lapsed.

(d) Restrictions. Subject to the provisions of the Plan and the Award, during a period set by the Committee commencing with the Date of Grant, which, for Grantees who are subject to the short-swing profit recapture rules of section 16(b) of the 1934 Act by virtue of their position as either a director, officer or holder of more than 10 percent of any class of equity securities of the Company, shall extend for at least six (6) months from the Date of Grant, the Grantee shall not be permitted to sell, transfer, pledge or assign Restricted Stock awarded under the Plan.

(e) Vesting/Lapse of Restrictions. Subject to the provisions of the Plan and the Award, a Vesting Date for Restricted Stock or Restricted Stock Units subject to an Award shall occur at such time or times and on such terms and conditions as the Committee may determine and as are set forth in the Award; provided, however, that a Vesting Date shall occur only if the Grantee is an employee of a Participating Company as of such Vesting Date, and has been an employee of a Participating Company continuously from the Date of Grant. The Award may provide for Restricted Stock or Restricted Stock Units to vest in installments, as determined by the Committee. The Committee may, in its sole discretion, waive, in whole or in part, any remaining conditions to vesting with respect to such Grantee's Restricted Stock or Restricted Stock Units. All references in Awards granted before the consummation of the AT&T Broadband Transaction as to which a Vesting Date has not occurred shall be deemed to be references to Special Common Stock.

(f) Rights of the Grantee. Grantees may have such rights with respect to Shares subject to an Award as may be determined by the Committee and set forth in the Award, including the right to vote such Shares, and the right to receive dividends paid with respect to such Shares. A Grantee whose Award consists of Restricted Stock Units shall not have the right to vote or to receive dividend equivalents with respect to such Restricted Stock Units.

(g) Termination of Grantee's Employment. A transfer of an Eligible Employee between two employers, each of which is a Participating Company, shall not be deemed a termination of employment. In the event that a Grantee terminates employment with all Participating Companies, all Restricted Shares and/or Restricted Stock Units as to which a Vesting Date has not occurred shall be forfeited by the Grantee and deemed canceled by the Company.

(h) Delivery of Shares. Except as otherwise provided by Paragraph 8, when a Vesting Date occurs with respect to all or a portion of an Award of Restricted Stock or Restricted Stock Units, the Company shall notify the Grantee that a Vesting Date has occurred, and shall deliver to the Grantee (or the Grantee's Successor-in-Interest) a certificate for the number of Shares as to which a Vesting Date has occurred (or in the case of Restricted Stock Units, the number of Shares represented by such Restricted Stock Units) without any legend or restrictions (except those that may be imposed by the Committee, in its sole judgment, under Paragraph 9(a)). The right to payment of any fractional Shares that may have accrued shall be satisfied in cash, measured by the product of the fractional amount times the Fair Market Value of a Share at the Vesting Date, as determined by the Committee.

8. DEFERRAL ELECTIONS

A Grantee may elect to defer the receipt of Shares that would otherwise be issuable with respect to Restricted Stock or Restricted Stock Units as to which a Vesting Date has occurred, as provided by the Committee in the Award, consistent, however, with the following:

(a) Initial Election.

- (i) Election. Each Grantee who is a Deferral Eligible Employee shall have the right to defer the receipt of some or all of the Shares issuable with respect to Restricted Stock or Restricted Stock Units as to which a Vesting Date has not yet occurred, by filing an Initial Election to defer the receipt of such Shares on a form provided by the Committee for this purpose.
- (ii) Deadline for Initial Election. No Initial Election to defer the receipt of Shares issuable with respect to Restricted Stock or Restricted Stock Units shall be effective unless it is filed with the Committee on or before the last day of the calendar year ending before the first day of the Plan Year in which the Vesting Date may occur; provided that an Initial Election to defer the receipt of Shares issuable with respect to Restricted Stock or Restricted Stock Units as to which the Award provides for a potential Vesting Date within the same Plan Year as the Plan Year in which the Award is granted shall be effective if it is filed with the Committee on or before the earlier of (A) the 30th day following the Date of Grant or (B) the last day of the month that precedes the month in which the Vesting Date may occur.

(b) Effect of Failure of Vesting Date to Occur. An Election shall be null and void if a Vesting Date with respect to the Restricted Stock or Restricted Stock Units does not occur before the distribution date for Shares issuable with respect to such Restricted Stock or Restricted Stock Units identified in such Election.

(c) Deferral Period. Except as otherwise provided in Paragraph 8(d), all Shares issuable with respect to Restricted Stock or Restricted Stock Units that are subject to an Election shall be delivered to the Grantee (or the Grantee's Successor-in-Interest) without any legend or restrictions (except those that may be imposed by the Committee, in its sole judgment, under Paragraph 9(a)), on the distribution date for such Shares designated by the Grantee on the most recently filed Election. Subject to acceleration or deferral pursuant to Paragraph 8(d) or Paragraph 11, no distribution may be made earlier than January 2nd of the second calendar year beginning after the Vesting Date, nor later than January 2nd of the tenth calendar year beginning after the Vesting Date. The distribution date may vary with each separate Election.

(d) Additional Elections.

- (i) Each Active Grantee who has previously made an Initial Election to receive a distribution of part or all of his or her Account, or who, pursuant to this Paragraph 8(d)(i) has made a Subsequent Election to defer the distribution date for Shares issuable with respect to Restricted Stock or Restricted Stock Units for an additional period from the originally-elected distribution date, may elect to defer the

distribution date for a minimum of two and a maximum of ten additional years from the previously-elected distribution date, by filing a Subsequent Election with the Committee on or before the close of business on June 30 of the calendar year preceding the calendar year in which the distribution would otherwise be made.

- (ii) A Deceased Grantee's Successor-in-Interest may elect to: (A) file a Subsequent Election to defer the distribution date for the Deceased Grantee's Shares issuable with respect to Restricted Stock or Restricted Stock Units for a minimum of two additional years from the date payment would otherwise be made (provided that if a Subsequent Election is made pursuant to this Paragraph 8(d)(ii)(A), the Deceased Grantee's deferred Shares issuable with respect to Restricted Stock or Restricted Stock Units shall be distributed in full on or before the fifth anniversary of the Deceased Grantee's death); or (B) file an Acceleration Election to accelerate the distribution date for the Deceased Grantee's Shares issuable with respect to Restricted Stock or Restricted Stock Units from the date payment would otherwise be made to January 2nd of the calendar year beginning after the Deceased Grantee's death. A Subsequent Election or an Acceleration Election pursuant to this Paragraph 8(d)(ii) must be filed with the Committee on or before the close of business on (x) the June 30 following the Grantee's death on or before May 1 of a calendar year, (y) the 60th day following the Grantee's death after May 1 and before November 2 of a calendar year or (z) the December 31 following the Grantee's death after November 1 of a calendar year. One and only one Election shall be permitted pursuant to this Paragraph 8(d)(ii) with respect to a Deceased Grantee.
- (iii) A Disabled Grantee may elect to accelerate the distribution date of the Disabled Grantee's Shares issuable with respect to Restricted Stock or Restricted Stock Units from the date payment would otherwise be made to January 2nd of the calendar year beginning after the Grantee became disabled. An Acceleration Election pursuant to this Paragraph 8(d)(iii) must be filed with the Committee on or before the close of business on (x) the June 30 following the date the Grantee becomes a Disabled Grantee if the Grantee becomes a Disabled Grantee on or before May 1 of a calendar year, (y) the 60th day following the date the Grantee becomes a Disabled Grantee if the Grantee becomes a Disabled Grantee after May 1 and before November 2 of a calendar year or (z) the December 31 following the date the Grantee becomes a Disabled Grantee if the Grantee becomes a Disabled Grantee after November 2 of a calendar year.

(iv) A Retired Grantee may elect to defer the distribution date of the Retired Grantee's Shares issuable with respect to Restricted Stock or Restricted Stock Units for a minimum of two additional years from the date payment would otherwise be made (provided that if a Subsequent Election is made pursuant to this Paragraph 8(d)(iv), the Retired Grantee's Account shall be distributed in full on or before the fifth anniversary of the Retired Grantee's Normal Retirement). A Subsequent Election pursuant to this Paragraph 8(d)(iv) must be filed with the Committee on or before the close of business on the later of (x) the June 30 following the Grantee's Normal Retirement on or before May 1 of a calendar year, (y) the 60th day following the Grantee's Normal Retirement after May 1 and before November 2 of a calendar year or (z) the December 31 following the Grantee's Normal Retirement after November 1 of a calendar year.

(e) Book Accounts. An Account shall be established for each Grantee who makes an Election. Deferred Stock Units shall be credited to the Account as of the date an Election becomes effective. Each Deferred Stock Unit will represent, as applicable, either a hypothetical share of Common Stock or a hypothetical share of Special Common Stock credited to the Account in lieu of delivery of the Shares to which the Election applies. To the extent an Account is deemed invested in the Income Fund, the Committee shall credit earnings with respect to such Account at the Applicable Interest Rate, as further provided in Paragraph 8(f).

(f) Crediting of Income, Gains and Losses on Accounts. Except as otherwise provided in Paragraph 8(g), the value of a Participant's Account as of any date shall be determined as if it were invested in the Company Stock Fund.

(g) Diversification Elections.

(i) In General. A Diversification Election shall be available: (A) at any time that a Registration Statement filed under the 1933 Act (a "Registration Statement") is effective with respect to the Plan; and (B) with respect to a Special Diversification Election, if and to the extent that the opportunity to make such a Special Diversification Election has been approved by the Committee. No approval is required for a Diversification Election other than a Special Diversification Election.

(ii) Committee Approval of Special Diversification Elections. The opportunity to make a Special Diversification Election and the extent to which a Special Diversification Election applies to Deferred Stock Units credited to the Company Stock Fund may be approved or rejected by the Committee in its sole discretion. A Special Diversification Election shall only be effective if (and to the extent) approved by the Committee.

- (iii) Timing and Manner of Making Diversification Elections. Each Grantee and, in the case of a Deceased Grantee, the Successor-in-Interest, may make a Diversification Election to convert up to 40 percent (or in the case of a Special Diversification Election, up to the approved percentage) of Deferred Stock Units attributable to each grant of Restricted Stock or Restricted Stock Units credited to the Company Stock Fund to the Income Fund. No deemed transfers shall be permitted from the Income Fund to the Company Stock Fund. Diversification Elections under this Paragraph 8(g)(iii) shall be prospectively effective on the later of: (A) the date designated by the Grantee on a Diversification Election filed with the Committee; or (B) the business day next following the lapse of six months from the date Deferred Stock Units subject to the Diversification Election are credited to the Grantee's Account. In no event may a Diversification Election be effective earlier than the business day next following the lapse of six (6) months from the date Deferred Stock Units are credited to the Account following the lapse of restrictions with respect to an Award.
- (iv) Timing of Credits. Account balances subject to a Diversification Election under this Paragraph 8(g) shall be deemed transferred from the Company Stock Fund to the Income Fund immediately following the effective date of such Diversification Election. The value of amounts deemed invested in the Income Fund immediately following the effective date of a Diversification Election shall be based on hypothetical sales of Common Stock or Special Common Stock, as applicable, underlying the liquidated Deferred Stock Units at Fair Market Value as of the effective date of a Diversification Election.

(h) Effect of Distributions within Five Years of Effective Date of Diversification Election. If, pursuant to Paragraphs 8(a) through 8(d), Shares distributable with respect to Deferred Stock Units credited to the Company Stock Fund that are attributable to an Award as to which a Diversification Election was made are distributed on or before the fifth anniversary of the effective date of such Diversification Election (and, in the case of a Grantee who is a Successor-in-Interest, whether or not such Diversification Election was made by a Grantee's predecessor-in-interest), then, except as may otherwise be provided by the Committee in its sole and absolute discretion, the following percentage of the Grantee's Account credited to the Income Fund and attributable to such Diversification Election shall be distributed simultaneously with such Shares, without regard to any election to the contrary:

Time that Shares are Distributable	Distributable Percentage of Corresponding Income Fund Amount
On or before the third anniversary of a Diversification Election	60%
After the third anniversary of a Diversification Election and on or before the fourth anniversary of a Diversification Election	40%
After the fourth anniversary of a Diversification Election and on or before the fifth anniversary of a Diversification Election	20%
After the fifth anniversary of a Diversification Election	0%

(i) Grantees' Status as General Creditors. A Grantee's right to delivery of Shares subject to an Election under this Paragraph 8, or to amounts deemed invested in the Income Fund pursuant to a Diversification Election, shall at all times represent the general obligation of the Company. The Grantee shall be a general creditor of the Company with respect to this obligation, and shall not have a secured or preferred position with respect to such obligation. Nothing contained in the Plan or an Award shall be deemed to create an escrow, trust, custodial account or fiduciary relationship of any kind. Nothing contained in the Plan or an Award shall be construed to eliminate any priority or preferred position of a Grantee in a bankruptcy matter with respect to claims for wages.

(j) Non-Assignability, Etc. The right of a Grantee to receive Shares subject to an Election under this Paragraph 8, or to amounts deemed invested in the Income Fund pursuant to a Diversification Election, shall not be subject in any manner to attachment or other legal process for the debts of such Grantee; and no right to receive Shares or cash payments hereunder shall be subject to anticipation, alienation, sale, transfer, assignment or encumbrance.

9. SECURITIES LAWS; TAXES

(a) Securities Laws. The Committee shall have the power to make each grant of Awards under the Plan subject to such conditions as it deems necessary or appropriate to comply with the then-existing requirements of the 1933 Act and the 1934 Act, including Rule 16b-3. Such conditions may include the delivery by the Grantee of an investment representation to the Company in connection with a Vesting Date occurring with respect to Shares subject to an Award, or the execution of an agreement by the

Grantee to refrain from selling or otherwise disposing of the Shares acquired for a specified period of time or on specified terms.

(b) Taxes. Subject to the rules of Paragraph 9(c), the Company shall be entitled, if necessary or desirable, to withhold the amount of any tax, charge or assessment attributable to the grant of any Award or the occurrence of a Vesting Date with respect to any Award. The Company shall not be required to deliver Shares pursuant to any Award until it has been indemnified to its satisfaction for any such tax, charge or assessment.

(c) Payment of Tax Liabilities; Election to Withhold Shares or Pay Cash to Satisfy Tax Liability.

(i) In connection with the grant of any Award or the occurrence of a Vesting Date under any Award, the Company shall have the right to (A) require the Grantee to remit to the Company an amount sufficient to satisfy any federal, state and/or local withholding tax requirements prior to the delivery or transfer of any certificate or certificates for Shares subject to such Award, or (B) take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Company's obligation to make any delivery or transfer of Shares shall be conditioned on the Grantee's compliance, to the Company's satisfaction, with any withholding requirement.

(ii) Except as otherwise provided in this Paragraph 9(c)(ii), any tax liabilities incurred in connection with grant of any Award or the occurrence of a Vesting Date under any Award under the Plan shall be satisfied by the Company's withholding a portion of the Shares subject to such Award having a Fair Market Value approximately equal to the minimum amount of taxes required to be withheld by the Company under applicable law, unless otherwise determined by the Committee with respect to any Grantee. Notwithstanding the foregoing, the Committee may permit a Grantee to elect one or both of the following: (A) to have taxes withheld in excess of the minimum amount required to be withheld by the Company under applicable law; provided that the Grantee certifies in writing to the Company at the time of such election that the Grantee owns Other Available Shares having a Fair Market Value that is at least equal to the Fair Market Value to be withheld by the Company in payment of withholding taxes in excess of such minimum amount; and (B) to pay to the Company in cash all or a portion of the taxes to be withheld in connection with such grant or Vesting Date. In all cases, the Shares so withheld by the Company shall have a Fair Market Value that does not exceed the amount of taxes to be withheld minus the cash payment, if any, made by the Grantee. Any election pursuant to

this Paragraph 9(c)(ii) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 9(c)(ii) may be made only by a Grantee or, in the event of the Grantee's death, by the Grantee's legal representative. No Shares withheld pursuant to this Paragraph 9(c)(ii) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 9(c)(ii) as it deems appropriate.

10. CHANGES IN CAPITALIZATION

The aggregate number of Shares and class of Shares as to which Awards may be granted and the number of Shares covered by each outstanding Award shall be appropriately adjusted in the event of a stock dividend, stock split, recapitalization or other change in the number or class of issued and outstanding equity securities of the Company resulting from a subdivision or consolidation of the Shares and/or other outstanding equity security or a recapitalization or other capital adjustment (not including the issuance of Shares and/or other outstanding equity securities on the conversion of other securities of the Company which are convertible into Shares and/or other outstanding equity securities) affecting the Shares which is effected without receipt of consideration by the Company. The Committee shall have authority to determine the adjustments to be made under this Paragraph 10 and any such determination by the Committee shall be final, binding and conclusive.

11. TERMINATING EVENTS

The Committee shall give Grantees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Committee may, in its discretion, provide in such notice that upon the consummation of such Terminating Event, any conditions to the occurrence of a Vesting Date with respect to an Award of Restricted Stock or Restricted Stock Units (other than Restricted Stock or Restricted Stock Units that have previously been forfeited) shall be eliminated, in full or in part. Further, the Committee may, in its discretion, provide in such notice that notwithstanding any other provision of the Plan or the terms of any Election made pursuant to Paragraph 8, upon the consummation of a Terminating Event, Shares issuable with respect to Restricted Stock or Restricted Stock Units subject to an Election made pursuant to Paragraph 8 shall be transferred to the Grantee, and all amounts credited to the Income Fund shall be paid to the Grantee.

12. CLAIMS PROCEDURE

If an individual (hereinafter referred to as the "Applicant," which reference shall include the legal representative, if any, of the individual) does not receive timely payment of benefits to which the Applicant believes he is entitled under Paragraph 8 of the Plan, the Applicant may make a claim for benefits in the manner hereinafter provided.

An Applicant may file a claim for benefits with the Committee on a form supplied by the Committee. If the Committee wholly or partially denies a claim, the Committee shall provide the Applicant with a written notice stating:

(a) The specific reason or reasons for the denial;

(b) Specific reference to pertinent Plan provisions on which the denial is based;

(c) A description of any additional material or information necessary for Applicant to perfect the claim and an explanation of why such material or information is necessary; and

(d) Appropriate information as to the steps to be taken in order to submit a claim for review.

Written notice of a denial of a claim shall be provided within 90 days of the receipt of the claim, provided that if special circumstances require an extension of time for processing the claim, the Committee may notify the Applicant in writing that an additional period of up to 90 days will be required to process the claim.

If the Applicant's claim is denied, the Applicant shall have 60 days from the date of receipt of written notice of the denial of the claim to request a review of the denial of the claim by the Committee. Request for review of the denial of a claim must be submitted in writing. The Applicant shall have the right to review pertinent documents and submit issues and comments to the Committee in writing. The Committee shall provide a written decision within 60 days of its receipt of the Applicant's request for review, provided that if special circumstances require an extension of time for processing the review of the Applicant's claim, the Committee may notify the Applicant in writing that an additional period of up to 60 days shall be required to process the Applicant's request for review.

It is intended that the claims procedures of this Plan be administered in accordance with the claims procedure regulations of the Department of Labor set forth in 29 CFR ss. 2560.503-1.

Claims for benefits under the Plan must be filed with the Committee at the following address:

Comcast Corporation
1500 Market Street
Philadelphia, PA 19102
Attention: General Counsel

13. AMENDMENT AND TERMINATION

The Plan may be terminated by the Board at any time. The Plan may be amended by the Board or the Committee at any time. No Award shall be affected by any such termination or amendment without the written consent of the Grantee.

14. EFFECTIVE DATE

The effective date of this amendment and restatement of the Plan is February 24, 2004.

15. GOVERNING LAW

The Plan and all determinations made and actions taken pursuant to the Plan shall be governed in accordance with Pennsylvania law.

Executed as of the 24th day of February, 2004.

COMCAST CORPORATION

BY: /s/ David L. Cohen

ATTEST: /s/ Arthur R. Block

COMCAST CORPORATION

2004 MANAGEMENT ACHIEVEMENT PLAN

1. BACKGROUND AND PURPOSE

Comcast Corporation, a Pennsylvania corporation (the "Company"), hereby adopts the Comcast Corporation the Comcast Corporation 2004 Management Achievement Plan (the "Plan"). The purpose of the Plan is to promote the ability of the Company to retain and recruit employees and enhance the growth and profitability of the Company by providing the incentive of short-term and long-term cash bonus awards for continued employment and the attainment of performance objectives. The Plan is intended to permit the maximum amount of flexibility to permit the Company to authorize cash bonus awards based on the attainment of performance objectives at individual, regional, divisional, line-of-business or Company-wide levels.

2. DEFINITIONS

(a) "Affiliate" means, with respect to any Person, any other person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(b) "Award" or "Cash Bonus Award" means a cash bonus award granted under the Plan.

(c) "Award Period" means, except as otherwise provided in the terms of an Award, the period extending from January 1 of the first Plan Year for to which an Award applies through December 31 of the last Plan Year to which such Award applies.

(d) "Board" means the Board of Directors of the Company.

(e) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Company such that such Person has the ability to direct the management of the Company, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(f) "Committee" means the Compensation Committee of the Board or such other committee of the Board assigned by the Board to administer the Plan.

(g) "Company" means Comcast Corporation, a Pennsylvania corporation, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

(h) "Date of Grant" means the date on which an Award is granted.

(i) "Eligible Employee" means an employee of the Company or an Affiliate, as determined by the Committee.

(j) "Grantee" means an Eligible Employee who is granted an Award.

(k) "Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization.

(l) "Plan" means the Comcast Corporation 2004 Management Achievement Plan, as set forth herein, and as amended from time to time.

(m) "Plan Year" means the calendar year.

(o) "Target" means, for any Plan Year or Award Period, the performance objective or objectives established by the Committee.

(p) "Terminating Event" means any of the following events:

(i) the liquidation of the Sponsor; or

(ii) a Change of Control.

(q) "Third Party" means any Person, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Company or an Affiliate of the Company.

(r) "Transfer" means the reassignment of an Eligible Employee from one employer to another, each of which is the Company or an Affiliate of the Company.

3. RIGHTS TO BE GRANTED

Rights that may be granted under the Plan are rights to cash payments, payable in accordance with the terms of the Plan and the Award document.

4. ADMINISTRATION OF THE PLAN

(a) Administration. The Plan shall be administered by the Committee.

(b) Grants. Subject to the express terms and conditions set forth in the Plan, the Committee shall have the power, from time to time, to:

(i) select those Eligible Employees to whom Awards shall be granted under the Plan, to determine the amount of cash to be paid pursuant to each Award, and, pursuant to the provisions of the Plan, to determine the terms and conditions of each Award; and

(ii) interpret the Plan's provisions, prescribe, amend and rescind rules and regulations for the Plan, and make all other determinations necessary or advisable for the administration of the Plan.

The determination of the Committee in all matters as stated above shall be conclusive.

(c) Delegation of Authority. The Committee may delegate to an officer of the Company, or a committee of two or more officers of the Company, discretion under the Plan to grant Awards to any employee or officer of the Company who, at the time of the grant, (1) has a base salary of less than \$500,000, (2) holds a position with Comcast Corporation of Senior Vice President or a position of higher rank or (c) is subject to the short-swing profit recapture rules of section 16(b) of the Securities Exchange Act of 1934. Such delegation of authority shall continue in effect until the earliest of:

(i) such time as the Committee shall, in its discretion, revoke such delegation of authority;

(ii) the delegate shall cease to be an employee of the Company for any reason; or

(iii) the delegate shall notify the Committee that he declines to continue exercise such authority.

(d) Meetings. The Committee shall hold meetings at such times and places as it may determine. Acts approved at a meeting by a majority of the members of the Committee or acts approved in writing by the unanimous consent of the members of the Committee shall be the valid acts of the Committee.

(e) Exculpation. No member of the Committee shall be personally liable for monetary damages for any action taken or any failure to take any action in connection with the administration of the Plan or the granting of Awards thereunder unless (i) the member of the Committee has breached or failed to perform the duties of his office, and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Paragraph 4(d) shall not apply to the responsibility or liability of a member of the Committee pursuant to any criminal statute.

(f) Indemnification. Service on the Committee shall constitute service as a member of the Board. Each member of the Committee shall be entitled without further act on his part to indemnity from the Company to the fullest extent provided by applicable law and the Company's Articles of Incorporation and By-laws in connection with or arising out of any action, suit or proceeding with respect to the administration of the Plan or the granting of Awards thereunder in which he may be involved by reason of his being or having been a member of the Committee, whether or not he continues to be such member of the Committee at the time of the action, suit or proceeding.

5. ELIGIBILITY

Awards may be granted only to Eligible Employees of the Company and its Affiliates, as determined by the Committee. No Awards shall be granted to an individual who is not an Eligible Employee of the Company or an Affiliate of the Company.

6. CASH BONUS AWARDS

The Committee may grant Awards in accordance with the Plan. The terms and conditions of Awards shall be set forth in writing as determined from time to time by the Committee, consistent, however, with the following:

(a) Time of Grant. Awards may be granted at any time from the date of adoption of the Plan by the Board until the Plan is terminated by the Board or the Committee.

(b) Non-uniformity of Awards. The provisions of Awards need not be the same with respect to each Grantee.

(c) Awards and Agreements. The terms of each Award shall be reflected in an Award document in form and substance satisfactory to the Committee.

(d) Conditions to Payment of Awards. The Committee shall establish such conditions on the payment of a bonus pursuant to an Award as it may, in its sole discretion, deem appropriate. The conditions shall be set forth in the Award document. The Award may provide for the payment of Awards in installments, or upon the satisfaction of individual, regional, divisional, line-of business or Company-wide Targets, as determined by the Committee. The Committee may, in its sole discretion, waive, in whole or in part, any remaining conditions to payment of a Grantee's Award. The Grantee shall not be permitted to sell, transfer, pledge or assign any amount payable pursuant to the Plan or an Award (provided that the right to payment under an Award may pass by will or the laws of descent and distribution).

(e) Termination of Grantee's Employment.

(1) A Transfer shall not be deemed a termination of employment. The Committee may grant Awards pursuant to which the Committee reserves the right to modify the calculation of an Award in connection with a Transfer. In general, except as otherwise provided by the Committee at the time an Award is granted or in connection with a Transfer, upon the Transfer of a Grantee between divisions while an Award is outstanding and unexpired, the outstanding Award shall be treated as having terminated and expired, and a new Award shall be treated as having been made, effective as of the effective date of the Transfer, for the portion of the Award which had not expired or been paid, but subject to the performance and payment conditions applicable generally to Awards for Grantees who are employees of the transferee division, all as shall be determined by the Committee in an equitable manner.

(2) Except as otherwise provided in an Award, in the event that a Grantee terminates employment with the Company and its Affiliates, all Awards remaining subject to conditions to payment shall be forfeited by the Grantee and deemed canceled by the Company.

(f) Time of Grant. Subject to Paragraph 7, following the satisfaction of the conditions to payment of an Award, the Company shall pay the Grantee (or the person to whom the right to payment may have passed by will or the laws of descent and distribution) the amount payable in connection with the lapse of such restrictions.

7. TAXES

The Company shall withhold the amount of any federal, state, local or other tax, charge or assessment attributable to the grant of any Award or lapse of restrictions under any Award as it may deem necessary or appropriate, in its sole discretion.

8. TERMINATING EVENTS

The Committee shall give Grantees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Committee may, in its discretion, provide in such notice that upon the consummation of such Terminating Event, any remaining conditions to payment of a Grantee's Award shall be waived, in whole or in part.

9. AMENDMENT AND TERMINATION

The Plan may be terminated by the Board or the Committee at any time. The Plan may be amended by the Board or the Committee at any time. No Award shall be affected by any such termination or amendment without the written consent of the Grantee.

10. EFFECTIVE DATE

The effective date of the Plan is January 1, 2004.

11. GOVERNING LAW

The Plan and all determinations made and actions taken pursuant to the Plan shall be governed in accordance with Pennsylvania law.

Executed as of the 30th day of January, 2004.

COMCAST CORPORATION

By: /s/ David L. Cohen

Attest: /s/ Arthur R. Block

COMCAST CORPORATION
2002 CASH BONUS PLAN

1. BACKGROUND AND PURPOSE

Comcast Corporation, a Pennsylvania corporation (the "Company"), hereby amends and restates the Comcast Corporation the Comcast Corporation 2002 Cash Bonus Plan (the "Plan"). The purpose of the Plan is to promote the ability of the Company to retain and recruit employees and enhance the growth and profitability of the Company by providing the incentive of short-term and long-term cash bonus awards for continued employment and the attainment of performance objectives.

2. DEFINITIONS

(a) "Affiliate" means, with respect to any Person, any other person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(b) "Award" or "Cash Bonus Award" means a cash bonus award granted under the Plan. Each Award under the Plan outstanding upon the consummation of the Company's acquisition of AT&T Broadband Corp. shall continue in effect on the same terms and conditions as in effect immediately preceding such consummation, except as otherwise provided pursuant to the terms of the Award.

(c) "Award Period" means the period extending from January 1 of the first Plan Year for to which an Award applies through December 31 of the last Plan Year to which such Award applies.

(d) "Board" means the Board of Directors of the Company.

(e) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Company such that such Person has the ability to direct the management of the Company, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(f) "Committee" means the Compensation Committee of the Board or such other committee of the Board assigned by the Board to administer the Plan.

(g) "Company" means Comcast Corporation, a Pennsylvania corporation, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

(h) "Date of Grant" means the date on which an Award is granted.

(i) "Eligible Employee" means an employee of the Company or an Affiliate, as determined by the Committee.

(j) "Grantee" means an Eligible Employee who is granted an Award.

(k) "Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization.

(l) "Plan" means the Comcast Corporation 2002 Cash Bonus Plan, as set forth herein, and as amended from time to time.

(m) "Plan Year" means the calendar year.

(o) "Target" means, for any Plan Year or Award Period, the performance objective or objectives established by the Committee.

(p) "Terminating Event" means any of the following events:

- (i) the liquidation of the Sponsor; or
- (ii) a Change of Control.

(q) "Third Party" means any Person, together with such Person's

Affiliates, provided that the term "Third Party" shall not include the Company or an Affiliate of the Company.

3. RIGHTS TO BE GRANTED

Rights that may be granted under the Plan are rights to cash payments, payable in accordance with the terms of the Plan and the Award document.

4. ADMINISTRATION OF THE PLAN

- (a) Administration. The Plan shall be administered by the Committee.
- (b) Grants. Subject to the express terms and conditions set forth in the Plan, the Committee shall have the power, from time to time, to:
 - (i) select those Eligible Employees to whom Awards shall be granted under the Plan, to determine the amount of cash to be paid pursuant to each Award, and, pursuant to the provisions of the Plan, to determine the terms and conditions of each Award; and

- (ii) interpret the Plan's provisions, prescribe, amend and rescind rules and regulations for the Plan, and make all other determinations necessary or advisable for the administration of the Plan.

The determination of the Committee in all matters as stated above shall be conclusive.

- (c) Delegation of Authority. The Committee may delegate to an officer of the Company, or a committee of two or more officers of the Company, discretion under the Plan to grant Awards to any employee or officer of the Company who, at the time of the grant, has a base salary of less than \$250,000. Such delegation of authority shall continue in effect until the earliest of:
 - (i) such time as the Committee shall, in its discretion, revoke such delegation of authority;
 - (ii) the delegate shall cease to be an employee of the Company for any reason; or
 - (iii) the delegate shall notify the Committee that he declines to continue exercise such authority.
- (d) Meetings. The Committee shall hold meetings at such times and places as it may determine. Acts approved at a meeting by a majority of the members of the Committee or acts approved in writing by the unanimous consent of the members of the Committee shall be the valid acts of the Committee.
- (e) Exculpation. No member of the Committee shall be personally liable for monetary damages for any action taken or any failure to take any action in connection with the administration of the Plan or the granting of Awards thereunder unless (i) the member of the Committee has breached or failed to perform the duties of his office, and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Paragraph 4(d) shall not apply to the responsibility or liability of a member of the Committee pursuant to any criminal statute.
- (f) Indemnification. Service on the Committee shall constitute service as a member of the Board. Each member of the Committee shall be entitled without further act on his part to indemnity from the Company to the fullest extent provided by applicable law and the Company's Articles of Incorporation and By-laws in connection with or arising out of any action, suit or proceeding with respect to the administration of the Plan or the granting of Awards thereunder in which he may be involved by reason of his being or having been a member of the Committee, whether or not he continues to be such member of the Committee at the time of the action, suit or proceeding.

5. ELIGIBILITY

Awards may be granted only to Eligible Employees of the Company and its Affiliates, as determined by the Committee. No Awards shall be granted to an individual who is not an Eligible Employee of the Company or an Affiliate of the Company.

6. CASH BONUS AWARDS

The Committee may grant Awards in accordance with the Plan. The terms and conditions of Awards shall be set forth in writing as determined from time to time by the Committee, consistent, however, with the following:

- (a) Time of Grant. Awards may be granted at any time from the date of adoption of the Plan by the Board until the Plan is terminated by the Board or the Committee.
- (b) Non-uniformity of Awards. The provisions of Awards need not be the same with respect to each Grantee.
- (c) Awards and Agreements. The terms of each Award shall be reflected in an Award document in form and substance satisfactory to the Committee.
- (d) Conditions to Payment of Awards. The Committee shall establish such conditions on the payment of a bonus pursuant to an Award as it may, in its sole discretion, deem appropriate. The conditions shall be set forth in the Award document. The Award may provide for the payment of Awards in installments, or upon the satisfaction of divisional or Company-wide Targets, as determined by the Committee. The Committee may, in its sole discretion, waive, in whole or in part, any remaining conditions to payment of a Grantee's Award. The Grantee shall not be permitted to sell, transfer, pledge or assign any amount payable pursuant to the Plan or an Award (provided that the right to payment under an Award may pass by will or the laws of descent and distribution).
- (e) Termination of Grantee's Employment.
 - (1) A transfer of an Eligible Employee between two employers, each of which is the Company or an Affiliate of the Company (a "Transfer"), shall not be deemed a termination of employment. The Committee may grant Awards pursuant to which the Committee reserves the right to modify the calculation of an Award in connection with a Transfer. In general, except as otherwise provided by the Committee at the time an Award is granted or in connection with a Transfer, upon the Transfer of a Grantee between divisions while an Award is outstanding and unexpired, the outstanding Award shall be treated as having terminated and expired, and a new Award shall be treated as having been made, effective as of the effective date of the Transfer, for the portion of the Award which had not expired or been paid, but subject to the performance and payment conditions applicable generally to Awards for Grantees who are employees of the transferee division, all as shall be determined by the Committee in an equitable manner.

(2) In the event that a Grantee terminates employment with the Company and its Affiliates, all Awards remaining subject to conditions to payment shall be forfeited by the Grantee and deemed canceled by the Company.

(f) Time of Grant. Subject to Paragraph 7, following the satisfaction of the conditions to payment of an Award, the Company shall pay the Grantee (or the person to whom the right to payment may have passed by will or the laws of descent and distribution) the amount payable in connection with the lapse of such restrictions.

7. TAXES

The Company shall withhold the amount of any federal, state, local or other tax, charge or assessment attributable to the grant of any Award or lapse of restrictions under any Award as it may deem necessary or appropriate, in its sole discretion.

8. TERMINATING EVENTS

The Committee shall give Grantees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Committee may, in its discretion, provide in such notice that upon the consummation of such Terminating Event, any remaining conditions to payment of a Grantee's Award shall be waived, in whole or in part.

9. AMENDMENT AND TERMINATION

The Plan may be terminated by the Board or the Committee at any time. The Plan may be amended by the Board or the Committee at any time. No Award shall be affected by any such termination or amendment without the written consent of the Grantee.

10. EFFECTIVE DATE

The effective date of this amendment and restatement of the Plan is March 3, 2003.

11. GOVERNING LAW

The Plan and all determinations made and actions taken pursuant to the Plan shall be governed in accordance with Pennsylvania law.

Executed as of the 3rd day of March, 2003.

COMCAST CORPORATION

By: /s/ David L. Cohen

Attest: /s/ Arthur R. Block

COMCAST CORPORATION

2002 EXECUTIVE CASH BONUS PLAN

1. BACKGROUND AND PURPOSE

Comcast Corporation, a Pennsylvania corporation (the "Company"), hereby amends and restates the Comcast Corporation 2002 Executive Cash Bonus Plan (the "Plan"), effective January 30, 2004. The purpose of the Plan is to provide a performance-based cash bonus compensation for certain employees of the Company, in accordance with a formula that is based on the financial success of the Company as part of an integrated compensation program which is intended to assist the Company in motivating and retaining employees of superior ability, industry and loyalty.

2. DEFINITIONS

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

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

"Cash Flow." For calendar years beginning after 2002, "Cash Flow" shall mean the operating income before depreciation and amortization for the Company and those of its affiliates which are included with the Company in its consolidated financial statements, as determined by the Committee.

"Committee" shall mean the means the Compensation Committee of the Board or such other committee of the Board assigned by the Board to administer the Plan.

"Company" shall mean means Comcast Corporation, a Pennsylvania corporation, as successor to Comcast Holdings Corporation (formerly known as Comcast Corporation), including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

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

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

"Plan" shall mean the Comcast Corporation 2002 Executive Cash Bonus Plan.

"Plan Year" shall mean the calendar year.

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

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

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

3. PARTICIPATION

Effective for Plan Years beginning after 2003, the Participants in the Plan shall include such key executives as may be designated by the Committee to participate in the Plan from time to time.

4. TERM OF PLAN

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

5. BONUS ENTITLEMENT

Each Participant shall be entitled to receive a bonus in accordance with the provisions of Section 6 of the Plan only after certification by the Committee that the performance goals set forth in Section 6 have been satisfied. The bonus payment under the Plan shall be paid to each Participant as soon as practicable following the close of the Plan Year with respect to which the bonus is to be paid. Notwithstanding anything contained herein to the contrary, no

bonus shall be payable under the Plan without the prior disclosure of the terms of the Plan to the shareholders of the Company and the approval of the Plan by such shareholders.

6. AMOUNT OF PERFORMANCE-BASED COMPENSATION BONUS

For Plan Years beginning on and after January 1, 2003:

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

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

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

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

7. COMMITTEE

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

- (i) provide rules and regulations for the management, operation and administration of the Plan, and, from time to time, to amend or supplement such rules and regulations;
- (ii) construe the Plan, which construction, as long as made in good faith, shall be final and conclusive upon all parties hereto; and
- (iii) correct any defect, supply any omission, or reconcile any inconsistency in the Plan in such manner and to such extent as it shall deem expedient to carry the same into effect, and it shall be the sole and final judge of when such action shall be appropriate.

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

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

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

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

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

8. TERMINATION AND AMENDMENT

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

9. MISCELLANEOUS PROVISIONS

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

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

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

(d) Continued Employment. Neither the establishment of the Plan, any provisions of the Plan, nor any action of the Committee shall be held or construed to confer upon any Participant the right to a continuation of employment by the Company. The Company

reserves the right to dismiss any employee (including a Participant), or otherwise deal with any employee (including a Participant) to the same extent as though the Plan had not been adopted.

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

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

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

Executed as of the 30th day of January, 2004.

COMCAST CORPORATION

By: /s/ David L. Cohen

Attest: /s/ Arthur R. Block

COMCAST CORPORATION

2002 SUPPLEMENTAL CASH BONUS PLAN

1. BACKGROUND AND PURPOSE

Comcast Corporation, a Pennsylvania corporation, hereby amends and restated the Comcast Corporation 2002 Supplemental Cash Bonus Plan (the "Plan"), effective as of January 30, 2004. The purpose of the Plan is to provide the senior management of Comcast Corporation (the "Company") and the Company's Affiliates (as defined below) with an incentive to accomplish such business objectives as from time to time may be determined by the Committee, including, but not limited to the integration of the business of the former AT&T Broadband Corp.

2. DEFINITIONS

(a) "Affiliate" means, with respect to any Person, any other person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(b) "Award" means a cash bonus award granted under the Plan. An Award shall be expressed as the percentage of a Grantee's base salary payable for a Plan Year that shall become payable if all of the Targets established by the Committee are satisfied. The portion of an Award that shall be payable to a Grantee shall be determined by the Committee in accordance with the rules established for the Award for each Plan Year. In addition, in the discretion of the Committee, based on the satisfaction of performance standards as it may determine, whether or not previously designated as a Target, such additional amounts as may be determined by the Committee may be included in an Award for a Plan Year, consistent with the rules of the Plan.

(c) "Board" means the Board of Directors of the Company.

(d) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Company such that such Person has the ability to direct the management of the Company, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(e) "Committee" means the Compensation Committee of the Board or such other committee of the Board assigned by the Board to administer the Plan.

(f) "Company" means Comcast Corporation (formerly known as AT&T Comcast Corporation), a Pennsylvania corporation, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

(g) "Date of Grant" means the date on which an Award is granted.

(h) "Eligible Employee" means an employee of the Company or an Affiliate, as determined by the Committee.

(i) "Grantee" means an Eligible Employee who is granted an Award.

(j) "Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization.

(k) "Plan" means the Comcast Corporation 2002 Supplemental Cash Bonus Plan, as set forth herein, and as amended from time to time.

(l) "Plan Year" means the calendar year.

(m) "Qualitative Performance Standards" means performance standards other than Quantitative Performance Standards, including but not limited to customer satisfaction, management effectiveness, workforce

diversity and other Qualitative Performance Standards relevant to the Company's business, as may be established by the Committee, and the achievement of which shall be determined in the discretion of the Committee.

(n) "Quantitative Performance Standards" means performance standards such as income, expense, operating cash flow, numbers of customers of or subscribers for various services and products offered by the Company or a division, customer service measurements and other objective financial or service-based standards relevant to the Company's business as may be established by the Committee.

(o) "Target" means, for any Plan Year, the Qualitative Performance Standards and the Quantitative Performance Standards established by the Committee, in its discretion. Qualitative Performance Standards, Quantitative Performance Standards and the weighting of such Standards may differ from Plan Year to Plan Year, and within a Plan Year, may differ among Grantees or classes of Grantees.

(p) "Terminating Event" means any of the following events:

- (i) the liquidation of the Company; or
- (ii) a Change of Control.

(q) "Third Party" means any Person, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Company or an Affiliate of the Company.

3. ADMINISTRATION OF THE PLAN

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

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

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

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

(iv) determine whether the conditions to the payment of a cash bonus pursuant to an Award have been satisfied.

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

(b) Grants. Subject to the express terms and conditions set forth in the Plan, the Committee shall have the power, from time to time, to select those Eligible Employees to whom Awards shall be granted under the Plan, to determine the amount of cash to be paid pursuant to each Award, and, pursuant to the provisions of the Plan, to determine the terms and conditions of each Award. The Committee may delegate to an officer of the Company or a committee of two or more officers of the Company, its authority under the Plan, including, but not limited to, its authority to grant an Award and its authority to determine whether the conditions to the payment of a cash bonus pursuant to an Award have been satisfied, with respect to any employee of the Company or an Affiliate other than an employee of the Company or an Affiliate who, at the time of the grant, has a base salary of \$500,000 or more, holds a position with Comcast Corporation of Senior Vice President or a position of higher rank than Senior Vice President or is subject to the short-swing profit recapture rules of section 16(b) of the 1934 Act. Such delegation of authority shall continue in effect until the earliest of (i) such time as the Committee shall, in its discretion, revoke such delegation of authority, (ii) its delegate shall cease to be an employee of the Company for any reason or (iii) its delegate shall notify the Committee that he declines to continue exercise such authority.

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

4. ELIGIBILITY

Awards may be granted only to Eligible Employees of the Company and its Affiliates, as determined by the Committee. No Awards shall be granted to an individual who is not an Eligible Employee of the Company or an Affiliate of the Company.

5. AWARDS

The Committee may grant Awards in accordance with the Plan. The terms and conditions of Awards shall be as determined from time to time by the Committee, consistent, however, with the following:

(a) Time of Grant. Awards may be granted at any time from the date of adoption of the Plan by the Board until the Plan is terminated by the Board or the Committee.

(b) Non-uniformity of Awards. The provisions of Awards need not be the same with respect to each Grantee.

(c) Establishment of Targets and Conditions to Payment of Awards.

(i) Awards shall be expressed as a percentage of a Grantee's Base Salary.

(ii) The Committee shall establish such conditions on the payment of a bonus pursuant to an Award as it may, in its sole discretion, deem appropriate.

(iii) The Award may provide for the payment of Awards in installments, or upon the satisfaction of Qualitative Performance Standards or Quantitative Performance Standards, on an individual, divisional or Company-wide basis, as determined by the Committee.

(iv) The Committee shall establish the Targets for each Plan Year beginning after 2002 no later than 90 days after the first day of the Plan Year. Each Grantee shall be entitled to receive payment of the Award for Plan Years beginning after 2002 only after certification by the Committee that the Targets established by the Committee for such Plan Year have been satisfied. The Company shall pay the Awards under the Plan to each Grantee as soon as practicable with respect to each Plan Year.

(e) Termination of Grantee's Employment.

(1) A transfer of an Eligible Employee between two employers, each of which is the Company or an Affiliate of the Company (a "Transfer"), shall not be deemed a termination of employment. The Committee may grant Awards pursuant to which the Committee reserves the right to modify the calculation of an Award in connection with a Transfer. In general, except as otherwise provided by the Committee at the time an Award is granted or in connection with a Transfer, upon the Transfer of a Grantee between divisions while an Award is outstanding and unexpired, the outstanding Award shall be treated as having terminated and expired, and a new Award shall be treated as having been made, effective as of the effective date of the Transfer, for the portion of the Award which had not expired or been paid, but subject to the performance and payment conditions applicable generally to Awards for Grantees who are employees of the transferee division, all as shall be determined by the Committee in an equitable manner.

(2) In the event that a Grantee terminates employment with the Company and its Affiliates, all Awards remaining subject to conditions to payment shall be forfeited by the Grantee and deemed canceled by the Company.

(f) Maximum Grant. In no event shall the amount paid to any Grantee pursuant to an Award for any Plan Year beginning after 2002 exceed \$5 million.

(g) Shareholder Approval. The effectiveness of the grants of Awards under the Plan relating to payments on the satisfaction of the Quantitative Performance Standards established by the Committee from time to time with respect to Plan Years beginning after 2002 shall be conditioned on the approval of the Plan by the Company's shareholders.

6. TERMINATING EVENTS

The Committee shall give Grantees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Committee may, in its discretion, provide in such notice that upon the consummation of such Terminating Event, any remaining conditions to payment of a Grantee's Award shall be waived, in whole or in part.

7. AMENDMENT AND TERMINATION

No Awards shall be granted for any period commencing after December 31, 2012. The Plan may be terminated by the Board or the Committee at any time. The Plan may be amended by the Board or the Committee at any time. No Award shall be affected by any such termination or amendment without the written consent of the Grantee.

8. MISCELLANEOUS PROVISIONS

(a) Unsecured Creditor Status. A Grantee entitled to payment of an Award hereunder shall rely solely upon the unsecured promise of the Company, as set forth herein, for the payment thereof, and nothing herein contained shall be construed to give to or vest in a Grantee or any other person now or at any time in the future, any right, title, interest, or claim in or to any specific asset, fund, reserve, account, insurance or annuity policy or contract,

or other property of any kind whatever owned by the Company, or in which the Company may have any right, title, or interest, nor or at any time in the future.

(b) Non-Assignment of Awards. The Grantee shall not be permitted to sell, transfer, pledge or assign any amount payable pursuant to the Plan or an Award, provided that the right to payment under an Award may pass by will or the laws of descent and distribution.

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

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

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

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

(g) Withholding. The Company shall withhold the amount of any federal, state, local or other tax, charge or assessment attributable to the grant of any Award or lapse of restrictions under any Award as it may deem necessary or appropriate, in its sole discretion.

9. GOVERNING LAW

The Plan and all determinations made and actions taken pursuant to the Plan shall be governed in accordance with Pennsylvania law.

10. EFFECTIVE DATE

The effective date of this amendment and restatement of the Plan is January 30, 2004. The original effective date of the Plan is November 18, 2002.

Executed as of the 30th day of January, 2004

COMCAST CORPORATION

By: /s/ David L. Cohen

Attest: /s/ Arthur R. Block

COMCAST CORPORATION

2002 NON-EMPLOYEE DIRECTOR COMPENSATION PLAN

(As Amended And Restated, Effective December 17, 2003)

1. BACKGROUND AND PURPOSE

COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Non-Employee Director Compensation Plan, effective February 26, 2003. The purpose of the Plan is to provide Non-Employee Directors of COMCAST CORPORATION (the "Company") with compensation for services to the Company.

2. DEFINITIONS

- (a) "Annual Retainer" means the amount payable for service as a Non-Employee Director for a calendar year, as a member of the Board, and as a member of one or more Committees as determined under Paragraph 3(a) of the Plan.
- (b) "Board" means the Board of Directors of the Company.
- (c) "Board Meeting" means a meeting of the Board, whether in person or by telephone.
- (d) "Committee" means a duly-constituted committee of the Board.
- (e) "Committee Meeting" means a meeting of a Committee, whether in person or by telephone, other than a meeting of a Committee that is convened and held during a Board Meeting.
- (f) "Company" means Comcast Corporation, a Pennsylvania corporation, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.
- (g) "Non-Employee Director" means an individual who is a member of the Board, and who is not an employee of the Company, including an individual who is a member of the Board and who previously was an employee of the Company.
- (h) "Plan" means the Comcast Corporation 2003 Non-Employee Director Compensation Plan, as set forth herein, and as amended from time to time.
- (i) "Plan Year" means (i) the period from November 18, 2002 through December 31, 2002 and (ii) each calendar year beginning after 2002.
- (j) "Share" means a share of Comcast Corporation Class A Common Stock, par value \$0.01.

3. NON-EMPLOYEE DIRECTOR COMPENSATION

- (a) Non-Employee Director Compensation Package. Effective as of January 1, 2004, Non-Employee Directors shall be entitled to payments, grants and awards determined as follows:
 - (i) Annual Retainer. The Annual Retainer for service to the Company as a Non-Employee Director shall be \$50,000.
 - (ii) Board Meeting Fee. The fee payable for attendance in person or via telephone at a Board Meeting shall be \$2,000. The Board Meeting Fee will also be paid when a member of the Board is asked to attend a meeting or otherwise to conduct business on behalf of the Company in his or her capacity as a Director.
 - (iii) Annual Retainer: Chair - Audit Committee. The Annual Retainer for service as Chair of the Audit Committee shall be \$20,000
 - (iv) Annual Retainer: Member - Audit Committee. The Annual Retainer for service as a member of the Audit Committee shall be \$10,000.

- (v) Annual Retainer: Chair - Compensation Committee. The Annual Retainer for service as Chair of the Compensation Committee shall be \$10,000.
- (vi) Annual Retainer: Member - Compensation Committee. The Annual Retainer for service as a member of the Compensation Committee shall be \$5,000.
- (vii) Annual Retainer: Chair - Any Committee of the Board other than the Audit Committee or the Compensation Committee. The Annual Retainer for service as the Chair of any committee of the Board other than the Audit Committee or the Compensation Committee shall be \$5,000.
- (viii) Annual Retainer: Member - Any Committee of the Board other than the Audit Committee or the Compensation Committee. The Annual Retainer for service as a member of any committee of the Board other than the Audit Committee or the Compensation Committee shall be \$2,500.
- (ix) Committee Meeting Fee - Audit Committee and Compensation Committee. The fee payable for attendance in person or via telephone at a Committee Meeting of the Audit Committee or the Compensation Committee shall be \$2,500.

(x) Committee Meeting Fee - Any Committee of the Board other than the Audit Committee or the Compensation Committee. The fee payable for attendance in person or via telephone at a Committee Meeting of any Committee other than the Audit Committee or the Compensation Committee shall be \$1,000.

(x) Stock Options.

(A) As of November 20, 2002 and as of November 2002 of each Plan Year beginning after 2002, the Board shall grant non-qualified options to purchase 7,500 Shares to each Non-Employee Director who is in service as of each such date; provided that with respect to each individual who first becomes a Non-Employee Director after November 20, 2002, the Board shall grant a number of non-qualified options to purchase Shares determined as follows:

Date of Commencement of Service as a Non-Employee Director	Number of Shares Subject to Grant of Non-Qualified Options
After November 20 of a Plan Year and before the next following February 20	7,500
After February 20 of a Plan Year and before the next following May 20	5,625
After May 20 of a Plan Year and before the next following August 20	3,750
After August 20 of a Plan Year and before the next following November 20	1,875

Each non-qualified option shall (1) generally be exercisable for 10 years from the date of grant, provided that options, to the extent then exercisable, shall be exercisable for 90 days following a termination of service for any reason other than death, disability or attainment of a mandatory retirement age; (2) vest and be exercisable in full after six months from the date of grant, provided that the Director continues in service for six months from the date of grant; (3) have an option price equal to the fair market value of the option share on the date of grant; and (4) bear such other terms and conditions of such shall be determined by the Board in its discretion.

(B) In the event that Shares are changed into or exchanged for a different number or kind of shares of stock or other securities of the Company, whether through merger, consolidation, reorganization, recapitalization, stock dividend, stock split-up or other substitution of securities of the Company, the number and class of shares of stock subject to the grant of Non-Qualified Options under the Plan shall be adjusted consistent with the adjustment made pursuant to the Comcast Corporation 2002 Stock Option Plan (or such other more recently-adopted generally applicable Plan pursuant to which the Company grants stock options), and such adjustment shall be effective and binding for all purposes of this Plan.

(b) Payment Practices. Payments, grants and awards described in Paragraph 3(a) of the Plan shall be subject to the following payment practices:

- (i) Annual Retainer payments described in Paragraphs 3(a)(i), 3(a)(iii), 3(a)(iv), 3(a)(v), 3(a)(vi), 3(a)(vii) and 3(a)(viii) are payable as soon as reasonably practicable following the close of each calendar quarter, in arrears. Payments shall be pro-rated for partial years of service as a Non-Employee Director or on a Committee of the Board, so that a Non-Employee Director shall be entitled to one-quarter of each Annual Retainer payment referenced in this Paragraph 3(b)(i) for each calendar quarter within which such Non-Employee Director has one or more days of service as a Non-Employee Director. The Annual Retainer amounts adopted as part of the amendment and restatement of the Plan effective February 26, 2003 shall apply for the first calendar quarter of 2003 for any Non-Employee Director in service as a Non-Employee Director (including with respect to Committee assignments) for the period from February 26, 2003 through March 31, 2003.
- (ii) A Non-Employee Director may elect to receive up to 50% of the Annual Retainer amount described in Paragraph 3(a)(i) and payable after 2002 in the form of Shares. The number of Shares payable to a Non-Employee Director shall be determined based on the closing price of Shares on the last business day of each calendar quarter.

4. ADMINISTRATION OF THE PLAN

The Plan shall be administered by the Board. Subject to the express terms and conditions set forth in the Plan, the Board shall have the power, from time to time, to interpret the Plan's provisions, prescribe, amend and rescind rules and regulations for the Plan, and make all other determinations necessary or advisable for the administration of the Plan. The determination of the Board in all matters as stated above shall be conclusive.

5. TAXES

The Company shall withhold the amount of any federal, state, local or other tax, charge or assessment attributable to the grant of any Award or lapse of restrictions under any Award as it may deem necessary or appropriate, in its sole discretion.

6. AMENDMENT AND TERMINATION

The Plan may be amended or terminated by the Board at any time. No accrued right to payment as determined under Paragraph 3 shall be affected by any such termination or amendment without the written consent of the affected Non-Employee Director.

7. EFFECTIVE DATE

The effective date of this amended and restatement of the Plan is December 17, 2003, and applies with respect to services provided on or after January 1, 2004. The original effective date of the Plan is November 18, 2002.

8. GOVERNING LAW

The Plan and all determinations made and actions taken pursuant to the Plan shall be governed in accordance with Pennsylvania law.

COMCAST CORPORATION

By: /s/ David L. Cohen

Attest: /s/ Arthur R. Block

SCHEDULE I

COMCAST CORPORATION
 NON-EMPLOYEE DIRECTOR COMPENSATION
 2004

Director	Annual Retainer \$50,000, subject to election to receive up to half in the form of Comcast Corporation Class A Common Stock
Board Meeting Fee*	\$2,000
Audit Committee Annual Retainer - Chair	\$20,000
Compensation Committee Annual Retainer - Chair	\$10,000
Other Committee Annual Retainer - Chair	\$5,000
Audit Committee Annual Retainer - Member	\$10,000
Compensation Committee Annual Retainer - Member	\$5,000
Other Committee Annual Retainer - Member	\$2,500
Committee Meeting Fee - Audit Committee	\$2,500
Committee Meeting Fee - Compensation Committee	\$2,500
Committee Meeting Fee - Other Committee	\$1,000
Annual Stock Option Grant	7,500 shares

* Fee will also be paid when a member of the Board is asked to attend a meeting or otherwise to conduct business on behalf of the Company in his/her capacity as Director.

Entity Name	State of Formation
@Security Broadband Corp.	DE
1163030 Ontario Ltd.	Canada
21st Century Communications Partners	DE
ABB MOG-WM, Inc.	CO
ABB RFL, LLC	DE
ABB TS Assets, LLC	DE
Across Media Networks, L.L.C.	DE
Adcom Information Services, Inc.	DE
Adlink Cable Advertising, LLC	DE
Alabama T. V. Cable, Inc.	AL
American Cable TV Investors 5, Ltd.	CO
American Microwave & Communications, Inc.	MI
American Televenture of Minersville, Inc.	CO
Ames Cablevision, Inc.	IA
Arena Ventures, LLC	DE
ARP Partnership	DE
At Home Corporation	DE
AT&T Broadband Phone of Indiana, LLC	DE
AT&T Broadband Phone of Kentucky, LLC	DE
AT&T Wireless Services, Inc.	DE
Athena Cablevision Corporation of Knoxville	TN
Athena Cablevision of Tennessee and Kentucky, Inc.	TN
Athena Realty, Inc.	NV
Atlantic American Cablevision of Florida, LLC	FL
Atlantic American Cablevision, LLC	DE
Atlantic American Holdings, Inc.	FL
Atlantic Cablevision of Florida, Inc.	FL
Australis Media, Ltd.	Australia
Autobyte1.Com Inc.	DE
Bay Area Interconnect	CA
Beatrice Cable TV Company	NE
Bell Canada International (Brazil Canbras) Limited	BVI
Bigpipe, Inc.	DE
Box Office Enterprises, Inc.	CT
Bresnan Broadband Holdings LLC	DE
Brigand Pictures, Inc.	NY
BroadNet Austria GmbH	Austria
BroadNet Belgium S.A.	Belgium
BroadNet Consorcio, S.A.	Spain
BroadNet Czech a.s.	Czech Republic
BroadNet Czech s.r.o.	Czech Republic

BroadNet Danmark ApS	Denmark
BroadNet Deutschland GmbH	Germany
BroadNet Europe SPRL	Belgium
BroadNet France S.A.S.	France
BroadNet Hellas S.A.	Greece
BroadNet Holdings, B.V.	The Netherlands
BroadNet Hungary Holdings Ltd	UK
BroadNet Ireland Ltd	Ireland
BroadNet Italy Holdings Ltd	UK
BroadNet Italy No. 2, Ltd.	Italy
BroadNet Italy SPA	Italy
BroadNet Magyarorszag Kft	Hungary
BroadNet Norge A.S.	Norway
BroadNet Poland Holdings Ltd	UK
BroadNet Polska s.p.z.o.o.	Poland

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BroadNet Portugal, S.A.	Portugal
BroadNet Slovakia s.r.o.	Slovakia
BroadNet Suisse A.S.	Switzerland
BroadNet UK Ltd.	UK
Bulldog Acquisition Company, L.L.C.	DE
Cable Accounting, Inc.	CO
Cable Adnet Partners	DE
Cable Enterprises, Inc.	DE
Cable Network Television, Inc.	NV
Cable Programming Ventures, LLC	DE
Cable Sports Southeast, LLC	DE
Cable Television Advertising Group, Inc.	WY
Cable Television of Gary, Inc.	IN
Cable TV Fund 12-B, Ltd.	CO
Cable TV Fund 12-B/C/D Venture	CO
Cable TV Fund 12-C, Ltd.	CO
Cable TV Fund 12-D, Ltd.	CO
Cable TV Fund 14-A, Ltd.	CO
Cable TV Fund 14-B, Ltd.	CO
Cabletime, Inc.	CO
Cablevision Associates of Gary Joint Venture	IN
Cablevision Investment of Detroit, Inc.	MI
Cablevision of Arcadia/Sierra Madre, Inc.	DE
Cablevision Systems Corporation	DE
Casco Cable Television, Inc.	ME
CATV Facility Co., Inc.	CO
CCC-NJFT, Inc.	CO

CCF Management Services, Inc.	FL
CCI Management Services, Inc.	CA
Centaur Funding Corporation	Cayman Islands
Century-TCI California Communications, L.P.	
Century-TCI California, L.P.	DE
Century-TCI Holdings, LLC	DE
Channel 3 Everett, Inc.	WA
Classic Services, Inc.	DE
Clearview Partners	PA
Clinton Cable TV Investors, Inc.	MI
Clinton TV Cable Company, LLC	IA
Coastal Cable TV, Inc.	CT
Colorado Terrace Tower II Corporation	CO
COM Indiana, LLC	DE
COM Indianapolis, LLC	DE
COM Inkster, Inc.	MI
COM MH, LLC	DE
COM South Limited Partnership	DE
COM South, LLC	CO
COM Sports Holding Company, Inc.	DE
COM Sports Ventures, Inc.	DE
Com-Cable TV, Inc.	DE
Comcast 38GHZ, Inc.	DE
Comcast ABB Business Services, Inc.	CO
Comcast ABB Cablevision IV, Ltd.	IA
Comcast ABB Cablevision V, Inc.	IA
Comcast ABB CSC Holdings, Inc.	DE
Comcast ABB CSC II, Inc.	DE
Comcast ABB HCI, LLC	IA

Comcast ABB Holdings I, Inc.	DE
Comcast ABB Holdings II, Inc.	DE
Comcast ABB LCI, Inc.	DE
Comcast ABB Management Corporation	CO
Comcast ABB Network Solutions, Inc.	CO
Comcast ABB NOC, LLC	DE
Comcast ABB Note Consolidation, Inc.	DE
Comcast ABB of Clinton	IA
Comcast ABB of Georgia II, LLC	GA
Comcast ABB of Kiowa, LLC	CO
Comcast ABB of Mississippi/Iowa, LLC	DE
Comcast ABB of Ohio/Iowa, Inc.	DE
Comcast ABB of Oregon, Inc.	OR
Comcast ABB of Payette, Inc.	OR
Comcast ABB Optionee Payroll, LLC	DE
Comcast ABB Overseas Holdings I, LLC	DE
Comcast ABB Overseas Holdings II, LLC	DE
Comcast ABB Overseas Holdings, Inc.	DE
Comcast ABB USC, LLC	DE
Comcast Argentina, Inc.	DE
Comcast ASBC, Inc.	DE
Comcast Brazil, Inc.	DE
Comcast BroadNet Payroll Services, Inc.	DE
Comcast Business Communications of Virginia, LLC	VA
Comcast Business Communications, Inc.	PA
Comcast Cable Communications Holdings, Inc.	DE
Comcast Cable Communications Management, LLC	DE
Comcast Cable Communications, LLC	DE
Comcast Cable Funding	DE
Comcast Cable Funding GP, Inc.	DE
Comcast Cable Funding I, Inc.	DE
Comcast Cable Guide, Inc.	DE
Comcast Cable Holdings, LLC	DE
Comcast Cable Investors, Inc.	DE
Comcast Cable of Indiana, Inc.	DE
Comcast Cable of Indiana/Michigan/Texas I, LLC	TX
Comcast Cable of Maryland, Inc.	DE
Comcast Cable SC Investment, Inc.	DE
Comcast Cable Trust I	DE
Comcast Cable Trust II	DE
Comcast Cable Trust III	DE
Comcast Cablevision Communications, Inc.	DE
Comcast Cablevision of Baltimore City GP, Inc.	DE

Comcast Cablevision of Garden State, Inc.	DE
Comcast Cablevision of Philadelphia Area I, LLC	PA
Comcast Cablevision of Southeast Michigan, Inc.	DE
Comcast Capital Corporation	DE
Comcast CCH Subsidiary Holdings, Inc.	DE
Comcast Cellular Holding Company, Inc.	DE
Comcast Cellular Holdings Corporation	DE
Comcast CIG GP, Inc.	DE
Comcast CIG LP, Inc.	DE
Comcast CIG, L.P.	DE
Comcast Commercial Services Financing, Inc.	DE
Comcast Commercial Services Group Holdings, LLC	DE
Comcast Commercial Services, Inc.	DE

Comcast Concurrent Holdings, Inc.	DE
Comcast Corporate Investments II, Inc.	DE
Comcast Corporate Investments, Inc.	DE
Comcast Corporation Political Action Committee	PA
Comcast Corporation Political Action Committee of Maryland	MD
Comcast Corporation Political Action Committee-USA	PA
Comcast Corporation Trust I	DE
Comcast Corporation Trust II	DE
Comcast Corporation Trust III	DE
Comcast Crystalvision, Inc.	DE
Comcast Data Services, Inc.	DE
Comcast DC Radio, Inc.	DE
Comcast Directory Services, Inc.	DE
Comcast DIVA Holdings, Inc.	DE
Comcast do Brasil Ltda.	Brazil
Comcast Entertainment Holdings LLC	DE
Comcast Financial Agency Corporation	DE
Comcast Florida Programming Investments, Inc.	DE
Comcast Funding I, Inc.	DE
Comcast Garden State, LLC	DE
Comcast Gateway Holdings, LLC	DE
Comcast Greater Boston Advertising Holdings, LLC	DE
Comcast Hattiesburg Holding Company, Inc.	DE
Comcast HDNet Holdings, Inc.	DE
Comcast Holdings Corporation	PA
Comcast Holdings II, LLC	DE
Comcast Holdings III, LLC	DE
Comcast Holdings IV, LLC	DE
Comcast Holdings V, LLC	DE
Comcast HTS Holdings, Inc.	DE
Comcast HTS, LLC	DE
Comcast IAP, Inc.	DE
Comcast ICG, Inc.	DE
Comcast In Demand Holdings, Inc.	DE
Comcast Interactive Capital, LP	DE
Comcast International Holdings, Inc.	DE
Comcast Investment Holdings, Inc.	DE
Comcast IP Phone of Pennsylvania, LLC	PA
Comcast IP Phone, Inc.	PA
Comcast IP Services, LLC	DE
Comcast ISD, Inc.	DE
Comcast JR Holdings, Inc.	DE
Comcast LCP, Inc.	DE

Comcast Levittown Finance, Inc.	DE
Comcast Life Insurance Holding Company	DE
Comcast LM Investment, Inc.	DE
Comcast LMDS Communications, Inc.	DE
Comcast Metatv, Inc.	DE
Comcast MH Holdings, LLC	DE
Comcast Michigan Holdings, Inc.	MI
Comcast Midwest Management, Inc.	DE
Comcast MO Cable Advertising of Metropolitan Atlanta, LLC	CO
Comcast MO Cable News, Inc.	MA
Comcast MO Capital Corporation	CO
Comcast MO Communications Holding Company, Inc.	DE
Comcast MO Delta, Inc.	CO

Comcast MO Digital Radio, Inc.	MA
Comcast MO Europe, Inc.	CO
Comcast MO Express Midwest, Inc.	OH
Comcast MO Express of California, Inc.	CA
Comcast MO Express of Florida, Inc.	FL
Comcast MO Express of Illinois, Inc.	IL
Comcast MO Express of New England, Inc.	MA
Comcast MO Express of Virginia, Inc.	VA
Comcast MO Federal Relations, Inc.	DE
Comcast MO Finance Corporation	CO
Comcast MO Finance Trust I	DE
Comcast MO Finance Trust II	DE
Comcast MO Finance Trust III	DE
Comcast MO Finance Trust IV	DE
Comcast MO Finance Trust V	DE
Comcast MO Finance Trust VI	DE
Comcast MO Financial Services Foreign Sales, Inc.	UNITED STATES VIRGIN ISLANDS
Comcast MO Financial Services, Inc.	CO
Comcast MO Financing A	DE
Comcast MO Financing B	DE
Comcast MO Foreign Investments, Inc.	CO
Comcast MO FS Leasing 1995, Inc.	CO
Comcast MO FSC One, Ltd.	Bermuda
Comcast MO FSC Three, Ltd.	Bermuda
Comcast MO FSC Two, Ltd.	Bermuda
Comcast MO Group Funding, Inc.	DE
Comcast MO Group, Inc.	DE
Comcast MO Holdings I, Inc.	DE
Comcast MO Holdings II, Inc.	DE
Comcast MO Information Technology Systems, Inc.	MA
Comcast MO Interactive Services, Inc.	CO
Comcast MO Interconnects, Inc.	DE
Comcast MO International Holdings II, Inc.	DE
Comcast MO International Programming, Inc.	MA
Comcast MO International, Inc.	CO
Comcast MO Investments Holdings, Inc.	CO
Comcast MO Investments, Inc.	DE
Comcast MO Leveraged Lease Partners 1997, LP	DE
Comcast MO Marketing Resources (UK) Limited	UK
Comcast MO of Burnsville/Eagan, Inc.	MN
Comcast MO of Columbia Heights/Hilltop, Inc.	MN
Comcast MO of Costa Mesa, Inc.	CA
Comcast MO of Delaware, LLC	DE

Comcast MO of Minnesota, Inc.	MN
Comcast MO of Nevada, Inc.	NV
Comcast MO of North Valley, Inc.	CA
Comcast MO of Quad Cities, Inc.	MN
Comcast MO of Ramsey/Washington, Inc.	MN
Comcast MO of the North Central Suburbs, Inc.	MN
Comcast MO of the North Suburbs, Inc.	MN
Comcast MO Racing, Inc.	DE
Comcast MO Real Estate, Inc.	CO
Comcast MO SPC I, LLC	DE
Comcast MO SPC II, LLC	DE
Comcast MO SPC III, LLC	DE

Comcast M0 SPC IV, LLC	DE
Comcast M0 SPC V, LLC	DE
Comcast M0 SPC VI, LLC	DE
Comcast M0 SPE, Inc.	DE
Comcast M0 Telecommunications Corp.	MA
Comcast M0 Telecommunications Corp. of New England	MA
Comcast Multicable Media, Inc.	DE
Comcast Nashville Finance	DE
Comcast Nashville I, L.P.	CA
Comcast Nashville II, L.P.	CA
Comcast NCC Holdings I, LLC	DE
Comcast NCC Holdings II, LLC	DE
Comcast NCC Holdings III, LLC	DE
Comcast Netherlands, Inc.	DE
Comcast New Media Development, Inc.	PA
Comcast New Mexico/Pennsylvania Finance, Inc.	DE
Comcast Newco 1, Inc.	DE
Comcast Newco 13, Inc.	DE
Comcast Newco 15, Inc.	DE
Comcast Newco 2, Inc.	DE
Comcast Newco 3, Inc.	DE
Comcast Newco 4, Inc.	DE
Comcast Newco 5, Inc.	DE
Comcast Newco 6, Inc.	DE
Comcast Newco 7, Inc.	DE
Comcast Newco 8, Inc.	DE
Comcast Newco 9, Inc.	DE
Comcast of Alabama, Inc.	AL
Comcast of Alameda, Inc.	CA
Comcast of Arizona, Inc.	CO
Comcast of Arkansas, Inc.	DE
Comcast of Avalon, LLC	DE
Comcast of Baltimore City, Inc.	MD
Comcast of Baltimore City, L.P.	CO
Comcast of Bellevue, Inc.	WA
Comcast of Boston, Inc.	NY
Comcast of Brockton, Inc.	DE
Comcast of Bryant, Inc.	AR
Comcast of Burlington County, LLC	DE
Comcast of California I, Inc.	NV
Comcast of California I, LLC	DE
Comcast of California II, Inc.	CA
Comcast of California II, LLC	DE

Comcast of California III, Inc.	CA
Comcast of California III, LLC	CO
Comcast of California IV, Inc.	WY
Comcast of California IX, Inc.	CA
Comcast of California V, Inc.	CA
Comcast of California VI, Inc.	CA
Comcast of California VII, Inc.	WA
Comcast of California VIII, Inc.	WA
Comcast of California X, Inc.	CA
Comcast of California XI, Inc.	TN
Comcast of California XII, Inc.	DE
Comcast of California XIII, Inc.	CA
Comcast of California XIV, LLC	DE

Comcast of California/Colorado, LLC	DE
Comcast of California/Colorado/Florida/Oregon, Inc.	GA
Comcast of California/Colorado/Illinois/Indiana/Texas, Inc.	KS
Comcast of California/Colorado/Texas/Washington, Inc.	WA
Comcast of California/Colorado/Washington, LP	CO
Comcast of California/Connecticut/Michigan	CO
Comcast of California/Idaho, Inc.	ID
Comcast of California/Illinois, LP	CO
Comcast of California/Massachusetts/Michigan/Utah, Inc.	DE
Comcast of California/Ohio/Pennsylvania/Utah/Washington, Inc.	PA
Comcast of Carolina, Inc.	SC
Comcast of Celebration, LLC	DE
Comcast of Central New Jersey, LLC	DE
Comcast of Chesterfield County, Inc.	VA
Comcast of Chicago, Inc.	IL
Comcast of Clinton	MI
Comcast of Clinton CT, Inc.	CT
Comcast of Clinton MI, Inc.	MI
Comcast of Coconut Creek, Inc.	FL
Comcast of Colorado I, LLC	CO
Comcast of Colorado II, LLC	CO
Comcast of Colorado III, LLC	CO
Comcast of Colorado IV, LLC	DE
Comcast of Colorado IX, LLC	DE
Comcast of Colorado V, LLC	CO
Comcast of Colorado VI, LLC	IA
Comcast of Colorado VII, LLC	IA
Comcast of Colorado VIII, LLC	TN
Comcast of Colorado X, LLC	CO
Comcast of Colorado XI, Inc.	CO
Comcast of Colorado XII, Inc.	MD
Comcast of Colorado, LP	CO
Comcast of Colorado/Florida, Inc.	WA
Comcast of Connecticut I, LLC	DE
Comcast of Connecticut II, Inc.	CT
Comcast of Connecticut, Inc.	OK
Comcast of Contra Costa, Inc.	WA
Comcast of Cupertino, Inc.	CA
Comcast of Cypress, Inc.	CA
Comcast of Dallas GP, LLC	DE
Comcast of Dallas, LP	DE
Comcast of Danbury, Inc.	DE
Comcast of Davis County, Inc.	UT

Comcast of Delmarva, Inc.	DE
Comcast of Detroit	MI
Comcast of Detroit, Inc.	MI
Comcast of East San Fernando Valley, LP	CO
Comcast of Eastern Connecticut, Inc.	CT
Comcast of Eastern Shore, Inc.	DE
Comcast of Elkton, Inc.	DE
Comcast of Everett, Inc.	WA
Comcast of Flint, Inc.	MI
Comcast of Florida	WY
Comcast of Florida I, Inc.	MO
Comcast of Florida II, Inc.	DE
Comcast of Florida III, Inc.	MI

Comcast of Florida, LP	DC
Comcast of Florida/Georgia	MI
Comcast of Florida/Illinois/Michigan, Inc.	DE
Comcast of Fort Wayne Limited Partnership	IN
Comcast of Fresno, Inc.	CA
Comcast of Garden State L.P.	DE
Comcast of Georgia I, LLC	GA
Comcast of Georgia, Inc.	CO
Comcast of Georgia/Massachusetts, Inc.	RI
Comcast of Georgia/Michigan, LP	CA
Comcast of Georgia/South Carolina, Inc.	CO
Comcast of Gloucester County, LLC	DE
Comcast of Greater Florida/Georgia, Inc.	FL
Comcast of Grosse Pointe, Inc.	MI
Comcast of Groton, Inc.	CT
Comcast of Harbor, Inc.	CA
Comcast of Harford County, LLC	MD
Comcast of Hopewell Valley, Inc.	NJ
Comcast of Howard County, LLC	MD
Comcast of Illinois I, Inc.	IL
Comcast of Illinois II, Inc.	KS
Comcast of Illinois III, Inc.	IL
Comcast of Illinois IV, Inc.	IL
Comcast of Illinois IX, LLC	DE
Comcast of Illinois V, Inc.	MD
Comcast of Illinois VI, Inc.	DE
Comcast of Illinois VII, Inc.	FL
Comcast of Illinois VIII, LLC	DE
Comcast of Illinois X, LLC	DE
Comcast of Illinois XI, LLC	DE
Comcast of Illinois XII, LP	NJ
Comcast of Illinois XIII, LP	AZ
Comcast of Illinois/Indiana	FL
Comcast of Illinois/Indiana/Michigan, Inc.	AR
Comcast of Illinois/Ohio/Oregon, LLC	DE
Comcast of Illinois/Texas, Inc.	IL
Comcast of Illinois/West Virginia, LLC	DE
Comcast of Indiana, LLC	CO
Comcast of Indiana/Michigan, LLC	IA
Comcast of Indiana/Michigan/Pennsylvania, LLC	IA
Comcast of Indiana/Michigan/Texas GP, LLC	DE
Comcast of Indiana/Michigan/Texas, LP	DE
Comcast of Indianapolis, Inc.	DE

Comcast of Indianapolis, L.P.	DE
Comcast of Inkster Limited Partnership	MI
Comcast of Jersey City, LLC	DE
Comcast of Lakewood, Inc.	CA
Comcast of Laurel, Inc.	MS
Comcast of Lawrence, LLC	DE
Comcast of Levittown, Inc.	DE
Comcast of Little Rock, Inc.	AR
Comcast of Lomita, Inc.	CA
Comcast of Lompoc, LLC	DE
Comcast of Long Beach Island, LLC	DE
Comcast of Los Angeles County, Inc.	CA
Comcast of Los Angeles, Inc.	CA

Comcast of Lower Merion, Inc.	PA
Comcast of Macomb County, Inc.	MI
Comcast of Macomb, Inc.	MI
Comcast of Maine/New Hampshire, Inc.	NH
Comcast of Margate, Inc.	FL
Comcast of Marianna, Inc.	DE
Comcast of Marin I, Inc.	CA
Comcast of Marin II, Inc.	CA
Comcast of Maryland Limited Partnership	MD
Comcast of Maryland, Inc.	CO
Comcast of Maryland, LLC	DE
Comcast of Massachusetts I, Inc.	MA
Comcast of Massachusetts II, Inc.	DE
Comcast of Massachusetts III, Inc.	DE
Comcast of Massachusetts/New Hampshire/Ohio, Inc.	OH
Comcast of Massachusetts/Virginia, Inc.	VA
Comcast of Mercer County, LLC	DE
Comcast of Meridian, Inc.	MS
Comcast of Miami, Inc.	FL
Comcast of Michigan I, Inc.	VA
Comcast of Michigan II, Inc.	DE
Comcast of Michigan III, Inc.	DE
Comcast of Michigan IV, LLC	CO
Comcast of Michigan, LLC	DE
Comcast of Middletown, Inc.	DE
Comcast of Milton, Inc.	MA
Comcast of Minnesota, Inc.	DE
Comcast of Minnesota/Wisconsin, Inc.	WA
Comcast of Missouri, Inc.	CO
Comcast of Monmouth County, LLC	DE
Comcast of Montana I, Inc.	MT
Comcast of Montana II, Inc.	DE
Comcast of Montana III, Inc.	OR
Comcast of Montana/Indiana/Kentucky/Utah	CA
Comcast of Mt. Clemens	MI
Comcast of Mt. Clemens, Inc.	MI
Comcast of Muncie, LLC	IN
Comcast of Muncie, LP	IN
Comcast of Muskegon	MI
Comcast of Nashville I, LLC	DE
Comcast of Nashville II, LLC	DE
Comcast of Needham, Inc.	DE
Comcast of New Castle County	DE

Comcast of New Castle County, LLC	DE
Comcast of New Hampshire, Inc.	MD
Comcast of New Haven, Inc.	CT
Comcast of New Jersey II, LLC	DE
Comcast of New Jersey, LLC	NJ
Comcast of New Mexico, Inc.	CO
Comcast of New Mexico/Pennsylvania, Inc.	DE
Comcast of Newhall, Inc.	CA
Comcast of North Broward, Inc.	FL
Comcast of Northern California I, Inc.	CA
Comcast of Northern California II, Inc.	CA
Comcast of Northern Illinois, Inc.	IL
Comcast of Northern Indiana, Inc.	DE

Comcast of Northwest New Jersey, LLC	DE
Comcast of Novato, Inc.	OR
Comcast of Oakland County, Inc.	MI
Comcast of Ocean County, LLC	DE
Comcast of Ohio, Inc.	OH
Comcast of Orange County, Inc.	CA
Comcast of Oregon I, Inc.	OR
Comcast of Oregon II, Inc.	OR
Comcast of Paducah, Inc.	KY
Comcast of Panama City, Inc.	DE
Comcast of Parkland, Inc.	FL
Comcast of Pennsylvania	CO
Comcast of Pennsylvania I, Inc.	DE
Comcast of Pennsylvania II, Inc.	CO
Comcast of Pennsylvania, LLC	DE
Comcast of Pennsylvania/Washington/West Virginia, LP	CO
Comcast of Perry, Inc.	DE
Comcast of Philadelphia, Inc.	PA
Comcast of Plainfield, LLC	DE
Comcast of Plano GP, LLC	DE
Comcast of Plano, LP	DE
Comcast of Potomac, LLC	DE
Comcast of Puget Sound, Inc.	WA
Comcast of Quincy, Inc.	DE
Comcast of Richardson GP, LLC	DE
Comcast of Richardson, LP	DE
Comcast of Richmond, Inc.	VA
Comcast of Sacramento I, LLC	CA
Comcast of Sacramento II, LLC	CA
Comcast of Sacramento III, LLC	CA
Comcast of San Joaquin, Inc.	WY
Comcast of San Leandro, Inc.	CA
Comcast of Santa Cruz, Inc.	CO
Comcast of Santa Maria, LLC	DE
Comcast of Shelby, Inc.	MI
Comcast of Sierra Valleys, Inc.	CA
Comcast of South Central Los Angeles, LLC	DE
Comcast of South Chicago, Inc.	IL
Comcast of South Dade, Inc.	FL
Comcast of South Florida I, Inc.	FL
Comcast of South Florida II, Inc.	DE
Comcast of South Jersey, Inc.	NJ
Comcast of Southeast Pennsylvania, Inc.	PA

Comcast of Southern California, Inc.	OR
Comcast of Southern Illinois, Inc.	DE
Comcast of Southern New England, Inc.	MA
Comcast of St. Paul, Inc.	MN
Comcast of Sterling Heights, Inc.	MI
Comcast of Tacoma, Inc.	DE
Comcast of Tallahassee, Inc.	DE
Comcast of Taylor, LLC	DE
Comcast of Texas I GP, LLC	DE
Comcast of Texas I, LP	DE
Comcast of Texas II GP, LLC	DE
Comcast of Texas II, LP	DE
Comcast of Texas, LLC	DE

Comcast of the District, LLC	DC
Comcast of the Gulf Plains, Inc.	DE
Comcast of the Meadowlands, LLC	DE
Comcast of the South	CO
Comcast of the South, Inc.	CO
Comcast of the South, L.P.	DE
Comcast of the South, LLC	DE
Comcast of Tualatin Valley, Inc.	OR
Comcast of Tupelo, Inc.	MS
Comcast of Twin Cities, Inc.	WA
Comcast of Utah I, Inc.	IN
Comcast of Utah II, Inc.	LA
Comcast of Utica, Inc.	MI
Comcast of Virginia, Inc.	CO
Comcast of Warren	MI
Comcast of Warren, Inc.	MI
Comcast of Wasatch, Inc.	UT
Comcast of Washington I, Inc.	WA
Comcast of Washington II, Inc.	WA
Comcast of Washington III, Inc.	WA
Comcast of Washington IV, Inc.	WA
Comcast of Washington, LLC	DE
Comcast of Washington/Oregon	WA
Comcast of Washington/Oregon SMATV I , LLC	DE
Comcast of Washington/Oregon SMATV II, LLC	DE
Comcast of West Florida, Inc.	DE
Comcast of Western Colorado, Inc.	CO
Comcast of Wildwood, LLC	DE
Comcast of Willow Grove, Inc.	PA
Comcast of Wisconsin, Inc.	CO
Comcast of Wyoming I, Inc.	FL
Comcast of Wyoming II, Inc.	WY
Comcast of Wyoming, LLC	DE
Comcast Online Communications Investment Holdings, Inc.	DE
Comcast Oxygen Holdings, Inc.	DE
Comcast PC Communications, Inc.	DE
Comcast PC Investments Holdings 6, Inc.	DE
Comcast PC Investments Holdings 7, Inc.	DE
Comcast PC Investments Holdings 8, Inc.	DE
Comcast PC Investments Holdings 9, Inc.	DE
Comcast PC Investments, Inc.	DE
Comcast Phone Management, Inc.	DE
Comcast Phone of California, LLC	DE

Comcast Phone of Colorado, LLC	DE
Comcast Phone of Connecticut, Inc.	CO
Comcast Phone of Florida, LLC	DE
Comcast Phone of Georgia, LLC	CO
Comcast Phone of Illinois, LLC	DE
Comcast Phone of Maryland, Inc.	CO
Comcast Phone of Massachusetts, Inc.	DE
Comcast Phone of Michigan, LLC	DE
Comcast Phone of Minnesota, Inc.	MN
Comcast Phone of New Hampshire, LLC	DE
Comcast Phone of Northern Virginia, Inc.	VA
Comcast Phone of Ohio, LLC	DE
Comcast Phone of Oregon, LLC	DE

Comcast Phone of Pennsylvania, LLC	DE
Comcast Phone of Texas, LLC	DE
Comcast Phone of Utah, LLC	DE
Comcast Phone of Virginia, Inc.	VA
Comcast Phone of Washington, LLC	DE
Comcast Phone of West Virginia, LLC	DE
Comcast Phone, LLC	DE
Comcast Primestar Holdings, Inc.	DE
Comcast Programming Development, Inc.	DE
Comcast Programming Holdings, Inc.	DE
Comcast Programming Ventures II, Inc.	DE
Comcast Programming Ventures III, Inc.	DE
Comcast Programming Ventures IV, Inc.	DE
Comcast Programming Ventures V, Inc.	DE
Comcast Programming Ventures, Inc.	DE
Comcast PSM Holdings, Inc.	PA
Comcast Publishing Holdings Corporation	PA
Comcast QIH, Inc.	DE
Comcast QVC Holdings III, Inc.	DE
Comcast QVC Holdings IV, Inc.	DE
Comcast QVC Holdings V, Inc.	DE
Comcast QVC Holdings VI, Inc.	DE
Comcast QVC, Inc.	DE
Comcast Rapid, LLC	DE
Comcast Real Estate Holdings of Alabama, Inc.	AL
Comcast SC Investment, Inc.	DE
Comcast SCH Delaware Holdings, Inc.	DE
Comcast SCH Holdings, LLC	DE
Comcast Shared Services Corporation	DE
Comcast Soccer, LLC	DE
Comcast Sound Corporation	IN
Comcast Spectacor, L.P.	PA
Comcast Sports Holding Company, Inc.	DE
Comcast SportsNet Chicago Holdings, Inc.	DE
Comcast SportsNet Chicago, LLC	DE
Comcast Spotlight, Inc.	DE
Comcast TCP Holdings, Inc.	DE
Comcast TCP Holdings, LLC	DE
Comcast Technology, Inc.	DE
Comcast Telephony Communications of California, Inc.	CA
Comcast Telephony Communications of Connecticut, Inc.	CT
Comcast Telephony Communications of Delaware, Inc.	DE
Comcast Telephony Communications of Georgia, Inc.	GA

Comcast Telephony Communications of Indiana, Inc.	IN
Comcast Telephony Communications of Maryland, Inc.	MD
Comcast Telephony Communications of Pennsylvania, Inc.	PA
Comcast Telephony Communications of South Carolina, Inc.	SC
Comcast Telephony Communications, LLC	DE
Comcast Telephony Services Holdings, Inc.	DE
Comcast Telephony Services II, Inc.	DE
Comcast Venezuela PCS, Inc.	DE
Comcast VF Holdings, Inc.	DE
Comcast Visible World Holdings, Inc.	DE
Comcast WCS Holdings, Inc.	DE
Comcast WCS ME02, Inc.	DE
Comcast WCS ME04, Inc.	DE

Comcast WCS ME05, Inc.	DE
Comcast WCS ME16, Inc.	DE
Comcast WCS ME19, Inc.	DE
Comcast WCS ME19B, Inc.	DE
Comcast WCS ME22, Inc.	DE
Comcast WCS ME26, Inc.	DE
Comcast WCS ME28, Inc.	DE
Comcast WCS Merger Holdings, Inc.	DE
Comcast WCS MergerCo, Inc.	DE
Comcast Wink, Inc.	DE
Comcast/Time Warner Charleston Cable Advertising, LLC	DE
Comcast/Time Warner Detroit Cable Advertising, LLC	DE
Comcast/Time Warner Ft. Myers-Naples Cable Advertising, LLC	DE
Comcast/Time Warner Jacksonville Cable Advertising, LLC	DE
Comcast/TWC Canyon Country Cable Advertising, LLC	DE
Comcast-Spectacor Foundation	PA
ComCon Entertainment Holdings, Inc.	DE
ComCon Production Services I, Inc.	CA
Command Cable of Eastern Illinois Limited Partnership	NJ
Commerce Technologies, Inc.	NY
Commercial Funding, Inc.	NY
Communication Investment Corporation	VA
Community Realty, Inc.	NV
Community Telecable of Seattle, Inc.	WA
Connecticut Cable Advertising L.P.	DE
Consumer Entertainment Services, Inc.	WY
Continental Australia Programming, Inc.	MA
Continental Cablevision Asia Pacific, Inc.	MA
Continental Programming Australia Limited Partnership	NEW SOUTH WALES
Continental Satellite Company of Florida, Inc.	FL
Continental Satellite Company of New England, Inc.	NH
Continental Satellite Company, Inc.	MA
Continental Telecommunications Corp. of Virginia	VA
Continental Teleport Partners, Inc.	MA
Copley/Colony, Inc.	DE
Corsair Pictures, Inc.	DE
CSLP Ballpark Services, LLC	DE
CSLP Baysox Club, LLC	MD
CSLP Keys Club, LLC	MD
CSLP London, LLC	DE
CSLP Shorebirds Club, LLC	MD
CSLP Soccer, LLC	PA
CVC Keep Well LLC	DE

DHC Ventures, LLC	DE
Digital Cable Radio Associates, L.P.	DE
DigiVentures, LLC	DE
Direct Broadcast Satellite Services, Inc.	DE
District Cablevision, Inc.	DC
E Entertainment Television Scandanavia AB	Sweden
E Entertainment UK Limited	UK
E Online Scandinavia AB	Sweden
E! Distribution, LLC	DE
E! Entertainment Europe BV	Netherland Antilles
E! Entertainment Television International Holdings, Inc.	DE
E! Entertainment Television Latin America Partners	NY

E! Entertainment Television, Inc.	DE
E! Networks Productions, Inc.	DE
E! Networks Sales & Distribution, Inc.	DE
E! Online, Inc.	DE
East Rutherford Realty, Inc.	NJ
Eastecnica V - Comunicacoes Globais, S.A.	Portugal
Eastex Microwave, Inc.	TX
ECP Holdings, Inc.	OK
Elbert County Cable Partners, L. P.	CO
Empire Sports Network, L.P.	DE
Equity Resources Venture	CO
Exclamation Music, Inc.	CA
Exclamation Productions, Inc.	CA
FAB Communications, Inc.	OK
First Midland Limited Partnership	DE
First Television Corporation	DE
Florida's News Channel, L.C.	FL
Flyers Skate Zone, L.P.	PA
For Games Music, LLC	DE
Four Flags Cable TV	MI
Four Flags Cablevision	MI
FPS Rink, Inc.	PA
FPS Rink, L.P.	PA
Front Row Marketing Services, L.P.	PA
G4 Media, LLC	DE
Garden State Telecommunications LLC	DE
Gateway/Jones Communications, Ltd.	CO
Gill Bay Interconnect, Inc.	CA
Global London, Inc.	Ontario
Global London, L.P.	Ontario
Global Spectrum, Inc.	PA
Global Spectrum, L.P.	DE
GlobalCom Holding Company, Inc.	DE
Greater Birmingham Interconnect	AL
Greater Boston Cable Advertising	MA
GSI Commerce, Inc.	DE
Guide Investments, Inc.	CO
Harbor Center Joint Venture, LLC	VA
Harbor Communications Joint Venture	WA
Harris County Cable TV, Inc.	VA
Hawkeye Communications of Clinton, Inc.	IA
Headend In The Sky, Inc.	CO
Heritage Cablevision of Massachusetts, Inc.	MA

Heritage Cablevision of South East Massachusetts, Inc.	MA
Home Sports Network, Inc.	CO
Home Team Sports Limited Partnership	DE
I.C.E. Limited Bermuda	
Imergent, Inc.	
In Demand, L.L.C.	DE
Insight Capital, Inc.	DE
Insight Communications Midwest, LLC	DE
Insight Communications of Central Ohio, LLC	UNK
Insight Communications of Kentucky, L.P.	DE
Insight Holdings of Ohio, LLC	DE
Insight Kentucky Capital, LLC	DE
Insight Kentucky Partners I, L.P.	DE

Insight Kentucky Partners II, L.P.	DE
Insight Midwest Holdings, LLC	DE
Insight Midwest, L.P.	DE
Interactive Technology Acquisitions, Inc.	DE
Interactive Technology Holdings, LLC	DE
Interactive Technology Services, Inc.	PA
Interconnect of the Twin Cities, LLC	DE
Intermedia Cable Investors, LLC	CA
International Telemeter Corporation	NV
Internet Capital Group, Inc.	DE
Internet Pictures Corporation (IPIX)	TN
Intertainer, Inc.	DE
Into Networks, Inc.	DE
Iowa Venture Capital Fund Limited Partnership	
IR-TCI Partners V, L.P.	CO
IT-NET - Internacional de Telecomunicacoes de Portugal, S.A.	Portugal
iVillage, Inc.	DE
Janco Capital, LP	DE
J-Net, Inc.	DE
Jones Cable Corporation	CO
Jones Cable Holdings, Inc.	CO
Jones Communications, Inc.	CO
Jones Entertainment Group, Ltd.	CO
Jones Intercable Funds, Inc.	CO
Jones Media Networks, Ltd.	CO
Jones Panorama Properties, LLC	DE
Jones Programming Services, Inc.	CO
Jones Spacelink Cable Corporation	CO
Jones Telecommunications of California, LLC	CO
Kansas City Cable Partners	CO
King Videocable Company - Twin Falls	ID
Knox Cable T.V., Inc.	TN
KPCB Java Fund, L.P.	
KTMA-TV, Inc.	TX
LCNI II, Inc.	DE
Lenfest Atlantic Communications, Inc.	DE
Lenfest Australia Group Pty Ltd.	Australia
Lenfest Australia Investment Pty Ltd.	Australia
Lenfest Australia, Inc.	DE
Lenfest Clearview, Inc.	DE
Lenfest Delaware Properties, Inc.	DE
Lenfest International Holdings, Inc.	DE
Lenfest International, Inc.	DE

Lenfest Investments, Inc.	DE
Lenfest Jersey, Inc.	DE
Lenfest MCN, Inc.	DE
Lenfest Oaks, Inc.	PA
Lenfest Raystay Holdings, Inc.	DE
Lenfest Telephony, Inc.	DE
Lenfest Videopole Holdings, Inc.	DE
Lenfest West, LLC	DE
Lenfest York, Inc.	DE
Liberate Technologies	DE
Liberty City Funding Corporation	FL
Liberty Media Corporation	DE
Liberty Satellite & Technology, Inc.	

Liberty Ventures Group LLC	DE
Liquid Audio, Inc.	DE
LiquidGolf.com, Inc.	DE
Lodgian, Inc.	
London Civic Centre Corporation	Ontario
London Civic Centre Limited Partnership	Ontario
Lonetree Capital Partners, L.P.	DE
L-TCI Associates	DE
LVO Cable Properties, Inc.	OK
M H Lightnet Inc.	DE
Magma, Inc.	TX
MarketLink Indianapolis Cable Advertising, LLC	DE
MCNS Holdings, L.P.	DE
MCOM Wireless S.A.	Brazil
MComcast S.A.	Brazil
Media Interactive Services, Inc.	
Media Technology Equity Partners, L.P.	CA
Media Ventures, L.P.	DE
MediaOne Brasil Comercio e Participacoes Ltda.	Brazil
Mediascape Communications AG	Germany
MetaTV, Inc.	DE
Micro-Relay, Inc.	MD
Microsoft Corporation	WA
MicroUnity Systems Engineering, Inc.	CA
Midcontinent Communications	SD
Mile Hi Cable Partners, L.P.	CO
Millenium Digital Media Programming Ventures, L.L.C.	DE
Mobile Enterprises, Inc.	DE
MOC Holdco I, LLC	DE
MOC Holdco II, Inc.	DE
Mountain Cable Network, Inc.	NV
Mountain States General Partner, LLC	CO
Mountain States Limited Partner, LLC	CO
Mt. Clemens Cable TV Investors, Inc. MI	
MTCB S.A.	Brazil
Music Choice	PA
Muzak LLC	DE
Narus, Inc.	DE
National Cable Communications LLC	DE
National Digital Television Center, Inc.	CO
NBD Development, LLC	DE
NBDL Enterprises, LLC	NJ
NBDL Holdings, LLC	DE

NBDL, Inc.	DE
NCI Corporation	CA
NDTC Technology, Inc.	CO
Net Value Holdings, Inc.	Unknown
New England Cable News	
New England Microwave, Inc.	CT
New Hope Cable TV, Inc.	PA
NGNA, LLC	DE
NHL Enterprises Canada, L.P.	Ontario
NHL Enterprises, Inc.	DE
NHL Enterprises, L.P.	DE
Northwest Illinois Cable Corporation	DE
Northwest Illinois TV Cable Co.	DE

Nroca Holdings, Inc.	DE
Nucable Resources Corporation	DE
Nuera Communications, Inc.	DE
Ottumwa Cablevision, Inc.	IA
Outdoor Life Network, L.L.C.	DE
Ovations Fanfare, L.P.	PA
Ovations Food Services, Inc.	PA
Ovations Food Services, L.P.	PA
Overseas Operations, Inc.	CO
Owner Trusts UT 1-3, 7-12, 15-27, 29, 33, 34	DE
Owner Trusts UT 28	DE
Pacific Northwest Interconnect	NY
Parnassos Communications, L.P.	DE
Parnassos Holdings, LLC	DE
Parnassos, L.P.	DE
Patron Solutions L.P.	PA
Patron Solutions, LLC	PA
Pattison Development, Inc.	PA
Pattison Realty, Inc.	PA
Philadelphia 76ers, Inc.	DE
Philadelphia 76ers, L.P.	DE
Philadelphia Flyers Enterprises Co.	Nova Scotia
Philadelphia Flyers, L.P.	DE
Philadelphia Flyers, LLC	DE
Philadelphia Phantoms, Inc.	PA
Philadelphia Phantoms, L.P.	PA
Philadelphia Sports Media, Inc.	PA
Philadelphia Sports Media, L.P.	PA
Phoenixstar, Inc.	DE
Pittsburgh Cable News Channel LLC	DE
Preview Magazine Corporation	NY
Prime Telecom Potomac, LLC	DE
QCOM TV Partners	PA
QCOM TV, Inc.	NC
Quokka Sports, Inc.	DE
Rainbow Media Holdings, Inc.	DE
Raystay Co.	PA
RespondTV, Inc.	CA
Sandler Capital Partners IV	DE
Sandler Mezzanine Partners, L.P.	DE
Satellite Services of Puerto Rico, Inc.	DE
Satellite Services, Inc.	DE
Saturn Cable TV, Inc.	CO

SBC Cable Co.	IL
SCC Programs, Inc.	IL
SCI 34, Inc.	DE
SCI 36, Inc.	DE
SCI 37, Inc.	DE
SCI 38, Inc.	DE
SCI 39, Inc.	DE
SCI 48, Inc.	DE
SCI 55, Inc.	DE
Selkirk Communications (Delaware) Corporation	DE
Selkirk Systems, Inc.	FL
Shorebirds, L.P.	MD
SIFD One, Ltd.	DE

SIFD Three, Ltd.	DE
SIFD Two, Ltd.	DE
SKC Hangar Partners	PA
Skyview TV, Inc.	MT
South Florida Cable Advertising	FL
Southwest Telecable, Inc.	TX
Southwest Washington Cable, Inc.	WA
Spectacor Adjoining Real Estate New Arena, L.P.	DE
Spectrum Arena Limited Partnership	PA
Sports.Com Limited	UK
Sportschannel New England Limited Partnership	
Sportsline.Com Inc.	DE
Sprint PCS Group	KS
SSI 2, Inc.	NV
St. Louis Tele-Communications, Inc. MO	
Stadium Complex Parking Venture	PA
Stage II, L.P.	PA
Storer Administration, Inc.	DE
Storer Cable TV of Radnor, Inc.	PA
Storer Disbursements, Inc.	FL
Sural LLC	DE
Susquehanna Cable Co.	PA
Taurus Properties, LLC	CO
TCI Adelphia Holdings, LLC	DE
TCI Atlantic, LLC	CO
TCI Bay Interconnect, Inc.	CA
TCI Bay, Inc.	DE
TCI Cable Adnet, Inc.	CO
TCI Cable Investments, LLC	DE
TCI Cablevision Associates Inc.	DE
TCI Cablevision of Alabama, Inc.	AL
TCI Cablevision of Baker/Zachary, Inc.	DE
TCI Cablevision of California Century Holdings, LLC	CO
TCI Cablevision of Kentucky, Inc.	KY
TCI Cablevision of Massachusetts, Inc.	MA
TCI Cablevision of Michigan, Inc.	MI
TCI Cablevision of Minnesota, Inc.	MN
TCI Cablevision of Nebraska, Inc.	NE
TCI Cablevision of Nevada, Inc.	NV
TCI Cablevision of New Hampshire, Inc.	NH
TCI Cablevision of North Central Kentucky, Inc.	KY
TCI Cablevision of Sierra Vista, Inc.	CO
TCI Cablevision of South Dakota, Inc.	SD

TCI Cablevision of St. Bernard, Inc.	LA
TCI Cablevision of Vermont, Inc.	DE
TCI California Holdings, LLC	CO
TCI Capital Corp.	WY
TCI Central, Inc.	DE
TCI Command II, LLC	CO
TCI Command, Inc.	CO
TCI Communications Financing I	DE
TCI Communications Financing II	DE
TCI Communications Financing III	DE
TCI Communications Financing IV	DE
TCI CSC II, Inc.	NY
TCI CSC III, Inc.	CO

TCI CSC IV, Inc.	CO
TCI CSC IX, Inc.	CO
TCI CSC V, Inc.	CO
TCI CSC VI, Inc.	CO
TCI CSC VII, Inc.	CO
TCI CSC VIII, Inc.	CO
TCI CSC X, Inc.	CO
TCI CSC XI, Inc.	CO
TCI Development, LLC	DE
TCI Evangola, Inc.	WY
TCI Falcon Holdings, LLC	DE
TCI FCLP Alabama, LLC	DE
TCI FCLP California, LLC	DE
TCI FCLP Missouri, LLC	DE
TCI FCLP Northern California, LLC	DE
TCI FCLP Northwest, LLC	DE
TCI FCLP Oregon, LLC	DE
TCI FCLP Redding, LLC	DE
TCI FCLP Washington, Inc.	WA
TCI FCLP Wenatchee, LLC	DE
TCI Fleet Services, Inc.	CO
TCI Gilbert Uplink, Inc.	CO
TCI Great Lakes, Inc.	DE
TCI Hits At Home, Inc.	CO
TCI Holdings, Inc.	DE
TCI Holdings, LLC	DE
TCI ICM III, Inc.	DE
TCI ICM VI, Inc.	DE
TCI IL-Holdings II, LLC	CO
TCI IL-Holdings, Inc.	CO
TCI Internet Holdings, Inc.	CO
TCI Internet Services, LLC	DE
TCI IP-VI, LLC	DE
TCI IT Holdings, Inc.	CO
TCI Lake II, LLC	CO
TCI Lake, Inc.	WY
TCI Lenfest, Inc.	CO
TCI Magma Holdings, Inc.	CO
TCI Materials Management, Inc.	CO
TCI Michigan, Inc.	DE
TCI Microwave, Inc.	DE
TCI Midcontinent, LLC	DE
TCI Music Holdings, Inc.	CO

TCI National Digital Television Center - Hong Kong, Inc.	DE
TCI New York Holdings, Inc.	CO
TCI News, Inc.	CO
TCI Northeast, Inc.	DE
TCI Northwest, Inc.	CO
TCI of Arkansas, Inc.	AR
TCI of Bloomington/Normal, Inc.	VA
TCI of Columbus, Inc.	GA
TCI of Connecticut, Inc.	CT
TCI of Council Bluffs, Inc.	IA
TCI of D.C., Inc.	DC
TCI of Decatur, Inc.	AL
TCI of Greenwich, Inc.	CO

TCI of Houston, Inc.	CO
TCI of Indiana Holdings, LLC	CO
TCI of Indiana Insgt Holdings, LLC	CO
TCI of Iowa, Inc.	IA
TCI of Kokomo, Inc.	CO
TCI of Lee County, Inc.	AL
TCI of Lexington, Inc.	KY
TCI of Maine, Inc.	ME
TCI of Mississippi, Inc.	MS
TCI of Missouri, Inc.	MO
TCI of New Jersey, Inc.	NV
TCI of North Central Kentucky, Inc.	KY
TCI of North Dakota, Inc.	ND
TCI of Overland Park, Inc.	KS
TCI of Paterson, Inc.	NV
TCI of Racine, Inc.	WI
TCI of Radcliff, Inc.	KY
TCI of Rhode Island, Inc.	RI
TCI of Roanoke Rapids, Inc.	VA
TCI of Selma, Inc.	AL
TCI of South Dakota, Inc.	CO
TCI of Southern Minnesota, Inc.	DE
TCI of Springfield, Inc.	MO
TCI of Tennessee, Inc.	TN
TCI of Watertown, Inc.	IA
TCI Ohio Holdings, Inc.	CO
TCI Pacific Communications, Inc.	DE
TCI Pacific Microwave, Inc.	CO
TCI Payroll, Inc.	CO
TCI Pennsylvania Holdings, Inc.	CO
TCI Programming Holding Company III	DE
TCI Realty, LLC	DE
TCI Shell One - De, Inc.	DE
TCI South Carolina IP-I, LLC	DE
TCI Southeast Divisional Headquarters, Inc.	AL
TCI Southeast, Inc.	DE
TCI Spartanburg IP-IV, LLC	DE
TCI Starz, Inc.	CO
TCI STS-MTVI, Inc.	TX
TCI Technology Management, LLC	DE
TCI Telecom, Inc.	DE
TCI Texas Cable Holdings LLC	CO
TCI Texas Cable, Inc.	CO

TCI TKR Cable I, Inc.	DE
TCI TKR Cable II, Inc.	DE
TCI TKR of Alabama, Inc.	DE
TCI TKR of Dallas, Inc.	DE
TCI TKR of Georgia, Inc.	DE
TCI TKR of Houston, Inc.	DE
TCI TKR of Jefferson County, Inc.	KY
TCI TKR of Metro Dade, LLC	DE
TCI TKR of Southeast Texas, Inc.	DE
TCI TKR of Wyoming, Inc.	WY
TCI TKR, Inc.	DE
TCI TVC, Inc.	CA
TCI TW Texas JV Holdings II, Inc.	CO

TCI TW Texas JV Holdings III, Inc.	CO
TCI TW Texas JV Holdings IV, Inc.	CO
TCI TW Texas JV Holdings V, Inc.	CO
TCI USC, Inc.	CO
TCI VCI, Inc.	CA
TCI Ventures Five, Inc.	CO
TCI Washington Associates, L.P.	DE
TCI West, Inc.	DE
TCI.net, Inc.	DE
TCI/CA Acquisition Sub LLC	CO
TCI/CI Merger Sub, LLC	DE
TCID Data Transport, Inc.	CO
TCID of Carson, Inc.	CA
TCID of Chicago, Inc.	IL
TCID of Florida, LLC	FL
TCID of Michigan, Inc.	NV
TCID of South Chicago, Inc.	IL
TCID Partners II, Inc.	CO
TCID Partners, Inc.	CO
TCID X*press, Inc.	CO
TCID-Commercial Music, Inc.	CO
Tele-Communications of Colorado, Inc.	CO
Tele-Link Telecomunicacoes S.A.	Brazil
Televents Group Joint Venture	CO
Televents Group, Inc.	NV
Televents of Colorado, LLC	CO
Televents of Florida, LLC	DE
Televents of Powder River, LLC	DE
Televents of Wyoming, LLC	DE
Televester, Inc.	DE
Tempo DBS, Inc.	CO
Tempo Development Corporation	OK
Tempo Television, Inc.	OK
Texas Cable Partners, L.P.	DE
TGC, Inc.	DE
TGW Telecomunicacoes S.A.	Brazil
The Cable Television Network of New Jersey, Inc.	NJ
The Comcast Foundation	DE
The Detroit Cable Interconnect L.P.	DE
The Greater Washington Interconnect, LLC	DE
The Hiline Network	MT
The Intercable Group, Ltd.	CO
The Knot, Inc.	DE

The New York Interconnect L.L.C.	DE
Thegolfchannel.com, inc.	FL
THOG Productions, LLC	DE
Time Warner Cable Inc.	DE
Time Warner Entertainment Company, L.P.	DE
Time Warner Inc.	DE
Trans-Muskingum, Incorporated	WV
Tribune Company Cable of Michigan, Inc.	DE
Tribune-United Cable of Oakland County	MI
TV Gateway, LLC	DE
TWE Holdings I Trust	DE
TWE Holdings II Trust	DE
Two Way TV (US), Inc.	DE

U S West (India) Private Limited	INDIA
UACC Midwest Insgt Holdings, LLC	CO
UA-Columbia Alpine Tower, Inc.	
UA-Columbia Cablevision of Massachusetts, Inc.	
UA-Columbia Cablevision of New Jersey, Inc.	
UATC Merger Corp.	DE
UCTC LP Company	DE
UCTC of Los Angeles County, Inc.	DE
United Artists Cable Holdings, Inc.	CO
United Artists Holdings, Inc.	DE
United Artists Holdings, LLC	DE
United Cable Investment of Baltimore, Inc.	MD
United Cable Television Corporation of Michigan	MI
United Cable Television of Baldwin Park, Inc.	CO
United Cable Television of Illinois Valley, Inc.	IL
United Cable Television of Los Angeles, LLC	CA
United Cable Television of Oakland County, Ltd.	CO
United Cable Television of Sarpy County, Inc.	NE
United Cable Television of Scottsdale, Inc.	AZ
United Cable Television Services of Colorado, Inc.	CO
United of Oakland, Inc.	DE
US Cable of Coastal-Texas, L.P.	NJ
US West Deutschland GmbH	Germany
USA Interactive, Inc.	DE
USWFS Borrower Trust	DE
USWFS Direct Trust Beazer	DE
USWFS Direct Trust Grand Trunk	DE
USWFS Direct Trust United No. 13	DE
USWFS Direct Trust United No. 14	DE
USWFS Intermediary Trust	DE
UTI Purchase Company	CO
Valertex, Inc.	TX
Vehix, Inc.	UT
Vodafone	UK
Waltham Tele-Communications	MA
Waltham Tele-Communications, LLC	CO
Watch What You Play Music, LLC	DE
Western Community TV, Inc.	MT
Western NY Cablevision, L.P.	DE
Western Range Insurance Co.	VT
Western Satellite 2, Inc.	CO
Westmarc Cable Group, Inc.	DE
Westmarc Cable Holding, Inc.	DE

Westmarc Development II, Inc.	CO
Westmarc Development III, LLC	CO
Westmarc Development IV, LLC	CO
Westmarc Development, LLC	CO
Westmarc Realty, Inc.	CO
Westmoreland Financial Corporation	DE
Wilmington Cellular Telephone Company LLC	DE
Women's Professional Soccer, LLC	DE
Worldgate Communications, Inc.	DE
York Cable Television, Inc.	DE

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statements of Comcast Corporation on Form S-8 (Nos. 333-101645, 333-101295 and 333-104385), Form S-3 (Nos. 333-101861 and 333-104034), and Form S-4 (Nos. 333-101264 and 333-102883) of our reports dated March 11, 2004 (which report on the financial statements expresses an unqualified opinion and includes an explanatory paragraph related to the adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, effective January 1, 2001, and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," effective January 1, 2002) appearing in this Annual Report on Form 10-K of Comcast Corporation for the year ended December 31, 2003.

/s/ Deloitte & Touche LLP
Philadelphia, Pennsylvania
March 11, 2004

CERTIFICATIONS

I, Brian L. Roberts, certify that:

1. I have reviewed this annual report on Form 10-K of Comcast Corporation;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this 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 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-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;
 - b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986.]
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2004

/s/ BRIAN L. ROBERTS

 Name: Brian L. Roberts
 Chief Executive Officer

I, Lawrence S. Smith, certify that:

1. I have reviewed this annual report on Form 10-K of Comcast Corporation;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial

information included in this 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 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-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;
 - b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986.]
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2004

/s/ LAWRENCE S. SMITH

Name: Lawrence S. Smith
Co-Chief Financial Officer

I, John R. Alchin, certify that:

1. I have reviewed this annual report on Form 10-K of Comcast Corporation;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this 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 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-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;
 - b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986.]
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2004

/s/JOHN R. ALCHIN

Name: John R. Alchin
Co-Chief Financial Officer

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act

March 12, 2004

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Ladies and Gentlemen:

The certification set forth below is being submitted in connection with the annual report on Form 10-K of Comcast Corporation (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Brian L. Roberts, the Chief Executive Officer, Lawrence S. Smith, the Co-Chief Financial Officer and John R. Alchin, the Co-Chief Financial Officer of Comcast Corporation, each certifies that, to the best of his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Comcast Corporation.

/s/ BRIAN L. ROBERTS

Name: Brian L. Roberts
Chief Executive Officer

/s/ LAWRENCE S. SMITH

Name: Lawrence S. Smith
Co-Chief Financial Officer

/s/ JOHN R. ALCHIN

Name: John R. Alchin
Co-Chief Financial Officer