



FORM 10-K

COMCAST CORP – CMCSA

Filed: February 23, 2005 (period: December 31, 2004)

Annual report which provides a comprehensive overview of the company for the past year

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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, 2004

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, 2004, the aggregate market value of the Class A Common Stock and Class A Special Common Stock held by non-affiliates of the Registrant was \$38.160 billion and \$23.744 billion, respectively.

As of December 31, 2004, there were 1,359,680,364 shares of Class A Common Stock, 842,944,570 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 June 2005.

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This Annual Report on Form 10-K is for the year ended December 31, 2004. 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 as "Comcast"; Comcast and its consolidated subsidiaries as "we", "us" and "our"; and Comcast Holdings Corporation as "Comcast Holdings."

You should carefully review the information contained in this Annual Report and 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 these 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 these 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 and uncertainties listed in our *Risk Factors* section beginning on page 13 and in other reports we file with the SEC. Actual events or our actual results may differ materially from any of our forward-looking statements.

PART I

ITEM 1 BUSINESS

We are a Pennsylvania corporation and were incorporated in December 2001. Through our predecessors, we have developed, managed and operated 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 services, and regional sports and news networks,
- Content—through our consolidated programming investments, including our national cable television networks E! Entertainment Television, Style Network, The Golf Channel, Outdoor Life Network, G4 and International Channel Networks, and
- Other business and programming interests—primarily Comcast-Spectacor, our group of businesses that perform live sporting events and own or manage facilities for sporting events, concerts and other special events.

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 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 as well as on the SEC's Web site at <http://www.sec.gov>. The information posted on our Web site is not incorporated into this Annual Report. The public may read and copy any material we file with the SEC at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

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

We operate our businesses in an increasingly competitive, highly regulated and technologically complex environment. We are the largest video, broadband high-speed Internet and cable phone service provider in the United States. We have now substantially completed the upgrade of our broadband communications networks, allowing us to provide customers with new and improved products and advanced services in each of our video, high-speed Internet and phone services. We also have expanded our ownership and management of content businesses on a national, regional and local level.

The following paragraphs review the more significant strategic transactions (and potential transactions) by segment since the beginning of 2004:

Cable

During 2004, we expanded our efforts to acquire and develop technology that will drive product differentiation and new applications and extend our nationwide fiber-optic network. We achieved these objectives in 2004 through strategic agreements signed with Gemstar-TV Guide and Microsoft Corporation, which enable us to control and develop the enhancement of the user interface and the functionality of our service offerings, such as our interactive programming guide and our Video on Demand ("VOD") and digital video recorder ("DVR") service. In December 2004, we also announced a long-term agreement with Level 3 Communications that is part of the extension of our fiber-optic network. This national network, or "backbone," provides a technically-advanced, nationwide broadband network over which we can deliver new and enhanced services.

On September 27, 2004, we and Time Warner Inc. announced an agreement that provides us with an option to reduce our effective overall interest in Time Warner Cable Inc. ("TWC") from approximately 21% to 17% in exchange for stock of a subsidiary that will hold cable systems which will serve approximately 90,000 basic subscribers and hold approximately \$750 million in cash. The agreement grants us the option to require TWC to redeem a portion of the TWC common stock held in trust in exchange for 100% of the common stock of the TWC subsidiary. The option may be exercised at any time prior to the 60th day (the "Termination Date") following a notice that may be given at any time by either party of termination of the option period. In addition, the trust that holds the TWC shares agreed not to request that TWC register the trust's shares in TWC for sale in a public offering prior to the Termination Date.

On January 31, 2005, we and Time Warner submitted a joint proposal to acquire substantially all of the cable assets of Adelphia Communications Corporation, the fifth-largest cable television company in the United States.

Content

On May 10, 2004, we completed the acquisition of TechTV Inc. for approximately \$300 million in cash. On May 28, 2004, G4 and TechTV began operating as one network that is available to approximately 47 million cable and satellite homes nationwide as of December 31, 2004, providing video and computer game-related programming.

On July 28, 2004, we exchanged approximately 120 million shares of Liberty Media Corporation Series A common stock that we held, valued at approximately \$1.022 billion, with Liberty for 100% of the stock of Liberty's subsidiary, Encore ICCP, Inc. Encore's assets consisted of cash of \$547 million, a 10.4% interest in E! Entertainment Television and 100% of International Channel Networks, a cultural and heritage-related national cable network that is available to over 10 million cable homes nationwide as of December 31, 2004.

On September 23, 2004, we announced that we entered into a definitive agreement with a consortium of investors led by Sony Corporation of America to acquire Metro-Goldwyn-Mayer, Inc ("MGM"). The investor group has committed a total of up to \$1.6 billion of equity financing, of which our commitment would be \$300 million. This transaction, which has been approved by MGM's Board of Directors and shareholders, is subject to various regulatory approvals and customary closing conditions. The transaction is expected to close during the first half of 2005. We have also reached a broad programming and distribution arrangement with Sony and the other equity partners that allows for the distribution of Sony Pictures' content (and MGM's upon the closing of the acquisition) on our VOD service and provides for joint ventures, which we will manage, establishing new cable channels featuring Sony Pictures and MGM content.

DESCRIPTION OF OUR BUSINESSES

Cable

We are the largest cable operator in the United States. As of December 31, 2004, our consolidated cable operations served 21.5 million subscribers in thirty-five states, passed 40.8 million homes, and provided digital cable to 8.7 million subscribers, high-speed Internet to 7.0 million subscribers and phone to 1.2 million subscribers.

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

	2004	2003	2002 ⁽¹⁾	2001 ⁽²⁾	2000 ⁽²⁾
Cable					
Homes Passed ⁽³⁾	40.8	39.8	39.2	13.9	12.7
Subscribers ⁽⁴⁾	21.5	21.5	21.3	8.5	7.6
Penetration	52.8%	53.9%	54.4%	60.8%	60.0%
Digital Cable					
"Digital Ready" Subscribers ⁽⁵⁾	21.5	21.5	21.3	8.4	7.3
Subscribers ⁽⁶⁾	8.7	7.7	6.6	1.7	1.2
Penetration	40.2%	35.7%	31.1%	20.8%	16.6%
High-Speed Internet					
"Available" Homes ⁽⁷⁾	40.0	34.7	30.1	10.4	6.4
Subscribers	7.0	5.3	3.6	0.9	0.4
Penetration	17.5%	15.2%	12.0%	9.1%	6.3%
Phone⁽⁸⁾					
"Available" Homes ⁽⁷⁾	10.4	9.4	8.7		
Subscribers	1.2	1.3	1.4		
Penetration	11.7%	13.5%	16.5%		

⁽¹⁾ On November 18, 2002, we completed the acquisition of AT&T Corp.'s broadband business, which we refer to as "Broadband" and "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⁾ On December 31, 2000, and January 1, 2001, we completed our cable systems exchanges with AT&T and Adelphia, 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 ("MDU"s), 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 some MDUs, we count cable subscribers on an FCC equivalent basis by dividing total revenue received from a contract with an MDU by the standard residential rate where the specific MDU is located.

⁽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 set-top boxes counts as one digital cable subscriber. On average, as of December 31, 2004, 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.

Cable Services

We offer a variety of services over our cable networks, including video, high-speed Internet and phone. Over the past several years, we have increased the reliability and capacity of our systems, enabling us to deliver new services, such as digital cable, high-speed Internet and phone. As of December 31, 2004, approximately 99% of our cable systems are capable of handling two-way communications. Although our upgrade is substantially complete, we expect to make significant capital expenditures during 2005 associated with the continued growth of these new services.

Video Services

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

Basic and expanded basic. Our basic cable service typically consists of 10–20 channels of programming. This service generally consists of programming provided by national television networks, local broadcast television stations, locally-originated programming, including governmental and public access, and limited satellite-delivered programming. Our expanded basic cable service includes a group of satellite-delivered or non-broadcast channels, typically consisting of 50–60 channels in addition to the basic channel lineup.

Premium channel programming. Our premium channel programming service, which includes cable networks such as Home Box Office, Showtime, Starz and Cinemax, generally offers, 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 a digital cable set-top box, an interactive program guide, multiple channels of digital programming and music, and "multiplexes" of premium channels that are varied as to time of broadcast or programming content theme.

Video On Demand (VOD). Our VOD service allows digital cable subscribers the opportunity to choose from a library of thousands of programs, start the programs at whatever time is convenient, and pause, rewind or fast-forward the programs. A substantial portion of our VOD content is available at no additional charge.

High-Definition Television (HDTV). HDTV features improved, high-resolution picture quality, improved audio quality and a wide-screen, theater-like display. Our HDTV service offers a broad selection of high-definition programming of most major broadcast networks, leading cable channels, premium channels and regional sports networks.

Digital Video Recorder (DVR). Our DVR service lets digital subscribers select, record and store programs and play them at whatever time is convenient. DVR service also provides the ability to pause and rewind "live" television.

High-Speed Internet Services

We offer high-speed Internet access via our cable modems, providing a service that is constantly connected. This service also includes our interactive portal, Comcast.net, which provides multiple e-mail addresses, online storage and a variety of value-added features and enhancements designed to take advantage of the speed of the Internet connection we provide.

Phone Services

In some areas, we offer traditional circuit-switched local phone service, a full array of associated calling features and third-party long-distance services. We are also beginning to offer a phone service delivered over our broadband communications networks involving voice transmissions using Internet protocol ("Digital Voice").

Advertising

As part of our programming carriage agreements with non-broadcast networks, we often receive an allocation of scheduled advertising time into which we may insert commercials. We sell advertising time to local, regional and national advertisers for insertion on these channels.

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

Regional Sports and News Networks

Our regional sports and news networks provide programming to our cable subscribers. These regional networks include Comcast SportsNet, Comcast SportsNet Mid-Atlantic, Cable Sports Southeast, CN8—The Comcast Network, and launched in 2004, Comcast SportsNet Chicago and Comcast SportsNet West (Sacramento). These networks sell advertising time and enter into affiliation agreements with cable and satellite television companies.

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.

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 expenses will increase in the future, primarily as a result of increased costs to purchase programming and as additional programming is provided to our subscribers. We anticipate that these increases may be mitigated, to some extent, by volume discounts.

Customer and Technical Service

We service our customers through local, regional and national call and technical centers. Generally, our call centers provide 24 hours per day, 7 days 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 activities related to customer service.

Technology Development

Historically, we have relied on third-party hardware and software vendors for many of the technologies needed for the operation of our businesses, the addition of new features to existing services, and the development and commercialization of new service offerings. In recent years, we have begun developing strategically important software and technologies internally and integrating third-party software to our specifications. We have also now arranged for long-term access rights to national fiber-based networks that we actively manage to interconnect our local and regional distribution systems and facilitate the efficient delivery of our broadband services. We expect these efforts to continue and expand in the future. These efforts require greater initial expenditures than would be required if we continued to purchase or license these products and services from third parties.

Sales and Marketing

Our sales efforts are primarily directed toward generating incremental revenues and increasing the number of subscribers we serve. We sell our products and services through direct customer contact through our call centers, door-to-door selling, direct mail advertising, cable television advertising, local media advertising, telemarketing, and retail outlets.

Competition

We operate our businesses in an increasingly competitive environment. Our cable communications systems compete with a number of different companies that offer a broad range of services through increasingly diverse means. In addition, we operate in a technologically complex environment and new technologies may increase further the number of competitors we face for our video, high-speed Internet and phone services, and advertising. We expect advances in communications technology to continue in the future. We are unable to predict what effects, if any, such future developments will have on our business and operations.

Video Services

We 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 exchange carriers, commonly known as LECs, that are marketing DBS service, and some that are building wireline fiber-optic networks and beginning to provide service in various communities across the United States,
- other wireline communications providers who build and operate wireline communications systems in the same communities that we serve, including those operating as franchised cable operators or under an alternative regulatory scheme known as Open Video Systems, or OVS,
- satellite master antenna television systems, commonly known as SMATVs, that generally serve condominiums, apartment and office complexes, and residential developments,
- local television broadcast stations that provide free over-the-air programming which can be received using an antenna and a television set,
- digital subscription services transmitted over local television broadcast stations that can be received by a special set-top box,
- interactive online computer services, including Internet video streaming and distribution of movies,
- video stores and home video products,
- movie theaters,
- newspapers, magazines and bookstores, and
- live concerts and sporting events.

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 recently adopted rules favoring new investment by LECs in fiber-optic networks capable of distributing video programming and rules allocating and auctioning spectrum for new wireless services that are expected to compete with our video service offerings. 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 24 million subscribers 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 rooftop 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 quality of signals delivered to subscribers by DBS systems.

Federal legislation establishes, among other things, a 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, DBS providers are competitive with cable system operators like us because they offer programming that closely resembles what we offer. These DBS providers are attempting to expand their service offerings to include, among other things, high-speed Internet service and have entered marketing arrangements in which their service is promoted and sold by LECs, such as Verizon Communications, Inc., SBC Communications, Inc., BellSouth Corporation and Qwest Communications International, Inc.

Local Exchange Carriers (LECs). In addition to entering into joint marketing arrangements with DBS providers, some LECs are building fiber-optic networks capable of distributing video programming. The LECs, to date, have taken various positions on the question of whether they need a local cable television franchise to provide video services, including applying for a local franchise, seeking state-level regulation only, and claiming that video services can be provided without a cable television franchise.

Other Wireline Providers. 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 some 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 video and other communications services in various areas where we hold franchises. We anticipate that facilities-based competitors will emerge in other franchise areas that we serve.

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 our cable systems. In addition, some SMATV operators are offering packages of phone, 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 multiple dwelling units.

Broadcast Subscription Services. Over the past year, local television broadcasters in selected markets have begun deployment of digital subscription services. These services typically contain a limited number of cable programming services at a price of approximately \$20 per month. Recently, several leading television broadcast station ownership groups announced that they are negotiating funding for U.S. Digital Television, Inc., an entity that currently offers these digital subscription services in select markets and has announced plans to offer its service in several additional markets as a low cost alternative to cable television service. Many other broadcasters are considering similar plans.

High-Speed Internet Services

Substantially all 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:

- LECs,
- Internet service providers (ISPs), such as America Online, Earthlink, Inc. and Microsoft,
- long-distance telephone companies and
- wireless telephone companies and other providers of wireless Internet services.

The deployment of digital subscriber line, or DSL, technology allows Internet access to be provided to subscribers over analog lines at data transmission speeds substantially greater than that of conventional modems. Numerous companies have introduced DSL service, and some of these companies are seeking to provide high-speed Internet services without regard to their present service boundaries and other regulatory restrictions. In addition, some LECs have begun construction of fiber-optic networks that will allow them to provide data transmission speeds that exceed the speed that can be provided with DSL technology. The FCC has reduced the obligations of LECs to offer their broadband facilities on a wholesale basis to competitors and is considering further measures to deregulate LECs' retail broadband offerings. Congress may also consider measures to deregulate such broadband offerings.

Various wireless telephone companies are beginning to offer wireless, high-speed Internet services. In addition, in a growing number of commercial areas, such as retail malls, restaurants and airports, wireless "WiFi" Internet access capability is available. Numerous local governments are also considering or actively pursuing publicly-subsidized WiFi Internet access networks. The availability of these alternatives may adversely affect demand for our high-speed Internet services.

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, although to date these ISPs have made limited use of their access rights. 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 2004, a number of competitors offered substantial price discounts to subscribers willing to sign extended 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 phone service and Digital Voice service compete against incumbent local exchange carriers ("ILECs"), wireless telephone service providers, competitive LECs (including established long-distance companies) and other internet protocol phone ("IP phone") service providers. The ILECs have substantial capital and other resources, longstanding customer relationships, extensive existing facilities and network rights-of-way. A few competitive LECs also have existing local networks and significant financial resources.

In addition, many telecommunications carriers are expanding their offerings to include high-speed Internet access services, and as such access services become more widely deployed, IP phone services will likely become more popular. We anticipate that our Digital Voice service will be deployed over the next two years in substantially all of our cable systems. We expect to migrate our circuit-switched phone customers to our Digital Voice service over the next several years. Our competitors are engaging in similar deployment strategies, and the proliferation of IP phone services may negatively affect demand for and pricing of our phone services.

Advertising

Our cable systems compete against a wide variety of media for sales of advertising, including local television broadcast stations, national television broadcast networks, national cable television networks, local radio broadcast stations, local and regional newspapers, magazines, and the Internet. Continuing competition from these media outlets and the continued expansion of new media outlets offering advertising opportunities may result in a dilution of the portion of advertising expenditures our cable systems currently receive.

Content

We have made investments in national cable television networks as a means of generating additional revenues and subscriber interest. As of December 31, 2004, these investments include the following (approximate subscribers in millions):

Investment	Economic Ownership Percentage	Approximate U.S. Subscribers	Description
E! Entertainment Television	60.5%	77.2	Entertainment-related news and original programming
Style Network	60.5	33.5	Lifestyle-related programming
The Golf Channel	99.9	56.2	Golf-related programming
Outdoor Life Network	100.0	53.5	Outdoor sports and leisure programming
G4	83.5	46.7	Video and computer game-related programming
International Channel Networks	100.0	10.3	Cultural and heritage-related programming

Other Businesses and Programming Interests

We own a controlling interest in Comcast-Spectacor, our group of businesses that perform live sporting events and own or manage facilities for sporting events, concerts and other special events. We also own other non-controlling interests in programming investments including iN DEMAND, TV One, Sports Channel New England, New England Cable News, Pittsburgh Cable News Channel and Music Choice.

LEGISLATION AND REGULATION

Our video and phone services are subject to numerous requirements, prohibitions and limitations imposed by various federal and state laws and regulations, local ordinances and our franchise agreements. Our high-speed Internet service, while not currently subject to significant regulation, may be subject to such regulation in the future. Our content businesses are generally not subject to direct governmental regulation. 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 businesses.

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 we 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 businesses 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, and a significant initiative to update the Communications Act has begun this year. We always face the risk that Congress or a state will approve legislation significantly

affecting our businesses. 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 has been to increase competition in all communications services, including those central to our business. For example, Congress has removed barriers to local telephone companies offering video services in their local service areas, and the FCC has taken additional steps that are encouraging local telephone companies to expand their investment in fiber-optic networks, which would make it easier for those companies to deliver video, high-speed Internet, and other services. The FCC has also assigned spectrum licenses for MVDDS, a new wireless service providing multichannel video programming. In addition, the FCC is continuing to adopt measures to increase the capacity for satellite-delivered services and is currently pursuing efforts intended to facilitate the use of utility power lines to provide video and high-speed Internet services. Our cable business could be affected by additional 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, such as if local telephone companies that provide video programming services are not subject to the local franchising requirements and other requirements that apply to us.

There are potential risks associated with various potential new laws or regulations, or proceedings that are currently pending at the FCC, in the courts, and before state regulatory agencies and local franchise authorities. We believe few of these items have the potential to materially affect our ability to conduct our cable business.

The following paragraphs describe existing and potential future legal and regulatory requirements that are the most significant to our businesses today.

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 TWC by May 2008, a requirement that the TWC interest be placed in trust pending divestiture, and safeguards that limit our involvement in the programming-related activities of TWC and the two partnerships held jointly by us and TWC pending divestiture. Complying with these conditions has limited and will continue to limit our flexibility as to the timing and nature of a sale or other disposition of the TWC interest and, in the interim, may constrain our business dealings with TWC. We have fully complied with these conditions and are committed to meeting our obligations under the FCC's order going forward.

Ownership Limits

The FCC is considering imposing "horizontal ownership limits" that would limit the percentage of multichannel video subscribers that any single cable 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 approximately 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 was also invalidated by the federal appellate court). New vertical limits could affect our content-related business plans. In addition, 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. It is uncertain when the FCC will rule on these cable ownership issues. In addition, it is possible that the controversy relating to separate ownership rules for the broadcast industry could affect the cable ownership proceeding and the FCC's deliberations over cable ownership issues.

Pricing and Packaging

The Communications Act and the FCC's regulations and policies limit the prices that cable systems may charge for basic services and equipment. (These rules do not apply to cable systems that are determined by the FCC to be "subject to effective competition," but these determinations have thus far been made for only a small number of our cable systems.) Failure to comply with these 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, including proposals to require cable operators to offer programming services on an a la carte basis instead of or in addition to the current packaged offerings. 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 through offers, promotions or other discounts that aim 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 was vacated by a panel of a federal appellate court, which found that high-speed Internet service is, in part, a telecommunications service. That decision was stayed pending an appeal to the United States Supreme Court, which decided in December 2004 to hear the case. Thus, it is unclear how our high-speed Internet service will ultimately be classified for regulatory purposes, or whether we will be subject to requirements regarding our dealings with third-party ISPs. Any such requirements could adversely affect our results of operations. 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. One local franchise authority has already imposed some of these requirements and made them a condition of our cable franchise agreement, and other local governments may follow suit. Also, 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 have urged the FCC to adopt "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, obscenity and unsolicited commercial e-mail. Further, state and local governmental organizations have also adopted Internet-related regulations. 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 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 the analog and digital signals of each 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, expanded 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 to maintain or increase their carriage. Although the FCC has thus far ruled against expanded must-carry requirements, we cannot now predict whether such requirements may result from additional FCC proceedings, judicial proceedings or legislation.

Program Access

The Communications Act and the FCC's "program access" rules generally 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 generally do not apply to programming services, such as Comcast SportsNet (Philadelphia), that are delivered terrestrially. The FCC has also indicated that it may reconsider how it regulates cable operators with regional sports programming interests in its cable ownership rulemaking, and there has been some Congressional interest in extending the exclusivity prohibition to terrestrially-delivered programming. Any decision by the FCC or Congress to apply new regulations to cable operators like us who have regional sports programming interests could have an adverse impact on our cable and programming businesses.

Cable Equipment Issues

Current FCC rules bar cable operators from leasing to 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. In addition, 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 encrypted programming services on their digital television sets; and require operators to support basic home recording rights and copy protection rules for digital programming content. We believe that we are substantially in compliance with these plug-and-play requirements. 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 a 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 equipment. 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 service is subject to federal, state and local regulation. In general, the Communications Act imposes interconnection requirements and universal service contribution obligations on all telecommunications service providers, including those that provide traditional circuit-switched phone service over cable facilities, and more significant regulations on ILECs, 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. It is unclear how those proceedings (and the litigation and implementation proceedings that are already under way as a product of one such rulemaking) will affect our phone service.

We are beginning to launch our Digital Voice service on a limited commercial basis. The FCC has initiated a rulemaking to consider whether and how to regulate IP phone and other IP-enabled services. Among other things, the FCC will determine whether and how certain types of common-carrier regulations should apply to IP phone, including intercarrier compensation, universal service, 911 emergency services, and disabilities access obligations. The FCC has also initiated a separate rulemaking to consider whether to impose Communications Assistance to Law Enforcement Act requirements on IP phone as well as broadband Internet access services. Several states have already attempted to impose traditional common-carrier regulation on IP phone services. However, the FCC adopted an order in November 2004 declaring that one particular IP phone service is not subject to traditional state public utility regulation. Further, the FCC indicated that other types of IP phone services, such as those offered by cable companies, would not be subject to traditional state public utility regulation if they: require a broadband connection from the user's location; require the use of IP-compatible customer premises equipment; and include a suite of integrated capabilities and features, able to be invoked sequentially or simultaneously, that allows customers to manage personal communications dynamically. It is unclear how this ruling and other IP phone-related proceedings at the federal and state levels, and the related judicial proceedings that will ensue, might affect our planned IP phone 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 the use of channels for public, educational and governmental access programming. The Communications Act also requires a cable system with 36 or more activated channels to make available a 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. To date, we have generally not been required to devote significant channel capacity to leased access.

State and Local Taxes

Some states and localities 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.

- *Tier Buy Through:* The Communications Act generally 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 services.

- *Content Regulation:* The Communications Act prohibits the transmission of obscene programming over cable systems. Additionally, some parties have proposed that new laws or rules regulating indecent and violent programming be imposed on cable operators. It is uncertain whether and when any such laws will be enacted or regulations will be adopted and, if enacted or adopted, what impact such laws or regulations would have on our businesses.

- *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 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. The rules are also subject to a challenge in federal court. We cannot now predict how or when the FCC will rule on these petitions or how the federal court will decide the case. The FCC has also initiated a 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 intended to make it easier for multichannel video service providers to compete with established cable operators in serving multiple dwelling units ("MDU"s), such as apartment buildings and condominium complexes.

- *Pole Attachments:* The Communications Act requires that utilities (other than those owned by municipalities or cooperatives) provide cable systems with nondiscriminatory access to any pole, or right-of-way, controlled by the utility. The rates that utilities may charge for such access are regulated by the FCC or, alternatively, by states that certify to the FCC that they regulate such rates (several states in which we have cable systems have so certified). There is always the possibility that the FCC or a state could alter the pole attachment rate paid by cable operators, and such adverse decisions could potentially increase our pole attachment costs. Additionally, higher pole attachment rates will apply to pole attachments that are subject to the FCC's telecommunications services pole rates. The applicability of and method for calculating those rates for cable systems over which various phone services are transmitted remains unclear.

- *EAS and Closed Captioning:* The FCC has initiated a rulemaking to consider changes to the Emergency Alert System ("EAS"). The proposed rules changes, if adopted, would impose additional requirements and costs on cable operators, including, among other things, installation of new EAS equipment in cable headends and delivery of EAS warnings via digital cable services. It is uncertain when and if the FCC will act on these proposals. The FCC has also invited comment on a petition for a rulemaking with respect to closed captioning requirements for cable operators, broadcasters, programmers, and others. Advocates for the hearing impaired have urged the FCC to toughen its rules on closed captioning compliance and enforcement. If adopted, such requirements would impose further regulatory burdens on cable operators. The FCC has not indicated whether it will proceed with the rulemaking.

- *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, the Federal Trade Commission and many states 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 copyright royalty pool, cable operators can obtain blanket permission to retransmit copyrighted material contained in broadcast signals. The U.S. Copyright Office has recommended that Congress revise this compulsory licensing scheme, although Congress has thus far declined to do so. The elimination or 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 cable 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 (i.e., programming locally originated by and under the control of the

cable operator); (6) sponsorship identification; (7) equal employment opportunity; (8) lottery programming; (9) program carriage; (10) recordkeeping and public file access requirements; and (11) technical standards relating to operation of the cable network. We are not aware that the FCC is 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 cable 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 cannot provide any assurance, however, that regulation of our businesses will not increase.

EMPLOYEES

As of December 31, 2004, we had approximately 74,000 employees. Of these employees, approximately 59,000 were associated with cable and approximately 15,000 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 we have good relationships with our employees.

RISK FACTORS

All of the services offered by our cable systems face a wide range of competition that could adversely affect our future results of operations.

Our cable systems compete with a number of different sources that provide news, information and entertainment programming to consumers. We compete directly with other program distributors, including satellite companies, telephone companies, companies that build competing cable systems in the same communities we serve, and companies that offer programming and other communications services to our subscribers and potential subscribers. Some local telephone companies provide, or have announced plans to provide, video services within and outside their telephone service areas. Additionally, we are subject to competition from telecommunications providers and ISPs in connection with offerings of new and advanced services, including telecommunications and Internet services. This competition may materially adversely affect our business and operations in the future.

Programming costs are increasing, which could adversely affect our future results of operations.

Programming costs are expected to continue to be our largest single expense item in the foreseeable future. In recent years, the cable and satellite video industries have experienced a rapid increase in the cost of programming. If we are unable to raise our subscribers' rates or offset such programming cost increases through the sale of additional services, this could have an adverse impact on our operating results. In addition, as we upgrade the channel capacity of our systems and add programming to our basic, expanded basic and digital programming services, we may face increased programming costs that, in conjunction with the additional pricing constraints, may reduce operating margins. However, we do expect additional volume discounts associated with our future growth in subscribers receiving such programming channels.

We also expect to be subject to increasing demands by broadcasters in exchange for their required consent for the retransmission of broadcast programming to our subscribers. We cannot predict the impact of these demands or the effect on our business and operations should we fail to obtain the required consents.

We are subject to regulation by federal, state and local governments, which may impose costs and restrictions.

Federal, state and local governments extensively regulate the cable industry and the circuit-switched phone services industry and may begin regulating the Internet services industry. We expect that legislative enactments, court actions and regulatory proceedings will continue to clarify and in some cases change the rights and obligations of cable companies and other entities under the Communications Act and other laws, possibly in ways that we have not foreseen. The results of these legislative, judicial and administrative actions may materially affect our business operations. Local authorities grant us franchises that permit us to operate our cable systems. We have to renew or renegotiate these franchises from time to time. Local franchising authorities often demand concessions or other commitments as a condition to renewal or transfer, and such concessions or other commitments could be costly to us in the future.

We may face increased competition because of technological advances and new regulatory requirements, which could adversely affect our future results of operations.

Numerous companies, including telephone companies, have introduced DSL technology, which provides Internet access to subscribers at data transmission speeds substantially greater than that of conventional analog modems. We expect other advances in communications technology, as well as changes in the marketplace, to occur in the future. Other new technologies and services may develop and may compete with services that cable systems offer, including video services. The success of these ongoing and future developments could have an adverse effect on our business operations. Moreover, 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.

We face risks arising from the outcome of various litigation matters, including litigation associated with our acquisition of AT&T's Broadband operations.

We are involved in various litigation matters, including those arising in the ordinary course of business and those described under the caption "Legal Proceedings" in Item 3 to this Annual Report. Among these matters is litigation associated with our acquisition of AT&T's Broadband operations and for which AT&T controls the defense of the litigation. While we do not believe that any of these litigation matters alone or in the aggregate, will have a material adverse effect on our consolidated financial position, an adverse outcome in one or more of these matters could be material to our consolidated results of operations for any one period. Further, no assurance can be given that any adverse outcome would not be material to our consolidated financial position.

Our Chairman and CEO has considerable influence over our operations.

Brian L. Roberts has significant control over our operations through his beneficial ownership of all of the outstanding shares of our Class B common stock, which have a nondilutable 33¹/₃% of the combined voting power of our common stock and separate approval rights over certain material transactions involving us.

ITEM 2 PROPERTIES

Cable

A central receiving apparatus, distribution cables, servers, customer premises equipment, 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

Television studios and business offices are the principal physical assets of our content operations. We own or lease the television studios and business offices of our content operations.

Other

Two large, multi-purpose arenas that we own are the principal physical assets of our other 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 Chairman 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 others 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 us, 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, as amended ("the 1934 Act"), 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 us, 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 (item (i) above), 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. The decision to stay the actions was affirmed by the District Court, and an appeal to the Court of Appeals for the Ninth Circuit is

pending. In the Southern District of New York actions (item (ii) above), the court has dismissed the common law fraud claims against all defendants, leaving only the securities law claims. In a subsequent decision, the court limited the remaining claims against us and Mr. Roberts to disclosures that are alleged to have been made by At Home prior to August 28, 2000. Plaintiffs' motion for class certification is pending. The Delaware case (item (iii) above) was transferred to the United States District Court for the Southern District of New York. The court dismissed the Section 16(b) claims against us for failure to state a claim and the breach of fiduciary duty claim for lack of federal jurisdiction. The plaintiffs have appealed the decision dismissing the Section 16(b) claims. They may also recommence the breach of fiduciary duty claim depending on the outcome of the Santa Clara, California, state court action against AT&T (described in item (i) below). In the meantime, we have entered into an agreement with plaintiffs tolling the statute of limitations for the breach of fiduciary duty claim. In the action in the United States Bankruptcy Court for the Northern District of California (item (iv) above), the parties filed a stipulation in January 2004, staying the case (on account of other pending litigation relating to the At Home bankruptcy) until such time as either party elects to resume the case.

Under the terms of the Broadband acquisition, we are contractually liable for 50% of any liabilities of AT&T relating to certain At Home litigation. For litigation in which we are contractually liable for 50% of any liabilities, AT&T will be liable for the other 50%. In addition to the actions against AT&T described in items (i), (ii) and (iv) above, (in which we are also a defendant), such litigation matters may also include two additional actions brought by At Home's bondholders' liquidating trust against AT&T (and 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 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. Discovery in the Santa Clara action is nearly complete and trial is scheduled for May 2005. The action in the District Court for the Northern District of California is 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 are defending all of these claims vigorously. The final disposition of these claims and the final resolution of our share (if any) of the AT&T At Home potential liabilities are 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.

AT&T—Wireless and Common Stock Cases

Under the terms of the Broadband acquisition, we 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 and Section 12(a)(2) of the Securities Act of 1933, as amended, and Section 10(b) of the 1934 Act.

The first lawsuit, for which our portion of any loss 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 ("Wireless Case"). In March 2004, the plaintiffs, and AT&T and the other defendants, moved for summary judgment in the Wireless Case. The New Jersey District Court denied the motions and the Judicial Panel on Multidistrict Litigation remanded the cases for trial to the United States District Court for the Southern District of New York, where they had originally been brought. No trial date has been set. We and AT&T believe that AT&T has meritorious defenses in the Wireless Case, and it is being vigorously defended.

The second lawsuit, for which our portion of any loss is 50%, alleges, among other things, that AT&T knowingly provided false projections relating to AT&T common stock ("Common Stock Case"). In October 2004, the plaintiffs, and AT&T and the other defendants, agreed to settle the Common Stock Case for \$100 million, which was preliminarily approved by the court. We expect final approval of the settlement by the court in the second quarter of 2005. We have agreed to pay \$50 million of the settlement amount.

In November 2004, AT&T brought suit against the D&O insurers in Delaware Superior Court, seeking a declaration of coverage and damages in the At Home cases, the Wireless Case and the Common Stock Case. This litigation is in its very early stages.

AT&T—TCI

In June 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 in February 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 of their fiduciary duties.

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, we 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 July 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. Fact discovery in this matter is now closed. The former TCI director defendants anticipate filing a motion for summary judgment in February 2005. No trial date has been set.

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.

Acacia

In June 2004, Acacia Media Technologies Corporation ("Acacia") filed a lawsuit against us and others in the United States District Court for the Northern District of California. The complaint alleges infringement of certain United States patents that allegedly relate to systems and methods for transmitting and/or receiving digital audio and video content. The complaint seeks injunctive relief and damages in an unspecified amount. In the event that a Court ultimately determines that we infringe on any of the patents, we may be subject to substantial damages, which may include treble damages and/or an injunction that could require us to materially modify certain products and services that we currently offer to subscribers. We believe that the claims are without merit and intend to defend the action vigorously.

The final disposition of this claim 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

In January 2003, Liberty Digital, Inc. filed a complaint in Colorado state court against us. The complaint alleged that we breached a 1997 Contribution Agreement with Liberty Digital and that we tortiously interfered with that agreement. The complaint alleged that this agreement obligated us to pay fees to Liberty Digital totaling \$18 million (increasing at CPI) per year through 2017. Liberty Digital sought, among other things, compensatory damages, specific performance of the 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.

In July 2004, we entered into an exchange agreement with Liberty (the parent company of Liberty Digital). The transactions closed in July 2004 and resolved all claims in the litigation.

Other

We are subject to other legal proceedings and claims that arise in the ordinary course of our business. The amount of ultimate liability with respect to such actions is not expected to materially affect our financial position, 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 and CEO (who continues in these offices unless and until removed), the term of office of each of our officers continues until his or her successor is selected and qualified, or until his or her earlier death, resignation or removal. The following table sets forth information concerning our executive officers, including their ages, positions and tenure as of December 31, 2004:

Name	Age	Officer Since	Position with Comcast
Brian L. Roberts	45	1986	Chairman and CEO; Director
Ralph J. Roberts	84	1969	Chairman of the Executive and Finance Committee of the Board of Directors; Director
John R. Alchin	56	1990	Executive Vice President; Co-Chief Financial Officer; Treasurer
Stephen B. Burke	46	1998	Executive Vice President; Chief Operating Officer; President, Comcast Cable
David L. Cohen	49	2002	Executive Vice President
Lawrence S. Smith	57	1988	Executive Vice President; Co-Chief Financial Officer
Arthur R. Block	49	1993	Senior Vice President; General Counsel; Secretary
Lawrence J. Salva	48	2000	Senior Vice President; Chief Accounting Officer; Controller

Brian L. Roberts has served as a director and as our President and Chief Executive Officer since November 2002 and our Chairman of the Board since May 2004. Prior to November 2002, Mr. Roberts served as a director and President of Comcast Holdings Corporation (our immediate predecessor and now a subsidiary) for more than five years. As of December 31, 2004, 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.

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.

John R. Alchin has served as our Executive Vice President, Co-Chief Financial Officer 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. Mr. Alchin is also a director of BNY Capital Markets, Inc.

Stephen B. Burke has served as our Chief Operating Officer since July 2004, and 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 as President of Comcast Cable since January 2000. Mr. Burke is also a director of JPMorgan Chase & Company.

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 Executive Vice President and Co-Chief Financial Officer since November 2002. Prior to November 2002, Mr. Smith served as an Executive Vice President of Comcast Holdings for more than five years. Mr. Smith is also a director of Comcast Holdings and Air Products and Chemicals, Inc.

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. Mr. Block is also a director of Comcast Holdings.

Lawrence J. Salva has served as our Senior Vice President and Controller since November 2002 and as Chief Accounting Officer since May 2004. Mr. Salva joined Comcast Holdings in January 2000 as Senior Vice President and Chief Accounting Officer.

PART II

ITEM 5 MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

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
2004				
First Quarter	\$ 36.13	\$ 28.00	\$ 35.10	\$ 27.05
Second Quarter	30.66	27.63	29.70	26.67
Third Quarter	28.75	26.48	28.13	26.18
Fourth Quarter	33.28	27.84	32.84	27.50
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 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 66²/₃% 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. Holders of shares of our Class A Special common stock cannot vote in the election of directors or otherwise, except where class voting is required by law. In that case, holders of our Class A Special common stock will have the same number of votes per share as each share of Class A common stock. Our Class B common stock has a 33¹/₃% 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, 2004, there were 1,095,080 holders of our Class A common stock, 2,530 record holders of our Class A Special common stock and three record holders of our Class B common stock.

A summary of our repurchases, totalling approximately \$1.3 billion, during 2004 under our Board-authorized \$2 billion repurchase program is as follows:

Period	Total Number of Shares Purchased	Average Price per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Total Dollars Purchased Under the Program	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Program
1Q04	845,212	\$ 32.75	730,500	\$ 24,081,628	\$ 1,949,999,018
2Q04	18,548,102	\$ 28.11	17,772,535	\$ 499,411,832	\$ 1,450,587,186
3Q04	19,802,075	\$ 27.35	18,363,200	\$ 501,514,629	\$ 949,072,557
October 1–31, 2004	1,801,216	\$ 28.73	1,800,000	\$ 51,718,889	\$ 897,353,668
November 1–30, 2004	2,872,071	\$ 29.09	2,538,000	\$ 73,813,980	\$ 823,539,688
December 1–31, 2004	6,236,389	\$ 30.93	5,730,000	\$ 177,464,221	\$ 646,075,467
Total 4Q04	10,909,676	\$ 30.08	10,068,000	\$ 302,997,090	\$ 646,075,467
Total 2004	50,105,065	\$ 28.32	46,934,235	\$ 1,328,005,179	\$ 646,075,467

The total number of shares purchased during 2004 includes 3,170,830 shares received in the administration of employee equity compensation plans.

ITEM 6 SELECTED FINANCIAL DATA

(Dollars in millions, except per share data)
Year Ended December 31,

	2004 ⁽¹⁾	2003 ⁽¹⁾	2002 ⁽¹⁾	2001	2000
Statement of Operations Data:					
Revenues	\$ 20,307	\$ 18,348	\$ 8,102	\$ 5,937	\$ 4,836
Operating income (loss)	2,908	1,954	921	(1,325)	(654)
Income (loss) from continuing operations before cumulative effect of accounting change	970	(218)	(469)	4	1,873
Discontinued operations ⁽²⁾	—	3,458	195	220	148
Cumulative effect of accounting change ⁽³⁾	—	—	—	385	—
Net income (loss)	970	3,240	(274)	609	2,021
Basic earnings (loss) for common stockholders per common share					
Income (loss) from continuing operations before cumulative effect of accounting change	\$ 0.43	\$ (0.10)	\$ (0.42)	\$ 0.00	\$ 2.08
Discontinued operations ⁽²⁾	—	1.54	0.17	0.24	0.16
Cumulative effect of accounting change ⁽³⁾	—	—	—	0.40	—
Net income (loss)	\$ 0.43	\$ 1.44	\$ (0.25)	\$ 0.64	\$ 2.24
Diluted earnings (loss) for common stockholders per common share					
Income (loss) from continuing operations before cumulative effect of accounting change	\$ 0.43	\$ (0.10)	\$ (0.42)	\$ 0.00	\$ 1.97
Discontinued operations ⁽²⁾	—	1.54	0.17	0.23	0.16
Cumulative effect of accounting change ⁽³⁾	—	—	—	0.40	—
Net income (loss)	\$ 0.43	\$ 1.44	\$ (0.25)	\$ 0.63	\$ 2.13
Balance Sheet Data (at year end):					
Total assets	\$ 104,694	\$ 109,159	\$ 113,128	\$ 38,261	\$ 35,874
Long-term debt	20,093	23,835	27,956	11,679	10,215
Stockholders' equity	41,422	41,662	38,329	14,473	14,086
Statement of Cash Flows Data					
Net cash provided by (used in):					
Operating activities from continuing operations	\$ 5,930	\$ 2,854	\$ 2,421	\$ 1,169	\$ 907
Financing activities from continuing operations	(2,516)	(7,048)	(1,005)	1,651	(171)
Investing activities from continuing operations	(4,512)	5,239	(1,125)	(3,150)	(1,044)

⁽¹⁾ Refer to *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 the years ended on and before December 31, 2003 (see *Note 5* to our consolidated financial statements in Item 8 of this Annual Report).

⁽³⁾ In 2001, we recognized as income a cumulative effect of accounting change upon adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities."

OVERVIEW

We are principally involved in the management and operation of broadband communications networks (our cable segment) and in the management of programming content that is distributed over national cable television networks (our content segment). In 2004, we received over 95% of our revenue from our cable segment, primarily through monthly subscriptions to our video, high-speed Internet and phone services, as well as from 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 content segment is derived from the sale of advertising time and affiliation agreements with cable and satellite television companies. We have several competitors in each aspect of our businesses, including satellite providers, DSL providers, telephone companies and broadcast networks.

Highlights for the year 2004 include the following:

- Revenue growth of 10.4% in our cable segment compared to the year 2003, driven by continued subscriber growth in our digital cable and high-speed Internet services and rate increases in our video services. Our subscriber growth is attributable to new and improved products and advanced services in our digital cable and high-speed Internet services. These include video on demand ("VOD" or "On Demand"), high-definition television ("HDTV") programming and digital video recorders ("DVR"s) in our video services and a fast and reliable network, enhanced Internet portal, video mail and additional content in our high-speed Internet services;
- Operating income before depreciation and amortization growth of 17.6% in our cable segment compared to the year 2003, resulting from our revenue growth, efficiencies achieved and volume-related savings based on our size;
- Substantial completion of our cable systems upgrade;
- Investment in and long-term access to technology platforms and national fiber-optic networks that allow us to control the development, delivery and quality of our digital and advanced services for our video, high-speed Internet and phone services; and
- Repurchases of approximately 46.9 million shares of our Class A Special common stock for aggregate consideration of \$1.328 billion pursuant to our Board authorized repurchase program.

The following discussion provides the details of these highlights and insights into our consolidated financial statements, including business developments, critical accounting judgments and estimates used in preparing the financial statements, and discussions of our results of operations, liquidity and capital resources.

BUSINESS DEVELOPMENTS

We operate our businesses in an increasingly competitive, highly regulated and technologically complex environment. We are the largest video, broadband high-speed Internet and cable phone service provider in the United States. We have substantially completed the upgrade of our broadband communications networks, allowing us to provide customers with new and improved products and advanced services in our video, high-speed Internet and phone services. We also have expanded the ownership and management of our content businesses on national, regional and local levels.

Cable

On November 18, 2002, we completed the acquisition of AT&T Corp.'s broadband business, which we refer to as "Broadband" and "the Broadband acquisition." The Broadband acquisition substantially increased the size of our cable operations and caused significant changes in our capital structure, including a substantially higher amount of debt. As a result, direct comparisons of our results of operations for periods prior to November 18, 2002, to subsequent periods are not meaningful.

During 2004, we expanded our efforts to acquire and develop technology that will drive product differentiation and new applications and extend our nationwide fiber-optic network. We achieved these objectives in 2004 through strategic agreements signed with Gemstar-TV Guide and Microsoft, which enable us to control and develop the enhancement of the user interface and the functionality of our service offerings, such as our interactive programming guide and our VOD and DVR service. In addition, we and Gemstar formed an entity to develop and enhance interactive programming guides. In December 2004, we also announced a long-term agreement with Level 3 Communications that is part of the extension of our fiber-optic network. This national network, or "backbone," provides a technically-advanced, nationwide broadband network over which we can deliver new and enhanced services.

Content

On May 10, 2004, we completed the acquisition of TechTV Inc. ("TechTV") for approximately \$300 million in cash. On May 28, 2004, G4 and TechTV began operating as one network that is available to approximately 47 million cable and satellite homes nationwide as of December 31, 2004, and provides video and computer game-related programming.

On July 28, 2004, we exchanged approximately 120 million shares of Liberty Media Corporation ("Liberty") Series A common stock that we held with Liberty for cash of \$547 million, an additional 10.4% interest in E! Entertainment Television ("E! Entertainment") and 100% of International Channel Networks, a cultural and heritage-related national cable network that is available to approximately 10 million cable homes nationwide as of December 31, 2004.

QVC

On September 17, 2003, we completed the sale to Liberty 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 is presented as a discontinued operation in our consolidated financial statements.

Refer to *General Developments of Our Business* in Part I and *Note 5* to our consolidated 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 valuation and impairment testing of our cable franchise rights and the accounting for income taxes and legal contingencies are critical in the preparation of our 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.

Valuation and Impairment Testing 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, 2004, we served approximately 4,500 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 Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets" ("SFAS No. 142").

We have acquired these cable 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 that we operate our cable franchise rights as a single asset within our cable segment. From time to time, however, certain cable franchise rights may be 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 are both operated together and essentially inseparable. Upon the adoption of SFAS No. 142 in 2002, we tested our cable franchise rights for impairment at the cable segment level. Effective in the first quarter of 2004, we changed the unit of accounting used for testing impairment to geographic regions.

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.

Income Taxes

Our provision for income taxes is based on our current period income, changes in deferred income tax assets and liabilities, income tax rates, and tax planning opportunities available in the jurisdictions in which we operate. From time to time, we engage in transactions in which the tax consequences may be subject to some uncertainty. Examples of such transactions include business acquisitions and disposals, including like-kind exchanges, issues related to consideration paid or received in connection with

acquisitions, and certain financing transactions. Significant judgment is required in assessing and estimating the tax consequences of these transactions. We prepare and file tax returns based on our interpretation of tax laws and regulations and record estimates based on these judgments and interpretations.

In the normal course of business, our tax returns are subject to examination by various taxing authorities. Such examinations may result in future tax and interest assessments by these taxing authorities, and we record a liability when we believe that it is probable that we will be assessed. We adjust our estimates periodically because of ongoing examinations by and settlements with the various taxing authorities, as well as changes in tax laws, regulations and precedent. The financial statement effects of income tax uncertainties that arise in connection with business combinations and those associated with entities acquired in business combinations are discussed in *Note 2* to our consolidated financial statements included in Item 8. The consolidated tax provision of any given year includes adjustments to prior year income tax provisions that are considered appropriate and any related estimated interest. We believe that adequate accruals have been made for income taxes. Differences between the estimated and actual amounts determined upon ultimate resolution, individually or in the aggregate, are not expected to have a material adverse effect on our consolidated financial position but could possibly be material to our consolidated results of operations or cash flow of any one period.

Legal Contingencies

We are subject to legal, regulatory and other proceedings and claims that arise in the ordinary course of our business and, in certain cases, those that we assume from an acquired entity in a business combination. We record an estimated liability for those proceedings and claims arising in the ordinary course of business based upon the probable and reasonably estimable criteria contained in SFAS No. 5, "Accounting for Contingencies." For those litigation contingencies assumed in a business combination subsequent to the adoption of SFAS No. 142, we record a liability based on estimated fair value when such fair value is determinable. We review outstanding claims with internal as well as external counsel to assess probability and estimates of loss. The risk of loss is reassessed as new information becomes available and liabilities are adjusted, as appropriate. The actual cost of resolving a claim may be substantially different from the amount of the liability recorded.

Significant and Subjective Estimates

The following discussion and analysis of our results of operations and financial condition is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. 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. 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 consolidated financial statements included in Item 8 for a discussion of our accounting policies with respect to these and other items.

RESULTS OF CONTINUING OPERATIONS

Consolidated Operating Results

Revenues

Consolidated revenues for the years 2004 and 2003 increased \$1.959 billion and \$10.246 billion, respectively, from the previous year. Of these increases, \$1.824 billion and \$10.142 billion, respectively, relate to our cable segment and \$159 million and \$107 million, respectively, relate to our content segment, which are both discussed separately below. The remaining changes primarily relate to our other business activities, primarily Comcast-Spectacor.

Operating, selling, general and administrative expenses

Consolidated operating, selling, general and administrative expenses for the years 2004 and 2003 increased \$820 million and \$6.690 billion, respectively, from the previous year. Of these increases, \$703 million and \$6.590 billion, respectively, relate to our cable segment and \$108 million and \$63 million, respectively, relate to our content segment, both of which are discussed separately below. The remaining increases relate to our other business activities, primarily Comcast-Spectacor and corporate activities.

Depreciation

The changes in depreciation expense for the years 2004 and 2003 are primarily attributable to our cable segment. The increase in our cable segment for the year 2004 compared to the previous year is principally due to the higher level of depreciation associated with capital expenditures related to our cable systems upgrade. The increase in our cable segment for the year 2003 compared to the previous year is principally due to the effects of the Broadband acquisition, as well as our increased level of capital expenditures.

Amortization

The changes in amortization expense for the years 2004 and 2003 are primarily attributable to our cable segment. The decrease in our cable segment for the year 2004 compared to the previous year relates to decreases in the amortization of our franchise-related customer relationship intangible assets. 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. In the fourth quarter of 2003, we reduced the value of these intangible assets because we obtained updated valuation reports, which resulted in lower amortization expense. This decrease was partially offset by amortization associated with intangibles acquired in the Gemstar transaction. This decrease was also offset by our content segment, principally associated with intangibles acquired in the TechTV and Liberty exchange transactions. (See Note 5 to our consolidated financial statements included in Item 8 for further discussion about these transactions). The increase in our cable segment for the year 2003 compared to the previous year relates principally to the effects of the Broadband acquisition.

2003 to 2002 Historical Comparisons

On November 18, 2002, we completed the acquisition of AT&T Corp.'s broadband business, which we refer to as "Broadband" and "the Broadband Acquisition." The Broadband acquisition substantially increased the size of our cable operations and caused significant changes in our capital structure, including a substantially higher amount of debt. As a result, direct comparisons of our consolidated results of operations for periods prior to November 18, 2002, to subsequent periods are not meaningful. Please refer to our 2003 to 2002 historical and pro forma cable segment discussion below.

Segment Operating Results

Operating income before depreciation and amortization is the primary basis we use to measure the operational strength and performance of our segments. 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 from intangible assets recognized in business combinations, and it 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 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 consolidated financial statements. This measure should not be considered 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.

All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

Cable Segment

The following table presents our cable segment operating results (dollars in millions):

2004 to 2003 Historical Comparisons

	2004	2003	Increase (Decrease)	
			\$	%
Video	\$ 12,892	\$ 12,096	\$ 796	6.6%
High-speed Internet	3,124	2,255	869	38.5
Phone	701	801	(100)	(12.5)
Advertising sales	1,287	1,112	175	15.7
Other	666	620	46	7.4
Franchise fees	646	608	38	6.3
Revenues	19,316	17,492	1,824	10.4
Operating expenses	7,170	6,762	408	6.0
Selling, general and administrative expenses	4,675	4,380	295	6.7
Operating income before depreciation and amortization	\$ 7,471	\$ 6,350	\$ 1,121	17.6%

The following tables present our subscriber and monthly average revenue statistics on both a historical and a pro forma basis. The pro forma adjustments reflect the addition of approximately 72,000 video subscribers acquired in various small acquisitions during the years presented as though the acquisitions occurred on January 1, 2003. The impact of these acquisitions on our segment operating results was not material (subscribers in thousands).

	Historical December 31,		Pro forma December 31,	
	2004	2003	2004	2003
Video subscribers	21,548	21,468	21,548	21,540
High-speed Internet subscribers	6,992	5,284	6,992	5,285
Phone subscribers	1,223	1,267	1,223	1,267

	Historical Years Ended December 31,		Pro forma Years Ended December 31,	
	2004	2003	2004	2003
Monthly average video revenue per video subscriber	\$ 49.87	\$ 47.11	\$ 49.89	\$ 47.01
Monthly average high-speed Internet revenue per high-speed Internet subscriber	\$ 42.41	\$ 42.08	\$ 42.41	\$ 42.20
Monthly average phone revenue per phone subscriber	\$ 46.89	\$ 49.33	\$ 46.90	\$ 49.33

Revenues. Video revenue consists of our basic, expanded basic, premium, pay-per-view and digital cable services, as well as equipment rentals. The increase in video revenue from 2003 to 2004 is attributable to subscriber growth in our digital video service and rate increases. During 2004, we added approximately 990,000 digital subscribers. The growth in our digital cable subscribers was driven by an increase in consumer demand for new digital services and features, such as VOD, DVRs and HDTV programming, and enhancements in digital service packages. We expect continued growth in our video revenue.

The increase in high-speed Internet revenue from 2003 to 2004 is primarily due to the addition of approximately 1,708,000 high-speed Internet subscribers in 2004. The growth in high-speed Internet subscribers reflects increased consumer demand for the faster and more reliable Internet service provided over our cable networks. We expect continued growth in our high-speed Internet revenue.

The decrease in phone revenue from 2003 to 2004 is primarily 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 2004, our phone subscribers decreased by approximately 44,000 subscribers.

The increase in advertising sales revenue from 2003 to 2004 is primarily due to the effects of growth in regional/national advertising as a result of the continued success of our regional interconnects, a stronger local advertising market and an increase in political advertising. We expect continued growth in our advertising sales revenue.

Other revenue includes installation revenues, revenue from our regional sports and news networks, guide revenues, commissions from electronic retailing, revenue from commercial data services and revenue from other service offerings.

The increase in franchise fees collected from our cable subscribers from 2003 to 2004 is primarily attributable to the increase in our revenues upon which the fees apply.

Operating Expenses. Programming expenses represent our single largest operating expense and are fees paid to license programming from cable 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 the programming packages offered to subscribers. In 2004, programming costs increased \$240 million to \$4.149 billion, or 6.1%, from 2003. We anticipate our programming expenses will increase in the future primarily as a result of increased costs to purchase programming and as additional programming is provided to our subscribers. We anticipate that these increases will be mitigated, to some extent, by additional volume discounts.

Other operating expenses increased \$168 million, or 5.9%, from 2003, primarily driven by increases in personnel associated with the growth in our high-speed Internet and digital cable services.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased \$295 million from 2003, primarily driven by increases in marketing costs and the administrative costs associated with growth in our business.

2003 to 2002 Historical Comparisons

The following discussion of our cable segment operating results first presents a comparison of the 2003 and 2002 periods on a historical basis, which only includes 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.

(Dollars in millions)	2003	2002	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 expenses	6,762	2,685	4,077	151.8
Selling, general and administrative expenses	4,380	1,867	2,513	134.6
Operating income before depreciation and amortization	\$ 6,350	\$ 2,798	\$ 3,552	126.9%

Revenues. Video revenues 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 digital subscribers. During 2003, we added approximately 1,033,000 digital subscribers.

The increase in high-speed Internet revenue from 2002 to 2003 is primarily due to the effects of the Broadband acquisition and growth in high-speed Internet subscribers. During 2003, we added approximately 1,692,000 high-speed Internet subscribers.

The increases in phone, advertising sales and other revenue from 2002 to 2003 are primarily 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.

Operating Expenses. Programming expenses increased \$2.271 billion to \$3.909 billion from 2002 to 2003, primarily due to the effects of the Broadband acquisition. The increase in other operating expenses from 2002 to 2003 is primarily attributable to the effects of the Broadband acquisition, the effects of an increase in labor costs and other volume-related expenses, and, to a lesser extent, the effects of high-speed Internet subscriber growth.

Selling, General and Administrative Expenses. The increase in selling, general and administrative expenses from 2002 to 2003 is primarily attributable to the effects of the Broadband acquisition.

2003 to 2002 Pro Forma Comparisons

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 is it indicative of our future results. The following table presents our cable segment operating results for 2002 on a pro forma basis and a reconciliation to historical and pro forma data (dollars in millions):

	2003	Pro Forma 2002	Preacquisition Broadband	As reported	2003 to 2002 Increase/(Decrease)	
					\$	%
Video	\$ 12,096	\$ 11,460	\$ 5,944	\$ 5,516	\$ 636	5.5%
High-speed Internet	2,255	1,486	771	715	769	51.7
Phone	801	818	691	127	(17)	(2.2)
Advertising sales	1,112	1,036	562	474	76	7.4
Other	620	667	392	275	(47)	(7.2)
Franchise fees	608	570	327	243	38	6.8
Revenues	17,492	16,037	8,687	7,350	1,455	9.1
Operating expenses	6,762	6,756	4,071	2,685	6	(0.0)
Selling, general and administrative expenses	4,380	4,812	2,945	1,867	(432)	(9.0)
Operating income before depreciation and amortization	\$ 6,350	\$ 4,469	\$ 1,671	\$ 2,798	\$ 1,881	42.1%

The following tables present our subscriber and monthly average revenue statistics on a pro forma basis as though acquisitions during these years occurred on January 1, 2002 (subscribers in thousands).

	December 31,			Increase/(Decrease)
	2003	2002		
Video subscribers	21,468	21,327	141	0.7%
High-speed Internet subscribers	5,284	3,620	1,664	45.9%
Phone subscribers	1,267	1,438	(171)	(11.9%)

	Years Ended December 31,			
	2003	2002	Increase/(Decrease)	
Monthly average video revenue per video subscriber	\$ 47.15	\$ 44.54	\$ 2.61	5.9%
Monthly average high-speed Internet revenue per high-speed Internet subscriber	\$ 42.44	\$ 41.81	\$ 0.63	1.5%
Monthly average phone revenue per phone subscriber	\$ 48.90	\$ 54.35	\$ (5.45)	(10.0%)

Revenues. 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. During 2003, we added approximately 1,033,000 digital subscribers.

The increase in high-speed Internet revenue from 2002 to 2003 is primarily due to the addition in 2003 of approximately 1,692,000 high-speed Internet subscribers and is also due to the effects of an increase in monthly average revenue per subscriber.

The decrease in phone revenue from 2002 to 2003 is primarily a result of our focusing 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 continued success of our regional interconnects, offset by reduced growth in a soft local advertising market.

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

Operating Expenses. Programming expenses increased \$87 million to \$3.909 billion, or 2.3%, in 2003 compared to 2002, primarily because we were able to negotiate reductions in programming rates, principally in premium channels, during 2003.

Other operating expenses decreased \$81 million in 2003 from 2002, primarily due to the effects of cost reductions in the integration of the Broadband systems.

Selling, General and Administrative Expenses. Selling, general and administrative expenses decreased \$432 million in 2003 from 2002, primarily driven by reductions in headcount and elimination of redundancies in 2003. In addition, the 2002 amounts include \$425 million of acquisition and employee termination related costs recorded by Broadband.

Content Segment

2004, 2003 and 2002 Historical Comparisons

The following table presents our content segment operating results (dollars in millions):

	2004	2003	2002
Revenues	\$ 787	\$ 628	\$ 521
Operating, selling, general and administrative expenses	522	414	351
Operating income before depreciation and amortization	\$ 265	\$ 214	\$ 170

Our content segment consists of the national networks E! Entertainment and Style Network (E! Networks), The Golf Channel, Outdoor Life Network, G4 and International Channel Networks.

Revenues. Our content segment revenue increased \$159 million and \$107 million, or 25.3% and 20.5%, for the years 2004 and 2003, respectively, compared to the previous year. The increases in 2004 and 2003 revenue reflect increases in distribution and advertising revenue for all of the networks and the 2004 acquisitions of TechTV and International Channel Networks.

Operating, Selling, General and Administrative Expenses. Operating, selling, general and administrative expenses increased \$108 million and \$63 million, or 26.1% and 17.9%, for the years 2004 and 2003, respectively, compared to the previous year. Expenses increased in 2004 and 2003 as a result of higher development and marketing expenses for signature events and other original programming in all of our networks, as well as to the effects of our acquisitions of TechTV and International Channel Networks during 2004.

Consolidated Other Income (Expense) Items

2004, 2003 and 2002 Historical Comparisons

Interest Expense. The decrease in interest expense for the year 2004 from 2003 is a result of our debt reduction during 2003 and 2004 and due to the effects of our interest rate risk management program. This decrease was offset somewhat by the effects of the write-off of unamortized debt issue costs to interest expense in connection with the refinancing of our previously existing revolving credit facilities and by the early redemption of a portion of the Comcast exchangeable notes. The costs during 2004 associated with the refinancing and the redemption totaled \$38 million and \$31 million, respectively. The decrease for 2004 from 2003 was also offset by the effects of our adoption of SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" ("SFAS No. 150"), on July 1, 2003. As a result of the adoption of SFAS No. 150, interest expense for 2004 and 2003 includes \$100 million and \$53 million, respectively, of dividends on a subsidiary's preferred stock, which were classified as minority interest prior to the adoption of SFAS No. 150.

The increase in interest expense for 2003 from 2002 is due to our increased amount of debt outstanding in 2003 as a result of the Broadband acquisition.

Investment Income (Loss), Net. Investment income (loss), net for the years ended December, 31, 2004, 2003 and 2002 is comprised of the following (dollars in millions):

	2004	2003	2002
Interest and dividend income	\$ 160	\$ 166	\$ 53
Gains (losses) on sales and exchanges of investments, net	45	28	(48)
Investment impairment charges	(16)	(72)	(247)
Unrealized gains (losses) on trading securities	378	965	(1,569)
Mark to market adjustments on derivatives related to trading securities	(120)	(818)	1,284
Mark to market adjustments on derivatives and hedged items	25	(353)	(16)
Investment income (loss), net	\$ 472	\$ (84)	\$ (543)

The investment impairment charges for 2003 and 2002 relate principally to other than temporary declines in our investment in AT&T.

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 most (as of December 31, 2004) of our investments accounted for as trading securities. The differences between the unrealized gains (losses) on trading securities and the mark-to-market adjustments on derivatives related to trading securities, as presented in the table above, result from one or more of the following:

- we did not maintain an economic hedge for our entire investment in the security during some portion or for all of the period,
- the security to which the derivative relates changed due to a corporate reorganization of the issuing company to a security with a different volatility rate,
- the issuing company paid a new or an increased dividend to the shareholders of the security, or
- the change in the time value component of the derivative value during the period.

The mark-to-market adjustments on derivatives and hedged items consist principally of the fair value adjustments related to the derivative component of the notes exchangeable into Comcast stock. We are exposed to changes in the fair value of this derivative since the underlying shares of Comcast Class A Special common stock that we hold in treasury are carried at our historical cost and not adjusted for changes in fair value. As of December 31, 2004, approximately 8.4 million shares of Comcast Class A Special common stock collateralize the outstanding Comcast exchangeable notes.

Equity in Net Losses of Affiliates. The increase in equity in net losses of affiliates from 2003 to 2004 results principally from the effects of our additional investments and changes in the net income or loss of our equity method investees.

Other Income. The increase in other income from 2003 to 2004 is primarily attributable to the \$250 million reduction in the estimated fair value liability associated with the AT&T securities litigation recorded as part of the Broadband acquisition and the \$94 million gain recognized on the sale of our 20% interest in DHC Ventures, LLC (Discovery Health Channel). Refer to *Notes 6*

and 13 to our consolidated financial statements included in Item 8 for a discussion of this settlement and this sale. 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.

Income Tax (Expense) Benefit. The changes in income tax (expense) benefit are primarily the result of the effects of changes in our income (loss) from continuing operations before taxes and minority interest.

Minority Interest. The decrease in minority interest from 2003 to 2004 is attributable to the effects of our adoption of SFAS No. 150 on July 1, 2003, upon which we now record our subsidiary preferred dividends, previously included within minority interest, to interest expense and, to a lesser extent, to increases in the net losses of some of our less than wholly owned consolidated subsidiaries. The increase in minority interest from 2002 to 2003 is attributable to increases in the net income of our less than wholly-owned consolidated subsidiaries and to dividends recorded to minority interest related to certain subsidiaries acquired in the Broadband acquisition prior to the adoption of SFAS No. 150 on July 1, 2003.

Discontinued operations. Income from discontinued operations decreased from 2002 to 2003 primarily as a result of the 2003 period's including the results of QVC 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.

STOCK OPTION ACCOUNTING

In December 2004, the FASB issued SFAS No. 123 (revised 2004), "Share-Based Payment" ("SFAS No. 123R"), which replaces SFAS No. 123, "Accounting for Stock-Based Compensation" ("SFAS No. 123") and supercedes APB Opinion No. 25, "Accounting for Stock Issued to Employees." SFAS No. 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values, beginning with the first interim or annual period after June 15, 2005, with early adoption encouraged. In addition, SFAS No. 123R will cause unrecognized expense (based on the amounts in our pro forma footnote disclosure) related to options vesting after the date of initial adoption to be recognized as a charge to results of operations over the remaining vesting period. We are required to adopt SFAS No. 123R in our third quarter of 2005, beginning July 1, 2005. Under SFAS No. 123R, we must determine the appropriate fair value model to be used for valuing share-based payments, the amortization method for compensation cost and the transition method to be used at the date of adoption. The transition alternatives include prospective and retroactive adoption methods. Under the retroactive methods, prior periods may be restated either as of the beginning of the year of adoption or for all periods presented. The prospective method requires that compensation expense be recorded for all unvested stock options and share awards at the beginning of the first quarter of adoption of SFAS No. 123R, while the retroactive methods would record compensation expense for all unvested stock options and share awards beginning with the first period restated. We are evaluating the requirements of SFAS No. 123R and we expect that the adoption of SFAS No. 123R will have a material impact on our consolidated results of operations and earnings per share. We have not determined the method of adoption or the effect of adopting SFAS No. 123R.

LIQUIDITY AND CAPITAL RESOURCES

During 2004, we continued to strengthen our balance sheet through the repayment and refinancing of debt, and improved our liquidity through the sales or exchanges of our investments, which are more fully described below. 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.

Operating Activities

Net cash provided by operating activities from continuing operations amounted to \$5.930 billion for the year ended December 31, 2004, due principally to our operating income before depreciation and amortization, the effects of interest and income tax payments, proceeds from sales or exchanges of trading securities, and changes in operating assets and liabilities.

During 2004, we made cash payments for interest totaling \$1.898 billion. We anticipate that, for the foreseeable future, our cash paid for interest will decline modestly as average debt balances decline but will remain significant. During 2004, we made cash payments for income taxes totaling \$205 million, primarily as a result of state income taxes associated with our net income. Offsetting the cash payments were federal income tax refunds received during 2004 of approximately \$591 million. We anticipate that our income tax payments will increase as our income increases and certain tax audits are settled.

Also contributing to the increase in our cash flow from operating activities was \$680 million of proceeds received on the sale or exchange of our trading securities, including \$547 million received in connection with the Liberty exchange transaction in July 2004 and \$128 million received in connection with our sale of 3 million shares of Liberty International common stock in December 2004. Although the presentation of these proceeds within cash provided by operating activities is in accordance with

generally accepted accounting principles, these amounts are not indicative of our recurring operations, but result from sales of investments.

During 2004, the net change in our operating assets and liabilities was \$331 million. The changes in operating assets and liabilities are primarily a result of \$515 million in cash payments for liabilities recorded associated with the Broadband acquisition.

Financing Activities

Net cash used in financing activities from continuing operations was \$2.516 billion for the year ended December 31, 2004, and consists principally of our net repayments of debt of \$1.293 billion and repurchases of common stock of \$1.324 billion. During the year ended December 31, 2004, our debt repayments and borrowings consisted of the following:

Repayments

- \$867 million under senior and medium-term notes,
- \$700 million under revolving credit facilities,
- \$609 million of Comcast exchangeable debt and
- \$147 million under capital leases and other debt instruments.

Borrowings

- \$700 million under revolving credit facilities,
- \$320 million, net under our commercial paper program and
- \$10 million under other debt instruments.

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

Commercial Paper Program. In June 2004, we entered into a commercial paper program to provide a lower-cost borrowing source of liquidity to fund our short-term working capital requirements. The program allows for a maximum of \$2.25 billion of commercial paper to be issued at any one time. Our revolving bank credit facility supports this program. As of December 31, 2004, amounts outstanding under the program totaled \$320 million with a weighted average interest rate of 2.68%.

Available Borrowings Under Credit Facilities. We have traditionally maintained significant availability under our lines of credit to meet our short-term liquidity requirements. In January 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. The interest rate for borrowings under this revolver is LIBOR plus 0.625% based on our current credit ratings. We have four lines of credit aggregating \$4.872 billion and, as of December 31, 2004, amounts available under our lines of credit totaled \$4.062 billion.

The Cross-Guarantee Structure. We and a number of our wholly-owned subsidiaries that hold substantially all of our cable assets have unconditionally guaranteed each other's debt securities and indebtedness for borrowed money, including amounts outstanding under the \$4.5 billion bank credit facility. As of December 31, 2004, \$20.223 billion of our debt was included in the cross-guarantee structure.

Comcast Holdings Corporation, our immediate predecessor and now a subsidiary, is not a guarantor and none of its debt is guaranteed under the cross-guarantee structure. As of December 31, 2004, \$950 million 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. Future compliance with these 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 Class A common stock, 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 settled and intend in the future to settle all of the Comcast exchangeable notes using cash.

During 2004 and 2003, we settled an aggregate of \$847 million face amount and \$638 million face amount, respectively, of our obligations relating to our notes exchangeable into Comcast stock by delivering cash to the counterparty upon maturity of the instruments, and the equity collar agreements related to the underlying shares expired or were settled. During 2004 and 2003, we settled \$2.359 billion face amount and \$1.213 billion face amount, respectively, of our obligations relating to our Exchangeable Notes by delivering the underlying shares of common stock to the counterparty upon maturity of the investments.

As of December 31, 2004, our debt includes an aggregate of \$1.699 billion of Exchangeable Notes, including \$1.645 billion within current portion of long-term debt. As of December 31, 2004, the securities we hold collateralizing the Exchangeable Notes were sufficient to substantially satisfy the debt obligations associated with the outstanding Exchangeable Notes.

Stock Repurchases. During 2004, under our Board-authorized, \$2 billion share repurchase program, we repurchased 46.9 million shares of our Class A Special common stock for \$1.328 billion. We expect such repurchases to continue from time to time in the open market or in private transactions, subject to market conditions.

Refer to *Notes 8 and 10* to our consolidated financial statements included in Item 8 for a discussion of our financing activities.

Investing Activities

Net cash used in investing activities from continuing operations was \$4.512 billion for the year ended December 31, 2004, and consists primarily of capital expenditures of \$3.660 billion, additions to intangible and other noncurrent assets of \$628 million and the acquisition of TechTV for approximately \$300 million.

Capital Expenditures. Our most significant recurring investing activity has been and is expected to continue to be capital expenditures. The following table illustrates the capital expenditures we incurred in our cable segment during 2004 and expect to incur in 2005 (dollars in millions):

	2004	2005
Deployment of cable modems, digital converters, and new service offerings	\$ 2,106	\$ 2,300
Upgrading of cable systems	902	200
Recurring capital projects	614	500
Total cable segment capital expenditures	\$ 3,622	\$ 3,000

The amount of our capital expenditures for 2005 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.

Additions to Intangibles. Additions to intangibles during 2004 primarily relate to our investment in a \$250 million long-term strategic license agreement with Gemstar, multiple dwelling unit contracts of approximately \$133 million and other licenses and software intangibles of approximately \$168 million.

Investments. Proceeds from sales, settlements and restructurings of investments totaled \$228 million during 2004, related to the sales of our non-strategic investments, including our 20% interest in DHC Ventures, LLC (Discovery Health Channel) for approximately \$149 million. We consider investments that we determine to be non-strategic, highly-valued, or both to be a source of liquidity. We consider our investment in \$1.5 billion in Time Warner common-equivalent preferred stock to be an anticipated source of liquidity.

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

Refer to *Notes 6 and 7* to our consolidated financial statements included in Item 8 for a discussion of our investments and our intangible assets, respectively.

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, 2004, 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 following table (dollars in millions):

Contractual Obligations	Total	Payments Due by Period			
		Year 1	Years 2 – 3	Years 4 – 5	More than 5 years
Debt obligations, excluding Exchangeable Notes ⁽¹⁾	\$ 21,820	\$ 1,835	\$ 2,390	\$ 2,844	\$ 14,751
Exchangeable Notes	1,699	1,645	54	—	—
Capital lease obligations	73	19	38	9	7
Operating lease obligations	987	190	295	203	299
Purchase obligations ⁽²⁾	7,214	2,222	1,774	1,159	2,059
Other long-term liabilities reflected on the balance sheet:					
Acquisition related obligations ⁽³⁾	509	294	172	32	11
Other long-term obligations ⁽⁴⁾	3,693	238	312	140	3,003
Total	\$ 35,995	\$ 6,443	\$ 5,035	\$ 4,387	\$ 20,130

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

(1) Excludes interest payments.

(2) 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. Some 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, 2004. 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.

(3) 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.

(4) 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.

Affiliation Agreements

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, at times, have paid a fee to the cable or satellite television operator for the initial or renewal agreement based upon the number of subscribers. During 2005, we expect to incur fees of approximately \$25 million related to these affiliation agreements, excluding amounts applicable to our cable systems.

INTEREST RATE RISK MANAGEMENT

We are exposed to the market risk of adverse changes in interest rates. In order to manage the cost and volatility relating to our interest cost of our outstanding debt, we maintain a mix of fixed and variable rate debt and enter into various interest rate risk management derivative transactions pursuant to our policies.

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 speculative 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.

These derivative financial instruments, which can include swaps, rate locks, caps and collars, represent an integral part of our interest rate risk management program. During 2004, we decreased our interest expense by approximately \$66 million through

this program. Our derivative financial instruments did not have a significant effect on interest expense for the years ended December 31, 2003 and 2002. However, interest rate risk management instruments 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, 2004 (dollars in millions):

	2005	2006	2007	2008	2009	Thereafter	Total	Fair Value at 12/31/04
Debt								
Fixed Rate	\$ 2,547	\$ 1,690	\$ 725	\$ 1,486	\$ 1,015	\$ 14,756	\$ 22,219	\$ 25,086
Average Interest Rate	7.4%	7.4%	8.2%	7.2%	7.3%	7.8%	7.7%	
Variable Rate	\$ 952	\$ 7	\$ 61	\$ 10	\$ 343	—	\$ 1,373	\$ 1,373
Average Interest Rate	3.8%	3.9%	4.5%	4.5%	5.0%	—	4.2%	
Interest Rate Instruments								
Variable to Fixed Swaps (notional amounts)								
	\$ 488	—	—	—	—	—	\$ 488	\$ 8
Average Pay Rate	7.6%	—	—	—	—	—	7.6%	
Average Receive Rate	3.5%	—	—	—	—	—	3.5%	
Fixed to Variable Swaps (notional amounts)								
	—	\$ 400	—	\$ 600	\$ 750	\$ 2,150	\$ 3,900	\$ 9
Average Pay Rate	—	6.7%	—	7.0%	6.8%	5.6%	6.1%	
Average Receive Rate	—	6.4%	—	6.2%	6.9%	6.0%	6.3%	

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 necessary to settle the outstanding contracts. We estimate interest rates on variable debt using the average implied forward London Interbank Offered Rate ("LIBOR") rates for the year of maturity based on the yield curve in effect at December 31, 2004, plus the borrowing margin in effect for each credit facility at December 31, 2004. 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, 2004.

Excluding the effects of interest rate risk management instruments, 5.8% of our total debt as of December 31, 2004, was at variable rates, compared to 8.2% at December 31, 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, some of our swaps could be subject to termination provisions if we do not maintain investment-grade credit ratings. As of December 31, 2004, the estimated fair value of the proceeds to be received related to those swaps was immaterial. The amount due or to be received 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 some 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 some 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 27, 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 consolidated 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 consolidated 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, 2003, to December 31, 2004. Refer to *Notes 6 and 8* to our consolidated financial statements included in Item 8 for more information about these components of accumulated other comprehensive income (loss).

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 31 and *Equity Price Risk Management* on page 32 for a discussion of this item.

REPORT OF MANAGEMENT

Management's Report on Financial Statements

Our management is responsible for the preparation, integrity and fair presentation of information in our consolidated financial statements, including estimates and judgments. The consolidated financial statements presented in this report have been prepared in accordance with accounting principles generally accepted in the United States of America. Our management believes the consolidated financial statements and other financial information included in this report fairly present, in all material respects, our financial condition, results of operations and cash flows as of and for the periods presented in this report. The consolidated financial statements have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining an adequate system of internal control over financial reporting. Our system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of our assets;
- provide reasonable assurance that our transactions are recorded as necessary to permit preparation of our financial statements in accordance with accounting principles generally accepted in the United States of America, and that our receipts and expenditures are being made only in accordance with authorizations of our management and our directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, a system of internal control over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Further, because of changes in conditions, effectiveness of internal controls over financial reporting may vary over time. Our system contains self monitoring mechanisms, and actions are taken to correct deficiencies as they are identified.

Our management conducted an evaluation of the effectiveness of the system of internal control over financial reporting based on the framework in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our system of internal control over financial reporting was effective as of December 31, 2004. Our management's assessment of the effectiveness of our internal control over financial reporting has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which is included herein.

Audit Committee Oversight

The Audit Committee of the Board of Directors, which is comprised solely of independent directors, has oversight responsibility for our financial reporting process and the audits of our consolidated financial statements and internal control over financial reporting. The Audit Committee meets regularly with management and with our internal auditors and independent registered public accounting firm (collectively, the "auditors") to review matters related to the quality and integrity of our financial reporting, internal control over financial reporting (including compliance matters related to our Code of Ethics and Business Conduct), and the nature, extent, and results of internal and external audits. Our auditors have full and free access and report directly to the Audit Committee. The Audit Committee recommended, and the Board of Directors approved, that the audited consolidated financial statements be included in this Annual Report on Form 10-K.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

We have audited the accompanying consolidated balance sheet of Comcast Corporation and subsidiaries (the "Company") as of December 31, 2004 and 2003, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2004. We also have audited management's assessment, included under the caption *Management's Report on Internal Control Over Financial Reporting*, that the Company maintained effective internal control over financial reporting as of December 31, 2004, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on these financial statements, an opinion on management's assessment, and an opinion on the effectiveness of the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Comcast Corporation and subsidiaries as of December 31, 2004 and 2003, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2004, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, management's assessment that the Company maintained effective internal control over financial reporting as of December 31, 2004, is fairly stated, in all material respects, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Furthermore, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2004, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Deloitte & Touche LLP

Philadelphia, Pennsylvania
February 21, 2005

Consolidated Balance Sheet

(Amounts in millions, except share data)
December 31,

2004

2003

	2004	2003
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 452	\$ 1,550
Investments	1,555	2,493
Accounts receivable, less allowance for doubtful accounts of \$132 and \$146	959	907
Other current assets	569	453
Total current assets	3,535	5,403
INVESTMENTS	12,812	14,818
PROPERTY AND EQUIPMENT, net of accumulated depreciation of \$9,416 and \$6,563	18,711	18,473
FRANCHISE RIGHTS	51,071	51,050
GOODWILL	14,020	14,841
OTHER INTANGIBLE ASSETS, net of accumulated amortization of \$3,452 and \$2,182	3,851	3,859
OTHER NONCURRENT ASSETS, net	694	715
	\$ 104,694	\$ 109,159
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses related to trade creditors	\$ 2,041	\$ 2,355
Accrued expenses and other current liabilities	2,735	3,459
Deferred income taxes	360	679
Current portion of long-term debt	3,499	3,161
Total current liabilities	8,635	9,654
LONG-TERM DEBT, less current portion	20,093	23,835
DEFERRED INCOME TAXES	26,815	25,900
OTHER NONCURRENT LIABILITIES	7,261	7,716
MINORITY INTEREST	468	392
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, 1,603,320,864 and 1,601,161,057; outstanding, 1,359,680,364 and 1,357,520,557	16	16
Class A Special common stock, \$0.01 par value—authorized, 7,500,000,000 shares; issued 890,234,413 and 931,732,876; outstanding, 842,944,570 and 884,443,033	9	9
Class B common stock, \$0.01 par value—authorized, 75,000,000 shares; issued and outstanding, 9,444,375	—	—
Additional capital	44,142	44,742
Retained earnings	4,891	4,552
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	(119)	(140)
Total stockholders' equity	41,422	41,662
	\$ 104,694	\$ 109,159

See notes to consolidated financial statements.

Consolidated Statement of Operations

(Dollars in millions, except per share data)
Year Ended December 31,

	2004	2003	2002
REVENUES	\$ 20,307	\$ 18,348	\$ 8,102
COSTS AND EXPENSES			
Operating (excluding depreciation)	7,462	7,041	3,012
Selling, general and administrative	5,314	4,915	2,254
Depreciation	3,420	3,166	1,694
Amortization	1,203	1,272	221
	17,399	16,394	7,181
OPERATING INCOME	2,908	1,954	921
OTHER INCOME (EXPENSE)			
Interest expense	(1,876)	(2,018)	(870)
Investment income (loss), net	472	(84)	(543)
Equity in net losses of affiliates	(88)	(60)	(63)
Other income	394	71	1
	(1,098)	(2,091)	(1,475)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST	1,810	(137)	(554)
INCOME TAX (EXPENSE) BENEFIT	(826)	16	128
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST	984	(121)	(426)
MINORITY INTEREST	(14)	(97)	(43)
INCOME (LOSS) FROM CONTINUING OPERATIONS	970	(218)	(469)
INCOME FROM DISCONTINUED OPERATIONS, net of tax	—	168	195
GAIN ON DISCONTINUED OPERATIONS, net of tax	—	3,290	—
NET INCOME (LOSS)	\$ 970	\$ 3,240	\$ (274)
BASIC EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE			
Income (loss) from continuing operations	\$ 0.43	\$ (0.10)	\$ (0.42)
Income from discontinued operations	—	0.08	0.17
Gain on discontinued operations	—	1.46	—
Net income (loss)	\$ 0.43	\$ 1.44	\$ (0.25)
DILUTED EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE			
Income (loss) from continuing operations	\$ 0.43	\$ (0.10)	\$ (0.42)
Income from discontinued operations	—	0.08	0.17
Gain on discontinued operations	—	1.46	—
Net income (loss)	\$ 0.43	\$ 1.44	\$ (0.25)

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

(Dollars in millions)
Year Ended December 31,

	2004	2003	2002
OPERATING ACTIVITIES			
Net income (loss)	\$ 970	\$ 3,240	\$ (274)
Income from discontinued operations	—	(168)	(195)
Gain on discontinued operations	—	(3,290)	—
Income (loss) from continuing operations	970	(218)	(469)
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by operating activities from continuing operations:			
Depreciation	3,420	3,166	1,694
Amortization	1,203	1,272	221
Non-cash interest (income) expense, net	33	(113)	10
Equity in net losses of affiliates	88	60	63
Losses (gains) on investments and other (income) expense, net	(678)	145	604
Minority interest	14	45	43
Deferred income taxes	531	820	(95)
Proceeds from sales of trading securities	680	85	—
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	(54)	(45)	80
Change in accounts payable and accrued expenses related to trade creditors	(315)	35	220
Change in other operating assets and liabilities	38	(370)	50
Net cash provided by operating activities from continuing operations	5,930	2,854	2,421
FINANCING ACTIVITIES			
Proceeds from borrowings	1,030	9,398	8,759
Retirements and repayments of debt	(2,323)	(16,465)	(9,508)
Proceeds from settlement of interest rate exchange agreements	—	—	57
Issuances of common stock and sales of put options on common stock	113	67	19
Repurchases of common stock and stock options held by non-employees	(1,361)	(14)	—
Deferred financing costs	—	(34)	(332)
Other financing activities	25	—	—
Net cash used in financing activities from continuing operations	(2,516)	(7,048)	(1,005)
INVESTING ACTIVITIES			
Capital expenditures	(3,660)	(4,161)	(1,852)
Proceeds from sales, settlements and restructuring of investments	228	7,971	1,263
Acquisitions, net of cash acquired	(296)	(152)	(251)
Additions to intangible and other noncurrent assets	(628)	(155)	(197)
Purchases of short-term investments, net	(13)	(32)	(21)
Proceeds from sales of discontinued operations and assets held for sale	—	1,875	—
Capital contributions to and purchases of investments	(156)	(202)	(67)
Proceeds from settlement of contract of acquired company	26	95	—
Other investing activities	(13)	—	—
Net cash (used in) provided by investing activities from continuing operations	(4,512)	5,239	(1,125)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,098)	1,045	291
CASH AND CASH EQUIVALENTS, beginning of year	1,550	505	214
CASH AND CASH EQUIVALENTS, end of year	\$ 452	\$ 1,550	\$ 505

See notes to consolidated financial statements.

Consolidated Statement of Stockholders' Equity

(Dollars in millions)	Common Stock			Additional Capital	Retained Earnings	Treasury Stock At Cost	Accumulated Other Comprehensive Income (Loss)		Total
	Class A	Class A Special	Class B				Unrealized Gains (Losses)	Cumulative Translation Adjustments	
BALANCE, JANUARY 1, 2002	\$ —	\$ 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	(28)				89
Retirement of common stock				(14)					(14)
Employee stock purchase plan				19					19
BALANCE, DECEMBER 31, 2003	16	9	—	44,742	4,552	(7,517)	(112)	(28)	41,662
Comprehensive income:									
Net income					970				
Reclassification adjustments for losses included in net income, net of deferred taxes							1		
Cumulative translation adjustments								20	
Total comprehensive income									991
Stock compensation plans				130	(73)				57
Retirement of common stock				(758)	(558)				(1,316)
Employee stock purchase plan				28					28
BALANCE, DECEMBER 31, 2004	\$ 16	\$ 9	\$ —	\$ 44,142	\$ 4,891	\$ (7,517)	\$ (111)	\$ (8)	\$ 41,422

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Years Ended December 31, 2004, 2003 and 2002

1. ORGANIZATION AND BUSINESS

We are a Pennsylvania corporation and were incorporated in December 2001. Through our predecessors, we have developed, managed and operated broadband cable networks since 1963. On November 18, 2002, we, our immediate predecessor Comcast Holdings Corporation ("Comcast Holdings") and AT&T completed a transaction that resulted in Comcast Holdings' acquisition of AT&T Broadband (the "Broadband acquisition"). Upon completion of the Broadband acquisition, Comcast Holdings and Broadband are our wholly owned subsidiaries. Accordingly, the accompanying consolidated 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 segment 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, 2004. Our regional sports and news networks Comcast SportsNet ("CSN"), Comcast SportsNet Mid-Atlantic ("CSN Mid-Atlantic"), Comcast SportsNet Chicago ("CSN Chicago"), Comcast SportsNet West ("CSN West"), Cable Sports Southeast ("CSS"), and CN8—The Comcast Network ("CN8") are included in our cable segment because they derive a substantial portion of their revenues from our cable operations and are managed by cable segment management.

We conduct the national networks of our content segment through our consolidated subsidiaries E! Entertainment Television ("E!"), Style Network, The Golf Channel ("TGC"), Outdoor Life Network ("OLN"), G4 and International Channel Networks.

Our other businesses consist principally of Comcast-Spectacor, our group of businesses that perform live sporting events and own or manage facilities for sporting events, concerts, and other special events, and our corporate activities.

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 entities ("VIEs") in accordance with Financial Accounting Standards Board ("FASB") Interpretation No. 46, "Consolidation of Variable Interest Entities" ("FIN 46"), as amended by FIN 46R. We consolidate all VIEs for which we are the primary beneficiary and for which the entities do not effectively disperse risks among parties involved. We do not consolidate VIEs 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, and the provisions of FIN 46R effective March 31, 2004. The adoption of FIN 46 and FIN 46R did not have a material impact on our financial condition or results of operations.

Our Use of Estimates

We prepare our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, which require 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 various items, such as allowances for doubtful accounts, investments and derivative financial instruments, depreciation and amortization, asset impairment, non-monetary transactions, certain acquisition-related liabilities, programming-related liabilities, pensions and other postretirement benefits, income taxes, and legal contingencies.

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

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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, 2004 and 2003. We have not comprehensively updated these fair value estimates for the purposes of these consolidated financial statements since those dates.

Cash Equivalents

Cash equivalents consist principally of commercial paper, money market funds, U.S. government obligations and certificates of deposit with maturities of less than three months 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 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 charges resulting from adjustments to net realizable value. We generally record our proportionate share of our investees' net income or loss one quarter in arrears given the timing of the receipt of such information.

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.

Unrestricted publicly traded investments are classified as available for sale or trading securities and are 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), except for declines in value that we consider to be other than temporary. 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. We recognize realized gains and losses using the specific identification method. Cash flows from all trading securities are classified as cash flows from operating activities as required by SFAS No. 95, "Statement of Cash Flows," as amended, while cash flows from all other investment securities are classified as cash flows from investing activities in our statement of cash flows.

We review our investment portfolio each reporting period to determine whether a decline in the market value is considered to be other than temporary. Investments deemed to have experienced an other than temporary decline below their cost basis are reduced to their current fair market value. The impairment is charged to earnings and a new cost basis for the investment is established.

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

	Useful Life	December 31, 2004	December 31, 2003
Transmission and distribution plant	2–15 years	\$ 25,645	\$ 22,609
Buildings and building improvements	2–40 years	1,365	1,255
Land	N/A	152	152
Other	3–12 years	965	1,020
Property and equipment, at cost		28,127	25,036
Less: accumulated depreciation		(9,416)	(6,563)
Property and equipment, net		\$ 18,711	\$ 18,473

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, unless they are presented separately, the gain or loss on disposition is recognized as a component of depreciation expense.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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 various indirect costs.

Asset Retirement Obligations

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, the possibility is remote that we would be required to incur significant restoration or removal costs in the foreseeable future. SFAS No. 143, "Accounting for Asset Retirement Obligations," 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. We would record an estimated liability in the unlikely event a franchise agreement containing such a provision were 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 or are not material.

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. We do not 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, "Goodwill and Other Intangible Assets" ("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 years.

Goodwill is the excess of the acquisition cost of an acquired entity over the fair value of the identifiable net assets acquired. We test our goodwill and intangible assets that are determined to have an indefinite life for impairment at least annually.

Other intangible assets consist principally of franchise related customer relationships acquired in business combinations subsequent to the adoption of SFAS No. 141, "Business Combinations" ("SFAS No. 141"), on July 1, 2001, cable and satellite television distribution rights, cable franchise renewal costs, contractual operating rights, computer software, programming costs and rights, patents and technology 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.

Our content subsidiaries enter 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 4 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.

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 5 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.

Valuation of Long-Lived and Indefinite-Lived Assets

In accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," we periodically evaluate the recoverability and estimated lives 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 or the useful life has changed. 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 assets might be impaired. We perform the impairment assessment of our goodwill

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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.

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.

Upon adoption of SFAS No. 142 in 2002, 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 changed the unit of accounting used for testing impairment to geographic regions and performed impairment testing on our cable franchise rights. We did not record any impairment charge in connection with the change in impairment testing.

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 (loss). 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 screening applicants for potential risk through the use of credit bureau data. If a customer's account is delinquent, various measures are used to collect outstanding amounts, up to and including termination of the customer's cable service. 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 some instances, our content businesses guarantee viewer ratings for their programming. Revenue is deferred to the extent of an estimated shortfall in the ratings. Such shortfalls are primarily settled by providing additional advertising time, at which point the revenue is recognized.

Programming Costs

Our cable subsidiaries have received or may receive incentives 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" ("APB No. 25"), 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 optionee 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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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. 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,	2004	2003	2002
Net income (loss), as reported	\$ 970	\$ 3,240	\$ (274)
Add: Stock-based compensation expense included in net income (loss), as reported above	27	10	11
Deduct: Stock-based compensation expense determined under fair value-based method for all awards relating to continuing operations, net of related tax effects	(206)	(160)	(126)
Deduct: Stock-based compensation expense determined under fair value-based method for all awards relating to discontinued operations, net of related tax effects	—	(12)	(19)
Pro forma, net income (loss)	\$ 791	\$ 3,078	\$ (408)
Basic earnings (loss) from continuing operations for common stockholders per common share:			
As reported	\$ 0.43	\$ (0.10)	\$ (0.42)
Pro forma	\$ 0.35	\$ (0.16)	\$ (0.53)
Diluted earnings (loss) from continuing operations for common stockholders per common share:			
As reported	\$ 0.43	\$ (0.10)	\$ (0.42)
Pro forma	\$ 0.35	\$ (0.16)	\$ (0.53)
Basic earnings (loss) for common stockholders per common share:			
As reported	\$ 0.43	\$ 1.44	\$ (0.25)
Pro forma	\$ 0.35	\$ 1.36	\$ (0.37)
Diluted earnings (loss) for common stockholders per common share:			
As reported	\$ 0.43	\$ 1.44	\$ (0.25)
Pro forma	\$ 0.35	\$ 1.36	\$ (0.37)

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

On December 23, 2004, the Compensation Committee of our Board of Directors approved the acceleration of vesting of all unvested options granted prior to January 1, 2003, to purchase shares of our Class A Special common stock having an exercise price of \$34 or greater and held by current employees. Options with respect to approximately 15.6 million shares of our Class A Special common stock were subject to this acceleration. This acceleration was effective as of December 31, 2004, except for those holders of incentive stock options ("ISOs"), who were given the opportunity to decline the acceleration of an option if such acceleration would have the effect of changing the status of the option for federal income tax purposes from an ISO to a non-qualified stock option. Because these options had exercise prices in excess of current market values (are "underwater") and were not fully achieving their original objectives of incentive compensation and employee retention, the acceleration may have a positive effect on employee morale, retention and perception of option value. The acceleration also takes into account the fact that in December 2004, we completed the repurchase of stock options held by certain non-employees for cash (including underwater options) under a stock option liquidity program (see *Note 10*), and that no such offer (nor any other "solution" for underwater options) was made to current employees. The effect of the acceleration of approximately \$39 million, net of tax, is reflected in our 2004 pro forma amounts above. This acceleration eliminates the future compensation expense we would otherwise recognize in our statement of operations with respect to these options once FASB Statement No. 123R, "Share-Based Payment," ("SFAS No. 123R") becomes effective in 2005 (see *Note 3*).

The weighted-average fair value at date of grant of a Class A common stock option granted under our option plans during 2004, 2003 and 2002 was \$11.44, \$9.81 and \$9.81, respectively. The weighted-average fair value at date of grant of a Class A Special common stock option granted under our option plans during 2002 was \$13.72. The fair value of each option granted during 2004, 2003 and 2002 was estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	2004	2003	2002	
	Class A Common Stock	Class A Common Stock	Class A Common Stock	Class A Special Common Stock
Dividend yield	0%	0%	0%	0%
Expected volatility	28.6%	29.3%	29.2%	29.6%
Risk-free interest rate	3.5%	3.2%	4.0%	4.9%
Expected option life (in years)	7.0	5.9	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, 2004, 2003 and 2002 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 additional awards that may be granted in future years on a much larger employee base.

As of December 31, 2004, there was \$234 million of total unrecognized, pre-tax compensation cost related to non-vested stock options. This cost is expected to be recognized over a weighted average period of approximately two years. Upon adoption of FAS 123R effective July 1, 2005, such cost will be recognized directly in our consolidated statement of operations.

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*).

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 the 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*).

We account for income tax uncertainties that arise in connection with business combinations and those that are associated with entities acquired in business combinations in accordance with EITF 93-7, "Uncertainties Related to Income Taxes in a Purchase Business Combination." Deferred tax assets and liabilities are recorded at the date of a business combination based on our best estimate of the ultimate tax basis that will be accepted by the various taxing authorities. Liabilities for contingencies associated with prior tax returns filed by the acquired entity are recorded based on our best estimate of the ultimate settlement that will be accepted by the various taxing authorities. Estimated interest expense on these liabilities subsequent to the acquisition is reflected in our consolidated tax

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

provision. We adjust these deferred tax accounts and liabilities periodically to reflect revised estimated tax bases and any estimated settlements with the various taxing authorities. The effect of these adjustments is generally applied to goodwill.

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") and the purchase of capped-call option contracts. We manage our exposure to fluctuations in the value of some of our investments by entering into equity collar agreements ("equity collars") and equity put option agreements ("equity put options"). We are also party to equity 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 we have also sold call options on some 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 some of Broadband's previously affiliated companies. These equity hedges are recorded at fair value based on market quotes.

For derivative instruments designated and effective as fair value hedges, such as our 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 in 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 in our consolidated statement of operations.

All derivative transactions must comply with our Board-authorized derivatives policy. We do not hold or issue any derivative financial instruments for speculative or 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.

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.

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

Reclassifications

Reclassifications have been made to the prior years' consolidated financial statements to conform to those classifications used in 2004.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

3. RECENT ACCOUNTING PRONOUNCEMENTS

EITF 03-16

In March 2004, the EITF reached a consensus regarding Issue No. 03-16, "Accounting for Investments in Limited Liability Companies" ("EITF 03-16"). EITF 03-16 requires investments in limited liability companies ("LLCs") that have separate ownership accounts for each investor to be accounted for similar to a limited partnership investment under Statement of Position No. 78-9, "Accounting for Investments in Real Estate Ventures." Investors are required to apply the equity method of accounting to their investments at a much lower ownership threshold than the 20% threshold applied under APB No. 18, "The Equity Method of Accounting for Investments in Common Stock." We adopted EITF 03-16 on July 1, 2004. The adoption of EITF 03-16 did not have a material impact on our financial condition or results of operations.

EITF 04-1

In September 2004, the EITF reached a consensus regarding Issue No. 04-1, "Accounting for Preexisting Relationships Between the Parties to a Business Combination" ("EITF 04-1"). EITF 04-1 requires an acquirer in a business combination to evaluate any preexisting relationship with the acquiree to determine if the business combination in effect contains a settlement of the preexisting relationship. A business combination between parties with a preexisting relationship should be viewed as a multiple element transaction. EITF 04-1 is effective for business combinations after October 13, 2004, but requires goodwill resulting from prior business combinations involving parties with a preexisting relationship to be tested for impairment by applying the guidance in the consensus. We will apply EITF 04-1 to acquisitions subsequent to the effective date and in our future goodwill impairment testing.

SFAS No. 123R

In December 2004, the FASB issued SFAS No. 123 (revised 2004), "Share-Based Payment" ("SFAS No. 123R"), which replaces SFAS No. 123, "Accounting for Stock-Based Compensation" ("SFAS No. 123") and supercedes APB Opinion No. 25, "Accounting for Stock Issued to Employees." SFAS No. 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values, beginning with the first interim or annual period after June 15, 2005, with early adoption encouraged. In addition, SFAS No. 123R will cause unrecognized expense (based on the amounts in our pro forma footnote disclosure) related to options vesting after the date of initial adoption to be recognized as a charge to results of operations over the remaining vesting period. We are required to adopt SFAS No. 123R in our third quarter of 2005, beginning July 1, 2005. Under SFAS No. 123R, we must determine the appropriate fair value model to be used for valuing share-based payments, the amortization method for compensation cost and the transition method to be used at the date of adoption. The transition alternatives include prospective and retroactive adoption methods. Under the retroactive methods, prior periods may be restated either as of the beginning of the year of adoption or for all periods presented. The prospective method requires that compensation expense be recorded for all unvested stock options and share awards at the beginning of the first quarter of adoption of SFAS No. 123R, while the retroactive methods would record compensation expense for all unvested stock options and share awards beginning with the first period restated. We are evaluating the requirements of SFAS No. 123R and we expect that the adoption of SFAS No. 123R will have a material impact on our consolidated results of operations and earnings per share. We have not determined the method of adoption or the effect of adopting SFAS No. 123R.

4. EARNINGS PER SHARE

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

Our potentially dilutive securities include potential common shares related to our stock options, restricted stock, and Comcast exchangeable notes (see *Note 8*). Diluted earnings for common stockholders per common share ("Diluted EPS") considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an antidilutive effect. Diluted EPS excludes the impact of potential common shares related to our stock options in periods in which the option exercise price is greater than the average market price of our Class A common stock and our Class A Special common stock during the period. Diluted EPS excludes the impact of potential common shares related to our Class A Special common stock held in treasury because it is our intent to settle the related Comcast exchangeable notes using cash (see *Note 8*).

Diluted EPS for 2004 excludes approximately 103 million potential common shares related to our stock compensation plans because the option exercise price was greater than the average market price of our Class A common stock and our Class A Special common stock for the period.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

Diluted EPS for 2003 and 2002 excludes approximately 146 million and 91 million potential common shares, respectively, primarily related to our stock compensation plans because the assumed issuance of such potential common shares is antidilutive in periods in which there is a loss from continuing operations.

The following table reconciles the numerator and denominator of the computations of Diluted EPS for common stockholders from continuing operations for the years presented:

(Dollars in millions, except per share data) Year Ended December 31,	2004			2003			2002		
	Income	Shares	Per Share Amount	Loss	Shares	Per Share Amount	Loss	Shares	Per Share Amount
Basic EPS for common stockholders	\$ 970	2,240	\$ 0.43	\$ (218)	2,256	\$ (0.10)	\$ (469)	1,110	\$ (0.42)
Effect of Dilutive Securities									
Assumed exercise or issuance of shares relating to stock compensation plans	—	10	—	—	—	—	—	—	—
Diluted EPS	\$ 970	2,250	\$ 0.43	\$ (218)	2,256	\$ (0.10)	\$ (469)	1,110	\$ (0.42)

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 issued to Broadband shareholders in exchange for all of AT&T's interests in Broadband and approximately 100.6 million shares and 14.4 million shares of our Class A and Class A Special common stock, respectively, issued 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.

Purchase Price Allocation. The application of purchase accounting under SFAS No. 141 requires that the total purchase price of an acquisition be allocated to the fair value of the assets acquired and liabilities assumed based on their fair values at the acquisition date. During 2003, we finalized the Broadband purchase price allocation except for litigation contingencies relating to our share of AT&T's potential liability associated with the At Home Corporation litigation (see Note 13). We have arranged with AT&T to obtain additional information to assist with the evaluation of this potential liability and continue to expect to receive such information. However, we have concluded that continued delays in obtaining such information indicate it cannot be used in allocating the Broadband purchase price. Accordingly, the allocation period is complete and any adjustment recorded in the future associated with these litigation contingencies will be included in our results of operations in the period in which a liability, if any, is deemed probable and reasonably estimable. Such adjustment is not expected to have a material effect on our consolidated financial position, but it could possibly be material to our results of operations in the period in which it is determined.

As of the acquisition date, we initiated integration activities based on a preliminary plan to terminate employees and exit specific 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.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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 through the end of the allocation period. Adjustments have been made to Broadband's goodwill in 2004 related to tax contingencies and exit accruals that are not reflected below (dollars in millions):

Current assets	\$	1,768
Investments		17,325
Property, plant and 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
Total assets		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)
Total liabilities		(52,722)
Comcast shares held by Broadband, classified as treasury stock		1,126
Net assets acquired		\$ 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 consisted of \$602 million associated with accrued employee termination and related costs 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 and 2004 were as follows (dollars 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
Balance, December 31, 2003	\$ 135	\$ 461
Payments	(76)	(21)
Adjustments	(36)	(391)
Interest accretion	—	3
Balance, December 31, 2004	\$ 23	\$ 52

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

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

The following unaudited pro forma information has been presented as if the Broadband acquisition occurred on January 1, 2002. This information is based on historical results of operations, adjusted for acquisition costs, and, in the opinion of management, is not necessarily indicative of what the results would have been had we operated the entities acquired since such dates.

(Dollars in millions, except per share data)
Year Ended December 31,

2002

Revenues	\$	16,754
Loss before cumulative effect of accounting change	\$	(15,071)
Net loss	\$	(15,071)
Diluted EPS	\$	(6.55)

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.

Pro forma information reflecting our 2004 and 2003 transactions is not presented due to immateriality.

2004 Activity

Gemstar

On March 31, 2004, we entered into a long-term, non-exclusive patent license and distribution agreement with Gemstar-TV Guide International in exchange for a one-time payment of \$250 million to Gemstar. This agreement allows us to utilize Gemstar's intellectual property and technology and the TV Guide brand and content on our interactive program guides. We have allocated the \$250 million amount paid based on the fair value of the components of the contract to various intangible and other assets, which are being amortized over a period of 3 to 12 years. In addition, we and Gemstar formed an entity to develop and enhance interactive programming guides.

TechTV

On May 10, 2004, we completed the acquisition of TechTV Inc. by acquiring all outstanding common and preferred stock of TechTV from Vulcan Programming Inc. for approximately \$300 million in cash. Substantially all of the purchase price has been recorded to intangible assets based on a preliminary allocation of value and is being amortized over a period of 2 to 12 years. On May 28, 2004, G4 and TechTV began operating as one network that is available to approximately 47 million cable and satellite homes nationwide as of December 31, 2004. We have classified G4 as part of our content business segment (*see Note 14*). The effects of our acquisition of TechTV have been reflected in our consolidated statement of operations from the date of the transaction.

Liberty Exchange Agreement

On July 28, 2004, we exchanged approximately 120 million shares of Liberty Media Corporation Series A common stock that we held (*see Note 6*), valued at approximately \$1.022 billion based upon the price of Liberty common stock on the closing date of the transaction, with Liberty for 100% of the stock of Liberty's subsidiary, Encore ICCP, Inc. Encore's assets consisted of cash of approximately \$547 million, a 10.4% interest in E! and 100% of International Channel Networks. We also received all of Liberty's rights, benefits and obligations under the TCI Music contribution agreement, which resulted in the resolution of all pending litigation between Liberty and us regarding the contribution agreement (*see Note 13*). The Liberty exchange increased our portfolio of programming investments because we now own 60.5% of E! and 100% of International Channel Networks. The exchange was structured as a tax free transaction. We allocated the value of the shares exchanged in the transaction among cash, our additional investment in E!, International Channel Networks and the resolution of the litigation related to the contribution agreement. The values of certain of these assets and liabilities are based on preliminary valuations and are subject to adjustment as the valuation reports are obtained. The effects of our acquisition of the additional interest in E! and our acquisition of International Channel Networks have been reflected in our consolidated statement of operations from the date of the transaction.

2003 Activity

Comcast SportsNet Chicago

In December 2003, we, in conjunction with affiliates of the Chicago Blackhawks, Bulls, Cubs and White Sox professional sports teams, formed CSN Chicago. This 24-hour regional sports network is available to approximately 2.8 million Chicago-area cable and satellite subscribers as of December 31, 2004. We acquired our controlling interest in this network for approximately \$87 million in cash, which

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

was allocated to contract-related intangibles and is being amortized over a period of 15 years. The results of CSN Chicago have been included in our consolidated financial statements since the date of formation.

The Golf Channel

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, which is being amortized over a period of approximately eight years, and to goodwill. As a result, we now own 99.9% of TGC.

Bresnan Transaction

On March 20, 2003, we completed the 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 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. 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 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 various specified types of sale or monetization transactions with respect to the securities as may be proposed by us from time to time.

On September 27, 2004, we and Time Warner announced an agreement that provides us with an option to reduce our effective overall interest in TWC from approximately 21% to 17% in exchange for stock of a subsidiary that will hold cable systems which will serve approximately 90,000 basic subscribers and own approximately \$750 million in cash. The agreement grants us the option to require TWC to redeem a portion of the TWC common stock held in trust in exchange for 100% of the common stock of the TWC subsidiary. The option may be exercised at any time prior to the 60th day (the "Termination Date") following a notice that may be given at any time by either party of termination of the option period. In addition, the trust that holds the TWC shares agreed not to request that TWC register the trust's shares in TWC for sale in a public offering prior to the Termination Date. In the absence of an effective registration statement, the common-equivalent preferred stock of Time Warner will automatically convert into \$1.5 billion of Time Warner common stock on March 31, 2005. These shares of common stock will then be freely saleable without registration under the Securities Act.

Sale of QVC

On September 17, 2003, we completed the sale to Liberty Media Corporation 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

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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, some equity awards were required to be settled. The cost of settling the awards was included in the 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 results of operations of QVC prior to its disposition are included within income from discontinued operations, net of tax as follows (dollars in millions):

Year Ended December 31,	2003	2002
Revenues	\$ 2,915	\$ 4,381
Income before income taxes and minority interest	\$ 496	\$ 624
Income tax expense	\$ 184	\$ 263

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.

6. INVESTMENTS

(Dollars in millions) December 31,	2004	2003
Fair value method		
Cablevision	\$ 362	\$ 970
Liberty Media Corporation	1,098	2,644
Liberty Media International	366	—
Microsoft	626	1,331
Sprint	701	349
Vodafone	540	1,245
Other	24	44
	3,717	6,583
Equity method, principally cable-related	2,460	2,493
Cost method, principally TWC and Time Warner	8,190	8,235
	14,367	17,311
Less: current investments	1,555	2,493
Non-current investments	\$ 12,812	\$ 14,818

Fair Value Method

We hold unrestricted equity investments, which we account for as available for sale or trading securities, in publicly traded companies. Our investments in Liberty, Liberty Media International, Inc. ("Liberty International"), Microsoft, Sprint and Vodafone, and approximately 80% of our investment in Cablevision, are accounted for as trading securities. The net unrealized pre-tax gains on investments accounted for as available for sale securities as of December 31, 2004 and 2003, of \$26 million and \$65 million, respectively, have been reported in our consolidated balance sheet principally as a component of accumulated other comprehensive loss, net of related deferred income taxes of \$9 million and \$23 million, respectively.

On June 7, 2004, we received approximately 11 million shares of Liberty Media International, Inc. ("Liberty International") Series A common stock in connection with the spin-off by Liberty of Liberty International. In the spin-off, each share of Liberty Series A and Series B common stock received 0.05 shares of the new Liberty International Series A common stock. Approximately 5 million of these shares collateralize a portion of the 10 year prepaid forward sale of Liberty common stock that we entered into in December 2003 (see below). On December 2, 2004, we sold 3 million shares of Liberty International Series A common stock to Liberty in a private transaction for proceeds of \$128 million.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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

December 31,	2004	2003
Cost	\$ 65	\$ 92
Unrealized gains	26	66
Unrealized losses	—	(1)
Fair value	\$ 91	\$ 157

Proceeds from the sales of available for sale securities for the years ended December 31, 2004, 2003 and 2002 were \$67 million, \$1.222 billion and \$874 million, respectively. Gross realized gains and losses on these sales for the years ended December 31, 2004, 2003 and 2002 were \$10 million, \$27 million and (\$48) million, respectively.

We also hold a series of option agreements (the "Microsoft Collars" and "Vodafone Collars") with a single bank counterparty that limits our exposure to and benefits from price fluctuations in the Microsoft common stock and Vodafone ADRs. Certain 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.

During 2004, we settled some of our obligations relating to our Cablevision, Microsoft and Vodafone exchangeable notes (see *Note 8*) by delivering approximately 26.9 million Cablevision shares, 21.4 million Microsoft shares and 19.5 million Vodafone ADRs to the counterparty upon maturity of the instruments.

During 2003, we sold all \$4.0 billion principal amount of the Liberty Notes that we received in the sale of QVC for net proceeds of approximately \$4.0 billion. In December 2003, we entered into a 10 year prepaid forward sale of 100 million shares of Liberty common stock and received \$894 million in cash. At maturity, the counterparty is entitled to receive Liberty and Liberty International common stock, or an equivalent amount of cash at our option, based upon the market value of Liberty common stock at the time.

As of December 31, 2004, approximately \$2.681 billion of our fair value method securities support our obligations under our exchangeable notes or prepaid forward contracts.

Equity Method

Our recorded investments exceed our proportionate interests in the book value of the investees' net assets by \$1.469 billion and \$1.696 billion as of December 31, 2004 and 2003, respectively (principally related to our 50% owned investments in Texas and Kansas City Cable Partners, L.P. 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 years ended December 31, 2004 and 2002 includes impairment charges of \$3 million and \$31 million, respectively, related principally to other than temporary declines in our investments in and advances to certain of our equity method investees.

Summarized financial information for investments deemed significant and accounted for under the equity method was as follows (dollars in millions):

Year ended December 31,	(A)GSI Commerce, Inc.		Broadnet Consortio, S.A.		
	2003	2002	2004	2003	2002
Revenues	\$ 147	\$ 173	\$ 5	\$ 3	\$ 1
Operating loss	(16)	(30)	(15)	(17)	(23)
Loss from continuing operations before extraordinary items and cumulative effect of accounting change	(15)	(34)	(15)	(18)	(23)
Net loss	(15)	(34)	(15)	(18)	(23)

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

(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).

On September 30, 2004, we sold our 20% interest in DHC Ventures, LLC (Discovery Health Channel) to Discovery Communications, Inc. for approximately \$149 million in cash and recognized a gain on the sale of approximately \$94 million to other income.

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 \$1.423 billion and \$1.409 billion as of December 31, 2004 and 2003, 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 consolidated subsidiaries, which is a VIE. The subsidiary has three series of preferred stock outstanding 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 two redeemable series of subsidiary preferred shares are recorded at \$1.428 billion and \$1.420 billion, and such amounts are included in other noncurrent liabilities as of December 31, 2004 and 2003, respectively. The non-redeemable series of subsidiary preferred shares is recorded at \$100 million as of both December 31, 2004 and 2003, and such amounts are included in minority interest.

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.

Investment Income (Loss), Net

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

Year ended December 31,	2004	2003	2002
Interest and dividend income	\$ 160	\$ 166	\$ 53
Gains (losses) on sales and exchanges of investments, net	45	28	(48)
Investment impairment charges	(16)	(72)	(247)
Unrealized gains (losses) on trading securities	378	965	(1,569)
Mark to market adjustments on derivatives related to trading securities	(120)	(818)	1,284
Mark to market adjustments on derivatives and hedged items	25	(353)	(16)
Investment income (loss), net	\$ 472	\$ (84)	\$ (543)

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

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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 (dollars in millions):

	Cable	Content	Corporate and Other	Total
Balance, December 31, 2002	\$ 15,644	\$ 722	\$ 196	\$ 16,562
Purchase price allocation adjustments	(1,773)	—	—	(1,773)
Acquisitions	—	52	—	52
Intersegment transfers	20	—	(20)	—
Balance, December 31, 2003	\$ 13,891	\$ 774	\$ 176	\$ 14,841
Purchase price allocation adjustments	(964)	—	4	(960)
Acquisitions	71	50	18	139
Balance, December 31, 2004	\$ 12,998	\$ 824	\$ 198	\$ 14,020

During 2004, the decrease to goodwill relates to the settlement or adjustment of various liabilities associated with the Broadband acquisition.

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

December 31,	2004		2003	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Franchise related customer relationships	\$ 3,408	\$ (2,030)	\$ 3,386	\$ (1,090)
Cable and satellite television distribution rights	1,388	(530)	1,303	(430)
Cable franchise renewal costs and contractual operating rights	882	(188)	394	(126)
Computer software	540	(110)	259	(76)
Patents and other technology rights	105	(11)	—	—
Programming costs and rights	560	(371)	338	(274)
Other agreements and rights	420	(212)	361	(186)
	\$ 7,303	\$ (3,452)	\$ 6,041	\$ (2,182)

As of December 31, 2004, the weighted average amortization period for our intangible assets subject to amortization is 4.6 years and estimated related amortization expense for each of the next five years ended December 31 is as follows (dollars in millions):

2005	\$ 1,146
2006	786
2007	483
2008	267
2009	216

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

8. LONG-TERM DEBT

(Dollars in millions) December 31,	Weighted Average Interest Rate at December 31, 2004	2004	2003
Exchangeable notes, due 2004 – 2007	4.18%	\$ 1,699	\$ 4,318
Commercial paper	2.68%	320	—
Senior notes, due 2004 – 2097	7.54%	19,781	20,735
Senior subordinated notes, due 2006 – 2012	10.58%	363	372
ZONES due 2029	2.00%	708	783
Debt supporting Trust Preferred Securities, due 2027	9.65%	285	301
Other, including capital lease obligations	—	436	487
		23,592	26,996
Less: current portion		3,499	3,161
Long-term debt		\$ 20,093	\$ 23,835

Maturities of long-term debt outstanding as of December 31, 2004 for the four years after 2005 are as follows (dollars in millions):

2006	\$ 1,697
2007	786
2008	1,496
2009	1,358

The Cross-Guarantee Structure

We and a number of our wholly-owned subsidiaries that hold substantially all of our cable 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, 2004, \$20.223 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, 2004, \$950 million of our debt was outstanding at Comcast Holdings.

Lines and Letters of Credit

As of December 31, 2004, we and certain of our subsidiaries had unused lines of credit of \$4.062 billion under their respective credit facilities.

As of December 31, 2004, we and certain of our subsidiaries had unused irrevocable standby letters of credit totaling \$442 million to cover potential fundings under various agreements.

Commercial Paper

In June 2004, we entered into a commercial paper program to provide a lower cost borrowing source of liquidity to fund our short-term working capital requirements. The program allows for a maximum of \$2.25 billion of commercial paper to be issued at any one time. Our revolving bank credit facility supports this program. Amounts outstanding under the program are classified as long-term in our consolidated balance sheet because we have both the ability and the intent to refinance these obligations, if necessary, on a long-term basis with amounts available under our revolving bank credit facility.

Revolving Bank Credit Facility

In January 2004, we entered into a \$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.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

Notes Exchangeable into Common Stock

We hold exchangeable notes (the "Exchangeable Notes") that 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 2004, we redeemed an aggregate of \$847 million face amount of notes exchangeable into Comcast common stock (covering approximately 22.5 million shares of our Class A Special common stock) prior to their scheduled maturity dates by paying \$609 million in cash and by exercising our options to put the underlying equity collar agreements to the counterparties. Interest expense for 2004 includes \$31 million related to the early redemption of these obligations. As of December 31, 2004, \$272 million of Comcast exchangeable notes, which are due in November 2005, remain outstanding. The remaining outstanding notes exchangeable into Comcast common stock are collateralized by approximately 8.4 million shares of our Class A Special common stock held in treasury.

During 2004 and 2003, we settled an aggregate of \$2.359 billion face amount and \$1.213 billion face amount, respectively, of our obligations relating to our Exchangeable Notes by delivering the underlying Cablevision and Microsoft shares and Vodafone ADRs to the counterparties upon maturity of the instruments, and the equity collar agreements related to the underlying securities were exercised. These 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, 2004, the securities we hold collateralizing the Exchangeable Notes were sufficient to substantially satisfy the debt obligations associated with the outstanding Exchangeable Notes (see *Notes 6 and 12*).

Repayments of Senior Notes

On March 31, 2004, we repaid all \$250 million principal amount of our 8.875% senior notes due 2007. On May 1, 2004, we repaid all \$300 million principal amount of our 8.125% senior notes due 2004. These repayments were both financed with available cash. On September 15, 2004, we repaid all \$300 million principal amount of our 8.65% senior notes due 2004. The repayment was financed with borrowings under our commercial paper program and available cash.

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 of \$1.807 billion or the market value of Sprint common stock. Prior to maturity, each ZONES is exchangeable at the holder's option for an amount of cash equal to 95% of the market value of Sprint common stock.

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):

Year ended December 31, 2004	Exchangeable Notes	ZONES
Balance at Beginning of Year:		
Debt component	\$ 5,030	\$ 515
Derivative component	(712)	268
Total	4,318	783
Decrease in debt component due to maturities and redemptions	(3,206)	—
Change in debt component to interest expense	(63)	25
Change in derivative component due to settlements	653	—
Change in derivative component to investment income (loss), net	(3)	(100)
Balance at End of Year:		
Debt component	1,761	540
Derivative component	(62)	168
Total	\$ 1,699	\$ 708

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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 7.38% and 7.08% as of December 31, 2004 and 2003, respectively. As of December 31, 2004 and 2003, accrued interest was \$444 million and \$481 million, respectively.

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.

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
<i>As of December 31, 2004</i>					
Variable to Fixed Swaps	\$ 488	2005	7.6%	3.0%	\$ 8
Fixed to Variable Swaps	\$ 3,900	2006 – 2027	4.6%	6.3%	\$ 9
<i>As of December 31, 2003</i>					
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

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 to settle the outstanding contracts. Swaps and rate locks represent an integral part of our interest rate risk management program. During 2004, we decreased our interest expense by approximately \$66 million through our interest rate risk management program. Our interest rate derivative financial instruments did not have a significant effect on interest expense for the years ended December 31, 2003 and 2002.

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 fixed rate debt in connection with the Broadband acquisition may be adversely affected by interest rate fluctuations. Upon the assumption of 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, 2004 and 2003, of \$196 million and \$213 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 \$69 million and \$75 million, respectively.

Estimated Fair Value

Our debt had estimated fair values of \$26.459 billion and \$30.427 billion as of December 31, 2004 and 2003, 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

Some 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, some of our subsidiaries' 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.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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.

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

Year Ended December 31,	2004		2003	
	Pension Benefits	Postretirement Benefits	Pension Benefits	Postretirement Benefits
Net periodic benefit cost	\$ 9	\$ 23	\$ 15	\$ 19
Benefit obligation	\$ 189	\$ 207	\$ 234	\$ 200
Fair value of plan assets	\$ 72	\$ —	\$ 69	\$ —
Plan funded status and recorded benefit obligation	\$ (117)	\$ (215)	\$ (166)	\$ (195)
Discount rate	5.75%	6.00%	6.00%	6.25%
Expected return on plan assets	7.00%	N/A	7.00%	N/A

We 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. Expenses related to these plans amounted to \$100 million, \$85 million and \$28 million for the years ended December 31, 2004, 2003 and 2002, respectively.

We also maintain unfunded, non-qualified deferred compensation plans, which were created for key executives, other members of management and non-employee directors (each a "Participant"). The amount of compensation deferred by each Participant is based on Participant elections. Account balances of Participants are credited with income based generally on a fixed annual rate of interest. Participants will be eligible to receive distributions of the amounts credited to their account balance based on elected deferral periods that are consistent with the plans and applicable tax law. Interest expense recognized under the plans totaled \$33 million, \$22 million and \$15 million for the years ended December 31, 2004, 2003 and 2002, respectively. The unfunded obligation of the plans total \$396 million and \$294 million as of December 31, 2004 and 2003, 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.

Common Stock

Our Class A Special common stock is generally nonvoting. Holders of our Class A common stock in the aggregate hold $66\frac{2}{3}\%$ of the aggregate voting power of our common 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 15 votes, and all shares of our Class B common stock in the aggregate have $33\frac{1}{3}\%$ of the voting power of all of our common stock. The $33\frac{1}{3}\%$ 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

Various 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 some 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.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

Prior to the Broadband acquisition, Broadband held approximately 47.3 million shares of our Class A Special common stock that collateralized 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. 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 Program

During 2004, we repurchased approximately 46.9 million shares of our Class A Special common stock for aggregate consideration of \$1.328 billion pursuant to our Board–authorized, \$2 billion share repurchase program. We expect such repurchases to continue from time to time in the open market or in private transactions, subject to market conditions.

The following table summarizes our share activity for the three years ended December 31, 2004:

	Common Stock		
	Class A	Class A Special	Class B
Balance, January 1, 2002	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 compensation plans	1,024,856	5,435,772	—
Employee Stock Purchase Plan	1,134,951	—	—
Repurchases of common stock	—	(46,934,235)	—
Balance, December 31, 2004	1,359,680,364	842,944,570	9,444,375

Stock–Based Compensation Plans

As of December 31, 2004, we and our subsidiaries have several stock–based compensation plans for certain employees, officers and directors. These plans are described below.

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, approximately 182 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, 2004. Option terms are generally 10 years, with options generally becoming exercisable between two and nine–and–one–half years from the date of grant.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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

	2004		2003		2002	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Class A Common Stock						
Outstanding at beginning of year	85,151	\$ 39.28	63,575	\$ 43.31	—	—
Options exchanged for outstanding Broadband options in connection with acquisition	—	—	—	—	61,094	\$ 44.17
Granted	16,190	29.86	25,206	28.84	2,762	24.85
Exercised	(986)	19.51	(1,264)	20.44	(43)	17.79
Forfeited, expired, cancelled or repurchased	(18,011)	42.37	(2,366)	47.14	(238)	55.19
Outstanding at end of year	82,344	36.99	85,151	39.28	63,575	43.31
Exercisable at end of year	43,284	44.36	56,110	44.90	58,135	44.91
Class A Special Common Stock						
Outstanding at beginning of year	60,464	\$ 29.43	64,890	\$ 28.57	55,521	\$ 26.89
Granted	—	—	—	—	13,857	32.29
Exercised	(4,207)	11.53	(3,176)	8.92	(2,347)	8.83
Forfeited, expired, cancelled or repurchased	(1,019)	35.53	(1,250)	36.19	(2,141)	30.38
Outstanding at end of year	55,238	30.67	60,464	29.43	64,890	28.57
Exercisable at end of year	48,394	31.20	29,212	25.26	22,798	21.08

The following table summarizes information about the options outstanding under the Comcast Option Plans as of December 31, 2004 (options in thousands):

Range of Exercise Prices	Options Outstanding			Options Exercisable		
	Number Outstanding	Weighted-Average Remaining Contractual Life	Weighted-Average Exercise Price	Number Exercisable	Weighted-Average Exercise Price	
Class A Common Stock						
\$5.43 – \$15.21	1,305	1.8 years	\$ 10.01	1,305	\$ 10.01	
\$16.11 – \$27.74	22,086	7.4 years	26.27	5,996	24.69	
\$27.76 – \$33.73	32,272	6.8 years	31.01	9,824	32.38	
\$33.89 – \$45.07	9,927	2.7 years	38.42	9,405	38.50	
\$45.08 – \$60.89	10,052	4.0 years	55.31	10,052	55.31	
\$60.90 – \$89.85	6,702	4.1 years	77.79	6,702	77.79	
	82,344			43,284		
Class A Special Common Stock						
\$7.31 – \$14.94	4,875	2.1 years	\$ 11.29	4,873	\$ 11.29	
\$16.94 – \$25.58	12,118	4.5 years	18.50	8,248	17.69	
\$27.04 – \$35.49	15,849	6.0 years	34.10	14,248	34.14	
\$35.53 – \$45.17	20,947	5.8 years	38.25	19,603	38.28	
\$45.94 – \$53.13	1,449	5.0 years	50.43	1,422	50.40	
	55,238			48,394		



Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

Stock Option Liquidity Program. During 2004, we repurchased 11.1 million options from various non-employee holders of stock options under a stock option liquidity program, targeted primarily to former Broadband employees. The former option holders received \$37 million for their options under the program. Our financial counterparty in connection with the stock option liquidity program funded the cost of the program through the simultaneous purchase by the counterparty of new stock options from us that had similar economic terms as the options being purchased by us from the option holders. As a result, 11.1 million options remain outstanding, with a weighted-average exercise price of \$45.64 per share and expire over the course of the next 8 years. These options are excluded from options outstanding in the preceding tables at dates subsequent to this transaction. We will benefit from the elimination of ongoing administrative expenses, such as the indirect employee time associated with servicing this option holder group.

Subsidiary Option Plans. Some 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 10 years from the date of grant, with options/SARs generally becoming exercisable over 4 to 5 years from the date of grant.

Other Stock-Based Compensation Plans

We maintain a restricted stock plan under which certain 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, 2004, there were 2,536,000 shares of our Class A common stock and 392,000 shares of our Class A Special common stock issuable in connection with restricted share awards under the Restricted Stock Plan.

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

Year Ended December 31,	2004	2003	2002
Share awards granted (in thousands)	2,490	197	61
Weighted-average fair value per share at date of grant	\$ 31.09	\$ 30.85	\$ 28.47
Compensation expense (dollars in millions)	\$ 33	\$ 8	\$ 8

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, 2004, 1.7 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.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

11. INCOME TAXES

We join with our 80% or more owned subsidiaries 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 (dollars in millions):

Year Ended December 31,	2004	2003	2002
Current (expense) benefit			
Federal	\$ (90)	\$ 846	\$ 73
State	(205)	(10)	(40)
	(295)	836	33
Deferred (expense) benefit			
Federal	(589)	(886)	88
State	58	66	7
	(531)	(820)	95
Income tax (expense) benefit	\$ (826)	\$ 16	\$ 128

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

Year Ended December 31,	2004	2003	2002
Federal tax at statutory rate	\$ (634)	\$ 48	\$ 193
State income taxes, net of federal benefit	(96)	37	(22)
Foreign income and equity in net losses of affiliates	(9)	23	3
Adjustments to prior year accrual	(82)	(90)	(45)
Other	(5)	(2)	(1)
Income tax (expense) benefit	\$ (826)	\$ 16	\$ 128

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

December 31,	2004	2003
Deferred tax assets:		
Net operating loss carryforwards	\$ 483	\$ 224
Differences between book and tax basis of long-term debt	221	231
Non-deductible accruals and other	956	1,339
	1,660	1,794
Deferred tax liabilities:		
Differences between book and tax basis of property and equipment and intangible assets	\$ 23,414	\$ 21,991
Differences between book and tax basis of investments	4,855	5,926
Differences between book and tax basis of indexed debt securities	566	456
	28,835	28,373
Net deferred tax liability	\$ 27,175	\$ 26,579

We increased net deferred income tax liabilities by an additional \$77 million in 2004, principally in connection with adjustments made to the Broadband purchase price allocation, the Liberty exchange and the TechTV acquisition. We recorded an increase (decrease) of \$(12) million, \$3 million and \$(152) million to net deferred income tax liabilities in 2004, 2003 and 2002, respectively, in connection with unrealized gains (losses) on marketable securities and cash flow hedges that are included in accumulated other comprehensive income (loss).

We have recorded net deferred tax liabilities of \$360 million and \$679 million, as of December 31, 2004 and 2003, respectively, which have been included in current liabilities, related primarily to our current investments. We have federal net operating loss carryforwards of \$565 million and various state carryforwards that expire in periods through 2024. The determination of the state net operating loss

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

carryforwards are dependent upon the subsidiaries' taxable income or loss, apportionment percentages and other respective state laws, which can change from year to year and impact the amount of such carryforward.

In 2004, 2003 and 2002, income tax benefits attributable to employee stock option transactions of approximately \$80 million, \$19 million and \$27 million, respectively, were allocated to stockholders' equity.

In the normal course of business, our tax returns are subject to examination by various taxing authorities. Such examinations may result in future tax and interest assessments by these taxing authorities, and we have accrued a liability when we believe that it is probable that we will be assessed. Differences between the estimated and actual amounts determined upon ultimate resolution, individually or in the aggregate, are not expected to have a material adverse effect on our consolidated financial position but could possibly be material to our consolidated results of operations or cash flow of any one period.

12. STATEMENT OF CASH FLOWS—SUPPLEMENTAL INFORMATION

The following table summarizes the fair values of the assets and liabilities associated with the Broadband acquisition, which is considered a non-cash financing and investing activity (see *Note 5*) (dollars in millions):

Year Ended December 31,	2002
Current assets	\$ 1,533
Investments	17,325
Property and equipment	11,757
Intangible assets	46,510
Other noncurrent assets	300
Current liabilities	(4,694)
Short-term debt and current portion of long-term debt	(8,049)
Long-term debt	(16,811)
Deferred income taxes	(17,541)
Other noncurrent liabilities and minority interest	(5,831)
Comcast shares held by Broadband	1,126
Net assets acquired	\$ 25,625

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

Year Ended December 31,	2004	2003	2002
Interest	\$ 1,898	\$ 2,053	\$ 788
Income taxes	\$ 205	\$ 945	\$ 33

During 2004, we:

- received federal income tax refunds of approximately \$591 million,
- settled through non-cash financing and investing activities approximately \$1.944 billion related to our Exchangeable Notes (see *Note 8*),
- acquired cable systems through the assumption of \$68 million of debt, which is considered a non-cash investing and financing activity,
- issued shares of G4 with a value of approximately \$70 million in connection with the acquisition of TechTV (see *Note 5*), which is considered a non-cash financing and investing activity; and
- received non-cash consideration of approximately \$475 million in connection with the Liberty Exchange Agreement (see *Note 5*), which is considered a non-cash investing activity.

During 2003, we:

- settled through non-cash financing and investing activities approximately \$1.353 billion related to our Exchangeable Notes (see *Note 8*) and

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

received 218 million Liberty shares and \$4 billion of Liberty Notes in connection with the sale of QVC, which 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 March 2007 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, 2004, at which time there were no quoted market prices for similar agreements.

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 noncancelable operating leases as of December 31, 2004 (dollars in millions):

	Program License Agreements	Operating Leases	Total
2005	\$ 168	\$ 190	\$ 358
2006	165	163	328
2007	142	132	274
2008	147	111	258
2009	131	92	223
Thereafter	1,474	299	1,773

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

Year Ended December 31,	2004	2003	2002
Rental expense	\$ 194	\$ 157	\$ 140

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 interest 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 39.7% of our 60.5% 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"). We own an additional 20.8% direct interest in E! Entertainment. Under a limited liability company agreement between us and Disney, we control E! Entertainment's operations. 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 E! 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.

The minority owner of G4 is entitled to trigger an exit process whereby upon the fifth anniversary of the closing date and each successive anniversary of the closing date or the occurrence of certain other defined events, G4 would be required to purchase the minority owner's 15% interest at fair market value (as determined by an appraisal process).

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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 Chairman 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 others 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 us, 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, as amended ("the 1934 Act"), 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 us, 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 (item (i) above), 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. The decision to stay the actions was affirmed by the District Court, and an appeal to the Court of Appeals for the Ninth Circuit is pending. In the Southern District of New York actions (item (ii) above), the court has dismissed the common law fraud claims against all defendants, leaving only the securities law claims. In a subsequent decision, the court limited the remaining claims against us and Mr. Roberts to disclosures that are alleged to have been made by At Home prior to August 28, 2000. Plaintiffs' motion for class certification is pending. The Delaware case (item (iii) above) was transferred to the United States District Court for the Southern District of New York. The court dismissed the Section 16(b) claims against us for failure to state a claim and the breach of fiduciary duty claim for lack of federal jurisdiction. The plaintiffs have appealed the decision dismissing the Section 16(b) claims. They may also recommence the breach of fiduciary duty claim depending on the outcome of the Santa Clara, California, state court action against AT&T (described in item (i) below). In the meantime, we have entered into an agreement with plaintiffs tolling the statute of limitations for the breach of fiduciary duty claim. In the action in the United States Bankruptcy Court for the Northern District of California (item (iv) above), the parties filed a stipulation in January 2004, staying the case (on account of other pending litigation relating to the At Home bankruptcy) until such time as either party elects to resume the case.

Under the terms of the Broadband acquisition, we are contractually liable for 50% of any liabilities of AT&T relating to certain At Home litigation. For litigation in which we are contractually liable for 50% of any liabilities, AT&T will be liable for the other 50%. In addition to the actions against AT&T described in items (i), (ii) and (iv) above, (in which we are also a defendant), such litigation matters may also include two additional actions brought by At Home's bondholders' liquidating trust against AT&T (and 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 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. Discovery in the Santa Clara action is nearly complete and trial is scheduled for May 2005. The action in the District Court for the Northern District of California is 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 are defending all of these claims vigorously. The final disposition of these claims and the final resolution of our share (if any) of the AT&T At Home potential liabilities are 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.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

AT&T—Wireless and Common Stock Cases.

Under the terms of the Broadband acquisition, we 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 and Section 12(a)(2) of the Securities Act of 1933, as amended, and Section 10(b) of the 1934 Act.

The first lawsuit, for which our portion of any loss 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 ("Wireless Case"). In March 2004, the plaintiffs, and AT&T and the other defendants, moved for summary judgment in the Wireless Case. The New Jersey District Court denied the motions and the Judicial Panel on Multidistrict Litigation remanded the cases for trial to the United States District Court for the Southern District of New York, where they had originally been brought. No trial date has been set. We and AT&T believe that AT&T has meritorious defenses in the Wireless Case, and it is being vigorously defended.

The second lawsuit, for which our portion of any loss is 50%, alleges, among other things, that AT&T knowingly provided false projections relating to AT&T common stock ("Common Stock Case"). In October 2004, the plaintiffs, and AT&T and the other defendants, agreed to settle the Common Stock Case for \$100 million, which was preliminarily approved by the court. We expect final approval of the settlement by the court in the second quarter of 2005. We have agreed to pay \$50 million of the settlement amount.

In November 2004, AT&T brought suit against the D&O insurers in Delaware Superior Court, seeking a declaration of coverage and damages in the At Home cases, the Wireless Case and the Common Stock Case. This litigation is in its very early stages.

In connection with the Broadband acquisition, we recorded an estimate of the fair value of the potential liability associated with both the Wireless and Common Stock cases. As a result of the settlement reached during the fourth quarter of 2004, we reduced the fair value liability in the Common Stock Case by \$250 million, which has been recognized in other income in our statement of operations.

AT&T—TCI

In June 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 in February 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 of their fiduciary duties.

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, we 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 July 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. Fact discovery in this matter is now closed. The former TCI director defendants anticipate filing a motion for summary judgment in February 2005. No trial date has been set.

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.

Acacia

In June 2004, Acacia Media Technologies Corporation ("Acacia") filed a lawsuit against us and others in the United States District Court for the Northern District of California. The complaint alleges infringement of certain United States patents that allegedly relate to systems and methods for transmitting and/or receiving digital audio and video content. The complaint seeks injunctive relief and damages in an unspecified amount. In the event that a Court ultimately determines that we infringe on any of the patents, we may be subject to substantial damages, which may include treble damages and/or an injunction that could require us to materially modify

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certain products and services that we currently offer to subscribers. We believe that the claims are without merit and intend to defend the action vigorously.

The final disposition of this claim 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

In January 2003, Liberty Digital, Inc. filed a complaint in Colorado state court against us. The complaint alleged that we breached a 1997 Contribution Agreement with Liberty Digital and that we tortiously interfered with that agreement. The complaint alleged that this agreement obligated us to pay fees to Liberty Digital totaling \$18 million (increasing at CPI) per year through 2017. Liberty Digital sought, among other things, compensatory damages, specific performance of the 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.

In July 2004, we entered into an exchange agreement with Liberty (the parent company of Liberty Digital). The transactions closed in July 2004 and resolved all claims in the litigation.

Other

We are subject to other legal proceedings and claims that arise in the ordinary course of our business. 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

Our reportable segments consist of our Cable and Content businesses. Beginning in the first quarter of 2004, we elected to disclose our content businesses separately as a reportable segment even though our content segment does not meet the quantitative disclosure requirements of SFAS No. 131, "Disclosures About Segments of an Enterprise and Related Information." These consolidated financial statements present all periods on a comparable basis. Our content segment consists of our national networks E!, Style Network, TGC, OLN, G4 and International Channel Networks. In evaluating the profitability of our segments, the components of net income (loss) below operating income (loss) before depreciation and amortization are not separately evaluated by our management (dollars in millions).

	Cable ⁽¹⁾	Content	Corporate and Other ⁽²⁾	Eliminations ⁽³⁾	Total
2004					
Revenues ⁽⁴⁾	\$ 19,316	\$ 787	\$ 332	\$ (128)	\$ 20,307
Operating income (loss) before depreciation and amortization ⁽⁵⁾	7,471	265	(203)	(2)	7,531
Depreciation and amortization	4,375	162	88	(2)	4,623
Operating income (loss)	3,096	103	(291)	—	2,908
Assets	103,727	2,533	1,112	(2,678)	104,694
Capital expenditures	3,622	17	21	—	3,660
2003					
Revenues ⁽⁴⁾	\$ 17,492	\$ 628	\$ 341	\$ (113)	\$ 18,348
Operating income (loss) before depreciation and amortization ⁽⁵⁾	6,350	214	(178)	6	6,392
Depreciation and amortization	4,223	129	88	(2)	4,438
Operating income (loss)	2,127	85	(266)	8	1,954
Assets	105,316	2,048	1,945	(150)	109,159
Capital expenditures	4,097	18	46	—	4,161
2002					
Revenues ⁽⁴⁾	\$ 7,350	\$ 521	\$ 302	\$ (71)	\$ 8,102
Operating income (loss) before depreciation and amortization ⁽⁵⁾	2,798	170	(126)	(6)	2,836
Depreciation and amortization	1,670	129	118	(2)	1,915
Operating income (loss)	1,128	41	(244)	(4)	921
Assets	106,291	2,100	4,808	(71)	113,128
Capital expenditures	1,814	12	26	—	1,852

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- (1) Our regional sports and news networks CSN, CSN Mid-Atlantic, CSN Chicago, CSN West, CSS and CN8 are included in our cable segment.
- (2) Corporate and other includes Comcast-Spectacor, corporate activities and all other businesses not presented in our cable or content segments. Assets included in this caption consist primarily of our investments (see *Note 6*).
- (3) Included in the Eliminations column in the table above are intersegment transactions that our segments enter into with one another. The most common types of transactions are the following:
- Our Content segment generates affiliate revenue by selling cable network programming to our Cable segment, which represents a substantial majority of the revenue elimination amount.
 - Our Cable segment receives incentives offered by our Content segment when negotiating programming contracts that are recorded as a reduction of programming costs.
 - Our Cable segment generates revenue by selling the use of satellite feeds to our Content segment.
 - Our Cable segment generates revenue by selling the use of its fiber-optic lines and site conditioning to our Corporate and Other segment. Our Corporate and Other segment pays our Cable segment a lump sum and holds the property and the related depreciation expense and accumulated depreciation. Our Cable segment's revenue is generated through the amortization of the deferred revenue recorded for the lump sum payment.
 - Our Corporate and Other segment generates revenue by selling long-distance services to our Cable segment.
- (4) Non-U.S. revenues were not significant in any period. No single customer accounted for a significant amount of our revenue in any period.
- (5) Operating income (loss) before depreciation and amortization is defined as operating income (loss) 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.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

15. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

(Dollars in millions, except per share data)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
2004					
Revenues	\$ 4,908	\$ 5,066	\$ 5,098	\$ 5,235	\$ 20,307
Operating income	659	852	686	711	2,908
Net income	65	262	220	423	970
Basic earnings for common stockholders per common share	0.03	0.12	0.10	0.19	0.43
Diluted earnings for common stockholders per common share	0.03	0.12	0.10	0.19	0.43
2003					
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 ⁽²⁾	—	—	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 ⁽²⁾	—	—	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 ⁽²⁾	—	—	1.46	—	1.46
Net income (loss)	(0.13)	(0.01)	1.41	0.17	1.44

⁽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. QVC is presented as a discontinued operation for all periods presented.

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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. Comcast MO Group and CCH (for the year ended December 31, 2002) and Comcast MO Group, CCH and Comcast MO of Delaware (as of December 31, 2004 and 2003, and for the years ended December 31, 2004 and 2003) are collectively referred to as the "Combined CCHMO Parents." Our condensed consolidating financial information is as follows (dollars in millions):

COMCAST CORPORATION
CONDENSED CONSOLIDATING BALANCE SHEET
AS OF DECEMBER 31, 2004

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
ASSETS							
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —	\$ 452	\$ —	\$ 452
Investments	—	—	—	—	1,555	—	1,555
Accounts receivable, net	—	—	—	—	959	—	959
Other current assets	15	—	—	—	554	—	569
Total current assets	15	—	—	—	3,520	—	3,535
INVESTMENTS	—	—	—	—	12,812	—	12,812
INVESTMENTS IN AND AMOUNTS DUE FROM SUBSIDIARIES ELIMINATED UPON CONSOLIDATION	48,317	28,687	35,642	41,898	22,135	(176,679)	—
PROPERTY AND EQUIPMENT, net	8	—	3	—	18,700	—	18,711
FRANCHISE RIGHTS	—	—	—	—	51,071	—	51,071
GOODWILL	—	—	—	—	14,020	—	14,020
OTHER INTANGIBLE ASSETS, net	—	—	—	—	3,851	—	3,851
OTHER NONCURRENT ASSETS, net	107	30	27	—	530	—	694
Total Assets	\$ 48,447	\$ 28,717	\$ 35,672	\$ 41,898	\$ 126,639	\$ (176,679)	\$ 104,694
LIABILITIES AND STOCKHOLDERS' EQUITY							
Accounts payable and accrued expenses related to trade creditors	\$ —	\$ —	\$ —	\$ —	\$ 2,041	\$ —	\$ 2,041
Accrued expenses and other current liabilities	671	216	126	197	1,525	—	2,735
Deferred income taxes	—	—	—	—	360	—	360
Current portion of long-term debt	—	700	—	1,080	1,719	—	3,499
Total current liabilities	671	916	126	1,277	5,645	—	8,635
LONG-TERM DEBT, less current portion	4,323	5,643	3,498	4,979	1,650	—	20,093
DEFERRED INCOME TAXES	—	—	—	—	26,815	—	26,815
OTHER NONCURRENT LIABILITIES	2,031	23	—	—	5,207	—	7,261
MINORITY INTEREST	—	—	—	—	468	—	468
STOCKHOLDERS' EQUITY							
Common stock	25	—	—	—	—	—	25
Other stockholders' equity	41,397	22,135	32,048	35,642	86,854	(176,679)	41,397
Total Stockholders' Equity	41,422	22,135	32,048	35,642	86,854	(176,679)	41,422
Total Liabilities and Stockholders' Equity	\$ 48,447	\$ 28,717	\$ 35,672	\$ 41,898	\$ 126,639	\$ (176,679)	\$ 104,694

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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							
INVESTMENTS IN AND AMOUNTS DUE FROM SUBSIDIARIES ELIMINATED UPON CONSOLIDATION	46,268	26,643	33,138	39,919	19,678	(165,646)	—
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	\$ 33,172	\$ 39,919	\$ 128,601	\$ (165,646)	\$ 109,159
LIABILITIES AND STOCKHOLDERS' EQUITY							
Accounts payable and accrued expenses related to trade creditors	\$ —	\$ —	\$ —	\$ —	\$ 2,355	\$ —	\$ 2,355
Accrued expenses and other current liabilities	391	99	76	316	2,577	—	3,459
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	—	—	—	7,336	—	7,716
MINORITY INTEREST	—	—	—	—	392	—	392
STOCKHOLDERS' EQUITY							
Common stock	25	—	—	—	—	—	25
Other stockholders' equity	41,637	19,678	29,598	33,138	83,232	(165,646)	41,637
Total Stockholders' Equity	41,662	19,678	29,598	33,138	83,232	(165,646)	41,662
Total Liabilities and Stockholders' Equity	\$ 46,427	\$ 26,686	\$ 33,172	\$ 39,919	\$ 128,601	\$ (165,646)	\$ 109,159

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

COMCAST CORPORATION
CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2004

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES							
Service revenues	\$ —	\$ —	\$ —	\$ —	20,307	\$ —	20,307
Management fee revenue	416	161	253	253	—	(1,083)	—
	416	161	253	253	20,307	(1,083)	20,307
COSTS AND EXPENSES							
Operating (excluding depreciation)	—	—	—	—	7,462	—	7,462
Selling, general and administrative	168	161	253	253	5,562	(1,083)	5,314
Depreciation	2	—	—	—	3,418	—	3,420
Amortization	—	—	—	—	1,203	—	1,203
	170	161	253	253	17,645	(1,083)	17,399
OPERATING INCOME	246	—	—	—	2,662	—	2,908
OTHER INCOME (EXPENSE)							
Interest expense	(289)	(474)	(348)	(399)	(366)	—	(1,876)
Investment loss, net	—	—	—	—	472	—	472
Equity in net (losses) income of affiliates	998	1,170	310	569	774	(3,909)	(88)
Other income	—	—	—	—	394	—	394
	709	696	(38)	170	1,274	(3,909)	(1,098)
INCOME (LOSS) BEFORE INCOME TAXES AND MINORITY INTEREST	955	696	(38)	170	3,936	(3,909)	1,810
INCOME TAX BENEFIT (EXPENSE)	15	166	122	140	(1,269)	—	(826)
INCOME (LOSS) BEFORE MINORITY INTEREST	970	862	84	310	2,667	(3,909)	984
MINORITY INTEREST	—	—	—	—	(14)	—	(14)
NET INCOME (LOSS)	\$ 970	\$ 862	\$ 84	\$ 310	\$ 2,653	\$ (3,909)	\$ 970

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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)	—
	376	147	231	231	18,348	(985)	18,348
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
	156	147	231	231	16,614	(985)	16,394
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
	2,995	469	(729)	(495)	152	(4,483)	(2,091)
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

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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)

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

COMCAST CORPORATION
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2004

	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
OPERATING ACTIVITIES							
Net cash provided by (used in) operating activities	\$ 1,809	\$ (143)	\$ (155)	\$ (478)	\$ 4,897	\$ —	\$ 5,930
FINANCING ACTIVITIES							
Proceeds from borrowings	620	—	400	—	10	—	1,030
Retirements and repayments of debt	(300)	(561)	(400)	(306)	(756)	—	(2,323)
Issuances of common stock and sales of put options on common stock	113	—	—	—	—	—	113
Repurchases of common stock and stock options held by non-employees	(1,361)	—	—	—	—	—	(1,361)
Other financing activities	8	—	—	—	17	—	25
Net cash (used in) provided by financing activities	(920)	(561)	—	(306)	(729)	—	(2,516)
INVESTING ACTIVITIES							
Net transactions with affiliates	(889)	704	155	784	(754)	—	—
Capital expenditures	—	—	—	—	(3,660)	—	(3,660)
Proceeds from sales, settlements and restructuring of investments	—	—	—	—	228	—	228
Acquisitions, net of cash acquired	—	—	—	—	(296)	—	(296)
Additions to intangible and other noncurrent assets	—	—	—	—	(628)	—	(628)
Proceeds from sales of (purchases of) short-term investments, net	—	—	—	—	(13)	—	(13)
Capital contributions to and purchases of investments	—	—	—	—	(156)	—	(156)
Proceeds from settlement of contract of acquired company	—	—	—	—	26	—	26
Other investing activities	—	—	—	—	(13)	—	(13)
Net cash provided by (used in) investing activities	(889)	704	155	784	(5,266)	—	(4,512)
DECREASE IN CASH AND CASH EQUIVALENTS							
	—	—	—	—	(1,098)	—	(1,098)
CASH AND CASH EQUIVALENTS, beginning of year							
	—	—	—	—	1,550	—	1,550
CASH AND CASH EQUIVALENTS, end of year							
	\$ —	\$ —	\$ —	\$ —	\$ 452	\$ —	\$ 452

Notes to Consolidated Financial Statements (Continued)

Years Ended December 31, 2004, 2003 and 2002

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 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)	—	—
Capital expenditures	—	—	—	—	(4,161)	—	(4,161)
Proceeds from sales, settlements and restructuring of investments	—	—	—	—	7,971	—	7,971
Acquisitions, net of cash acquired	—	—	—	—	(152)	—	(152)
Additions to intangible and other noncurrent assets	—	—	—	—	(155)	—	(155)
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 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

Notes to Consolidated Financial Statements (Concluded)

Years Ended December 31, 2004, 2003 and 2002

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
OPERATING ACTIVITIES							
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 financing 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)	—	—
Capital expenditures	—	—	—	—	(1,852)	—	(1,852)
Proceeds from sales and settlements of investments	—	—	—	—	1,263	—	1,263
Acquisitions, net of cash acquired	—	—	—	—	(251)	—	(251)
Additions to intangible and other noncurrent assets	—	—	—	—	(197)	—	(197)
Purchases of short-term investments, net	—	—	—	—	(21)	—	(21)
Capital contributions to and purchases of investments	—	—	—	—	(67)	—	(67)
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

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

None.

ITEM 9A CONTROLS AND PROCEDURES

Conclusions regarding disclosure controls and procedures. Our principal executive and principal 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 that, based on the evaluation of these controls and procedures required by paragraph (b) of Exchange Act Rules 13a-15 or 15d-15, our disclosure controls and procedures were effective.

Management's annual report on internal control over financial reporting. Refer to *Management's Report on Internal Control Over Financial Reporting* on page 34.

Attestation report of the registered public accounting firm. Refer to *Report of Independent Registered Public Accounting Firm* on page 35.

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 are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B OTHER INFORMATION

None.

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 June 2005. We refer to this proxy statement as the 2005 Proxy Statement.

ITEM 11 EXECUTIVE COMPENSATION

We incorporate the information required by this item by reference to our 2005 Proxy Statement.

ITEM 12 SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

We incorporate the information required by this item by reference to our 2005 Proxy Statement.

ITEM 13 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

We incorporate the information required by this item by reference to our 2005 Proxy Statement.

ITEM 14 PRINCIPAL ACCOUNTANT FEES AND SERVICES

We incorporate the information required by this item by reference to our 2005 Proxy Statement.

We will file our 2005 Proxy Statement for our Annual Meeting of Shareholders with the Securities and Exchange Commission on or before April 30, 2005.

PART IV

ITEM 15 EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)

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

Report of Independent Registered Public Accounting Firm	35
Consolidated Balance Sheet—December 31, 2004 and 2003	36
Consolidated Statement of Operations—Years Ended December 31, 2004, 2003 and 2002	37
Consolidated Statement of Cash Flows—Years Ended December 31, 2004, 2003 and 2002	38
Consolidated Statement of Stockholders' Equity—Years Ended December 31, 2004, 2003 and 2002	39
Notes to Consolidated Financial Statements	40

(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 5.02 and 9.01(c) on October 19, 2004, announcing the election of Mr. Joseph J. Collins to our Board of Directors. We included the press release announcing Mr. Collins' election to the Board as exhibit 99.1 to this Current Report.

(ii)

We filed a Current Report on Form 8-K under Items 1.01 and 9.01(c) on December 8, 2004, announcing the adoption of the 2005 Deferred Compensation Plan by our Board of Directors. We included a copy of the Plan as exhibit 10.1 to this Current Report.

(d)

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

- 3.1 Restated Articles of Incorporation of Comcast Corporation (incorporated by reference to Exhibit 3.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2004).
- 3.2 Restated By-Laws of Comcast Corporation.
- 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 Exhibit B (incorporated by reference to our registration statement on Form 8-A12g filed on November 18, 2002).
- 4.4 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' 10⁵/₈% 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 10³/₈% 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 8⁷/₈% Notes due 2004, 8⁷/₈% Notes due 2007, 8¹/₈% Notes due 2017, 8¹/₂% 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).
- 4.15 Form of Comcast Cable Communications, LLC's 8¹/₈% Notes due 2004, 8³/₈% Notes due 2007, 8⁷/₈% Notes due 2017 and 8¹/₂% 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 (incorporated by reference to Exhibit 4.25 to our Annual Report on Form 10-K for the year ended December 31, 2003).
- 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).
- 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 (incorporated by reference to Exhibit 10.2 to our Annual Report on Form 10-K for the year ended December 31, 2003).
- 10.3* Comcast Corporation 2003 Stock Option Plan, as amended and restated, effective January 30, 2004 (incorporated by reference to Exhibit 10.3 to our Annual Report on Form 10-K for the year ended December 31, 2003).
- 10.4* Comcast Corporation 2002 Deferred Compensation Plan, as amended and restated, effective February 16, 2005.
- 10.5* Comcast Corporation 2005 Deferred Compensation Plan, as amended and restated, effective January 1, 2005.
- 10.6* Comcast Corporation 2002 Deferred Stock Option Plan, as amended and restated, effective February 16, 2005.
- 10.7* Comcast Corporation 2002 Restricted Stock Plan, as amended and restated, effective January 1, 2005.
- 10.8* 2004 Management Achievement Plan, effective January 1, 2004 (incorporated by reference to Exhibit 10.7 to our Annual Report on Form 10-K for the year ended December 31, 2003).
- 10.9* 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).
- 10.10* Comcast Corporation 2002 Cash Bonus Plan (formerly, the 1996 Cash Bonus Plan), as amended and restated, effective March 3, 2003 (incorporated by reference to Exhibit 10.9 to our Annual Report on Form 10-K for the year ended December 31, 2003).
- 10.11* Comcast Corporation 2002 Executive Cash Bonus Plan (formerly the 1996 Executive Cash Bonus Plan), as amended and restated, effective January 30, 2004 (incorporated by reference to Exhibit 10.10 to our Annual Report on Form 10-K for the year ended December 31, 2003).
- 10.12* Comcast Corporation 2002 Supplemental Cash Bonus Plan, as amended and restated, effective January 30, 2004 (incorporated by reference to Exhibit 10.11 to our Annual Report on Form 10-K for the year ended December 31, 2003).
- 10.13* Comcast Corporation 2002 Non-Employee Director Compensation Plan, as amended and restated, effective January 12, 2005.
- 10.14* Comcast Corporation 2002 Employee Stock Purchase Plan, as amended and restated, effective January 1, 2005.
- 10.15* 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).
- 10.16* 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).
- 10.17* 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).
- 10.18* 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).
- 10.19* 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).
- 10.20* 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).

- 10.21* Insurance Premium Termination Agreement between Comcast Corporation and Ralph J. Roberts, effective January 30, 2004 (incorporated by reference to Exhibit 10.1 to our Form 10-Q for the quarter ended March 31, 2004).
- 10.22* 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).
- 10.23* 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).
- 10.24* Consulting Agreement between Comcast Corporation and C. Michael Armstrong, dated as of May 26, 2004 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2004).
- 10.25* First Amendment to Consulting Agreement between Comcast Corporation and C. Michael Armstrong, dated as of May 26, 2004 (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2004).
- 10.26* 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).
- 10.27* 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).
- 10.28* 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).
- 10.29* Employment Agreement between Comcast Corporation and Stephen B. Burke, effective January 1, 2004 (incorporated by reference to Exhibit 10.2 to our Form 10-Q for the quarter ended March 31, 2004).
- 10.30* 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).
- 10.31* 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).
- 10.32* 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).
- 10.33 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.

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 February 23, 2005.

By: _____ /s/ BRIAN L. ROBERTS

Brian L. Roberts
Chairman and CEO

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

Signature	Title	Date
_____ /s/ BRIAN L. ROBERTS _____ Brian L. Roberts	Chairman and CEO; Director (Principal Executive Officer)	February 23, 2005
_____ /s/ RALPH J. ROBERTS _____ Ralph J. Roberts	Chairman of the Executive and Finance Committee of the Board of Directors; Director	February 23, 2005
_____ /s/ JULIAN A. BRODSKY _____ Julian A. Brodsky	Non-Executive Vice Chairman; Director	February 23, 2005
_____ /s/ LAWRENCE S. SMITH _____ Lawrence S. Smith	Executive Vice President (Co-Principal Financial Officer)	February 23, 2005
_____ /s/ JOHN R. ALCHIN _____ John R. Alchin	Executive Vice President and Treasurer (Co-Principal Financial Officer)	February 23, 2005
_____ /s/ LAWRENCE J. SALVA _____ Lawrence J. Salva	Senior Vice President, Chief Accounting Officer and Controller (Principal Accounting Officer)	February 23, 2005
_____ /s/ S. DECKER ANSTROM _____ S. Decker Anstrom	Director	February 23, 2005
_____ /s/ C. MICHAEL ARMSTRONG _____ C. Michael Armstrong	Director	February 23, 2005
_____ /s/ KENNETH J. BACON _____ Kenneth J. Bacon	Director	February 23, 2005
_____ /s/ SHELDON M. BONOVITZ _____ Sheldon M. Bonovitz	Director	February 23, 2005

Signature	Title	Date
<hr/> /s/ JOSEPH L. CASTLE, II <hr/> Joseph L. Castle, II	Director	February 23, 2005
<hr/> /s/ JOSEPH J. COLLINS <hr/> Joseph J. Collins	Director	February 23, 2005
<hr/> /s/ J. MICHAEL COOK <hr/> J. Michael Cook	Director	February 23, 2005
<hr/> /s/ DR. JUDITH RODIN <hr/> Dr. Judith Rodin	Director	February 23, 2005
<hr/> /s/ MICHAEL I. SOVERN <hr/> Michael I. Sovern	Director	February 23, 2005

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

We have audited the consolidated financial statements of Comcast Corporation and subsidiaries (the "Company") as of December 31, 2004 and 2003, and for each of the three years in the period ended December 31, 2004, management's assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2004, and the effectiveness of the Company's internal control over financial reporting as of December 31, 2004, and have issued our report thereon dated February 21, 2005; such consolidated financial statements and report are 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 consolidated 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
February 21, 2005

Comcast Corporation and Subsidiaries

Schedule II—Valuation and Qualifying Accounts

Years Ended December 31, 2004, 2003 and 2002

(In millions)	Balance at Beginning of Year	Additions Charged to Costs and Expenses(A)	Deductions from Reserves(B)	Balance at End of Year
Allowance for Doubtful Accounts				
2004	\$ 146	\$ 247	\$ 261	\$ 132
2003	172	220	246	146
2002	71	198	97	172

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

(B) Uncollectible accounts written off.

RESTATED
BY-LAWS
OF
COMCAST CORPORATION

* * * * *

May 26, 2004

* * * * *

The By-Laws of the Corporation are restated in their entirety to read as follows:

ARTICLE 1
OFFICES

Section 1.01. *Registered Office.* The registered office of the Corporation shall be located within the Commonwealth of Pennsylvania at such place as the Board of Directors (hereinafter referred to as the "**Board of Directors**" or the "**Board**") shall determine from time to time.

Section 1.02. *Other Offices.* The Corporation may also have offices at such other places, within or without the Commonwealth of Pennsylvania, as the Board of Directors may determine from time to time.

ARTICLE 2
MEETINGS OF SHAREHOLDERS

Section 2.01. *Place of Meetings of Shareholders.* Meetings of shareholders may be held at such geographic locations, within or without the Commonwealth of Pennsylvania, as may be fixed from time to time by the Board of Directors. If no such geographic location is so fixed by the Board of Directors or the Board of Directors does not determine to hold a meeting by means of electronic technology (as provided in the next sentence) rather than at a geographic location, meetings of the shareholders shall be held at the executive office of the Corporation. If a meeting of the shareholders is held by means of the Internet or other electronic communications technology in a fashion pursuant to which the shareholders have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the shareholders and pose questions to the Directors, the meeting need not be held at a particular geographic location.

Section 2.02. *Annual Meetings of Shareholders.*

(a) *Time.* Subject to Article SIXTH of the Articles of Incorporation, a meeting of the shareholders of the Corporation shall be held in each calendar year, on such date and at such time 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 June at 9:00 o'clock a.m., if 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.

(b) *Election of Directors.* At each such annual meeting commencing with the annual meeting held in 2004, there shall be held an election of Directors to serve for the ensuing year and until their successors shall have been selected and qualified or until their earlier death, resignation or removal.

Section 2.03. *Special Meetings of Shareholders.* Special meetings of the shareholders may be called at any time by the Board of Directors. Special meetings of the shareholders may not be called by shareholders. Upon the written instruction of the Board of Directors, which instruction specifies the general nature of the business to be transacted at such meeting as well as the date, time and place of such meeting, it shall be the duty of the Secretary to give due notice thereof as required by Section 2.04 hereof.

Section 2.04. *Notices of Meetings of Shareholders.* Written notice, complying with Article 6 of these By-Laws, of any meeting of the shareholders, shall be given to each shareholder of record entitled to vote at the meeting, other than those excepted by Section 1707 of the Pennsylvania Business Corporation Law of 1988, as amended (the "**Pennsylvania BCL**"), at least twenty days prior to the day named for the meeting,

except as provided in Section 6.07. Such notices may be given by, or at the direction of, the Secretary or other authorized person.

Section 2.05. *Quorum of and Action by Shareholders.*

(a) General Rule. A meeting of shareholders duly called shall not be organized for the transaction of business unless a quorum is present, in person or by proxy, as to at least one of the matters to be considered. Except as provided in subsections (c), (d) and (e) of this Section 2.05, the presence, in person or by proxy, of shareholders entitled to cast at least a majority of the votes that all shareholders are entitled to cast on a particular matter to be acted upon at the meeting shall constitute a quorum for the purpose of consideration of and action on the matter. To the extent that a quorum is present with respect to consideration of and action on a particular matter or matters but a quorum is not present as to another matter or matters, consideration of and action on the matter or matters for which a quorum is present may occur, and, after such consideration and action, the meeting may be adjourned for purposes of the consideration of and action on the matter or matters for which a quorum is not present.

(b) Action by Shareholders. Except as otherwise specifically provided by law, all matters coming before a meeting of shareholders shall be determined by a vote of shares. Except as otherwise provided by a resolution adopted by the Board of Directors, by the Articles of Incorporation, by the Pennsylvania BCL or by these By-Laws, whenever any corporate action is to be taken by vote of the shareholders of the Corporation at a duly organized meeting of shareholders, it shall be authorized by a majority of the votes cast at the meeting by the holders of shares entitled to vote with respect to such matter; *provided* that in no event may the required shareholder vote be reduced below that provided above.

(c) Continuing Quorum. The shareholders present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

(d) Election of Directors at Adjourned Meetings. Those shareholders entitled to vote who attend a meeting called for the election of Directors that has been previously adjourned for one or more periods aggregating at least 5 days for lack of a quorum (whether with respect to a particular matter or all matters to be considered and acted upon at such meeting), although less than a quorum as fixed in subsection (a), shall nevertheless constitute a quorum for the purpose of electing Directors at such reconvened meeting.

(e) Conduct of Other Business at Adjourned Meetings. Those shareholders entitled to vote who attend a meeting of shareholders that has been previously adjourned for one or more periods aggregating at least 15 days because of an absence of a quorum (whether with respect to a particular matter or all matters to be considered and acted upon at such meeting), although less than a quorum as fixed in subsection (a), shall nevertheless constitute a quorum for the purpose of acting upon any matter set forth in the notice of meeting if the notice states that those shareholders who attend the adjourned meeting shall nevertheless constitute a quorum for the purpose of acting upon the matter.

Section 2.06. *Adjournments.*

(a) General Rule. Adjournments of any regular or special meeting of shareholders, including one at which Directors are to be elected, may be taken for such periods as the shareholders present and entitled to vote shall direct.

(b) Lack of Quorum. Without limiting the generality of Section 2.06(c), if a meeting cannot be organized because a quorum has not attended, those present may, except as otherwise provided in the Pennsylvania BCL, adjourn the meeting to such time and place as they may determine. To the extent, as set forth in Section 2.05(a), that a quorum was not present with respect to consideration of and action on a particular matter at a duly called and organized meeting, consideration of and action on such matter may be adjourned to such date, time and place as those present may determine, and the balance of the matters to be considered at such meeting for which a quorum was present may be considered and acted upon at the initial meeting.

(c) Notice of an Adjourned Meeting. When a meeting of shareholders is adjourned, it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which the adjournment is taken, unless the Board fixes a new record date for the adjourned meeting or the Pennsylvania BCL requires notice of the business to be transacted and such notice has not been previously given.

Section 2.07. *Voting List, Voting and Proxies.*

(a) Voting List. The officer or agent having charge of the transfer books for shares of the Corporation shall make a complete list of the shareholders entitled to vote at any meeting of shareholders, arranged in alphabetical order, with the address of and the number of shares held by each. The list shall be produced and kept open at the date, time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting for the purposes thereof except that, if the Corporation has 5,000 or more shareholders, in lieu of the making of the list the Corporation may make the information therein available at the meeting by any other means.

(b) Method of Voting. At the discretion of the presiding officer of a meeting of shareholders, (i) in elections for directors voting need not be by ballot but may be taken by voice, show of hands or such other method determined by the presiding officer unless it is required by vote of the shareholders, before the vote begins, that the vote be taken by ballot and (ii) with respect to any other action to be taken by vote at the meeting, as set forth in Section 2.05(b), voting need not be by ballot but may be taken by voice, show of hands or such other method determined by the presiding officer to the fullest extent permitted by applicable law (including the Pennsylvania BCL).

(c) Proxies. At all meetings of shareholders, shareholders entitled to vote may attend and vote either in person or by proxy. Every proxy shall be executed or authenticated by the shareholder or by such shareholder's duly authorized attorney-in-fact and shall be filed with, or transmitted to, the Secretary of the Corporation or its designated agent. A shareholder or such shareholder's duly authorized attorney-in-fact may execute or authenticate in writing or transmit an electronic message authorizing another person to act for such shareholder by proxy. A proxy, unless coupled with an interest (as defined in Section 1759(d) of the Pennsylvania BCL), shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary, but the revocation of a proxy shall not be effective until notice thereof has been given to the Secretary of the Corporation or its designated agent in writing or by electronic transmission. An unrevoked proxy shall not be valid after three years from the date of its execution unless a longer time is expressly provided therein. A proxy shall not be revoked by the death or incapacity of the maker unless, before the vote is counted or the authority is exercised, notice of the death or incapacity is given to the Secretary of the Corporation or its designated agent in writing or by electronic transmission.

(d) Judges of Election. In advance of any meeting of shareholders of the Corporation, the Board of Directors may appoint one or three Judges of Election, who need not be shareholders and who will have such duties as provided in Section 1765(a)(3) of the Pennsylvania BCL, to act at the meeting or any adjournment thereof. If one or three Judges of Election are not so appointed, the presiding officer of the meeting may, and on the request of any shareholder shall, appoint one or three Judges of Election at the meeting. In case any person appointed as a Judge of Election fails to appear or refuses to act, the vacancy may be filled by appointment made by the Board of Directors in advance of the convening of the meeting or at the meeting by the presiding officer. A person who is a candidate for office to be filled at the meeting shall not act as a Judge of Election. Unless the Pennsylvania BCL permits otherwise, this Section 2.07(d) may be modified only by a By-Law amendment adopted by the shareholders.

(e) No Action by Written Consent in Lieu of a Meeting. Subject to Article NINTH of the Articles of Incorporation, the shareholders shall not be permitted to act by written consent in lieu of a meeting.

Section 2.08. *Participation in Meetings by Electronic Means.* The Board of Directors may permit, by resolution with respect to a particular meeting of the shareholders, or the presiding officer of such meeting may permit, one or more persons to participate in that meeting, count for the purposes of determining a quorum and exercise all rights and privileges to which such person might be entitled were such person

personally in attendance, including the right to vote, by means of conference telephone or other electronic means, including, without limitation, the Internet. Unless the Board of Directors so permits by resolution, or the presiding officer of such meeting so permits, no person may participate in a meeting of the shareholders by means of conference telephone or other electronic means.

Section 2.09. *Business at Meetings of Shareholders.* Except as otherwise provided by law (including but not limited to Rule 14a-8 promulgated under the Securities and Exchange Act of 1934, as amended, or any successor provision thereto) or in these By-Laws, the business which shall be conducted at any meeting of the shareholders shall (a) have been specified in the written notice of the meeting (or any supplement thereto) given by the Corporation, or (b) be brought before the meeting at the direction of the Board of Directors, or (c) be brought before the meeting by the presiding officer of the meeting unless a majority of the Directors then in office object to such business being conducted at the meeting, or (d) in the case of any matters intended to be brought by a shareholder before an annual meeting of shareholders for specific action at such meeting, have been specified in a written notice given to the Secretary of the Corporation, by or on behalf of any shareholder who shall have been a shareholder of record on the record date for such meeting and who shall continue to be entitled to vote thereat (the "**Shareholder Notice**"), in accordance with all of the following requirements:

(i) Each Shareholder Notice must be delivered to, or mailed and received at, the principal executive offices of the Corporation (A) in the case of an annual meeting that is called for a date that is within 30 days before or after the anniversary date of the immediately preceding annual meeting of shareholders, not less than 60 days nor more than 90 days prior to such anniversary date, and (B) in the case of an annual meeting that is called for a date that is not within 30 days before or after the anniversary date of the immediately preceding annual meeting, not later than the close of business on the tenth day following the day on which notice of the date of the meeting was mailed or public disclosure of the date of the meeting was made, whichever occurs first; and

(ii) Each such Shareholder Notice must set forth: (A) the name and address of the shareholder who intends to bring the business before the meeting; (B) the general nature of the business which such shareholder seeks to bring before the meeting and the text of the resolution or resolutions which the proposing shareholder proposes that the shareholders adopt; and (C) a representation that the shareholder is a holder of record of the stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to bring the business specified in the notice before the meeting. The presiding officer of the meeting may, in his or her sole discretion, refuse to acknowledge any business proposed by a shareholder not made in compliance with the foregoing procedure.

Section 2.10. *Conduct Of Meetings Of Shareholders.*

(a) Presiding Officer. There shall be a presiding officer at every meeting of the shareholders. Subject to Article SIXTH of the Articles of Incorporation, the presiding officer shall be appointed by the Board of Directors or in the manner authorized by the Board of Directors; *provided* that if a presiding officer is not designated by the Board of Directors or in the manner authorized by the Board of Directors, the Chairman of the Board shall be the presiding officer.

(b) Authority of Presiding Officer. Except as prescribed by the Board of Directors, the presiding officer shall determine the order of business and shall have the authority to establish rules for the conduct of the meeting of the shareholders.

(c) Procedural Standard. Any action by the presiding officer in adopting rules for, and in conducting, a meeting of the shareholders shall be fair to the shareholders. The conduct of the meeting need not follow *Robert's Rules of Order* or any other published rules for the conduct of a meeting.

(d) Closing of the Polls. The presiding officer shall announce at the meeting of the shareholders when the polls close for each matter voted upon. If no announcement is made, the polls shall be deemed to have closed upon the final adjournment of the meeting. After the polls close, no ballots, proxies or votes, nor any revocations or changes thereto, may be accepted.

ARTICLE 3
BOARD OF DIRECTORS

Section 3.01. *Board of Directors.*

(a) General Powers. Except as otherwise provided by law, the Articles of Incorporation or these By-Laws, all powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors. Unless the Pennsylvania BCL permits otherwise, this Section 3.01(a) may be modified only by a By-Law amendment adopted by the shareholders.

(b) Number. Subject to Article SIXTH of the Articles of Incorporation, the number of Directors shall be as determined by the Board of Directors from time to time.

(c) Vacancies. Each Director shall hold office until the expiration of the term for which such person was selected and until such person's successor has been selected and qualified or until such person's earlier death, resignation or removal. Subject to Article SIXTH of the Articles of Incorporation, any vacancies on the Board of Directors, including vacancies resulting from an increase in the number of Directors, may be filled by a majority vote of the remaining members of the Board of Directors, though less than a quorum, or by a sole remaining Director, or, if there are no remaining Directors, by the shareholders, and each person so selected shall be a Director to serve for the balance of the unexpired term.

(d) Removal. The entire Board of Directors or any individual Director may be removed from office only for cause by the vote of the shareholders entitled to elect directors.

(e) Qualification. A Director must be a natural person at least 18 years of age.

Section 3.02. *Place of Meetings.* Meetings of the Board of Directors may be held at such place within or without the Commonwealth of Pennsylvania as the Board of Directors may appoint from time to time or as may be designated in the notice of the meeting.

Section 3.03. *Regular Meetings.* A regular meeting of the Board of Directors shall be held immediately following each annual meeting of the shareholders, at the place where such meeting of the shareholders is held or at such other place and time after the annual meeting of shareholders as the Board of Directors may designate. Subject to Article SIXTH of the Articles of Incorporation, at such meeting, the Board of Directors shall elect officers of the Corporation. In addition to such regular meeting, the Board of Directors shall have the power to fix by resolution the place, date and time of other regular meetings of the Board of Directors.

Section 3.04. *Special Meetings.* Special meetings of the Board of Directors shall be held whenever ordered by the Chairman of the Board, the Chief Executive Officer, by the Board of Directors or by any officer of the Corporation authorized by Article SIXTH of the Articles of Incorporation to call special meetings of the Board of Directors for so long as such officer is also a Director of the Corporation.

Section 3.05. *Participation in Meetings by Electronic Means.* Any Director may participate in any meeting of the Board of Directors or of any committee (*provided* such Director is otherwise entitled to participate), be counted for the purpose of determining a quorum thereof and exercise all rights and privileges to which such Director might be entitled were such Director personally in attendance, including the right to vote, or any other rights attendant to presence in person at such meeting, by means of conference telephone or other electronic technology by means of which all persons participating in the meeting can hear each other.

Section 3.06. *Notices of Meetings of Board of Directors.*

(a) Regular Meetings. No notice shall be required to be given of any regular meeting, unless the same is held at other than the place, date or time for holding such meeting as fixed in accordance with Section 3.03 of these By-Laws, in which event 48 hours' notice shall be given of the place and time of such meeting complying with Article 6 of these By-Laws.

(b) Special Meetings. Written notice stating the place, date and time of any special meeting of the Board of Directors shall be sufficient if given at least 48 hours, as provided in Article 6, in advance of the date and time fixed for the meeting.

Section 3.07. *Quorum; Action by the Board of Directors.* A majority of the Directors in office shall be necessary to constitute a quorum for the transaction of business and, subject to Article SIXTH of the Articles of Incorporation and these By-Laws, the acts of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the acts of the Board of Directors. If there is no quorum present at a duly convened meeting of the Board of Directors, the majority of those present may adjourn the meeting from place to place and from time to time.

Section 3.08. *Informal Action by the Board of Directors.* Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if, prior or subsequent to the action, a written consent or consents thereto by all of the Directors in office is filed with the Secretary of the Corporation. In addition to other means of filing with the Secretary, insertion in the minute book of the Corporation shall be deemed filing with the Secretary regardless of whether the Secretary or some other authorized person has actual possession of the minute book. Written consents by all the Directors, executed pursuant to this Section 3.08, may be executed in any number of counterparts and shall be deemed effective as of the date set forth therein.

Section 3.09. *Committees.*

(a) Establishment and Powers. The Board of Directors of the Corporation may, by resolution adopted by a majority of the Directors in office, establish one or more committees to consist of one or more Directors of the Corporation. Any committee, to the extent provided in the applicable resolution of the Board of Directors or in the By-Laws, shall have and may exercise all of the powers and authority of the Board of Directors, except that a committee shall not have any power or authority as to the following:

(i) The submission to shareholders of any action requiring approval of shareholders under the Pennsylvania BCL.

(ii) The creation or filling of vacancies in the Board of Directors.

(iii) The adoption, amendment or repeal of the By-Laws.

(iv) The amendment or repeal of any resolution of the Board of Directors that by its terms is amendable or repealable only by the Board of Directors.

(v) Action on matters committed by the Articles of Incorporation, the By-Laws or resolution of the Board of Directors to another committee of the Board of Directors.

(b) Alternate Members. The Board of Directors may designate one or more Directors otherwise eligible to serve on a committee of the Board as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee or for the purpose of any written action by the committee. In the absence or disqualification of a member and alternate member or members of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another Director to act at the meeting in the place of the absent or disqualified member.

(c) Term. Each committee of the Board of Directors shall serve at the pleasure of the Board of Directors.

(d) Status of Committee Action. The term "**Board of Directors**" or "**Board**", when used in any provision of these By-Laws relating to the organization or procedures of or the manner of taking action by the Board of Directors, shall be construed to include and refer to any committee of the Board of Directors. Any provision of these By-Laws relating or referring to action to be taken by the Board of Directors or the procedure required therefor shall be satisfied by the taking of corresponding action by a committee of the Board of Directors to the extent authority to take the action has been delegated to the committee in accordance with this Section.

Section 3.10. *Nomination.* Nominations for the election of Directors may be made only (A) by the Board of Directors or (B) by any shareholder of record entitled to vote in the election of Directors generally at the record date of the meeting and also on the date of the meeting at which Directors are to be elected. However, any shareholder entitled to vote in the election of Directors generally may nominate one or more persons for election as Directors at a meeting only if written notice of such shareholder's intention to make such nomination or nominations has been delivered personally to, or been mailed to and received by the Corporation at, the principal executive offices of the Corporation, addressed to the attention of the President, (a) with respect to an election to be held at an annual meeting that is called for a date that is within 30 days before or after the anniversary date of the immediately preceding annual meeting of shareholders, not less than 90 days nor more than 120 days prior to such anniversary date, and (b) with respect either to an election to be held at an annual meeting that is called for a date that is not within 30 days before or after the anniversary date of the immediately preceding annual meeting, or to a special meeting of shareholders called for the purpose of electing Directors, not later than the close of business on the tenth day following the day on which notice of the date of the meeting was mailed or public disclosure of the date of the meeting was made, whichever occurs first. Each such notice shall set forth: (i) the name and address of the shareholder intending to make the nomination and of the person or persons to be nominated; (ii) a representation that the shareholder is a holder of record of shares of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (iii) a description of all arrangements or understandings between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder; (iv) such other information regarding each nominee proposed by such shareholder as would have been required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission had the nominee been nominated by the Board of Directors; and (v) the written consent of each nominee to serve as a Director of the Corporation if so elected. The presiding officer of the meeting may, in his or her sole discretion, declare invalid or refuse to acknowledge any nomination not made in compliance with the foregoing procedure.

ARTICLE 4 OFFICERS

Section 4.01. *Election and Office.* The Corporation shall have a Chairman of the Board, a Chief Executive Officer, a President, a Secretary and a Treasurer who, subject to Article SIXTH of the Articles of Incorporation, shall be elected by the Board of Directors. Subject to Article SIXTH of the Articles of Incorporation, the Board of Directors may create the positions of, define the powers and duties of and elect as additional officers one or more Vice Chairmen of the Board, one or more Vice Presidents, and one or more other officers or assistant officers. Any number of offices may be held by the same person. The Chairman of the Board and any Vice Chairman of the Board must be a Director of the Corporation. The initial officers of the Corporation (other than the Chairman of the Board) shall be selected by the Chief Executive Officer in consultation with the Chairman of the Board.

Section 4.02. *Term.* Each officer of the Corporation shall hold office until his successor is selected and qualified or until his earlier death, resignation or removal. Subject to Article SIXTH of the Articles of Incorporation, any officer may be removed by a vote of a majority of the Directors then in office. The terms of the Chairman of the Board and the Chief Executive Officer are fixed pursuant to Article SIXTH of the Articles of Incorporation.

Section 4.03. *Powers and Duties of the Chairman of the Board.* The Chairman of the Board shall have such powers and shall perform such duties as are provided in Article SIXTH of the Articles of Incorporation.

Section 4.04. *Powers and Duties of the Chief Executive Officer.* The Chief Executive Officer shall have such powers and shall perform such duties as are provided in Article SIXTH of the Articles of Incorporation.

Section 4.05 *Powers and Duties of the President.* The President shall have such powers and shall perform such duties as may, subject to Article SIXTH of the Articles of Incorporation, from time to time be assigned to the President by the Board of Directors.

Section 4.06. *Powers and Duties of the Secretary.* Unless otherwise determined by the Board of Directors, the Secretary shall be responsible for the keeping of the minutes of all meetings of the shareholders, the Board of Directors, and all committees of the Board, in books provided for that purpose, and for the giving and serving of all notices for the Corporation. The Secretary shall perform all other duties ordinarily incident to the office of Secretary and shall have such other powers and perform such other duties as may be assigned to the Secretary by the Board of Directors. The minute books of the Corporation may be held by a person other than the Secretary.

Section 4.07. *Powers and Duties of the Treasurer.* Unless otherwise determined by the Board of Directors, the Treasurer shall have charge of all the funds and securities of the Corporation. When necessary or proper, unless otherwise determined by the Board of Directors, the Treasurer shall endorse for collection on behalf of the Corporation checks, notes and other obligations, and shall deposit the same to the credit of the Corporation to such banks or depositories as the Board of Directors may designate and may sign all receipts and vouchers for payments made to the Corporation. The Treasurer shall be responsible for the regular entry in books of the Corporation to be kept for such purpose of a full and accurate account of all funds and securities received and paid by the Treasurer on account of the Corporation. Whenever required by the Board of Directors, the Treasurer shall render a statement of the financial condition of the Corporation. The Treasurer shall have such other powers and shall perform the duties as may be assigned to such officer from time to time by the Board of Directors. The Treasurer shall give such bond, if any, for the faithful performance of the duties of such office as shall be required by the Board of Directors.

Section 4.08. *Powers and Duties of the Vice Chairmen, Vice Presidents and Assistant Officers.* Unless otherwise determined by the Board of Directors and subject to Article SIXTH of the Articles of Incorporation, each Vice Chairman, Executive Vice President, Senior Vice President, Vice President and each assistant officer shall have the powers and perform the duties of his or her respective superior officer, except to the extent such powers and duties are limited by such superior officer or by the Board of Directors. Executive Vice Presidents, Senior Vice Presidents, Vice Presidents and assistant officers shall have such rank as may be designated by the Board of Directors, with Executive Vice Presidents serving as superior officers to Senior Vice Presidents and Senior Vice Presidents serving as superior officers to Vice Presidents. Executive Vice Presidents, Senior Vice Presidents and Vice Presidents may be designated as having responsibility for a specific area of the Corporation's affairs, in which event such Executive Vice Presidents, Senior Vice Presidents or Vice Presidents shall be superior to the other Executive Vice Presidents, Senior Vice Presidents or Vice Presidents, respectively, in relation to matters within his or her area. The President shall be the superior officer of the Executive Vice Presidents, Senior Vice Presidents, Vice Presidents and all other officer positions created by the Board of Directors unless the Board of Directors provides otherwise. The Treasurer and Secretary shall be the superior officers of the Assistant Treasurers and Assistant Secretaries, respectively.

Section 4.09. *Vacancies.* Subject to Article SIXTH of the Articles of Incorporation, the Board of Directors shall have the power to fill any vacancies in any office occurring for any reason.

Section 4.10. *Delegation of Office.* Subject to Article SIXTH of the Articles of Incorporation, the Board of Directors may delegate the powers or duties of any officer of the Corporation to any other person from time to time.

ARTICLE 5 CAPITAL STOCK

Section 5.01. *Share Certificates.*

(a) Execution. Except as otherwise provided in Section 5.05, the shares of the Corporation shall be represented by certificates. Unless otherwise provided by the Board of Directors, every share certificate shall

be signed by two officers and sealed with the corporate seal, which may be a facsimile, engraved or printed, but where such certificate is signed by a transfer agent or a registrar, the signature of any corporate officer upon such certificate may be a facsimile, engraved or printed. In case any officer who has signed, or whose facsimile signature has been placed upon, any share certificate shall have ceased to be such officer because of death, resignation or otherwise, before the certificate is issued, it may be issued with the same effect as if the officer had not ceased to be such at the date of its issue. The provisions of this Section shall be subject to any inconsistent or contrary agreement at the time between the Corporation and any transfer agent or registrar.

(b) Designations, Voting Rights, Preferences, Limitations and Special Rights. To the extent the Corporation is authorized to issue shares of more than one class or series, every certificate shall set forth upon the face or back of the certificate (or shall state on the face or back of the certificate that the Corporation will furnish to any shareholder upon request and without charge) a full or summary statement of the designations, voting rights, preferences, limitations and special rights of the shares of each class or series authorized to be issued so far as they have been fixed and determined and the authority of the Board of Directors to fix and determine the designations, voting rights, preferences, limitations and special rights of the classes and series of shares of the Corporation.

(c) Fractional Shares. Except as otherwise determined by the Board of Directors, shares or certificates therefor may be issued as fractional shares for shares held by any dividend reinvestment plan or employee benefit plan created or approved by the Corporation's Board of Directors, but not by any other person.

Section 5.02. *Transfer of Shares.* Transfer of shares shall be made on the books of the Corporation only upon surrender of the share certificate, duly endorsed or with duly executed stock powers attached and otherwise in proper form for transfer, which certificate shall be canceled at the time of the transfer

Section 5.03. *Determination of Shareholders of Record.*

(a) Fixing Record Date. The Board of Directors of the Corporation may fix a time prior to the date of any meeting of shareholders as a record date for the determination of the shareholders entitled to notice of, or to vote at, the meeting, which time, except in the case of an adjourned meeting, shall be not more than 90 days prior to the date of the meeting of shareholders. Only shareholders of record on the date fixed shall be so entitled notwithstanding any transfer of shares on the books of the Corporation after any record date fixed as provided in this subsection. The Board of Directors may similarly fix a record date for the determination of shareholders of record for any other purpose. When a determination of shareholders of record has been made as provided in this Section 5.03 for purposes of a meeting, the determination shall apply to any adjournment thereof unless the Board of Directors fixes a new record date for the adjourned meeting.

(b) Determination when No Record Date Fixed. If a record date is not fixed:

(i) The record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day immediately preceding the day on which the meeting is held.

(ii) The record date for determining shareholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(c) Certification by Nominee. The Board of Directors may adopt a procedure whereby a shareholder of the Corporation may certify in writing to the Corporation that all or a portion of the shares registered in the name of the shareholder are held for the account of a specified person or persons. The resolution of the Board of Directors may set forth:

(i) the classification of shareholder who may certify;

(ii) the purpose or purposes for which the certification may be made;

(iii) the form of certification and information to be contained therein;

(iv) if the certification is with respect to a record date, the time after the record date within which the certification must be received by the Corporation; and

(v) such other provisions with respect to the procedure as are deemed necessary or desirable.

Upon receipt by the Corporation of a certification complying with the procedure, the persons specified in the certification shall be deemed, for the purposes set forth in the certification, to be the holders of record of the number of shares specified in place of the shareholder making the certification.

Section 5.04. *Lost Share Certificates.* Unless waived in whole or in part by the Board of Directors or any of the Chairman, any Vice Chairman, the President, any Senior Vice President, Secretary or Treasurer, unless the Board of Directors prohibits such waiver by such officer, any person requesting the issuance of a new certificate in lieu of an alleged lost, destroyed, mislaid or wrongfully taken certificate shall (a) give to the Corporation his or her bond of indemnity with an acceptable surety, and (b) satisfy such other requirements as may be imposed by the Corporation. Thereupon, a new share certificate shall be issued to the registered owner or his or her assigns in lieu of the alleged lost, destroyed, mislaid or wrongfully taken certificate; *provided* that the request therefor and issuance thereof have been made before the Corporation has notice that such shares have been acquired by a bona fide purchaser.

Section 5.05. *Uncertificated Shares.* Notwithstanding anything herein to the contrary, any or all classes and series of shares, 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. Notwithstanding anything herein to the contrary, the provisions of Section 5.02 shall be inapplicable to uncertificated shares and in lieu thereof the Board of Directors shall adopt alternative procedures for registration of transfers.

ARTICLE 6 NOTICES; COMPUTING TIME PERIODS

Section 6.01. *Contents of Notice.* Whenever any notice of a meeting of the Board of Directors or of shareholders is required to be given pursuant to these By-Laws or the Articles of Incorporation of the Corporation, as the same may be amended from time to time, or otherwise, the notice shall specify the geographic location, if any, date and time of the meeting; in the case of a special meeting of shareholders or where otherwise required by law or the By-Laws, the general nature of the business to be transacted at such meeting; and any other information required by law.

Section 6.02. *Method of Notice.* Any notice required to be given to any person under the provisions of the Articles of Incorporation or these By-Laws shall be given to the person either personally or by sending a copy thereof (i) by first class or express mail, postage prepaid, or courier service, charges prepaid, to such person's postal address appearing on the books of the Corporation, or, in the case of a Director, supplied by such Director to the Corporation for the purpose of notice or (ii) by facsimile transmission, e-mail or other electronic communication to such person's facsimile number or address for e-mail or other electronic communication supplied by such person to the Corporation for purposes of notice. Notice delivered pursuant to clause (i) of the preceding sentence shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a courier service for delivery to that person, and notice pursuant to clause (ii) of the preceding sentence shall be deemed to have been given to the person entitled thereto when sent. Except as otherwise provided in these By-Laws, or as otherwise directed by the Board of Directors, notices of meetings may be given by, or at the direction of, the Secretary.

Section 6.03. *Computing Time Periods.*

(a) Days to be Counted. In computing the number of days for purposes of these By-Laws, all days shall be counted, including Saturdays, Sundays and any Holiday; *provided, however*, that if the final day of any time period falls on a Saturday, Sunday or Holiday, then the final day shall be deemed to be the next day which is not a Saturday, Sunday or Holiday. In computing the number of days for the purpose of giving notice of any meeting, the date upon which the notice is given shall be counted but the day set for the meeting shall not be counted.

(b) One Day Notice. In any case where only one day's notice is being given, notice must be given at least 24 hours in advance of the date and time specified for the meeting in question by delivery in person or by telephone, telex, telecopier or similar means of communication.

Section 6.04. *Waiver of Notice.* Whenever any notice is required to be given under the provisions of the Pennsylvania BCL or other applicable law or the Articles of Incorporation or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of the notice. Except as otherwise required by law or the next sentence, neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of the meeting. In the case of a special meeting of shareholders, the waiver of notice shall specify the general nature of the business to be transacted. Attendance of a person at any meeting shall constitute a waiver of notice of the meeting except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

Section 6.05. *Modification of Proposal Contained in Notice.* Whenever the language of a proposed resolution is included in a written notice of a meeting required to be given under the provisions of the Pennsylvania BCL or the Articles of Incorporation or these By-Laws, the meeting considering the resolution may without further notice adopt it with such clarifying or other amendments as do not enlarge its original purpose.

Section 6.06. *Bulk Mail.* Notice of any regular or special meeting of the shareholders, or any other notice required by the Pennsylvania BCL or by the Articles of Incorporation or these By-Laws to be given to all shareholders or to all holders of a class or a series of shares, may be given by any class of post-paid mail if the notice is deposited in the United States mail at least 20 days prior to the day named for the meeting or any corporate or shareholder action specified in the notice.

Section 6.07. *Shareholders Without Forwarding Addresses.* Notice or other communications need not be sent to any shareholder with whom the Corporation has been unable to communicate for more than 24 consecutive months because communications to the shareholder have been returned unclaimed or the shareholder has otherwise failed to provide the Corporation with a current address. Whenever the shareholder provides the Corporation with a current address, the corporation shall commence sending notices and other communications to the shareholder in the same manner as to other shareholders.

ARTICLE 7

LIMITATION OF DIRECTORS' LIABILITY AND INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER PERSONS

Section 7.01. *Limitation of Directors' Liability.* No Director of the Corporation shall be personally liable for monetary damages as such for any action taken or any failure to take any action unless: (a) the Director has breached or failed to perform the duties of his or her office under Subchapter B of Chapter 17 of the Pennsylvania BCL (relating to standard of care and justifiable reliance), and (b) the breach or failure to perform constitutes self-dealing, wilful misconduct or recklessness; *provided, however*, that the provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute, or to the liability of a Director for the payment of taxes pursuant to local, state or federal law.

(a) Indemnification of Directors and Officers.

(i) Each Indemnitee (as defined below) shall be indemnified and held harmless by the Corporation for all actions taken by him or her and for all failures to take action (regardless of the date of any such action or failure to take action) to the fullest extent permitted by Pennsylvania law against all expense, liability and loss (including without limitation attorneys fees, judgments, fines, taxes, penalties, and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Indemnitee in connection with any Proceeding (as defined below). No indemnification pursuant to this Section shall be made, however, in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted wilful misconduct or recklessness.

(ii) The right to indemnification provided in this Section shall include the right to have the expenses incurred by the Indemnitee in defending any Proceeding paid by the Corporation in advance of the final disposition of the Proceeding to the fullest extent permitted by Pennsylvania law; *provided* that, if Pennsylvania law continues so to require, the payment of such expenses incurred by the Indemnitee in advance of the final disposition of a Proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of the Indemnitee, to repay all amounts so advanced without interest if it shall ultimately be determined that the Indemnitee is not entitled to be indemnified under this Section or otherwise.

(iii) To the extent that an Indemnitee has been successful on the merits or otherwise in defense of any Proceeding or in defense of any claim, issue or matter therein, the Corporation shall indemnify such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

(iv) Indemnification pursuant to this Section shall continue as to an Indemnitee who has ceased to be a Director or officer and shall inure to the benefit of his or her heirs, executors and administrators.

(v) For purposes of this Article, (A) "**Indemnitee**" shall mean each Director and each officer of the Corporation who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any Proceeding, by reason of the fact that he or she is or was a Director or officer of the Corporation or is or was serving in any capacity at the request or for the benefit of the Corporation as a Director, officer, employee, agent, partner, or fiduciary of, or in any other capacity for, another corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise; and (B) "**Proceeding**" shall mean any threatened, pending or completed action, suit or proceeding (including without limitation an action, suit or proceeding by or in the right of the Corporation), whether civil, criminal, administrative or investigative.

(b) Indemnification of Employees and Other Persons. The Corporation may, by action of its Board of Directors and to the extent provided in such action, indemnify employees and other persons, and provide for advancement of expenses to such persons in the manner set forth in (a)(ii), above, as though they were Indemnitees, except that, if Pennsylvania law continues to so require, to the extent that an employee or agent of the Corporation has been successful on the merits or otherwise in defense of any Proceeding or in defense of any claim, issue or matter therein, the Corporation shall indemnify such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith. Directors and officers of entities that have merged into, or have been consolidated with, or have been liquidated into, the Corporation shall not be Indemnitees with respect to Proceedings involving any action or failure to act of such Director or officer prior to the date of such merger, consolidation or liquidation, but such persons may be indemnified by the Board of Directors pursuant to the first sentence of this Section 7.02(b).

(c) Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses provided in or pursuant to this Article shall not be exclusive of any other rights that any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation or By-Laws, agreement, vote of shareholders or Directors, or otherwise.

(d) Insurance. The Corporation may purchase and maintain insurance, at its expense, for the benefit of any person on behalf of whom insurance is permitted to be purchased by Pennsylvania law against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person under Pennsylvania or other law. The Corporation may also purchase and maintain insurance to insure its indemnification obligations whether arising hereunder or otherwise.

(e) Fund For Payment of Expenses. The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise may secure in any manner its indemnification obligations, whether arising hereunder, under the Articles of Incorporation, by agreement, vote of shareholders or Directors, or otherwise.

Section 7.03. *Amendment.* The provisions of this Article 7 relating to the limitation of Directors' and officers' liability, to indemnification and to the advancement of expenses shall constitute a contract between the Corporation and each of its Directors and officers which may be modified as to any Director or officer only with that person's consent or as specifically provided in this Section. Notwithstanding any other provision of these By-Laws relating to their amendment generally, any repeal or amendment of this Article 7 which is adverse to any Director or officer shall apply to such Director or officer only on a prospective basis, and shall not reduce any limitation on the personal liability of a Director of the Corporation, or limit the rights of an Indemnitee to indemnification or to the advancement of expenses with respect to any action or failure to act occurring prior to the time of such repeal or amendment. Notwithstanding any other provision of these By-Laws, no repeal or amendment of these By-Laws shall affect any or all of this Article so as either to reduce the limitation of Directors' liability or limit indemnification or the advancement of expenses in any manner unless adopted by (a) the unanimous vote of the Directors of the Corporation then serving, or (b) the affirmative vote of shareholders entitled to cast at least eighty percent (80%) of the votes that all shareholders are entitled to cast in the election of Directors; *provided* that no such amendment shall have retroactive effect inconsistent with the preceding sentence.

Section 7.04. *Changes in Pennsylvania Law.* References in this Article to Pennsylvania law or to any provision thereof shall be to such law, as it existed on the date this Article was adopted or as such law thereafter may be changed; *provided* that (a) in the case of any change which expands the liability of Directors or limits the indemnification rights or the rights to advancement of expenses which the Corporation may provide, the rights to limited liability, to indemnification and to the advancement of expenses provided in this Article shall continue as theretofore to the extent permitted by law; and (b) if such change permits the Corporation without the requirement of any further action by shareholders or Directors to limit further the liability of Directors (or limit the liability of officers) or to provide broader indemnification rights or rights to the advancement of expenses than the Corporation was permitted to provide prior to such change, then liability thereupon shall be so limited and the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by law.

ARTICLE 8 FISCAL YEAR

Section 8.01. *Determination of Fiscal Year.* Determination of Fiscal Year. The Board of Directors shall have the power by resolution to fix the fiscal year of the Corporation. If the Board of Directors shall fail to do so, the Chief Executive Officer shall fix the fiscal year.

ARTICLE 9 ARTICLES OF INCORPORATION

Section 9.01. *Inconsistent Provisions.* In the event of any conflict between the provisions of these By-Laws and the provisions of the Articles of Incorporation, including, but not limited to, Article SIXTH of the Articles of Incorporation, the provisions of the Articles of Incorporation shall govern and control.

ARTICLE 10
AMENDMENTS

Section 10.01. *Amendments.* Except as otherwise provided in these By-Laws or in the Articles of Incorporation, including Article SIXTH, Article SEVENTH and Article TENTH of the Articles of Incorporation:

(a) Shareholders. The shareholders entitled to vote thereon shall have the power to alter, amend or repeal these By-Laws, by the vote of a majority of the votes cast at a duly organized meeting of shareholders by the holders of shares entitled to vote thereon, at any regular or special meeting, duly convened after notice to the shareholders of such purpose. In the case of a meeting of shareholders to amend or repeal these By-Laws, written notice shall be given to each shareholder that the purpose, or one of the purposes, of the meeting is to consider the adoption, amendment or repeal of the By-Laws.

(b) Board of Directors. The Board of Directors (but not a committee thereof) shall have the power to alter, amend and repeal these By-Laws, regardless of whether the shareholders have previously adopted the By-Law being amended or repealed, subject to the power of the shareholders to change such action; *provided, however*, that the Board of Directors shall not have the power to amend these By-Laws on any subject that is expressly committed to the shareholders by the express terms hereof, by the Pennsylvania BCL or otherwise.

ARTICLE 11
INTERPRETATION OF BY-LAWS; SEPARABILITY

Section 11.01. *Interpretation.* All words, terms and provisions of these By-Laws shall be interpreted and defined by and in accordance with the Pennsylvania BCL.

Section 11.02. *Separability.* The provisions of these By-Laws are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.

ARTICLE 12
DETERMINATIONS BY THE BOARD

Section 12.01. *Effect of Board Determinations.* Any determination involving interpretation or application of these By-Laws made in good faith by the Board of Directors shall be final, binding and conclusive on all parties in interest.

**COMCAST CORPORATION
2002 DEFERRED COMPENSATION PLAN**

ARTICLE 1—COVERAGE OF PLAN

1.1. *Background, Continuation and Freeze of Plan.*

(a) 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, January 30, 2004 and February 24, 2004.

(b) In order to preserve the favorable tax treatment available to deferrals that were made under the Plan before January 1, 2005 in light of the American Jobs Creation Act of 2004 and the regulations issued by the Department of the Treasury thereunder (the "*AJCA*"), no Compensation may be deferred under the Plan pursuant to an Initial Election after December 31, 2004, other than amounts that (i) were subject to an Initial Election before January 1, 2005, (ii) would, but for such Initial Election, have been paid in 2005 and (iii) are treated as earned and vested as of December 31, 2004 under *IRS Notice 2005-1*.

(c) Amounts earned and vested prior to January 1, 2005 are and will remain subject to the terms and conditions of the Plan

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
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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 day.

(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 or 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.

4.3. *Plan-to-Plan Transfers.* The Administrator may delegate its authority to arrange for plan-to-plan transfers as described in this Section 4.3 to an officer of the Company or committee of two or more officers of the Company.

(a) The Administrator may, with a Participant's consent, make such arrangements as it may deem appropriate to transfer the Company's obligation to pay benefits with respect to such Participant which have not become payable under this Plan, to another employer, whether through a deferred compensation plan, program or arrangement sponsored by such other employer or otherwise, or to another deferred compensation plan, program or arrangement sponsored by the Company or an Affiliate. Following the completion of such transfer, with respect to the benefit transferred, the Participant shall have no further right to payment under this Plan.

(b) Pursuant to Q-A 19(c) of *IRS Notice 2005-1*, to the extent provided by the Committee or its delegate, on or before December 31, 2005, a Participant may, with respect to all or any portion of his or her Account, make new payment elections as to the form and timing of payment of such amounts as may be permitted under the Comcast Corporation 2005 Deferred Compensation Plan, provided that following the completion of such new payment election, such amounts shall not be treated as grandfathered benefits under this Plan, but instead shall be treated as non-grandfathered benefits, subject to the rules of the Comcast Corporation 2005 Deferred Compensation Plan.

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 § 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 16, 2005.

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 16th day of February, 2005.

COMCAST CORPORATION

BY: _____

ATTEST: _____

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**COMCAST CORPORATION
2005 DEFERRED COMPENSATION PLAN**

ARTICLE 1—BACKGROUND AND COVERAGE OF PLAN

1.1. *Background and Adoption of Plan.* In recognition of the services provided by certain key employees and in order to make additional retirement benefits and increased financial security available on a tax-favored basis to those individuals, the Board of Directors of Comcast Corporation, a Pennsylvania corporation (the "Board"), hereby amends and restates the Comcast Corporation 2005 Deferred Compensation Plan (the "Plan"), effective January 1, 2005 (the "Effective Date").

Prior to the Effective Date, the Comcast Corporation 2002 Deferred Compensation Plan (the "2002 Plan") was in effect. In order to preserve the favorable tax treatment available to deferrals under the 2002 Plan in light of the American Jobs Creation Act of 2004 and the regulations issued by the Department of the Treasury thereunder (the "AJCA"), the Board has prohibited future deferrals under the 2002 Plan of amounts earned and vested on and after the Effective Date. Amounts earned and vested prior to the Effective Date are and will remain subject to the terms of the 2002 Plan. Amounts earned and vested on and after the Effective Date will be available to be deferred pursuant to the Plan, subject to its terms and conditions.

1.2. *Reservation of Right to Amend to Comply with AJCA.* The Board reserves the right to amend the Plan, either retroactively or prospectively, in whatever respect is required to achieve and maintain compliance with the requirements of the AJCA.

1.3. *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 2.7(b), 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.
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(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.

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. "*Change of Control*" means any transaction or series of transactions that constitutes:

(a) a change in the ownership of the Company, within the meaning of Q&A 12 of *IRS Notice 2005-1*;

(b) a change in effective control of the Company, within the meaning of Q&A 13 of *IRS Notice 2005-1*; or

(c) a change in the ownership of a substantial portion of the assets of the Company, within the meaning of Q&A 14 of *IRS Notice 2005-1*.

2.10. "*Code*" means the Internal Revenue Code of 1986, as amended.

2.11. "*Committee*" means the Compensation Committee of the Board of Directors of the Company.

2.12. "*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.

2.13. "*Company Stock*" means 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 2.13. The Committee's adjustment shall be effective and binding for all purposes of the Plan.

2.14. "*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, based on the Fair Market Value of the Company Stock for such December 31.

2.15. "*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 (i) Severance Pay and (ii) sales commissions or other similar payments or awards.

2.16. "*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.

2.17. "*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.

2.18. "*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.

2.19. "*Disability*" means:

(a) an individual's inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or

(b) circumstances under which, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, an individual is receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the individual's employer.

2.20. "*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 2.20(a) acting on behalf of such individual.

2.21. "*Eligible Employee*" means:

(a) Each Grandfathered Employee.

(b) 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.

(c) Each New Key Employee.

(d) Each other employee of a Participating Company who is designated by the Committee, in its discretion, as an Eligible Employee.

2.22. "*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.

2.23. "*Grandfathered Employee*" means:

(a) Each employee of a Participating Company who, as of December 31, 1989, was eligible to participate in the Prior Plan and who has been in continuous service to the Company or an Affiliate since December 31, 1989.

(b) Each employee of a Participating Company who was, at any time before January 1, 1995, eligible to participate in the Comcast Corporation Deferred Compensation 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 Prior 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 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.

2.24. "*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.

2.25. "*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.

2.26. "*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.

2.27. *"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 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.

2.28. *"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.

2.29. *"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.

2.30. *"Outside Director"* means a member of the Board, who is not an employee of a Participating Company.

2.31. *"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.

2.32. *"Participating Company"* means:

(a) The Company;

(b) Comcast Holdings Corporation;

(c) Comcast Cable Communications, LLC, and its subsidiaries;

(d) Comcast International Holdings, Inc.;

(e) Comcast Online Communications, Inc.;

(f) Comcast Business Communications, Inc.;

(g) Comcast Cable Communications Holdings, Inc. 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;

(i) Comcast Sports Management Services, LLC;

(j) Home Team Sports Limited Partnership; and

(k) Any other entities that are subsidiaries of the Company as designated by the Committee in its sole discretion.

2.33. *"Performance-Based Compensation"* means "performance-based compensation" within the meaning of Q&A 22 of *IRS Notice 2005-1*, or such other guidance as may be issued by the Department of the Treasury under section 409A of the Code.

2.34. *"Performance Period"* means a period of at least 12 months during which a Participant may earn Performance-Based Compensation.

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

2.36. "Plan" means the Comcast Corporation 2005 Deferred Compensation Plan, as set forth herein, and as amended from time to time.

2.37. "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.

2.38. "Prior Plan" means the Comcast Corporation 2002 Deferred Compensation Plan.

2.39. "Retired Participant" means a Participant who has terminated service pursuant to a Normal Retirement.

2.40. "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.

2.41. "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 the time of payment of amounts previously deferred in accordance with the terms of a previously made Initial Election or Subsequent Election.

2.42. "Surviving Spouse" means the widow or widower, as the case may be, of a Deceased Participant or a Deceased Beneficiary (as applicable).

2.43. "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 that he would otherwise be entitled to receive in a calendar year (net of applicable withholdings) by filing an Initial Election at the time and in the manner described in this Article 3. 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 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.

(c) *Special Transition Rule.* Pursuant to Q-A 20 of *IRS Notice 2005-1*, to the extent provided by the Committee or its delegate, a Participant may, on or before December 31, 2005, terminate the deferral of Compensation pursuant to an Initial Election or cancel an Initial Election with regard to

amounts deferred under the Plan, provided that if a Participant terminates the deferral of Compensation pursuant to an Initial Election under this Section 3.1(c), the Company shall pay the Participant the Compensation that would have been deferred if the deferral of Compensation had not been terminated, and provided further that if a Participant cancels an Initial Election with regard to amounts deferred under the Plan, the Company shall pay the Participant the amount deferred pursuant to such Initial Election through the cancellation date, without adjustment for income, gains and losses credited under Section 5.2.

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 with respect to Compensation other than Performance-Based Compensation 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 pursuant to Q-A 21 of *IRS Notice 2005-1*, to the extent provided by the Committee or its delegate, a Participant may, on or before March 15, 2005, make an Initial Election with respect to Compensation that relates in full or in part to services provided on or before December 31, 2005, provided further that the amounts to which the Initial Election relates have not been paid or become payable at the time the Initial Election is filed. No such Initial Election shall be effective with respect to Performance-Based Compensation unless it is filed with the Administrator at least six months before the end of the Performance Period during which such Performance-Based Compensation may be earned.

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 30 days of such New Key Employee's date of hire or within 30 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 30 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 (to the extent permitted under the AJCA) pursuant to Section 3.5(e), Section 3.7, Section 7.1, Section 7.2, or Article 8, no distribution may commence earlier than January 2nd of the second calendar year beginning after the date the compensation subject to the Initial Election would be paid but for the Initial Election, nor later than January 2nd of the tenth calendar year beginning after the date the date the compensation subject to the Initial Election would be paid but for the Initial

Election. 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 and Elections to Accelerate Payment on Death or Disability.* No Subsequent Election shall be effective until 12 months after the date on which such Subsequent Election is made.

(a) *Active Participants.* Each Active Participant, who has made an Initial Election, or who has made a Subsequent Election, may elect to defer the time of payment of any part or all of such Participant's Account for a minimum of five and a maximum of ten additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator. 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 defer the time of payment of any part or all of such Inactive Participant's Account for a minimum of five 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) *Acceleration Election.* To the extent permitted under the AJCA (except to the extent that Section 3.7(b) applies), a Surviving Spouse who is a Deceased Participant's Beneficiary may elect to accelerate the time of payment of the Deceased Participant's Account from the date payment would otherwise be made to a time that is as soon as reasonably practicable following the Deceased Participant's date of death.

(ii) *Subsequent Election.* 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 more than 12 months after 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 five (5) years 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 make a total of two (2) Subsequent Elections 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 with respect to different parts of the Deceased Participant's Account.

(d) *Beneficiary of a Deceased Participant Other Than a Surviving Spouse.*

(i) *Acceleration Election.* To the extent permitted under the AJCA (except to the extent that Section 3.7(b) applies), a Beneficiary of a Deceased Participant other than a Surviving Spouse may elect to accelerate the time of payment of the Deceased Participant's Account from the date payment would otherwise be made to a time that is as soon as reasonably practicable following the Deceased Participant's date of death.

(ii) *Subsequent Election.* 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 more than 12 months after 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 deferral of the time of payment, which shall be no less than five (5) years 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 with respect to different parts of the Deceased Participant's Account.

(e) *Disabled Participant.* To the extent permitted under the AJCA, a Disabled Participant may elect to accelerate the time of payment of the Disabled Participant's Account from the date payment would otherwise be made to a time that is as soon as reasonably practicable following the time the Disability occurred.

(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 that would not otherwise become payable within twelve (12) months of such Subsequent Election for a minimum of five (5) years and a maximum of ten (10) additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on the date that is at least twelve (12) months before the date on 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) *Most Recently Filed Initial Election or Subsequent Election Controlling.* Subject to acceleration pursuant to Section 3.5(e), Section 3.7 or Section 7.1 (to the extent permitted under the AJCA), 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. *Discretion to Provide for Distribution in Full Upon or Following a Change of Control.* To the extent permitted by *IRS Notice 2005-1*, in connection with a Change of Control, and for the 12-month period following a Change of Control, the Committee may exercise its discretion to terminate the Plan and, notwithstanding any other provision of the Plan or the terms of any Initial Election or Subsequent Election, distribute the Account balance of each Participant in full and thereby effect the revocation of any outstanding Initial Elections or Subsequent Elections.

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"), and to the extent permitted by *IRS Notice 2005-1*, 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, but only to the extent permitted under the AJCA:

(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 monthly or annual installments over a five (5), ten (10) or fifteen (15) year period. Installment distributions payable in the form of shares of Company Stock shall be rounded to the nearest whole share.

(b) To the extent permitted by Q-A 15(e) of *IRS Notice 2005-1*, notwithstanding any Initial Election, 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 \$10,000 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 that the payment is made on or before the later of (i) December 31 of the calendar year in which the Participant terminates employment or (ii) the date two and one-half months after the Participant terminates employment.

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.

4.3. *Plan-to-Plan Transfers.* The Administrator may delegate its authority to arrange for plan-to-plan transfers as described in this Section 4.3 to an officer of the Company or committee of two or more officers of the Company.

(a) The Administrator may, with a Participant's consent, make such arrangements as it may deem appropriate to transfer the Company's obligation to pay benefits with respect to such Participant which have not become payable under this Plan, to another employer, whether through a deferred compensation plan, program or arrangement sponsored by such other employer or otherwise, or to another deferred compensation plan, program or arrangement sponsored by the Company or an Affiliate. Following the completion of such transfer, with respect to the benefit transferred, the Participant shall have no further right to payment under this Plan.

(b) The Administrator may, with a Participant's consent, make such arrangements as it may deem appropriate to assume another employer's obligation to pay benefits with respect to such Participant which have not become payable under the deferred compensation plan, program or arrangement under which such future right to payment arose, to the Plan, or to assume a future payment obligation of the Company or an Affiliate under another plan, program or arrangement sponsored by the Company or an Affiliate. Upon the completion of the Plan's assumption of such payment obligation, the Administrator shall establish an Account for such Participant, and the Account shall be subject to the rules of this Plan, as in effect from time to time.

(c) Pursuant to Q-A 19(c) of *IRS Notice 2005-1*, to the extent provided by the Committee or its delegate, a Participant may, on or before December 31, 2005, with respect to all or any portion of his or her account under the 2002 Plan, make new payment elections as to the form and timing of payment of such amounts as may be permitted under this Plan, provided that following the completion of such new payment election, such amounts shall not be treated as grandfathered benefits under the 2002 Plan, but instead shall be treated as non-grandfathered benefits, subject to the rules of this Plan.

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.* 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 shall be credited with income, gains and losses as if it were invested in the Income Fund.

(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 may be deemed transferred to the Income Fund. Distributions of amounts credited to the Company Stock Fund with respect to Outside Directors' Accounts 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 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 AND OTHER ACCELERATION EVENTS

8.1. *Hardship.* 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.

8.2. *Other Acceleration Events.* To the extent permitted by Q–A 15 of *IRS Notice 2005–1*, notwithstanding the terms of an Initial Election or Subsequent Election, distribution of all or part of a Participant's Account may be made:

- (a) To the extent necessary to fulfill a domestic relations order (as defined in section 414(p)(1)(B) of the Code).
- (b) To the extent necessary to comply with a certificate of divestiture (as defined in section 1043(b)(2) of the Code).
- (c) To pay the Federal Insurance Contribution Act ("*FICA*") tax imposed under sections 3101 and 3121(v)(2) of the Code on compensation deferred under the Plan (the "*FICA Amount*") plus the income tax at source on wages imposed under section 3401 of the Code with respect to the FICA Amount, and to pay the additional income tax at source on wages attributable to the pyramiding section 3401 wages and taxes, provided that the total amount distributable under this Section 8.2(c) shall not exceed the sum of the FICA Amount and the income tax withholding related to such FICA Amount.

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 § 2560.503–1.

Claims for benefits under the Plan must be filed with the Administrator at the following address:

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 January 1, 2005. The original effective date of the Plan is January 1, 2005.

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 1st day of January, 2005.

COMCAST CORPORATION

BY: _____

ATTEST: _____

QuickLinks

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**COMCAST CORPORATION
2002 DEFERRED STOCK OPTION PLAN**

ARTICLE 1—CONTINUATION AND COVERAGE OF PLAN

1.1. *Freeze of Plan.*

(a) COMCAST CORPORATION, a Pennsylvania corporation, hereby amends, restates and freezes 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, July 30, 2003 and January 30, 2004.

(b) In order to preserve the favorable tax treatment available to deferrals that were made under the Plan before January 1, 2005 in light of the American Jobs Creation Act of 2004, *IRS Notice 2005-1*, and the regulations issued by the Department of the Treasury thereunder (the "*AJCA*"), deferrals under the Plan of amounts that were not earned and vested as of December 31, 2004 shall not be permitted. Accordingly, notwithstanding anything in the Plan to the contrary, on or after January 1, 2005, no Participant may make an Initial Election. Initial Elections made by Participants before January 1, 2005 shall be honored only to the extent that under Q-A 16(b) of *IRS Notice 2005-1*, the date of deferral is treated as having occurred before January 1, 2005.

(c) Amounts earned and vested prior to January 1, 2005 are and will remain subject to the terms and conditions of the Plan.

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 § 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 February 16, 2005.

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 16th day of February, 2005.

COMCAST CORPORATION

BY: _____

ATTEST: _____

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COMCAST CORPORATION
2002 RESTRICTED STOCK PLAN
(As Amended And Restated, Effective January 1, 2005)

1. BACKGROUND AND PURPOSE

(a) *Amendment and Restatement of Plan.* COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Restricted Stock Plan (the "Plan"), effective January 1, 2005. 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.

(b) *Purpose of the Amendment; Credits Affected.* The Plan has been amended and restated, effective January 1, 2005 in order (i) to preserve the favorable tax treatment available to amounts deferred pursuant to the Plan before January 1, 2005 and the earnings credited in respect of such amounts (each a "Grandfathered Amount") in light of the American Jobs Creation Act of 2004, *IRS Notice 2005-1*, and the regulations issued by the Department of the Treasury thereunder (collectively, the "AJCA"), and (ii) with respect to all other amounts eligible to be deferred under the Plan, to comply with the requirements of the AJCA. Except as provided in Paragraph 8(f)(iii) of the Plan, Grandfathered Amounts will continue to be subject to the terms and conditions of the Plan as in effect prior to the Amendment Date. All amounts eligible to be deferred under the Plan other than Grandfathered Amounts will be subject to the terms of this amendment and restatement of the Plan and the AJCA.

(c) *Reservation of Right to Amend to Comply with AJCA.* The Board and the Committee reserve the right to amend the Plan, either retroactively or prospectively, in whatever respect is required to achieve and maintain compliance with the requirements of the AJCA.

(d) *Deferral Provisions of Plan Unfunded and Limited to Select Group of Management or Highly Compensated Employees.* Deferral Eligible Grantees and Non-Employee Directors may elect to defer the receipt of Restricted Stock and Restricted Stock Units as provided in Article VIII. The deferral provisions of Article VIII and the other provisions of the Plan relating to the deferral of Restricted Stock and Restricted Stock Units are unfunded and maintained primarily for the purpose of providing a select group of management or highly compensated employees the opportunity to defer the receipt of compensation otherwise payable to such eligible employees in accordance with the terms of the Plan.

2. DEFINITIONS

(a) *"Acceleration Election"* means a written election on a form provided by the Committee, 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) *"AJCA"* means the American Jobs Creation Act of 2004, *IRS Notice 2005-1* and announcements, notices, revenue rulings and regulations issued under the American Jobs Creation Act of 2004.

(f) *"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.

(g) *"Applicable Interest Rate" means:*

(i)

Except as otherwise provided in Paragraph 2(g)(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 2(g)(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 2(g)(ii) to an officer of the Company or committee of two or more officers of the Company.

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

(i) *"Award"* means an award of Restricted Stock or Restricted Stock Units granted under the Plan.

(j) *"Board"* means the Board of Directors of the Company.

(k) *"Change of Control" means:*

(i)

For all purposes of the Plan other than Article VIII, 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.

(ii)

For purposes of Article VIII, any transaction or series of transactions that constitutes:

(1)

a change in the ownership of the Company, within the meaning of Q&A 12 of *IRS Notice 2005-1*;

(2)

a change in effective control of the Company, within the meaning of Q&A 13 of *IRS Notice 2005-1*; or

(3)

a change in the ownership of a substantial portion of the assets of the Company, within the meaning of Q&A 14 of *IRS Notice 2005-1*.

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

(m) *"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.

(n) *"Committee"* means the Compensation Committee of the Board.

(o) *"Common Stock"* means Class A Common Stock, par value \$0.01, of the Company.

(p) *"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.

(q) *"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 Grantee'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).

(r) *"Date of Grant"* means the date on which an Award is granted.

(s) *"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.

(t) *"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.

(u) *"Deferred Stock Units"* means the number of hypothetical Shares subject to an Election.

(v) *"Disability"* means:

(i)

An individual's inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or

(ii)

Circumstances under which, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, an individual is receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the individual's employer.

(w) *"Disabled Grantee"* means:

(i)

A Grantee whose employment by a Participating Company is terminated by reason of Disability;

(ii)

The duly-appointed legal guardian of an individual described in Paragraph 2(w)(i) acting on behalf of such individual.

(x) *"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).

(y) *"Election"* means, as applicable, an Initial Election, a Subsequent Election, or an Acceleration Election.

(z) *"Eligible Employee"* means an employee of a Participating Company, as determined by the Committee.

(aa) "*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.

(bb) "*Grandfathered Amount*" means Deferred Stock Units described in Paragraph 1(b).

(cc) "*Grantee*" means an Eligible Employee or Non-Employee Director who is granted an Award.

(dd) "*Hardship*" means a Grantee's severe financial hardship due to an unforeseeable emergency resulting from a sudden and unexpected illness or accident of the Grantee, or, a sudden and unexpected illness or accident of a dependent (as defined by section 152(a) of the Code) of the Grantee, or loss of the Grantee's property due to casualty, or other similar and extraordinary unforeseeable circumstances arising as a result of events beyond the control of the Grantee. A need to send the Grantee'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 Grantee's other assets (including assets of the Grantee's spouse and minor children that are reasonably available to the Grantee) to the extent that this liquidation would not itself cause severe financial hardship. For the purposes of the preceding sentence, the Grantee's resources shall be deemed to include those assets of his spouse and minor children that are reasonably available to the Grantee; however, property held for the Grantee'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 Grantee. The Committee shall determine whether the circumstances of the Grantee constitute an unforeseeable emergency and thus a Hardship within the meaning of this Paragraph 2(dd). Following a uniform procedure, the Committee's determination shall consider any facts or conditions deemed necessary or advisable by the Committee, and the Grantee shall be required to submit any evidence of the Grantee's circumstances that the Committee requires. The determination as to whether the Grantee'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 Paragraph 2(dd) for all Grantees in similar circumstances.

(ee) "*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.

(ff) "*Initial Election*" means a written election on a form provided by the Committee, 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.

(gg) "*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.

(hh) "*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.

(ii) *"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.

(jj) *"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(jj)(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(jj), 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 Grantee immediately before the consummation of the AT&T Broadband Transaction that became Shares as a result of the AT&T Broadband Transaction.

(kk) *"Participating Company"* means the Company and each of the Subsidiary Companies.

(ll) *"Performance-Based Compensation"* means "performance-based compensation" within the meaning of Q&A 22 of *IRS Notice 2005-1*, or such other guidance as may be issued by the Department of the Treasury under section 409A of the Code.

(mm) *"Performance Period"* means a period of at least 12 months during which a Grantee may earn Performance-Based Compensation.

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

(oo) *"Plan"* means the Comcast Corporation 2002 Restricted Stock Plan, as set forth herein, and as amended from time to time.

(pp) *"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.

(qq) "*Restricted Stock*" means Shares subject to restrictions as set forth in an Award.

(rr) "*Restricted Stock Unit*" means a unit that entitles the Grantee, upon the Vesting Date set forth in an Award, to receive one Share.

(ss) "*Retired Grantee*" means a Grantee who has terminated employment pursuant to a Normal Retirement.

(tt) "*Rule 16b-3*" means Rule 16b-3 promulgated under the 1934 Act, as in effect from time to time.

(uu) "*Share*" or "*Shares*" means:

(i) except as provided in Paragraph 2(uu)(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(jj) and 9(c), the term "Share" or "Shares" also means a share or shares of Special Common Stock.

(vv) "*Special Common Stock*" means Class A Special Common Stock, par value \$0.01, of the Company.

(ww) "*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).

(xx) "*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.

(yy) "*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.

(zz) "*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.

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

(i) the liquidation of the Company; or

(ii) a Change of Control.

(bbb) "*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.

(ccc) "*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.

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

(eee) "*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) 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, provided that with respect to Awards to Non-Employee Directors, the rules of this Section 5 shall apply so that all references in this Section 5 to the Committee shall be treated as references to either the Board or the Committee acting alone.

(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 and Non-Employee Directors 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 and, subject to the approval of the shareholders of the Company at the Annual Meeting of Shareholders of the Company to be held in 2005, Non-Employee Directors.

7. RESTRICTED STOCK AND RESTRICTED STOCK UNIT AWARDS

The Committee may grant Awards in accordance with the Plan, provided that the Board or the Committee may grant Awards to Non-Employee Directors authorized by the Comcast Corporation 2002 Non-Employee Director Compensation Plan, or otherwise. With respect to Awards to Non-Employee Directors, the rules of this Section 7 shall apply so that either the Board or the Committee acting alone shall have all of the authority otherwise reserved in this Section 7 to the Committee.

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, the Committee may establish a period commencing with the Date of Grant during which 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 except as otherwise provided by the Committee, 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 to Shares 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 Non-Employee Director or 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 that are not Performance-Based Compensation shall be effective unless it is filed with the Committee on or before the 30th day following the Date of Grant provided that pursuant to Q-A 21 of *IRS Notice 2005-1*, to the extent provided by the Committee or its delegate, a Grantee may, on or before March 15, 2005, make an Initial Election with respect to Restricted Stock or Restricted Stock Units that were granted before January 1, 2005 and were not vested on December 31, 2004, and with respect to Restricted Stock or Restricted Stock Units that may be granted after December 31, 2004, provided further that the Restricted Stock or Restricted Stock Units to which the Initial Election relates have not been vested at the time the Initial Election is filed. No Initial Election to defer the receipt of Shares issuable with respect to Restricted Stock or Restricted Stock Units that are Performance-Based Compensation shall be effective unless it is filed with the

Administrator at least six months before the end of the Performance Period during which such Performance-Based Compensation may be earned.

(iii) *Special Transition Rule.* Pursuant to Q-A 20 of *IRS Notice 2005-1*, to the extent provided by the Committee or its delegate, a Grantee may, on or before December 31, 2005, terminate the deferral of Restricted Stock or Restricted Stock Units pursuant to an Initial Election or cancel an Initial Election with regard to amounts deferred under the Plan, provided that if a Grantee terminates the deferral of Compensation pursuant to an Initial Election under this Paragraph 8(a)(iii), the Company shall pay the Grantee the Compensation that would have been deferred if the deferral of Compensation had not been terminated, and provided further that if a Grantee cancels an Initial Election with regard to amounts deferred under the Plan, the Company shall pay the Grantee the amount deferred pursuant to such Initial Election through the cancellation date, plus income, gains and losses credited with respect thereto as provided in this Article VIII.

(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 third calendar year beginning after the Vesting Date, nor later than January 2nd of the eleventh calendar year beginning after the Vesting Date. The distribution date may vary with each separate Election.

(d) *Additional Elections.* Notwithstanding anything in this Paragraph 8(d) to the contrary, no Subsequent Election shall be effective until 12 months after the date on which such Subsequent Election is made.

(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 five 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 at least one year before the date on 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 five additional years from the date payment would otherwise be made; 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 a date that is as soon as practicable following the Deceased Grantee's death. A Subsequent Election must be filed with the Committee at least one year before the date on which the distribution would otherwise be made, as reflected on the Deceased Grantee's last Election. An Acceleration Election pursuant to this Paragraph 8(d)(ii) must be filed with the Committee as soon as practicable following the Deceased Grantee's death, as determined by the Committee.

(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 a date that is as soon as practicable following the date the Disabled Grantee became disabled. An Acceleration Election pursuant to this Paragraph 8(d)(iii) must be filed with

the Committee as soon as practicable following the Deceased Grantee's death, as determined by the Committee.

(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 five 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 later of the fifth anniversary of the Retired Grantee's Normal Retirement or the fifth anniversary of the date that payment would otherwise have been made. A Subsequent Election must be filed with the Committee at least one year before the date on which the distribution would otherwise be made, as reflected on the Retired Grantee's last Election.

(v)

Discretion to Provide for Distribution in Full Upon or Following a Change of Control. To the extent permitted by *IRS Notice 2005-1*, in connection with a Change of Control, and for the 12-month period following a Change of Control, the Committee may exercise its discretion to terminate the deferral provisions of the Plan and, notwithstanding any other provision of the Plan or the terms of any Initial Election or Subsequent Election, distribute the Account of each Grantee in full and thereby effect the revocation of any outstanding Initial Elections or Subsequent Elections.

(vi)

Hardship. Notwithstanding the terms of an Initial Election or Subsequent Election, if, at the Grantee's request, the Committee determines that the Grantee has incurred a Hardship, the Committee may, in its discretion, authorize the immediate distribution of all or any portion of the Grantee's Account.

(vii)

Other Acceleration Events. To the extent permitted by Q-A 15 of *IRS Notice 2005-1*, notwithstanding the terms of an Initial Election or Subsequent Election, distribution of all or part of a Grantee's Account may be made:

(1)

To the extent necessary to fulfill a domestic relations order (as defined in section 414(p)(1)(B) of the Code).

(2)

To the extent necessary to comply with a certificate of divestiture (as defined in section 1043(b)(2) of the Code).

(3)

To pay the Federal Insurance Contribution Act ("FICA") tax imposed under sections 3101 and 3121(v)(2) of the Code on compensation deferred under the Plan (the "FICA Amount") plus the income tax at source on wages imposed under section 3401 of the Code with respect to the FICA Amount, and to pay the additional income tax at source on wages attributable to the pyramiding section 3401 wages and taxes, provided that the total amount distributable under this Paragraph 8(d)(vii)(3) shall not exceed the sum of the FICA Amount and the income tax withholding related to such FICA Amount.

(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(g).

(f) *Plan-to-Plan Transfers.* The Administrator may delegate its authority to arrange for plan-to-plan transfers as described in this Paragraph 8(f) to an officer of the Company or committee of two or more officers of the Company.

(i)

The Administrator may, with a Grantee's consent, make such arrangements as it may deem appropriate to transfer the Company's obligation to pay benefits with respect to such Grantee which have not become payable under this Plan, to another employer, whether through a deferred

compensation plan, program or arrangement sponsored by such other employer or otherwise, or to another deferred compensation plan, program or arrangement sponsored by the Company or an Affiliate. Following the completion of such transfer, with respect to the benefit transferred, the Grantee shall have no further right to payment under this Plan.

(ii)

The Administrator may, with a Grantee's consent, make such arrangements as it may deem appropriate to assume another employer's obligation to pay benefits with respect to such Grantee which have not become payable under the deferred compensation plan, program or arrangement under which such future right to payment arose, to the Plan, or to assume a future payment obligation of the Company or an Affiliate under another plan, program or arrangement sponsored by the Company or an Affiliate. Upon the completion of the Plan's assumption of such payment obligation, the Administrator shall establish an Account for such Grantee, and the Account shall be subject to the rules of this Plan, as in effect from time to time.

(iii)

Pursuant to Q-A 19(c) of *IRS Notice 2005-1*, to the extent provided by the Committee or its delegate, a Grantee may, on or before December 31, 2005, with respect to all or any portion of his or her Grandfathered Amount under the Plan as in effect on December 31, 2004, make new payment elections as to the form and timing of payment of such amounts as may be permitted under this Plan, provided that following the completion of such new payment election, such amounts shall not be treated as a Grandfathered Amount, but instead shall be treated as a non-Grandfathered Amount, subject to the rules of this Plan.

(g) *Crediting of Income, Gains and Losses on Accounts.* Except as otherwise provided in Paragraph 8(h), the value of a Grantee's Account as of any date shall be determined as if it were invested in the Company Stock Fund.

(h) *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(h)(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(h) 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.

(i) *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%

(j) *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.

(k) *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 § 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 January 1, 2005.

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 on the 16th day of February, 2005.

COMCAST CORPORATION

BY: _____

ATTEST: _____

QuickLinks

[COMCAST CORPORATION 2002 RESTRICTED STOCK PLAN \(As Amended And Restated, Effective January 1, 2005\)](#)

COMCAST CORPORATION
2002 NON-EMPLOYEE DIRECTOR COMPENSATION PLAN
(As Amended and Restated, Effective January 12, 2005)

1. BACKGROUND AND PURPOSE

COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Non-Employee Director Compensation Plan, effective January 12, 2005. 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) *"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.
- (h) *"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.
- (i) *"Plan"* means the Comcast Corporation 2003 Non-Employee Director Compensation Plan, as set forth herein, and as amended from time to time.
- (j) *"Plan Year"* means (i) the period from November 18, 2002 through December 31, 2002 and (ii) each calendar year beginning after 2002.
-

- (k) "Restricted Stock Plan" means the Comcast Corporation 2002 Restricted Stock Plan.
- (l) "Restricted Stock Unit" means a Restricted Stock Unit granted under the Restricted Stock Plan.
- (m) "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, 2005, 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 \$2,500. 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 and Governance and Directors Nominating Committee.* The Annual Retainer for service as Chair of the Compensation Committee and the Governance and Directors Nominating Committee shall be \$10,000.
- (vi) *Annual Retainer: Member—Compensation Committee and Governance and Directors Nominating Committee.* The Annual Retainer for service as a member of the Compensation Committee and the Governance and Directors Nominating Committee shall be \$5,000.
- (vii) *Annual Retainer: Chair—Any Committee of the Board other than the Audit Committee, the Compensation Committee or the Governance and Directors Nominating Committee.* The Annual Retainer for service as the Chair of any committee of the Board other than the Audit Committee, the Compensation Committee or the Governance and Directors Nominating Committee shall be \$5,000.
- (viii) *Annual Retainer: Member—Any Committee of the Board other than the Audit Committee, the Compensation Committee or the Governance and Directors Nominating Committee.* The Annual Retainer for service as a member of any committee of the Board other than the Audit Committee, the Compensation Committee or the Governance and Directors Nominating Committee shall be \$2,500.
- (ix) *Committee Meeting Fee—Audit Committee, Compensation Committee and Governance and Directors Nominating Committee.* The fee payable for attendance in person or via telephone at a Committee Meeting of the Audit Committee, the Compensation Committee or the Governance and Directors Nominating Committee shall be \$2,500.
- (x) *Committee Meeting Fee—Any Committee of the Board other than the Audit Committee, the Compensation Committee or the Governance and Directors Nominating Committee.* The fee payable for attendance in person or via telephone at a Committee Meeting of any Committee other than the Audit Committee, the Compensation Committee or the Governance and Directors Nominating Committee shall be \$1,000.
- (xi) *Stock Grants.* This Paragraph 3(a)(xi) shall apply as of November 20, 2005 and as of November 20 of each Plan Year beginning after 2005, provided that, if the shareholders of the Company decline to approve the amendments to the Restricted Stock Plan at the Annual Meeting of Shareholders of the Company to be held in 2005 to expand eligibility for grants under the 2002 Restricted Stock Plan to include Non-Employee Directors, no grants of Restricted Stock or Restricted Stock Units shall be

made to Non–Employee Directors under this Paragraph 3(a)(xi) and Paragraph 3(a)(xii) shall continue to apply.

(A) The Board shall grant Restricted Stock for Shares having a Fair Market Value on the date of grant of \$100,000, provided that with respect to each individual who first becomes a Non–Employee Director after November 20, 2005, the Board shall grant Restricted Stock for Shares determined as follows:

Date of Commencement of Service as a Non–Employee Director	Number of Shares Subject to Grant of Restricted Stock
After November 20 of a Plan Year and before the next following February 20	Shares having a Fair Market Value on the date of grant of \$100,000
On or after February 20 of a Plan Year and before the next following May 20	Shares having a Fair Market Value on the date of grant of \$75,000
On or after May 20 of a Plan Year and before the next following August 20	Shares having a Fair Market Value on the date of grant of \$50,000
On or after August 20 of a Plan Year and before the next following November 20	Shares having a Fair Market Value on the date of grant of \$25,000

Each Share of Restricted Stock shall (1) be fully and immediately vested on the date of grant, and (2) bear such other terms and conditions as 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 Restricted Stock Units under the Plan shall be adjusted consistent with the adjustment made pursuant to the Restricted Stock Plan (or such other more recently–adopted generally applicable Plan pursuant to which the Company grants restricted stock or restricted stock units), and such adjustment shall be effective and binding for all purposes of this Plan.

(xii) *Stock Options.* This Paragraph 3(a)(xii) shall apply as of November 20, 2002 and as of November 20 of each Plan Year beginning after 2002, provided that, if the shareholders of the Company approve the amendments to the Restricted Stock Plan at the Annual Meeting of Shareholders of the Company to be held in 2005 to expand eligibility for grants under the 2002 Restricted Stock Plan to include Non–Employee Directors, no grants of non–qualified options shall be made to Non–Employee Directors under this Paragraph 3(a)(xii) after November 19, 2005, and Paragraph 3(a)(xi) shall apply.

(A) 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
On or after February 20 of a Plan Year and before the next following May 20	5,625
On or after May 20 of a Plan Year and before the next following August 20	3,750
On or 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) with respect to any non-qualified option granted after January 12, 2005, be vested and exercisable in full on 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 as 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 amendment and restatement of the Plan is January 12, 2005. 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: _____

ATTEST: _____

**SCHEDULE I
COMCAST CORPORATION
NON-EMPLOYEE DIRECTOR COMPENSATION
2005**

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 ¹	\$2,500
Audit Committee Annual Retainer—Chair	\$20,000
Compensation Committee Annual Retainer—Chair	\$10,000
Governance and Directors Nominating 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
Governance and Directors Nominating 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—Governance and Directors Nominating Committee	\$2,500
Committee Meeting Fee—Other Committee	\$1,000
Annual Restricted Stock Grant ²	Shares having a Fair Market Value on the date of grant of \$100,000

¹ 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.

² Subject to shareholder approval, as described in Paragraphs 3(a)(xi) and 3(a)(xii) of the Plan. If the shareholders decline to approve the amendments to the Restricted Stock Plan at the Annual Meeting of Shareholders of the Company to be held in 2005 to expand eligibility for grants under the 2002 Restricted Stock Plan to include Non-Employee Directors, Non-Employee Directors shall be entitled to an annual grant of non-qualified stock options, as further described in Paragraph 3(a)(xii) of the Plan.

QuickLinks

[COMCAST CORPORATION 2002 NON-EMPLOYEE DIRECTOR COMPENSATION PLAN \(As Amended and Restated, Effective January 12, 2005\)](#)

COMCAST CORPORATION

2002 EMPLOYEE STOCK PURCHASE PLAN

(As Amended and Restated, Effective January 1, 2005)

1. Purpose.

COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Employee Stock Purchase Plan (the "Plan"), effective January 1, 2005. The Plan is intended to encourage and facilitate the purchase of shares of common stock of Comcast Corporation by Eligible Employees of the Company and any Participating Companies, thereby providing such Eligible Employees with a personal stake in the Company and a long-range inducement to remain in the employ of the Company and Participating Companies. It is the intention of the Company that the Plan qualify as an "employee stock purchase plan" within the meaning of section 423 of the Code.

2. Definitions.

(a) "*Account*" means a bookkeeping account established by the Committee on behalf of a Participant to hold Payroll Deductions.

(b) "*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.

(c) "*Board*" means the Board of Directors of the Company.

(d) "*Brokerage Account*" means the brokerage account established under the Plan by the Company for each Participant, to which Shares purchased under the Plan shall be credited.

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

(g) "*Committee*" means the Compensation Committee of the Board.

(h) "*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.

(i) "*Compensation*" means an Eligible Employee's wages as reported on Form W-2 (*i.e.*, wages as defined in section 3401(a) of the Code and all other payments of compensation for which the Participating Company is required to furnish the employee a written statement under sections 6041(d) and 6051(a)(3) of the Code) from a Participating Company, reduced by reimbursements or other expense allowances, fringe benefits (cash and non-cash), moving expenses, deferred compensation, and welfare benefits, but including salary reduction contributions and elective contributions that are not includible in gross income under sections 125 or 402(a)(8) of the Code.

(j) "*Election Form*" means the written or electronic form acceptable to the Committee which an Eligible Employee shall use to make an election to purchase Shares through Payroll Deductions pursuant to the Plan.

(k) "*Eligible Employee*" means an Employee who is not an Ineligible Employee. Notwithstanding the foregoing to the contrary, solely for purposes of the Offering Period commencing on October 1, 2002, the

term "Eligible Employee" means an Employee who was eligible to participate in this Plan immediately before October 1, 2002.

(l) "*Eligible Employer*" means the Company and any subsidiary of the Company, within the meaning of section 424(f) of the Code.

(m) "*Employee*" means a person who is an employee of a Participating Company.

(n) "*Fair Market Value*" means the closing price per Share on the principal national securities exchange on which the Shares are listed or admitted to trading or, if not listed or traded on any such exchange, on the National Market System of the National Association of Securities Dealers Automated Quotation System ("NASDAQ"), or if not listed or traded on any such exchange or system, the fair market value as reasonably determined by the Board or the Committee, which determination shall be conclusive.

(o) "*Five Percent Owner*" means an Employee who, with respect to a Participating Company, is described in section 423(b)(3) of the Code.

(p) "*Ineligible Employee*" means an Employee who, as of an Offering Commencement Date:

- (1) is a Five Percent Owner;
- (2) has been continuously employed by a Participating Company on a full-time basis for less than 90 days;
- (3) has been continuously employed by a Participating Company on a part-time basis for less than one year; or
- (4) is restricted from participating under Paragraph 3(b).

For purposes of this Paragraph 2(p), an Employee is employed on a part-time basis if the Employee customarily works less than 20 hours per week. For purposes of this Paragraph 2(p), an Employee is employed on a full-time basis if the Employee customarily works 20 or more hours per week.

(q) "*Offering*" means an offering of Shares by the Company to Eligible Employees pursuant to the Plan.

(r) "*Offering Commencement Date*" means the first day of each January 1, April 1, July 1 and October 1 beginning on or after Offerings are authorized by the Board or the Committee, until the Plan Termination Date, provided that the first Offering Commencement Date shall be on the Effective Date.

(s) "*Offering Period*" means the period extending from an Offering Commencement Date through the following Offering Termination Date.

(t) "*Offering Termination Date*" means the last day of each March, June, September and December following an Offering Commencement Date, or such other Offering Termination Date established in connection with a Terminating Event.

(u) "*Participant*" means an Eligible Employee who has timely delivered an Election Form to the Committee in accordance with procedures established by the Committee.

(v) "*Participating Company*" means, as provided in Schedule A to the Plan, the Eligible Employers, if any, that are approved by the Board or the Committee from time to time.

(w) "*Payroll Deductions*" means amounts withheld from a Participant's Compensation pursuant to the Plan, as described in Paragraph 5.

(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 Employee Stock Purchase Plan, as set forth in this document, and as may be amended from time to time.

(z) "*Plan Termination Date*" means the earlier of:

(1) the Offering Termination Date for the Offering in which the maximum number of Shares specified in Paragraph 9 have been issued pursuant to the Plan; or

(2) the date as of which the Board or the Committee chooses to terminate the Plan as provided in Paragraph 14.

(aa) "*Purchase Price*" means 85 percent of the lesser of: (1) the Fair Market Value per Share on the Offering Commencement Date, or if such date is not a trading day, then on the next trading day thereafter or (2) the Fair Market Value per Share on the Offering Termination Date, or if such date is not a trading day, then on the trading day immediately preceding the Offering Termination Date.

(bb) "*Shares*" means:

(1) except as otherwise provided in Paragraph 2(bb)(2), shares of Comcast Corporation Class A Common Stock, par value \$0.01.

(2) for the Offering Period commencing on October 1, 2002, shares of Comcast Corporation Class A Special Common Stock, par value \$0.01.

(cc) "*Successor-in-Interest*" means the Participant's executor or administrator, or such other person or entity to whom the Participant's rights under the Plan shall have passed by will or the laws of descent and distribution.

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

(1) the liquidation of the Company; or

(2) a Change of Control.

(ee) "*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.

(ff) "*Termination Form*" means the written or electronic form acceptable to the Committee which an Employee shall use to discontinue participation during an Offering Period pursuant to Paragraph 7(b).

3. *Eligibility and Participation.*

(a) *Eligibility.* Except to the extent participation is restricted under Paragraph 3(b), each Eligible Employee shall be eligible to participate in the Plan.

(b) *Restrictions on Participation.* Notwithstanding any provisions of the Plan to the contrary, no Employee shall be eligible to purchase Shares in an Offering to the extent that:

(1) immediately after the purchase of Shares, such Employee would be a Five Percent Owner; or

(2) a purchase of Shares would permit such Employee's rights to purchase stock under all employee stock purchase plans of the Participating Companies which meet the requirements of section 423(b) of the Code to accrue at a rate which exceeds \$25,000 in fair market value (as determined pursuant to section 423(b)(8) of the Code) for each calendar year in which such right to purchase Shares is outstanding.

(c) *Commencement of Participation.* An Eligible Employee shall become a Participant by completing an Election Form and filing it with the Committee on or before the 15th day of the month immediately preceding the Offering Commencement Date for the first Offering to which such Election Form applies. Payroll Deductions for a Participant shall commence on first payroll period ending after the applicable Offering Commencement Date when his or her authorization for Payroll Deductions becomes effective, and shall end on the Plan Termination Date, unless sooner terminated by the Participant pursuant to Paragraph 7(b).

4. Shares Per Offering.

The Plan shall be implemented by a series of Offerings that shall commence after Offerings have been authorized by the Board or the Committee, and terminate on the Plan Termination Date. Offerings shall be made with respect to Compensation accumulated during each Offering Period for the period commencing with the first day of the first Offering Period (when such Offering Period is authorized by the Board or the Committee) and ending with the Plan Termination Date. Shares available for any Offering shall be the difference between the maximum number of Shares that may be issued under the Plan, as determined pursuant to Paragraph 8(a), for all of the Offerings, less the actual number of Shares purchased by Participants pursuant to prior Offerings. If the total number of Shares subject to purchase under the Plan on any Offering Termination Date exceeds the maximum number of Shares available, the Board or the Committee shall make a pro rata allocation of Shares available for delivery and distribution in as nearly a uniform manner as practicable, and as it shall determine to be fair and equitable, and the unapplied Account balances shall be returned to Participants as soon as practicable following the Offering Termination Date.

5. Payroll Deductions.

(a) *Amount of Payroll Deductions.* On the Election Form, an Eligible Employee may elect to have Payroll Deductions of not more than 10 percent of Compensation earned for each payroll period ending within the Offering Period, subject to the limitation that the maximum amount of Payroll Deductions for any Eligible Employee for any calendar year shall not exceed \$10,000. The rules established by the Committee regarding Payroll Deductions, as reflected on the Election Form, shall be consistent with section 423(b)(5) of the Code.

(b) *Participants' Accounts.* All Payroll Deductions with respect to a Participant pursuant to Paragraph 5(a) shall be credited to the Participant's Account under the Plan.

(c) *Changes in Payroll Deductions.* A Participant may discontinue Payroll Deductions during an Offering Period by providing a Termination Form to the Committee at any time before the Offering Termination Date applicable to any Offering. No other change can be made during an Offering, including, but not limited to, changes in the amount of Payroll Deductions for such Offering. A Participant may change the amount of Payroll Deductions for subsequent Offerings by giving written notice (or notice in another form pursuant to procedures established by the Committee) of such change to the Committee on or before the 15th day of the month immediately preceding the Offering Commencement Date for the Offering for which such change is effective.

6. Purchase of Shares.

(a) *In General.* On each Offering Termination Date, each Participant shall be deemed to have purchased a number of whole Shares equal to the quotient obtained by dividing the balance credited to the Participant's Account as of the Offering Termination Date, by the Purchase Price, rounded to the next lowest whole Share. Shares deemed purchased by a Participant under the Plan shall be credited to the Participant's Brokerage Account as soon as practicable following the Offering Termination Date.

(b) *Terminating Events.* The Company shall give Participants at least 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 20th day following the issuance of such notice by the Company (or such earlier date as the Board or the Committee may reasonably determine) shall constitute the Offering Termination Date for any outstanding Offering.

(c) *Fractional Shares and Minimum Number of Shares.* Fractional Shares shall not be issued under the Plan. Amounts credited to an Account remaining after the application of such Account to the purchase of Shares under the Plan shall be credited to the Participant's Account for the next succeeding Offering, or, at the Participant's election, returned to the Participant as soon as practicable following the Offering Termination Date, without interest.

(d) *Transferability of Rights to Purchase Shares.* No right to purchase Shares pursuant to the Plan shall be transferable other than by will or by the laws of descent and distribution, and no such right to purchase Shares pursuant to the Plan shall be exercisable during the Participant's lifetime other than by the Participant.

7. Termination of Participation.

(a) *Account.* Except as provided in Paragraph 7(c), no amounts shall be distributed from Participants' Accounts during an Offering Period.

(b) *Suspension of Participation.* A Participant may discontinue Payroll Deductions during an Offering Period by providing a Termination Form to the Committee at any time before the Offering Termination Date applicable to any Offering. All amounts credited to such Participant's Account shall be applied to the purchase of Shares pursuant to Paragraph 6. A Participant who discontinues Payroll Deductions during an Offering Period shall not be eligible to participate in the Offering next following the date on which the Participant delivers the Termination Form to the Committee.

(c) *Termination of Employment.* Upon termination of a Participant's employment for any reason, all amounts credited to such Participant's Account shall be returned to the Participant, or, following the Participant's death, to the Participant's Successor-in-Interest.

8. Interest.

No interest shall be paid or allowed with respect to Payroll Deductions paid into the Plan or credited to any Participant's Account.

9. Shares.

(a) *Maximum Number of Shares; Adjustments.* Subject to adjustment as provided in this Paragraph 9, not more than 4,250,000 Shares in the aggregate may be issued pursuant to the Plan pursuant to Offerings under the Plan, including Offerings commenced since the Plan first became effective as the Comcast Corporation 2001 Employee Stock Purchase Plan. Shares delivered pursuant to the Plan may, at the Company's option, be either treasury Shares or Shares originally issued for such purpose. 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 Board or the Committee shall make appropriate equitable anti-dilution adjustments to the number and class of shares of stock available for issuance under the Plan, to the number and class of shares of stock subject to outstanding Offerings and to the Purchase Price. Any reference to the Purchase Price in the Plan and in any related documents shall be a reference to the Purchase Price as so adjusted. Any reference to the term "Shares" in the Plan and in any related 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 9. The Board's or the Committee's adjustment shall be effective and binding for all purposes of this Plan. All Shares issued pursuant to the Plan shall be validly issued, fully paid and nonassessable.

(b) *Participant's Interest in Shares.* A Participant shall have no interest in Shares offered under the Plan until Shares are credited to the Participant's Brokerage Account.

(c) *Crediting of Shares to Brokerage Account.* Shares purchased under the Plan shall be credited to the Participant's Brokerage Account as soon as practicable following the Offering Termination Date.

(d) *Restrictions on Purchase.* The Board or the Committee may, in its discretion, require as conditions to the purchase of any Shares under the Plan such conditions as it may deem necessary to assure that such purchase of Shares is in compliance with applicable securities laws.

10. Expenses.

The Participating Companies shall pay all fees and expenses incurred (excluding individual Federal, state, local or other taxes) in connection with the Plan. No charge or deduction for any such expenses will be made to a Participant upon the termination of his or her participation under the Plan or upon the distribution of certificates representing Shares purchased with his or her Payroll Deductions.

11. Taxes.

The Participating Companies shall have the right to withhold from each Participant's Compensation an amount equal to all federal, state, city or other taxes as the Participating Companies shall determine are required to be withheld by them in connection with the purchase of Shares under the Plan and in connection with the sale of Shares acquired under the Plan. In connection with such withholding, the Participating Companies may make any such arrangements as they may deem necessary or appropriate to protect their interests.

12. Plan and Contributions Not to Affect Employment.

The Plan shall not confer upon any Eligible Employee any right to continue in the employ of the Participating Companies.

13. Administration.

The Plan shall be administered by the Committee. The Board and the Committee shall have authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it, and to make all other determinations deemed necessary or advisable in administering the Plan, with or without the advice of counsel. The Committee may delegate its administrative duties, subject to its review and supervision, to the appropriate officers and employees of the Company. The determinations of the Board and the Committee on the matters referred to in this Paragraph 13 shall be conclusive and binding.

14. Amendment and Termination.

The Board or the Committee may terminate the Plan at any time and may amend the Plan from time to time in any respect; provided, however, that upon any termination of the Plan, all Shares or Payroll Deductions (to the extent not yet applied to the purchase of Shares) under the Plan shall be distributed to the Participants, provided further, that no amendment to the Plan shall affect the right of any Participant to receive his or her proportionate interest in the Shares or his or her Payroll Deductions (to the extent not yet applied to the purchase of Shares) under the Plan, and provided further that the Company may seek shareholder approval of an amendment to the Plan if such approval is determined to be required by or advisable under the regulations of the Securities and Exchange Commission or the Internal Revenue Service, the rules of any stock exchange or system on which the Shares are listed or other applicable law or regulation.

15. Effective Date.

The original effective date of the Plan was December 20, 2000. This amendment and restatement of the Plan is effective on January 1, 2005.

16. Government and Other Regulations.

(a) *In General.* The purchase of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies as may be required.

(b) *Securities Law.* The Committee shall have the power to make each Offering under the Plan subject to such conditions as it deems necessary or appropriate to comply with the then-existing requirements of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, including Rule 16b-3 (or any similar rule) promulgated by the Securities and Exchange Commission thereunder.

17. Non-Alienation.

No Participant shall be permitted to assign, alienate, sell, transfer, pledge or otherwise encumber his right to purchase Shares under the Plan prior to time that Shares are credited to the Participant's Brokerage Account. Any attempt at assignment, alienation, sale, transfer, pledge or other encumbrance shall be void and of no effect.

18. Notices.

Any notice required or permitted hereunder shall be sufficiently given only if delivered personally, telecopied, or sent by first class mail, postage prepaid, and addressed:

If to the Company:

Comcast Corporation
1500 Market Street
Philadelphia, PA, 19102
Fax: 215-981-7794
Attention: General Counsel

Or any other address provided pursuant to notice provided by the Committee.

If to the Participant:

At the address on file with the Participating Company from time to time, or to such other address as either party may hereafter designate in writing (or via such other means of communication permitted by the Committee) by notice similarly given by one party to the other.

19. Successors.

The Plan shall be binding upon and inure to the benefit of any successors or assigns of the Company.

20. Severability.

If any part of this Plan shall be determined to be invalid or void in any respect, such determination shall not affect, impair, invalidate or nullify the remaining provisions of this Plan which shall continue in full force and effect.

21. Acceptance.

The election by any Eligible Employee to participate in this Plan constitutes his or her acceptance of the terms of the Plan and his or her agreement to be bound hereby.

22. Applicable Law.

This Plan shall be construed in accordance with the laws of the Commonwealth of Pennsylvania, to the extent not preempted by applicable Federal law.

Executed as of the 1st day of January, 2005.

COMCAST CORPORATION

BY:

ATTEST:

SCHEDULE A

Participating Companies

Effective as of January 1, 2005

Comcast Business Communications Holdings, Inc. and its subsidiaries

Comcast Cable Communications Holdings, Inc. and its subsidiaries

Comcast Cable Communications, LLC, and its subsidiaries

Comcast Corporation

Comcast Holdings Corporation

Comcast Online Communications, Inc.

Comcast Shared Services Corporation

Comcast SportsNet West, Inc.

G4 Media, LLC

Home Team Sports Limited Partnership

International Channel

Outdoor Life Network, LLC

Philadelphia Sports Media, L.P.

Entity Name	Org State
1080 Sports, LLC	DE
ABB MOG-WM, Inc.	CO
ABB RFL, LLC	DE
ABB TS Assets, LLC	DE
Alabama T. V. Cable, Inc.	AL
American Microwave & Communications, Inc.	MI
American Televenture of Minersville, Inc.	CO
Atlantic American Cablevision of Florida, LLC	FL
Atlantic American Cablevision, LLC	DE
Atlantic American Holdings, Inc.	FL
Atlantic Cablevision of Florida, Inc.	DE
Bay Area Interconnect	CA
Beatrice Cable TV Company	NE
Box Office Enterprises, Inc.	CT
Brigand Pictures, Inc.	DE
BroadNet Austria GmbH	Austria
BroadNet Belgium S.A.	Belgium
BroadNet Czech a.s.	Czech Republic
BroadNet Czech s.r.o.	Czech Republic
BroadNet Danmark ApS	Denmark
BroadNet Europe SPRL	Belgium
BroadNet France S.A.S.	France
BroadNet Hellas S.A.	Greece
BroadNet Holdings, B.V.	The Netherlands
BroadNet Italy SPA	Italy
BroadNet Magyarország Kft	Hungary
BroadNet Norge A.S.	Norway
BroadNet Portugal, S.A.	Portugal
BroadNet Slovakia s.r.o.	Slovakia
BroadNet Suisse A.S.	Switzerland
BroadNet UK Ltd.	UK
Cable Accounting, Inc.	CO
Cable Enterprises, Inc.	DE
Cable Programming Ventures, LLC	DE
Cable Sports Southeast, LLC	DE
Cable Television Advertising Group, Inc.	WY
Cable Television of Gary, Inc.	IN
Cablevision Associates of Gary Joint Venture	IN
Cablevision Investment of Detroit, Inc.	MI

Cablevision of Arcadia/Sierra Madre, Inc.	DE
CATV Facility Co., Inc.	CO
CCC–NJFT, Inc.	CO
CCF Management Services, Inc.	DE
CCI Management Services, Inc.	CA
Children's Network, LLC	DE
CIC Development Corp.	DE
Classic Services, Inc.	DE
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, LLC	CO
COM Sports Holding Company, Inc.	DE
COM Sports Ventures, Inc.	DE
Combined Conditional Access Development and Support, LLC	DE
Comcast 38GHZ, Inc.	DE
Comcast ABB Business Services, Inc.	CO
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 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 Holdings, LLC	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 Holdings, LLC	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 CHC Subsidiary Holdings, Inc.	DE
Comcast Children's Network Holdings, LLC	DE
Comcast CICG GP, Inc.	DE
Comcast CICG LP, Inc.	DE
Comcast CICG, 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 do Brasil Ltda.	Brazil
Comcast Encore, Inc.	DE
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 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, LLC	DE
Comcast HTS, LLC	DE
Comcast ICCP, Inc.	CO
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 Holdings I, LLC	DE
Comcast IP Phone of Arizona, LLC	DE
Comcast IP Phone of California, LLC	DE
Comcast IP Phone of Central Indiana, LLC	DE
Comcast IP Phone of Colorado, LLC	DE
Comcast IP Phone of Connecticut, LLC	DE
Comcast IP Phone of Delaware, LLC	DE
Comcast IP Phone of Florida, LLC	DE
Comcast IP Phone of Georgia, LLC	DE
Comcast IP Phone of Illinois, LLC	DE

Comcast IP Phone of Maryland, LLC	DE
Comcast IP Phone of Massachusetts, LLC	DE
Comcast IP Phone of Michigan, LLC	DE
Comcast IP Phone of Minnesota, LLC	DE
Comcast IP Phone of New Hampshire, LLC	DE
Comcast IP Phone of New Jersey, LLC	DE
Comcast IP Phone of New Mexico, LLC	DE
Comcast IP Phone of Ohio, LLC	DE
Comcast IP Phone of Oregon, LLC	DE
Comcast IP Phone of Pennsylvania, LLC	PA
Comcast IP Phone of Tennessee, LLC	DE
Comcast IP Phone of Texas, LLC	DE
Comcast IP Phone of Utah, LLC	DE
Comcast IP Phone of Virginia, LLC	DE
Comcast IP Phone of Washington, LLC	DE
Comcast IP Phone of West Virginia, LLC	DE
Comcast IP Phone, Inc.	PA
Comcast IP Services II, Inc.	DE
Comcast IP Services, LLC	DE
Comcast IPG/JV, 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 LMC E! Entertainment, Inc.	CO
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.	DE
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 International Holdings II, Inc.	DE
Comcast MO International Programming, Inc.	MA
Comcast MO International, 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 Delaware, LLC	DE
Comcast MO of Minnesota, Inc.	MN
Comcast MO of North Valley, Inc.	CA
Comcast MO of Quad Cities, 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 MO SPC IV, LLC	DE
Comcast MO SPC V, LLC	DE
Comcast MO SPC VI, LLC	DE
Comcast MO SPE, Inc.	DE
Comcast MO Telecommunications Corp.	DE
Comcast Multicable Media, Inc.	DE
Comcast Nashville Finance	DE
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 16, Inc.	DE
Comcast Newco 17, Inc.	DE
Comcast Newco 18, Inc.	DE
Comcast Newco 19, Inc.	DE
Comcast Newco 2, Inc.	DE
Comcast Newco 20, Inc.	DE
Comcast Newco 21, Inc.	DE
Comcast Newco 22, Inc.	DE
Comcast Newco 23, 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 Costa Mesa, Inc.	DE
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, LLC	DE
Comcast of Elkton, LLC	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 II, LLC	DE
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, LLC	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/Kentucky/Utah	CA
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 Michigan/Mississippi/Tennessee, Inc.	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 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, 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 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/Maryland, Inc.	PA
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, LLC	DE
Comcast of Southeast Pennsylvania, LLC	DE
Comcast of Southern California, Inc.	OR
Comcast of Southern Illinois, Inc.	DE
Comcast of Southern Mississippi, Inc.	DE
Comcast of Southern New England, Inc.	MA
Comcast of Southern Tennessee, LLC	DE
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 Tennessee, LP	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 PC Communications, Inc.	DE
Comcast PC Investments, Inc.	DE
Comcast Phone II, Inc.	DE
Comcast Phone Management, Inc.	DE
Comcast Phone of Arizona, LLC	DE
Comcast Phone of California, LLC	DE
Comcast Phone of Central Indiana, LLC	DE
Comcast Phone of Colorado, LLC	DE
Comcast Phone of Connecticut, Inc.	CO
Comcast Phone of Delaware, LLC	DE
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 New Jersey, LLC	DE
Comcast Phone of New Mexico, LLC	DE
Comcast Phone of Northern Maryland, Inc.	MD
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 South Carolina, Inc.	SC
Comcast Phone of Tennessee, 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, LLC	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 Real Estate Holdings of Alabama, Inc.	AL
Comcast Regional Programming, Inc.	PA
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	DE
Comcast Spectacor, L.P.	PA
Comcast Sports Holding Company, Inc.	DE
Comcast Sports Management Services, LLC	DE
Comcast Sports NY Holdings, Inc.	DE
Comcast SportsNet Chicago Holdings, Inc.	DE
Comcast SportsNet West, Inc.	DE
Comcast Spotlight, Inc.	DE
Comcast STB Software I, LLC	DE
Comcast STB Software II, LLC	DE
Comcast STB Software LIB, LLC	DE
Comcast STB Software MOT, LLC	DE
Comcast STB Software TW, LLC	DE
Comcast Studio Investments, 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 Pennsylvania, Inc.	PA
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 ME22, Inc.	DE
Comcast WCS ME26, Inc.	DE
Comcast WCS ME28, Inc.	DE
Comcast WCS Merger Holdings, 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
Commercial Funding, Inc.	NY
Communication Investment Corporation	VA
Community Realty, Inc.	NV
Community Telecable of Seattle, Inc.	WA
Conditional Access Licensing, LLC	DE
Continental Australia Programming, Inc.	MA
Continental Cablevision Asia Pacific, Inc.	MA
Continental Programming Australia Limited Partnership	NEW SOUTH WALES
Continental Telecommunications Corp. of Virginia	VA
Continental Teleport Partners, Inc.	MA
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
DigiVentures, LLC	DE
District Cablevision, Inc.	DC
E Entertainment UK Limited	UK
E! Entertainment Europe BV	Netherland Antilles
E! Entertainment Television International Holdings, Inc.	DE
E! Entertainment Television, Inc.	DE
E! Networks Productions, Inc.	DE
E! Networks Sales & Distribution, Inc.	DE
East Rutherford Realty, Inc.	NJ
Eastecnica V — Comunicacoes Globais, S.A.	Portugal
Elbert County Cable Partners, L. P.	CO
Equity Resources Venture	CO
Exclamation Music, Inc.	CA
Exclamation Productions, Inc.	CA
FAB Communications, Inc.	OK
First Television Corporation	DE
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
G4 Holding Company	DE
G4 Media, Inc.	DE
Garden State Telecommunications LLC	DE
Gateway/Jones Communications, Ltd.	CO
Global London, Inc.	Ontario
Global London, L.P.	Ontario
Global Spectrum, Inc.	PA
Global Spectrum, L.P.	DE
GlobalCom Holding Company, Inc.	DE
Greater Boston Cable Advertising	MA
Guide Investments, Inc.	CO
GuideWorks, LLC	DE
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
IEC License Holdings, Inc.	DE
In Demand, L.L.C.	DE
Interactive Technology Services, Inc.	PA
Intermedia Cable Investors, LLC	CA
International Networks, LLC	CO
IT-NET — Internacional de Telecomunicacoes de Portugal, S.A.	Portugal
Jones Cable Corporation	CO
Jones Cable Holdings, Inc.	CO
Jones Communications, Inc.	CO
Jones Intercable Funds, Inc.	CO
Jones Panorama Properties, LLC	DE
Jones Programming Services, Inc.	CO
Jones Spacelink Cable Corporation	CO
Jones Telecommunications of California, LLC	CO
KCCP Trust	DE
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, LLC	DE
Lenfest MCN, Inc.	DE
Lenfest Oaks, Inc.	PA
Lenfest Telephony, Inc.	DE
Lenfest Videopole Holdings, Inc.	DE
Lenfest York, Inc.	DE
Liberty City Funding Corporation	FL
Liberty Ventures Group LLC	DE
L–TCI Associates	DE
LVO Cable Properties, Inc.	OK
M H Lightnet Inc.	DE
MarketLink Indianapolis Cable Advertising, LLC	DE
MediaOne Brasil Comercio e Participacoes Ltda.	Brazil
Mile Hi Cable Partners, L.P.	CO
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
National Digital Television Center, Inc.	CO
NDTC Technology, Inc.	CO
New England Microwave, Inc.	CT
New Hope Cable TV, Inc.	PA
Northwest Illinois Cable Corporation	DE
Northwest Illinois TV Cable Co.	DE
Nroca Holdings, Inc.	DE
Outdoor Life Network, L.L.C.	DE
Ovations Fanfare, L.P.	PA
Ovations Food Services, Inc.	PA
Ovations Food Services, L.P.	PA
Ovations Ontario Food Services, Inc.	Ontario
Ovations Ontario Food Services, LP	Ontario
Owner Trusts UT 1–3, 7–12, 15–27, 29, 33, 34	DE

Pacific Northwest Interconnect	NY
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
Preview Magazine Corporation	NY
Preview Magazine Corporation	DE
Prime Telecom Potomac, LLC	DE
Roberts Broadcasting Corporation	PA
Satellite Services, Inc.	DE
Saturn Cable TV, Inc.	CO
SCI 34, Inc.	DE
SCI 36, Inc.	DE
SCI 37, Inc.	DE
SCI 38, 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
South Florida Cable Advertising	FL
Southwest Washington Cable, Inc.	WA
Spectacor Adjoining Real Estate New Arena, L.P.	DE
Spectrum Arena Limited Partnership	PA
St. Louis Tele-Communications, Inc.	MO
Stage II, L.P.	PA
Storer Administration, Inc.	DE
Storer Cable TV of Radnor, Inc.	PA
Storer Disbursements, Inc.	FL
Sural LLC	DE

Taurus Properties, LLC	CO
TCI Adelphia Holdings, LLC	DE
TCI Atlantic, LLC	CO
TCI Bay Interconnect, Inc.	CA
TCI Bay, Inc.	DE
TCI Cable Investments, LLC	DE
TCI Cablevision Associates Inc.	DE
TCI Cablevision of California Century Holdings, LLC	CO
TCI Cablevision of Kentucky, Inc.	DE
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 North Central Kentucky, Inc.	DE
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 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 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 National Digital Television Center — Hong Kong, Inc.	DE
TCI New York Holdings, Inc.	CO
TCI Northeast, Inc.	DE
TCI Northwest, Inc.	CO
TCI of Bloomington/Normal, Inc.	VA
TCI of Council Bluffs, Inc.	IA
TCI of D.C., Inc.	DC
TCI of Greenwich, Inc.	CO
TCI of Indiana Holdings, LLC	CO
TCI of Indiana Insgt Holdings, LLC	CO
TCI of Kokomo, Inc.	CO
TCI of Lee County, Inc.	AL
TCI of Lexington, Inc.	DE
TCI of Maine, Inc.	ME
TCI of Missouri, Inc.	MO

TCI of North Central Kentucky, Inc.	DE
TCI of North Dakota, Inc.	ND
TCI of Overland Park, Inc.	KS
TCI of Paterson, Inc.	NV
TCI of Radcliff, Inc.	DE
TCI of South Dakota, Inc.	CO
TCI of Southern Minnesota, Inc.	DE
TCI of Springfield, Inc.	MO
TCI of Watertown, Inc.	IA
TCI Ohio Holdings, Inc.	CO
TCI Pacific Communications, Inc.	DE
TCI Pennsylvania Holdings, Inc.	CO
TCI Programming Holding Company III	DE
TCI Realty, LLC	DE
TCI South Carolina IP-I, LLC	DE
TCI Southeast, Inc.	DE
TCI Spartanburg IP-IV, LLC	DE
TCI Starz, Inc.	CO
TCI Technology Management, LLC	DE
TCI Telecom, Inc.	DE
TCI Texas Cable Holdings LLC	CO
TCI Texas Cable, LLC	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.	DE
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 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 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 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
TGC Funding, Inc.	DE
TGC, Inc.	DE
TGW Telecomunicacoes S.A.	Brazil
The Comcast Foundation	DE
The Intercable Group, Ltd.	CO
Thegolfchannel.com, inc.	FL
THOG Productions, LLC	DE
Trans–Muskingum, Incorporated	WV
Tribune–United Cable of Oakland County	MI
TWE Holdings I Trust	DE
TWE Holdings II Trust	DE
U S West (India) Private Limited	INDIA
UACC Midwest Insgt Holdings, LLC	CO
UA–Columbia Cablevision of Massachusetts, Inc.	MA
UATC Merger Corp.	DE
UCTC LP Company	DE
UCTC of Los Angeles County, Inc.	DE
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 West Deutschland GmbH	Germany
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
Waltham Tele-Communications	MA
Waltham Tele-Communications, LLC	CO
Watch What You Play Music, LLC	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

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Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements of Comcast Corporation on Form S-8 (Nos. 333-101645, 333-101295, 333-104385 and 333-121082), Form S-3 (Nos. 333-101861 and 333-104034), and Form S-4 (Nos. 333-101264 and 333-102883) of our reports dated February 21, 2005, relating to the financial statements and financial statement schedule of Comcast Corporation and management's report on the effectiveness of internal control over financial reporting, appearing in this Annual Report on Form 10-K of Comcast Corporation for the year ended December 31, 2004.

/s/ Deloitte & Touche LLP

Philadelphia, Pennsylvania
February 21, 2005

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[CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM](#)

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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - 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: February 23, 2005

/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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - 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: February 23, 2005

/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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - 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: February 23, 2005

/s/ JOHN R. ALCHIN

Name: John R. Alchin
Co-Chief Financial Officer

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[CERTIFICATIONS](#)

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act

February 23, 2005

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

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[Certification Pursuant to Section 906 of the Sarbanes–Oxley Act](#)

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