

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, 2002

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
(formerly AT&T 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, 2002, the aggregate market value of the Class A Common Stock and Class A Special Common Stock held by non-affiliates of the Registrant was \$505 million and \$21.533 billion, respectively.

As of December 31, 2002, there were 1,355,373,648 shares of Class A Common Stock, 883,343,590 shares of Class A Special Common Stock and 9,444,375 shares of Class B Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III - The Registrant's definitive Proxy Statement for its Annual Meeting of Shareholders presently scheduled to be held in May 2003.

ORGANIZATION AND BUSINESS

Comcast Corporation was incorporated in December 2001 to effect the acquisition of AT&T Corp.'s broadband business, which was consummated on November 18, 2002.

The Company is involved in three principal lines of business: cable, commerce and content. The Company's cable business is principally involved in the

development, management and operation of broadband communications networks in the United States. The Company conducts its commerce business through its consolidated subsidiary, QVC, Inc. QVC, an electronic retailer, markets a wide variety of products directly to consumers primarily on merchandise-focused television programs. The Company's content business is provided through the Company's consolidated programming investments, including Comcast Spectacor, E! Entertainment Television, The Golf Channel, Outdoor Life Network and G4, and through other programming investments.

To simplify the Company's capital structure, effective with the acquisition of Broadband, the Company and four of its cable holding company subsidiaries fully and unconditionally guaranteed each other's debt securities and other indebtedness for borrowed money. Comcast Holdings is not a guarantor, and none of its debt is guaranteed.

The following chart illustrates the Company's organizational structure on a simplified basis and does not reflect all of the Company's subsidiaries. Substantially all of the Company's operations are conducted at lower-tier subsidiaries.

[GRAPHIC OMITTED]

- (1) Part of guarantor group.
- (2) Comcast MO of Delaware, Inc. (formerly, MediaOne of Delaware, Inc. and Continental Cablevision, Inc.) is an indirect subsidiary of Comcast MO Group, Inc. and was not originally part of the guarantor group. On March 12, 2003, we announced the successful completion of a bondholder consent solicitation related to \$1.7 billion aggregate principal amount of its debt securities to permit it to become part of the cross-guarantee structure.

In the diagram above and throughout this Annual Report, we refer to Comcast Corporation (formerly AT&T Comcast Corporation) as "Comcast"; Comcast and its consolidated subsidiaries as the "Company", "we", "us" and "our"; Comcast Holdings Corporation (formerly Comcast Corporation and our predecessor) as "Comcast Holdings"; Comcast Cable Communications Holdings, Inc. (formerly AT&T Broadband Corp.) as "Comcast Cable Communications Holdings" or "Broadband"; Comcast Cable Communications, Inc. as "Comcast Cable"; Comcast MO Group, Inc. (formerly MediaOne Group, Inc.) as "Comcast MO Group"; Comcast Cable Holdings, LLC (formerly AT&T Broadband, LLC and Tele-Communications, Inc.) as "Comcast Cable Holdings"; and Comcast MO of Delaware, Inc. (formerly, MediaOne of Delaware, Inc. and Continental Cablevision, Inc.) as "Comcast MO of Delaware."

COMCAST CORPORATION
2002 FORM 10-K ANNUAL REPORT
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This Annual Report on Form 10-K is for the year ended December 31, 2002. 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.

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

Factors Affecting Future Operations

We were incorporated in December 2001 under the name AT&T Comcast Corporation to effect the acquisition of AT&T Corp.'s broadband business, which we refer to as "Broadband." The acquisition, which we refer to as the "Broadband acquisition," was consummated on November 18, 2002. On November 18, 2002, we changed our name from AT&T Comcast Corporation to Comcast Corporation. For purposes of this Annual Report, we treat Comcast Holdings Corporation (formerly Comcast Corporation and now a wholly owned subsidiary) as our predecessor and as the accounting acquiror of Broadband. In this Annual Report, we refer to cable operations owned prior to the Broadband acquisition as "historical", and those we acquired in the Broadband acquisition as "newly acquired."

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

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

- o we may not successfully integrate Broadband or the integration may be more difficult, time-consuming or costly than we expect,
- o we may not realize the combination benefits we expect from the Broadband acquisition or these benefits may take longer to achieve, and
- o we may incur greater-than-expected operating costs, financing costs, subscriber loss and business disruption, including, without limitation, difficulties in maintaining relationships with employees, subscribers, suppliers or franchising authorities, following the Broadband acquisition.

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

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

As more fully described elsewhere in this Annual Report, the Broadband acquisition substantially increased the size of our cable operations and caused significant changes in our capital structure. As a result, direct comparisons of our results of operations and financial condition for periods prior to November 18, 2002 to subsequent periods are not meaningful.

PART I

ITEM 1 BUSINESS

We are a Pennsylvania corporation and were incorporated in December 2001 under the name AT&T Comcast Corporation to effect the Broadband acquisition, which was consummated on November 18, 2002.

We are involved in three principal lines of business:

- o Cable-through the development, management and operation of broadband communications networks, including video, high-speed Internet and phone service,
- o Commerce-through QVC, our electronic retail- ing subsidiary, and
- o Content-through our consolidated programming investments, including Comcast Spectacor, Comcast SportsNet, Comcast SportsNet Mid-Atlantic, Cable Sports Southeast, E! Entertainment Television, Style, The Golf Channel, Outdoor Life Network, G4, and through our other programming investments.

As a result of the Broadband acquisition, we are the largest cable operator in the United States. We have deployed digital cable and high-speed Internet service to the substantial majority of our cable systems. As of December 31, 2002, our consolidated cable operations served 21.3 million subscribers in 41 states, passed 39.1 million homes, and provided digital cable to more than 6.6 million subscribers, high-speed Internet to more than 3.6 million subscribers and phone service to more than 1.4 million subscribers. The Broadband acquisition contributed approximately 60% of these subscribers, 64% of these homes passed, 66% of the digital cable subscribers, 58% of the high-speed Internet subscribers and 97% of the phone subscribers. We expect to make substantial capital expenditures over the next two years to complete the upgrade and rebuild of the newly acquired cable systems.

Through QVC, we market a wide variety of products directly to consumers primarily on merchandise-focused

television programs. As of December 31, 2002, QVC was available, on a full and part-time basis, to 85.9 million homes in the United States, 11.4 million homes in the United Kingdom, 25.8 million homes in Germany and 8.4 million homes in Japan.

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

FINANCIAL INFORMATION ABOUT BUSINESS SEGMENTS

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

GENERAL DEVELOPMENTS OF OUR BUSINESS

Broadband Acquisition

On November 18, 2002, we consummated the Broadband acquisition. The consideration to complete the Broadband acquisition was \$50.780 billion, consisting of 1.348 billion shares of our common stock and options valued at \$25.495 billion, assumed Broadband debt of \$24.860 billion and \$425 million of transaction costs directly related to the Broadband acquisition. Refer to Note 5 to our consolidated financial statements included in Item 8 for more information about the Broadband acquisition.

TWE Restructuring

As a result of the Broadband acquisition, we now own AT&T's 27.6% interest in Time Warner Entertainment Company L.P., or TWE. In August 2002, we and AT&T reached agreement with AOL Time Warner, Inc. to restructure the TWE partnership. Upon closing of the restructuring agreement, we will receive \$1.5 billion in common stock of AOL Time Warner, valued at the time of closing, and an approximate 21% equity interest in a new cable company, expected to be named Time Warner Cable, Inc., or TWC, serving 10.8 million subscribers. We also will receive \$2.1 billion in cash. We will receive certain priority demand and other registration rights with respect to the AOL Time Warner and TWC shares that should facilitate their disposition or monetization. The closing of the TWE restructuring is expected to occur by the end of the second quarter of 2003, and is subject to customary closing conditions.

TWC will be formed from TWE's existing cable properties and additional cable properties to be contributed by AOL Time Warner. AOL Time Warner will assume complete ownership of TWE's major content assets, which include Home Box Office (HBO), Warner Bros. and stakes in The WB Network, Comedy Central and Court TV. Pursuant to the order of the Federal Communications Commission, or FCC, we have placed our entire interest in TWE in trust. Any non-cash consideration received by us with respect to our interest in TWE as a result of the TWE restructuring, including the AOL Time Warner and TWC common stock, will also be placed in this trust. We will account for our investment in TWE (or any successor securities) under the cost method as we will not have the ability to exercise significant influence over the operating and financial policies of TWE, AOL Time Warner or TWC.

Under the trust, the trustee will have exclusive authority to exercise any management or governance rights associated with the securities in trust. The trustee will also have the obligation, subject to our rights as described in the last sentence of this paragraph, to exercise available registration rights to effect the sale of such securities 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 them as quickly as possible, and in any event by May 2008. The trustee is also obligated, through November 2007, to effect certain specified types of sale or monetization transactions with respect to the securities as may be proposed by us from time to time.

As a condition of the closing of the TWE restructuring, we will enter into a three-year non-exclusive agreement with AOL Time Warner under which the AOL High-Speed Broadband service would be made available on a portion of our cable systems passing about 10 million homes.

Bresnan Transaction

In February 2003, we announced that we had entered into a definitive agreement with Bresnan Broadband Holdings, LLC and Bresnan Communications, LLC for us to transfer to Bresnan cable systems serving approximately 317,000 subscribers in Montana, Wyoming, Colorado and Utah that we had acquired in connection with the Broadband acquisition. We will

receive approximately \$525 million in cash, plus preferred and common equity interests in Bresnan Broadband Holdings, in exchange for these cable systems. The assets for these cable systems are reported as assets held for sale in our consolidated balance sheet at December 31, 2002 and the results of operations for the period from November 19, 2002 through December 31, 2002 for these cable systems are presented as discontinued operations in our consolidated statement of operations. We have not included these cable systems in our cable operating statistics. We expect this transaction to close by March 31, 2003, subject to customary closing conditions.

Charter Put

In connection with the Broadband acquisition, we acquired an indirect interest in 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 for approximately \$725 million in cash. The parties agreed to delay the settlement of the purchase until April 14, 2003 while they negotiated alternatives to the purchase. We currently believe that Mr. Allen or his designee will purchase our indirect interest as described above.

The Cross-Guarantee Structure

To simplify our capital structure, effective with the acquisition of Broadband, we and four of our cable holding company subsidiaries fully and unconditionally guaranteed each other's debt securities and other indebtedness for borrowed money. Comcast Holdings is not a guarantor, and none of its debt is guaranteed. As of December 31, 2002, \$24.729 billion of our and our subsidiaries' debt securities were entitled to the benefits of the cross-guarantee structure. Comcast MO of Delaware, Inc. (formerly, MediaOne of Delaware, Inc. and Continental Cablevision, Inc.) was not originally part of the cross-guarantee structure. On March 12, 2003, we announced the successful completion of a bondholder consent solicitation related to Comcast MO of Delaware's \$1.7 billion aggregate principal amount in debt securities to permit it to become part of the cross-guarantee structure.

DESCRIPTION OF OUR BUSINESSES

We are involved in three principal lines of business: Cable, Commerce and Content. The following section describes each of these lines of business.

Cable

We currently are the largest cable operator in the United States. As of December 31, 2002, our consolidated cable operations served 21.3 million subscribers in 41 states, passed 39.1 million homes, and provided digital cable to more than 6.6 million subscribers, high-speed Internet to more than 3.6 million subscribers and phone service to more than 1.4 million subscribers.

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

	2002(1)						
	Total	Newly Acquired	Historical	2001(2)	2000(2)	1999(2)	1998
Cable							
Homes Passed (3).....	39,150	24,961	14,189	13,929	12,679	9,522	7,382
Subscribers (4).....	21,305	12,766	8,539	8,471	7,607	5,720	4,511
Penetration.....	54.4 %	51.1 %	60.2%	60.8%	60.0%	60.1%	61.1%
Digital Cable							
"Digital Ready" Subscribers (5).....	21,305	12,766	8,539	8,375	7,258	4,637	1,570
Subscribers (6).....	6,620	4,374	2,246	1,741	1,207	454	72
Penetration.....	31.1 %	34.3 %	26.3%	20.8%	16.6%	9.8%	4.6%
High-Speed Internet							
"Available" Homes (7).....	30,072	17,461	12,611	10,400	6,360	3,259	1,804
Subscribers.....	3,620	2,094	1,526	948	400	142	51
Penetration.....	12.0 %	12.0 %	12.1%	9.1%	6.3%	4.4%	2.8%
Phone (8)							
"Available" Homes (7).....	8,712	8,438	274				
Subscribers.....	1,438	1,398	40				
Penetration.....	16.5 %	16.6 %	14.4%				

- (1) On November 18, 2002, we consummated the Broadband acquisition. For information as of December 31, 2002, we provide data with respect to cable systems attributable to Comcast Holdings Corporation (formerly Comcast Corporation and now our wholly owned subsidiary) under the heading "Historical" and data with respect to cable systems attributable to Broadband under the heading "Newly Acquired." 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 the cable systems held for sale to Bresnan.
- (2) In April 1999, we acquired a controlling interest in Jones Intercable, Inc. In January 2000, we acquired Lenfest Communications, Inc. and began consolidating the results of Comcast Cablevision of Garden State, L.P. In August 2000, we acquired Prime Communications LLC. On December 31, 2000 and January 1, 2001, we completed our cable systems exchanges with AT&T and Adelphia Communications, respectively. In April and June 2001, we acquired cable systems serving an aggregate of approximately 697,000 subscribers from AT&T. The subscriber information as of December 31, 2000 excludes the effects of our exchange with AT&T.
- (3) A home is "passed" if we can connect it to our distribution system without further extending the transmission lines. As described in Note 4 below, in the case of certain multiple dwelling units, or MDUs, homes "passed" are counted on an adjusted basis.
- (4) Generally, a dwelling or commercial unit with one or more television sets connected to a system counts as one cable subscriber. In the case of certain MDUs, we count cable subscribers on an FCC equivalent basis.
- (5) A subscriber is "digital ready" if the subscriber is in a market where we have launched our digital cable service.
- (6) A dwelling with one or more digital converter boxes counts as one digital cable subscriber. On average, as of December 31, 2002, each digital cable subscriber had 1.4 digital set-top boxes.
- (7) A home is "available" if we can connect it to our distribution system without further upgrading the transmission lines and 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 traditional analog video, digital cable, high-speed Internet and phone service. Available service offerings depend on the bandwidth capacity of the cable system. The greater the bandwidth, the greater the information carrying capacity of the system. Prior to the Broadband acquisition, 86% of our cable subscribers were served by a system with a capacity of at least 750-MHz and 95% with a capacity of at least 550-MHz and capable of handling two-way communications. As of December 31, 2002, approximately 82% of our cable subscribers were served by a system with a capacity of at least 550-MHz and capable of handling two-way communications. We expect to make substantial capital expenditures over the next two years to complete the rebuild and upgrade of the newly acquired cable

systems. By deploying fiber optic cable and upgrading the technical quality of our cable networks, we can increase

the reliability and capacity of our systems and we can deliver additional video programming and other services such as enhanced digital video, high-speed Internet and phone.

Traditional Analog Video Services

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

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

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

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

Premium services. Our premium services generally offer, without commercial interruption, feature motion pictures, live and taped sporting events, concerts and other special features. The charge for premium services depends upon the type and number of premium channels selected by the subscriber.

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 Services

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

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

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

- o an interactive program guide,
- o multiple channels of digital music,
- o basic and expanded basic programming,
- o "multiplexes" of premium channels which are varied as to time of broadcast or programming content theme,
- o additional pay-per-view programming, such as more pay-per-view options and/or frequent showings of the most popular films,
- o video-on-demand service, commonly known as VOD, including popular television programs at no additional charge, and
- o high-definition television.

We have and will continue to upgrade our cable systems so that we are able to provide these and other new services such as interactive television to our subscribers.

High-Speed Internet Services

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

Phone Services

In some of the areas where cable plant has been upgraded, we use our cable network to provide local telephone services and to resell third-party long distance services to our phone subscribers. We currently offer phone services to subscribers in 15 markets.

Advertising Sales

We generate revenues from the sale of advertising time to local, regional and national advertisers on non-broadcast channels we carry over our cable systems.

Other Revenue Sources

We also generate revenues from installation services, commissions from third-party electronic retailing and from other services.

Sales and Marketing

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

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

Programming

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

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

We attempt to secure long-term programming contracts with volume discounts and/or marketing support and incentives from programming suppliers. Our programming contracts are generally for a fixed period of time and are subject to negotiated renewal. We 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 expect this increase to continue, and we may not be able to pass programming cost increases on to our subscribers. The inability to pass these programming cost increases on to our subscribers would have a material 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 tiers, we may face increased programming costs.

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

Customer Service

We have organized most of our cable systems into geographic clusters. Clustering improves our ability to sell advertising, enhances our ability to efficiently introduce and market new products, and allows us to more efficiently and effectively provide customer service and support. As part of our clustering strategy, we have consolidated our local customer service operations of our historical operations into large regional call centers. These regional call centers have technologically advanced telephone systems that provide 24-hour per day, 7-day per week call answering capability, telemarketing and other services. In 2003, we anticipate opening new call centers and expanding certain of our existing call centers to provide customer service and support to the newly acquired cable systems.

Competition

Analog Video and Digital Cable Services

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

- o 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,

- o local television broadcast stations that provide off-air programming which can be received using an antenna and a television set,
- o satellite master antenna television systems, commonly known as SMATVs, which generally

serve condominiums, apartment and office complexes and residential developments,

- o other operators who build and operate wireline communications systems in the same communities that we serve, including those operating as franchised cable operations or under an alternative regulatory scheme known as Open Video Systems, or OVS,
- o interactive online computer services, including Internet distribution of movies,
- o newspapers, magazines and book stores,
- o movie theaters,
- o live concerts and sporting events, and
- o video stores and home video products.

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

DBS Systems. According to recent government and industry reports, conventional, medium and high-power satellites currently provide video programming to over 20 million customers in the United States. DBS providers with high-power satellites typically offer to their subscribers more than 300 channels of programming, including programming services substantially similar to those provided by our cable systems. 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 the installation of a small roof top or side-mounted antenna. DBS systems use video compression technology to increase channel capacity and digital technology to improve the quality and quantity of the signals transmitted to their subscribers. Our digital cable service is competitive with the programming, channel capacity and the digital quality of signals delivered to subscribers by DBS systems.

Federal legislation establishes, among other things, a permanent compulsory copyright license that permits satellite carriers to retransmit local broadcast television signals to subscribers who reside in the local television station's market. These companies are transmitting local broadcast signals in most markets which we serve. As a result, satellite carriers are competitive to cable system operators like us because they offer programming which closely resembles what we offer. These satellite carriers are attempting to expand their service offerings to include, among other things, high-speed Internet service.

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

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

Local telephone companies. Federal law allows local telephone companies to provide, directly to subscribers, a wide variety of services that are competitive with our cable services, including video and Internet services within and outside their telephone service areas. Telephone companies and other businesses construct and operate communications facilities that provide access to the Internet and distribute interactive computer-based services, data and other non-video services to homes and businesses.

High-Speed Internet Services

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

- o existing ISPs,
- o local telephone companies, and
- o long distance telephone companies.

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

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

Phone Services

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

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

Commerce

QVC is a domestic and international electronic media general merchandise retailer which produces and distributes merchandise-focused television programs, via satellite, to affiliated video program distributors for retransmission to subscribers. At QVC, program hosts and guests describe and demonstrate the products and viewers place orders directly with QVC. As of December 31, 2002, QVC was available, on a full and part-time basis, to 85.9 million homes in the United States, 11.4 million homes in the United Kingdom ("UK"), 25.8 million homes in Germany and 8.4 million homes in Japan. We estimate that 13.3 million homes in Germany have programmed their television sets to receive this service. We own approximately 57% of QVC.

On March 3, 2003, we announced that Liberty Media Corporation delivered a notice to us, pursuant to the stockholders agreement between us and Liberty, that triggers an exit rights process with respect to Liberty's approximate 42% interest in QVC. We and Liberty will attempt to negotiate the fair market value of QVC prior to March 31, 2003. If we and Liberty cannot agree, an appraisal process will determine the value of QVC. We will then have the right to purchase Liberty's interest in QVC at the determined value. We may pay Liberty for the QVC stock in cash, in a promissory note maturing not more than three years after issuance, in our equity securities or in a combination of these, subject to Liberty's right to request payment in all equity securities and the parties' obligation to use reasonable efforts to consummate the purchase in the most tax efficient method available (provided that we are not required to issue securities representing more than 4.9% of the outstanding equity or vote of our common stock). If we elect not to purchase Liberty's interest in QVC, Liberty then will have a similar right to purchase our approximate 57% interest in QVC. If neither we nor Liberty elect to purchase the interest of the other, then we and Liberty are required to use our best efforts to sell QVC; either company is permitted to be a purchaser in any such sale. We and Liberty may agree not to enter into a transaction, or may agree to a transaction other than that specified in the

stockholders agreement. Under the current terms of the stockholders agreement between us and Liberty, we would no longer control QVC if we elect not to purchase Liberty's interest in QVC.

Revenue Sources

QVC sells a variety of consumer products and accessories including jewelry, housewares, electronics, apparel and accessories, collectibles, toys and cosmetics. QVC purchases, or obtains on consignment, products from domestic and foreign manufacturers and wholesalers, often on favorable terms based on the volume of the transactions. QVC intends to continue introducing new products and product lines. QVC does not depend upon any one particular supplier for any significant portion of its inventory. QVC's business is seasonal, with the highest amount of net sales occurring in the fourth quarter.

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

Distribution Channels

In the United States, QVC is transmitted live 24 hours a day, 7 days a week, to 65.5 million cable television homes. An additional 0.4 million cable television homes receive QVC on a less than full time basis and 20.0 million home satellite dish users receive QVC programming. The QVC program schedule consists of one-hour and multi-hour program segments. Each program theme is devoted to a particular category of product or lifestyle. From time to time, special program segments are devoted to merchandise associated with a particular celebrity, event, geographical region or seasonal interest.

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

QVC Transmission

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

Program Distributors

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

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

Competition

QVC operates in a highly competitive environment. As a general merchandise retailer, QVC competes for

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

Content

We have made investments in cable television networks and other programming-related enterprises as a means of generating additional revenues and subscriber interest. Our consolidated programming investments as of December 31, 2002 include:

Investment	Economic Ownership Percentage	Description
Comcast Spectacor	66.3%	Live sporting events, concerts and other events
Comcast SportsNet	78.3	Regional sports programming and events
Comcast SportsNet Mid-Atlantic	100.0	Regional sports programming and events
Cable Sports Southeast	62.2	Regional sports programming and events
E! Entertainment	50.1	Entertainment-related news and original programming
Style	50.1	Lifestyle-related programming
The Golf Channel	91.3	Golf-related programming
Outdoor Life Network	100.0	Outdoor sports and leisure programming
CN8-The Comcast Network	100.0	Regional and local programming
G4	93.6	Programming focused on video and computer games

Consolidated Programming Investments

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

We and the minority owner group in Comcast Spectacor each have the right to initiate an "exit" process under which the fair market value of Comcast Spectacor would be determined by appraisal. Following such determination, we would have the option to acquire the interests in Comcast Spectacor owned by the minority owner group based on the appraised fair market value. If 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.

Comcast SportsNet. Comcast SportsNet, or CSN, is our 24-hour terrestrially-delivered network which provides sports-related programming, including the Philadelphia Flyers NHL hockey team, the Philadelphia 76ers NBA basketball team and the Philadelphia Phillies MLB baseball team to approximately 2.9 million subscribers in the Philadelphia region. The exit process described in the previous paragraph includes the minority owner group's interest in CSN.

Comcast SportsNet Mid-Atlantic. Comcast SportsNet Mid-Atlantic, or CSN Mid-Atlantic, is our 24-hour satellite-delivered network which provides sports-related programming, including the Baltimore Orioles MLB baseball team, the Washington Wizards NBA basketball team and the Washington Capitals NHL hockey team. CSN Mid-Atlantic serves approximately 4.3 million subscribers primarily in Delaware, Maryland, Pennsylvania, Virginia, Washington, D.C. and West Virginia.

Cable Sports Southeast. Cable Sports Southeast, or CSS, is a satellite-delivered network which provides sports-related programming and sports news geared toward college athletics to approximately 3.9 million subscribers primarily in Alabama, Arkansas, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina and Tennessee.

E! Entertainment. E! Entertainment is our 24-hour network with programming dedicated to the world of entertainment. Programming formats include behind-the-

scenes specials, original movies and series, news, talk shows and comprehensive coverage of entertainment industry awards shows and film festivals worldwide. The network has distribution to approximately 71 million subscribers in the United States.

We hold the majority of our interest in E! Entertainment through Comcast Entertainment Holdings, LLC, which is owned 50.1% by us and 49.9% by The Walt Disney Company. Under a limited liability company agreement between Disney and us, we control E! Entertainment's operations. As a result of the Broadband acquisition and in certain other circumstances, under the agreement Disney is entitled to trigger a potential exit process in which Entertainment Holdings would have the right to purchase Disney's entire interest in Entertainment Holdings at its then fair market value (as determined by an appraisal process). If Disney exercises this right within a specified time period, and Entertainment Holdings elects not to purchase Disney's interest, Disney then has the right to purchase, at appraised fair market value, either our entire interest in Entertainment Holdings or all of the shares of stock of 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.

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

The Golf Channel. The Golf Channel is our 24-hour network devoted exclusively to golf programming with distribution to approximately 47 million subscribers in the United States. The programming schedule includes live tournaments, golf instruction programs and golf news.

Outdoor Life Network. Outdoor Life Network is our 24-hour network devoted exclusively to outdoor adventure sports and outdoor leisure recreation with distribution to approximately 43 million subscribers in the United States. Its programming features the premiere events and series in a wide range of outdoor activities including biking, sailing, skiing, snowboarding, professional bullriding and fishing.

CN8-The Comcast Network. CN8-The Comcast Network is our regional programming network delivered to approximately 6 million cable subscribers in Maryland, Delaware, Pennsylvania, New Jersey, Connecticut, Massachusetts and New Hampshire. CN8 provides exclusive original programs, including news, talk, high school, college and professional sports, cooking, music, comedy and other family-oriented entertainment.

G4. G4 is our 24-hour network dedicated to the world of video games. Targeted to young viewers 12-34, G4 is committed to creating a lifestyle brand that is the source of entertainment, news and information about electronic games, including video, computer, online and wireless platforms. We launched G4 in April 2002. G4 has distribution to approximately 9 million subscribers.

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

LEGISLATION AND REGULATION

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

The most significant federal law affecting our cable businesses 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 businesses.

We believe we are currently in substantial

compliance with all applicable statutory and regulatory requirements imposed by, or under, the Communications Act, but caution that the precise requirements of the law are not always clear. Moreover, many laws and regulations can be interpreted in after-the-fact enforcement proceedings or private party litigation in a manner that is inconsistent with the judgments we have made. We also note that regulators at all levels of government frequently consider changing, and sometimes do change, existing rules or interpretations of existing rules, or prescribe new ones. Judicial decisions often alter the regulatory framework in ways that are inconsistent with regulator, business and investor expectations. In addition, our cable business can be significantly affected by the enactment of new legislation. Owing in part to the "public interest" ramifications traditionally associated with ownership of electronic media, Congress seriously considers the enactment of new legislative requirements virtually every year. Even though new laws infrequently result, we always face the risk that Congress will approve legislation significantly affecting the cable industry.

A major objective of Congress and the FCC is to increase competition in all communications services, including those central to our business. For example, over the last ten years, Congress removed barriers to local telephone companies offering video services in their local service areas, and the FCC has authorized MVDDS, a new wireless service for providing multichannel video programming, and may soon consider a proposal that could allow utility power lines to be used to provide video and high-speed Internet services. Our cable business could be affected by any new competitors that enter the video marketplace as a result of these and similar efforts by Congress or the FCC. In particular, we could be materially disadvantaged if we are subject to new regulations that do not equally affect our satellite, wireline and wireless competitors.

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

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

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

Pricing. The Communications Act and the FCC's regulations and policies limit the prices that cable systems may charge for basic services and equipment in communities that are not subject to effective competition, as defined by federal law. Failure to comply with these rate rules could result in rate reductions and refunds for subscribers. In addition, various advocacy groups are urging Congress to impose new rate regulations on the cable industry. We cannot now predict whether or when Congress may agree to these or similar proposals. Also, various competitors are trying to persuade the FCC and the Justice Department to limit our ability to respond to increased competition by offering promotions or other discounts in an effort to retain existing subscribers or regain those we have lost. We believe our competitive pricing practices are lawful and pro-competitive. If we cannot make individualized offers to subscribers that 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 cable Internet service was introduced, some local governments and various competitors 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. Nonetheless, the FCC's decision remains subject to judicial review - a decision by a federal appellate court is expected later this year. In addition, the FCC itself is still considering whether it should impose any regulatory requirements and also whether local franchising authorities should be permitted to impose fees or other requirements, such as service quality or customer service standards. A few franchising authorities have sued us seeking payment of franchise fees on high-speed Internet service revenues. Further, a number of software and content providers and electronic retailers are now urging the FCC to adopt certain "nondiscrimination principles" that purport to be intended to allow Internet customers access to the Internet content of their choosing (something we already provide). We cannot now predict whether these or similar regulations will be adopted and, if so, what effects, if any, they would have on our business.

Internet Regulation. Congress and federal regulators have adopted a wide range of measures affecting Internet use, including, for example, consumer privacy, copyright protection, defamation liability, taxation and obscenity, and state and local governmental organizations have adopted Internet-related regulations, as well. These various governmental jurisdictions are also considering additional regulations in these and other areas, such as service 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 Internet business.

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. Alternatively, local television stations may negotiate for "retransmission consent," that is, terms and conditions to govern our ability to transmit the TV broadcast signals that cable subscribers expect to receive. As broadcasters transition from analog to digital transmission technologies, the FCC is considering whether to require cable companies to simultaneously carry both analog and digital signals of a single broadcaster, and once digital carriage is required, whether cable companies may be required to carry multiple digital program streams that each broadcaster may transmit. If either of those questions is answered in the affirmative, 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. We cannot now predict whether the FCC will impose these or similar carriage obligations on us.

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

Consumer Electronics Equipment Compatibility. The FCC has launched a rulemaking to implement a recent 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 without the need for a set-top box. The FCC is considering adopting a number of proposed rules that would, among other things: direct cable operators to implement technical standards in their networks to support these digital television sets; require operators to provide a sufficient supply of conditional access devices to subscribers who want to receive scrambled programming services on their digital television sets; and require operators to support basic home recording rights and copy protection rules for digital programming content. Failure by the FCC to implement the agreement could adversely affect our relationships with consumer electronics retail outlets (where DBS has traditionally enjoyed an advantage) and slow the growth of subscribership to our digital cable service.

Phone Service. Our phone business is subject to federal, state and local regulation. In general, the Communications Act imposes interconnection requirements and universal service obligations on all telecommunications service providers, including those that provide traditional circuit-switched phone service over cable facilities, and more significant regulations on incumbent local exchange carriers, such as Verizon and

SBC. The FCC has initiated several rulemakings which, in the aggregate, could significantly change the rules that apply to telephone competition, including the relationship between wireless and wireline providers, long distance and local providers, and incumbents and new entrants, and it is unclear how those proceedings will affect our phone business. We are also conducting trials of Internet Protocol phone service on our cable network, and will begin a limited commercial offering in 2003. While the FCC and most state public utility commissions have thus far refrained from regulating Internet Protocol phone service, it is uncertain whether regulators will continue to follow that approach.

Franchise Matters. Cable operators generally operate their cable systems pursuant to non-exclusive franchises granted by a franchising authority or other state or local governmental entity. 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.

State Taxes. Some states are considering imposing new taxes, including sales taxes, on cable service. We cannot predict at this time whether such taxes will be enacted or what impact they might have on our business.

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

- o Cable/Broadcast Cross-Ownership: The FCC eliminated regulations precluding the cross-ownership of a national broadcasting network and a cable system and, pursuant to a federal court order, the FCC recently repealed its regulations prohibiting the common ownership of other broadcasting interests and cable systems in the same geographical areas.
- o Tier Buy Through: The Communications Act requires cable operators to allow subscribers to purchase premium or pay-per-view services without the necessity of subscribing to any tier of service, other than the basic service tier. The applicability of this rule in certain situations remains unclear, and adverse decisions by the FCC on this issue could affect our pricing and packaging of such services.
- o Leased Access/PEG: The Communications Act permits franchising authorities to require cable operators to set aside channels for public, educational and governmental access programming, and requires a cable system with 36 or more activated channels to designate a significant portion of its channel capacity for commercial leased access by third parties to provide programming that may compete with services offered by the cable operator. Neither Congress nor the FCC is considering changes to these requirements, but it is always possible that revisions could be made that would place further burdens on the channel capacity of our cable systems.
- o Obscenity: The Communications Act prohibits the transmission of obscene programming over cable systems. Some members of Congress and the FCC and some consumers have expressed concerns about the distribution of certain adult programming over cable systems.
- o Set-Top Box Regulation: Current FCC rules bar cable operators from leasing subscribers integrated digital set-top boxes effective January 1, 2005. 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.
- o MDU Access: The FCC has adopted rules to promote competitive entry into the MDU market. These rules are intended to make it easier for new multichannel video service providers to compete with established cable operators. Although the FCC has declined to prohibit exclusive MDU service agreements held by incumbent cable operators including us, that decision could be appealed and possibly changed.
- o Pole Attachments: The Communications Act requires that utilities provide cable systems with nondiscriminatory access to any pole, conduit or right-of-way controlled by the utility, and the FCC has adopted rules, upheld by the courts, that regulate the rates utilities may charge for such access. The utilities continue to litigate various aspects of the FCC's pole attachment rulemakings, and recent court decisions leave open the possibility that the FCC could alter the pole attachment rate levels paid by cable

operators that provide high-speed Internet and cable television offerings over those attachments, although the FCC has given no indication that it will do so. Adverse decisions in these proceedings could potentially increase our pole attachment costs.

- o Privacy Regulation: The Communications Act generally restricts the nonconsensual collection and disclosure of subscribers' personal information by cable operators. A strict interpretation of the Communications Act could severely limit the ability of service providers to collect and use personal information for commercial purposes. In addition, the Federal Trade Commission has adopted rules that will place sharp limits on the telemarketing practices of cable operators, and the FCC is considering adopting similar rules as well.
- o 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 on 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. In addition, we pay standard industry licensing fees to use music in the programs we provide to subscribers, including local advertising, local origination programming and pay-per-view events. These licensing fees have been the source of litigation between the cable industry and music performance rights organizations in the past, and we cannot predict with certainty whether license fee disputes may arise in the future.
- o Other Areas: The FCC actively regulates other aspects of our cable business, including, among other things: (1) the blackout of syndicated, network, and sports programming; (2) customer service standards; (3) advertising in children's programming; (4) political advertising; (5) origination cablecasting; (6) sponsorship identification; (7) closed captioning of video programming; (8) equal employment opportunity; (9) lottery programming; (10) emergency alert systems; and (11) technical standards relating to operation of the cable network. The FCC is not considering any significant revisions to these rules at this time, but we are unable to predict how these regulations might be changed in the future and how any such changes might affect our business.

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

EMPLOYEES

As of December 31, 2002, we had approximately 82,000 employees. Of these employees, approximately 60,000 were associated with cable, approximately 15,000 were associated with commerce and approximately 7,000 were associated with our other divisions. Approximately 4,000 of our employees are covered by collective bargaining agreements or have organized but are not covered by collective bargaining agreements. We believe that our relationships with our employees are good.

ITEM 2 PROPERTIES

Cable

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

Commerce

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

components of our commerce operations.

Content

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

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

ITEM 3 LEGAL PROCEEDINGS

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

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

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

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

Some of the entities formerly attributed to Broadband which are now our subsidiaries are parties to an affiliation term sheet with Starz Encore Group LLC, an affiliate of Liberty Media Corporation, which extends to 2022. The term sheet requires annual fixed price payments, subject to adjustment for various factors, including inflation. The term sheet also requires us to pay two-thirds of Starz Encore's programming costs above levels designated in the term sheet. Excess programming costs that may be

payable by us in future years are not presently estimable, and could be significant.

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

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

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

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

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

On May 10, 2002, Broadband filed a demand for arbitration against CSG before the American Arbitration Association asserting, among other things, the right to terminate the master agreement and seeking damages under the most favored nation provision or otherwise. On May 31, 2002, CSG answered Broadband's arbitration demand and asserted various counterclaims, including for (i) breach of the master agreement; (ii) a declaration that we are now bound by the master agreement to use CSG as our exclusive provider for certain billing and customer care services; (iii) tortious interference with prospective contractual relations; and (iv) civil conspiracy. A hearing in the arbitration is scheduled to commence on May 5, 2003.

On June 21, 2002, CSG filed a lawsuit against Comcast Holdings in federal court in Denver, Colorado asserting claims related to the master agreement and the pending arbitration. On November 4, 2002, CSG withdrew its complaint against Comcast Holdings without prejudice. On November 15, 2002, we initiated a lawsuit against CSG in federal court in Philadelphia, Pennsylvania asserting that cable systems owned by Comcast Holdings are not required to use CSG as a billing service or customer care provider pursuant to the master agreement, and that the former Broadband cable systems we now own may be added to a billing service agreement between us and CSG. CSG moved to dismiss

or stay the lawsuit on the ground that the issues raised by the complaint could be wholly or substantially determined by the above-mentioned arbitration. By Order dated February 10, 2003, the Court stayed the lawsuit until further notice.

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

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

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

ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 4A EXECUTIVE OFFICERS OF THE REGISTRANT

Except as explained below for our Chairman of the Board and our Chief Executive Officer, the current term of office of each of our officers expires at the first meeting of our Board of Directors following the next Annual Meeting of Shareholders, presently scheduled to be held in May 2003, or as soon thereafter as each of their successors is elected and qualified. The following table sets forth certain information concerning our executive officers, including their ages, positions and tenure as of December 31, 2002:

Name	Age	Officer Since	Position with Comcast
Ralph J. Roberts	82	1969	Chairman of the Executive and Finance Committee of the Board of Directors; Director
C. Michael Armstrong	64	2002	Chairman of the Board of Directors; Director
Brian L. Roberts	43	1986	President and Chief Executive Officer; Director
Julian A. Brodsky	69	1969	Vice Chairman; Director
John R. Alchin	54	1990	Co-Chief Financial Officer; Executive Vice President and Treasurer
Stephen B. Burke	44	1998	Executive Vice President
David L. Cohen	47	2002	Executive Vice President
Lawrence S. Smith	55	1988	Co-Chief Financial Officer; Executive Vice President
Arthur R. Block	48	1993	Senior Vice President; General Counsel; Secretary
Lawrence J. Salva	46	2000	Senior Vice President and Controller

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

C. Michael Armstrong has served as a director and as our Chairman of the Board of Directors since November 2002. Mr. Armstrong has notified us that as of May 7, 2003, the date of our 2003 annual shareholders meeting, he will exercise his election to become Non-Executive Chairman of the Board of Directors. Prior to November 2002, Mr. Armstrong served as Chairman and Chief Executive Officer of AT&T since 1997. Mr. Armstrong was formerly the Chairman and Chief Executive Officer of Hughes Electronics, a publicly traded tracking stock of General Motors Corporation. Mr. Armstrong is also a director of Citigroup Inc.

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

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

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

Stephen B. Burke has served as our Executive Vice President and President of Comcast Cable and Comcast Cable Communications Holdings since November 2002. Prior to November 2002, Mr. Burke served as an Executive Vice President of Comcast Holdings and President of Comcast Cable since January 2000. Mr. Burke joined Comcast Holdings in June 1998 as Senior Vice President and President of Comcast Cable. Prior to joining Comcast Holdings, Mr. Burke served with The Walt Disney Company as President of ABC Broadcasting from January 1996 to June 1998. Mr. Burke is also a director of Bank One Corporation.

David L. Cohen has served as our Executive Vice President since November 2002. Mr. Cohen joined

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

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

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

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

PART II

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

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

	Class A		Class A Special	
	High	Low	High	Low
2001				
First Quarter.....	\$45.25	\$38.06	\$45.88	\$38.69
Second Quarter.....	44.75	38.88	45.50	39.50
Third Quarter.....	42.70	32.79	43.30	32.51
Fourth Quarter.....	40.06	34.95	40.18	35.19
2002				
First Quarter.....	\$37.13	\$30.10	\$37.33	\$29.65
Second Quarter.....	33.67	23.35	32.15	22.33
Third Quarter.....	25.87	17.57	25.12	16.80
Fourth Quarter.....	26.78	17.40	26.24	16.93

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

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

As of December 31, 2002, there were 1,410,983 record holders of our Class A common stock, 4,981 record holders of our Class A Special common stock and three record holders of our Class B common stock.

ITEM 6 SELECTED FINANCIAL DATA

	2002(1)	Year Ended December 31, 2001(1)	2000(1)	1999	1998
(Dollars in millions, except per share data)					
Statement of Operations Data:					
Revenues.....	\$12,460	\$9,836	\$8,357	\$6,632	\$5,513
Operating income (loss).....	1,659	(746)	(161)	664	557
Income (loss) from continuing operations before cumulative effect of accounting change.....	(276)	224	2,021	730	1,003
Discontinued operations.....	2			336	(31)
Cumulative effect of accounting change.....		385			
Net income (loss).....	(274)	609	2,021	1,066	972
Basic earnings (loss) for common stockholders per common share (2)					
Income (loss) from continuing operations before cumulative effect of accounting change.....	(\$.25)	\$.24	\$2.24	\$.93	\$1.33
Discontinued operations.....				.45	(.04)
Cumulative effect of accounting change.....		.40			
Net income (loss).....	(\$.25)	\$.64	\$2.24	\$1.38	\$1.29
Diluted earnings (loss) for common stockholders per common share (2)					
Income (loss) from continuing operations before cumulative effect of accounting change.....	(\$.25)	\$.23	\$2.13	\$.89	\$1.24
Discontinued operations.....				.41	(.03)
Cumulative effect of accounting change.....		.40			
Net income (loss).....	(\$.25)	\$.63	\$2.13	\$1.30	\$1.21
Cash dividends declared per common share (2).....					\$.0467
Balance Sheet Data (at year end) (3):					
Total assets.....	\$113,105	\$38,261	\$35,874	\$28,823	\$14,711
Working capital.....	(8,307)	1,455	1,695	4,786	2,505
Long-term debt.....	27,957	11,742	10,517	8,707	5,464
Stockholders' equity.....	38,329	14,473	14,086	10,341	3,815
Supplementary Financial Data:					
Operating income before depreciation and amortization (4).....	\$3,691	\$2,670	\$2,458	\$1,880	\$1,496
Net cash provided by (used in) (5)					
Operating activities.....	2,995	1,577	1,189	1,249	1,068
Financing activities.....	(1,292)	1,495	(241)	1,341	809
Investing activities.....	(1,272)	(3,374)	(1,219)	(2,539)	(1,415)

(1) You should see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Item 7 of this Annual Report for a discussion of events which affect the comparability of the information reflected in this financial data.

(2) We have adjusted these for our two-for-one stock split in the form of a 100% stock dividend in May 1999.

(3) On November 18, 2002, we completed the acquisition of Broadband. Our estimates associated with the accounting for the Broadband acquisition have and will continue to change as final reports from valuation specialists are obtained and additional information becomes available regarding assets acquired and liabilities assumed. Since the publication of our 2002 year end earnings release, the ongoing valuation and allocation process has resulted in inconsequential changes to the balance sheet, primarily affecting non-amortizable intangible assets and related deferred tax liabilities. Changes in the amounts assigned to other acquisition related assets and liabilities may affect operating results, or gains or losses upon the disposition of assets acquired, in future periods.

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

(5) This represents net cash provided by (used in) operating activities, financing activities and investing activities as presented in our consolidated statement of cash flows which is included in Item 8 of this Annual Report.

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

Overview

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

In February 2003, we announced that we had entered into a definitive agreement with Bresnan Broadband Holdings, LLC and Bresnan Communications, LLC (together "Bresnan") pursuant to which we agreed to transfer to Bresnan cable systems serving approximately 317,000 subscribers in Montana, Wyoming, Colorado and Utah that we had acquired in connection with the Broadband acquisition. We reflect these systems as assets held for sale in our consolidated balance sheet and as discontinued operations in our consolidated statement of operations. Accordingly, we have excluded these systems' results in our discussions of liquidity and capital resources, statement of cash flows and results of operations for all periods presented.

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

General Developments of Business

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

Significant and Subjective Estimates

The following discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and 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 financial statements included in Item 8 for a discussion of our accounting policies with respect to these and other items.

Critical Accounting Judgments and Estimates

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

Impairment Testing and Valuation of Cable Franchise Rights

Our cable systems are constructed and operated under non-exclusive franchises granted by state or local governmental authorities for varying lengths of time. As of December 31, 2002, we served approximately 4,600 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."

We have acquired these franchise rights either directly from local franchise authorities or through many separate cable system acquisitions that include multiple franchise territories. Upon acquisition, we integrate the individual franchise territories into our national footprint. While our Cable Division is organized nationally into six geographic divisions, which are further organized into geographic clusters of cable systems, we operate our cable operations and their associated franchise rights as a single asset, essentially inseparable from one another.

We have concluded that the preponderance of indicators in Emerging Issues Task Force ("EITF") 02-7, "Unit of Accounting for Testing Impairment of Indefinite-Lived Intangible Assets," supports the testing of our cable franchise rights for impairment at the cable segment level, which is the same unit of accounting used by us to test cable-related goodwill for impairment.

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 a multiple of operating income before depreciation and amortization ("EBITDA") generated by the underlying assets. The EBITDA multiple used in our evaluation is determined based on our analyses of current market transactions, profitability information, including estimated future operating results, trends or other determinants of fair value. We also consider other valuation methods such as discounted cash flow analyses. 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 poor 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.

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

The carrying amount of cable franchise rights related to 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 the cable segment level reduces the likelihood of a future impairment charge related to our cable franchise rights.

Fair Value of Acquisition Related Assets, Liabilities and Legal Contingencies

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

Estimates used in valuing acquired assets and liabilities include but are not limited to: expected future cash flows; market rate assumptions for contractual obligations; actuarial assumptions for benefit plans; settlement plans for litigation and contingencies; and appropriate discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain. In addition, estimated liabilities to exit activities of the acquired operations, including the exiting of contractual obligations and the termination of employees, are subject to change as management continues its assessment of operations and finalizes its integration plans.

The assets and assumed liabilities related to the Broadband acquisition requiring significant judgment in estimating fair value include investments, cable franchise rights, franchise related customer relationships, assumed contractual and other obligations, and costs related to terminating certain of Broadband's contractual obligations and employees. In addition, we are party to certain Broadband legal contingencies, including those described in Item 3, Legal Proceedings. If, based on information available, a potential loss arising from these lawsuits, claims and actions was deemed probable and reasonably estimable, we recorded the estimated liability in the purchase price allocation. While management believes the recorded liabilities are adequate, additional information related to these cases is still being obtained. In addition, the inherent limitations in the estimation process may cause future actual losses to exceed expected losses.

Our estimates associated with the accounting for the Broadband acquisition have and will continue to change as final reports from valuation specialists are obtained and additional information becomes available regarding

assets acquired and liabilities assumed. Since the publication of our 2002 year end earnings release, the ongoing valuation and allocation process has resulted in inconsequential changes to the balance sheet, primarily affecting non-amortizable intangible assets and related deferred tax liabilities. Changes in the amounts assigned to other acquisition related assets and liabilities may affect operating results, or gains or losses upon the disposition of assets acquired, in future periods.

Liquidity and Capital Resources

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

In order to preserve the treatment of the Broadband acquisition as tax-free, our ability to redeem stock or issue equity securities will be limited through December 2004. As of December 31, 2002, we had the ability to issue at least 250 million shares of our common stock without affecting the tax treatment of the Broadband acquisition.

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

Available sources of financing to fund these requirements include:

- o our existing cash and cash equivalents, which totaled \$781 million as of December 31, 2002,
- o amounts available under our and our subsidiaries' lines of credit, which totaled \$5.949 billion as of December 31, 2002,
- o proceeds of approximately \$525 million from the sale of cable systems to Bresnan Broadband Holdings, LLC and Bresnan Communications, LLC, a transaction we expect will close by the end of the first quarter of 2003,
- o proceeds of approximately \$725 million from the sale of our interest in a cable joint venture with Charter Communications, Inc., a transaction we expect to close in April 2003, and
- o through the sales or restructurings of our other investments, including \$2.1 billion of cash due upon the restructuring of Time Warner Entertainment L.P. ("TWE").

In addition, as more fully described in Note 5 to our financial statements included in Item 8 (see TWE Restructuring), upon closing of the TWE restructuring agreement, we will receive \$1.5 billion in common stock of AOL Time Warner and an approximate 21% equity interest in Time Warner Cable, Inc.

Refer to the Contractual Obligations table on page 29 and to Note 13 to our financial statements included in Item 8 for a discussion of our commitments and contingencies.

Cash and Cash Equivalents

We have traditionally maintained significant levels of cash and cash equivalents to meet our short-term liquidity requirements. Our cash equivalents are recorded at fair value. Cash and cash equivalents as of December 31, 2002 were \$781 million, substantially all of which is unrestricted.

Investments

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

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

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

Capital Expenditures

During 2003, we expect to incur approximately \$4.2 billion of capital expenditures in our cable, commerce and content businesses, including approximately \$4 billion for our cable operations.

We anticipate capital expenditures for years subsequent to 2003 will continue to be significant. As of December 31, 2002, we do not have any significant contractual obligations for capital expenditures.

Cable

We expect our 2003 cable capital expenditures will include approximately \$1.3 billion for the upgrading and rebuilding of certain of our cable systems, approximately

\$1.8 billion for the deployment of cable modems, digital converters and new service offerings, and approximately \$0.9 billion for recurring capital projects.

We expect to substantially complete the upgrade and rebuild of the newly acquired systems by the end of 2004 for a total cost of \$2.2 billion to \$2.5 billion. The amount of our capital expenditures for years subsequent to 2003 will depend on numerous factors, some of which are beyond our control including:

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

Commerce

During 2003, we expect to incur approximately \$125 million of capital expenditures for QVC, primarily to maintain QVC's distribution facilities and information systems. Capital expenditures in QVC's international operations represent nearly 40% of QVC's total capital expenditures.

On March 3, 2003, we announced that Liberty Media Corporation delivered a notice to us, pursuant to the stockholders agreement between us and Liberty, that triggers an exit rights process with respect to Liberty's approximate 42% interest in QVC. We and Liberty will attempt to negotiate the fair market value of QVC prior to March 31, 2003. If we and Liberty cannot agree, an appraisal process will determine the value of QVC. We will then have the right to purchase Liberty's interest in QVC at the determined value. We may pay Liberty for the QVC stock in cash, in a promissory note maturing not more than three years after issuance, in our equity securities or in a combination of these, subject to Liberty's right to request payment in all equity securities and the parties' obligation to use reasonable efforts to consummate the purchase in the most tax efficient method available (provided that we are not required to issue securities representing more than 4.9% of the outstanding equity or vote of our common stock). If we elect not to purchase Liberty's interest in QVC, Liberty then will have a similar right to purchase our approximate 57% interest in QVC. If neither we nor Liberty elect to purchase the interest of the other, then we and Liberty are required to use our best efforts to sell QVC; either company is permitted to be a purchaser in any such sale. We and Liberty may agree not to enter into a transaction, or may agree to a transaction other than that specified in the stockholders agreement. Under the current terms of the stockholders agreement between us and Liberty, we would no longer control QVC if we elect not to purchase Liberty's interest in QVC.

Affiliation Agreements

Certain of our content subsidiaries and QVC enter into multi-year affiliation agreements with various cable and satellite system operators for carriage of their respective programming. In connection with these affiliation agreements, we generally pay a fee to the cable or satellite operator based upon the number of subscribers. During 2003, we expect to incur \$150 million to \$200 million related to these affiliation agreements, excluding amounts applicable to our cable systems.

Financing

As of December 31, 2002 and 2001, our debt, including capital lease obligations, was \$34.910 billion and \$12.202 billion, respectively. The \$22.708 billion increase from December 31, 2001 to December 31, 2002 results from the effects of the Broadband acquisition, offset by the effects of net debt repayments. Included in our debt as of December 31, 2002 was short-term debt and current portion of long-term debt of \$6.953 billion.

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

As a result of the Broadband acquisition, we assumed notes exchangeable into the common stock of Cablevision NY Group Class A common stock, Microsoft Corporation ("Microsoft") common stock, Vodafone ADRs, and Comcast Class A Special common stock (together, the "Exchangeable Notes"). At maturity the Exchangeable Notes are mandatorily redeemable at our option into (i) a number of shares of common stock or ADRs equal to the underlying shares multiplied by an exchange ratio (as defined), or (ii) its cash equivalent. The maturity value of the Exchangeable Notes varies based upon the fair market value of the security to which it is indexed. The Exchangeable Notes are collateralized by our investments in Cablevision, Microsoft and Vodafone, respectively, and our Class A Special common stock held in treasury.

As of December 31, 2002, our debt includes an aggregate of \$5.459 billion of Exchangeable Notes, including \$1.555 billion and \$3.904 billion within current portion of long-term debt and long-term debt, respectively. As of December 31, 2002, our investments include Cablevision, Microsoft and Vodafone securities with an aggregate fair value of \$4.420 billion, including \$1.993 billion and \$2.427 billion within short-term and

noncurrent investments, respectively. Upon closing of the Broadband acquisition, we classified the Comcast shares, which are held by a subsidiary of ours, as treasury stock within stockholders' equity. As of December 31, 2002, the securities held by us collateralizing the Exchangeable Notes were sufficient to satisfy the debt obligations associated with the outstanding Exchangeable Notes.

Excluding the effects of interest rate risk management instruments, 31.8% and 13.4% of our long-term debt, including short-term debt and current portion, as of December 31, 2002 and 2001, respectively, was at variable rates. The increase from December 31, 2001 to December 31, 2002 in the percentage of our variable rate debt was due principally to the effects of the Broadband acquisition.

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

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

Interest Rate Risk Management

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

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

The table set forth below summarizes the fair values and contract terms of financial instruments subject to interest rate risk maintained by us as of December 31, 2002 (dollars in millions):

	2003	2004	2005	2006	2007	Thereafter	Total	Fair Value at 12/31/02
Debt								
Fixed Rate.....	\$2,162	\$1,720	\$2,637	\$1,789	\$1,131	\$14,363	\$23,802	\$25,719
Average Interest Rate.....	7.1%	6.7%	7.2%	7.2%	8.2%	8.0%	7.7%	
Variable Rate.....	\$4,791	\$4,415	\$1,817	\$45	\$39	\$1	\$11,108	\$11,108
Average Interest Rate.....	2.4%	2.6%	2.8%	4.0%	3.0%	7.4%	2.6%	
Interest Rate Instruments								
Variable to Fixed Swaps.....	\$608	\$715	\$488				\$1,811	\$64
Average Pay Rate.....	7.3%	7.6%	7.6%				7.5%	
Average Receive Rate.....	1.4%	1.7%	2.2%				1.7%	
Fixed to Variable Swaps.....						\$300	\$300	\$41
Average Pay Rate.....						7.8%	7.8%	
Average Receive Rate.....						9.7%	9.7%	

The notional amounts of interest rate instruments, as presented in the table above, are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The estimated fair value approximates the proceeds to settle the outstanding contracts. We estimate interest rates on variable debt using the average implied forward London Interbank Offer Rate ("LIBOR") rates for the year of maturity based on the yield curve in effect at December 31, 2002, plus the borrowing margin in effect for each credit facility at

December 31, 2002. We estimate average receive rates on the Variable to Fixed Swaps using the average implied forward LIBOR rates for the year of maturity based on the yield curve in effect at December 31, 2002. While Swaps, Rate Locks, Caps and Collars represent an integral part of our interest rate risk management program, their incremental effect on interest expense for the years ended December 31, 2002, 2001 and 2000 was not significant.

Equity Price Risk Management

We have entered into cashless collar agreements (the "Equity Collars") and prepaid forward sales agreements ("Prepaid Forward Sales") which we account for at fair value. The Equity Collars and Prepaid Forward Sales limit our exposure to and benefits from price fluctuations in the common stock of certain of our investments accounted for as trading securities. Refer to Note 6 to our financial statements included in Item 8 for a discussion of our Prepaid Forward Sales.

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

Accumulated Other Comprehensive Income (Loss)

The change in accumulated other comprehensive income (loss) from December 31, 2001 to December 31, 2002 is principally attributable to unrealized losses on our Rate Locks classified as cash flow hedges entered into in 2002, to declines in unrealized gains on our investments classified as available for sale held throughout the period, and to realized losses on sales of investments and investment impairment losses on investments classified as available for sale during 2002. Refer to Notes 6 and 8 to our financial statements in Item 8.

Off-Balance Sheet Arrangements and Aggregate Contractual Obligations

In January 2003, the Securities and Exchange Commission ("SEC") issued final rules which require the disclosure of material off-balance sheet arrangements and known contractual obligations as of the most recent balance sheet date. The new rules are effective with our 2003 Annual Report. The disclosures below are based on the requirements of the new rules.

We do not have any 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, as defined under the new rules. Refer to Notes 8 and 13 to our financial statements included in Item 8 of this Annual Report for a description of our obligations related to guarantees, operating leases and other commitments.

We have summarized our known contractual obligations as of December 31, 2002, and the effect such obligations are expected to have on our liquidity and cash flow in future periods, in a tabular format prescribed by the new SEC rules. Refer to Note 8 to our financial statements included in Item 8 for a description of our long-term debt. Refer to Note 13 to our financial statements included in Item 8 for a description of our operating lease and purchase obligations. Refer to Note 5 to our financial statements included in Item 8 for a description of our acquisition related obligations.

Contractual Obligations

	Payments Due by Period				
	Total	Year 1	Years 2 - 3	Years 4 - 5	More than 5 years
	(dollars in millions)				
Debt obligations	\$34,678	\$6,936	\$10,474	\$2,923	\$14,345
Capital lease obligations	232	17	115	81	19
Operating lease obligations.....	1,120	248	354	220	298
Purchase obligations (1).....	1,373	230	392	258	493
Other long-term liabilities reflected on the balance sheet					
Acquisition related obligations (2).....	2,377	869	516	261	731
Other long-term obligations (3).....	935	294	334	69	238
Total.....	\$40,715	\$8,594	\$12,185	\$3,812	\$16,124

(1) 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 consist of the employment agreements that we, through Comcast Spectacor, have with both players and coaches of our professional sports teams and license agreements that our programming networks have entered into for programs and sporting events which will be available

for telecast subsequent to December 31, 2002. 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.

- (2) 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.
- (3) Other long-term obligations consist principally of our deferred compensation obligations, pension, post-retirement and post-employment benefit obligations, and program rights payable under license agreements.

Statement of Cash Flows

Cash and cash equivalents increased \$431 million as of December 31, 2002 from December 31, 2001. The increase in cash and cash equivalents resulted from cash flows from operating, financing and investing activities as explained below.

Net cash provided by operating activities from continuing operations amounted to \$2.995 billion for the year ended December 31, 2002, due principally to our operating income before depreciation and amortization (see "Results of Operations"), offset by changes in working capital as a result of the timing of receipts and disbursements and the effects of net interest and current income tax expense.

Net cash used in financing activities from continuing operations includes borrowings and repayments of debt, proceeds from settlements of Swaps, issuances and repurchases of our equity securities and deferred financing costs. Net cash used in financing activities from continuing operations was \$1.292 billion for the year ended December 31, 2002. During 2002, we borrowed \$8.759 billion, consisting of:

- o \$7.180 billion under our New Credit Facilities,
- o \$1.135 billion under revolving credit facilities, and
- o \$444 million under Comcast Cable's commercial paper program.

During 2002, we repaid \$9.808 billion of our debt, consisting of:

- o \$5.85 billion of Broadband intercompany indebtedness due at closing of the Broadband acquisition,
- o \$1.525 billion on certain of our revolving credit facilities,
- o \$1.023 billion of our Zero Coupon Debentures,
- o \$841 million under Comcast Cable's commercial paper program,
- o \$250 million of short-term debt,
- o \$200 million of our senior subordinated debentures, and
- o \$119 million under capital leases and other.

During 2002, we received proceeds of \$57 million from settlement of certain of our Swaps, and incurred \$332 million of deferred financing costs.

Net cash used in investing activities from continuing operations includes the effects of acquisitions, net of cash acquired, purchases of investments, capital expenditures and additions to intangible assets, offset by proceeds from sales of investments. Net cash used in investing activities from continuing operations was \$1.272 billion for the year ended December 31, 2002.

During 2002, acquisitions, net of cash acquired, amounted to \$251 million, related primarily to our acquisition of Broadband. Capital expenditures were \$1.975 billion and additions to intangible and other noncurrent assets were \$221 million, including \$65 million related to the satellite and cable television affiliation agreements of QVC and our content subsidiaries. Such amounts were offset, in part, by proceeds from sales and settlements of investments of \$1.263 billion.

Results of Operations

The effects of the Broadband acquisition and our other recent acquisitions were to increase our revenues and expenses, resulting in increases in our operating income before depreciation and amortization. The increases in our property and equipment, intangible assets and long-term debt, and the corresponding increases in depreciation expense and interest expense from 2001 to 2002 are primarily due to the effects of the Broadband acquisition, and the increases from 2000 to 2001 are primarily due to the effects of our acquisitions, our cable systems exchanges and our increased levels of capital expenditures.

As the effect of the Broadband acquisition was to substantially increase the size of our cable operations, direct comparisons of our results of operations and financial condition for periods prior to November 18, 2002 to subsequent periods are not meaningful. Refer to "Pro Forma 2002 Results" below

for our 2002 supplemental pro forma financial information prepared as if the Broadband acquisition occurred on January 1, 2002.

Refer to Notes 5 and 12 to our financial statements included in Item 8 for a discussion of our acquisitions and cable systems exchanges, and of the effect of these

transactions on our balance sheet.

We adopted SFAS No. 142 on January 1, 2002, as required by the new statement. See "Amortization" on page 32 for a discussion of the impact the adoption of the new statement had on our consolidated financial condition and results of operations.

Our summarized consolidated financial information for the three years ended December 31, 2002 is as follows (dollars in millions, "NM" denotes percentage is not meaningful):

	Year Ended December 31,		Increase/(Decrease)	
	2002	2001	\$	%
Revenues.....	\$12,460	\$9,836	\$2,624	26.7%
Cost of goods sold from electronic retailing.....	2,793	2,514	279	11.1
Operating, selling, general and administrative expenses.....	5,976	4,652	1,324	28.5
Depreciation.....	1,775	1,211	564	46.6
Amortization.....	257	2,205	(1,948)	(88.3)
Operating income (loss).....	1,659	(746)	2,405	NM
Interest expense.....	(884)	(734)	150	20.4
Investment income (expense).....	(605)	1,062	(1,667)	NM
Equity in net losses of affiliates.....	(103)	(29)	74	255.2
Other income.....	3	1,301	(1,298)	(99.8)
Income tax expense.....	(134)	(470)	(336)	(71.5)
Minority interest.....	(212)	(160)	52	32.5
Income (loss) from continuing operations before cumulative effect of accounting change.....	(\$276)	\$224	(\$500)	NM
Operating income before depreciation and amortization (1)	\$3,691	\$2,670	\$1,021	38.2%

	Year Ended December 31,		Increase/(Decrease)	
	2001	2000	\$	%
Revenues.....	\$9,836	\$8,357	\$1,479	17.7%
Cost of goods sold from electronic retailing.....	2,514	2,285	229	10.0
Operating, selling, general and administrative expenses.....	4,652	3,614	1,038	28.7
Depreciation.....	1,211	837	374	44.7
Amortization.....	2,205	1,782	423	23.7
Operating loss.....	(746)	(161)	585	363.4
Interest expense.....	(734)	(728)	6	0.8
Investment income.....	1,062	984	78	7.9
Income related to indexed debt.....		666	(666)	(100.0)
Equity in net losses of affiliates.....	(29)	(22)	7	31.8
Other income.....	1,301	2,826	(1,525)	(54.0)
Income tax expense.....	(470)	(1,429)	(959)	(67.1)
Minority interest.....	(160)	(115)	45	39.1
Income before cumulative effect of accounting change.....	\$224	\$2,021	(\$1,797)	(88.9%)
Operating income before depreciation and amortization (1)	\$2,670	\$2,458	\$212	8.6%

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

Consolidated Operating Results

Revenues

The increases in consolidated revenues from 2001 to 2002 and from 2000 to 2001 are primarily attributable to increases in service revenues in our Cable segment and to increases in net sales in our Commerce segment (see "Operating Results by Business Segment" below). The remaining increases are primarily the result of increases in revenues from our content operations, principally due to growth in our historical operations and the effects of our acquisitions in 2001.

On January 1, 2002, we adopted EITF 01-9, "Accounting for Consideration Given to a Customer (Including a Reseller of the Vendor's Products)" and EITF 01-14, "Income Statement Characterization of Reimbursements Received for 'Out-of-Pocket' Expenses Incurred." We have reclassified our statement of operations for all periods presented to reflect the adoption of EITF 01-9 and EITF 01-14. The changes in classification had no impact on our reported operating income (loss) or financial condition. Refer to Note 2 to our financial statements included in Item 8 for a discussion of EITF 01-9 and EITF 01-14.

Cost of goods sold from electronic retailing

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

Operating, selling, general and administrative expenses

The increases in consolidated operating, selling, general and administrative expenses from 2001 to 2002 and from 2000 to 2001 are primarily attributable to increases in expenses in our Cable segment and, to a lesser extent, to increases in expenses in our Commerce segment (see "Operating Results by Business Segment" below). The remaining increases are primarily the result of increased expenses in our content operations, principally due to growth in our historical operations and the effects of our acquisitions in 2001.

Depreciation

The increases in depreciation expense from 2001 to 2002 and from 2000 to 2001 are primarily attributable to our Cable segment and are principally due to the effects of our recent acquisitions, our cable systems exchanges and our increased levels of capital expenditures. Depreciation expense in our Commerce segment was essentially unchanged. The remaining increases in depreciation expense from 2000 to 2001 are primarily the result of increases in depreciation in our content operations, principally due to the effects of our acquisitions and increased levels of capital expenditures.

Amortization

Of the \$1.948 billion decrease in amortization expense from 2001 to 2002, \$2.002 billion is attributable to the adoption of SFAS No. 142 on January 1, 2002. The remaining change is primarily the result of increases in amortization expense in our content operations, principally due to the effects of our acquisitions. The \$423 million increase in amortization expense from 2000 to 2001 is primarily due to the effects of our acquisitions. Refer to Note 7 to our financial statements included in Item 8 for the pro forma impact of adoption of SFAS No. 142 on amortization expense.

Operating Results by Business Segment

The following represent the operating results of our significant business segments, "Cable" and "Commerce." The remaining components of our operations are not independently significant to our consolidated financial condition or results of operations. Refer to Note 14 to our financial statements included in Item 8 for a summary of our financial data by business segment.

Cable

The following table presents financial information for our Cable segment (dollars in millions). The effect of the Broadband acquisition was to substantially increase the size of our cable operations, thereby increasing our revenues and expenses, resulting in increases in our operating income before depreciation and amortization. Accordingly, direct comparisons of our results of operations for periods prior to November 18, 2002 to subsequent periods are not meaningful. Refer to "Pro Forma 2002 Results" below for our 2002 supplemental pro forma financial information prepared as if the Broadband acquisition occurred on January 1, 2002.

	Year Ended December 31,		Increase	
	2002	2001	\$	%
Video.....	\$5,516	\$4,278	\$1,238	28.9%
High-speed Internet.....	715	294	421	143.2
Advertising sales.....	474	326	148	45.4
Other.....	402	232	170	73.3
Franchise fees.....	243	193	50	25.9
Revenues.....	7,350	5,323	2,027	38.1
Operating, selling, general and administrative expenses.....	4,552	3,269	1,283	39.2
Operating income before depreciation and amortization (a).....	\$2,798	\$2,054	\$744	36.2%
	=====	=====	=====	=====
	Year Ended December 31,		Increase	
	2001	2000	\$	%
Video.....	\$4,278	\$3,651	\$627	17.2%
High-speed Internet.....	294	114	180	157.9
Advertising sales.....	326	290	36	12.4
Other.....	232	153	79	51.6
Franchise fees.....	193	154	39	25.3
Revenues.....	5,323	4,362	961	22.0
Operating, selling, general and administrative expenses.....	3,269	2,459	810	32.9
Operating income before depreciation and amortization (a).....	\$2,054	\$1,903	\$151	7.9%
	=====	=====	=====	=====

(a) See footnote (1) on page 29.

Video revenue consists of our basic, expanded basic, premium, pay-per-view, equipment and digital cable services. Of the \$1.238 billion and \$627 million increases in video revenues from 2001 to 2002 and from 2000 to 2001, \$945 million and \$339 million, respectively, are attributable to the effects of our acquisitions of cable systems and \$293 million and \$288 million, respectively, relate to changes in rates and subscriber growth in our historical operations, driven principally by growth in digital subscribers, and to a lesser extent, to the effects of a higher-priced digital service offering made in the second half of 2000. During 2002, we added approximately 4,374,000 digital subscribers as a result of the Broadband acquisition and we added approximately 505,000 digital subscribers through growth in our historical operations. During 2001 and 2000, through acquisitions and growth in our historical operations, we added approximately 534,000 and 753,000 digital subscribers, respectively.

The increases in high-speed Internet revenue from 2001 to 2002 and from 2000 to 2001 are primarily due to the addition of high-speed Internet subscribers. During 2002, we added approximately 2,094,000 high-speed Internet subscribers as a result of the Broadband acquisition and we added approximately 578,000 high-speed Internet subscribers through growth in our historical operations. During 2001 and 2000, through acquisitions and growth in our historical operations, we added approximately 548,000 and 258,000 high-speed Internet subscribers, respectively.

The increase in advertising sales revenue from 2001 to 2002 is due to the effects of the Broadband acquisition, as well as to the effects of a stronger advertising market and the continued leveraging of our market-wide fiber interconnects. The increase in advertising sales revenue from 2000 to 2001 was attributable to the effects of new advertising contracts, market-wide fiber interconnects and

the continued leveraging of our existing fiber networks, helping to offset an otherwise weak advertising environment.

Other revenue includes phone revenues, installation revenues, guide revenues, commissions from electronic retailing, revenues of our regional sports programming networks and revenue from other product offerings. The increase from 2001 to 2002 in other revenue is primarily attributable to increased phone revenues and other product revenues as a result of the Broadband acquisition. The increase from 2000 to 2001 in other revenue is primarily attributable to the effects of our acquisition of Home Team Sports (now known as CSN Mid-Atlantic). The remaining increases from 2000 to 2001 and from 2001 to 2002 are attributable to growth in our historical operations.

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

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

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

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

Commerce

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

	Year Ended December 31,		Increase	
	2002	2001	\$	%
Net sales from electronic retailing.....	\$4,381	\$3,917	\$464	11.8%
Cost of goods sold from electronic retailing.....	2,793	2,514	279	11.1
Operating, selling, general and administrative expenses.....	730	681	49	7.2
Operating income before depreciation and amortization (a).....	\$858	\$722	\$136	18.7%
Gross margin.....	36.3%	35.8%		

	Year Ended December 31,		Increase	
	2001	2000	\$	%
Net sales from electronic retailing.....	\$3,917	\$3,536	\$381	10.8%
Cost of goods sold from electronic retailing.....	2,514	2,285	229	10.0
Operating, selling, general and administrative expenses.....	681	632	49	7.8
Operating income before depreciation and amortization (a).....	\$722	\$619	\$103	16.7%
Gross margin.....	35.8%	35.4%		

(a) See footnote (1) on page 29.

Of the \$464 million and \$381 million increases in net sales from electronic retailing from 2001 to 2002 and from 2000 to 2001, \$296 million and \$332 million, respectively, is attributable to increases in net sales in the United States. This growth is principally the result of increases in the average number of homes receiving QVC services and in net sales per home as follows:

	Year Ended December 31, 2002	2001
Increase in average number of homes in U.S.....	3.6%	3.8%
Increase in net sales per home in U.S.....	5.3%	6.5%

It is unlikely that the number of homes receiving the QVC service domestically will continue to grow at rates comparable to prior periods given that the QVC service is already received by approximately 97% of all U.S. cable television homes and substantially all satellite television homes in the U.S. Future growth in sales will depend increasingly on continued additions of new customers from homes already receiving the QVC service and continued growth in repeat sales to existing customers.

The remaining increases of \$168 million and \$49 million in net sales from electronic retailing from 2001 to 2002 and from 2000 to 2001 are primarily attributable to increases in net sales in Germany, Japan and the United Kingdom, offset, in part, by the effects of fluctuations in foreign currency exchange rates during the periods.

The increases in cost of goods sold from 2001 to 2002 and from 2000 to 2001 are primarily related to the growth in net sales. The increases in gross margin are primarily due to the effects of increases in product margins.

The increases in operating, selling, general and administrative expenses from 2001 to 2002 and from 2000 to 2001 are primarily attributable to higher variable costs and personnel costs associated with the increase in sales volume.

Consolidated Analysis

Interest Expense

The increase in interest expense from 2001 to 2002 is due to our increased amount of debt outstanding as a result of the Broadband acquisition. The increase in interest expense from 2000 to 2001 is primarily due to the increases in our net borrowings.

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

Investment Income (Expense)

Investment income (expense) includes the following (in millions):

	Year Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Interest and dividend income.....	\$63	\$77	\$171
(Losses) gains on sales and exchanges of investments, net.....	(48)	485	887
Investment impairment losses.....	(247)	(972)	(74)
Reclassification of unrealized gains.....		1,330	
Unrealized (loss) gain on trading securities.....	(1,569)	285	
Mark to market adjustments on derivatives related to trading securities.....	1,340	(185)	
Mark to market adjustments on derivatives and hedged items.....	(144)	42	
	-----	-----	-----
Investment income (expense).....	(\$605)	\$1,062	\$984
	=====	=====	=====

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

During the year ended December 31, 2001, we wrote-off our investment in At Home common stock based upon a decline in the investment that was considered other than temporary. In connection with the realization of this impairment loss, we reclassified to investment income (expense) the accumulated unrealized gain of \$238 million on our investment in At Home common stock which was previously recorded as a component of accumulated other comprehensive income (loss). We recorded this accumulated unrealized gain prior to our designation of our right under a stockholders' agreement as a hedge of our investment in the At Home common stock.

In June 2001, we and AT&T entered into an Amended and Restated Share Issuance Agreement (the "Share Issuance Agreement"). AT&T issued to us approximately 80.3 million unregistered shares of AT&T common stock and we agreed to settle our right under the Share Exchange Agreement to exchange an aggregate 31.2 million At Home shares and warrants held by us for shares of AT&T common stock. Under the terms of the Share Issuance Agreement, we retained the At Home shares and warrants held by us. We recorded to investment income (expense) a pre-tax gain of \$296 million, representing the fair value of the increased consideration received by us to settle our right under the Share Exchange Agreement.

In connection with the reclassification of our investment in Sprint PCS from an available for sale security to a trading security in 2001, we reclassified to investment income (expense) the accumulated unrealized gain of \$1.092 billion on our investment in Sprint PCS which was previously recorded as a component of accumulated other comprehensive income (loss).

Income Related to Indexed Debt

Prior to the adoption of SFAS No. 133 on January 1, 2001, we accounted for the ZONES as an indexed debt instrument since the maturity value is dependent upon the fair value of Sprint PCS common stock. During the year ended December 31, 2000, we recorded income related to indexed debt of \$666 million to reflect the fair value of the underlying Sprint PCS stock.

Equity in Net Losses of Affiliates

The increase in equity in net losses of affiliates from 2001 to 2002 is primarily due to other than temporary declines in certain of our equity method investees, the effects of our additional investments, changes in the net

income or loss of our equity method investees, as well as to the effects of the discontinuance of amortization of equity method goodwill as a result of the adoption of SFAS No. 142 on January 1, 2002. The increase from 2000 to 2001 is primarily attributable to the effects of our additional investments, as well as the effects of changes in the net income or loss of our equity method investees.

Other Income

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

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

On December 31, 2000, we completed our cable systems exchange with AT&T. We received cable systems serving approximately 770,000 subscribers from AT&T and AT&T received certain of our cable systems serving approximately 700,000 subscribers. We recorded a pre-tax gain of \$1.711 billion, representing the difference between the estimated fair value of \$2.840 billion as of the closing date of the transaction and our cost basis in the systems exchanged.

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

In August 2000, we exchanged all of the capital stock of a wholly owned subsidiary which held certain wireless licenses for approximately 3.2 million shares of AT&T common stock. In connection with the exchange, we recognized a pre-tax gain of \$98 million, representing the difference between the fair value of the AT&T shares received of \$100 million and our cost basis in the subsidiary.

Income Tax Expense

The decreases in income tax expense from 2001 to 2002 and from 2000 to 2001 are primarily the result of the effects of changes in our income before taxes and minority interest, and non-deductible goodwill amortization.

Minority Interest

The increase in minority interest from 2001 to 2002 is attributable to increases in the net income of our less than wholly owned consolidated subsidiaries, as well as to the minority interests in certain subsidiaries acquired in connection with the Broadband acquisition. The increase in minority interest from 2000 to 2001 is primarily attributable to the effects of changes in the net income or loss of our less than wholly owned consolidated subsidiaries.

Cumulative Effect of Accounting Change

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

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

Pro Forma 2002 Results

As described above, the Broadband acquisition substantially increased the size of our cable operations. As a result, direct comparisons of our results of operations from the periods prior to November 18, 2002 to subsequent periods are not meaningful. The following tables reconcile our 2002 consolidated and Cable segment reported financial information to pro forma amounts and present our 2002 pro forma financial information on a quarterly basis as if the Broadband acquisition occurred on January 1, 2002. This information has been prepared in accordance with SEC rules and guidance and is based on our and Broadband's historical results of operations. In the opinion of management, this information is not indicative of what our results would have been had we operated Broadband since January 1, 2002, nor of our future results. The financial information for Broadband represents Broadband's results for the period from January 1, 2002 through November 18, 2002. The consolidated pro forma results reflect the elimination of all significant transactions between Broadband and Comcast's commerce and content businesses during 2002. This pro forma financial information is presented as supplemental information to assist users of this Annual Report in analyzing the impact the Broadband acquisition may have on our future results of operations (dollars in millions).

Consolidated Pro Forma Reconciliation	Year Ended December 31, 2002			
	Comcast	Broadband	Adjustments	Pro Forma
Revenues.....	\$12,460	\$8,693	(\$41)	\$21,112
Cost of goods sold from electronic retailing.....	2,793			2,793
Operating, selling, general and administrative expenses...	5,976	7,023	(37)	12,962
Operating income before depreciation and amortization (a).....	3,691	1,670	(4)	5,357
Depreciation and amortization.....	2,032	2,602	140	4,774
Operating income.....	\$1,659	(\$932)	(\$144)	\$583

Consolidated Pro Forma Results	Three Months Ended			
	March 31, 2002	June 30, 2002	September 30, 2002	December 31, 2002
Revenues.....	\$5,036	\$5,167	\$5,181	\$5,728
Cost of goods sold from electronic retailing.....	631	629	643	890
Operating, selling, general and administrative expenses	3,153	3,146	3,162	3,501
Operating income before depreciation and amortization (a).....	\$1,252	\$1,392	\$1,376	\$1,337

Cable Segment Pro Forma Reconciliation	Year Ended December 31, 2002		
	Comcast	Broadband	Pro Forma
Revenues.....	\$7,350	\$8,693	\$16,043
Operating, selling, general and administrative expenses	4,552	7,023	11,575
Operating income before depreciation and amortization (a).....	\$2,798	\$1,670	\$4,468

Cable Segment Pro Forma Results	Three Months Ended			
	March 31, 2002	June 30, 2002	September 30, 2002	December 31, 2002
Revenues.....	\$3,845	\$4,011	\$4,036	\$4,151
Operating, selling, general and administrative expenses.....	2,800	2,833	2,839	3,103
Operating income before depreciation and amortization (a).....	\$1,045	\$1,178	\$1,197	\$1,048

(a) See footnote (1) on page 29.

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

We have audited the accompanying consolidated balance sheet of Comcast Corporation (formerly known as AT&T Comcast Corporation) and its subsidiaries (the "Company") as of December 31, 2002 and 2001, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2002. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Comcast Corporation and its subsidiaries as of December 31, 2002 and 2001, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

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

Deloitte & Touche LLP
Philadelphia, Pennsylvania
March 17, 2003

COMCAST CORPORATION AND SUBSIDIARIES

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

	December 31,	
	2002	2001
	-----	-----
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents.....	\$781	\$350
Investments.....	3,266	2,623
Accounts receivable, less allowance for doubtful accounts of \$233 and \$154	1,383	967
Inventories, net.....	479	455
Assets held for sale.....	613	
Deferred income taxes.....	129	129
Other current assets.....	425	154
	-----	-----
Total current assets.....	7,076	4,678
	-----	-----
INVESTMENTS.....	15,207	1,679
PROPERTY AND EQUIPMENT, net of accumulated depreciation of \$4,061 and \$2,726.	18,866	7,011
FRANCHISE RIGHTS.....	48,222	16,533
GOODWILL.....	17,397	6,289
OTHER INTANGIBLE ASSETS, net of accumulated amortization of \$1,022 and \$665...	5,599	1,687
OTHER NONCURRENT ASSETS, net.....	738	384
	-----	-----
	\$113,105	\$38,261
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable.....	\$1,663	\$698
Accrued expenses and other current liabilities.....	5,649	1,661
Liabilities related to assets held for sale.....	13	
Deferred income taxes.....	1,105	404
Short-term debt.....	3,750	
Current portion of long-term debt.....	3,203	460
	-----	-----
Total current liabilities.....	15,383	3,223
	-----	-----
LONG-TERM DEBT, less current portion.....	27,957	11,742
	-----	-----
DEFERRED INCOME TAXES.....	23,110	6,376
	-----	-----
OTHER NONCURRENT LIABILITIES.....	5,652	1,567
	-----	-----
MINORITY INTEREST.....	2,674	880
	-----	-----
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, 1,599,014,148 and 21,829,422; outstanding, 1,355,373,648 and 21,829,422	16	
Class A special common stock, \$0.01 par value - authorized, 7,500,000,000 shares; issued 930,633,433 and 937,256,465; outstanding, 883,343,590 and 913,931,554.....	9	9
Class B common stock, \$0.01 par value - authorized, 75,000,000 shares; issued, 9,444,375.....		
Additional capital.....	44,620	12,688
Retained earnings.....	1,340	1,632
Treasury stock, 243,640,500 Class A common shares and 47,289,843 Class A special common shares.....	(7,517)	
Accumulated other comprehensive income (loss).....	(139)	144
	-----	-----
Total stockholders' equity.....	38,329	14,473
	-----	-----
	\$113,105	\$38,261
	=====	=====

See notes to consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES

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

	Year Ended December	31,	
	2002	2001	2000
	-----	-----	-----
REVENUES			
Service revenues.....	\$8,079	\$5,919	\$4,821
Net sales from electronic retailing.....	4,381	3,917	3,536
	-----	-----	-----
	12,460	9,836	8,357
	-----	-----	-----
COSTS AND EXPENSES			
Operating (excluding depreciation).....	3,511	2,906	2,210
Cost of goods sold from electronic retailing (excluding depreciation).....	2,793	2,514	2,285
Selling, general and administrative.....	2,465	1,746	1,404
Depreciation.....	1,775	1,211	837
Amortization.....	257	2,205	1,782
	-----	-----	-----
	10,801	10,582	8,518
	-----	-----	-----
OPERATING INCOME (LOSS).....	1,659	(746)	(161)
OTHER INCOME (EXPENSE)			
Interest expense.....	(884)	(734)	(728)
Investment income (expense).....	(605)	1,062	984
Income related to indexed debt.....			666
Equity in net losses of affiliates.....	(103)	(29)	(22)
Other income.....	3	1,301	2,826
	-----	-----	-----
	(1,589)	1,600	3,726
	-----	-----	-----
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES, MINORITY			
INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....	70	854	3,565
INCOME TAX EXPENSE.....	(134)	(470)	(1,429)
	-----	-----	-----
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY			
INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....	(64)	384	2,136
MINORITY INTEREST.....	(212)	(160)	(115)
	-----	-----	-----
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE CUMULATIVE EFFECT			
OF ACCOUNTING CHANGE.....	(276)	224	2,021
DISCONTINUED OPERATIONS.....	2		
	-----	-----	-----
INCOME (LOSS) BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....	(274)	224	2,021
CUMULATIVE EFFECT OF ACCOUNTING CHANGE.....		385	
	-----	-----	-----
NET INCOME (LOSS).....	(\$274)	\$609	\$2,021
	-----	-----	-----
BASIC EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE			
Income (loss) from continuing operations before cumulative effect of accounting change	(\$0.25)	\$0.24	\$2.24
Discontinued operations			
Cumulative effect of accounting change.....		0.40	
	-----	-----	-----
Net income (loss).....	(\$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	(\$0.25)	\$0.23	\$2.13
Discontinued operations			
Cumulative effect of accounting change.....		0.40	
	-----	-----	-----
Net income (loss).....	(\$0.25)	\$0.63	\$2.13
	=====	=====	=====

See notes to consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
(Dollars in millions)

	Year 2002	Ended December 2001	31, 2000
	-----	-----	-----
OPERATING ACTIVITIES			
Net income (loss).....	(\$274)	\$609	\$2,021
Adjustments to reconcile net income (loss) to net cash provided by operating activities from continuing operations:			
Depreciation.....	1,775	1,211	837
Amortization.....	257	2,205	1,782
Non-cash interest expense, net.....	10	43	14
Non-cash income related to indexed debt.....			(666)
Equity in net losses of affiliates.....	103	29	22
Losses (gains) on investments and other (income) expense, net.....	673	(2,303)	(3,679)
Minority interest.....	212	160	115
Cumulative effect of accounting change.....		(385)	
Deferred income taxes.....	(100)	(241)	1,075
Proceeds from sales of trading securities.....		367	
Other.....	(21)	55	63
	-----	-----	-----
	2,635	1,750	1,584
Changes in working capital, net of effects of acquisitions and divestitures			
Decrease (increase) in accounts receivable, net.....	87	(16)	(196)
Increase in inventories, net.....	(25)	(16)	(36)
(Increase) decrease in other current assets.....	(40)	(27)	14
Increase (decrease) in accounts payable, accrued expenses and other current liabilities.....	340	(114)	(177)
	-----	-----	-----
	362	(173)	(395)
Discontinued operations.....	(2)		
	-----	-----	-----
Net cash provided by operating activities from continuing operations	2,995	1,577	1,189
	-----	-----	-----
FINANCING ACTIVITIES			
Proceeds from borrowings.....	8,759	5,687	5,435
Retirements and repayments of debt.....	(9,808)	(4,188)	(5,356)
Proceeds from settlement of interest rate exchange agreements.....	57		
Issuances of common stock and sales of put options on common stock...	19	27	31
Repurchases of common stock.....		(27)	(325)
Equity contributions from a minority partner to a subsidiary.....	13	19	30
Deferred financing costs.....	(332)	(23)	(56)
	-----	-----	-----
Net cash (used in) provided by financing activities from continuing operations.....	(1,292)	1,495	(241)
	-----	-----	-----
INVESTING ACTIVITIES			
Acquisitions, net of cash acquired.....	(251)	(1,329)	(187)
Proceeds from sales of (purchases of) short-term investments, net....	(21)	(6)	1,028
Capital contributions to and purchases of investments.....	(67)	(317)	(1,011)
Proceeds from sales and settlements of investments.....	1,263	806	997
Capital expenditures.....	(1,975)	(2,182)	(1,637)
Additions to intangible and other noncurrent assets.....	(221)	(346)	(409)
	-----	-----	-----
Net cash used in investing activities from continuing operations.	(1,272)	(3,374)	(1,219)
	-----	-----	-----
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	431	(302)	(271)
CASH AND CASH EQUIVALENTS, beginning of year.....	350	652	923
	-----	-----	-----
CASH AND CASH EQUIVALENTS, end of year.....	\$781	\$350	\$652
	=====	=====	=====

See notes to consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Dollars in millions)

	Series B Stock Preferred	Common Stock			Additional Capital	Retained Earnings (Accumu- lated Deficit)	Treasury Stock At Cost	Accumulated Other Comprehensive Income (Loss)		Total
		Class A Class A	Class A Special	Class B				Unreal- ized Gains (Losses)	Cumul- ative Translation Adjustments	
BALANCE, JANUARY 1, 2000	\$570		\$7		\$4,271	(\$620)		\$6,120	(\$7)	\$10,341
Comprehensive loss:										
Net income.....						2,021				
Unrealized losses on marketable securities, net of deferred taxes of \$2,789.....								(5,180)		
Reclassification adjustments for gains included in net income, net of deferred taxes of \$266.....								(494)		
Cumulative translation adjustments.....									(6)	
Total comprehensive loss.....										(3,659)
Acquisitions.....			2		7,739					7,741
Stock compensation plans.....					57	(28)				29
Retirement of common stock...					(51)	(274)				(325)
Conversion of Series B preferred.....	(533)				533					
Series B preferred dividends.	23				(23)					
Share exchange.....					44	(44)				
Temporary equity related to put options.....					(41)					(41)
BALANCE, DECEMBER 31, 2000....	60		9		12,529	1,055		446	(13)	14,086
Comprehensive income:										
Net income.....						609				
Unrealized gains on marketable securities, net of deferred taxes of \$114.....								212		
Reclassification adjustments for gains included in net income, net of deferred taxes of \$264.....								(491)		
Unrealized losses on effective portion of cash flow hedges, net of deferred taxes of \$0.3.....								(1)		
Cumulative translation adjustments.....									(9)	
Total comprehensive income....										320
Stock compensation plans.....					55	(16)				39
Retirement of common stock...					(11)	(16)				(27)
Conversion of Series B preferred.....	(60)				60					
Temporary equity related to put options.....					55					55
BALANCE, DECEMBER 31, 2001....			9		12,688	1,632		166	(22)	14,473
Comprehensive loss:										
Net loss.....						(274)				
Unrealized losses on marketable securities, net of deferred taxes of \$165...								(307)		
Reclassification adjustments for losses included in net loss, net of deferred taxes of \$92.....								169		
Unrealized losses on effective portion of cash flow hedges, net of deferred taxes of \$79.....								(146)		
Cumulative translation adjustments.....									1	
Total comprehensive loss.....										(557)
Acquisitions.....		16			31,870		(7,517)			24,369
Stock compensation plans.....					52	(18)				34
Employee stock purchase plan.					10					10
BALANCE, DECEMBER 31, 2002....	\$	\$16	\$9	\$	\$44,620	\$1,340	(\$7,517)	(\$118)	(\$21)	\$38,329

See notes to consolidated financial statements.

1. ORGANIZATION AND BUSINESS

Comcast Corporation (formerly AT&T Comcast Corporation) and its subsidiaries (the "Company") was incorporated in December 2001 to effect the acquisition of AT&T Corp.'s ("AT&T") broadband division ("Broadband"). On November 18, 2002, the Company, Comcast Holdings Corporation (formerly Comcast Corporation) ("Comcast Holdings") and AT&T completed a transaction that resulted in the combination of Comcast Holdings and Broadband (the "Broadband acquisition"). Upon completion of the Broadband acquisition, Comcast Holdings and Broadband are wholly owned subsidiaries of the Company, with Comcast Holdings as the predecessor to the Company. Accordingly, the accompanying financial statements include the results of Comcast Holdings for all periods presented and the results of Broadband from the date of the Broadband acquisition (see Note 5).

The Company is involved in three principal lines of business: cable, commerce and content.

The Company's cable business is principally involved in the development, management and operation of broadband communications networks in the United States. The Company's consolidated cable operations served approximately 21.3 million subscribers and passed approximately 39.1 million homes as of December 31, 2002.

The Company conducts its commerce business through its consolidated subsidiary, QVC, Inc. ("QVC"). QVC, an electronic retailer, markets a wide variety of products directly to consumers primarily on merchandise-focused television programs. QVC was available, on a full and part-time basis, to approximately 85.9 million homes in the US, approximately 11.4 million homes in the United Kingdom ("UK"), approximately 25.8 million homes in Germany and approximately 8.4 million homes in Japan as of December 31, 2002.

The Company's content business is provided through the Company's consolidated subsidiaries, including Comcast Spectacor, E! Entertainment Television, Inc. ("E! Entertainment"), The Golf Channel ("TGC"), Outdoor Life Network ("OLN") and G4 Media, LLC ("G4"), and through other programming investments (see Note 5). The Company's content business also includes the Company's three 24-hour regional sports programming networks, Comcast SportsNet ("CSN"), Comcast SportsNet Mid-Atlantic ("CSN Mid-Atlantic") and Cable Sports Southeast ("CSS"). The Company's regional sports programming networks are included in the Company's cable segment as they derive a substantial portion of their revenues from the Company's cable operations and are managed by cable segment management.

The Company's cable and commerce operations represent the Company's two reportable segments under accounting principles generally accepted in the United States. See Note 14 for a summary of the Company's financial data by business segment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

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

Variable Interest Entities

The Company accounts for its interests in variable interest entities in accordance with Financial Accounting Standards Board ("FASB") Interpretation No. 46, "Consolidation of Variable Interest Entities" ("FIN 46"). The Company consolidates all variable interest entities for which it is the primary beneficiary and for which the entities do not effectively disperse risks among parties involved. Variable interest entities that effectively disperse risks are not consolidated unless the Company holds an interest or combination of interests that effectively recombines risks that were previously dispersed. The Company adopted the initial recognition and measurement provisions of FIN

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

46 effective January 1, 2002, as permitted by the Interpretation. The adoption of FIN 46 had no impact on the Company's financial condition or results of operations.

Following the Broadband acquisition, the Company consolidates variable interest entities that lease certain office and call center facilities to a subsidiary of the Company under operating leases which mature between 2004 and 2006. The property and debt of the variable interest entities included in the Company's consolidated balance sheet as of December 31, 2002 was not material to the Company's consolidated financial position.

Management's Use of Estimates

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

Fair Values

The Company has determined the estimated fair value amounts presented in these consolidated financial statements using available market information and appropriate methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. The estimates presented in these consolidated financial statements are not necessarily indicative of the amounts that the Company could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts. The Company based these fair value estimates on pertinent information available to management as of December 31, 2002 and 2001. The Company has not comprehensively updated these fair value estimates for purposes of these consolidated financial statements since such dates.

Cash Equivalents

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

Inventories - Electronic Retailing

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

Investments

Investments consist principally of equity securities.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

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

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

Property and Equipment

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

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

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

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

Intangible Assets

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 a business combination. The Company capitalizes these contractual rights. Prior to the adoption of SFAS No. 142 on January 1, 2002, the Company amortized them over periods related to the term of the related franchise agreements. Subsequent to the adoption of SFAS No. 142, the Company no longer amortizes cable franchise rights as the Company has determined that they have an indefinite life. Costs incurred by the Company in negotiating and renewing cable franchise agreements are included in other intangible assets and are amortized on a straight-line basis over the term of the franchise renewal period, generally 10 to 15 years.

Goodwill is the excess of the acquisition cost of an acquired entity over the fair value of the identifiable net assets acquired. Prior to the adoption of SFAS No. 142 on January 1, 2002, the Company amortized goodwill over estimated useful lives ranging principally from 20 to 30 years. Subsequent to the adoption of SFAS No. 142, the Company no longer amortizes goodwill.

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

Certain of the Company's content subsidiaries and QVC have entered into multi-year affiliation agreements with various cable and satellite system operators for carriage of their respective programming. The Company capitalizes cable or satellite distribution rights and amortizes them on a straight-line basis over the term of the related distribution agreements of 5 to 15 years. The Company classifies the amortization of distribution fees paid by its content subsidiaries pursuant to Emerging Issues Task Force ("EITF") 01-9, "Accounting for Consideration Given

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

to a Customer (including a reseller of the Vendors Products"). Under EITF 01-9, 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 the Company recognizes the fair value of the identified benefit as an operating expense in the period in which it is received. The Company classifies the amortization of distribution fees paid by QVC as amortization expense as the counterparties to QVC's distribution agreements do not make revenue payments to QVC. Amortization expense includes \$23 million, \$24 million and \$28 million for 2002, 2001 and 2000, respectively, related to QVC distribution fees.

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

See Note 7 for additional information related to goodwill and intangible assets.

Valuation of Long-Lived and Indefinite-Lived Assets

The Company periodically evaluates the recoverability of its 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. Such evaluations include analyses based on the cash flows generated by the underlying assets, profitability information, including estimated future operating results, trends or other determinants of fair value. If the total of the expected future undiscounted cash flows is less than the carrying amount of the asset, a loss is recognized for the difference between the fair value and the carrying value of the asset. Unless presented separately, the loss is included as a component of either depreciation expense or amortization expense, as appropriate.

The Company evaluates the recoverability of its goodwill and indefinite life intangible assets annually or more frequently whenever events or changes in circumstances indicate that the asset might be impaired. The Company performs an impairment assessment of its goodwill one level below the segment level for its businesses, except for its cable business. In its cable business, components with similar economic characteristics are aggregated into one reporting unit at the cable segment level. The Company performs an impairment assessment of its cable franchise rights at the cable segment level based on how the Company operates its cable operations.

The Company estimates the fair value of its cable franchise rights primarily based on a multiple of operating income before depreciation and amortization ("EBITDA") generated by the underlying assets. The EBITDA multiple used in the Company's evaluation is determined based on the Company's analyses of current market transactions, profitability information, including estimated future operating results, trends or other determinants of fair value. The Company also considers other valuation methods such as discounted cash flow analyses. If the value of the Company's cable franchise rights determined by these evaluations is less than its carrying amount, an impairment charge would be recognized for the difference between the estimated fair value and the carrying value of the assets.

Foreign Currency Translation

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

Revenue Recognition

The Company recognizes video, high-speed Internet, and phone revenues as service is provided. The Company manages credit risk by disconnecting services to customers who are delinquent. The Company recognizes advertising sales revenue at estimated realizable values when the advertising is aired. Installation revenues obtained from the connection of subscribers to the 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 its franchise agreements, the Company is generally required to pay up to 5% of its gross revenues derived from providing cable services to the local franchising authority. The Company normally passes these fees through to its cable subscribers. The Company classifies fees collected from cable subscribers as a component of service revenues pursuant to EITF 01-14, "Income Statement Characterization of Reimbursements Received for 'Out-of-Pocket' Expenses Incurred."

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

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

Programming Costs

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

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations, as permitted by SFAS No. 123, "Accounting for Stock-Based Compensation," as amended. Compensation expense for stock options is measured as the excess, if any, of the quoted market price of the Company's stock at the date of the grant over the amount an employee must pay to acquire the stock. The Company records compensation expense for restricted stock awards based on the quoted market price of the Company's stock at the date of the grant and the vesting period. The Company records compensation expense for stock appreciation rights based on the changes in quoted market prices of the Company's stock or other determinants of fair value (see Notes 3 and 10).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

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

	Year Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Net income (loss), as reported.....	(\$274)	\$609	\$2,021
Deduct: Total stock-based compensation expense determined under fair value based method for all awards, net of related tax effects.....	(143)	(127)	(103)
	-----	-----	-----
Pro forma, net income (loss).....	(\$417)	\$482	\$1,918
	=====	=====	=====
Basic earnings (loss) for common stockholders per common share:			
As reported.....	(\$0.25)	\$0.64	\$2.24
Pro forma.....	(\$0.38)	\$0.51	\$2.13
Diluted earnings (loss) for common stockholders per common share:			
As reported.....	(\$0.25)	\$0.63	\$2.13
Pro forma.....	(\$0.38)	\$0.50	\$2.02

Total stock-based compensation expense was determined under the fair value method for all awards assuming accelerated vesting of the Company's stock options as permitted under SFAS No. 123. Had the Company applied the fair value recognition provisions of SFAS No. 123 assuming straight-line rather than accelerated vesting of its stock options, total stock-based compensation expense, net of related tax effects, would have been \$114 million, \$89 million, and \$67 million for 2002, 2001 and 2000, respectively.

The weighted-average fair value at date of grant of a Class A common stock option granted under the Company's option plans during 2002 was \$10.72. The weighted-average fair value at date of grant of a Class A Special common stock option granted under the option plans during 2002, 2001 and 2000 was \$14.93, \$19.07 and \$21.20, respectively. The fair value of each option granted during 2002, 2001 and 2000 was estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	Year Ended December 31,					
	2002		2001		2000	
	-----	-----	-----	-----	-----	-----
	Class A Common Stock	Class A Special Common Stock	Class A Special Common Stock	Class A Special Common Stock	Class A Special Common Stock	Class A Special Common Stock
	-----	-----	-----	-----	-----	-----
Dividend yield.....	0%	0%	0%	0%	0%	0%
Expected volatility.....	29.2%	29.6%	35.7%	35.8%	35.8%	35.8%
Risk-free interest rate.....	4.0%	5.1%	5.1%	6.3%	6.3%	6.3%
Expected option lives (in years)...	8.0	8.0	8.0	8.0	8.0	8.0
Forfeiture rate.....	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

The pro forma effect on net income (loss) and net income (loss) per share for the years ended December 31, 2002, 2001 and 2000 by applying SFAS No. 123 may not be indicative of the pro forma effect on net income or loss in future years since SFAS No. 123 does not take into consideration pro forma compensation expense related to awards made prior to January 1, 1995 and since additional awards in future years are anticipated.

Postretirement and Postemployment Benefits

The Company charges to operations the estimated costs of retiree benefits and benefits for former or inactive employees, after employment but before retirement, during the years the employees provide services (see Note 9).

Investment Income (Expense)

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

Income Taxes

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

Derivative Financial Instruments

The Company uses derivative financial instruments for a number of purposes. The Company manages its exposure to fluctuations in interest rates by entering into interest rate exchange agreements ("Swaps"), interest rate lock agreements ("Rate Locks"), interest rate cap agreements ("Caps") and interest rate collar agreements ("Collars"). The Company manages the cost of its share repurchases through the sale of equity put option contracts ("Comcast Put Options"). The Company manages its exposure to fluctuations in the value of certain of its investments by entering into equity collar agreements ("Equity Collars") and equity put option agreements ("Equity Put Options"). The Company makes investments in businesses, to some degree, through the purchase of equity call option or call warrant agreements ("Equity Warrants"). The Company has issued indexed debt instruments and entered into prepaid forward sale agreements ("Prepaid Forward Sales") whose value, in part, is derived from the market value of Sprint PCS common stock, and has also sold call options on certain of its investments in equity securities in order to monetize a portion of those investments. In connection with the Broadband acquisition, the Company assumed indexed debt instruments whose value, in part, is derived from the market values of Comcast Class A Special common stock, Cablevision NY Group ("Cablevision") Class A common stock, Microsoft Corporation ("Microsoft") common stock and Vodafone ADRs, respectively. Equity hedges are used to manage exposure to changes in equity prices associated with stock appreciation rights of certain of Broadband's previously affiliated companies and are undesignated in accordance with SFAS No. 133, "Accounting for Derivatives and Hedging Activities," as amended ("SFAS No. 133"). These instruments are recorded at fair value based on market quotes.

Prior to the adoption on January 1, 2001 of SFAS No. 133, Swaps, Caps and Collars were matched with either fixed or variable rate debt and periodic cash payments were accrued on a settlement basis as an adjustment to interest expense. Any premiums associated with these instruments were amortized over their term and realized gains or losses as a result of the termination of the instruments were deferred and amortized over the remaining term of the underlying debt. Unrealized gains and losses as a result of these instruments were recognized when the underlying hedged item was extinguished or otherwise terminated. Equity Collars, Equity Put Options and Equity Warrants were marked to market on a current basis with the result included in accumulated other comprehensive income (loss) in the Company's consolidated balance sheet.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

On January 1, 2001, the Company adopted SFAS No. 133. SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts and hedging activities. SFAS No. 133 requires that all derivative instruments, whether designated in hedging relationships or not, be recorded on the balance sheet at their fair values. Upon adoption of SFAS No. 133, the Company recognized as income a cumulative effect of accounting change, net of related income taxes, of \$385 million. The increase in income consisted of a \$400 million adjustment to record the debt component of indexed debt at a discount from its value at maturity and \$192 million principally related to the reclassification of gains previously recognized as a component of accumulated other comprehensive income (loss) on the Company's equity derivative instruments, net of related income taxes of \$207 million.

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

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

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

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

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

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

The Company does not hold or issue any derivative financial instruments for trading purposes and is not a party to leveraged instruments (see Note 8). The Company manages the credit risks associated with its derivative financial instruments through the evaluation and monitoring of the creditworthiness of the counterparties. Although the Company may be exposed to losses in the event of nonperformance by the counterparties, the Company does not expect such losses, if any, to be significant.

Sale of Stock by a Subsidiary or Equity Method Investee

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

Securities Lending Transactions

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

Reclassifications

Certain reclassifications have been made to the prior years' consolidated financial statements to conform to those classifications used in 2002.

3. RECENT ACCOUNTING PRONOUNCEMENTS**SFAS No. 143**

SFAS No. 143, "Accounting for Asset Retirement Obligations," addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. SFAS No. 143 is effective for fiscal years beginning after June 15, 2002. The Company adopted SFAS No. 143 on January 1, 2003. The adoption of SFAS No. 143 will not have a material impact on the Company's financial condition or results of operations.

SFAS No. 148

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

FIN 45

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

effective for financial statements of interim or annual periods ending after December 15, 2002. The Company adopted the disclosure provisions of FIN 45 in the fourth quarter of 2002 and adopted the initial recognition and measurement provisions of FIN 45 on January 1, 2003, as required by the Interpretation (see Note 13). The impact of the adoption of FIN 45 will depend on the nature and terms of guarantees entered into or modified by the Company in the future.

4. EARNINGS PER SHARE

Earnings (loss) per common share is computed by dividing net income (loss) for common stockholders by the weighted average number of common shares outstanding during the period on a basic and diluted basis. Weighted average shares outstanding for 2002 include 158.8 million of the 1.348 billion of the Company's shares issued in connection with the Broadband acquisition on November 18, 2002.

The Company's potentially dilutive securities include potential common shares related to the Company's Zero Coupon Convertible Debentures due 2020 (the "Zero Coupon Debentures" - see Note 8), stock options, restricted stock, Class A Special common stock held in treasury, Series B convertible preferred stock, and Comcast Put Options. Diluted earnings for common stockholders per common share ("Diluted EPS") considers the impact of potentially dilutive securities except in periods in which there is a loss as the inclusion of the potential common shares would have an antidilutive effect. Diluted EPS excludes the impact of potential common shares related to the Company's Zero Coupon Debentures in periods in which the weighted average closing sale price of the Company's Class A Special common stock during the period is not greater than 110% of the accreted conversion price. Diluted EPS excludes the impact of potential common shares related to the Company's stock options in periods in which the option exercise price is greater than the average market price of the Company's common stock for the period. Diluted EPS excludes the impact of potential common shares related to Comcast Put Options in periods in which the Comcast Put Options' exercise price was less than the average market price of the Company's Class A Special common stock during the period.

Diluted EPS for 2002, 2001 and 2000, respectively, excludes approximately 17.0 million, 21.0 million and 1.6 million potential common shares related to the Zero Coupon Debentures, respectively, as the weighted average closing sale price of the Company's Class A Special common stock was not greater than 110% of the accreted conversion price.

Diluted EPS for 2002 excludes approximately 73.8 million potential common shares related to the Company's stock option and restricted stock plans, and potential common shares related to the Company's common stock held in treasury because the assumed issuance of such potential common shares is antidilutive in periods in which there is a loss.

Diluted EPS for 2001 and 2000 excludes approximately 4.7 million and 2.6 million potential common shares, respectively, related to the Company's stock option plans because the option exercise price was greater than the average market price of the Company's common stock for the period.

Diluted EPS for 2001 and 2000 excludes approximately 0.2 million and 1.5 million potential common shares, respectively, related to Comcast Put Options because the Comcast Put Options' exercise price was less than the average market price of the Company's Class A Special common stock during the period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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The following table reconciles the numerator and denominator of the computations of Diluted EPS for common stockholders before cumulative effect of accounting change for the years presented.

	(Amounts in millions, except per share data)								
	2002			2001			2000		
	Loss	Shares	Per Share Amount	Income	Shares	Per Share Amount	Income	Shares	Per Share Amount
Basic EPS for common stockholders.....	(\$274)	1,110	(\$0.25)	\$224	950	\$0.24	\$1,998	891	\$2.24
Effect of preferred dividends.....							23		
Effect of Dilutive Securities									
Assumed conversion of Series B convertible preferred stock.....					1			43	
Assumed exercise of stock option and restricted stock plans..					14			15	
Diluted EPS.....	(\$274)	1,110	(\$0.25)	\$224	965	\$0.23	\$2,021	949	\$2.13

5. ACQUISITIONS AND OTHER SIGNIFICANT EVENTS

Acquisition of Broadband

On November 18, 2002, the Company completed the acquisition of Broadband. The results of the Broadband operations have been included in the consolidated financial statements since that date. The acquisition creates the largest cable operator in the United States by combining the Company's and Broadband's extensive cable networks and technologically advanced broadband delivery systems.

The consideration to complete the acquisition of Broadband was \$50.780 billion, consisting of \$25.495 billion of the Company's common stock and options, \$24.860 billion of assumed debt, and \$425 million of transaction costs directly related to the acquisition. The Company issued approximately 1.348 billion shares of its common stock (excluding shares of Class A common stock issued and classified as treasury stock) consisting of 1.233 billion shares of its Class A common stock to Broadband shareholders in exchange for all of AT&T's interests in Broadband, and the issuance of approximately 100.6 million shares and 14.4 million shares of its Class A and Class A Special common stock, respectively, to Microsoft in exchange for Broadband shares that Microsoft received immediately prior to the completion of the Broadband acquisition for settlement of its \$5 billion aggregate principal amount in quarterly income preferred securities. The Company 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 which 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 the Company, to Comcast Holdings and to AT&T.

Under the terms of the original merger agreement dated December 19, 2001, the Company was to assume public debt of Broadband's subsidiaries and fund Broadband's intercompany payable due to AT&T. Subsequent to the original merger agreement, economic and business factors changed resulting in a modification of the consideration to be exchanged. On August 12, 2002, in connection with the filing of a proposed exchange offer by AT&T, the form of consideration to be exchanged was modified to provide for the assumption by Broadband of a portion of AT&T's public debt securities, thereby increasing the amount of debt assumed by the Company by \$3.5 billion and

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

reducing the amount of intercompany indebtedness paid at closing. This modification represented a substantive change in the non-equity, or "other" consideration, being paid, resulting in a new measurement date for determining the value of the common stock issued in the acquisition. Accordingly, the fair value of the shares issued for Broadband was based on the August 12, 2002 measurement date.

Purchase Price Allocation. The application of purchase accounting under SFAS No. 141, "Business Combinations" ("SFAS No. 141"), requires that the total purchase price be allocated to the fair value of the assets acquired and liabilities assumed based on their fair values at the acquisition date. The allocation process requires an analysis of acquired contracts, franchise related customer relationships, employee benefit plans, contractual commitments and legal contingencies to identify and record the fair value of all assets acquired and liabilities assumed. In valuing acquired assets and liabilities, fair value estimates are based on, but are not limited to: future expected cash flows; market rate assumptions for contractual obligations; actuarial assumptions for benefit plans; settlement plans for litigation and contingencies; and appropriate discount rates.

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

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed and the related deferred income taxes as of the acquisition date. Given the size of the Broadband acquisition and close proximity to year-end, the value of certain assets and liabilities are based on preliminary valuations and are subject to adjustment as additional information is obtained. Such additional information includes: reports from valuation specialists; information related to the cost of terminating or meeting contractual obligations; and information related to preacquisition contingencies.

Current assets.....	\$ 1,533
Investments, including TWE.....	17,325
Property, plant & equipment.....	11,757
Amortizable intangible assets:	
Franchise related customer relationships.....	4,019
Other.....	146
Cable franchise rights.....	31,689
Goodwill.....	10,951
Other noncurrent assets.....	300

Total assets.....	77,720

Accounts payable, accrued expenses and other 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 non-current liabilities.....	(4,277)
Minority interest.....	(1,554)

Total liabilities.....	(52,926)

Comcast shares held by Broadband, classified as treasury stock.....	1,126

Net assets acquired.....	\$25,920
	=====

In the aggregate, the intangible assets which 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 \$10.951 billion of goodwill, none of which was deductible for income tax purposes, was assigned to the Company's cable segment.

Liabilities associated with exit activities recorded in the above allocation consist of accrued employee termination and related costs of \$602 million and \$929 million associated with either the cost of terminating contracts or the present value of remaining amounts payable under non-cancelable contracts. Amounts paid against these accruals totaled \$110 million and \$16 million, respectively, as of December 31, 2002.

Identification of Comcast Holdings as Acquiring Entity. 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. As more fully described below, based on Brian L. Roberts' ("Mr. Roberts") nondilutable minority voting interest, his role on the Governance and Directors Nominating Committee of the Board of Directors, his position as President and Chief Executive Officer ("CEO"), and his right to appoint other members of senior management, as well as the other factors described below, it was concluded that Comcast Holdings was the acquiring entity.

Voting Rights in the Company. Upon closing, former AT&T shareholders owned approximately 60.7% of the Company's voting common stock. Mr. Roberts, the President and controlling shareholder prior to the acquisition owns a 33.33% non-dilutable voting interest after the acquisition through ownership of the Company's Class B common stock, representing the largest minority voting interest in the Company. The next largest voting interest held by an individual shareholder was 4.95%, held by Microsoft. As a result of his ownership of the Class B common stock, Mr. Roberts has the right to approve any merger involving the Company or any other transaction in which any other person would own more than 10% of the common stock of the Company, the right to approve any issuances of Class B common stock, and any charter amendments or other actions that would limit the rights of the Class B common stock.

Governance Arrangements Relating to the Board of Directors. The Company's Board of Directors has twelve members, five of whom were designated by Comcast Holdings, five of whom were designated by AT&T, and two of whom were jointly designated and are independent persons. As long as Mr. Roberts is the Chairman or CEO of the Company he will be the chairman of the Board committee that nominates the slate of directors for the Company (the "Governance and Directors Nominating Committee"). Prior to the 2004 annual meeting of shareholders, the remaining four members of the Governance and Directors Nominating Committee will consist of independent directors selected by the Comcast Holdings director designees. After the 2004 annual meeting of shareholders, the remaining four members of the Governance and Directors Nominating Committee will be selected by Mr. Roberts from among the Company's independent directors. Nominations of the Governance and Directors Nominating Committee will be submitted directly to the shareholders without any requirement of Board approval or ratification.

Governance Arrangements Relating to Management. The Company has an Office of the Chairman, comprised of the Chairman of the Board (the "Chairman") and the CEO. The Office of the Chairman is the Company's principal executive deliberative body with responsibility for corporate strategy, policy and direction, governmental affairs and other significant matters. Mr. Roberts is the President and CEO of the Company and he will remain President of the Company for as long as he is the CEO. The CEO's powers and responsibilities include the supervision and management of the Company's business and operations, all matters related to officers and employees, including hiring and termination, all rights and powers typically exercised by the chief executive officer and president of a corporation, and the authority to call special meetings of the Board of Directors. Mr. Roberts has the right to fill all senior management positions of the Company after consultation with the Chairman. After the 2005 annual meeting of shareholders, or if the current Chairman ceases to serve as Chairman prior to that date, Mr. Roberts will become the Chairman. Prior to the sixth anniversary of the 2004 annual meeting of shareholders, removal of Mr. Roberts as CEO (or Chairman) will require the vote of at least 75% of the entire Board.

Other Factors. Comcast Holdings made an unsolicited offer to purchase all of AT&T Broadband. Subsequent to Comcast Holdings' offer, AT&T solicited bids from other potential purchasers. The headquarters of the Company is in Philadelphia, Pennsylvania, the headquarters of Comcast Holdings. Following the acquisition, the name of the combined company is Comcast Corporation.

TWE Restructuring

Included in investments acquired in the Broadband acquisition is a 27.6% interest in Time Warner Entertainment Company L.P. ("TWE"). In August 2002, AT&T and Comcast Holdings announced that they had entered into an agreement with AOL Time Warner, Inc. ("AOL Time Warner") providing for the restructuring of TWE. The restructuring agreement is intended to provide for a more orderly and timely disposition of the Company's 27.6% ownership interest in TWE than would likely be available under the registration rights provisions of the existing TWE partnership agreement. Upon consummation of the Broadband acquisition, the Company assumed all of AT&T's interest in TWE and in the restructuring agreement. As part of the restructuring, TWE will distribute to AOL Time Warner all of TWE's major content assets, which include Home Box Office, Warner Bros., and stakes in The WB Network, Comedy Central and Court TV, and receive in exchange therefor AOL Time Warner's cable assets not currently held through TWE. Upon closing of the restructuring agreement, the Company will receive \$1.5 billion in common stock of AOL Time Warner (valued at the time of the closing and subject to certain limitations), and an approximate 21% equity interest in the successor entity to TWE ("Time Warner Cable", which will then hold all of AOL Time Warner's cable properties), in exchange for its approximate 27.6% interest in TWE. The Company will also receive \$2.1 billion in cash. Time Warner Cable is expected to conduct an initial public offering of common stock following closing under the restructuring agreement. Also, under the restructuring agreement, the Company will have registration rights that should facilitate the disposal or monetization of its shares in Time Warner Cable and in AOL Time Warner.

As part of the process of obtaining approval of the Broadband acquisition from the Federal Communications Commission ("FCC"), at the closing of the Broadband acquisition, the Company placed its entire interest in TWE in trust for orderly disposition. Any non-cash consideration received in respect of such interest as a result of the TWE restructuring, including the AOL Time Warner and Time Warner Cable common stock, will remain in trust until disposed of or FCC approval is obtained to remove such interests from the trust (see Note 6).

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

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

The TWE restructuring is subject to receipt of certain regulatory approvals and other closing conditions, and is expected to close by the end of the second quarter of 2003. If the restructuring agreement is terminated without the restructuring being consummated, the parties will return to the registration rights process under the TWE partnership agreement.

Bresnan Transaction

In February 2003, the Company announced that it had entered into a definitive agreement with Bresnan Broadband Holdings, LLC and Bresnan Communications, LLC (together, "Bresnan") pursuant to which the Company would

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

transfer cable systems serving approximately 317,000 subscribers in Montana, Wyoming, Colorado and Utah to Bresnan that the Company had acquired in connection with the Broadband acquisition. The Company will receive approximately \$525 million in cash, plus preferred and common equity interests in Bresnan in exchange for these cable systems. The assets (which consist primarily of cable franchise rights and property and equipment) for these cable systems are reported as assets held for sale in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," in the Company's consolidated balance sheet. The results of operations for period from November 19, 2002 through December 31, 2002 for these cable systems are presented as discontinued operations, net of tax, in the Company's consolidated statement of operations. Revenues and operating income for these cable systems during the period from November 19, 2002 through December 31, 2002 were \$21 million and \$3 million, respectively. The Company expects this transaction to close by March 31, 2003, subject to customary closing conditions.

2001 and 2000 Acquisitions and Exchanges

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

In 2000, the Company acquired cable operations consisting of Lenfest Communications, Inc. ("Lenfest"), including Lenfest's 50% interest in Comcast Cablevision of Garden State, L.P. ("Garden State Cable"), from AT&T and the other Lenfest stockholders, the minority interest in Comcast MHCP Holdings, L.L.C. ("Comcast MHCP") from the California Public Employees Retirement System ("CalPERS"), the minority interest in Jones Intercable, Inc. ("Jones Intercable") from the Jones Intercable shareholders, and Prime Communications LLC ("Prime") from Prime's shareholders. In 2000, the Company also completed its cable systems exchange with AT&T. The Company recorded to other income a pre-tax gain of \$1.711 billion, representing the difference between the estimated fair value of \$2.840 billion as of the closing date of the transaction and the Company's cost basis in the systems exchanged.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

The acquisitions completed by the Company during 2001 and 2000 were accounted for under the purchase method of accounting. As such, the Company's results include the operating results of the acquired businesses from the dates of acquisition. A summary of the Company's acquisitions and cable systems exchanges for 2001 and 2000 is as follows (dollars in millions):

Acquisition/Exchange	% Interest Acquired	Date	Seller	Consideration	Value
2001					
OLN	83.2%	October 30	Fox Entertainment	Cash and 14.5% interest in SVN	\$512
AT&T Cable System	100%	June 30	AT&T	Cash	\$519
TGC	30.8%	June 8	Fox Entertainment	Cash	\$365
AT&T Cable Systems	100%	April 30	AT&T	63.9 million shares of AT&T common stock	\$1,423
HTS	100%	February 14	Viacom and ARC	Cable distribution of programming	\$240
Adelphia Exchange	100%	January 1	Adelphia	Cable systems	\$1,799
2000					
AT&T Exchange	100%	December 31	AT&T	Cable systems	\$2,840
Prime	100%	August 1	Shareholders	Converted loans, cash and assumed debt	\$1,525
Jones Intercable	60.4%	March 2	Shareholders	35.6 million shares of Comcast common stock	\$1,727
Comcast MHCP	45%	February 10	CalPERS	Cash	\$750
Lenfest and Garden State Cable	100% 50%	January 18	AT&T and shareholders	120.1 million shares of Comcast common stock and assumed debt	\$7,340

The Broadband acquisition, the Company's cable systems exchanges with Adelphia and AT&T, and certain of the Company's acquisitions did not result in cash payments but affected recognized assets and liabilities (see Note 12).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

Unaudited Pro Forma Information

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

	(Amounts in millions, except per share data)		
	Year Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Revenues.....	\$21,112	\$20,112	\$9,151
Income (loss) before cumulative effect of accounting change....	(\$15,071)	(\$3,178)	\$1,629
Net income (loss).....	(\$15,071)	(\$2,793)	\$1,629
Diluted EPS.....	(\$6.55)	(\$1.22)	\$1.68

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

Other Income

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

In August 2000, the Company exchanged all of the capital stock of a wholly owned subsidiary which held certain wireless licenses for approximately 3.2 million shares of AT&T common stock. In connection with the exchange, the Company recorded to other income a pre-tax gain of \$98 million, representing the difference between the fair value of the AT&T shares received of \$100 million and the Company's cost basis in the subsidiary.

6. INVESTMENTS

	December 31,	
	2002	2001
	----- (Dollars in millions) -----	
Fair value method		
AT&T Corp.....	\$287	\$1,515
Cablevision.....	694	
Microsoft.....	1,967	
Sprint Corp. PCS Group.....	369	2,109
Vodafone.....	1,759	
Other.....	82	136
	-----	-----
	5,158	3,760
	-----	-----
Equity Method		
Cable related.....	2,542	142
Other.....	236	245
	-----	-----
	2,778	387
	-----	-----
Cost method, principally TWE in 2002.....	10,537	155
	-----	-----
Total investments.....	18,473	4,302
Less, current investments.....	3,266	2,623
	-----	-----
Non-current investments.....	\$15,207	\$1,679
	=====	=====

Fair Value Method

The Company holds unrestricted equity investments in certain publicly traded companies, which it accounts for as available for sale or trading securities. The net unrealized pre-tax gains on investments accounted for as available for sale securities as of December 31, 2002 and 2001 of \$72 million and \$280 million, respectively, have been reported in the Company's consolidated balance sheet principally as a component of other comprehensive income (loss), net of related deferred income taxes of \$25 million and \$95 million, respectively.

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

	December 31,	
	2002	2001
	----- (Dollars in millions) -----	
Cost.....	\$322	\$1,355
Gross unrealized gains.....	73	283
Gross unrealized losses.....	(1)	(3)
	-----	-----
Fair value.....	\$394	\$1,635
	=====	=====

In connection with the Broadband acquisition, the Company acquired investments in Cablevision, Microsoft and Vodafone which are accounted for under the fair value method. The Company designated all of the acquired Microsoft and Vodafone shares, and substantially all of the Cablevision shares, as trading securities upon closing of the Broadband acquisition. The Company has entered into Equity Collars and Prepaid Forward Sales which are accounted for at fair value. The Equity Collars and Prepaid Forward Sales limit the Company's exposure to and benefits from price fluctuations in Sprint PCS common stock.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

In connection with the Broadband acquisition, the Company also acquired a series of option agreements (the "Microsoft Collars" and "Vodafone Collars") with a single bank counterparty which limit the Company's exposure to and benefits from price fluctuations in the Microsoft common stock and Vodafone ADRs. The Microsoft Collars and Vodafone Collars are undesignated for accounting purposes in accordance with SFAS No. 133 and are recorded in investments at fair value, with unrealized gains or losses being recorded to investment income (expense). These unrealized gains or losses are substantially offset by the changes in the fair value of shares of Microsoft common stock and Vodafone ADRs.

Equity Method

The Company's recorded investments exceed its proportionate interests in the book value of the investees' net assets by \$1.473 billion as of December 31, 2002 (principally related to the Company's investments in Texas Cable Partners, Kansas City Cable Partners and Insight Midwest). As a result of the adoption of SFAS No. 142, the Company does not amortize the goodwill resulting from this excess but rather will continue to test such excess for impairment in accordance with APB Opinion 18, "The Equity Method of Accounting for Investments in Common Stock."

Equity in net losses of affiliates for the year ended December 31, 2002 includes impairment losses of \$53 million, related principally to other than temporary declines in the Company's investments in and advances to certain of the Company's equity method investees.

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

Cost Method

In connection with the Broadband acquisition, the Company acquired two series of preferred stock of AirTouch Communications, Inc., a subsidiary of Vodafone, which were recorded at \$1.394 billion as of December 31, 2002. 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 a subsidiary of the Company. The subsidiary has outstanding three series of preferred stock with an aggregate redemption value of \$1.750 billion. Substantially all of the preferred shares are redeemable in April 2020 at a redemption value of \$1.650 billion with one of the series bearing a 9.08% dividend rate. The subsidiary preferred shares are recorded at \$1.511 billion and such amount is included in minority interest as of December 31, 2002.

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

In connection with the Broadband acquisition, the Company acquired a 27.6% interest in TWE. This investment is accounted for under the cost method as the Company does not have the ability to exercise significant influence over the operating and financial policies of TWE (see Note 5).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

Investment Income (Expense)

Investment income (expense) includes the following (in millions):

	Year Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Interest and dividend income.....	\$63	\$77	\$171
(Losses) gains on sales and exchanges of investments, net.....	(48)	485	887
Investment impairment losses.....	(247)	(972)	(74)
Reclassification of unrealized gains.....		1,330	
Unrealized (loss) gain on trading securities.....	(1,569)	285	
Mark to market adjustments on derivatives related to trading securities.....	1,340	(185)	
Mark to market adjustments on derivatives and hedged items.....	(144)	42	
	-----	-----	-----
Investment income (expense).....	(\$605)	\$1,062	\$984
	=====	=====	=====

The investment impairment losses for the years ended December 31, 2002 and 2001 relate principally to other than temporary declines in the Company's investment in AT&T.

During the year ended December 31, 2001, the Company wrote-off its investment in At Home common stock based upon a decline in the investment that was considered other than temporary. In connection with the realization of this impairment loss, the Company reclassified to investment income (expense) the accumulated unrealized gain of \$238 million on the Company's investment in At Home common stock which was previously recorded as a component of accumulated other comprehensive income (loss). The Company recorded this accumulated unrealized gain prior to the Company's designation of its right under the Share Exchange Agreement as a hedge of the Company's investment in the At Home common stock (see Note 5 - Other Income).

In June 2001, the Company and AT&T entered into an Amended and Restated Share Issuance Agreement (the "Share Issuance Agreement"). AT&T issued to the Company approximately 80.3 million unregistered shares of AT&T common stock and the Company agreed to settle its right under the Share Exchange Agreement (see Note 5 - Other Income) to exchange an aggregate 31.2 million At Home shares and warrants held by the Company for shares of AT&T common stock. Under the terms of the Share Issuance Agreement, the Company retained the At Home shares and warrants held by it. The Company recorded to investment income (expense) a pre-tax gain of \$296 million, representing the fair value of the increased consideration received by the Company to settle its right under the Share Exchange Agreement.

In August 2001, the Company entered into a ten year Prepaid Forward Sale of 4.0 million shares of Sprint PCS common stock held by the Company with a fair value of approximately \$98 million and the Company received \$78 million in cash. At maturity, the counterparty is entitled to receive between 2.5 million and 4.0 million shares of Sprint PCS common stock, or an equivalent amount of cash at the Company's option, based upon the market value of Sprint PCS common stock at that time. The Company split the Prepaid Forward Sale into its liability and derivative components and recorded both components of the Prepaid Forward Sale obligation in other long-term liabilities. The Company records the change in the fair value of the derivative component and the accretion of the liability component to investment income (expense).

The Company reclassified its investment in Sprint PCS from an available for sale security to a trading security in connection with the adoption of SFAS No. 133 on January 1, 2001. In connection with this reclassification, the Company recorded to investment income (expense) the accumulated unrealized gain of \$1.092 billion on the Company's investment in Sprint PCS which was previously recorded as a component of accumulated other comprehensive income (loss).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

7. GOODWILL AND INTANGIBLE ASSETS

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

	Cable	Commerce	Corporate and Other	Total
	-----	-----	-----	-----
Balance, December 31, 2001.....	\$4,688	\$835	\$766	\$6,289
Acquisitions.....	10,951			10,951
Purchase price allocation adjustments.....	5		152	157
	-----	-----	-----	-----
Balance, December 31, 2002.....	\$15,644	\$835	\$918	\$17,397
	=====	=====	=====	=====

In connection with the Company's preliminary purchase price allocation related to the Broadband acquisition (see Note 5), the Company recorded \$10.951 billion of goodwill to the Company's cable segment.

During 2002, the Company recorded the final purchase price allocation related to the Company's acquisition of OLN, which resulted in an increase in goodwill and a corresponding decrease in cable and satellite television distribution rights. In addition, during 2002, the Company recorded the final purchase price allocation related to certain of its cable system acquisitions, which resulted in an increase in goodwill and a corresponding decrease in franchise rights.

The gross carrying amount and accumulated amortization of the Company's intangible assets subject to amortization for the periods presented are as follows (in millions):

	As of December 31, 2002		As of December 31, 2001	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
	-----	-----	-----	-----
Franchise related customer relationships.....	\$4,019	(\$42)	\$	\$
Cable and satellite television distribution rights.....	1,618	(491)	1,588	(316)
Cable franchise renewal costs and contractual operating rights.....	314	(100)	267	(70)
Computer software.....	186	(58)	125	(45)
Programming costs and rights.....	194	(144)	162	(117)
Non-competition agreements and other.....	290	(187)	210	(117)
	-----	-----	-----	-----
	\$6,621	(\$1,022)	\$2,352	(\$665)
	=====	=====	=====	=====

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

As of December 31, 2002, the weighted average amortization period for the Company's intangible assets subject to amortization is 5.3 years and estimated related amortization expense for each of the five years ended December 31 is as follows (in millions):

2003.....	\$1,524
2004.....	\$1,329
2005.....	\$1,178
2006.....	\$667
2007.....	\$233

The following pro forma financial information for 2002, 2001 and 2000 is presented as if SFAS No. 142 was adopted as of January 1, 2000 (amounts in millions, except per share data):

	Years Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Net Income (Loss)			
As reported.....	(\$274)	\$609	\$2,021
Amortization of goodwill.....		335	304
Amortization of equity method goodwill.....		15	15
Amortization of franchise rights.....		1,083	858
As adjusted.....	(\$274)	\$2,042	\$3,198
	=====	=====	=====
Income (loss) before cumulative effect of accounting change, as adjusted.....	(\$274)	\$1,657	\$3,198
	=====	=====	=====
Basic EPS			
As reported.....	(\$0.25)	\$0.64	\$2.24
Amortization of goodwill.....		0.35	0.34
Amortization of equity method goodwill.....		0.02	0.02
Amortization of franchise rights.....		1.14	0.96
As adjusted.....	(\$0.25)	\$2.15	\$3.56
	=====	=====	=====
Diluted EPS			
As reported.....	(\$0.25)	\$0.63	\$2.13
Amortization of goodwill.....		0.35	0.32
Amortization of equity method goodwill.....		0.02	0.02
Amortization of franchise rights.....		1.12	0.90
As adjusted.....	(\$0.25)	\$2.12	\$3.37
	=====	=====	=====

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

8. LONG-TERM DEBT

	December 31,	
	2002	2001

	(in millions)	
Notes exchangeable into common stock, due 2003-2007.....	\$5,459	\$
Commercial Paper.....		397
Notes payable to banks due in installments through 2009.....	7,767	1,223
6.20% - 6.95% Senior notes, due 2003-2037.....	4,267	3,054
7.08% - 7.95% Senior notes, due 2003-2007.....	2,832	1,103
8% - 8-7/8% Senior notes, due 2003-2032.....	8,710	2,660
9% - 10-1/8% Senior notes, due 2002 and 2023.....	3,015	200
8-1/4% - 10-5/8% Senior subordinated debentures, due 2006-2012.....	521	521
Zero Coupon Convertible Debentures, due 2020.....	86	1,096
ZONES at principal amount, due 2029.....	699	1,613
9.04% - 9.65% Trust Preferred Securities, due 2027 and 2038.....	805	
Other, including capital lease obligations.....	749	335
	-----	-----
	34,910	12,202
Less current portion.....	3,203	460
Less short-term debt.....	3,750	
	-----	-----
	\$27,957	\$11,742
	=====	=====

Maturities of long-term debt outstanding as of December 31, 2002 for the four years after 2003 are as follows (in millions):

2004.....	\$6,135
2005.....	\$4,454
2006.....	\$1,834
2007.....	\$1,170

The Cross-Guarantee Structure

To simplify the Company's capital structure, effective with the acquisition of Broadband, the Company and four of its cable holding company subsidiaries fully and unconditionally guaranteed each other's debt securities (the "Cross-Guarantee Structure"). Comcast Holdings is not a guarantor, and none of its debt is guaranteed. In connection with the Broadband acquisition, the Company borrowed \$4 billion of short-term indebtedness and \$3.2 billion of long-term indebtedness under the New Credit Facilities (see below) that is also a part of the Cross-Guarantee Structure. As of December 31, 2002, \$24.729 billion of the Company's debt securities were entitled to the benefits of the Cross-Guarantee Structure, including \$3.5 billion of AT&T's debt securities assumed by the Company in the Broadband acquisition (see Notes 5 and 16).

Comcast MO of Delaware, Inc. (formerly, MediaOne of Delaware, Inc. and Continental Cablevision, Inc.) was not originally a part of the Cross-Guarantee Structure. On March 12, 2003, the Company announced the successful completion of a bondholder consent solicitation related to Comcast MO of Delaware, Inc.'s \$1.7 billion aggregate principal amount in debt securities to permit it to become part of the Cross-Guarantee Structure.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Senior Notes Offerings

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

New Credit Facilities

In May 2002, the Company entered into definitive credit agreements with a syndicate of lenders for an aggregate of \$12.825 billion of financing (the "New Credit Facilities") to complete the Broadband acquisition (see Note 5) and to provide for the Company's financing needs after the Broadband acquisition. On November 18, 2002, in connection with the Broadband acquisition, the Company borrowed an aggregate of \$7.2 billion under the New Credit Facilities and canceled \$3.0 billion of the \$12.825 billion of New Credit Facilities. Borrowings consisted of \$4.0 billion of variable rate short-term debt (the "Bridge Credit Facility") and \$3.2 billion of variable rate debt maturing November 2004.

Zero Coupon Convertible Debentures

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

Holder may require the Company to repurchase, at their accreted value, the Zero Coupon Debentures on December 19, 2003, 2005, 2010 and 2015. The Company may choose to pay the repurchase price for 2003 and 2005 repurchases in cash or shares of its Class A Special common stock or a combination of cash and shares of its Class A Special common stock. The Company may pay the repurchase price for the 2010 and 2015 repurchases in cash only.

Holder may surrender the Zero Coupon Debentures for conversion at any time prior to maturity if the closing price of the Company's Class A Special common stock is greater than 110% of the accreted conversion price for at least 20 trading days of the 30 trading days prior to conversion. During the year ended 2002, the Company repurchased from holders an aggregate of \$1.023 billion accreted value of Zero Coupon Debentures for cash. The Company refinanced the redemption with borrowings under its New Credit Facilities.

Amounts outstanding under the Zero Coupon Debentures are classified as long-term in the Company's consolidated balance sheet as of December 31, 2002 and 2001 as the Company has both the ability and the intent to refinance the Zero Coupon Debentures on a long-term basis with amounts available under the Company's credit facilities in the event holders of the Zero Coupon Debentures exercise their rights to require the Company to repurchase the Zero Coupon Debentures in December 2003.

Notes Exchangeable into Common Stock

As a result of the Broadband acquisition, the Company assumed exchangeable notes (the "Exchangeable Notes") which are mandatorily redeemable at the Company's option into shares of Cablevision Class A common stock or its cash equivalent (the "Cablevision Exchangeable Notes"), Microsoft common stock or its cash equivalent (the "Microsoft Exchangeable Notes"), (i) Vodafone ADRs, (ii) the cash equivalent, or (iii) a combination of cash and Vodafone ADRs (the "Vodafone Exchangeable Notes"), and Comcast Class A Special common stock or its cash equivalent (the "Comcast Exchangeable Notes"). The maturity value of the Exchangeable Notes varies based upon the fair market value of the security to which it is indexed. The Company's Exchangeable Notes are collateralized by the Company's investments in Cablevision, Microsoft and Vodafone, respectively, and the Comcast Class A

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Special common stock held in treasury (see Note 10). As of December 31, 2002, \$3.161 billion of Exchangeable Notes bear interest at variable rates (three-month LIBOR plus 0.4% to 0.5%) and \$2.298 billion of Exchangeable Notes bear interest at fixed rates ranging from 4.63% to 7.04%. As of December 31, 2002, the securities held by the Company collateralizing the Exchangeable Notes were sufficient to satisfy the debt obligations associated with the outstanding Exchangeable Notes.

ZONES

At maturity, holders of the Company's 2.0% Exchangeable Subordinated Debentures due 2029 (the "ZONES") are entitled to receive in cash an amount equal to the higher of the principal amount of the ZONES of \$1.807 billion or the market value of Sprint PCS Stock. Prior to maturity, each ZONES is exchangeable at the holder's option for an amount of cash equal to 95% of the market value of Sprint PCS Stock. As of December 31, 2002, the number of Sprint PCS shares held by the Company exceeded the number of ZONES outstanding.

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

Upon adoption of SFAS No. 133, the Company split the accounting for the ZONES into derivative and debt components. The Company also split the accounting for the Exchangeable Notes into derivative and debt components. The Company records the change in the fair value of the derivative component of the ZONES and the Exchangeable Notes (see Note 6) and the change in the carrying value of the debt component of the ZONES and the Exchangeable Notes as follows (in millions):

	Year Ended December 31, 2002	
	Zones	Exchangeable Notes
	-----	-----
Balance at Beginning of Year:		
Debt component.....	\$ 468	\$
Derivative component.....	1,145	
Total.....	1,613	
Acquisition of Broadband, debt component.....		6,993
Acquisition of Broadband, derivative component.....		(1,461)
Total.....		5,532
Increase (decrease) in debt component to interest expense.....	23	(12)
Decrease in derivative component to investment income/expense.....	(937)	(61)
Balance at End of Year:		
Debt component.....	491	6,981
Derivative component.....	208	(1,522)
Total.....	\$699	\$ 5,459
	=====	=====

Trust Preferred Securities

As a result of the Broadband acquisition, the Company assumed certain subsidiary trust preferred securities ("Trust Preferred Securities") which are recorded within long-term debt in the Company's consolidated balance sheet at December 31, 2002. AT&T agreed to guarantee the Trust Preferred Securities due 2038 through their call date of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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October 2003, at which time the Company will either redeem them or provide substitute credit support. The Trust Preferred Securities are not part of the Cross-Guarantee Structure.

Interest Rates;

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

Prime rate to Prime plus .875%;
Federal Funds rate plus .5% to 1.375%; and
LIBOR plus .14% to 1.875%.

The weighted average interest rate on the Company's short-term debt was 2.53% as of December 31, 2002. Excluding the derivative component of the ZONES and Exchangeable Notes whose changes in fair value are recorded to investment income (expense), the Company's effective weighted average interest rate on its total debt outstanding was 5.86% and 6.31% as of December 31, 2002 and 2001, respectively.

Interest Rate Risk Management

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

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

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

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

	Notional Amount	Maturities	Average Pay Rate	Average Receive Rate	Estimated Fair Value
As of December 31, 2002					
Variable to Fixed Swaps	\$1,811	2003-2005	7.5%	1.9%	\$64
Fixed to Variable Swaps	\$300	2027	3.7%	9.7%	\$41
As of December 31, 2001					
Variable to Fixed Swaps	\$250	2002-2003	4.9%	2.2%	(\$6)
Fixed to Variable Swaps	\$950	2004-2008	3.6%	7.5%	\$47

The notional amounts of interest rate instruments, as presented in the above table, are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The estimated fair value approximates the proceeds (costs) to settle the outstanding contracts. While Swaps, Rate Locks, Caps and Collars represent an integral part of the Company's interest rate risk management program, their incremental effect on interest expense for the years ended December 31, 2002, 2001 and 2000 was not significant.

In 2002, the Company entered into Rate Locks to hedge the risk that the cash flows related to the interest payments on an anticipated issuance or assumption of certain fixed rate debt in connection with the Broadband acquisition may be adversely affected by interest rate fluctuations. To the extent the Rate Locks are effective in offsetting the variability of the hedged cash flows, changes in the fair value of the Rate Locks are not included in earnings but are reported as a component of accumulated other comprehensive income (loss). Upon the assumption of certain fixed rate debt in connection with the Broadband acquisition, the value of the Rate Locks is being recognized as an adjustment to interest expense, similar to a deferred financing cost, over 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, 2002 and 2001 of \$225 million and \$1 million have been reported in the Company's balance sheet as a component of accumulated other comprehensive income (loss), net of related deferred income taxes of \$79 million and \$0.3 million, respectively.

Estimated Fair Value

The Company's debt had estimated fair values of \$36.827 billion and \$12.559 billion as of December 31, 2002 and 2001, respectively. The estimated fair value of the Company's publicly traded debt is based on quoted market prices for that debt. Interest rates that are currently available to the Company for issuance of debt with similar terms and remaining maturities are used to estimate fair value for debt issues for which quoted market prices are not available.

Debt Covenants

The Company's and certain of the Company's subsidiaries' loan agreements contain financial covenants which require that certain ratios and cash flow levels be maintained and contain certain restrictions on dividend payments and advances of funds to the Company. The Company and its subsidiaries were in compliance with all financial covenants for all periods presented.

As of December 31, 2002, \$37 million of the Company's cash and cash equivalents is restricted under contractual or other arrangements. Restricted net assets of the Company's subsidiaries were approximately \$12.597 billion as of December 31, 2002.

Lines and Letters of Credit

As of December 31, 2002, certain subsidiaries of the Company had unused lines of credit of \$5.949 billion under their respective credit facilities.

As of December 31, 2002, the Company and certain of its subsidiaries had unused irrevocable standby letters of credit totaling \$370 million to cover potential fundings under various agreements.

9. PENSION, POSTRETIREMENT AND OTHER EMPLOYEE BENEFIT PLANS

Following the Broadband acquisition, the Company sponsors two pension plans which 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. In addition, following the Broadband acquisition, the Company now sponsors a separate retiree medical plan for a small number of former Broadband employees.

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The following table shows the components of the net periodic benefit costs for the year ended December 31, 2002, which are included in the Company's consolidated statement of operations (dollars in millions):

	Pension Benefits	Postretirement Benefits
	-----	-----
Service cost-benefits earned during the period.....	\$1	\$6
Interest cost on benefit obligations.....	3	4
Credit for expected return on plan assets.....	(1)	
	-----	-----
Net periodic benefit cost.....	\$3	\$10
	=====	=====

The following table provides a reconciliation of the changes in the plans' benefit obligations for the year ended December 31, 2002 (dollars in millions):

	Pension Benefits	Postretirement Benefits
	-----	-----
Benefit obligation, beginning of year.....	\$	\$50
Acquisition of Broadband.....	352	108
Service cost.....	1	6
Interest cost.....	3	4
Plan amendments.....		(17)
Actuarial loss.....		3
Benefit payments.....	(6)	
	-----	-----
Benefit obligation, end of year.....	\$350	\$154
	=====	=====

The following table provides a reconciliation of the changes in the plans' fair value of assets for the year ended December 31, 2002 (dollars in millions):

	Pension Benefits	Postretirement Benefits
	-----	-----
Fair value of plan assets, beginning of year.....	\$	\$
Acquisition of Broadband.....	78	1
Benefit payments.....	(6)	
	-----	-----
Fair value of plan assets, end of year.....	\$72	\$1
	=====	=====

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

The following table provides a statement of the plans' funded status as of December 31, 2002 (dollars in millions):

	Pension Benefits	Postretirement Benefits
	-----	-----
Unfunded benefit obligation.....	(\$278)	(\$153)
Unrecognized net loss (gain).....	1	(9)
Unrecognized prior service cost.....		(14)
	-----	-----
Net amount recorded.....	(\$277)	(\$176)
	=====	=====

The following table provides the amounts recorded in the Company's consolidated balance sheet as of December 31, 2002 (dollars in millions):

	Pension Benefits	Postretirement Benefits
	-----	-----
Benefit obligation.....	(\$277)	(\$176)
Benefit related liabilities.....	(1)	
Accumulated other comprehensive income.....	1	
	-----	-----
Net amount recorded.....	(\$277)	(\$176)
	=====	=====

The weighted-average assumptions in the following table were used in the measurement of the pension and postretirement benefit obligations and the net periodic benefit costs as applicable as of December 31, 2002:

	Pension Benefits	Postretirement Benefits
	-----	-----
Discount rate.....	6.50%	6.75%
Expected return on plan assets.....	7.00%	5.00%

An 11% rate of increase in the per capita cost of covered healthcare benefits (the healthcare cost trend rate) was assumed. This rate was assumed to decline gradually after 2002 to 5% by the year 2014 and then remain level. Assumed healthcare cost trend rates have a significant effect on the amounts reported for the healthcare plans. A one percentage point increase or decrease in the assumed healthcare cost trend rate would increase or decrease the healthcare component of the accumulated postretirement benefit obligation by \$6-7 million but would not have a material impact on the service and interest cost components of net periodic postretirement healthcare benefit costs.

10. STOCKHOLDERS' EQUITY

Preferred Stock

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

The Company's Series B Preferred Stock had a 5.25% pay-in-kind annual dividend. Dividends were paid quarterly through the issuance of additional shares of Series B Preferred Stock (the "Additional Shares") and were

cumulative from the issuance date (except that dividends on the Additional Shares accrued from the date such Additional Shares were issued). The Series B Preferred Stock, including the Additional Shares, was convertible, at the option of the holder, into approximately 43 million shares of the Company's Class A Special common stock, subject to adjustment in certain limited circumstances, which equaled an initial conversion price of \$11.77 per share, increasing as a result of the Additional Shares to \$16.96 per share on June 30, 2004. The Series B Preferred Stock was mandatorily redeemable on June 30, 2017, or, at the option of the Company beginning on June 30, 2004 or at the option of the holder on June 30, 2004 or on June 30, 2012. Upon redemption, the Company, at its option, could redeem the Series B Preferred Stock with cash, Class A Special common stock or a combination thereof. The Series B Preferred Stock was generally non-voting. In December 2000, the Company issued approximately 38.3 million shares of its Class A Special common stock to the holder in connection with the holder's election to convert \$533 million at redemption value of Series B Preferred Stock. In March 2001, the Company issued approximately 4.2 million shares of its Class A Special common stock to the holder in connection with the holder's election to convert the remaining \$60 million at redemption value of Series B Preferred Stock.

Common Stock

The Company's Class A Special Common Stock is generally nonvoting. Holders of the Company's Class A common stock in the aggregate hold 66 2/3% of the aggregate voting power of the Company's capital stock. The number of votes that each share of the Company's 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 the Company's Class B common stock is entitled to fifteen votes and all shares of the Class B common stock in the aggregate have 33 1/3% of the voting power of all of the Company's common stock. The 33 1/3% aggregate voting power of the Class B common stock will not be diluted by additional issuances of any other class of the Company's common stock. The Class B common stock is convertible, share for share, into Class A or Class A Special common stock, subject to certain restrictions.

Treasury Stock

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

Prior to the Broadband acquisition, Broadband held approximately 47.3 million shares of the Company's Class A Special common stock which collateralize the related Comcast Exchangeable Notes (see Note 8). Upon closing of the Broadband acquisition, the Company classified these shares, which are held by a subsidiary of the Company, as treasury stock within stockholders' equity. The shares were valued based on the closing share price of the Comcast Class A Special common stock as of the closing date of the Broadband acquisition and will continue to be carried at this amount. The shares are deemed issued but not outstanding and because they are related to the Comcast Exchangeable Notes will be included in the computation of Diluted EPS in periods in which the Company has income.

Board-Authorized Repurchase Programs

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

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	Year Ended December 31,	
	2001	2000
	-----	-----
Shares repurchased.....	1	9
Aggregate consideration.....	\$27	\$325
Comcast Put Options sold.....		2

As part of the Company's Board-authorized repurchase programs, the Company sold Comcast Put Options on shares of its Class A Special common stock. The Comcast Put Options give the holder the right to require the Company to repurchase such shares at specified prices on specific dates. All Comcast Put Options sold expired unexercised. The Company reclassified the amount it would have been obligated to pay to repurchase such shares had the Comcast Put Options been exercised, from common equity put options to additional capital upon expiration of the Comcast Put Options.

The following table summarizes the Company's share activity for the three years ended December 31, 2002:

	Series B Preferred Stock	Common Stock		
		Class A	Class A Special	Class B
	-----	-----	-----	-----
Balance, January 1, 2000.....	569,640	25,993,380	716,442,482	9,444,375
Acquisitions.....			155,702,851	
Stock compensation plans.....		(330)	2,599,151	
Retirement of common stock.....		(3,106,500)	(6,006,800)	
Conversion of Series B Preferred.....	(533,685)		38,278,558	
Series B preferred dividends.....	23,495			
Share exchange.....		(1,054,300)	998,950	
	-----	-----	-----	-----
Balance, December 31, 2000.....	59,450	21,832,250	908,015,192	9,444,375
Stock compensation plans.....		(2,828)	2,515,538	
Retirement of common stock.....			(808,000)	
Conversion of Series B Preferred.....	(59,450)		4,208,824	
	-----	-----	-----	-----
Balance, December 31, 2001.....		21,829,422	913,931,554	9,444,375
Acquisitions.....		1,577,117,883	14,376,283	
Shares classified as treasury stock.....		(243,640,500)	(47,289,843)	
Stock compensation plans.....		66,843	1,861,961	
Employee Stock Purchase Plan.....			463,635	
	-----	-----	-----	-----
Balance, December 31, 2002.....	=====	1,355,373,648	883,343,590	9,444,375
	=====	=====	=====	=====

Stock-Based Compensation Plans

As of December 31, 2002, the Company and its subsidiaries have several stock-based compensation plans for certain employees, officers, directors and other persons designated by the applicable compensation committees of the boards of directors of the Company and its subsidiaries. These plans are described below.

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Comcast Option Plans. The Company maintains 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, 138.9 million shares of Class A and Class A Special common stock were reserved for issuance upon the exercise of options, including those outstanding as of December 31, 2002. Option terms are generally from five to 10 1/2 years, with options generally becoming exercisable between two and 9 1/2 years from the date of grant.

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

	2002		2001		2000	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Class A Common Stock						
Outstanding at beginning of year...						
Options exchanged for outstanding Broadband options in connection with acquisition.....	61,094	\$44.17				
Granted.....	2,762	24.85				
Exercised.....	(43)	17.79				
Canceled.....	(238)	55.19				

Outstanding at end of year.....	63,575	43.31				
	=====					
Exercisable at end of year.....	58,135	44.91				
	=====					
Class A Special Common Stock						
Outstanding at beginning of year...	55,521	\$26.89	49,618	\$23.69	40,416	\$16.01
Granted.....	13,857	32.29	10,084	37.52	15,300	39.43
Exercised.....	(2,347)	8.83	(3,360)	10.62	(4,805)	8.60
Canceled.....	(2,141)	30.38	(821)	30.69	(1,293)	25.98
	-----		-----		-----	
Outstanding at end of year.....	64,890	28.57	55,521	26.89	49,618	23.69
	=====		=====		=====	
Exercisable at end of year.....	22,798	21.08	16,892	15.57	13,267	11.35
	=====		=====		=====	

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The following table summarizes information about the options outstanding under the Comcast Option Plans as of December 31, 2002 (options in thousands):

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number Outstanding at 12/31/02	Weighted- Average Remaining Contractual Life	Weighted- Average Exercise Price	Number Exercisable at 12/31/02	Weighted- Average Exercise Price
Class A Common Stock					
\$3.89 - \$15.21	2,291	3.3 years	\$9.59	2,291	\$9.59
\$16.11 - \$27.74	10,377	8.1 years	24.98	4,975	23.69
\$27.76 - \$33.73	13,574	6.9 years	32.36	13,549	32.36
\$33.74 - \$45.07	13,852	3.9 years	38.37	13,839	38.37
\$45.08 - \$60.89	13,967	5.6 years	54.64	13,967	54.64
\$60.90 - \$89.85	9,514	5.5 years	77.59	9,514	77.59
	63,575			58,135	
Class A Special Common Stock					
\$6.00 - \$15.66	10,963	2.9 years	\$9.97	8,751	\$9.96
\$16.94 - \$25.58	13,431	6.5 years	18.39	6,367	17.03
\$27.04 - \$35.49	16,968	8.1 years	34.13	3,241	32.15
\$35.53 - \$45.94	22,042	7.8 years	38.26	3,810	39.13
\$46.00 - \$53.13	1,486	6.9 years	50.53	629	50.40
	64,890			22,798	

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

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

	2002	At December 31, 2001	2000
	-----	-----	-----
Options/SARs outstanding at end of year.....	240	253	219
	=====	=====	=====
Weighted-average exercise price of options/SARs outstanding at end of year.....	\$1,086.37	\$913.88	\$789.51
	=====	=====	=====
Options/SARs exercisable at end of year.....	115	113	79
	=====	=====	=====
Weighted-average exercise price of options/SARs exercisable at end of year.....	\$839.59	\$706.51	\$606.92
	=====	=====	=====

As of the latest valuation date, the fair value of a share of QVC Common Stock was \$1,768.15.

Other Stock-Based Compensation Plans

The Company maintains a restricted stock plan under which management employees may be granted restricted share awards in the Company's 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, 2002, there were 150,000 shares of Class A common stock and 763,000 shares of Comcast Class A Special common stock issuable in connection with restricted share awards under the Restricted Stock Plan, of which zero shares and 166,000 shares were issued in January 2003, respectively.

The Company maintains a deferred stock option plan for certain employees, officers and directors which provides the optionees with the opportunity to defer the receipt of shares of the Company's Class A or Class A Special common stock which would otherwise be deliverable upon exercise by the optionees of their stock options. As of December 31, 2002, 6.1 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 the Company's deferred stock option plan.

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

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

	Year Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Restricted Stock Plan			
Shares granted (in thousands).....	61	157	504
Weighted-average fair value per share at date of grant.....	\$28.47	\$39.52	\$37.80
Compensation expense (in millions).....	\$8	\$9	\$9
SAR Plans			
Compensation expense (in millions).....	\$3	\$4	\$2

11. INCOME TAXES

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

	Year Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Current expense			
Federal.....	\$168	\$622	\$309
State.....	61	85	43
Foreign.....	5	3	2
	-----	-----	-----
	234	710	354
	-----	-----	-----
Deferred expense (benefit)			
Federal.....	(93)	(255)	999
State.....	(6)	15	76
Foreign.....	(1)		
	-----	-----	-----
	(100)	(240)	1,075
	-----	-----	-----
Income tax expense.....	\$134	\$470	\$1,429
	=====	=====	=====

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

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

	Year Ended December 31,		
	2002	2001	2000
Federal tax at statutory rate.....	\$25	\$299	\$1,248
Non-deductible depreciation and amortization.....		107	102
State income taxes, net of federal benefit.....	36	65	77
Foreign losses and equity in net losses of affiliates.....	14	7	8
Increase in valuation allowance.....	12		
Adjustment to prior year accrual.....	45		
Other.....	2	(8)	(6)
	-----	-----	-----
Income tax expense.....	\$134	\$470	\$1,429
	=====	=====	=====

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

	December 31,	
	2002	2001
Deferred tax assets:		
Net operating loss carryforwards.....	\$530	\$243
Allowances for doubtful accounts and excess and obsolete inventory.....	105	109
Differences between book and tax basis of long-term debt.....	424	
Non-deductible accruals and other.....	1,866	167
Less: Valuation allowance.....	(12)	
	-----	-----
	2,913	519
	-----	-----
Deferred tax liabilities:		
Temporary differences, principally book and tax basis of property and equipment and intangible assets.....	\$20,552	6,329
Differences between book and tax basis of investments.....	6,038	645
Differences between book and tax basis of indexed debt securities.....	409	196
	-----	-----
	26,999	7,170
	-----	-----
Net deferred tax liability.....	\$24,086	\$6,651
	=====	=====

The Company recorded \$17.541 billion of deferred income tax liabilities in 2002 in connection with the Broadband acquisition, principally related to basis differences in investments, property and equipment and intangible assets. Changes in estimates as it relates to Broadband's preacquisition tax liabilities will be adjusted through an increase or decrease in goodwill attributable to the acquisition. The Company recorded a decrease of (\$221) million, (\$149) million and (\$3.055) billion to deferred income tax liabilities in 2002, 2001 and 2000, respectively, in connection with unrealized losses on marketable securities which are included in other comprehensive income (loss). The Company recorded \$207 million of deferred income tax liabilities in 2001 in connection with the cumulative effect of accounting change related to the adoption of SFAS No. 133 (see Note 2).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

The Company has recorded net deferred tax liabilities of \$976 million and \$275 million, as of December 31, 2002 and 2001, respectively, which have been included in current liabilities, related primarily to current investments. The Company has federal net operating loss carryforwards of approximately \$950 million and various state net operating loss carryforwards, which expire in periods through 2022.

12. STATEMENT OF CASH FLOWS - SUPPLEMENTAL INFORMATION

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

	Year Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Current assets.....	\$1,533	\$57	\$216
Investments.....	17,325		437
Property and equipment.....	11,757	580	1,296
Intangible assets.....	46,510	3,043	15,400
Other noncurrent assets.....	300		
Current liabilities.....	(4,694)	(37)	(277)
Short-term debt and current portion of long-term debt.....	(8,049)		
Long-term debt.....	(16,811)		(2,147)
Deferred income taxes.....	(17,541)	(77)	(3,308)
Other noncurrent liabilities and minority interest.....	(5,831)		
Comcast shares held by Broadband.....	1,126		
	-----	-----	-----
Net assets acquired.....	\$25,625	\$3,566	\$11,617
	=====	=====	=====

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

	Year Ended December 31,		
	2002	2001	2000
	-----	-----	-----
Interest.....	\$803	\$660	\$706
Income taxes.....	\$288	\$561	\$709

13. COMMITMENTS AND CONTINGENCIES

Commitments

The Company's programming networks have entered into license agreements for programs and sporting events which will be available for telecast subsequent to December 31, 2002. In addition, the Company, through Comcast-Spectacor, has employment agreements with both players and coaches of its professional sports teams. Certain of these employment agreements, which provide for payments that are guaranteed regardless of employee injury or termination, are covered by disability insurance if certain conditions are met.

Following the Broadband acquisition, certain subsidiaries of the Company support debt compliance with respect to obligations aggregating \$1.461 billion as of December 31, 2002 of certain cable television partnerships which the Company accounts for under the equity method (see Note 6). The obligations expire between May 2008 and May 2009. Although there can be no assurance, management believes that it will not be required to meet its obligations under such guarantees. The total notional amount of guarantees for the Company was \$1.461 billion as of December 31, 2002, at which time there were no quoted market prices for similar agreements.

The following table summarizes the Company's minimum annual programming commitments under network launch and program license agreements, the Company's future commitments under long-term professional sports contracts,

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

and the Company's minimum annual rental commitments for office space, equipment and transponder service agreements under noncancellable operating and capital leases as of December 31, 2002 (in millions):

	Programming Agreements	Professional Sports Contracts	Operating Leases	Total
2003.....	\$104	\$126	\$248	\$478
2004.....	98	113	201	412
2005.....	97	84	153	334
2006.....	101	50	120	271
2007.....	83	24	100	207
Thereafter.....	485	8	298	791

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

	Year Ended December 31,		
	2002	2001	2000
Rental expense.....	\$172	\$121	\$98

Contingencies

On March 3, 2003, the Company announced that Liberty Media Corporation ("Liberty") delivered a notice to it, pursuant to the stockholders agreement between the Company and Liberty, that triggers an exit rights process with respect to Liberty's approximate 42% interest in QVC. The Company and Liberty will attempt to negotiate the fair market value of QVC prior to March 31, 2003. If the Company and Liberty cannot agree, an appraisal process will determine the value of QVC. The Company will then have the right to purchase Liberty's interest in QVC at the determined value. The Company may pay Liberty for the QVC stock in cash, in a promissory note maturing not more than three years after issuance, in its equity securities or in a combination of these, subject to Liberty's right to request payment in all equity securities and the parties' obligation to use reasonable efforts to consummate the purchase in the most tax efficient method available (provided that the Company is not required to issue securities representing more than 4.9% of the outstanding equity or vote of the Company's common stock). If the Company elects not to purchase Liberty's interest in QVC, Liberty then will have a similar right to purchase the Company's approximate 57% interest in QVC. If neither the Company nor Liberty elect to purchase the interest of the other, then the Company and Liberty are required to use their best efforts to sell QVC; either company is permitted to be a purchaser in any such sale. The Company and Liberty may agree not to enter into a transaction, or may agree to a transaction other than that specified in the stockholders agreement. Under the current terms of the stockholders agreement between the Company and Liberty, the Company would no longer control QVC if it elects not to purchase Liberty's interest in QVC.

The Company 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, the Company would have the option to acquire the interests in Comcast Spectacor owned by the minority owner group based on the appraised fair market value. In the event the Company does not exercise this option, the Company and the minority owner group would then be required to use their best efforts to sell Comcast Spectacor. This exit process includes the minority owner group's interest in CSN.

The Company holds the majority of its interest in E! Entertainment through Comcast Entertainment Holdings, LLC ("Entertainment Holdings"), which is owned 50.1% by the Company and 49.9% by The Walt Disney Company ("Disney"). Under a limited liability company agreement between the Company and Disney, the Company controls E! Entertainment's operations. As a result of the Broadband acquisition and in certain other circumstances, under the agreement Disney is entitled to trigger a potential exit process in which Entertainment Holdings would have

the right to purchase Disney's entire interest in Entertainment Holdings at its then fair market value (as determined by an appraisal process). If Disney exercises this right within a specified time period, and Entertainment Holdings elects not to purchase Disney's interest, Disney then has the right to purchase, at appraised fair market value, either the Company's 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 the Company's interest is purchased, Entertainment Holdings will continue to be owned as it is today, as if the exit process had not been triggered.

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000 (Continued)

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

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

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

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

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

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

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

On May 10, 2002, Broadband filed a demand for arbitration against CSG before the American Arbitration Association asserting, among other things, the right to terminate the master agreement and seeking damages under the most favored nation provision or otherwise. On May 31, 2002, CSG answered Broadband's arbitration demand and asserted various counterclaims, including for (i) breach of the master agreement; (ii) a declaration that the Company is now bound by the master agreement to use CSG as its exclusive provider for certain billing and customer care services; (iii) tortious interference with prospective contractual relations; and (iv) civil conspiracy. A hearing in the arbitration is scheduled to commence on May 5, 2003.

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

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

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

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

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

14. FINANCIAL DATA BY BUSINESS SEGMENT

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

	Cable	Commerce	Corporate and Other(1)	Total
	-----	-----	-----	-----
2002				
- - - - -				
Revenues (2).....	\$7,350	\$4,381	\$729	\$12,460
Operating income before depreciation and amortization (3).....	2,798	858	35	3,691
Depreciation and amortization.....	1,670	119	243	2,032
Operating income (loss)	1,128	739	(208)	1,659
Interest expense.....	723	14	147	884
Assets.....	106,291	3,000	3,814	113,105
Long-term debt.....	26,033	1	1,923	27,957
Capital expenditures.....	1,814	123	38	1,975
2001				
- - - - -				
Revenues (2).....	\$5,323	\$3,917	\$596	\$9,836
Operating income (loss) before depreciation and amortization (3).....	2,054	722	(106)	2,670
Depreciation and amortization.....	3,044	143	229	3,416
Operating income (loss).....	(990)	579	(335)	(746)
Interest expense.....	546	26	162	734
Assets.....	29,085	2,809	6,367	38,261
Long-term debt.....	8,363	63	3,316	11,742
Capital expenditures.....	1,855	143	184	2,182
2000				
- - - - -				
Revenues (2).....	\$4,362	\$3,536	\$459	\$8,357
Operating income (loss) before depreciation and amortization (3).....	1,903	619	(64)	2,458
Depreciation and amortization.....	2,419	126	74	2,619
Operating income (loss).....	(516)	493	(138)	(161)
Interest expense.....	516	35	177	728
Assets.....	25,764	2,632	7,478	35,874
Long-term debt.....	6,711	302	3,504	10,517
Capital expenditures.....	1,249	156	232	1,637

(1) Other includes segments not meeting certain quantitative guidelines for reporting including the Company's content (see Note 1) and business communications operations, as well as elimination entries related to the segments presented. Corporate and other assets consist primarily of the Company's investments and intangible assets related to the Company's content operations (see Notes 6 and 7).

(2) Revenues include \$678 million, \$508 million and \$458 million in 2002, 2001 and 2000, respectively, of non-US revenues, principally related to the Company's Commerce segment. No single customer accounted for a significant amount of the Company's revenues in any period.

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

15. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
(Dollars in millions, except per share data)					
2002					

Revenues.....	\$2,672	\$2,709	\$2,705	\$4,374	\$12,460
Operating income.....	421	478	431	329	1,659
Income (loss) before cumulative effect of accounting change.....	(89)	(210)	76	(51)	(274)
Basic earnings (loss) for common stockholders per common share					
Income (loss) before cumulative effect of accounting change.....	(0.09)	(0.22)	0.08	(0.03)	(0.25)
Net income (loss).....	(0.09)	(0.22)	0.08	(0.03)	(0.25)
Diluted earnings (loss) for common stockholders per common share					
Income (loss) before cumulative effect of accounting change.....	(0.09)	(0.22)	0.08	(0.03)	(0.25)
Net income (loss).....	(0.09)	(0.22)	0.08	(0.03)	(0.25)
Operating income before depreciation and amortization (1).....	808	867	826	1,190	3,691
2001					

Revenues.....	\$2,232	\$2,338	\$2,401	\$2,865	\$9,836
Operating loss.....	(101)	(133)	(178)	(334)	(746)
Income (loss) before cumulative effect of accounting change.....	617	35	(107)	(321)	224
Basic earnings (loss) for common stockholders per common share					
Income (loss) before cumulative effect of accounting change.....	0.65	0.04	(0.11)	(0.34)	0.24
Net income (loss).....	1.06	0.04	(0.11)	(0.34)	0.64
Diluted earnings (loss) for common stockholders per common share					
Income (loss) before cumulative effect of accounting change.....	0.64	0.04	(0.11)	(0.34)	0.23
Net income (loss).....	1.04	0.04	(0.11)	(0.34)	0.63
Operating income before depreciation and amortization (1).....	634	693	701	642	2,670

(1) See Note 14, note 3.

16. CONDENSED CONSOLIDATING FINANCIAL INFORMATION

In November 2002, in order to simplify the Company's capital structure, the Company and four of its cable holding company subsidiaries, Comcast Cable Communications, Inc. (Comcast Cable or "CCCI"), Comcast Cable Communications Holdings, Inc. (Comcast Cable Communications Holdings or "CCCH"), Comcast MO Group, Inc. ("Comcast MO Group"), and Comcast Cable Holdings, LLC (Comcast Cable Holdings or "CCH", and together with Comcast MO Group, "CCHMO"), fully and unconditionally guaranteed each other's debt securities (see Note 8). Condensed consolidating financial information of the Company as of and for the year ended December 31, 2002 is as follows (in millions):

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

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

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

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non- Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES							
Service revenues.....	\$	\$	\$	\$	\$8,079	\$	\$8,079
Net sales from electronic retailing.....					4,381		4,381
					12,460		12,460
COSTS AND EXPENSES							
Operating (excluding depreciation).....					3,511		3,511
Cost of goods sold from electronic retailing (excluding depreciation)....					2,793		2,793
Selling, general and administrative.....	24			37	2,404		2,465
Depreciation.....					1,775		1,775
Amortization.....					257		257
	24			37	10,740		10,801
OPERATING INCOME (LOSS).....	(24)			(37)	1,720		1,659
OTHER INCOME (EXPENSE)							
Interest expense.....	(2)	(566)	(59)	(46)	(211)		(884)
Investment expense.....					(605)		(605)
Equity in net losses of affiliates.....	(124)	847	(176)	(125)	399	(924)	(103)
Other income.....					3		3
	(126)	281	(235)	(171)	(414)	(924)	(1,589)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST.....							
INTEREST.....	(150)	281	(235)	(208)	1,306	(924)	70
INCOME TAX (EXPENSE) BENEFIT.....	10	221	23	32	(420)		(134)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST.....							
MINORITY INTEREST.....	(140)	502	(212)	(176)	886	(924)	(64)
					(212)		(212)
INCOME (LOSS) FROM CONTINUING OPERATIONS....	(140)	502	(212)	(176)	674	(924)	(276)
DISCONTINUED OPERATIONS.....					2		2
NET INCOME (LOSS).....	(\$140)	\$502	(\$212)	(\$176)	\$676	(\$924)	(\$274)

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

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non- Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
OPERATING ACTIVITIES							
Net income (loss).....	(\$140)	\$502	(\$212)	(\$176)	676	(\$924)	(\$274)
Adjustments to reconcile net income (loss) to net cash provided by operating activities from continuing operations:							
Depreciation.....					1,775		1,775
Amortization.....					257		257
Non-cash interest expense, net.....		(16)		(11)	37		10
Equity in net losses (income) of affiliates.....	124	(847)	176	125	(399)	924	103
Losses (gains) on investments and other (income) expense, net.....					673		673
Minority interest.....					212		212
Deferred income taxes.....					(100)		(100)
Other.....					(21)		(21)
	(16)	(361)	(36)	(62)	3,110		2,635
Changes in working capital							
Decrease in accounts receivable, net...					87		87
Increase in inventories, net.....					(25)		(25)
Increase in other assets.....					(40)		(40)
Increase in accounts payable, accrued expenses and other current liabilities.....	16	3	(15)	(112)	448		340
	16	3	(15)	(112)	470		362
Discontinued operations.....					(2)		(2)
Net cash provided by (used in) operating activities from continuing operations..		(358)	(51)	(174)	3,578		2,995
FINANCING ACTIVITIES							
Proceeds from borrowings.....	680	1,568	6,501		10		8,759
Retirements and repayments of debt.....		(2,216)	(6,100)	(10)	(1,482)		(9,808)
Proceeds from settlement of interest rate exchange agreements.....		57					57
Issuances of common stock.....					19		19
Equity contributions from a minority partner to a subsidiary.....					13		13
Deferred financings costs.....		(225)			(107)		(332)
Net cash (used in) provided by financing activities from continuing operations.....	680	(816)	401	(10)	(1,547)		(1,292)
INVESTING ACTIVITIES							
Net transactions with affiliates.....	(680)	1,174	(350)	184	(328)		
Acquisitions, net of cash required.....					(251)		(251)
Proceeds from sales of (purchases of) short-term investments, net.....					(21)		(21)
Capital contributions to and purchases of investments.....					(67)		(67)
Proceeds from sales and settlements of investments.....					1,263		1,263
Capital expenditures.....					(1,975)		(1,975)
Additions to intangible and other noncurrent assets.....					(221)		(221)
Net cash (used in) provided by investing activities from continuing operations.....	(680)	1,174	(350)	184	(1,600)		(1,272)
INCREASE IN CASH AND CASH EQUIVALENTS.....					431		431
CASH AND CASH EQUIVALENTS beginning of year.....					350		350
CASH AND CASH EQUIVALENTS end of year.....	\$	\$	\$	\$	\$781	\$	\$781

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

None.

PART III

Except for the information regarding executive officers required by Item 401 of Regulation S-K, which is included in Part I of this Annual Report on Form 10-K as Item 4A in accordance with General Instruction G(3), the following required information is incorporated by reference to our definitive Proxy Statement for our Annual Meeting of Shareholders presently scheduled to be held in May 2003:

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

We will file our definitive Proxy Statement for our Annual Meeting of Shareholders with the Securities and Exchange Commission on or before April 30, 2003.

PART IV

ITEM 14 CONTROLS AND PROCEDURES

- (a) Disclosure controls and procedures. Our chief executive officer and our co-chief financial officers, after evaluating the effectiveness of our "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15d-14(c)) as of a date (the "Evaluation Date") within 90 days before the filing date of this annual report, have concluded that as of the Evaluation Date, our disclosure controls and procedures were adequate and designed to ensure that material information relating to us and our consolidated subsidiaries would be made known to them by others within those entities.
- (b) Changes in internal controls. There were no significant changes in our internal controls or to our knowledge, in other factors that could significantly affect our internal controls and procedures subsequent to the Evaluation Date.

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

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

Independent Auditors' Report.....	37
Consolidated Balance Sheet--December 31, 2002 and 2001.....	38
Consolidated Statement of Operations--Years Ended December 31, 2002, 2001 and 2000.....	39
Consolidated Statement of Cash Flows--Years Ended December 31, 2002, 2001 and 2000.....	40
Consolidated Statement of Stockholders' Equity--Years Ended December 31, 2002, 2001 and 2000.....	41
Notes to Consolidated Financial Statements.....	42

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

Schedule II - Valuation and Qualifying Accounts

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

(c) Reports on Form 8-K:

- (i) We filed a Current Report on Form 8-K under Item 5 on October 30, 2002 for purposes of incorporating by reference the Quarterly Report on Form 10-Q of Comcast Holdings Corporation (f/k/a Comcast Corporation) into the registration statement on Form S-4 relating to AT&T Corp.'s pending exchange offer

in respect of an aggregate of \$11.8 billion of AT&T's existing debt securities. We were a co-registrant on the exchange offer registration statement.

(ii) We filed a Current Report on Form 8-K12g3 under Items 2, 5 and 7 on November 18, 2002 announcing (a) the completion of the Agreement and Plan of AT&T Broadband Merger with AT&T Corp. which resulted in the combination of Comcast Holdings Corporation (f/k/a Comcast Corporation) and AT&T Broadband, a holding company of AT&T's broadband business, (b) the conditioned approval by the Federal Communications Commission ("FCC") of the transfer of certain FCC licenses to complete the transaction, (c) the adoption of a shareholder rights plan, (d) the repayment of certain intracompany debt, (e) certain corporate name changes, (f) certain technical amendments to the transaction agreements, and (g) the names of the new Comcast Corporation board of directors.

(iii) We filed a Current Report on Form 8-K/A under Items 2 and 7 on December 16, 2002 amending our Current Report on Form 8-K12g3 filed on November 18, 2002 to include the pro forma financial information of Comcast Corporation, giving effect to the merger with AT&T's broadband business.

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

2.1 Composite copy of Agreement and Plan of Merger dated as of December 19, 2001, as amended, among Comcast Holdings Corporation (f/k/a Comcast Corporation), AT&T Corp., Comcast Cable Communications Holdings, Inc. (f/k/a AT&T Broadband Corp.), Comcast Corporation (f/k/a AT&T Comcast Corporation) and the other parties signatory thereto (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K12g3 filed on November 18, 2002).

2.2 Composite copy of Separation and Distribution Agreement dated as of December 19, 2001, as amended, between AT&T Corp. and Comcast Cable Communications Holdings, Inc. (f/k/a AT&T Broadband Corp.) (incorporated by reference to Exhibit 2.3 to our Current Report on Form 8-K12g3 filed on November 18, 2002).

2.3 Support Agreement dated as of December 19, 2001, as amended, among AT&T Corp., Comcast Holdings Corporation (f/k/a Comcast Corporation), Comcast Corporation (f/k/a AT&T Comcast Corporation), Sural LLC and Brian L. Roberts (incorporated by reference to Exhibit 2.3 to our registration statement on Form S-4 filed on February 11, 2002).

2.4 Tax Sharing Agreement dated as of December 19, 2001 between AT&T Corp. and Comcast Cable Communications Holdings, Inc. (f/k/a AT&T Broadband Corp.) (incorporated by reference to Exhibit 2.4 to our registration statement on Form S-4 filed on February 11, 2002).

2.5 Composite Copy of Employee Benefits Agreement dated as of December 19, 2001, as amended, between AT&T Corp. and Comcast Cable Communications Holdings, Inc. (f/k/a AT&T Broadband Corp.)

2.6 Exchange Agreement dated as of December 7, 2001, as amended, between Microsoft Corporation and Comcast Holdings Corporation (f/k/a Comcast Corporation) (incorporated by reference to Exhibit 2.6 to our registration statement on Form S-4 filed on February 11, 2002).

2.7 Instrument of Admission dated as of December 19, 2001, as amended, between Comcast Corporation (f/k/a AT&T Comcast Corporation) and AT&T Corp. (incorporated by reference to Exhibit 2.7 to our amended registration statement on Form S-4/A filed on April 10, 2002).

3.1 Composite copy of Amended and Restated Articles of Incorporation of Comcast Corporation (f/k/a AT&T Comcast Corporation) (incorporated by reference to Exhibit 2.2 to our Current Report on Form 8-K12g3 filed on November 18, 2002).

3.2 Amended and Restated By-Laws.

4.1 Specimen Class A Common Stock Certificate.

4.2 Specimen Class A Special Common Stock Certificate.

4.3 Rights Agreement dated as of November 18, 2002 between Comcast Corporation (f/k/a AT&T 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 (f/k/a AT&T Comcast Corporation), Comcast Cable Communications Holdings, Inc. (f/k/a AT&T Broadband Corp.), 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 (f/k/a AT&T Comcast Corporation), Comcast Cable Communications Holdings, Inc. (f/k/a AT&T Broadband Corp.), the Financial Institutions party thereto, JPMorgan Chase Bank, as Administrative Agent, Citibank, N.A., as Syndication Agent, and Bank of America, N.A.,

- 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, Inc., Comcast Corporation (f/k/a AT&T 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, Inc. 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, Inc., Comcast Corporation (f/k/a AT&T Comcast Corporation), the Lenders party thereto and Bank of America, N.A., as Administrative Agent.
- 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, Inc., Comcast Corporation (f/k/a AT&T 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, Inc. 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, Inc., Comcast Corporation (f/k/a AT&T Comcast Corporation), the Lenders party to thereto and Bank of America, N.A., as Administrative Agent.
- 4.10 Indenture, dated as of October 17, 1991, between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Bank of Montreal/Harris Trust (successor to Morgan Guaranty Trust Company of New York), as Trustee, relating to Comcast Holdings' 10-5/8% Senior Subordinated Debentures due 2012 (incorporated by reference to Exhibit 2 to the Comcast Holdings Corporation Current Report on Form 8-K filed on October 31, 1991).
- 4.11 Form of Debenture relating to Comcast Holdings Corporation's (f/k/a Comcast Corporation) 10- 5/8% Senior Subordinated Debentures due 2012 (incorporated by reference to Exhibit 4(17) to the Comcast Holdings Corporation Annual Report on Form 10-K for the year ended December 31, 1992).
- 4.12 Senior Indenture dated as of June 15, 1999 between Comcast Holdings Corporation (f/k/a Comcast 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 (f/k/a Comcast Corporation) 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, Inc. and The Bank of New York (as successor in interest to Bank of Montreal Trust Company), as Trustee, relating to Comcast Cable Communications, Inc.'s 8-1/8% Notes due 2004, 8-3/8% Notes due 2007, 8- 7/8% Notes due 2017, 8-1/2% Notes due 2027, 6.20% Notes due 2008, 6.375% Notes due 2006, 6.75% Notes due 2011, 6.875% Notes due 2009 and 7.125% Notes due 2013 (incorporated by reference to Exhibit 4.1(a) to the registration statement on Form S-4 of Comcast Cable Communications, Inc. filed on June 3, 1997).
- 4.15 Form of Comcast Cable Communications Inc.'s 8-1/8% Notes due 2004, 8-3/8% Notes due 2007, 8-7/8% Notes due 2017 and 8-1/2% Notes due 2027, 6.20% Notes due 2008, 6.375% Notes due 2006, 6.75% Notes due 2011, 6.875% Notes due 2009 and 7.125% Notes due 2013 (incorporated by reference to Exhibit 4.1(b) to the registration statement on Form S-4 of Comcast Cable Communications, Inc. filed on June 3, 1997).
- 4.16 Form of Indenture among Comcast Corporation (f/k/a AT&T Comcast Corporation), Comcast Cable Communications, Inc., Comcast Cable Communications Holdings, Inc. (f/k/a AT&T Broadband Corp.), Comcast Cable Holdings, LLC (f/k/a AT&T Broadband, LLC), Comcast MO Group, Inc. (f/k/a MediaOne 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 (f/k/a AT&T Comcast Corporation), Comcast Cable Communications, Inc., Comcast Cable Communications Holdings, Inc. (f/k/a AT&T Broadband Corp.), Comcast Cable Holdings, LLC (f/k/a AT&T Broadband, LLC), Comcast MO Group, Inc. (f/k/a MediaOne Group, Inc.), and The Bank of New York, as Trustee relating to Comcast Corporation's 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 (f/k/a AT&T Comcast Corporation) 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 (f/k/a AT&T Comcast Corporation) 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 (f/k/a Comcast 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 (f/k/a Comcast Corporation) 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 (f/k/a Comcast Corporation) 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).
- 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.
- 10.2* Comcast Corporation 2002 Stock Option Plan, as amended and restated, effective February 26, 2003.
- 10.3* Comcast Corporation 2003 Stock Option Plan, as adopted February 26, 2003.
- 10.4* Comcast Corporation 2002 Deferred Compensation Plan, as amended and restated, effective February 26, 2003.
- 10.5* Comcast Corporation 2002 Deferred Stock Option Plan, as amended and restated, effective February 26, 2003.
- 10.6* Comcast Corporation 2002 Restricted Stock Plan, as amended and restated, effective February 26, 2003.
- 10.7* 1992 Executive Split Dollar Insurance Plan (incorporated by reference to Exhibit 10(12) to the Comcast Holdings Corporation (f/k/a Comcast Corporation) Annual Report on Form 10-K for the year ended December 31, 1992).
- 10.8* Comcast Corporation 2002 Cash Bonus Plan (formerly, the 1996 Cash Bonus Plan), as amended and restated, effective November 18, 2002.
- 10.9* Comcast Corporation 2002 Executive Cash Bonus Plan (formerly the 1996 Executive Cash Bonus Plan), as amended through February 26, 2003.
- 10.10* Comcast Corporation 2002 Supplemental Cash Bonus Plan, as adopted November 18, 2002.
- 10.11* Comcast Corporation 2002 Non-Employee Director Compensation Plan, as amended and restated, effective February 26, 2003.
- 10.12* Compensation and Deferred Compensation Agreement and Stock Appreciation Bonus Plan between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Ralph J. Roberts, as amended and restated March 16, 1994 (incorporated by reference to Exhibit 10(13) to the Comcast Holdings Corporation (f/k/a Comcast Corporation) Annual Report on Form 10-K for the year ended December 31, 1993).
- 10.13* Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Ralph J. Roberts, as amended and restated August 31, 1998

(incorporated by reference to Exhibit 10.1 to the Comcast Holdings Corporation (f/k/a Comcast Corporation) quarterly report on Form 10-Q for the quarter ended September 30, 1998).

- 10.14* Amendment Agreement to Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Ralph J. Roberts, dated as of August 19, 1999 (incorporated by reference to Exhibit 10.2 to the Comcast Holdings Corporation (f/k/a Comcast Corporation) quarterly report on Form 10-Q for the quarter ended March 31, 2000).
- 10.15* Amendment to Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Ralph J. Roberts, dated as of June 5, 2001 (incorporated by reference to Exhibit 10.8 to the Comcast Holdings Corporation (f/k/a Comcast Corporation) Annual Report on Form 10-K for the year ended December 31, 2001).
- 10.16* Amendment to Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Ralph J. Roberts, dated as of January 24, 2002.
- 10.17* Amendment to Compensation and Deferred Compensation Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Ralph J. Roberts, dated as of November 18, 2002.
- 10.18* Employment Agreement between Comcast Corporation (f/k/a AT&T Comcast Corporation) and C. Michael Armstrong, dated as of November 18, 2002.
- 10.19* Compensation Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Brian L. Roberts, dated as of June 16, 1998 (incorporated by reference to Exhibit 10.1 to the Comcast Holdings Corporation (f/k/a Comcast Corporation) quarterly report on Form 10-Q for the quarter ended March 31, 2000).
- 10.20* Amendment to Compensation Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Brian L. Roberts, dated as of November 18, 2002.
- 10.21* Certificate of Interest of Julian Brodsky under the Comcast Holdings Corporation (f/k/a Comcast Corporation) Unfunded Plan of Deferred Compensation.
- 10.22* Employment Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Julian A. Brodsky, dated as of May 1, 2002.
- 10.23* Amendment to Employment Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Julian A. Brodsky, dated as of November 18, 2002.
- 10.24* Executive Employment Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Stephen B. Burke, dated as of May 31, 2000.
- 10.25* First Amendment to Executive Employment Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Stephen B. Burke, dated as of July 30, 2001.
- 10.26* Executive Employment Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and Lawrence S. Smith, dated as of May 31, 2000.
- 10.27* Executive Employment Agreement between Comcast Holdings Corporation (f/k/a Comcast Corporation) and John R. Alchin, dated as of May 31, 2000.
- 10.28* 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 (f/k/a Comcast Corporation) Annual Report on Form 10-K for the year ended December 31, 2001).
- 10.29* Comcast Holdings Corporation (f/k/a Comcast Corporation) 2002 Employee Stock Purchase Plan, as amended and restated, effective November 18, 2002.
- 10.30* Comcast Cable Communications Holdings, Inc. Deferred Compensation Plan (f/k/a the AT&T Broadband Deferred Compensation Plan), as amended and restated, effective November 18, 2002 (incorporated by reference to Exhibit 4.4 to our registration statement on Form S-8 filed on November 19, 2002).
- 10.31* Comcast Cable Communications Holdings, Inc. Adjustment Plan (f/k/a the AT&T Broadband Corp. Adjustment Plan).
- 10.32 Amended and Restated Stockholders Agreement, dated as of February 9, 1995, among the Company, Comcast QVC, Inc., QVC Programming Holdings, Inc., Liberty Media Corporation, QVC Investment, Inc. and Liberty QVC, Inc. (incorporated by reference to Exhibit 10.5 to the Comcast Holdings Corporation (f/k/a Comcast Corporation) Quarterly Report on Form 10-Q for the quarter ended March 31, 1995).
- 21 List of Subsidiaries.
- 23.1 Consent of Deloitte & Touche LLP.

Pursuant to Item 601(4)(iii)(A) of Regulation S-K, the registrant agrees to furnish upon request to the Securities and Exchange Commission other instruments defining the rights of holders of long-term debt.

* 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 March 20, 2003.

Comcast Corporation

By: /s/ Brian L. Roberts

 Brian L. Roberts
 President, Chief Executive Officer
 and Director

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

Signature	Title	Date
/s/ Ralph J. Roberts ----- Ralph J. Roberts	Chairman of the Executive and Finance Committee of the Board of Directors; Director	March 20, 2003
/s/ C. Michael Armstrong ----- C. Michael Armstrong	Chairman of the Board of Directors; Director	March 20, 2003
/s/ Brian L. Roberts ----- Brian L. Roberts	President and Chief Executive Officer; Director (Principal Executive Officer)	March 20, 2003
/s/ Julian A. Brodsky ----- Julian A. Brodsky	Vice Chairman; Director	March 20, 2003
/s/ Lawrence S. Smith ----- Lawrence S. Smith	Executive Vice President (Co-Principal Financial Officer)	March 20, 2003
/s/ John R. Alchin ----- John R. Alchin	Executive Vice President and Treasurer (Co-Principal Financial Officer)	March 20, 2003
/s/ Lawrence J. Salva ----- Lawrence J. Salva	Senior Vice President and Controller (Principal Accounting Officer)	March 20, 2003
/s/ S. Decker Anstrom ----- S. Decker Anstrom	Director	March 20, 2003
/s/ Kenneth J. Bacon ----- Kenneth J. Bacon	Director	March 20, 2003
/s/ Sheldon M. Bonovitz ----- Sheldon M. Bonovitz	Director	March 20, 2003
/s/ Joseph L. Castle, II ----- Joseph L. Castle, II	Director	March 20, 2003
/s/ J. Michael Cook ----- J. Michael Cook	Director	March 20, 2003
/s/ Dr. Judith Rodin ----- Dr. Judith Rodin	Director	March 20, 2003
/s/ Louis A. Simpson ----- Louis A. Simpson	Director	March 20, 2003
/s/ Michael I. Sovern ----- Michael I. Sovern	Director	March 20, 2003

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

Our audits of the financial statements referred to in our report dated March 17, 2003 (which report expresses an unqualified opinion and includes an explanatory paragraph related to the adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, effective January 1, 2001, and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangibles," effective January 1, 2002) appearing in this Annual Report on Form 10-K of Comcast Corporation (formerly known as AT&T Comcast Corporation) (the "Company") for the year ended December 31, 2002 also included the financial statement schedule of the Company, listed in Item 15(b)(i). This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

Deloitte & Touche LLP

Philadelphia, Pennsylvania
March 17, 2003

COMCAST CORPORATION AND SUBSIDIARIES

 SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

 YEARS ENDED DECEMBER 31, 2002, 2001 AND 2000

 (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 -----				
2002	\$154	\$202	\$123	\$233
2001	142	86	74	154
2000	137	66	61	142
Allowance for Excess and Obsolete Electronic Retailing Inventories -----				
2002	\$114	\$57	\$56	\$115
2001	105	55	46	114
2000	89	46	30	105

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

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

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 annual 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 annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
 - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 20, 2003

/s/ BRIAN L. ROBERTS

Name: Brian L. Roberts
Chief Executive Officer

CERTIFICATIONS

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 annual 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 annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
 - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 20, 2003

/s/ LAWRENCE S. SMITH

Name: Lawrence S. Smith
Co-Chief Financial Officer

CERTIFICATIONS

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 annual 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 annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
 - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 20, 2003

/s/JOHN R. ALCHIN

Name: John R. Alchin
Co-Chief Financial Officer

[Composite Copy Reflecting First Amendment]

EMPLOYEE BENEFITS AGREEMENT

by and between

AT&T CORP.

and

AT&T BROADBAND CORP.

Dated as of
December 19, 2001

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AMENDED AND RESTATED EMPLOYEE BENEFITS AGREEMENT

This EMPLOYEE BENEFITS AGREEMENT, dated as of December 19, 2001, is by and between AT&T Corp., a New York corporation ("AT&T"), and AT&T Broadband Corp., a Delaware corporation ("AT&T Broadband"), as amended and restated, as of November 15, 2002. Capitalized terms used herein (other than the formal names of AT&T Benefit Plans and Broadband Benefit Plans and related trusts of AT&T and AT&T Broadband) and not otherwise defined shall have the respective meanings assigned to them in Article I or assigned to them in the Separation and Distribution Agreement (as defined below), as applicable.

WHEREAS, the Board of Directors of AT&T has determined that it is in the best interests of AT&T and its shareholders to separate AT&T Broadband from AT&T's existing businesses and provide for it to be an independent business;

WHEREAS, in furtherance of the foregoing, AT&T and AT&T Broadband have entered into a Separation and Distribution Agreement, dated as of even date herewith (the "Separation and Distribution Agreement"), and other specific agreements that will govern certain matters relating to the Separation Transactions and the relationship of AT&T, AT&T Broadband and their respective Subsidiaries following the Distribution Date; and

WHEREAS, pursuant to the Separation and Distribution Agreement, AT&T and AT&T Broadband have agreed to enter into this Agreement allocating assets, Liabilities and responsibilities with respect to certain employee compensation and benefit plans and programs between and among them.

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

ARTICLE I
DEFINITIONS

For purposes of this Agreement, the following terms shall have the following meanings:

1.1 Affiliate has the meaning given that term in the Separation and Distribution Agreement.

1.2 Agreement means this Employee Benefits Agreement, including all the Schedules hereto.

1.3 Ancillary Agreements has the meaning given that term in the Separation and Distribution Agreement.

1.4 Approved Leave of Absence means an absence from active service (i) due to an individual's inability to perform his or her regular job duties by reason of illness or injury and resulting in eligibility to receive benefits pursuant to the terms of the AT&T Short Term Disability Plan, or (ii) pursuant to an approved leave policy with a guaranteed right of reinstatement.

1.5 AT&T is defined in the preamble to this Agreement.

1.6 AT&T Broadband Common Stock means the AT&T Broadband Common Stock as defined in the Separation and Distribution Agreement.

1.7 AT&T Closing Stock Value means the closing per-share price of the AT&T Common Stock trading "regular way with due bills" as listed on the NYSE as of 4:00 P.M., Eastern Standard Time or Eastern Daylight Time (whichever shall then be in effect) on the Distribution Date; provided, however, that if the Distribution occurs at a time when the NYSE is open for trading, AT&T Closing Stock Value shall mean the price at which AT&T Common Stock trading "regular way with due bills" last trades immediately before the Distribution; provided further, that if the Distribution occurs prior to the first trade of AT&T Common Stock on the Distribution Date, the AT&T Closing Stock Value shall mean the price at which AT&T Common Stock trading "regular way with due bills" last trades on the trading day immediately preceding the Distribution Date.

1.8 AT&T Common Stock has the meaning set forth in the Separation and Distribution Agreement.

1.9 AT&T Deferral Plan means the AT&T Senior Management Incentive Award Deferral Plan in effect as of the time relevant to the applicable provision of this Agreement.

1.10 AT&T Deferral Plan Participant means any individual who has an account balance in the AT&T Deferral Plan as of the Distribution Date.

1.11 AT&T Directors' Deferral Plan means the AT&T Deferred Compensation Plan for Non-Employee Directors, as amended from time to time.

1.12 AT&T Employee means any (1) individual who, immediately prior to the Close of the Distribution Date, is (a) either actively employed by, or then on Approved Leave of Absence from, any AT&T Entity, other than a Broadband Entity or (b) designated by mutual written agreement of AT&T and AT&T Broadband as an AT&T Employee, and (2) solely for purposes of Section 5.3(a)(i) and Section 5.3(d), any former employee or consultant of an AT&T Entity whose last compensation from an AT&T Entity was paid through a payroll system administered outside of the United States.

1.13 AT&T Entity means AT&T, a Broadband Entity or a Communications Services Entity.

1.14 AT&T Executive means an AT&T Employee (other than a Broadband Entity), at salary grade level "E" or above (or comparable positions), who immediately before the Close of the Distribution Date is eligible to participate in or receive a benefit under any AT&T Executive Benefit Plan.

1.15 AT&T Executive Benefit Plans means the executive benefit and nonqualified plans, programs, and arrangements (exclusive of Individual Agreements) established, sponsored, maintained, or agreed upon, by any AT&T Entity (other than a Broadband Entity) for the benefit of employees and former employees of any AT&T Entity (other than a Broadband Entity) before the Close of the Distribution Date.

1.16 AT&T Force Management Program means the AT&T Separation Plan, the AT&T Senior Management Separation Plan, the AT&T Special Executive Separation Plan and the AT&T Senior Officer Separation Plan in effect as of the time relevant to the applicable provision of this Agreement.

1.17 AT&T Labor Agreement shall mean each labor agreement and collective bargaining agreement, other than any such agreement to which any Broadband Entity is a party. The AT&T Labor Agreements are listed on Schedule 1.17.

1.18 AT&T Long Term Incentive Plan means any of the AT&T 1987 Long Term Incentive Program, the AT&T 1997 Long Term Incentive Program and such other stock-based incentive plans assumed by AT&T by reason of merger, acquisition or otherwise, including incentive plans of Lin Broadcasting Corporation, McCaw Cellular Communications, Inc., Teleport Communications Group, Inc., ACC Corp., U S WEST, Inc., U S WEST Media Group, Inc., MediaOne Group Inc. and Tele-Communications Inc. and any other incentive plan identified in writing by AT&T before the Close of the Distribution Date, all as in effect as of the time relevant to the applicable provisions of this Agreement.

1.19 AT&T Opening Stock Value means (a) the opening per-share price of AT&T Common Stock as listed on the NYSE as of the opening of trading on the first trading day following the Distribution Date; provided, however, that if the Distribution occurs at a time when the NYSE is open for trading, AT&T Opening Stock Value shall mean the price at which AT&T Common Stock trades as of the moment immediately after the Distribution; and provided further, that if the Distribution occurs prior to opening of trading on the NYSE on the Distribution Date, the AT&T Opening Stock Value shall mean the price at which AT&T Common Stock first trades on the Distribution Date; or (b) if there occurs any stock split, reverse stock split or similar change in capital affecting the AT&T Common Stock between the time as of which the AT&T Closing Stock Value is determined and the time as of which the AT&T Opening Stock Value would be determined under clause (a), the amount determined pursuant to clause (a) shall be appropriately adjusted to reflect such change in capital. As an example of the operation of clause (b) of the preceding sentence, if there is a one-for-five reverse stock split of the AT&T Common Stock Value between the time as of which the AT&T Closing Stock Value is determined and the time as of which the AT&T Opening Stock Value would be determined under clause (a) of the preceding sentence, the AT&T Opening Stock Value will mean one-fifth of the amount determined under clause (a) of the preceding sentence.

1.20 AT&T Participant means any individual other than a Broadband Participant who holds an award under any AT&T Long Term Incentive Plan.

1.21 AT&T Pension Plans means the AT&TMPP, the AT&TPP, the AT&T Excess Benefit and Compensation Plan, and the AT&T Non-Qualified Pension Plan in effect as of the time relevant to the applicable provision of this Agreement.

1.22 AT&T Post-Retirement Welfare Benefits Plan means the Health and Welfare Plan of AT&T providing medical expense benefits for retirees, dental expense benefits for retirees, life insurance benefits for retirees (provided, that in the case of the life insurance plans, the applicable AT&T Employee, Broadband Employee or Broadband Transferee was enrolled

for coverage as an active employee under the corresponding active-employee life insurance plans at the time of his or her termination of employment) and the AT&T Toll Discount Program. For purposes of this Agreement, the EBLIP, the SMULIP, the SVULIP, the AT&T Corp. Estate Enhancement Program (including the AT&T Corp. Alternative Death Benefit Program and the AT&T Corp. Special Death Benefit Program) and any other plans, programs or arrangements not expressly identified in this Section 1.23 shall not be considered part of the AT&T Post-Retirement Welfare Benefits Plan.

1.23 AT&T Savings Plans means the AT&T defined contribution plans, in effect as of the time relevant to the applicable provision of this Agreement, sponsored by AT&T or by any AT&T Entity, other than the Broadband Long Term Savings Plan.

1.24 AT&T Toll Discount Program means the AT&T Senior Manager Telephone Discount Program and the AT&T Toll Discount Program in effect as of the time relevant to the applicable provisions of this Agreement.

1.25 AT&TMPP means the AT&T Management Pension Plan in effect as of the time relevant to the applicable provision of this Agreement.

1.26 AT&TPP means the AT&T Pension Plan in effect as of the time relevant to the applicable provision of this Agreement.

1.27 Auditing Party is defined in Section 6.4(a).

1.28 Award, when immediately preceded by "AT&T," means an award under the AT&T Long Term Incentive Plan. When immediately preceded by "Broadband," Award means an award under the Broadband Adjustment Plan.

1.29 Benefit Plan shall mean, with respect to an entity or any of its Subsidiaries, (a) each "employee welfare benefit plan" (as defined in Section 3(1) of ERISA) and all other employee benefits arrangements, policies or payroll practices (including, without limitation, severance pay, sick leave, vacation pay, salary continuation, disability, retirement, deferred compensation, bonus, stock purchase, stock option or other equity-based compensation, hospitalization, medical insurance or life insurance) sponsored or maintained by such entity or by any of its Subsidiaries (or to which such entity or any of its Subsidiaries contributes or is required to contribute) and (b) all "employee pension benefit plans" (as defined in Section 3(2) of ERISA), occupational pension plan or arrangement or other pension arrangements sponsored, maintained or contributed to by such entity or any of its Subsidiaries (or to which such entity or any of its Subsidiaries contributes or is required to contribute). When immediately preceded by "AT&T," Benefit Plan means any Benefit Plan sponsored, maintained or contributed to by AT&T or a Communications Services Entity. When immediately preceded by "Broadband," Benefit Plan means any Benefit Plan sponsored, maintained or contributed to by Broadband or any Broadband Entity. The Broadband Benefit Plans are listed in Schedule 1.29 hereto.

1.30 Broadband Adjustment Plan means the long term incentive plan or program to be established by AT&T Broadband, effective immediately prior to the Distribution Date, in connection with the treatment of Awards as described in Article V.

1.31 Broadband Common Stock Value means (a) if the AT&T Common Stock trades "ex-distribution" or "when issued (to give effect to the Distribution)" on the NYSE on or immediately prior to the Distribution Date, the excess of the AT&T Closing Stock Value over the AT&T Ex-Distribution Closing Stock Value, and (b) if the AT&T Common Stock does not trade "ex-distribution" or "when issued (to give effect to the Distribution)" on the NYSE on or immediately prior to the Distribution Date, the opening per-share price of Parent Class A Special Common Stock (as defined in the Merger Agreement) as listed on Nasdaq as of the opening of trading on the first trading day following the Distribution Date, divided by the Exchange Ratio (as defined in the Merger Agreement); provided, however, that if, for purposes of clause (b), the Distribution occurs at a time when Nasdaq is open for trading, Broadband Common Stock Value shall be determined using the price at which Parent Class A Special Common Stock trades as of the moment immediately after the Distribution; and provided further, that if, for purposes of clause (b), the Distribution occurs prior to opening of trading on Nasdaq on the Distribution Date, the Broadband Common Stock Value shall be determined using the price at which Parent Class A Special Common Stock first trades on the Distribution Date. For purposes of this Section 1.31, the "AT&T Ex-Distribution Closing Stock Value" means the closing per-share price of the AT&T Common Stock trading "ex-distribution" or "when issued (to give effect to the Distribution)" as listed on the NYSE as of 4:00 P.M., Eastern Standard Time or Eastern Daylight Time (whichever shall then be in effect) on the Distribution Date; provided, however, that if the Distribution occurs at a time when the NYSE is open for trading, AT&T Ex-Distribution Closing Stock Value shall mean the price at which AT&T Common Stock trading "ex-distribution" or "when issued (to give effect to the Distribution)" last trades immediately before the Distribution; provided further, that if the Distribution occurs prior to the first trade on the Distribution Date, the AT&T Ex-Distribution Closing Stock Value shall mean the price at which AT&T Common Stock trading "ex-distribution" or "when issued (to give effect to the Distribution)" last trades on the trading day immediately preceding the Distribution Date.

1.32 Broadband Employee means any individual who, immediately prior to the Distribution, is either actively employed by or then on Approved Leave of Absence from a Broadband Entity, other than a Broadband Transferee.

1.33 Broadband Entities means the members of the AT&T Broadband Group, as defined in the Separation and Distribution Agreement, including without limitation AT&T Broadband; AT&T Broadband, L.L.C., a Delaware limited liability company; MediaOne Group Inc., a Delaware corporation; and each of their respective Subsidiaries and Affiliates.

1.34 Broadband Long Term Savings Plans means the AT&T Broadband Long Term Savings Plan, the United Artists Cablesystems Corporation Savings and Investment Plan and the TKR Cable Company Defined Contribution Plan, each as in effect as of the time relevant to the applicable provision of this agreement.

1.35 . Broadband Participant means any Broadband Employee, Broadband Transferee and any former employee, director or consultant of an AT&T Entity whose services immediately before such employment or service ended were being primarily performed for a Broadband Entity, in each case, who holds an award under any AT&T Long Term Incentive Plan.

1.36 Broadband Pension Plans means the AT&T Broadband Pension Plan, the AT&T Broadband Non-Qualified Pension Plan, the Kearns-Tribune Corporation Pension Plan and the MediaOne Group Mid Career Plan, each as in effect as of the time relevant to the applicable provision of this Agreement.

1.37 Broadband Severance Plan means the AT&T Broadband Severance Plan.

1.38 Broadband Transferees means those AT&T Employees who are listed on Schedule 1.38 hereto, as such Schedule may be amended from time to time by the mutual written consent of AT&T and AT&T Broadband.

1.39 Close of the Distribution Date means 11:59:59 P.M., Eastern Standard Time or Eastern Daylight Time (whichever shall then be in effect), on the Distribution Date.

1.40 COBRA means the continuation coverage requirements for "group health plans" under Title X of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and as codified in Code ss. 4980B and ERISA ss.ss. 601 through 608.

1.41 Code means the Internal Revenue Code of 1986, as amended, or any successor federal income tax law. Reference to a specific Code provision also includes any proposed, temporary or final regulation in force under that provision.

1.42 Communications Services Entities means the members of the AT&T Communications Group, as defined in the Separation and Distribution Agreement, and their respective Subsidiaries and Affiliates after the Distribution Date.

1.43 Distribution has the meaning given that term in the Separation and Distribution Agreement.

1.44 Distribution Date has the meaning given that term in the Separation and Distribution Agreement.

1.45 Distribution Ratio means a fraction, the numerator of which shall be the number of shares of AT&T Broadband Common Stock distributed to the shareholders of AT&T Common Stock in the Distribution, and the denominator of which is the number of shares of AT&T Common Stock outstanding at the close of business on the Record Date. [Assumed to be one].

1.46 Distribution Year means the calendar year during which the Distribution Date occurs.

1.47 EBLIP means the AT&T Executive Basic Life Insurance Program in effect as of the time relevant to the applicable provisions of this Agreement.

1.48 ERISA means the Employee Retirement Income Security Act of 1974, as amended. Reference to a specific provision of ERISA also includes any proposed, temporary or final regulation in force under that provision.

1.49 Former Employee means (a) any Former Employee as defined in Section 5.3(b)(i); provided, however, that solely for purposes of Section 5.3(b)(i) and Section 5.3(d), Former Employee shall not include any former employee or consultant of an AT&T Entity whose last compensation from an AT&T Entity was paid through a payroll system administered outside of the United States.

1.50 Health and Welfare Plans shall mean any plan, fund or program which was established or is maintained for the purpose of providing for its participants or their beneficiaries, through the purchase of insurance or otherwise, medical, surgical or hospital care or benefits, or benefits in the event of sickness, accident, disability, death or unemployment, or vacation benefits, apprenticeship or other training programs or day care centers, scholarship funds, or prepaid legal services, including any such plan, fund or program as defined in Section 3(1) of ERISA. When immediately preceded by "AT&T," Health and Welfare Plans means each Health and Welfare Plan that is an AT&T Benefit Plan. When immediately preceded by "Broadband," Health and Welfare Plans means the AT&T Broadband Health and FSA Plan, the AT&T Broadband Life Insurance Plan, the AT&T Broadband Long-Term Care Insurance Plan, the AT&T Broadband Pre-Paid Legal Expense Plan, the AT&T Broadband Severance Plan, the AT&T Broadband Disability Plan, the MediaOne Group VEBA Trust and the AT&T Broadband VEBA Trust and each other Health and Welfare Plan that is a Broadband Benefit Plan.

1.51 HIPAA means the health insurance portability and accountability requirements for "group health plans" under the Health Insurance Portability and Accountability Act of 1996, as amended.

1.52 Immediately after the Distribution Date means on the first moment of the day after the Distribution Date.

1.53 Individual Agreement means an individual contract or agreement (whether written or unwritten) entered into prior to the Close of the Distribution Date (other than an Individual Deferral Agreement as defined below) between any AT&T Entity and an AT&T Executive that establishes the right of such individual to special executive compensation or benefits, including a supplemental pension benefit, deferred compensation, severance, hiring bonus, loan, guaranteed payment, special allowance, tax equalization or disability benefit, or a share units grant (payable in the form of cash or otherwise) under individual phantom share agreements. An Individual Agreement does not include any individual contract, application or agreement entered into or by any AT&T Entity and an AT&T Executive (or his or her assignee) that relates to eligibility for coverage under the AT&T Post-Retirement Welfare Benefits Plan, or life insurance coverage for the AT&T Executive under the EBLIP, the SMULIP, the SVULIP, or the AT&T Estate Enhancement Program (including the AT&T Alternative Death Benefit Program and the AT&T Special Death Benefit Program).

1.54 Individual Deferral Agreement means an agreement entered into prior to the Close of the Distribution Date by any AT&T Entity and any AT&T Executive for the deferral of compensation (other than a deferral election made by an AT&T Executive or a Broadband Transferee under the AT&T Deferral Plan or the AT&T Broadband Deferred Compensation Plan) and with respect to which all events have occurred and all conditions have been satisfied

entitling such individual to payment of such deferred compensation other than termination of employment or the mere passage of time.

1.55 Intrinsic Value means, with respect to an Option, as defined below, the result obtained by multiplying (a) times (b) where "(a)" equals the result obtained by subtracting the exercise price per share of the Option from (i) the AT&T Closing Stock Value or (ii) the AT&T Opening Stock Value or (iii) the AT&T Broadband Common Stock Value, whichever is applicable, as specified in Section 5.3, and "(b)" equals the number of shares of stock subject to such Option, as specified in Section 5.3. In cases where the exercise price per share of an Option exceeds (i) the AT&T Closing Stock Value or (ii) the AT&T Opening Stock Value or (iii) the AT&T Broadband Common Stock Value, whichever is applicable, Intrinsic Value shall be a negative number.

1.56 Merger Agreement means the Agreement and Plan of Merger dated as of December 19, 2001 by and among AT&T Corp., AT&T Broadband Corp., Comcast Corporation, AT&T Broadband Acquisition Corp., Comcast Acquisition Corp. and AT&T Comcast Corporation.

1.57 Liabilities has the meaning given that term in the Separation and Distribution Agreement.

1.58 Nasdaq means The Nasdaq Stock Market.

1.59 Non-parties is defined in Section 6.4.

1.60 NYSE means the New York Stock Exchange.

1.61 Option, when immediately preceded by "AT&T," means an option (either nonqualified or incentive) to purchase, or a stock appreciation right with respect to, shares of AT&T Common Stock pursuant to an AT&T Long Term Incentive Plan. When immediately preceded by "Broadband," Option means an option (either nonqualified or incentive) to purchase, or a stock appreciation right with respect to, shares of AT&T Broadband Common Stock pursuant to the Broadband Adjustment Plan.

1.62 Participating Company means (a) AT&T, (b) any Person (other than an individual) that AT&T has approved for participation in, and which is participating in, a plan sponsored by any AT&T Entity, and (c) any Person (other than an individual) which, by the terms of such a plan, participates in such plan or any employees of which, by the terms of such plan, participate in or are covered by such plan.

1.63 Person has the meaning given that term in the Separation and Distribution Agreement.

1.64 Senior Manager means an employee or former employee, at salary grade level above "E" or (or comparable positions) of an AT&T Entity (other than a Broadband Entity), who immediately before the Close of the Distribution Date is eligible to participate in or receive a benefit under any AT&T Executive Benefit Plan.

1.65 Separation and Distribution Agreement is defined in the recitals to this Agreement.

1.66 Separation Transactions is defined in the recitals to this Agreement.

1.67 SMULIP means the AT&T Senior Management Universal Life Insurance Program in effect as of the time relevant to the applicable provisions of this Agreement.

1.68 Subsidiaries has the meaning given that term in the Separation and Distribution Agreement.

1.69 SVULIP means the AT&T Supplemental Variable Universal Life Insurance Program in effect as of the time relevant to the applicable provisions of this Agreement.

1.70 Tax Sharing Agreement means the Tax Sharing Agreement entered into as of the date hereof between AT&T and AT&T Broadband.

1.71 Transition Period has the meaning set forth in Section 2.8.

1.72 U.S. means the 50 United States and the District of Columbia.

ARTICLE II GENERAL PRINCIPLES

2.1 Employment of Broadband Transferees. Effective not later than immediately before the Distribution, all Broadband Transferees, other than Broadband Transferees on Approved Leave of Absence, shall become employees of AT&T Broadband or another Broadband Entity.

2.2 Employment of Broadband Employees. All Broadband Employees and Broadband Transferees, other than Broadband Transferees on Approved Leave of Absence, shall continue to be employees of AT&T Broadband or another Broadband Entity, as the case may be, immediately after the Distribution.

2.3 Employment of Broadband Transferees on Leave Status. In the case of any Broadband Transferee who is on Approved Leave of Absence as of the Distribution Date, AT&T or a Communication Services Entity after the Distribution Date shall continue to employ such Broadband Transferee on Leave Status until the first business day following expiration of the Broadband Transferee's Approved Leave of Absence. A Broadband Transferee on Approved Leave of Absence shall be transferred to the employ of AT&T Broadband or another Broadband Entity upon his or her return to active service immediately following the conclusion of such Approved Leave of Absence (provided such return occurs no later than the first anniversary of the Distribution Date, or such a later date if such Approved Leave of Absence is preceded by a short-term disability, e.g., related to childbirth).

2.4 Assumption and Retention of Liabilities; Related Assets.

(a) As of the Distribution Date, except as expressly provided in this Agreement, AT&T and the Communication Services Entities shall assume or retain, as applicable, and AT&T hereby agrees to pay, perform, fulfill and discharge, (i) all Liabilities under all AT&T Benefit Plans, (ii) all Liabilities with respect to the employment or termination of employment of all AT&T Employees and their dependents and beneficiaries (other than the Broadband Transferees), former employees of any AT&T Entity (other than a Broadband Entity), including, without limitation those Liabilities arising out of or resulting from employment of any Broadband Transferee by any AT&T Entity for periods prior to which they began performing services for any Broadband Entity on or before the Distribution Date, and their dependents and beneficiaries, and other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or nonpayroll worker of any AT&T Entity (other than a Broadband Entity) or in any other employment, non-employment, or retainer arrangement, or relationship with any AT&T Entity (other than a Broadband Entity)), in each case that arose in connection with or as a result of employment with or the performance of services to any AT&T Entity (other than a Broadband Entity), (iii) any other Liabilities expressly assigned to AT&T or a Communications Services Entity under this Agreement and (iv) all Liabilities with respect to Broadband Transferees on Approved Leave of Absence Status until their employment by AT&T Broadband or a Broadband Entity begins, as set forth in Section 2.3 (excluding Liabilities arising in connection with or as a result of the employment of Broadband Transferees while rendering services to any Broadband Entity or under any Broadband Benefit Plan). All assets held in trust to fund the AT&T Benefit Plans and all insurance policies funding the AT&T Benefit Plans shall be AT&T Communications Assets (as defined in the Separation and Distribution Agreement), except to the extent specifically provided otherwise in this Agreement.

(b) From and after the Distribution Date, except as expressly provided in this Agreement, AT&T Broadband and the Broadband Entities shall assume or retain, as applicable, and AT&T Broadband hereby agrees to pay, perform, fulfill and discharge, (i) all Liabilities under all Broadband Benefit Plans, (ii) all Liabilities with respect to the employment or termination of employment of Broadband Transferees (and for Broadband Transferees on Approved Leave of Absence, upon their transfer to employment by AT&T Broadband or a Broadband Entity as set forth in Section 2.3) and their dependents and beneficiaries, including without limitation those Liabilities arising out of or resulting from employment by any AT&T Entity for periods after they began performing services for any Broadband Entity and on or before the Distribution Date (excluding such Liabilities with respect to benefits accrued or claims incurred prior to the Distribution Date under the AT&T Benefit Plans), (iii) all Liabilities with respect to the employment or termination of employment of all Broadband Employees, former employees of a Broadband Entity and other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or nonpayroll worker of AT&T Broadband or a Broadband Entity or in any other employment, non-employment, or retainer arrangement, or relationship with AT&T Broadband or a Broadband Entity), and their dependents and beneficiaries, and (iv) all Liabilities that are expressly assigned to AT&T Broadband or any Broadband Entity under this Agreement. Notwithstanding any other

provision of this Agreement except Sections 5.1 and 6.1, neither AT&T Broadband nor any Broadband Entity shall have any obligation to or Liabilities with respect to any Broadband Transferee on Approved Leave of Absence until he or she becomes an employee of AT&T Broadband or a Broadband Entity as provided in Section 2.3. All assets held in trust to fund the Broadband Benefit Plans and all insurance policies funding the Broadband Benefit Plans shall be AT&T Broadband Assets (as defined in the Separation and Distribution Agreement), except to the extent specifically provided otherwise in this Agreement.

2.5 Broadband Participation in AT&T Benefit Plans. Effective as of the Close of the Distribution Date, AT&T Broadband and each other Broadband Entity shall cease to be a Participating Company in any AT&T Benefit Plan, as well as the AT&T Work and Family Program, the AT&T Relocation Program and the Theodore N. Vail Award Program and Trust, and AT&T and AT&T Broadband shall take all necessary action before the Distribution Date to effectuate such cessation as a Participating Company.

2.6 AT&T Participation in Broadband Benefit Plans. Effective as of the Close of the Distribution Date, AT&T and each Communications Services Entity shall cease to be a Participating Company in any Broadband Benefit Plan, and AT&T and AT&T Broadband shall take all necessary action before the Distribution Date to effectuate such cessation as a Participating Company.

2.7 Terms of Participation by Broadband Transferees in Broadband Benefit Plans. Each Broadband Benefit Plan shall provide that all service, all eligible compensation as recognized under the Broadband Benefit Plan and all other benefit-affecting determinations with respect to all Broadband Transferees that, as of the Close of the Distribution Date, were recognized under any corresponding AT&T Benefit Plan shall, as of Immediately after the Distribution Date, receive full recognition, credit and validity and be taken into account under such Broadband Benefit Plan, except to the extent that duplication of benefits would result and except for purposes of benefit accruals under any defined benefit pension plan.

2.8 Service Recognition. AT&T, AT&T Broadband, the Communications Services Entities and the other Broadband Entities shall (a) mutually credit service recognized by the others under the terms of their respective Benefit Plans where appropriate (but not for purposes of benefit accruals under any defined benefit pension plan), (b) where reasonably practicable, arrange for transfer of accounts between the Broadband Long Term Savings Plans and the AT&T Savings Plans, and (c) provide coverage and benefits relating to health and welfare plans in a manner consistent with the provisions of Sections 4.1, 4.2 and 4.3, with respect to individuals who cease employment with AT&T Broadband or another Broadband Entity and immediately become employees of AT&T or a Communications Services Entity and AT&T Employees who cease employment with AT&T or a Communications Services Entity and who immediately become employees of AT&T Broadband or another Broadband Entity, in each case within a period not to exceed six months in duration after the Distribution Date (the "Transition Period"). The service crediting described above shall be subject to any applicable "service bridging" or "break in service" rules under the Broadband Benefit Plans and the AT&T Benefit Plans.

2.9 Approval by AT&T as Sole Shareholder. Prior to the Distribution, AT&T shall cause AT&T Broadband to adopt the Broadband Adjustment Plan which shall have terms and

conditions that are substantially similar to the AT&T 1997 Long Term Incentive Program, except that a change of control shall mean a change of control of AT&T Broadband, which plan shall be approved prior to the Distribution by AT&T as AT&T Broadband's sole shareholder. If AT&T Broadband or any other Broadband Entity adopts any other Broadband Benefit Plan, one or more benefit plans for non-employee directors of AT&T Broadband or any other Broadband Entity or "change in control" compensation and benefit provisions, or enters into or assumes any employment agreements with executives of AT&T Broadband or any other Broadband Entity, while AT&T Broadband or the other Broadband Entities are wholly owned subsidiaries of AT&T, and the plan, plans, provisions or agreements are reasonably acceptable to AT&T, and the parties mutually agree that shareholder approval is legally required or advisable, then AT&T shall cooperate in obtaining such shareholder approval before the Distribution Date of any such Broadband Benefit Plan, non-employee director plan, "change in control" provision or employment agreement. The adoption and approval of such plans, benefits, provisions or agreements (other than the adoption of the Broadband Adjustment Plan) shall be subject to Section 8.01(xv) of the Merger Agreement, without regard to that portion of the introductory language of such Section that relates to the Employee Benefits Agreement.

2.10 AT&T Labor Agreements. As of the Close of the Distribution Date, AT&T shall retain all AT&T Labor Agreements and AT&T shall take all actions reasonably necessary and within its power and authority to ensure that, from and after the Distribution Date, except as required by applicable law, AT&T Broadband shall have no obligation related to or derived from (1) any AT&T Labor Agreement (other than, without limiting any rights of Parent under the Merger Agreement, as a result of a violation before the Distribution Date by any Broadband Entity of any obligation that it may have under such AT&T Labor Agreement) or (2) any other legal obligations, duties, requirements, claims or liabilities related to collective bargaining, recognition, or unfair labor practices involving an AT&T Entity (other than AT&T Broadband or another Broadband Entity).

2.11 Change in Control Benefits. Various provisions of a number of Benefit Plans sponsored by AT&T and/or AT&T Broadband are automatically effected in the event of a "Change in Control" of AT&T, as such term is defined in the AT&T 1997 Long Term Incentive Program, in accordance with the provisions of the Resolutions of the Board of Directors of AT&T effective as of October 23, 2000. In addition, from and after the Distribution, corresponding provisions of the Broadband Benefit Plans will be automatically effected as a result of a "Change in Control" of AT&T Broadband, as defined in and pursuant to the Broadband Adjustment Plan. To the extent any such provisions of an AT&T Benefit Plan or a Broadband Benefit Plan or of such Resolutions differ from the provisions of this Agreement, those provisions will supersede specific provisions of this Agreement following any such "Change in Control." AT&T and AT&T Broadband shall continue to maintain after the Distribution Date such plans and programs as are necessary to provide the benefits specified in such Resolutions to eligible employees following such a "Change in Control," as that term is defined in the AT&T 1997 Long Term Incentive Plan as of the date of such resolutions and in the Broadband Adjustment Plan (as adopted pursuant to Section 2.9), as the case may be (except that the Broadband Benefit Plans shall be amended as of the Distribution to provide that a "Change in Control" means a "Change in Control" of AT&T Broadband).

ARTICLE III
DEFINED CONTRIBUTION AND DEFINED BENEFIT PLANS

3.1 Savings Plans.

(a) Broadband Long Term Savings Plan Trust. Effective as of the Close of the Distribution Date, any trusts established and forming part of the Broadband Long Term Savings Plans (the "Broadband Savings Trust") shall cease to participate in the AT&T Savings Plan Group Trust. AT&T and AT&T Broadband shall take all actions necessary or appropriate, and adopt or cause to be adopted any amendments to any trust agreements or plan documents reasonably necessary to ensure that settlor responsibility for and control of the Broadband Savings Trust is assumed or retained by AT&T Broadband following the Distribution. From and after the Distribution Date, AT&T Broadband shall assume and retain sole and complete responsibility for the Broadband Long Term Savings Plans and the Broadband Savings Trust and any and all assets and Liabilities related thereto.

(b) AT&T Savings Plans and Trust. Effective as of the Close of the Distribution Date, AT&T shall retain sole and complete responsibility for, and all Liabilities relating to, the AT&T Savings Plans and the AT&T Savings Plan Group Trust. Without limiting the generality of the foregoing, AT&T and AT&T Broadband shall take all actions necessary or appropriate, and adopt or cause to be adopted any amendments to any trust agreements or plan documents reasonably necessary to ensure that settlor responsibility and control of the AT&T Savings Plan Group Trust is retained by AT&T from and after the Distribution.

(c) Assumption of Liabilities and Transfer of Accounts. AT&T and AT&T Broadband shall adopt, or cause to be adopted, all reasonable and necessary plan amendments and procedures by which each Broadband Employee and each Broadband Transferee who has an account under the AT&T Savings Plans may make a one-time election to have such account transferred to the Broadband Long Term Savings Plan, and each AT&T Employee (excluding Broadband Transferees) who has an account under the Broadband Long Term Savings Plan may make a one-time election to have such account transferred to the appropriate AT&T Savings Plan, in each case, as soon as practicable after April 15 of the year following the Distribution Year or such earlier date as AT&T and AT&T Broadband shall mutually determine, or to have such account remain in the AT&T Savings Plans or the Broadband Long Term Savings Plan until the AT&T Employee, the Broadband Employee or Broadband Transferee receives a distribution from such plan in accordance with the terms of the plans and applicable law; provided, however, that such transfer shall not occur if AT&T or AT&T Broadband reasonably determines that the transfer could result in the failure of any AT&T Savings Plan or the Broadband Long Term Savings Plan to qualify under Code Section 401(a). Such transfers shall be made in such manner and upon such terms and conditions as AT&T and AT&T Broadband shall mutually agree, but shall accommodate the in-kind transfer of qualifying employer securities of AT&T and AT&T Broadband and outstanding loan balances.

(d) Vesting. As of the Close of the Distribution Date, all account balances of AT&T Employees (excluding Broadband Transferees) in the Broadband Long Term Savings

Plan, and all account balances of Broadband Employees and Broadband Transferees in the AT&T Savings Plans, shall be immediately vested.

(e) Exchange of Data; Account Transfer. AT&T and AT&T Broadband agree to provide to each other, as soon as practicable after the Distribution Date, a list of the AT&T Employees (excluding Broadband Transferees) who were participants in or are otherwise entitled to benefits under the Broadband Long Term Savings Plan and a list of Broadband Employees and Broadband Transferees who were participants in or are otherwise entitled to benefits under the AT&T Savings Plan, including descriptions of their respective account balances and the protected benefits (within the meaning of Section 411(d)(6) of the Code) attached to their accounts. Except as otherwise specifically provided above regarding plan qualification, as soon as practicable after April 15 of the year following the Distribution Year, or such earlier date as AT&T and AT&T Broadband shall mutually agree: (i) AT&T Broadband shall cause the accounts (including any outstanding loan balances) of the AT&T Employees who elect a transfer under the Broadband Long Term Savings Plan to be transferred to the AT&T Savings Plan and its related trust in cash or such other assets as mutually agreed by AT&T and AT&T Broadband (in any event, including in-kind transfers of AT&T Common Stock, AT&T Broadband Common Stock and participant loan balances), and the AT&T Savings Plan shall assume and be solely responsible for all liabilities under each of the AT&T Savings Plans with respect to AT&T Employees who elect a transfer of their accounts (to the extent assets related to those accounts are transferred from the Broadband Long Term Savings Plans); and (ii) AT&T shall cause the accounts (including any outstanding loan balances) of the Broadband Employees and Broadband Transferees who elect a transfer under the AT&T Savings Plan to be transferred to the Broadband Long Term Savings Plan and the Broadband Savings Trust in cash or such other assets as mutually agreed by AT&T and AT&T Broadband (in any event, including in-kind transfers of AT&T Common Stock, AT&T Broadband Common Stock and participant loan balances) and the Broadband Long Term Savings Plan shall assume and be solely responsible for all liabilities under the Broadband Long Term Savings Plans to or relating to Broadband Employees and Broadband Transferees who elect a transfer of their accounts (to the extent assets related to those accounts are transferred from the AT&T Savings Plans); and (iii) AT&T and AT&T Broadband shall cause their respective savings plans and related trusts to satisfy all protected benefit requirements under the Code and applicable law with respect to the transferred accounts.

(f) "Lost" Company Match. AT&T shall make a one-time payment directly to the Broadband Transferees, in the year following the Distribution Year, of the amount of "lost savings plan matching contributions," if any, to which they would have been entitled under existing AT&T practices with respect to compensation earned on or before the Distribution Date that is in excess of the annual limits imposed by Code Section 401(a)(17).

3.2 AT&T Pension Plans.

(a) Retention of AT&T Pension Plans. Effective as of the Close of the Distribution Date, AT&T shall retain:

(i) sponsorship of the AT&T Pension Plans and their related trusts and any other trust or other funding arrangement established or maintained with respect to such plans, or any assets held as of the Distribution Date with respect to such plans; and

(ii) all Liabilities relating to, arising out of or resulting from claims incurred by or on behalf of any individuals with respect to benefits under any AT&T Pension Plan.

(b) Vesting. Effective as of the Close of the Distribution Date, each Broadband Employee and each Broadband Transferee who is a participant in an AT&T Pension Plan shall be vested in his or her accrued benefit under the AT&T Pension Plans.

(c) Commencement of Pension. Effective as of the Close of the Distribution Date, each Broadband Employee and Broadband Transferee who is a participant in an AT&T Pension Plan shall be deemed to have terminated employment with the sponsor of such AT&T Pension Plan and shall be eligible to commence his or her pension in accordance with the terms of such plan.

(d) Bridging. Effective as of the Close of the Distribution Date, all unbridged net credited service of each Broadband Employee and Broadband Transferee who transferred, or was reassigned, to a Broadband Entity on or after March 9, 1999 and before the Close of the Distribution Date from a Participating Company in the AT&TMPP or the AT&TPP shall be bridged, provided that the unbridged net credited service would have been eligible for bridging under the bridging rules of the AT&TMPP or the AT&TPP in the event that the Broadband Employee and Broadband Transferee had continued to qualify as an "Employee" under the AT&TMPP or the AT&TPP and satisfied the applicable bridging rules under those plans.

(e) Conversions to Cash Balance. Each Broadband Employee and Broadband Transferee who transferred, or was reassigned, to a Broadband Entity on or after March 9, 1999 from a Participating Company in the AT&TMPP or the AT&TPP who has a portion of his or her accrued benefit under a prior formula under the AT&T Pension Plans that has not yet been converted to cash balance shall be deemed to have completed any minimum period of net credited service that is required for such conversion.

3.3 Broadband Pension Plans.

(a) Assumption or Retention of Broadband Pension Plans. Effective as of the Close of the Distribution Date, AT&T Broadband shall assume or retain, as applicable:

(i) sponsorship of the Broadband Pension Plans and their related trusts and any other trust or other funding arrangement established or maintained with respect to such plans, or any assets held as of the Distribution Date with respect to such plans; and

(ii) all Liabilities relating to, arising out of or resulting from claims incurred by or on behalf of any individuals with respect to benefits under any Broadband Pension Plan.

(b) Vesting. Effective as of the Close of the Distribution Date, the Broadband Pension Plan shall be amended to provide that each AT&T Employee (excluding Broadband Transferees) who has any accrued benefits under the Broadband Pension Plan shall be vested, as of the Close of the Distribution Date, in his or her accrued benefit under the Broadband Pension Plan.

(c) Bridging. Effective as of the Close of the Distribution Date, the Broadband Pension Plan shall be amended to provide that any unbridged term of employment of each AT&T Employee who transferred, or was reassigned, on or after June 15, 2000 and before the Close of the Distribution Date to AT&T or a Communications Services Entity from a Broadband Entity shall be bridged, provided that the unbridged term of employment would have been eligible for bridging under the bridging rules of the Broadband Pension Plan in the event that the AT&T Employee had continued to qualify as an "Employee" under the Broadband Pension Plan and satisfied the applicable bridging rules under such plan.

(d) Commencement of Pension. Effective as of the Close of the Distribution Date, each AT&T Employee (excluding Broadband Transferees) who is a participant in the Broadband Pension Plan shall be deemed to have terminated employment with the sponsor of such Broadband Pension Plan and shall be eligible to commence his or her pension in accordance with the terms of such plan.

ARTICLE IV
HEALTH AND WELFARE PLANS

4.1 Assumption of Health and Welfare Plan Liabilities.

(a) General. As of the Close of the Distribution Date, AT&T shall retain:

(i) sponsorship of all AT&T Health and Welfare Plans and any trust or other funding arrangement established or maintained with respect to such plans, or any assets held as of the Distribution Date with respect to such plans; and

(ii) all Liabilities relating to, arising out of, or resulting from health and welfare coverage or claims incurred by or on behalf of AT&T Employees, Broadband Transferees and, to the extent applicable, Broadband Employees, or their covered dependents under the AT&T Health and Welfare Plans on or before the Close of the Distribution Date; and

(iii) except as provided in Section 4.1(b), all Liabilities relating to health and welfare coverage or claims incurred by or on behalf of AT&T Employees or their covered dependents after the Close of the Distribution Date under the AT&T Health and Welfare Plans.

Except as provided in Section 4.1(b), AT&T shall not assume any Liability relating to health and welfare claims incurred by or on behalf of Broadband Transferees, Broadband Employees or their covered dependents after the Distribution Date, and such claims shall be satisfied pursuant to Section 4.2. Except as provided in Section 4.1(b), a claim or Liability (1) for medical, dental, vision and/or prescription drug benefits shall be deemed to be incurred upon the rendering of

health services giving rise to the obligation to pay such benefits; (2) for life insurance and accidental death and dismemberment and business travel accident insurance benefits and workers' compensation benefits shall be deemed to be incurred upon the occurrence of the event giving rise to the entitlement to such benefits; (3) for salary continuation or other disability benefits shall be deemed to be incurred upon the effective date that an individual is deemed to be disabled, giving rise to the entitlement to such benefits; and (4) for a period of continuous hospitalization shall be deemed to be incurred on the date of admission to the hospital.

(b) Certain Specific Claims. AT&T shall be responsible for all Liabilities under the applicable AT&T Health and Welfare Plan that relate to, arise out of or result from any period of continuous hospitalization of a Broadband Transferee, a Broadband Employee or his or her covered dependent which begins before the Close of the Distribution Date under an AT&T Health and Welfare Plan and continues after the Close of the Distribution Date; provided, however, that AT&T shall not be responsible for Liabilities in excess of the benefits otherwise provided by the terms of the respective plans. AT&T also shall be responsible for all Liabilities under the applicable AT&T Health and Welfare Plan that relate to, arise out of or result from any denture work, bridge work, crown installation or root canal therapy for a Broadband Transferee, a Broadband Employee or his or her covered dependent for which preparatory dental services have been rendered under an AT&T Health and Welfare Plan on or before the Distribution Date and such dental treatment continues after the Distribution Date, provided that such dental treatment is concluded within allowable time limitations under the applicable AT&T Health and Welfare Plan. Coverage for any such hospitalization or dental services shall be provided after the Distribution Date without interruption under the appropriate AT&T Health and Welfare Plan until such hospitalization or treatment for such condition is concluded or discontinued subject to applicable plan rules and limitations. The corresponding Broadband Health and Welfare Plan that covers the Broadband Transferee or his or her covered dependent after the Distribution Date shall be secondarily liable (for purposes of coordination of benefits) in accordance with its terms and conditions with respect to any such hospitalization or dental treatment.

4.2 Health and Welfare Plan Transitional Coverage Rules.

(a) General. As of the Close of the Distribution Date, AT&T Broadband shall retain:

(i) sponsorship of all Broadband Health and Welfare Plans and any trust or other funding arrangement established or maintained with respect to such plans, or any assets held as of the Distribution Date with respect to such plans; and

(ii) all Liabilities relating to, arising out of or resulting from health and welfare coverage or claims incurred by or on behalf of Broadband Employees and their covered dependents under the Broadband Health and Welfare Plans on or before the Distribution Date; and

(iii) all Liabilities relating to health and welfare coverage or claims incurred by or on behalf of Broadband Employees or their covered dependents and Broadband Transferees or their covered dependents after the Distribution Date, except as provided in Section 4.1(b).

(b) Broadband Transferees and Broadband Benefit Plans. Broadband Transferees and their eligible covered dependents who were participants in the AT&T Health and Welfare Plans as of the Close of the Distribution Date shall be immediately eligible, after the Close of the Distribution Date, to participate in the corresponding Broadband Health and Welfare Plans then available to similarly situated Broadband Employees, subject to the terms and conditions of such plans, but without regard for any requirements of proof of insurability and without regard to any restrictions or limitations with respect to preexisting condition, provided such pre-existing condition is otherwise a covered condition under the terms of such plan. Subject to the agreement of any applicable insurer, all compensation, periods of service, benefit elections, deductible payments, payments toward the applicable out-of-pocket maximums and other benefit-affecting determinations affecting Broadband Transferees that, as of the Close of the Distribution Date, were recognized under the AT&T Health and Welfare Plans shall receive full recognition, credit and validity and be taken into account under the Broadband Health and Welfare Plans Immediately after the Distribution Date in a manner consistent with the manner in which such benefit affecting determinations were treated under the terms of the AT&T Health and Welfare Plans immediately prior to the Close of the Distribution Date.

(c) AT&T Employees and AT&T Benefit Plans; Broadband Employees and Broadband Benefit Plans. Any AT&T Employee who participates in an AT&T Health and Welfare Plan immediately before the Close of the Distribution Date shall automatically continue such participation in the AT&T Health and Welfare Plan without any change in coverage and without the need for any new or additional enrollment and without change in any election made with respect to coverage under such plan. Any Broadband Employee who participates in a Broadband Health and Welfare Plan immediately before the Close of the Distribution Date shall automatically continue such participation without change in coverage, and without the need for any new or additional enrollment and without change in any election made with respect to coverage under such plan.

4.3 HCRA/CECRA Post-Distribution Transitional Rules.

(a) AT&T Health Care Reimbursement Account Plan; Broadband Transferees. To the extent any Broadband Transferee or Broadband Employee made contributions to the AT&T Health Care Reimbursement Account Plan ("AT&T HCRA Plan") during the Distribution Year, such Broadband Transferee or Broadband Employee shall be permitted to file claims for reimbursement for qualifying health care expenses incurred during the Distribution Year through the Close of the Distribution Date, for a total amount not to exceed the amount elected by such Broadband Transferee or Broadband Employee for that year. Such claims may be filed at any time on or before April 15 of the year following the Distribution Year in the manner permitted under the AT&T HCRA Plan. Account balances, whether positive or negative, shall not be transferred or assigned from AT&T or a Communication Services Entity to AT&T Broadband or another Broadband Entity. Any Broadband Transferee or Broadband Employee who made contributions to the AT&T HCRA Plan during the Distribution Year shall have the right to elect continuation coverage in the AT&T HCRA for the balance of the Distribution Year through COBRA.

(b) AT&T Child/Elder Care Reimbursement Account Plan; Broadband Transferees. To the extent any Broadband Transferee or Broadband Employee made

contributions to the AT&T Child/Elder Care Reimbursement Account Plan ("AT&T CECRA Plan") during the Distribution Year and such Broadband Transferee or Broadband Employee has a positive account balance in his or her "Child/Elder Care Reimbursement Account" under the AT&T CECRA Plan as of the Close of the Distribution Date, such Broadband Transferee or Broadband Employee shall be entitled to file claims for reimbursement for qualifying child and elder care expenses incurred at any time during the Distribution Year for a total amount not to exceed the amount of his or her positive account balance determined as of the Close of the Distribution Date. A Broadband Transferee or Broadband Employee shall be considered to have a "positive account balance" in the AT&T CECRA Plan if, as of the determination date, (i) the total amount he or she actually contributed to the AT&T CECRA Plan for the Distribution Year, minus (ii) the total amount of reimbursements paid to such Broadband Transferee or Broadband Employee for qualifying child care and elder care expenses incurred at any time during the Distribution Year, is a positive number. Such claims may be filed at any time on or before April 15 of the year following the Distribution Year, in the manner permitted under the AT&T CECRA Plan. Account balances, whether positive or negative, shall not be transferred or assigned from AT&T or a Communication Services Entity to AT&T Broadband or another Broadband Entity.

4.4 Workers' Compensation Liabilities. Except as provided below, all workers' compensation Liabilities relating to, arising out of, or resulting from any claim by an AT&T Employee or Broadband Transferee that results from an accident occurring, or from an occupational disease which becomes manifest, on or before the Close of the Distribution Date and while such AT&T Employee or Broadband Transferee was employed by an AT&T Entity (other than a Broadband Entity) shall be retained by AT&T. AT&T shall assume and be solely responsible for all workers' compensation Liabilities relating to, arising out of, or resulting from any claim incurred for a compensable injury sustained (i) by each individual who was, at the time of such injury, employed by any AT&T Entity (other than a Broadband Entity), and (ii) by an AT&T Employee after the Distribution Date. All workers' compensation Liabilities relating to, arising out of, or resulting from any claim by a Broadband Employee that results from an accident occurring, or from an occupational disease which becomes manifest, on or before the Distribution Date and while such Broadband Employee was employed by AT&T Broadband or another Broadband Entity shall be retained by AT&T Broadband. AT&T Broadband shall assume and be solely responsible for all workers' compensation Liabilities relating to, arising out of, or resulting from any claim incurred for a compensable injury sustained (i) by each individual who was, at the time of such injury, employed by AT&T Broadband or other Broadband Entity, and (ii) by a Broadband Employee after the Distribution Date. For purposes of this Agreement, a compensable injury shall be deemed to be sustained upon the occurrence of the event giving rise to eligibility for workers' compensation benefits or an occupational disease becomes manifest, as the case may be. AT&T, AT&T Broadband, the Communications Services Entities and the other Broadband Entities shall cooperate with respect to any notification to appropriate governmental agencies of the Distribution and the issuance of new, or the transfer of existing, workers' compensation insurance policies and claims handling contracts.

4.5 Payroll Taxes and Reporting of Compensation. AT&T, AT&T Broadband, the Communication Services Entities and the other Broadband Entities shall take such action as may be reasonably necessary or appropriate in order to minimize Liabilities related to payroll taxes after the Distribution Date, including as described in Section 5.3(c)(iii)-(vi). AT&T, AT&T

Broadband, each Communication Services Entities and each other Broadband Entity shall each bear its responsibility for payroll tax obligations and for the proper reporting to the appropriate governmental authorities of compensation earned by their respective employees after the Close of the Distribution Date, including compensation related to the exercise of Options, as described in Section 5.3(c)(iii)-(vi).

4.6 AT&T Post-Retirement Welfare Benefits Plan.

(a) Retention of AT&T Post-Retirement Welfare Benefits Plan. As of the Close of the Distribution Date, AT&T shall retain:

(i) the AT&T Post-Retirement Welfare Benefits Plan and any trust or other funding arrangement established or maintained with respect to such plans, or any assets held as of the Distribution Date with respect to such plans; and

(ii) all Liabilities relating to, arising out of, or resulting from claims incurred by or on behalf of any participant or their covered dependents under the AT&T Post-Retirement Welfare Benefits Plans.

(b) Assumption or Retention of Broadband Post-Retirement Medical Plans. As of the Close of the Distribution Date, AT&T Broadband shall assume or retain, as applicable:

(i) the post-retirement medical expense portion of the MediaOne Health Care Plan or any other post-retirement welfare benefit plan maintained by AT&T Broadband or another Broadband Entity, and any trust or other funding arrangement established or maintained with respect to such plans, or any assets held as of the Distribution Date with respect to such plans;

(ii) all Liabilities relating to, arising out of, or resulting from claims incurred by or on behalf of any participant or their covered dependents under the MediaOne post-retirement medical expense plan or any other post-retirement welfare benefit plan maintained by AT&T Broadband or another Broadband Entity.

(c) Eligibility of Broadband Employees; Rule of 65. As of the Close of the Distribution Date, AT&T shall amend the AT&T Post-Retirement Welfare Benefits Plan, to provide that each Broadband Employee or Broadband Transferee who was an AT&T management employee and was transferred or reassigned to AT&T Broadband or another Broadband Entity before the Distribution Date and on or after March 9, 1999, and after attaining at least ten years of net credited service as of the date of such transfer or reassignment, shall be eligible to participate in the AT&T Post-Retirement Welfare Benefits Plan, provided that the sum of such individual's age and net credited service (both expressed in days), determined as of the Distribution Date, is no less than 23,725 days (which equals the product of 65 years and 365 days per year) (referred to as the "Rule of 65"). While a Broadband Employee or a Broadband Transferee who is eligible to participate in the AT&T Post-Retirement Welfare Benefits Plan is covered as an active employee under the Broadband Health and Welfare Plans, the coverage provided to such Broadband Employee or Broadband Transferee and his or her covered

dependents (if any) under the AT&T Post-Retirement Welfare Benefits Plan shall be secondary to the coverage provided under the Broadband Health and Welfare Plans.

4.7 COBRA and HIPAA Compliance. AT&T shall be responsible for administering compliance with the health care continuation requirements of COBRA, the certificate of creditable coverage requirements of HIPAA, and the corresponding provisions of the AT&T Health and Welfare Plans with respect to Broadband Transferees and Broadband Employees (if any) and their covered dependents who incur a COBRA qualifying event or loss of coverage under the AT&T Health and Welfare Plans at any time on or before the Close of the Distribution Date. Effective Immediately after the Distribution Date, AT&T and the Communications Services Entities shall be responsible for administering compliance with the health care continuation requirements of COBRA, the certificate of creditable coverage requirements of HIPAA, and the corresponding provisions of the AT&T Health and Welfare Plans with respect to AT&T Employees and their covered dependents who incur a COBRA qualifying event or loss of coverage under the AT&T Health and Welfare Plans at any time after the Close of the Distribution Date. Effective Immediately after the Distribution Date, AT&T Broadband or another Broadband Entity shall be responsible for administering compliance with the health care continuation requirements of COBRA, the certificate of creditable coverage requirements of HIPAA, and the corresponding provisions of the Broadband Health and Welfare Plans with respect to Broadband Employees and Broadband Transferees and their covered dependents who incur a COBRA qualifying event or loss of coverage under the Broadband Health and Welfare Plans at any time after the Close of the Distribution Date. AT&T shall assume or retain all Liabilities and obligations under COBRA with respect to any individual whose employment with an AT&T Entity terminated prior to the Close of the Distribution Date and whose last employment with an AT&T Entity was not with AT&T Broadband or another Broadband Entity. AT&T Broadband or another applicable Broadband Entity shall assume or retain all Liabilities and obligations under COBRA with respect to any individual whose employment with an AT&T Entity terminated prior to the Close of the Distribution Date and whose last employment with an AT&T Entity was with AT&T Broadband or another Broadband Entity.

4.8 Long-Term Care; Direct Pay Arrangements. As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the AT&T Long-Term Care Plan for Management Employees and the AT&T Long-Term Care Plan for Occupational Employees and shall take, or cause its third-party vendor or insurer to take, all such actions as are or may be reasonably necessary to enable any Broadband Transferee or Broadband Employee (if any) and his or her eligible family members covered under either the AT&T Long-Term Care Plan for Management Employees or the AT&T Long-Term Care Plan for Occupational Employees as of the Distribution Date to continue such coverage on a direct pay basis after the Close of the Distribution Date.

4.9 Severance Benefits. AT&T Broadband shall provide to Broadband Transferees who become eligible to receive severance benefits under the Broadband Severance Plan after the Close of the Distribution Date but prior to the first anniversary of the Distribution Date, severance payments in an amount not less than the greater of (i) the severance payment amounts that such Broadband Transferees would have received under the AT&T Force Management Program as in effect on the Distribution Date as set forth in Schedule 4.9 or (ii) the severance

payment amounts otherwise payable to Broadband Transferees under the Broadband Severance Plan as in effect on the date of termination of employment. The determination of severance payments under either the AT&T Force Management Program or the Broadband Severance Plan shall take into account service with AT&T prior to the Close of the Distribution Date and service with AT&T Broadband or a Broadband Entity after the Close of the Distribution Date.

ARTICLE V
EXECUTIVE BENEFITS AND OTHER BENEFITS

5.1 Individual Agreements - Assumption of Liabilities and Consents.

(a) AT&T has been providing compensation and benefits, subject to reimbursement from a Broadband Entity, to Broadband Transferees during the period those Broadband Transferees have been providing services on a substantially full-time basis to a Broadband Entity. AT&T shall continue to provide such compensation and benefits through the Distribution Date (or, in the case of a Broadband Transferee on Approved Leave of Absence, until he or she becomes a Broadband Employee in accordance with Section 2.3), and be entitled to reimbursement from AT&T Broadband or another Broadband Entity, in accordance with established practice and Section 6.1.

(b) Certain Individual Agreements provide for the payment of certain compensation and benefits in the event of the termination of employment of the individual covered by the terms of such Individual Agreements. Effective as of the Close of the Distribution Date (or, in the case of Broadband Transferees on Approved Leave of Absence, the date on which such Broadband Transferee becomes employed by AT&T Broadband or another Broadband Entity pursuant to Section 2.3), AT&T Broadband shall assume or retain, as applicable, all Liabilities with respect to those Individual Agreements and other matters set forth on Schedule 5.1(b) to this Agreement in consideration of and with respect to services rendered to AT&T Broadband or another Broadband Entity after the Distribution Date, including without limitation, payment of any compensation or benefit which is not yet due and payable pursuant to the terms of such Individual Agreement. A Broadband Transferee who is a party to an Individual Agreement, the obligations of which are assumed or retained by AT&T Broadband pursuant to the provisions of this Section 5.1(b), shall not be deemed to have terminated employment in connection with or in anticipation of the consummation of the transactions contemplated by the Separation and Distribution Agreement for purposes of administering benefits under such Individual Agreement, the payment or vesting of which is conditioned upon termination of employment.

(c) Effective as of the Close of the Distribution Date, AT&T shall retain all Liabilities with respect to any Individual Agreements between AT&T and any AT&T Employee (except for Individual Agreements assumed by AT&T Broadband pursuant to Section 5.1(b)) in consideration of and with respect to services rendered prior to, on or after the Distribution Date, including payment of any compensation or benefits which is not yet due and payable pursuant to the terms of any such Individual Agreement.

5.2 AT&T Short Term Incentive Plan and AT&T Bonus Plan Award.

(a) The AT&T Broadband Board of Directors shall be responsible for determining all awards that would otherwise be payable under the AT&T Short Term Incentive Plan to Broadband Transferees who are Senior Managers, and AT&T Broadband shall be responsible for determining all awards that would otherwise be payable pursuant to the AT&T Bonus Plan Award to Broadband Transferees who are not Senior Managers, for the Distribution Year. AT&T Broadband shall also determine for Broadband Transferees (other than for Senior Managers) (i) the extent to which established performance criteria (as interpreted by AT&T Broadband, in its sole discretion, after taking into account the effects of the Separation Transactions) have been met, and (ii) the payment level for each Broadband Transferee. AT&T Broadband shall assume all Liabilities with respect to any such awards payable to Broadband Transferees for the Distribution Year and thereafter. Notwithstanding the foregoing, AT&T Broadband shall honor the terms of Individual Agreements as set forth in Section 5.1(b).

(b) The AT&T Board of Directors shall be responsible for determining all awards that would otherwise be payable under the AT&T Short Term Incentive Plan to AT&T Employees, (excluding Broadband Transferees) who are Senior Managers, and AT&T shall be responsible for determining all awards that would otherwise be payable pursuant to the AT&T Bonus Plan Award to AT&T Employees (excluding Broadband Transferees) who are not Senior Managers, for the Distribution Year. AT&T shall also determine for AT&T Employees (excluding Broadband Transferees) who are not Senior Managers (i) the extent to which established performance criteria (as interpreted by AT&T, in its sole discretion, after taking into account the effects of the Separation Transactions) have been met, and (ii) the payment level for each such AT&T Employee (excluding Broadband Transferees). AT&T shall retain all Liabilities with respect to any such awards payable to AT&T Employees for the Distribution Year and thereafter. Notwithstanding the foregoing, AT&T shall honor the terms of Individual Agreements as set forth in Section 5.1(c).

5.3 AT&T Long Term Incentive Plans. AT&T and AT&T Broadband shall use their reasonable best efforts to take all actions necessary or appropriate so that each outstanding award granted under any AT&T Long Term Incentive Plan held by any individual shall be adjusted as set forth in this Article V.

(a) AT&T Options Held by Current Employees.

(i) As determined by the Committee (as that term is defined in the AT&T 1997 Long Term Incentive Program) pursuant to its authority under any of the AT&T Long Term Incentive Plans, each AT&T Option outstanding under any AT&T Long Term Incentive Plan as of the Distribution Date that is held by an AT&T Employee (other than a Broadband Transferee) shall be subject to the same terms and conditions after the Distribution as the terms and conditions applicable to such AT&T Option immediately prior to the Distribution; provided, however, that from and after the Close of the Distribution (i) the number of shares of AT&T Common Stock subject to such AT&T Option, rounded to the nearest whole share, shall be equal to the product of (x) the number of shares of AT&T Common Stock subject to such AT&T Option immediately prior to the Distribution Date and (y) the quotient obtained by

dividing the AT&T Closing Stock Value by the AT&T Opening Stock Value and (ii) the exercise price of such AT&T Option, rounded to the nearest whole cent, shall be equal to the product of (x) the exercise price of such AT&T Option immediately prior to the Distribution and (y) the quotient obtained by dividing the AT&T Opening Stock Value by the AT&T Closing Stock Value.

(ii) As determined by the Committee (as that term is defined in the AT&T 1997 Long Term Incentive Program) pursuant to its authority under any of the AT&T Long Term Incentive Plans, each AT&T Option outstanding under any AT&T Long Term Incentive Plan as of the Distribution Date that is held by a Broadband Employee or a Broadband Transferee shall be converted into a Broadband Option issued pursuant to the Broadband Adjustment Plan, subject to the same terms and conditions after the Distribution as the terms and conditions applicable to such AT&T Option immediately prior to the Distribution; provided, however, that from and after the Close of the Distribution (i) the number of shares of AT&T Broadband Common Stock subject to such Broadband Option, rounded to the nearest whole share, shall be equal to the product of (x) the number of shares of AT&T Common Stock subject to the AT&T Option immediately prior to the Distribution Date and (y) the quotient obtained by dividing the AT&T Closing Stock Value by the Broadband Common Stock Value, (ii) the exercise price of such Broadband Option, rounded to the nearest whole cent, shall be equal to the product of (x) the exercise price of the AT&T Option immediately prior to the Distribution and (y) the quotient obtained by dividing the Broadband Common Stock Value by the AT&T Closing Stock Value, and (iii) each Broadband Option shall be subject to the change in control provisions of the Broadband Adjustment Plan.

(b) AT&T Options Held by Former Employees.

(i) As determined by the Committee (as that term is defined in the AT&T 1997 Long Term Incentive Program) pursuant to its authority under any of the AT&T Long Term Incentive Plans, each AT&T Option outstanding under any AT&T Long Term Incentive Plan as of the Distribution Date that is held by any individual who is not an AT&T Employee, a Broadband Employee or a Broadband Transferee (a "Former Employee") shall be converted, immediately prior to the Distribution, into an adjusted AT&T Option under the applicable AT&T Long Term Incentive Plan and a Broadband Option under the Broadband Adjustment Plan, whereby the combined Intrinsic Value of such adjusted AT&T Option and Broadband Option held by such individual immediately after the Distribution equals the Intrinsic Value of such AT&T Option immediately before the Distribution.

(ii) The adjustment set forth in Section 5.3(b)(i) shall be made as follows:

(A) Exercise Price of Adjusted AT&T Option. The exercise price per share of AT&T Common Stock subject to an adjusted AT&T Option shall equal the product obtained by multiplying (a) times (b) where "(a)" equals the exercise price per share of the AT&T Option with respect to which the adjustment is being made immediately before the Distribution, and "(b)" equals the quotient obtained by dividing the AT&T Opening Stock Value by the AT&T Closing Stock Value.

(B) Exercise Price of Broadband Option. The exercise price per share of AT&T Broadband Stock subject to a Broadband Option issued pursuant to Section 5.3(b)(i) shall equal the product obtained by multiplying (c) times (d) where "(c)" equals the exercise price per share of the AT&T Option with respect to which the Broadband Option is granted immediately before the Distribution and "(d)" equals the quotient obtained by dividing the Broadband Common Stock Value by the AT&T Closing Stock Value.

(C) Number of Shares Subject to the Broadband Options. The number of shares of AT&T Broadband Common Stock subject to a Broadband Option granted pursuant to Section 5.3(b)(i) shall equal the quotient obtained by dividing (a) by (b) where "(a)" equals the amount determined by multiplying the Intrinsic Value of the AT&T Option with respect to which the adjustment is being made, based on the AT&T Closing Stock Value and the exercise price per share of such AT&T Option, by a fraction, the numerator of which is the Broadband Stock Value and the denominator of which is the AT&T Closing Stock Value, and "(b)" equals the Intrinsic Value of an Option to purchase one share of AT&T Broadband Common Stock based on the Broadband Common Stock Value and the exercise price of such Broadband Option as calculated in (B) above.

(D) Number of Shares Subject to Adjusted AT&T Options. The number of shares of AT&T Common Stock subject to an adjusted AT&T Option shall equal the quotient obtained by dividing (a) by (b) where "(a)" equals (i) the Intrinsic Value of the AT&T Option with respect to which the adjustment is being made, based on the AT&T Closing Stock Value and the exercise price per share of such AT&T Option, minus (ii) the Intrinsic Value of the Broadband Option granted pursuant to Section 5.3(b)(ii)(C) with respect to the AT&T Option for which the adjustment is being made, based upon the Broadband Stock Value, and "(b)" equals the Intrinsic Value of an Option to purchase one share of AT&T Common Stock based on the AT&T Opening Stock Value and the exercise price of such adjusted AT&T Option as set forth above.

(c) Miscellaneous Option Terms.

(i) AT&T and AT&T Broadband acknowledge that, in the context of the Separation Transactions, the adjustment to AT&T Options as set forth in this Section 5.3 will be implemented, in part, by the issuance of Broadband Options under the terms of the Broadband Adjustment Plan. Accordingly, it is intended that, to the extent of the issuance of such Broadband Options in connection with the adjustments set forth in this Section 5.3, the Broadband Adjustment Plan shall be considered a successor to the AT&T Long Term Incentive Plan and to have assumed the obligation of the AT&T Long Term Incentive Plan to make the adjustment of AT&T Options as set forth in this Section 5.3.

(ii) After the Distribution Date, adjusted AT&T Options, regardless of by whom held, shall be settled by AT&T pursuant to the terms of the AT&T Long Term Incentive Plan, and Broadband Options, regardless of by whom held, shall be settled by AT&T Broadband pursuant to the terms of the Broadband Adjustment Plan.

(iii) Except as provided pursuant to a separate agreement between AT&T and Qwest Communications International, Inc. (the "Qwest Agreement"), AT&T or a

Communications Services Entity shall claim the benefit of federal, state, and local tax deductions related to the exercise of all adjusted AT&T Options after the Distribution Date and none of AT&T Broadband or any Broadband Entity shall claim any such tax deductions. Except as otherwise provided pursuant to the Qwest Agreement, after the Distribution Date, AT&T and the Communications Services Entities shall be responsible for the proper payroll tax treatment and the proper reporting to the appropriate governmental authorities of compensation relating to all option exercises of AT&T Options.

(iv) Except with respect to Broadband Options granted pursuant to this Section 5.3 with respect to options subject to the Qwest Agreement, AT&T Broadband or a Broadband Entity shall claim the benefit of federal, state and local tax deductions related to the exercise of Broadband Options after the Distribution Date and neither AT&T nor any Communications Services Entity shall claim any such tax deductions. Except with respect to Broadband Options granted pursuant to this Section 5.3 with respect to options subject to the Qwest Agreement, after the Distribution Date, AT&T Broadband and the Broadband Entities shall be responsible for the proper payroll tax treatment and the proper reporting to the appropriate governmental authorities of compensation relating to all option exercises of Broadband Options.

(v) (A) With respect to any adjusted AT&T Option held by persons, other than AT&T Employees, who as of the date of exercise are no longer employed by an AT&T Entity, but whose last employment with an AT&T Entity was with a Broadband Entity, and (B) with respect to any Broadband Option held by persons, other than Broadband Employees, who as of the date of exercise are no longer employed by an AT&T Entity, but whose last employment with an AT&T Entity was not with a Broadband Entity (each, a "Crossover Option"), in each case Salomon Smith Barney, or such other entity as AT&T or AT&T Broadband may agree, shall act as the recordkeeper for the Crossover Options; provided, however, that each of AT&T and AT&T Broadband shall expeditiously select and agree upon a recordkeeper so as to avoid any unreasonable expenses. If the exercise of Crossover Options is made pursuant to a broker-assisted cashless exercise through the recordkeeper in accordance with the regulations of the Federal Reserve Board, then immediately after such exercise, the recordkeeper shall sell the number of shares necessary to remit the following payments (which may be all the shares): (i) to the issuer of the option, the exercise price; and (ii) to the former employer of the option holder, the employee's share of income and payroll taxes. The recordkeeper shall thereafter remit to the option holder (i) the balance of the proceeds from the sale of all shares or (ii) the remaining whole shares and cash for any fractional shares, as applicable.

(vi) AT&T and AT&T Broadband agree to act (or to take such action) with respect to such federal, state, or local tax deductions, and with respect to fulfilling the payroll tax and reporting obligations on compensation, consistent with (iii) through (v) above, as are reasonably necessary or appropriate to achieve, maintain and/or preserve such tax results.

(vii) If (a) as a result of a determination (as defined in Section 1313 of the Code) or (b) in the opinion of nationally recognized tax counsel to AT&T or AT&T Broadband, which opinion and tax counsel are reasonably acceptable to the other party hereto, as a result of final or pending Treasury Regulations, Internal Revenue Service announcement or

otherwise, in each case, there is a substantial likelihood that the tax deductions related to the exercise of Options under this Agreement and/or the payroll tax and reporting obligations related to the exercise of Options, will be inconsistent with all or any part of Section 5.3(c)(iii) through (vi) above, the parties shall negotiate in good faith to restructure the arrangements set forth herein so that (I) if, pursuant to the determination or opinion, a party gets a tax deduction it was not entitled to claim under the terms of this Agreement, that party shall pay over to the party entitled to claim the deduction under the terms of this Agreement, as if and for the tax year(s) recognized through a reduction in taxes due and/or the receipt of a refund in an amount equal to the lesser of (x) its tax benefit and (y) the benefit otherwise available to the party entitled to such deduction under the terms of this Agreement, as if and for the tax year(s) when such deduction would have resulted in a reduction in taxes due and/or the receipt of a refund and (II) the reporting and financial burden of the payroll taxes are, to the extent practicable, as described above. Any such amounts shall be payable within 30 days of the filing of the return in which the benefit described in (x) or (y) of the preceding sentence, whichever is later, is reflected. If the parties are unable to reach an agreement on how to restructure the arrangements set forth herein within 90 days of such determination or the receipt of the opinion of counsel described in the first sentence of this subparagraph (vii) such disagreement shall be resolved by a nationally recognized law firm or accounting firm ("Independent Third Party"), selected in a manner similar to the procedure set forth in Section 11.7(a) of the Tax Sharing Agreement, whose judgment shall be conclusive and binding upon the parties. The cost of any Independent Third Party shall be shared equally between the parties.

(d) Vesting and Exercisability of Options.

(i) Each adjusted AT&T Option issued to an AT&T Employee (other than a Broadband Transferee) as part of the adjustment to AT&T Options pursuant to this Section 5.3 shall, except as specifically provided herein, be subject to the same terms and conditions set forth in the original AT&T Option with respect to which the adjusted AT&T Option was issued.

(ii) Each Broadband Option issued to a Broadband Employee or Broadband Transferee as part of the adjustment to AT&T Options pursuant to this Section 5.3 shall, except as specifically provided herein, be subject to the same terms and conditions set forth in the original AT&T Option with respect to which the Broadband Option was received except that each unvested Broadband Option shall be subject to the change in control provisions of the Broadband Adjustment Plan.

(iii) Notwithstanding the foregoing, the adjusted AT&T Options and Broadband Options shall not be exercisable during a period beginning on a date prior to the Distribution Date determined by AT&T in its sole discretion, and continuing until the AT&T Opening Stock Value and the Broadband Common Stock Value are determined immediately after the Distribution, or such longer period as AT&T or AT&T Broadband determines necessary to implement the provisions of this Section 5.3.

(iv) Each Broadband Option and each AT&T Option issued to any Former Employee as part of the adjustment to AT&T Options pursuant to this Section 5.3 shall be subject to the same terms and conditions regarding term, vesting and other provisions

regarding exercise as set forth in the original AT&T option with respect to which the adjusted AT&T Option was issued and the Broadband Option was received.

(e) Restricted Shares. As determined by the Committee (as that term is defined in the AT&T 1997 Long Term Incentive Program) pursuant to its authority under any of the AT&T Long Term Incentive Plans:

(i) Each AT&T Participant who is the holder of an AT&T Award consisting of AT&T restricted shares that is outstanding as of the Distribution Date shall receive, as of the Close of the Distribution Date:

(A) an award under the applicable AT&T Long Term Incentive Plan for the number of stock units (valued with respect to AT&T Broadband Common Stock), determined by multiplying the number of AT&T restricted shares held as of the Distribution Date by the Distribution Ratio; and

(B) a number of adjusted AT&T restricted shares under the applicable AT&T Long Term Incentive Plan determined by dividing (a) by (b) where "(a)" equals the value of the AT&T restricted shares held as of the Distribution Date, based on the AT&T Closing Stock Value, reduced by the value of the stock units awarded pursuant to Section 5.3(e)(i)(A), based on the Broadband Common Stock Value, and "(b)" equals the value of a single AT&T restricted share, based on the AT&T Opening Stock Value.

(ii) Each Broadband Participant holding an AT&T Award consisting of AT&T restricted shares outstanding as of the Distribution Date shall receive, as of the Close of the Distribution Date:

(A) an award under the Broadband Adjustment Plan for a number of AT&T Broadband restricted shares (valued with respect to AT&T Broadband Common Stock) determined by multiplying the number of AT&T restricted shares held as of the Distribution Date by the Distribution Ratio; and

(B) an award under the Broadband Adjustment Plan for a number of AT&T restricted shares, determined by dividing (a) by (b) where "(a)" equals the value of the AT&T restricted shares held as of the Distribution Date, based on the AT&T Closing Stock Value, reduced by the value of the AT&T Broadband restricted shares awarded pursuant to Section 5.3(e)(ii)(A), based on the Broadband Common Stock Value, and "(b)" equals the value of a single AT&T stock unit, based on the AT&T Opening Stock Value.

(iii) Each Broadband Participant shall continue to vest or satisfy service requirements with respect to his or her Broadband Award of restricted shares under the Broadband Adjustment Plan and shall continue to vest in his or her adjusted AT&T restricted shares under the AT&T Long-Term Incentive Plan during his or her employment with AT&T Broadband or another Broadband Entity and shall continue to be subject to the same terms and conditions of the original AT&T restricted share award, except: (A) employment with AT&T Broadband or another Broadband Entity shall be treated as continued employment, (B) any term of such award with respect to a change in control of AT&T shall be modified to refer to a change in control of AT&T Broadband; and (C) with respect to restricted shares granted pursuant to

Section 5.3(e)(ii)(A) (the value of which is determined by reference to the underlying value of AT&T Broadband Common Stock), dividend equivalents paid with respect to any such award shall be payable after the Distribution Date with reference to dividends on AT&T Broadband Common Stock, if any.

(iv) Each AT&T Participant shall continue to vest or satisfy service requirements with respect to his or her award of AT&T Award of restricted shares and stock units under the AT&T Long Term Incentive Plan in accordance with the terms and conditions of the original AT&T restricted share award with respect to which the AT&T Award of restricted shares and stock units are issued, except: (A) each such award shall be settled by AT&T or a Communications Services Entity in accordance with the terms of such award and the applicable AT&T Long Term Incentive Plan; and (B) with respect to stock units granted pursuant to Section 5.3(e)(i)(A) (the value of which is determined by reference to the underlying value of AT&T Broadband Common Stock), dividend equivalents paid with respect to any such award shall be payable after the Distribution Date with reference to dividends on AT&T Broadband Common Stock, if any.

(f) Restricted Stock Units. As determined by the Committee (as that term is defined in the AT&T 1997 Long Term Incentive Program) pursuant to its authority under any of the AT&T Long Term Incentive Plans:

(i) Each AT&T Participant who is the holder of an AT&T Award consisting of AT&T restricted stock units that is outstanding as of the Distribution Date shall receive, as of the Close of the Distribution Date:

(A) an award under the applicable AT&T Long Term Incentive Plan for the number of stock units (valued with respect to AT&T Broadband Common Stock), determined by multiplying the number of AT&T restricted stock units held as of the Distribution Date by the Distribution Ratio; and

(B) a number of adjusted AT&T restricted stock units under the applicable AT&T Long Term Incentive Plan determined by dividing (a) by (b) where "(a)" equals the value of the AT&T restricted stock units held as of the Distribution Date, based on the AT&T Closing Stock Value, reduced by the value of the stock units awarded pursuant to Section 5.3(f)(i)(A), based on the Broadband Common Stock Value, and "(b)" equals the value of a single AT&T restricted stock unit, based on the AT&T Opening Stock Value.

(ii) Each Broadband Participant holding an AT&T Award consisting of AT&T restricted stock units outstanding as of the Distribution Date shall receive, as of the Close of the Distribution Date:

(A) an award under the Broadband Adjustment Plan for a number of AT&T Broadband restricted stock units (valued with respect to AT&T Broadband Common Stock) determined by multiplying the number of AT&T restricted stock units held as of the Distribution Date by the Distribution Ratio; and

(B) an award under the Broadband Adjustment Plan for a number of stock units (valued with respect to AT&T Common Stock), determined by dividing

(a) by (b) where "(a)" equals the value of the AT&T restricted stock units held as of the Distribution Date, based on the AT&T Closing Stock Value, reduced by the value of the AT&T Broadband restricted stock units awarded pursuant to Section 5.3(f)(ii)(A), based on the Broadband Common Stock Value, and "(b)" equals the value of a single AT&T stock unit, based on the AT&T Opening Stock Value.

(iii) Each Broadband Participant shall continue to vest or satisfy service requirements with respect to his or her Broadband Award of restricted stock units and stock units under the Broadband Adjustment Plan in accordance with the terms and conditions of the original AT&T restricted stock unit award with respect to which the Broadband Award of restricted stock units and stock units are issued, except: (A) any term of such award with respect to a change in control of AT&T shall be modified to refer to a change in control of AT&T Broadband; (B) with respect to restricted stock units granted pursuant to Section 5.3(f)(ii)(A) (the value of which is determined by reference to the underlying value of AT&T Broadband Common Stock), dividend equivalents paid with respect to any such award shall be payable after the Distribution Date with reference to dividends on AT&T Broadband Common Stock, if any; and (C) each such award shall be settled by AT&T Broadband or another Broadband Entity in accordance with the terms of such award and the Broadband Adjustment Plan.

(iv) Each AT&T Participant shall continue to vest or satisfy service requirements with respect to his or her award of AT&T Award of restricted stock units and stock units under the AT&T Long Term Incentive Plan in accordance with the terms and conditions of the original AT&T restricted stock unit award with respect to which the AT&T Award of restricted stock units and stock units are issued, except: (A) each such award shall be settled by AT&T or a Communications Services Entity in accordance with the terms of such award and the applicable AT&T Long Term Incentive Plan; and (B) with respect to stock units granted pursuant to Section 5.3(f)(i)(A) (the value of which is determined by reference to the underlying value of AT&T Broadband Common Stock), dividend equivalents paid with respect to any such award shall be payable after the Distribution Date with reference to dividends on AT&T Broadband Common Stock, if any

(g) Performance Shares. As determined by the Committee (as that term is defined in the AT&T 1997 Long Term Incentive Program) pursuant to its authority under any of the AT&T Long Term Incentive Plans:

(i) Each AT&T Participant who is the holder of an AT&T Award consisting of AT&T performance shares for any open cycle that is outstanding as of the Distribution Date shall receive, as of the Close of the Distribution Date:

(A) an award under the applicable AT&T Long Term Incentive Plan for the number of stock units (valued with respect to AT&T Broadband Common Stock), determined by multiplying the number of AT&T performance shares held as of the Distribution Date by the Distribution Ratio; and

(B) an adjusted award of AT&T performance shares under the applicable AT&T Long Term Incentive Plan for a number of AT&T performance shares (valued with respect to AT&T Common Stock) determined by dividing (a) by (b) where "(a)" equals the

value of the AT&T performance shares held as of the Distribution Date, based on the AT&T Closing Stock Value, reduced by the value of the stock units awarded pursuant to Section 5.3(g)(i)(A), based on the Broadband Common Stock Value, and "(b)" equals the value of a single AT&T performance share, based on the AT&T Opening Stock Value.

(ii) Each Broadband Participant holding an AT&T Award consisting of AT&T performance shares for any open cycle that is outstanding as of the Distribution Date shall receive, as of the Close of the Distribution Date:

(A) an award under the Broadband Adjustment Plan for a number of AT&T Broadband performance shares (valued with respect to AT&T Broadband Common Stock) determined by multiplying the number of AT&T performance shares held as of the Distribution Date by the Distribution Ratio; and

(B) an award under the Broadband Adjustment Plan for a number of stock units (valued with respect to AT&T Common Stock), determined by dividing (a) by (b) where "(a)" equals the value of the AT&T performance shares held as of the Distribution Date, based on the AT&T Closing Stock Value, reduced by the value of the AT&T Broadband performance shares awarded pursuant to Section 5.3(g)(ii)(A), based on the Broadband Common Stock Value, and "(b)" equals the value of a single AT&T stock unit, based on the AT&T Opening Stock Value.

(iii) Each Broadband Participant shall continue to vest or satisfy service requirements with respect to his or her Broadband Award of adjusted performance shares and stock units under the Broadband Adjustment Plan in accordance with the terms and conditions of the original AT&T performance share award with respect to which the adjusted performance shares and stock units are issued, except: (A) any term of such award with respect to a change in control of AT&T shall be modified to refer to a change in control of AT&T Broadband; (B) the value and performance criteria of AT&T Broadband performance shares held by a Broadband Participant will be based on the underlying value of a share of AT&T Broadband Common Stock and performance measures as determined by the Compensation and Employee Benefits Committee of the AT&T Broadband Board of Directors (or its successor) from time to time; (C) each stock unit awarded pursuant to Section 5.3(g)(ii)(B) shall be deemed earned at 100% of target, valued by reference to the underlying value of a share of AT&T Common Stock; (D) with respect to performance shares granted pursuant to Section 5.3(g)(ii)(A) (the value of which is determined by reference to the underlying value of AT&T Broadband Common Stock), dividend equivalents paid with respect to any such award shall be payable after the Distribution Date with reference to dividends on AT&T Broadband Common Stock, if any; and (E) each such award shall be settled by AT&T Broadband or another Broadband Entity in accordance with the terms of such award and the Broadband Adjustment Plan.

(iv) Each AT&T Participant shall continue to vest or satisfy service requirements with respect to his or her award of adjusted performance shares and stock units under the AT&T Long Term Incentive Plan in accordance with the terms and conditions of the original AT&T performance share award with respect to which the adjusted performance shares and stock units are issued, except: (A) the value and performance criteria of AT&T performance shares held by an AT&T Participant will be based on the underlying value of a share of AT&T

Common Stock after the Distribution and performance measures as determined by the Compensation and Employee Benefits Committee of the AT&T Board of Directors (or its successor) from time to time; (B) each stock unit issued pursuant to Section 5.3(g)(i)(A) shall be deemed earned at 100% of target, valued by reference to the underlying value of a share of AT&T Broadband Common Stock; (C) each such award shall be settled by AT&T or a Communications Services Entity in accordance with the terms of such award and the applicable AT&T Long Term Incentive Plan; and (D) with respect to stock units granted pursuant to Section 5.3(g)(i)(A) (the value of which is determined by reference to the underlying value of AT&T Broadband Common Stock), dividend equivalents paid with respect to any such award shall be payable after the Distribution Date with reference to dividends on AT&T Broadband Common Stock, if any.

(h) Partial Interests in Shares or Stock Units. To the extent that any adjustment in stock options, performance shares, stock units, restricted stock, or restricted stock units results in any fractional interest in shares (or stock units), normal rounding principles shall be applied such that adjustments resulting in a fractional interest of .5 or greater will be rounded up to the nearest whole share or unit and adjustments resulting in a fractional interest of less than .5 will be rounded down to the nearest whole share or unit. No fractional interests in shares or stock units shall be payable in cash or otherwise.

(i) Incentive Stock Options; Foreign Grants/Awards. AT&T and AT&T Broadband shall use their best efforts to preserve the value and tax treatment accorded incentive stock options awarded under the AT&T Long Term Incentive Plan, and to preserve the value and tax treatment accorded grants/awards provided to non-U.S. employees under any domestic or foreign equity-based incentive program sponsored by an AT&T Entity. The parties hereby delegate to the AT&T Executive Vice President-Human Resources, for periods before the Distribution Date, the authority to determine an appropriate methodology for adjusting such grants or awards in a manner that is, to the extent possible, consistent with the treatment of such awards and grants for U.S. employees.

(j) Individual Enforcement. Notwithstanding the provisions of Section 6.3 of this Agreement or any provision of any other Ancillary Agreement (as defined in the Separation and Distribution Agreement) or the Merger Agreement, any individual who, immediately prior to the Distribution is a holder of an AT&T Option, a grant of AT&T restricted stock, restricted stock units, performance shares or stock units, shall have the right in his or her individual capacity to enforce the provisions of this Section 5.3, subject to the provisions of Section 5.5.

5.4 AT&T Employee Stock Purchase Plan. In accordance with the AT&T Employee Stock Purchase Plan, AT&T shall cause (a) all amounts credited to the "Periodic Deposit Account" of each Broadband Transferee and each Broadband Employee under the AT&T Employee Stock Purchase Plan to be applied on the next exercise date coincident with or next following the Distribution Date or, with respect to a Broadband Transferee who is on an Approved Leave of Absence as of the Distribution Date, the next exercise date after the date the employment of such a Broadband Transferee is transferred to a Broadband Entity (the "Next Exercise Date") toward the purchase of AT&T Common Stock, and then (b) stock certificates with respect to whole shares of all AT&T Common Stock and any other stock held by the

recordkeeper, and cash with respect to fractional shares of AT&T Common Stock and any other stock held by the recordkeeper, to be distributed as soon as practicable after the Next Exercise Date, and then (c) the recordkeeping accounts of all Broadband Transferees and Broadband Employees to be terminated under the AT&T Stock Purchase Plan.

5.5 Savings Clause. Notwithstanding any other provision of Section 5.3, if and to the extent either AT&T or AT&T Broadband shall determine in its reasonable judgment, after consultation with its legal counsel or financial accountants, as appropriate, that any action required to be taken by it under Section 5.3 does not comply with applicable laws or does not properly satisfy all relevant financial accounting pronouncements, then AT&T and AT&T Broadband shall take such other action as they mutually agree is necessary or appropriate in order to address such laws or such financial accounting concerns.

5.6 Registration Requirements. As soon as possible following the time as of which the Form 10 or Form 8-A, as the case may be, is declared effective by the Securities and Exchange Commission but in any case before the Distribution Date and before the date of issuance or grant of any Broadband Option and/or shares of AT&T Broadband Common Stock pursuant to this Article V, AT&T Broadband agrees that it shall file a Form S-8 Registration Statement with respect to and cause to be registered pursuant to the Securities Act of 1933, as amended, the shares of AT&T Broadband Common Stock authorized for issuance under the Broadband Adjustment Plan as required pursuant to such Act and any applicable rules or regulations thereunder.

5.7 Non-Competition Guidelines.

(a) AT&T Non-Competition Guideline. Effective as of the Close of the Distribution Date, AT&T shall cause the AT&T Non-Competition Guideline, to be amended to provide that all AT&T Employees who terminate employment with AT&T or a Communications Services Entity and become employed by AT&T Broadband or another Broadband Entity at any time prior to the end of the sixth calendar month that ends after the Close of the Distribution Date, shall not be subject to the AT&T Non-Competition Guideline while such individual is employed by AT&T Broadband, another Broadband Entity or Parent (as defined in the Merger Agreement) or any of its Affiliates; provided, however, that nothing in this Section 5.7(a) shall relieve any person from any obligation under the AT&T Non-Competition Guideline with respect to engaging in conduct (e.g., recruitment or solicitation of AT&T Employees or criticism of AT&T) that is "in conflict with or adverse to the interests of" AT&T, as such terms are defined in the AT&T Non-Competition Guideline. Notwithstanding the foregoing, no AT&T Employee who becomes employed by AT&T Broadband or another Broadband Entity shall be deemed to have violated the AT&T Non-Competition Guideline as a result of the recruitment or solicitation of any AT&T Employee in accordance with the People Movement Guidelines set forth in Exhibit 5.7(a) to this Agreement. Notwithstanding the foregoing, an AT&T Employee, who terminates employment with AT&T or a Communications Services Entity and becomes employed by AT&T Broadband or another Broadband Entity at any time prior to the end of the sixth calendar month that ends after the Close of the Distribution Date, shall be deemed to be employed by a competitor of AT&T for purposes of determining compliance with the provisions of the AT&T Non-Competition Guideline only if within the six month period following such individual's termination of employment with AT&T or such Communication Services Entity and

before the end of the sixth calendar month that ends after the Close of the Distribution Date, such individual becomes employed by a company that is an active and significant competitor of AT&T excluding Parent or any of its Affiliates. For purposes of this paragraph, during the six month period following the Close of the Distribution Date, "active and significant competitor" means a company in competition with AT&T in a line of business which represents more than five percent (5%) of AT&T's consolidated gross revenues (excluding AT&T Broadband's revenues) for its most recently completed fiscal year. After the end of the six month period following the Close of the Distribution Date, whether an employer is a competitor of AT&T will be determined pursuant to AT&T's current usual and customary practice in administering the AT&T Non-Competition Guideline.

(b) Broadband Non-Competition Guideline. In the event that AT&T Broadband shall adopt or maintain a non-competition guideline effective for periods after the Distribution Date, such guideline shall expressly provide that no employee of AT&T Broadband or other Broadband Entity who terminates employment with AT&T Broadband or another Broadband Entity and becomes employed by AT&T or a Communications Services Entity at any time prior to the end of the sixth calendar month that ends after the Close of the Distribution Date, shall be treated as being employed by a competitor of AT&T Broadband or another Broadband Entity for purposes of determining compliance with the non-competition provisions of such AT&T Broadband non-competition guideline while such individual remains employed by AT&T or a Communications Services Entity; provided, however, that nothing in this Section 5.7(b) shall relieve any person from any obligation under such Broadband non-competition guideline with respect to engaging in conduct (e.g., recruitment or solicitation of employees or criticism of AT&T Broadband) that is "in conflict with or adverse to the interests of" AT&T Broadband or any Broadband Entity, as such terms are defined in such guideline. Notwithstanding the foregoing, no Broadband Employee who becomes employed by AT&T or a Communications Services Entity shall be deemed to have violated such guideline as a result of the recruitment or solicitation of any employee of AT&T Broadband or another Broadband Entity to the extent that the hiring of any employee of AT&T Broadband or another Broadband Entity conforms to procedures set forth in the People Movement Guidelines attached to this Agreement as Exhibit 5.7(b). Notwithstanding the foregoing, a Broadband Employee who terminates employment with AT&T Broadband or another Broadband Entity and becomes employed by AT&T or a Communications Services Entity at any time prior to the end of the sixth calendar month that ends after the Close of the Distribution Date shall be deemed to be employed by a competitor of AT&T Broadband for purposes of determining compliance with the provisions of the Broadband non-competition guideline only if within the six month period following such individual's termination of employment with AT&T Broadband or another Broadband Entity and before the end of the sixth calendar month that ends after the Close of the Distribution Date, such Broadband Employee becomes employed by a company excluding AT&T and the Communications Services Entities that is an active and significant competitor of AT&T Broadband. For purposes of this paragraph, during the six month period following the Close of the Distribution Date, "active and significant competitor" means a company in competition with AT&T Broadband in a line of business which represents more than five percent (5%) of the AT&T Broadband consolidated gross revenues for its most recently completed fiscal year (excluding AT&T's revenues). At the conclusion of such six calendar month period, AT&T Broadband may deem employment, other than continuing employment with AT&T or a

Communications Services Entity, to be a violation of such AT&T Broadband non-competition guideline.

(c) Confidentiality and Proprietary Information. No provision of the Separation and Distribution Agreement or this Agreement shall be deemed to release any individual for any violation of the Broadband non-competition guideline or such AT&T Non-Competition Guideline pertaining to confidential or proprietary information or any agreement or policy pertaining to confidential or proprietary information of AT&T Broadband or any of its Affiliates or of AT&T or any of its Affiliates, respectively, or otherwise relieve any individual of his or her obligations under such guideline or any such agreements or policies.

(d) Deferral Plans and Individual Deferral Agreements. AT&T shall retain all Liabilities relating to (i) AT&T Deferral Plan Participants under the AT&T Deferral Plan, (ii) Non-Employee Directors under the AT&T Directors' Deferral Plan, and (iii) all Individual Deferral Agreements except as listed on Schedule 5.1(b), and AT&T shall make payments under such plans and Individual Deferral Agreements at the times and in the manner designated in the applicable schedules on file with AT&T as of the Distribution Date and in accordance with the terms of such plans and Individual Deferral Agreements, including the Special Distribution Option approved by the AT&T Board. For purposes of this Section 5.8, no AT&T Deferral Plan Participants, other than Broadband Transferees, and/or parties to Individual Deferral Agreements, shall be deemed to have terminated employment for purposes of administration of the AT&T Deferral Plan or any Individual Deferral Agreements as a result of the consummation of the transactions contemplated by the Separation and Distribution Agreement. AT&T Broadband and the Broadband Entities shall assume or retain, as applicable, all Liabilities with respect to any Individual Deferral Agreement with respect to Broadband Transferees as listed on Schedule 5.1(b). Notwithstanding anything in this Section 5.7(d) to the contrary, if any Broadband Transferee has elected to defer compensation under the AT&T Deferral Plan prior to the Distribution Date, and as of the Distribution Date such compensation is not yet otherwise payable pursuant to the terms of any such election, then AT&T Broadband, at the time such Broadband Transferee becomes an employee of AT&T Broadband or any other Broadband Entity, shall honor such deferral election as if it had been properly and timely made under the applicable AT&T Broadband deferred compensation plan, and shall allow such Broadband Transferee to immediately commence deferral of such compensation in accordance with the terms of the original deferral election.

5.8 AT&T Non-Qualified Pension Plans and Arrangements. AT&T shall retain all Liabilities relating to the AT&T Non-Qualified Pension Plan, the AT&T Excess Benefit and Compensation Plan, the AT&T Mid-Career Pension Plan, the AT&T Senior Management Long Term Disability and Survivor Protection Plan, and any individual non-qualified pension arrangements other than those listed in Schedule 5.10 hereto and all Liabilities relating to AT&T Employees or Broadband Transferees under the AT&T Non-Qualified Pension Plan, the AT&T Excess Benefit and Compensation Plan, the AT&T Mid-Career Pension Plan, the AT&T Senior Management Long Term Disability and Survivor Protection Plan, and any individual non-qualified pension arrangements other than those listed in Schedule 5.10 hereto and all Liabilities with respect to any participant under such plans and arrangements as of the Close of the Distribution Date, as well as all assets held under any trust or other arrangement established as maintained for the funding of such Liabilities, and shall make benefit payments to AT&T

Employees and Broadband Transferees at such times and in such manner as is provided for under the terms of the respective non-qualified pension plans and arrangements.

5.9 Broadband Non-Qualified Pension Plans and Arrangements. For periods after the Distribution Date, AT&T Broadband shall retain all Liabilities relating to the AT&T Broadband Non-Qualified Pension Plan, the MediaOne Group Mid-Career Plan, the MediaOne Group Non-Qualified Pension & Mid-Career Pension Trust, the AT&T Broadband Deferred Compensation Plan, the MediaOne Group Deferred Compensation Trust and any individual non-qualified pension arrangements identified in Schedule 5.10 hereto and all Liabilities relating to Broadband Employees under such plans and arrangements as of the Close of the Distribution Date, and shall make benefit payments to Broadband Employees at such times and in such manner as is provided for under the terms of the respective non-qualified pension plans and arrangements.

5.10 Life Insurance Programs.

(a) AT&T Senior Management Universal Life Insurance Program. As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the AT&T Senior Management Universal Life Insurance Program. The life insurance amount under the SMULIP shall be frozen (the "frozen SMULIP coverage") as of the Close of the Distribution Date for any Broadband Transferee who is a SMULIP participant as of the Close of the Distribution Date and who either (i) is then eligible to participate in the AT&T Post-Retirement Welfare Benefits Plan or (ii) may be eligible to participate in the AT&T Post-Retirement Welfare Benefits Plan pursuant to the provisions of Section 4.6. AT&T shall allow such Broadband Transferee to continue to participate in the SMULIP until the Broadband Transferee's attainment of his or her "normal termination date" under the terms of the SMULIP as such terms exist on the date of this Agreement. During the Broadband Transferee's participation in the SMULIP after the Distribution Date, AT&T shall pay the premiums determined to be due under the applicable life insurance policy (and any tax adjustment payments, determined in accordance with the terms of the SMULIP as they exist on the date of this Agreement) to provide the frozen SMULIP coverage amount. The participation of each other Broadband Transferee who participates in the SMULIP shall terminate as of the Close of the Distribution Date, the life insurance policy covering the life of such Broadband Transferee under the SMULIP may be allowed to lapse, surrendered for its cash surrender value, or continued with premium payments being made from the Broadband Transferee's (or his or her assignee's) personal assets and, after the Close of the Distribution Date, none of AT&T, AT&T Broadband, the Broadband Entities and the Communications Services Entities shall have any further obligation with respect thereto.

(b) AT&T Executive Basic Life Insurance Program. As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the AT&T Executive Basic Life Insurance Program. The life insurance amount under the EBLIP shall be frozen (the "frozen EBLIP coverage") as of the Close of the Distribution Date for any Broadband Transferee who is an EBLIP participant as of the Close of the Distribution Date and who either (i) is then eligible to participate in the AT&T Post-Retirement Welfare Benefits Plan; or (ii) may be eligible to participate in the AT&T Post-Retirement Welfare Benefits Plan pursuant to the provisions of Section 4.6. AT&T shall allow such Broadband Transferee to continue to participate in the EBLIP until Broadband Transferee's attainment of his or her "normal termination date" under

the terms of the EBLIP as such terms exist on the date of this Agreement. During the Broadband Transferee's period of continued participation in the EBLIP, AT&T shall pay the premiums determined to be due under the applicable life insurance policy to provide the frozen EBLIP coverage. Notwithstanding any provision of this Section 5.11(b) to the contrary, after any Broadband Transferee who continues to participate in the EBLIP attains age 66, the participant's frozen EBLIP coverage shall be reduced according to the benefit schedule of the EBLIP for participants age 66 and older as such schedule exists on the date of this Agreement. The participation of all other Broadband Transferees who participate in the EBLIP shall terminate as of the Close of the Distribution Date, and AT&T shall transfer ownership of the life insurance policy covering the Broadband Transferee ("EBLIP Policy") (after withdrawing the total cash surrender value from the life insurance policy) to the Broadband Transferee (or his or her assignee). Following transfer of the EBLIP Policy, AT&T, AT&T Broadband, the Broadband Entities and the Communications Services Entities, as the case may be, shall have no further obligation with respect to the EBLIP Policy and the Broadband Transferee (or his or her assignee) may allow the EBLIP Policy to lapse or continue the coverage under the EBLIP Policy with premium payments being made from the Broadband Transferee's (or his or her assignee's) personal assets.

(c) AT&T Estate Enhancement Program. As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the AT&T Estate Enhancement Program.

(d) AT&T Supplemental Variable Universal Life Insurance Program. As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the AT&T Supplemental Variable Universal Life Insurance Program. The participation of all Broadband Transferees in the SVULIP shall terminate as of the Close of the Distribution Date. Affected Broadband Transferees may, in their sole discretion, continue, on a direct-pay basis, part or all of the coverage previously provided to them under the SVULIP.

5.11 Financial Counseling.

(a) As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the AT&T Senior Management Financial Counseling Program or the AT&T Executive Financial Counseling Program and all AT&T agreements with vendors for the provision of financial counseling services. Following the Distribution Date, AT&T shall provide financial counseling program benefits (including preparation of income tax returns for the Distribution Year) for one year following the Distribution Date for those Broadband Transferees who immediately before the Close of the Distribution Date were (i) receiving financial counseling program benefits under either the AT&T Senior Management Financial Counseling Program or the AT&T Executive Financial Counseling Program, and (ii) then eligible to participate in the AT&T Post-Retirement Welfare Benefits Plans or who would be eligible to so participate pursuant to Section 4.6. To the extent the provision of any such benefit by AT&T is taxable income to the Broadband Transferee, AT&T shall make a tax adjustment payment to such Broadband Transferee in accordance with AT&T tax "gross-up" policies for similarly situated retiring employees at the AT&T Executive level. AT&T financial counseling benefits will terminate for all other Broadband Transferees as of the Close of the Distribution Date.

(b) Except as provided in Section 5.11(a), AT&T shall have no responsibility for providing financial counseling services to any Broadband Transferee.

5.12 Toll Discount Program. As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the AT&T Toll Discount Program. Any Broadband Employee or Broadband Transferee who is eligible to participate in the AT&T Post-Retirement Welfare Benefits Plan as of the Close of the Distribution Date shall be entitled to continue to receive toll reimbursements in accordance with the terms of the applicable assumed AT&T Toll Discount Program. AT&T shall discontinue making toll reimbursements to each other Broadband Employee and Broadband Transferee under the AT&T Toll Discount Program effective as of the later of (a) the Close of the Distribution Date (or such sooner date when AT&T terminates the AT&T Toll Discount Program) or (b) the date on which the Broadband Employee or Broadband Transferee would no longer be in an eligible class of employees under the applicable AT&T Toll Discount Program.

5.13 Relocation Plan. AT&T Broadband shall be responsible for all Liabilities with respect to the relocation expenses of any Broadband Transferee related to their employment by Broadband or a Broadband Entity. AT&T shall be responsible for all Liabilities with respect to the relocation expenses authorized by AT&T for any employees who, before the Close of the Distribution Date, leave the employment of AT&T Broadband or a Broadband Entity to become employees of AT&T or a Communications Services Entity.

5.14 Senior Manager Car Allowance. As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the Senior Manager Ground Transportation Program. AT&T shall discontinue making car allowance payments to each Broadband Transferee under the Senior Manager Ground Transportation Program effective as of the later of (a) the Close of the Distribution Date (or such sooner date when AT&T terminates the Senior Manager Ground Transportation Program) or (b) the date on which the Broadband Transferee would no longer be in an eligible class of employees under that program.

5.15 Taxable Fringe Benefits. As of the Close of the Distribution Date, AT&T shall retain all Liabilities with respect to the AT&T Taxable Fringe Benefit Program. AT&T shall discontinue providing benefits to each Broadband Transferee under the AT&T Taxable Fringe Benefit Program effective as of the later of (a) the Close of the Distribution Date (or such sooner date when AT&T terminates the AT&T Taxable Fringe Benefit Program) and (b) the date on which the Broadband Transferees would no longer be in an eligible class of employees under that program.

5.16 Separation Plans. Certain plans and programs of AT&T, including but not limited to the AT&T Senior Officer Separation Plan (the "SOSP"), the AT&T Senior Management Separation Plan (the "SMSP") and the AT&T Special Executive Separation Plan (the "SESP"), provide for the payment of certain compensation and benefits in the event of the termination of employment of the individual covered by the terms of such plans. As of the Close of the Distribution Date, AT&T shall retain all Liabilities relating to the SOSP, the SMSP and the SESP and all Liabilities relating to, arising out of, or resulting from claims incurred by or on behalf of any individual under such plans. A Broadband Transferee shall not be deemed to have terminated employment for purposes of determining eligibility for benefits under the SOSP, the

SMSP, the SESP or other similar plans and programs in connection with or in anticipation of the consummation of the transactions contemplated by the Separation and Distribution Agreement, and shall cease to be covered thereby as of the Close of the Distribution Date.

ARTICLE VI
GENERAL AND ADMINISTRATIVE

6.1 Payment of Liabilities. AT&T Broadband shall pay directly, or reimburse AT&T in accordance with established practice for, all compensation payable to Broadband Transferees for services rendered to AT&T Broadband or another Broadband Entity while in the employ of AT&T or an Communication Services Entity on or before the Distribution Date (or, in the case of a Broadband Transferee on Approved Leave of Absence, until he or she becomes a Broadband Employee in accordance with Section 2.3) to the extent not already reimbursed. To the extent the amount of such Liabilities is not yet determinable because the status of individuals as Broadband Transferees is not yet determined, except as otherwise specified herein or in another Ancillary Agreement with respect to particular Liabilities, AT&T Broadband shall make such payments or reimbursements based upon AT&T's reasonable estimates of the amounts thereof, and when such status is determined, AT&T Broadband shall make additional reimbursements or payments, or AT&T shall reimburse AT&T Broadband, to the extent necessary to reflect the actual amount of such Liabilities.

6.2 Sharing of Participant Information. AT&T and AT&T Broadband shall share, and AT&T shall cause each Communications Services Entity to share, and AT&T Broadband shall cause each other Broadband Entity to share with each other and their respective agents and vendors (without obtaining releases) all participant information necessary for the efficient and accurate administration of each of the Broadband Benefit Plans and the AT&T Benefit Plans. AT&T and AT&T Broadband and their respective authorized agents shall, subject to applicable laws on confidentiality, be given reasonable and timely access to, and may make copies of, all information relating to the subjects of this Agreement in the custody of the other party, to the extent necessary for such administration. Until the Close of the Distribution Date, all participant information shall be provided in the manner and medium applicable to Participating Companies in Benefit Plans of AT&T generally, and thereafter until December 31, 2002, all participant information shall be provided in a manner and medium as may be mutually agreed to by AT&T and AT&T Broadband. AT&T Broadband will notify AT&T of the termination following the Distribution Date of any Broadband Employee or Broadband Transferee who is eligible to participate in the AT&T Post-Retirement Welfare Benefits Plans.

6.3 Best Efforts/Cooperation. Each of the parties hereto will use its commercially reasonable best efforts to promptly take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate the transactions contemplated by this Agreement. Each of the parties hereto shall cooperate fully on any issue relating to the transactions contemplated by this Agreement for which the other party seeks a determination letter or private letter ruling from the Internal Revenue Service, an advisory opinion from the Department of Labor or any other filing, consent or approval with respect to or by a governmental agency.

6.4 Non-Termination of Employment; No Third-Party Beneficiaries. Without limiting the generality of Section 11.5 of the Separation and Distribution Agreement, which is hereby incorporated herein by reference, except as expressly provided in Section 5.3(j) of this Agreement, no provision of this Agreement or the Separation and Distribution Agreement shall be construed to create any right, or accelerate entitlement, to any compensation or benefit whatsoever on the part of any AT&T Employee, Broadband Employee or Broadband Transferee or other future, present, or former employee of any AT&T Entity under any Broadband Benefit Plan or AT&T Benefit Plan or otherwise. Without limiting the generality of the foregoing: (i) except as expressly provided in this Agreement or with respect to the AT&T Pension Plans and the AT&T Post-Retirement Welfare Benefits Plan, the occurrence of the Close of the Distribution Date shall not cause any employee to be deemed to have incurred a termination of employment which entitles such individual to the commencement of benefits under any of the AT&T Benefit Plans or any of the Individual Agreements or severance under the AT&T Force Management Plan or the Broadband Severance Plan; (ii) except as expressly provided in this Agreement, nothing in this Agreement shall preclude AT&T or any Communications Services Entity, at any time after the Close of the Distribution Date, from amending, merging, modifying, terminating, eliminating, reducing, or otherwise altering in any respect any AT&T Benefit Plan, any benefit under any Benefit Plan or any trust, insurance policy or funding vehicle related to any AT&T Benefit Plan; and (iii) except as expressly provided in this Agreement, nothing in this Agreement shall preclude AT&T Broadband or any other Broadband Entity, at any time after the Close of the Distribution Date, from amending, merging, modifying, terminating, eliminating, reducing, or otherwise altering in any respect any Broadband Benefit Plan, any benefit under any Benefit Plan or any trust, insurance policy or funding vehicle related to any Broadband Benefit Plan.

6.5 Audit Rights With Respect to Information Provided.

(a) Each of AT&T and AT&T Broadband, and their duly authorized representatives, shall have the right to conduct reasonable audits with respect to all information provided to it by the other party. The party conducting the audit (the "Auditing Party") may adopt reasonable procedures and guidelines for conducting audits and the selection of audit representatives under this Section 6.4. The Auditing Party shall have the right to make copies of any records at its expense, subject to the confidentiality provisions set forth in the Separation and Distribution Agreement, which are incorporated by reference herein. The party being audited shall provide the Auditing Party's representatives with reasonable access during normal business hours to its operations, computer systems and paper and electronic files, and provide workspace to its representatives. After any audit is completed, the party being audited shall have the right to review a draft of the audit findings and to comment on those findings in writing within ten business days after receiving such draft.

(b) The Auditing Party's audit rights under this Section 6.4 shall include the right to audit, or participate in an audit facilitated by the party being audited, of any Subsidiaries and Affiliates of the party being audited and to require the other party to request any benefit providers and third parties with whom the party being audited has a relationship, or agents of such party, to agree to such an audit to the extent any such persons are affected by or addressed in this Agreement (collectively, the "Non-parties"). The party being audited shall, upon written request from the Auditing Party, provide an individual (at the Auditing Party's expense) to

supervise any audit of a Non-party. The Auditing Party shall be responsible for supplying, at the Auditing Party's expense, additional personnel sufficient to complete the audit in a reasonably timely manner. The responsibility of the party being audited shall be limited to providing, at the Auditing Party's expense, a single individual at each audited site for purposes of facilitating the audit.

6.6 Fiduciary Matters. It is acknowledged that actions required to be taken pursuant to this Agreement may be subject to fiduciary duties or standards of conduct under ERISA or other applicable law, and no party shall be deemed to be in violation of this Agreement if it fails to comply with any provisions hereof based upon its good faith determination that to do so would violate such a fiduciary duty or standard. Each party shall be responsible for taking such actions as are deemed necessary and appropriate to comply with its own fiduciary responsibilities and shall fully release and indemnify the other party for any Liabilities caused by the failure to satisfy any such responsibility.

6.7 Collective Bargaining. To the extent any provision of this Agreement is contrary to the provisions of any collective bargaining agreement to which AT&T or any Affiliate of AT&T is a party, the terms of such collective bargaining agreement with respect to the entities bound by such collective bargaining agreement shall prevail. Should any provisions of this Agreement be deemed to relate to a topic determined by an appropriate authority to be a mandatory subject of collective bargaining, AT&T, AT&T Broadband, another Broadband Entity or a Communications Services Entity may be obligated to bargain with the union representing affected employees concerning those subjects.

6.8 Consent of Third Parties. If any provision of this Agreement is dependent on the consent of any third party (such as a vendor or a union) and such consent is withheld, the parties hereto shall use their reasonable best efforts to implement the applicable provisions of this Agreement to the full extent practicable. If any provision of this Agreement cannot be implemented due to the failure of such third party to consent, the parties hereto shall negotiate in good faith to implement the provision in a mutually satisfactory manner. The phrase "reasonable best efforts" as used herein shall not be construed to require any party to incur any non-routine or unreasonable expense or Liability or to waive any right.

ARTICLE VII MISCELLANEOUS

7.1 Effect If Distribution Does Not Occur. If the Separation and Distribution Agreement is terminated prior to the Distribution Date, then all actions and events that are, under this Agreement, to be taken or occur effective immediately prior to or as of the Close of the Distribution Date, or Immediately after the Distribution Date, or otherwise in connection with the Separation Transactions shall not be taken or occur except to the extent specifically agreed by AT&T and AT&T Broadband.

7.2 Relationship of Parties. Nothing in this Agreement shall be deemed or construed by the parties or any third party as creating the relationship of principal and agent, partnership or joint venture between the parties, it being understood and agreed that no provision

contained herein, and no act of the parties, shall be deemed to create any relationship between the parties other than the relationship set forth herein.

7.3 Affiliates. Each of AT&T and AT&T Broadband shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement to be performed by another Broadband Entity or a Communications Services Entity, respectively.

7.4 Notices. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by hand or sent by facsimile or sent, postage prepaid, by registered, certified or express mail or reputable overnight courier service and shall be deemed given when so delivered by hand or facsimile, or, if mailed, three days after mailing (one Business Day in the case of express mail or overnight courier service), as follows (or at such other address for a party as shall be specified by notice given in accordance with this Section 7.4):

(a) if to AT&T:

AT&T Corp.
295 North Maple Avenue
Basking Ridge, New Jersey 07920-1002
Attention: Mirian Graddick

with copies to:

AT&T Corp.
295 North Maple Avenue
Basking Ridge, New Jersey 07920-1002
Attention: Robert Feit, Esq.
Facsimile No.: (908) 221-8287

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
Attention: Karen G. Krueger
Facsimile No.: (212) 403-2242

(b) if to AT&T Broadband:

AT&T Broadband, LLC
188 Inverness Drive West
Englewood CO 80112
Attention: David R. Brunick
Facsimile No.: (303) 858-3184

with a copy to: Sean Lindsay
188 Inverness Drive West
Englewood CO 80112
Facsimile: (303) 858-3482

7.5 Incorporation of Separation and Distribution Agreement Provisions. The following provisions of the Separation and Distribution Agreement are hereby incorporated herein by reference, and unless otherwise expressly specified herein, such provisions shall apply as if fully set forth herein (references in this Section 7.5 to an "Article" or "Section" shall mean Articles or Sections of the Separation and Distribution Agreement, and, except as expressly set forth below, references in the material incorporated herein by reference shall be references to the Separation and Distribution Agreement): Article V (relating to Mutual Releases and Indemnification); Article VII (relating to Exchange of Information and Confidentiality); Article VIII (relating to Further Assurances and Additional Covenants); Article IX (relating to Termination); Article X (relating to Dispute Resolution and Arbitration); and Article XI (relating to Miscellaneous), excluding the notice provisions thereof.

7.6 Governing Law. To the extent not preempted by applicable federal law, this Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York, irrespective of the choice of laws principles of the State of New York, as to all matters, including matters of validity, construction, effect, performance and remedies.

7.7 References. Except as provided in Section 7.5, all references to Sections, Articles, Exhibits or Schedules contained herein mean Sections, Articles, Exhibits or Schedules of or to this Agreement, as the case may be, unless otherwise stated.

IN WITNESS WHEREOF, the parties have caused this Employee Benefits Agreement to be duly executed as of the day and year first above written.

AT&T CORP.

By: _____
Name:
Title:

AT&T BROADBAND CORP.

By: _____
Name:
Title:

AMENDED AND RESTATED

BY-LAWS

OF

COMCAST CORPORATION

* * * * *

The By-Laws of the Corporation are amended and 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) on behalf of the Corporation by the Directors Nominating Committee pursuant to Article SIXTH of the Articles of Incorporation or, if Article SIXTH of the Articles of Incorporation shall have terminated, 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.

Section 7.02 . Indemnification and Insurance.

(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 willful 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 LOGO]

COMCAST CORPORATION
INCORPORATED UNDER THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA

CA 0003
CLASS A
COMMON STOCK

CUSIP 20030N 10 1

This certifies that

is the owner of

FULLY PAID AND NON-ASSESSABLE SHARES OF THE CLASS A COMMON STOCK, PAR VALUE \$.01
PER SHARE, OF

COMCAST CORPORATION (hereinafter called the "Corporation"), transferable on the
books of the Corporation by the holder hereof in person, or by duly authorized
attorney, upon the surrender of this certificate properly endorsed.

This certificate is not valid unless countersigned and registered by the
Transfer Agent and Registrar.

In Witness Whereof, the Corporation has caused this certificate to be
signed with the facsimile signatures of its duly authorized officers, and
its facsimile seal to be hereunto affixed.

Dated: 11/27/02

/s/Arthur R. Block

SECRETARY

/s/ Brian J. Roberts

PRESIDENT

[COMCAST CORPORATION
SEAL
2001
PENNSYLVANIA]

[COMCAST LOGO]

COMCAST CORPORATION
INCORPORATED UNDER THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA

CK 0004
CLASS A SPECIAL
COMMON STOCK

CUSIP 20030N 20 0

This certifies that

is the owner of

FULLY PAID AND NON-ASSESSABLE SHARES OF THE CLASS A SPECIAL COMMON STOCK, PAR
VALUE \$.01 PER SHARE, OF

COMCAST CORPORATION (hereinafter called the "Corporation"), transferable on the
books of the Corporation by the holder hereof in person, or by duly authorized
attorney, upon the surrender of this certificate properly endorsed.

This certificate is not valid unless countersigned and registered by the
Transfer Agent and Registrar.

In Witness Whereof, the Corporation has caused this certificate to be
signed with the facsimile signatures of its duly authorized officers, and
its facsimile seal to be hereunto affixed.

Dated: 12/3/02

/s/Arhtur R. Block

/s/ Brian J. Roberts

SECRETARY

PRESIDENT

[COMCAST CORPORATION
SEAL
2001
PENNSYLVANIA]

FIRST AMENDMENT TO AMENDED AND RESTATED
 FIVE-YEAR REVOLVING CREDIT AGREEMENT

THIS AMENDMENT (herein so called) is entered into as of February 7, 2003, among COMCAST CABLE COMMUNICATIONS, INC., a Delaware corporation ("Borrower"), COMCAST CORPORATION (formerly known as AT&T Comcast Corporation), a Pennsylvania corporation ("Parent"), the Lenders party to the Credit Agreement (hereinafter defined) and BANK OF AMERICA, N.A., as Administrative Agent for the Lenders.

Borrower, Parent, Lenders and Administrative Agent are party to the Five-Year Revolving Credit Agreement dated as of August 24, 2000, as amended and restated by the Amended and Restated Five-Year Revolving Credit Agreement effective as of November 18, 2002 (the "Credit Agreement"), and have agreed, upon the following terms and conditions, to amend the Credit Agreement in certain respects. Accordingly, for valuable and acknowledged consideration, Borrower, Parent, Lenders and Administrative Agent agree as follows:

1. Terms and References.

Unless otherwise stated in this Amendment, (a) terms defined in the Credit Agreement have the same meanings when used in this Amendment and (b) references to "Sections" are to the Credit Agreement's sections.

2. Amendments.

(a) Section 6.01(a) is amended to read in its entirety as follows:

"As soon as available, but in any event within 105 days (in the case of clause (i) below) or 120 days (in the case of clause (ii) below) after the end of each fiscal year of Parent ending after the Effective Date, consolidated balance sheets as at the end of such fiscal year and related consolidated statements of income and cash flows for such fiscal year, of (i) Parent and its consolidated Subsidiaries and (ii) the Restricted Group, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, audited and accompanied by a report and opinion of independent certified public accountants of nationally recognized standing reasonably acceptable to Administrative Agent, which report and opinion shall not be subject to any qualifications or exceptions as to the scope of the audit nor to any qualifications or exceptions not reasonably acceptable to Administrative Agent;"

(b) Section 6.01(b) is amended to read in its entirety as follows:

"As soon as available, but in any event within 60 days after the end of each of the first three fiscal quarters of each fiscal year of Parent ending after the Effective Date, consolidated balance sheets as at the end of such fiscal quarter, and the related consolidated statements of income and cash flows for such fiscal quarter and for the portion of Parent's fiscal year then ended, of (i) Parent and its consolidated Subsidiaries and (ii) the Restricted Group, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of Parent as fairly presenting the financial condition, results of operations and cash flows of Parent and its consolidated Subsidiaries or of the Restricted Group,

 1 Conformed to reflect signatures

First Amendment to Amended and Restated
 Five-Year Revolving Credit Agreement

as applicable, in accordance with GAAP, subject only to pro forma adjustments and normal year-end audit adjustments, except for the financial statements of the Restricted Group, which will be in accordance with GAAP except for the exclusion of the Unrestricted Subsidiaries; and"

3. Conditions Precedent to Effectiveness of Amendment.

This Amendment shall not be effective until Administrative Agent receives counterparts of this Amendment executed by Borrower, Parent, Required Lenders and Administrative Agent.

4. Representations.

Borrower represents and warrants to Lenders that as of the date of this Amendment, no Default or Event of Default has occurred and is continuing.

5. Effect of Amendment.

This Amendment is a Loan Document. Except as expressly modified and amended by this Amendment, all of the terms, provisions and conditions of the Loan Documents shall remain unchanged and in full force and effect. The Loan Documents and any and all other documents heretofore, now or hereafter executed and delivered pursuant to the terms of the Credit Agreement are hereby amended so that any reference to the Credit Agreement shall mean a reference to the Credit Agreement as amended hereby.

6. Expenses.

Borrower shall pay all reasonable fees and expenses paid or incurred by the Administrative Agent incident to this Amendment, including, without limitation, the reasonable fees and expenses of the Administrative Agent's counsel in connection with the negotiation, preparation, delivery and execution of this Amendment and any related documents.

7. Miscellaneous.

Unless stated otherwise herein, (a) the singular number includes the plural and vice versa and words of any gender include each other gender, in each case, as appropriate, (b) headings and captions shall not be construed in interpreting provisions of this Amendment, (c) this Amendment shall be governed by and construed in accordance with the internal laws of the State of New York, (d) if any part of this Amendment is for any reason found to be unenforceable, all other portions of it shall nevertheless remain enforceable, (e) this Amendment may be executed in any number of counterparts with the same effect as if all signatories had signed the same document, and all of those counterparts shall be construed together to constitute the same document and (f) this Amendment and the Credit Agreement, as amended by this Amendment, constitute the entire agreement and understanding among the parties hereto and supercede any and all prior agreements and understandings, oral or written, relating to the subject matter hereof.

8. Parties.

This Amendment binds and inures to the benefit of Borrower, Parent, Administrative Agent, Lenders and their respective permitted successors and assigns.

[REMAINDER OF PAGE INTENTIONALLY BLANK.
SIGNATURE PAGES FOLLOW.]

First Amendment to Amended and Restated
Five-Year Revolving Credit Agreement

Signature Page to that certain First Amendment to Amended and Restated Five-Year Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, Comcast Corporation (f/k/a AT&T Comcast Corporation), as Parent, certain Lenders party thereto, and Bank of America, N.A., as Administrative Agent.

COMCAST CABLE COMMUNICATIONS,
INC., as Borrower

By: /s/ Kenneth Mikalauskas

Kenneth Mikalauskas
Vice President - Finance

CITIBANK, N.A., as a Lender

By: /s/ Julio Ojea Quintana

Julio Ojea Quintana
Director

COMCAST CORPORATION (f/k/a AT&T
Comcast Corporation), as Parent

By: /s/ Kenneth Mikalauskas

Kenneth Mikalauskas
Vice President - Finance

MIZUHO CORPORATE BANK LTD., as a
Lender

By: /s/ Raymond Ventura

Raymond Ventura
Senior Vice President

BANK OF AMERICA, N.A., as
Administrative Agent and as a Lender

By: /s/ Todd Shipley

Todd Shipley
Managing Director

BARCLAYS BANK PLC, as a Lender

By: /s/ L. Peter Yetman

L. Peter Yetman
Director

JPMORGAN CHASE BANK, as a Lender

By: /s/ Tracey Navin Ewing

Tracey Navin Ewing
Vice President

WACHOVIA BANK, NATIONAL
ASSOCIATION, as a Lender

By: /s/ Patrick D. Finn

Patrick D. Finn
Managing Director

THE BANK OF NEW YORK, as a Lender

By: /s/ Michael E. Masters

Michael E. Masters
Assistant Vice-President

FLEET NATIONAL BANK, as a Lender

By: /s/ Michael D. Elwell

Michael D. Elwell
Vice President

Signature Page to First Amendment to Amended and
Restated Five-Year Revolving Credit Agreement

Signature Page to that certain First Amendment to Amended and Restated Five-Year Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, Comcast Corporation (f/k/a AT&T Comcast Corporation), as Parent, certain Lenders party thereto, and Bank of America, N.A., as Administrative Agent.

THE BANK OF NOVA SCOTIA, as a Lender

By: /s/ Brenda S. Insull

Brenda S. Insull
Authorized Signatory

BANK OF TOKYO-MITSUBISHI TRUST COMPANY, as a Lender

By: /s/ Spencer Hughes

Spencer Hughes
Vice President

DEUTSCHE BANK AG NEW YORK BRANCH, as a Lender

By: /s/ William W. McGinty

William W. McGinty
Director

LEHMAN COMMERCIAL PAPER INC., as a Lender

By: /s/ Suzanne Flynn

Suzanne Flynn
Authorized Signatory

By: /s/ Christopher S. Hall

Christopher S. Hall
Managing Director

LLOYDS TSB BANK PLC, as a Lender

SUNTRUST BANK, as a Lender

By: /s/ Jeffrey Hauser

Jeffrey Hauser
Director

By: /s/ Windsor R. Davies

Windsor R. Davies
Director

MELLON BANK, N.A., as a Lender

By: /s/ Nancy E. Gale

Nancy E. Gale
Vice President

BNP PARIBAS, as a Lender

By: /s/ Gregg Bonardi

Gregg Bonardi
Director

By: /s/ Ben Todres

Ben Todres
Director

Signature Page to First Amendment to Amended and Restated Five-Year Revolving Credit Agreement

Signature Page to that certain First Amendment to Amended and Restated Five-Year Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, Comcast Corporation (f/k/a AT&T Comcast Corporation), as Parent, certain Lenders party thereto, and Bank of America, N.A., as Administrative Agent.

DRESDNER BANK AG NEW YORK
BRANCH, as a Lender

By: /s/ Brian Schneider

Brian Schneider
Vice President

By: /s/ Brian Smith

Brian Smith
Director

U.S. BANK NATIONAL ASSOCIATION, as
a Lender

By /s/ Jaycee Earll

Jaycee Earll
Assistant Vice President

CREDIT SUISSE FIRST BOSTON, as a
Lender

By: /s/ SoVonna Day Goins

SoVonna Day Goins
Vice President

By: /s/ Doreen B. Welch

Doreen B. Welch
Associate

MERRILL LYNCH CAPITAL CORPORATION,
as a Lender

By: /s/ Nancy E. Meadows

Nancy E. Meadows
Assistant Vice President

Signature Page to First Amendment to Amended and
Restated Five-Year Revolving Credit Agreement

FIRST AMENDMENT TO AMENDED AND RESTATED
364-DAY REVOLVING CREDIT AGREEMENT

THIS AMENDMENT (herein so called) is entered into as of February 7, 2003, among COMCAST CABLE COMMUNICATIONS, INC., a Delaware corporation ("Borrower"), COMCAST CORPORATION (formerly known as AT&T Comcast Corporation), a Pennsylvania corporation ("Parent"), the Lenders party to the Credit Agreement (hereinafter defined) and BANK OF AMERICA, N.A., as Administrative Agent for the Lenders.

Borrower, Parent, Lenders and Administrative Agent are party to the 364-Day Revolving Credit Agreement dated as of May 7, 2002, as amended and restated by the Amended and Restated 364-Day Revolving Credit Agreement effective as of November 18, 2002 (the "Credit Agreement"), and have agreed, upon the following terms and conditions, to amend the Credit Agreement in certain respects. Accordingly, for valuable and acknowledged consideration, Borrower, Parent, Lenders and Administrative Agent agree as follows:

1. Terms and References.

Unless otherwise stated in this Amendment, (a) terms defined in the Credit Agreement have the same meanings when used in this Amendment and (b) references to "Sections" are to the Credit Agreement's sections.

2. Amendments.

(a) Section 6.01(a) is amended to read in its entirety as follows:

"As soon as available, but in any event within 105 days (in the case of clause (i) below) or 120 days (in the case of clause (ii) below) after the end of each fiscal year of Parent ending after the Effective Date, consolidated balance sheets as at the end of such fiscal year and related consolidated statements of income and cash flows for such fiscal year, of (i) Parent and its consolidated Subsidiaries and (ii) the Restricted Group, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, audited and accompanied by a report and opinion of independent certified public accountants of nationally recognized standing reasonably acceptable to Administrative Agent, which report and opinion shall not be subject to any qualifications or exceptions as to the scope of the audit nor to any qualifications or exceptions not reasonably acceptable to Administrative Agent;"

(b) Section 6.01(b) is amended to read in its entirety as follows:

"As soon as available, but in any event within 60 days after the end of each of the first three fiscal quarters of each fiscal year of Parent ending after the Effective Date, consolidated balance sheets as at the end of such fiscal quarter, and the related consolidated statements of income and cash flows for such fiscal quarter and for the portion of Parent's fiscal year then ended, of (i) Parent and its consolidated Subsidiaries and (ii) the Restricted Group, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of Parent as fairly presenting the financial condition, results of operations and cash flows of Parent and its consolidated Subsidiaries or of the Restricted Group,

1 Conformed to reflect signatures

First Amendment to Amended and Restated
364-Day Revolving Credit Agreement

as applicable, in accordance with GAAP, subject only to pro forma adjustments and normal year-end audit adjustments, except for the financial statements of the Restricted Group, which will be in accordance with GAAP except for the exclusion of the Unrestricted Subsidiaries; and"

3. Conditions Precedent to Effectiveness of Amendment.

This Amendment shall not be effective until Administrative Agent receives counterparts of this Amendment executed by Borrower, Parent, Required Lenders and Administrative Agent.

4. Representations.

Borrower represents and warrants to Lenders that as of the date of this Amendment, no Default or Event of Default has occurred and is continuing.

Signature Page to that certain First Amendment to Amended and Restated 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, Comcast Corporation (f/k/a AT&T Comcast Corporation), as Parent, certain Lenders party thereto, and Bank of America, N.A., as Administrative Agent.

COMCAST CABLE COMMUNICATIONS,
INC., as Borrower

CREDIT SUISSE FIRST BOSTON, as a Lender

By: /s/ Kenneth Mikalauskas

Kenneth Mikalauskas
Vice President - Finance

By: /s/ SoVonna Day Goins

SoVonna Day Goins
Vice President

By: /s/ Doreen B. Welch

Doreen B. Welch
Associate

COMCAST CORPORATION (f/k/a AT&T
Comcast Corporation), as Parent

By: /s/ Kenneth Mikalauskas

Kenneth Mikalauskas
Vice President - Finance

BARCLAYS BANK PLC, as a Lender

By: /s/ L. Peter Yetman

L. Peter Yetman
Director

BANK OF AMERICA, N.A., as
Administrative Agent and as a Lender

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By: /s/ Todd Shipley

Todd Shipley
Managing Director

By: /s/ William W. McGinty

William W. McGinty
Director

JPMORGAN CHASE BANK, as a Lender

By: /s/ Christopher S. Hall

Christopher S. Hall
Managing Director

By: /s/ Tracey Navin Ewing

Tracey Navin Ewing
Vice President

CITIBANK, N.A., as a Lender

By: /s/ Julio Ojea Quintana

Julio Ojea Quintana
Director

Signature Page to First Amendment to Amended and Restated
364-Day Revolving Credit Agreement

Signature Page to that certain First Amendment to Amended and Restated 364-Day Revolving Credit Agreement dated as of the date first set forth above, among Comcast Cable Communications, Inc., as Borrower, Comcast Corporation (f/k/a AT&T Comcast Corporation), as Parent, certain Lenders party thereto, and Bank of America, N.A., as Administrative Agent.

WACHOVIA BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Patrick D. Finn

Patrick D. Finn
Managing Director

LLOYDS TSB BANK PLC, as a Lender

By: /s/ Windsor R. Davies

Windsor R. Davies
Director

MIZUHO CORPORATE BANK LTD., as a Lender

By: /s/ Raymond Ventura

Raymond Ventura
Senior Vice President

MERRILL LYNCH CAPITAL CORPORATION, as a Lender

By: /s/ Nancy E. Meadows

Nancy E. Meadows
Assistant Vice President

FLEET NATIONAL BANK, as a Lender

By: /s/ Michael D. Elwell

Michael D. Elwell
Vice President

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Jaycee Earll

Jaycee Earll
Assistant Vice President

THE BANK OF NOVA SCOTIA, as a Lender

By: /s/ Brenda S. Insull

Brenda S. Insull
Authorized Signatory

SUNTRUST BANK, as a Lender

By: /s/ Jeffrey Hauser

Jeffrey Hauser
Director

Signature Page to First Amendment to Amended and Restated
364-Day Revolving Credit Agreement

COMCAST CORPORATION
1987 STOCK OPTION PLAN

(As Amended and Restated, Effective November 18, 2002)

1. Background and Purpose.

COMCAST CORPORATION, a Pennsylvania corporation (formerly known as AT&T Comcast Corporation), hereby amends and restates the Comcast Corporation 1987 Stock Option Plan, As Amended and Restated, Effective November 18, 2002, (the "Plan"), effective November 18, 2002, upon the consummation of the combination of Comcast Holdings Corporation (formerly known as Comcast Corporation) and Comcast Cable Communications Holdings, Inc. (formerly known as AT&T Broadband Corp.) (the "AT&T Broadband Transaction").

The Company originally adopted the Comcast Corporation 1987 Stock Option Plan effective January 5, 1987. The Plan was originally intended as an additional incentive to employees and non-employee members of the Board of Directors (together the "Optionees") to enter into or remain in the employ of the Company or any Affiliate (as defined below) or to serve on the Board of Directors of the Company or any Affiliate and to devote themselves to the Company's success by providing them with an opportunity to acquire or increase their proprietary interest in the Company through receipt of rights (the "Options") to acquire the Company's Class A Special Common Stock, par value, \$1.00 per share. Each Option granted under the Plan to an employee of the Company or an Affiliate was intended to be an incentive stock option ("ISO") within the meaning of section 422(b) of the Internal Revenue Code of 1986, as amended (the "Code") for federal income tax purposes, except to the extent any such ISO grant exceed the applicable limitation on the amount of Options that could be granted as ISOs under the Code, and except for any Option specifically designated at the time of grant as not being an ISO.

No additional Options may be granted under the Plan. Upon the consummation of the AT&T Broadband Transaction, each Option to acquire Class A Special Common Stock, par value, \$1.00 per share of Comcast Holdings Corporation (formerly known as Comcast Corporation), shall automatically become an option to acquire Class A Special Common Stock, par value \$0.01 per share, of Comcast Corporation (formerly known as AT&T Comcast Corporation), a Pennsylvania corporation. For purposes of the Plan, upon the consummation of the AT&T Broadband Transaction, all references to the term "Common Stock" shall be treated as a reference to the Class A Special Common Stock, par value \$0.01 per share, of Comcast Corporation (each, a "Share").

2. Administration.

The Plan shall be administered by the Board of Directors of Comcast Corporation ("the Sponsor"), or by the Compensation Committee of such Board of Directors, or by any other committee or subcommittee designated by such Board of Directors.

(a) Meetings.

The Board or Committee administering Options outstanding under the Plan (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.

(b) Grants. No additional Options shall be granted under the Plan.

(c) Exculpation.

No member of the Board of Directors of the Sponsor or of the Committee shall be personally liable for monetary damages as such for any action taken or any failure to take any action in connection with the administration of the Plan or the granting of Options under it unless (i) the director or 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 Section 2(c) shall not apply to the responsibility or liability of a director or a member of the Committee pursuant to any criminal statute.

(d) Indemnification.

Each member of the Board of Directors of the Sponsor or 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 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 Options under it in which he may be involved by reason of his being or having been a member of the Board of Directors or the Committee, whether or not he continues to be such member of the Board or the Committee at the time of the action, suit or proceeding.

3. Eligibility.

No individuals are eligible to receive additional grants of Options under the Plan.

4. Term of Plan.

The Plan was originally effective as of January 5, 1987. No additional Options may be granted under the Plan.

5. Terms and Conditions of Options.

The rules governing the grant, terms and expiration of Options granted pursuant to the Plan are contained in the Comcast Corporation 1987 Stock Option Plan as in effect immediately before the consummation of the AT&T Broadband Transaction, and as evidenced by written documents (the "Option Documents") previously issued pursuant to the Plan, and as may amended by mutual consent of the Sponsor, as successor to the Company, and the Optionee or the Optionee's successor-in-interest.

6. Medium of Payment For Option Shares.

An Optionee shall pay for Shares deliverable on the exercise of an Option ("Option Shares") (i) in cash, (ii) by certified check payable to the order of the Sponsor, or (iii) by a combination of the foregoing. To the extent that an Option Document provides that payment may be made all or in part in Other Available Shares; provided, however, that Option Shares may not be paid for in shares of Comcast Corporation Class A or Class A Special Common Stock if such method of payment would result in liability

under section 16(b) of the Securities Exchange Act of 1934 to an Optionee. Except as otherwise provided by the Committee, if payment is made in whole or in part in shares of Comcast Corporation Class A or Class A Special Common Stock, then the Optionee shall deliver to the Company certificates registered in the name of such Optionee representing shares of Comcast Corporation Class A or Class A Special Common Stock legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a fair market value on the date of delivery that is not greater than the Option Price of the Option Shares with respect to which such Option is to be exercised, accompanied by stock powers duly endorsed in blank by the record holder of the shares represented by such certificates. Notwithstanding the foregoing, the Committee, in its sole discretion, may refuse to accept shares of Comcast Corporation Class A or Class A Special Common Stock in payment of the Option Price. In that event, any certificates representing shares of Comcast Corporation Class A or Class A Special Common Stock which were delivered to the Sponsor shall be returned to the Optionee with notice of the refusal of the Committee to accept such shares in payment of the Option Price. The Committee may impose such limitations and prohibitions on the use of shares of Comcast Corporation Class A or Class A Special Common Stock to exercise an Option as it deems appropriate.

7. Transfers.

This Section 7 shall not apply to Options described in Section 8.

(a) In General.

Except as provided in Section 7(b), no Option granted under the Plan may be transferred, except by will or by the laws of descent and distribution. During the lifetime of the person to whom an Option is granted, such Option may be exercised only by him.

(b) Transferable Options.

The Committee may, in its discretion, at the time of grant of an Option that is not an ISO (an "NQO") or by amendment of an Option Document for an ISO or an NQO, provide that Options granted to or held by an Optionee may be transferred, in whole or in part, to one or more transferees and exercised by any such transferee; provided further that (A) any such transfer is without consideration and (B) each transferee is a member of such Optionee's Immediate Family (as hereinafter defined); and provided further that any ISO granted pursuant to an Option Document which is amended to permit transfers during the lifetime of the Optionee shall, upon the effectiveness of such amendment, be treated thereafter as an NQO. No transfer of an Option shall be effective unless the Committee is notified of the terms and conditions of the transfer and the Committee determines that the transfer complies with the requirements for transfers of Options under the Plan and the Option Document. Any person to whom an Option has been transferred may exercise any Options only in accordance with the provisions of the Option Document and this Section 7. For purposes of this Section 7, the term "Immediate Family" shall mean an Optionee's spouse and lineal descendants, any trust all beneficiaries of which are any of such persons and any partnership all partners of which are any of such persons.

(c) Amendment.

The Committee shall have the right to amend Option Documents issued to an Optionee subject to his consent, except that the consent of the Optionee shall not be required for any amendment made pursuant to the rules of the Plan governing "Terminating Events."

8. Certain Options Awarded to Brian L. Roberts.

With respect to those Options awarded to Brian L. Roberts on January 8, 1992 and January 6, 1993 and which remain unexercised, and notwithstanding Section 7(b) of this Plan, the Committee may, in its discretion, amend such Options to provide that such Options may be transferred by Mr. Roberts, in whole or in part, to one or more transferees and exercised by any such transferee, provided that (i) any such transfer is without consideration, and (ii) each transferee is a member of Mr. Roberts' Immediate Family. "Immediate Family" shall mean Mr. Roberts' spouse, children, grandchildren, any trust all beneficiaries of which are such persons, and any partnership all partners of which are such persons. In the event the Committee so amends such Options, the Committee shall include in such amended Options such further provisions as it determines are necessary or appropriate at the time of such amendment to permit the Company to deduct compensation expenses recognized upon exercise of such options for federal or state income tax purposes.

9. Exercise.

No Option shall be deemed to have been exercised prior to the receipt by the Company of written notice of such exercise and of payment in full of the Option Price for the Option Shares to be purchased. Each such notice shall specify the number of Option Shares to be purchased and shall (unless the Option Shares are covered by a then current registration statement or a Notification under Regulation A under the Securities Act of 1933 (the "Act")), contain the Optionee's acknowledgment in form and substance satisfactory to the Sponsor that (2) such Option Shares are being purchased for investment and not for distribution or resale (other than a distribution or resale which, in the opinion of counsel satisfactory to the Sponsor, may be made without violating the registration provisions of the Act), (b) the Optionee has been advised and understands that (i) the Option Shares have not been registered under the Act and are "restricted securities" within the meaning of Rule 144 under the Act and are subject to restrictions on transfer and (ii) the Sponsor is under no obligation to register the Option Shares under the Act or to take any action which would make available to the Optionee any exemption from such registration, and (c) such Option Shares may not be transferred without compliance with all applicable federal and state securities laws. Notwithstanding the above, should the Sponsor be advised by counsel that issuance of shares should be delayed pending (A) registration under federal or state securities laws or (B) the receipt of an opinion that an appropriate exemption therefrom is available, the Sponsor may defer exercise of any Option granted hereunder until either such event in (A) or (B) has occurred.

10. Adjustments on Changes in Capitalization.

The aggregate number of shares and class of shares as to which Options may be granted hereunder, the number of shares covered by each outstanding Option, and the Option Price thereof 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 Sponsor resulting from a subdivision or consolidation of the Common Stock and/or other outstanding equity security or a recapitalization or other capital adjustment (not including the issuance of Common Stock on the conversion of other securities of the Sponsor which are convertible into Common Stock) affecting the Common Stock which is effected without receipt of consideration by the Sponsor. The Committee shall have authority to determine the adjustments to be made under this Section 10 and any such

determination by the Committee shall be final, binding and conclusive; provided, however, that no adjustment shall be made which will cause an ISO to lose its status as such without the consent of the Optionee.

11. Amendment of the Plan.

The Board or the Committee may amend the Plan from time to time in such manner as it may deem advisable.

12. Continued Employment.

The previous grant of an Option pursuant to the Plan shall not be construed to imply or to constitute evidence of any agreement, express or implied, on the part of the Sponsor or any Affiliate to retain the Optionee in the employ of the Sponsor or an Affiliate or as a member of the Board of Directors or in any other capacity.

13. Withholding of Taxes.

(a) Whenever the Sponsor proposes or is required to deliver or transfer Option Shares in connection with the exercise of an Option, the Sponsor shall have the right to (i) require the recipient to remit to the Sponsor 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 such Option Shares or (ii) take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Sponsor's obligation to make any delivery or transfer of Option Shares shall be conditioned on the recipient's compliance, to the Sponsor's satisfaction, with any withholding requirement.

(b) Except as otherwise provided in this Section 13(b), any tax liabilities incurred in connection with the exercise of an Option under the Plan other than an ISO shall be satisfied by the Sponsor's withholding a portion of the Option Shares underlying the Option exercised having a fair market value approximately equal to the minimum amount of taxes required to be withheld by the Sponsor under applicable law, unless otherwise determined by the Committee with respect to any participant. Notwithstanding the foregoing, the Committee may permit an Optionee to elect one or both of the following: (i) to have taxes withheld in excess of the minimum amount required to be withheld by the Sponsor under applicable law; provided that the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares that is at least equal to the number to be withheld by the Sponsor for the then-current exercise on account of withheld taxes in excess of such minimum amount, and (ii) to pay to the Sponsor in cash all or a portion of the taxes to be withheld upon the exercise of an Option. In all cases, the Option Shares so withheld by the Sponsor shall have a fair market value that does not exceed the amount of taxes to be withheld minus the cash payment, if any, made by the Optionee. The fair market value of such shares shall be determined based on the last reported sale price of a share of Common Stock on the principal exchange on which the Common Stock is listed or, if not so listed, on the Nasdaq Stock Market on the last trading day prior to the date on which the Option is exercised. Any election pursuant to this Section 13(b) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Section 13(b) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal

representative. No shares withheld pursuant to this Section 13(b) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Section 13(b) as it deems appropriate.

14. Terminating Events.

(a) The Sponsor shall give Optionees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. Upon receipt of such notice, and for a period of ten (10) days thereafter (or such shorter period as the Board shall reasonably determine and so notify the Optionees), each Optionee shall be permitted to exercise the Option to the extent the Option are then exercisable; provided that, the Sponsor

may, by similar notice, require the Optionee to exercise the Option, to the extent the Option is then exercisable, or to forfeit the Option (or portion thereof, as applicable). The Committee may, in its discretion, provide that upon the Optionee's receipt of the notice of a Terminating Event under this Section 14(a), the entire number of Shares covered by Options shall become immediately exercisable. Upon the close of the period described in this Section 14(a) during which an Option may be exercised in connection with a Terminating Event, such Option (including such portion thereof that is not exercisable) shall terminate to the extent that such Option have not theretofore been exercised.

(b) Notwithstanding Section 14(a), in the event the Terminating Event is not consummated, the Option shall be deemed not to have been exercised and shall be exercisable thereafter to the extent it would have been exercisable if no such notice had been given.

15. Additional Definitions.

(a) "Affiliate."

For purposes of this Section 15, "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, the term "control," including its correlative terms "controlled by" and "under common control with," mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(b) "Board"

means the board of directors of Comcast Corporation.

(c) "Change of Control"

means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Sponsor such that such Person has the ability to direct the management of the Sponsor, as determined by the Board in its discretion.

The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(d) "Comcast Plan"

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

(e) "Other Available Shares"

means, as of any date, the excess, if any of:

(i) the total number of Shares owned by an Optionee; over

(ii) the sum of:

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

(B) the number of Shares owned by such Optionee that has, within the preceding six months, been the subject of a withholding certification pursuant to Paragraph 13(b) or any similar withholding certification under any other Comcast Plan; plus

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

(D) the number of Shares owned by such Optionee as to which evidence of ownership has, within the preceding six months, been provided to the Sponsor (or, for prior to the consummation of the AT&T Broadband Transaction, the Company) in connection with the crediting of "Deferred Stock Units" to such Optionee's Account under the Comcast Corporation 2002 Deferred Stock Option Plan (as in effect from time to time).

For purposes of this Paragraph 14(e), a Share that is subject to a deferral election pursuant to another Comcast Plan shall not be treated as owned by an Optionee until all conditions to the delivery of such Share have lapsed. 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 as a result of the AT&T Broadband Transaction.

(f) "Person"

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

(g) "Sponsor"

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

(h) "Terminating Event"

means any of the following events:

(i) the liquidation of the Sponsor; or

(ii) a Change of Control.

(i) "Third Party"

means any Person, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Sponsor or an Affiliate of the Sponsor.

Executed as of the 18th day of November, 2002

COMCAST CORPORATION

BY: _____

ATTEST: _____

COMCAST CORPORATION

2002 STOCK OPTION PLAN

(AS AMENDED AND RESTATED EFFECTIVE FEBRUARY 26, 2003)

1. Background and Purpose of Plan

(a) Background.

 COMCAST CORPORATION, a Pennsylvania corporation (formerly known as AT&T Comcast Corporation), hereby amends and restates the Comcast Corporation 2002 Stock Option Plan (the "Plan"), As Amended and Restated, Effective November 18, 2002, effective February 26, 2003.

(b) Purpose.

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

2. Definitions

(a) "Affiliate"

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

(b) "AT&T Broadband Transaction"

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

(c) "Board"

 means the board of directors of the Sponsor.

(d) "Cash Right"

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

(e) "Cause"

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

(f) "Change of Control"

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

(g) "Code"

 means the Internal Revenue Code of 1986, as amended.

(h) "Comcast Plan"

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

(i) "Committee"

 means the committee described in Paragraph 5, provided that for purposes of Paragraph 7:

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

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

(j) "Common Stock"

means the Sponsor's Class A Common Stock, par value,

\$.01.

(k) "Company"

means the Sponsor and the Subsidiary Companies.

(l) "Date of Grant"

means the date as of which an Option is granted.

(m) "Disability"

means a disability within the meaning of section

22(e)(3) of the Code.

(n) "Fair Market Value."

If Shares are listed on a stock exchange, Fair Market Value shall be determined based on the last reported sale price of a Share on the principal exchange on which Shares are listed on the last trading day prior to the date of determination, or, if Shares are not so listed, but trades of Shares are reported on the Nasdaq National Market, the last quoted sale price of a Share on the Nasdaq National Market on the last trading day prior to the date of determination, or, if Shares are not so reported, the fair market value as determined by the Board or the Committee in good faith.

(o) "Immediate Family"

means an Optionee's spouse and lineal descendants, any trust all beneficiaries of which are any of such persons and any partnership all partners of which are any of such persons.

(p) "Incentive Stock Option"

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

(q) "Non-Employee Director"

means an individual who is a member of the Board, and who is not an employee of a Company, including an individual who is a member of the Board and who previously was, but at the time of reference is not, an employee of a Company.

(r) "Non-Qualified Option" means:

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

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

(s) "Option"

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

(t) "Optionee"

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

(u) "Other Available Shares"

means, as of any date, the sum of:

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

(ii) the excess, if any of:

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

(B) the sum of:

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

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

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

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

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

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

(v) "Outside Director"

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

(w) "Person"

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

(x) "Plan"

means the Comcast Corporation 2002 Stock Option Plan.

(y) "Share" or "Shares."

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

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

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

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

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

(z) "Special Common Stock"

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

(aa) "Sponsor"

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

(bb) "Subsidiary Companies"

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

(cc) "Ten Percent Shareholder"

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

(dd) "Terminating Event"

means any of the following events:

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

(ee) "Third Party"

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

(ff) "1933 Act"

means the Securities Act of 1933, as amended.

(gg) "1934 Act"

means the Securities Exchange Act of 1934, as amended.

3. Rights To Be Granted

(a) Types of Options and Other Rights Available for

Grant.

Rights that may be granted under the Plan are:

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

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

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

(b) Limit on Grant of Options.

The maximum number of Shares for which Options may be granted to any single individual in any calendar year, adjusted as provided in Paragraph 10, shall be 10,000,000 Shares.

4. Shares Subject to Plan

Subject to adjustment as provided in Paragraph 10, not more than 75,000,000 Shares in the aggregate (including Shares granted pursuant to the Plan as in effect immediately before the closing of the AT&T Broadband Transaction) may be issued pursuant to the Plan upon exercise of Options. Shares delivered pursuant to the exercise of an Option may, at the Sponsor's option, be either treasury Shares or Shares originally issued for such purpose. If an Option covering Shares terminates or expires without having been exercised in full, other Options may be granted covering the Shares as to which the Option terminated or expired.

5. Administration of Plan

(a) Committee.

The Plan shall be administered by the Compensation Committee of the Board or any other committee or subcommittee designated by the Board, provided that the committee administering the Plan is composed of two or more non-employee members of the Board, each of whom is an Outside Director.

(b) Delegation of Authority.

The Committee may delegate to an officer of the Sponsor, or a committee of two or more officers of the Sponsor, discretion under the Plan to grant Options to any employee or officer of a Company who, at the time of the grant, has a base salary of less than \$250,000; provided, however, that the maximum number of Shares subject to any Option granted to any individual pursuant to such delegation shall not exceed 50,000 Shares. Such delegation of authority shall continue in effect until the earliest of:

(i) such time as the Committee shall, in its discretion, revoke such delegation of authority;

(ii) the delegate shall cease to be an employee of the Company for any reason; or

(iii) the delegate shall notify the Committee that he declines to continue exercise such authority.

(c) Meetings.

The Committee shall hold meetings at such times and places as it may determine. Acts approved at a meeting by a majority of the members of the Committee or acts approved in writing by the unanimous consent of the members of the Committee shall be the valid acts of the Committee.

(d) Exculpation.

No member of the Committee shall be personally liable for monetary damages for any action taken or any failure to take any action in connection with the administration of the Plan or the granting of Options thereunder unless (i) the member of the Committee has breached or failed to perform the duties of his office, and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Paragraph 5(d) shall not apply to the responsibility or liability of a member of the Committee pursuant to any criminal statute.

(e) Indemnification.

Service on the Committee shall constitute service as a member of the Board. Each member of the Committee shall be entitled without further act on his part to indemnity from the Sponsor to the fullest extent provided by applicable law and the Sponsor's By-laws in connection with or arising out of any actions, suit or proceeding with respect to the administration of the Plan or the granting of Options thereunder in which he may be involved by reasons of his being or having been a member of the Committee, whether or not he continues to be such member of the Committee at the time of the action, suit or proceeding.

6. Eligibility

(a) Eligible individuals to whom Options may be granted shall be employees, officers or directors of a Company who are selected by the Committee for the grant of Options. Eligible individuals to whom Cash Rights may be granted shall be individuals who are employees of a Company on the Date of Grant. The terms and conditions of Options granted to individuals other than Non-Employee Directors shall be determined by the Committee, subject to Paragraph 7. The terms and conditions of Cash Rights shall be determined by the Committee, subject to Paragraph 7. The terms and conditions of Options granted to Non-Employee Directors shall be determined by the Board, subject to Paragraph 7.

(b) An Incentive Stock Option shall not be granted to a Ten Percent Shareholder except on such terms concerning the option price and term as are provided in Paragraph 7(b) and 7(g) with respect to such a person. An Option designated as Incentive Stock Option granted to a Ten Percent Shareholder but which does not comply with the requirements of the preceding sentence shall be treated as a Non-Qualified Option. An Option designated as an Incentive Stock Option shall be treated as a Non-Qualified Option if the Optionee is not an employee of a Company on the Date of Grant.

7. Option Documents and Terms - In General

All Options granted to Optionees shall be evidenced by option documents. The terms of each such option document for any Optionee who is an employee of a Company shall be determined from time to time by the Committee, and the terms of each such option document for any Optionee who is a Non-Employee Director shall be determined from time to time by the Board, consistent, however, with the following:

(a) Time of Grant.

All Options shall be granted on or before March 13,

2006.

(b) Option Price.

Except as otherwise provided in Section 13(b), the option price per Share with respect to any Option shall be determined by the Committee, provided, however, that with respect to any Incentive Stock Options, the option price per share shall not be less than 100% of the Fair Market Value of such Share on the Date of Grant, and provided further that with respect to any Incentive Stock Options granted to a Ten Percent Shareholder, the option price per Share shall not be less than 110% of the Fair Market Value of such Share on the Date of Grant.

(c) Restrictions on Transferability.

No Option granted under this Paragraph 7 shall be transferable otherwise than by will or the laws of descent and distribution and, during the lifetime of the Optionee, shall be exercisable only by him or for his benefit by his attorney-in-fact or guardian; provided that the Committee may, in its discretion, at the time of grant of a Non-Qualified Option or by amendment of an option document for an Incentive Stock Option or a Non-Qualified Option, provide that Options granted to or held by an Optionee may be transferred, in whole or in part, to one or more transferees and exercised by any such transferee; provided further that (i) any such transfer is without consideration and (ii) each transferee is a member of such Optionee's Immediate Family; and provided further that any Incentive Stock Option granted pursuant to an option document which is amended to permit transfers during the lifetime of the Optionee shall, upon the effectiveness of such amendment, be treated thereafter as a Non-Qualified Option. No transfer of an Option shall be effective unless the Committee is notified of the terms and conditions of the transfer and the Committee determines that the transfer complies with the requirements for transfers of Options under the Plan and the option document. Any person to whom an Option has been transferred may exercise any Options only in accordance with the provisions of Paragraph 7(g) and this Paragraph 7(c).

(d) Payment Upon Exercise of Options.

Full payment for Shares purchased upon the exercise of an Option shall be made in cash, by certified check payable to the order of the Sponsor, or, at the election of the Optionee and as the Committee may, in its sole discretion, approve, by surrendering or attesting to ownership of Shares with an aggregate Fair Market Value equal to the aggregate option price, or by attesting to ownership and delivering such combination of Shares and cash as the Committee may, in its sole discretion, approve; provided, however, that ownership of Shares may be attested to and Shares may be surrendered in satisfaction of the option price only if the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares as of the date the Option is exercised that is at least equal to the number of Shares as to which ownership has been attested, or the number of Shares to be surrendered in satisfaction of the Option Price, as applicable; provided further, however, that the option price may not be paid in Shares if the Committee determines that such method of payment would result in liability under section 16(b) of the 1934 Act to an Optionee. Except as otherwise provided by the Committee, if payment is made in whole or in part by surrendering Shares, the Optionee shall deliver to the Sponsor certificates registered in the name of such Optionee representing Shares legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a Fair Market Value on the date of delivery that is equal to or greater than the aggregate option price for the Option Shares subject

to payment by the surrender of Shares, accompanied by stock powers duly endorsed in blank by the record holder of the Shares represented by such certificates; and if payment is made in whole or in part by attestation of ownership, the Optionee shall attest to ownership of Shares representing Shares legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a Fair Market Value on the date of attestation that is equal to or greater than the aggregate option price for the Option Shares subject to payment by attestation of Share ownership. If the Committee, in its sole discretion, should refuse to accept Shares in payment of the option price, any certificates representing Shares which were delivered to the Sponsor shall be returned to the Optionee with notice of the refusal of the Committee to accept such Shares in payment of the option price. The Committee may impose such limitations and prohibitions on attestation or ownership of Shares and the use of Shares to exercise an Option as it deems appropriate.

(e) Issuance of Certificate Upon Exercise of Options;

Payment of Cash.

Only whole Shares shall be issuable upon exercise of Options. Any right to a fractional Share shall be satisfied in cash. Upon satisfaction of the conditions of Paragraph 10, a certificate for the number of whole Shares and a check for the Fair Market Value on the date of exercise of any fractional Share to which the Optionee is entitled shall be delivered to such Optionee by the Sponsor.

(f) Termination of Employment.

For purposes of the Plan, a transfer of an employee between two employers, each of which is a Company, shall not be deemed a termination of employment. For purposes of Paragraph 7(g), an Optionee's termination of employment shall be deemed to occur on the date an Optionee ceases to have a regular obligation to perform services for a Company, without regard to whether (i) the Optionee continues on the Company's payroll for regular, severance or other pay or (ii) the Optionee continues to participate in one or more health and welfare plans maintained by the Company on the same basis as active employees. Whether an Optionee ceases to have a regular obligation to perform services for a Company shall be determined by the Committee in its sole discretion. Notwithstanding the foregoing, if an Optionee is a party to an employment agreement or severance agreement with a Company which establishes the effective date of such Optionee's termination of employment for purposes of this Paragraph 7(g), that date shall apply. For an Optionee who is a Non-Employee Director, all references to any termination of employment shall be treated as a termination of service to the Sponsor as a Non-Employee Director.

(g) Periods of Exercise of Options.

An Option shall be exercisable in whole or in part at such time or times as may be determined by the Committee and stated in the option document, provided, however, that if the grant of an Option would be subject to section 16(b) of the 1934 Act, unless the requirements for exemption therefrom in Rule 16b-3(c)(1), under such Act, or any successor provision, are met, the option document for such Option shall provide that such Option is not exercisable until not less than six months have elapsed from the Date of Grant. Except as otherwise provided by the Committee in its discretion, no Option shall first become exercisable following an Optionee's termination of employment for any reason; provided further, that:

(i) In the event that an Optionee terminates employment with the Company for any reason other than death or Cause, any Option held by such Optionee and

which is then exercisable shall be exercisable for a period of 90 days following the date the Optionee terminates employment with the Company (unless a longer period is established by the Committee); provided, however, that if such termination of employment with the Company is due to the Disability of the Optionee, he shall have the right to exercise those of his Options which are then exercisable for a period of one year following such termination of employment (unless a longer period is established by the Committee); provided, however, that in no event shall an Incentive Stock Option be exercisable after five years from the Date of Grant in the case of a grant to a Ten Percent Shareholder, nor shall any other Option be exercisable after ten years from the Date of Grant.

(ii) In the event that an Optionee terminates employment with the Company by reason of his death, any Option held at death by such Optionee which is then exercisable shall be exercisable for a period of one year from the date of death (unless a longer period is established by the Committee) by the person to whom the rights of the Optionee shall have passed by will or by the laws of descent and distribution; provided, however, that in no event shall an Incentive Stock Option be exercisable after five years from the Date of Grant in the case of a grant to a Ten Percent Shareholder, nor shall any other Option be exercisable after ten years from the Date of Grant.

(iii) In the event that an Optionee's employment with the Company is terminated for Cause, each unexercised Option held by such Optionee shall terminate and cease to be exercisable; provided further, that in such event, in addition to immediate termination of the Option, the Optionee, upon a determination by the Committee shall automatically forfeit all Shares otherwise subject to delivery upon exercise of an Option but for which the Sponsor has not yet delivered the Share certificates, upon refund by the Sponsor of the option price.

(h) Date of Exercise.

The date of exercise of an Option shall be the date on which written notice of exercise, addressed to the Sponsor at its main office to the attention of its Secretary, is hand delivered, telecopied or mailed first class postage prepaid; provided, however, that the Sponsor shall not be obligated to deliver any certificates for Shares pursuant to the exercise of an Option until the Optionee shall have made payment in full of the option price for such Shares. Each such exercise shall be irrevocable when given. Each notice of exercise must (i) specify the Incentive Stock Option, Non-Qualified Option or combination thereof being exercised; and (ii) include a statement of preference (which shall be binding on and irrevocable by the Optionee but shall not be binding on the Committee) as to the manner in which payment to the Sponsor shall be made (Shares or cash or a combination of Shares and cash). Each notice of exercise shall also comply with the requirements of Paragraph 15.

(i) Cash Rights.

The Committee may, in its sole discretion, provide in an option document for an eligible Optionee that Cash Rights shall be attached to Non-Qualified Options granted under the Plan. All Cash Rights that are attached to Non-Qualified Options shall be subject to the following terms:

(i) Such Cash Right shall expire no later than the Non-Qualified Option to which it is attached.

(ii) Such Cash Right shall provide for the cash payment of such amount per Share as shall be determined by the Committee and stated in the option document.

(iii) Such Cash Right shall be subject to the same restrictions on transferability as the Non-Qualified Option to which it is attached.

(iv) Such Cash Right shall be exercisable only when such conditions to exercise as shall be determined by the Committee and stated in the option document, if any, have been satisfied.

(v) Such Cash Right shall expire upon the exercise of the Non-Qualified Option to which it is attached.

(vi) Upon exercise of a Cash Right that is attached to a Non-Qualified Option, the Option to which the Cash Right is attached shall expire.

8. Limitation on Exercise of Incentive Stock Options

The aggregate Fair Market Value (determined as of the time Options are granted) of the Shares with respect to which Incentive Stock Options may first become exercisable by an Optionee in any one calendar year under the Plan and any other plan of the Company shall not exceed \$100,000. The limitations imposed by this Paragraph 8 shall apply only to Incentive Stock Options granted under the Plan, and not to any other options or stock appreciation rights. In the event an individual receives an Option intended to be an Incentive Stock Option which is subsequently determined to have exceeded the limitation set forth above, or if an individual receives Options that first become exercisable in a calendar year (whether pursuant to the terms of an option document, acceleration of exercisability or other change in the terms and conditions of exercise or any other reason) that have an aggregate Fair Market Value (determined as of the time the Options are granted) that exceeds the limitations set forth above, the Options in excess of the limitation shall be treated as Non-Qualified Options.

9. Rights as Shareholders

An Optionee shall not have any right as a shareholder with respect to any Shares subject to his Options until the Option shall have been exercised in accordance with the terms of the Plan and the option document and the Optionee shall have paid the full purchase price for the number of Shares in respect of which the Option was exercised and the Optionee shall have made arrangements acceptable to the Sponsor for the payment of applicable taxes consistent with Paragraph 15.

10. Changes in Capitalization

In the event that Shares are changed into or exchanged for a different number or kind of shares of stock or other securities of the Sponsor, whether through merger, consolidation, reorganization, recapitalization, stock dividend, stock split-up or other substitution of securities of the Sponsor, the Board shall make appropriate equitable anti-dilution adjustments to the number and class of shares of stock available for issuance under the Plan, and subject to outstanding Options, and to the option prices and the amounts payable pursuant to any Cash

Rights. Any reference to the option price in the Plan and in option documents shall be a reference to the option price as so adjusted. Any reference to the term "Shares" in the Plan and in option documents shall be a reference to the appropriate number and class of shares of stock available for issuance under the Plan, as adjusted pursuant to this Paragraph 10. The Board's adjustment shall be effective and binding for all purposes of this Plan.

11. Terminating Events

(a) The Sponsor shall give Optionees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. Upon receipt of such notice, and for a period of ten (10) days thereafter (or such shorter period as the Board shall reasonably determine and so notify the Optionees), each Optionee shall be permitted to exercise the Option to the extent the Option is then exercisable; provided that, the Sponsor may, by similar notice, require the Optionee to exercise the Option, to the extent the Option is then exercisable, or to forfeit the Option (or portion thereof, as applicable). The Committee may, in its discretion, provide that upon the Optionee's receipt of the notice of a Terminating Event under this Paragraph 11(a), the entire number of Shares covered by Options shall become immediately exercisable.

(b) Notwithstanding Paragraph 11(a), in the event the Terminating Event is not consummated, the Option shall be deemed not to have been exercised and shall be exercisable thereafter to the extent it would have been exercisable if no such notice had been given.

12. Interpretation

The Committee shall have the power to interpret the Plan and to make and amend rules for putting it into effect and administering it. It is intended that the Incentive Stock Options granted under the Plan shall constitute incentive stock options within the meaning of section 422 of the Code, and that Shares transferred pursuant to the exercise of Non-Qualified Options shall constitute property subject to federal income tax pursuant to the provisions of section 83 of the Code. The provisions of the Plan shall be interpreted and applied insofar as possible to carry out such intent.

13. Amendments

(a) In General.

The Board or the Committee may amend the Plan from time to time in such manner as it may deem advisable. Nevertheless, neither the Board nor the Committee may, without obtaining approval within twelve months before or after such action by such vote of the Sponsor's shareholders as may be required by Pennsylvania law for any action requiring shareholder approval, or by a majority of votes cast at a duly held shareholders' meeting at which a majority of all voting stock is present and voting on such amendment, either in person or in proxy (but not, in any event, less than the vote required pursuant to Rule 16b-3(b) under the 1934 Act) change the class of individuals eligible to receive an Incentive Stock Option, extend the expiration date of the Plan, decrease the minimum option price of an Incentive Stock

Option granted under the Plan or increase the maximum number of shares as to which Options may be granted, except as provided in Paragraph 10 hereof.

(b) Repricing of Options.

Notwithstanding any provision in the Plan to the contrary, neither the Board nor the Committee may, without obtaining prior approval by the Sponsor's shareholders, reduce the option price of any issued and outstanding Option granted under the Plan at any time during the term of such option (other than by adjustment pursuant to Paragraph 10 relating to Changes in Capitalization). This Paragraph 13(b) may not be repealed, modified or amended without the prior approval of the Sponsor's shareholders.

14. Securities Law

(a) In General.

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

(b) Acknowledgment of Securities Law Restrictions on

Exercise

To the extent required by the Committee, unless the Shares subject to the Option are covered by a then current registration statement or a Notification under Regulation A under the 1933 Act, each notice of exercise of an Option shall contain the Optionee's acknowledgment in form and substance satisfactory to the Committee that:

(i) the Shares subject to the Option are being purchased for investment and not for distribution or resale (other than a distribution or resale which, in the opinion of counsel satisfactory to the Sponsor, may be made without violating the registration provisions of the Act);

(ii) the Optionee has been advised and understands that (A) the Shares subject to the Option have not been registered under the 1933 Act and are "restricted securities" within the meaning of Rule 144 under the 1933 Act and are subject to restrictions on transfer and (B) the Sponsor is under no obligation to register the Shares subject to the Option under the 1933 Act or to take any action which would make available to the Optionee any exemption from such registration;

(iii) the certificate evidencing the Shares may bear a restrictive legend; and

(iv) the Shares subject to the Option may not be transferred without compliance with all applicable federal and state securities laws.

(c) Delay of Exercise Pending Registration of

Securities.

Notwithstanding any provision in the Plan or an option document to the contrary, if the Committee determines, in its sole discretion, that issuance of Shares pursuant to the exercise of an Option should be delayed pending registration or qualification under federal or state securities laws or the receipt of a legal opinion that an appropriate exemption from the application of federal or state securities laws is available, the Committee may defer exercise of any Option until

such Shares are appropriately registered or qualified or an appropriate legal opinion has been received, as applicable.

15. Withholding of Taxes on Exercise of Option

(a) Whenever the Company proposes or is required to deliver or transfer Shares in connection with the exercise of an Option, the Company shall have the right to (i) require the recipient to remit to the Sponsor an amount sufficient to satisfy any federal, state and local withholding tax requirements prior to the delivery or transfer of any certificate or certificates for such Shares or (ii) take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Sponsor's obligation to make any delivery or transfer of Shares on the exercise of an Option shall be conditioned on the recipient's compliance, to the Sponsor's satisfaction, with any withholding requirement. In addition, if the Committee grants Options or amends option documents to permit Options to be transferred during the life of the Optionee, the Committee may include in such option documents such provisions as it determines are necessary or appropriate to permit the Company to deduct compensation expenses recognized upon exercise of such Options for federal or state income tax purposes.

(b) Except as otherwise provided in this Paragraph 15(b), any tax liabilities incurred in connection with the exercise of an Option under the Plan other than an Incentive Stock Option shall be satisfied by the Sponsor's withholding a portion of the Shares underlying the Option exercised having a Fair Market Value approximately equal to the minimum amount of taxes required to be withheld by the Sponsor under applicable law, unless otherwise determined by the Committee with respect to any Optionee. Notwithstanding the foregoing, the Committee may permit an Optionee to elect one or both of the following: (i) to have taxes withheld in excess of the minimum amount required to be withheld by the Sponsor under applicable law; provided that the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares having a Fair Market Value that is at least equal to the Fair Market Value of Option Shares to be withheld by the Company for the then-current exercise on account of withheld taxes in excess of such minimum amount, and (ii) to pay to the Sponsor in cash all or a portion of the taxes to be withheld upon the exercise of an Option. In all cases, the Shares so withheld by the Company shall have a Fair Market Value that does not exceed the amount of taxes to be withheld minus the cash payment, if any, made by the Optionee. Any election pursuant to this Paragraph 15(b) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 15(b) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal representative. No Shares withheld pursuant to this Paragraph 15(b) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 15(b) as it deems appropriate.

(c) Except as otherwise provided in this Paragraph 15(c), any tax liabilities incurred in connection with the exercise of an Incentive Stock Option under the Plan shall be satisfied by the Optionee's payment to the Sponsor in cash all of the taxes to be withheld upon exercise of the Incentive Stock Option. Notwithstanding the foregoing, the Committee may permit an Optionee to elect to have the Sponsor withhold a portion of the Shares underlying the Incentive Stock Option exercised having a Fair Market Value approximately equal to the

minimum amount of taxes required to be withheld by the Sponsor under applicable law. Any election pursuant to this Paragraph 15(c) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 15(c) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal representative. No Shares withheld pursuant to this Paragraph 15(c) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 15(c) as it deems appropriate.

16. Effective Date and Term of Plan

This amendment and restatement of the Plan as the Comcast Corporation 2002 Stock Option Plan shall be effective February 26, 2003. The Plan shall expire no later than March 13, 2006, the tenth anniversary of the date the Plan was initially adopted by the board of directors of the Sponsor, unless sooner terminated by the Board.

17. General

Each Option shall be evidenced by a written instrument containing such terms and conditions not inconsistent with the Plan as the Committee may determine. The issuance of Shares on the exercise of an Option shall be subject to all of the applicable requirements of the corporation law of the Sponsor's state of incorporation and other applicable laws, including federal or state securities laws, and all Shares issued under the Plan shall be subject to the terms and restrictions contained in the Articles of Incorporation and By-Laws of the Sponsor, as amended from time to time.

Executed as of the 26th day of February, 2003.

COMCAST CORPORATION

By: _____

Attest: _____

COMCAST CORPORATION
2003 STOCK OPTION PLAN

1. Background and Purpose of Plan

(a) Background.

COMCAST CORPORATION, a Pennsylvania corporation hereby adopts the Comcast Corporation 2003 Stock Option Plan, (the "Plan"), effective February 26, 2003.

(b) Purpose.

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

2. Definitions

(a) "Affiliate"

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

(b) "AT&T Broadband Transaction"

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

(c) "Board"

means the board of directors of the Sponsor.

(d) "Cash Right"

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

(e) "Cause"

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

(f) "Change of Control"

means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such

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

(g) "Code"

means the Internal Revenue Code of 1986, as amended.

(h) "Comcast Plan"

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

(i) "Committee"

means the committee described in Paragraph 5, provided that for purposes of Paragraph 7:

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

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

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

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

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

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

(n) "Fair Market Value."

If Shares are listed on a stock exchange, Fair Market Value shall be determined based on the last reported sale price of a Share on the principal exchange on which Shares are listed on the last trading day prior to the date of determination, or, if Shares are not so listed, but trades of Shares are reported on the Nasdaq National Market, the last quoted sale price of a Share on the Nasdaq National Market on the last trading day prior to the date of determination, or, if Shares are not so reported, the fair market value as determined by the Board or the Committee in good faith.

(o) "Immediate Family"

means an Optionee's spouse and lineal descendants, any trust all beneficiaries of which are any of such persons and any partnership all partners of which are any of such persons.

(p) "Incentive Stock Option"

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

(q) "Non-Employee Director"

means an individual who is a member of the Board, and who is not an employee of a Company, including an individual who is a member of the Board and who previously was, but at the time of reference is not, an employee of a Company.

(r) "Non-Qualified Option" means:

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

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

(s) "Officer"

means an officer of the Sponsor (as defined in section 16 of the 1934 Act).

(t) "Option"

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

(u) "Optionee"

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

(v) "Other Available Shares"

means, as of any date, the sum of:

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

(ii) the excess, if any of:

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

(B) the sum of:

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

(2) the number of such Shares owned by such Optionee that has, within the preceding six months, been the subject of a withholding certification pursuant to Paragraph 15(b) or any similar withholding certification under any other Comcast Plan; plus

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

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

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

(w) "Outside Director"

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

(x) "Person"

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

(y) "Plan"

means the Comcast Corporation 2002 Stock Option Plan.

(z) "Share" or "Shares."

(i) Except as provided in this Paragraph 2(z), a share or shares Common Stock;

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

(iii) The term "Share" or "Shares" also means such other securities issued by the Sponsor as may be the subject of an adjustment under Paragraph 10, or for purposes of Paragraph 2(v) and Paragraph 15, as may have been the subject of a similar

adjustment under similar provisions of a Comcast Plan as now in effect or as may have been in effect before the AT&T Broadband Transaction.

(aa) "Special Common Stock"

means the Sponsor's Class A Special Common Stock, par

value \$0.01.

(bb) "Sponsor"

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

(cc) "Subsidiary Companies"

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

(dd) "Ten Percent Shareholder"

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

(ee) "Terminating Event"

means any of the following events:

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

(ff) "Third Party"

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

(gg) "1933 Act"

means the Securities Act of 1933, as amended.

(hh) "1934 Act"

means the Securities Exchange Act of 1934, as amended.

3. Rights To Be Granted

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

(i) Subject to shareholder approval at the Annual Meeting of Shareholders of the Sponsor to be held on May 7, 2003 (or such other date as the 2003 Annual Meeting of Shareholders of the Sponsor may be held), Incentive Stock Options, which give an Optionee who is an employee of a Company the right for a specified time period to purchase a specified number of Shares for a price not less than the Fair Market Value on the Date of Grant, provided that if the shareholders decline to so approve the grant of Incentive Stock Options

under the Plan, any Option granted before the 2003 Annual Meeting of Shareholders of the Sponsor that is designated as an Incentive Stock Option shall be treated thereafter as Non-Qualified Option.

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

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

(b) Limit on Grant of Options.

The maximum number of Shares for which Options may be granted to any single individual in any calendar year, adjusted as provided in Paragraph 10, shall be 10,000,000 Shares.

4. Shares Subject to Plan

Subject to adjustment as provided in Paragraph 10, not more than 70 million Shares in the aggregate (including Shares granted pursuant to the Plan as in effect immediately before the closing of the AT&T Broadband Transaction) may be issued pursuant to the Plan upon exercise of Options. Shares delivered pursuant to the exercise of an Option may, at the Sponsor's option, be either treasury Shares or Shares originally issued for such purpose. If an Option covering Shares terminates or expires without having been exercised in full, other Options may be granted covering the Shares as to which the Option terminated or expired.

5. Administration of Plan

(a) Committee.

The Plan shall be administered by the Compensation Committee of the Board or any other committee or subcommittee designated by the Board, provided that the committee administering the Plan is composed of two or more non-employee members of the Board, each of whom is an Outside Director.

(b) Delegation of Authority.

The Committee may delegate to an officer of the Sponsor, or a committee of two or more officers of the Sponsor, discretion under the Plan to grant Options to any employee or officer of a Company who, at the time of the grant, has a base salary of less than \$250,000; provided, however, that the maximum number of Shares subject to any Option granted to any individual pursuant to such delegation shall not exceed 50,000 Shares. Such delegation of authority shall continue in effect until the earliest of:

(i) such time as the Committee shall, in its discretion, revoke such delegation of authority;

(ii) the delegate shall cease to be an employee of the Company for any reason; or

(iii) the delegate shall notify the Committee that he declines to continue exercise such authority.

(c) Meetings.

The Committee shall hold meetings at such times and places as it may determine. Acts approved at a meeting by a majority of the members of the Committee or acts approved in writing by the unanimous consent of the members of the Committee shall be the valid acts of the Committee.

(d) Exculpation.

No member of the Committee shall be personally liable for monetary damages for any action taken or any failure to take any action in connection with the administration of the Plan or the granting of Options thereunder unless (i) the member of the Committee has breached or failed to perform the duties of his office, and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Paragraph 5(d) shall not apply to the responsibility or liability of a member of the Committee pursuant to any criminal statute

(e) Indemnification.

Service on the Committee shall constitute service as a member of the Board. Each member of the Committee shall be entitled without further act on his part to indemnity from the Sponsor to the fullest extent provided by applicable law and the Sponsor's By-laws in connection with or arising out of any actions, suit or proceeding with respect to the administration of the Plan or the granting of Options thereunder in which he may be involved by reasons of his being or having been a member of the Committee, whether or not he continues to be such member of the Committee at the time of the action, suit or proceeding.

6. Eligibility

(a) Eligible individuals to whom Options may be granted shall be employees other than employees who are Officers or individuals who are members of the Board. In addition, subject to shareholder approval at the Annual Meeting of Shareholders of the Sponsor to be held on May 7, 2003 (or such other date as the 2003 Annual Meeting of Shareholders of the Sponsor may be held), eligible individuals to whom Options may be granted shall include Officers who are selected by the Committee for the grant of Options and individuals who are members of the Board. Eligible individuals to whom Cash Rights may be granted shall be individuals who are employees of a Company on the Date of Grant other than Officers. The terms and conditions of Options granted to individuals other than Non-Employee Directors shall be determined by the Committee, subject to Paragraph 7. The terms and conditions of Cash Rights shall be determined by the Committee, subject to Paragraph 7. The terms and conditions of Options granted to Non-Employee Directors shall be determined by the Board, subject to Paragraph 7.

(b) An Incentive Stock Option shall not be granted to a Ten Percent Shareholder except on such terms concerning the option price and term as are provided in Paragraph 7(b) and 7(g) with respect to such a person. An Option designated as Incentive Stock Option granted to a Ten Percent Shareholder but which does not comply with the requirements of the preceding sentence shall be treated as a Non-Qualified Option. An Option designated as an Incentive Stock Option shall be treated as a Non-Qualified Option if the Optionee is not an employee of a Company on the Date of Grant.

7. Option Documents and Terms - In General

All Options granted to Optionees shall be evidenced by option documents. The terms of each such option document for any Optionee who is an employee of a Company shall be determined from time to time by the Committee, and the terms of each such option document for any Optionee who is a Non-Employee Director shall be determined from time to time by the Board, consistent, however, with the following:

(a) Time of Grant.

All Options shall be granted on or before February

25, 2013.

(b) Option Price.

Except as otherwise provided in Section 13(b), the option price per Share with respect to any Option shall be determined by the Committee, provided, however, that with respect to any Incentive Stock Options, the option price per share shall not be less than 100% of the Fair Market Value of such Share on the Date of Grant, and provided further that with respect to any Incentive Stock Options granted to a Ten Percent Shareholder, the option price per Share shall not be less than 110% of the Fair Market Value of such Share on the Date of Grant.

(c) Restrictions on Transferability.

No Option granted under this Paragraph 7 shall be transferable otherwise than by will or the laws of descent and distribution and, during the lifetime of the Optionee, shall be exercisable only by him or for his benefit by his attorney-in-fact or guardian; provided that the Committee may, in its discretion, at the time of grant of a Non-Qualified Option or by amendment of an option document for an Incentive Stock Option or a Non-Qualified Option, provide that Options granted to or held by an Optionee may be transferred, in whole or in part, to one or more transferees and exercised by any such transferee; provided further that (i) any such transfer is without consideration and (ii) each transferee is a member of such Optionee's Immediate Family; and provided further that any Incentive Stock Option granted pursuant to an option document which is amended to permit transfers during the lifetime of the Optionee shall, upon the effectiveness of such amendment, be treated thereafter as a Non-Qualified Option. No transfer of an Option shall be effective unless the Committee is notified of the terms and conditions of the transfer and the Committee determines that the transfer complies with the requirements for transfers of Options under the Plan and the option document. Any person to whom an Option has been transferred may exercise any Options only in accordance with the provisions of Paragraph 7(g) and this Paragraph 7(c).

(d) Payment Upon Exercise of Options.

Full payment for Shares purchased upon the exercise of an Option shall be made in cash, by certified check payable to the order of the Sponsor, or, at the election of the Optionee and as the Committee may, in its sole discretion, approve, by surrendering or attesting to ownership of Shares with an aggregate Fair Market Value equal to the aggregate option price, or by attesting to ownership and delivering such combination of Shares and cash as the Committee may, in its sole discretion, approve; provided, however, that ownership of Shares may be attested to and Shares may be surrendered in satisfaction of the option price only if the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares as of the date the Option is exercised that is at least equal to the number of

Shares as to which ownership has been attested, or the number of Shares to be surrendered in satisfaction of the Option Price, as applicable; provided further, however, that the option price may not be paid in Shares if the Committee determines that such method of payment would result in liability under section 16(b) of the 1934 Act to an Optionee. Except as otherwise provided by the Committee, if payment is made in whole or in part by surrendering Shares, the Optionee shall deliver to the Sponsor certificates registered in the name of such Optionee representing Shares legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a Fair Market Value on the date of delivery that is equal to or greater than the aggregate option price for the Option Shares subject to payment by the surrender of Shares, accompanied by stock powers duly endorsed in blank by the record holder of the Shares represented by such certificates; and if payment is made in whole or in part by attestation of ownership, the Optionee shall attest to ownership of Shares representing Shares legally and beneficially owned by such Optionee, free of all liens, claims and encumbrances of every kind and having a Fair Market Value on the date of attestation that is equal to or greater than the aggregate option price for the Option Shares subject to payment by attestation of Share ownership. If the Committee, in its sole discretion, should refuse to accept Shares in payment of the option price, any certificates representing Shares which were delivered to the Sponsor shall be returned to the Optionee with notice of the refusal of the Committee to accept such Shares in payment of the option price. The Committee may impose such limitations and prohibitions on attestation or ownership of Shares and the use of Shares to exercise an Option as it deems appropriate.

(e) Issuance of Certificate Upon Exercise of Options;

Payment of Cash.

Only whole Shares shall be issuable upon exercise of Options. Any right to a fractional Share shall be satisfied in cash. Upon satisfaction of the conditions of Paragraph 10, a certificate for the number of whole Shares and a check for the Fair Market Value on the date of exercise of any fractional Share to which the Optionee is entitled shall be delivered to such Optionee by the Sponsor.

(f) Termination of Employment.

For purposes of the Plan, a transfer of an employee between two employers, each of which is a Company, shall not be deemed a termination of employment. For purposes of Paragraph 7(g), an Optionee's termination of employment shall be deemed to occur on the date an Optionee ceases to have a regular obligation to perform services for a Company, without regard to whether (i) the Optionee continues on the Company's payroll for regular, severance or other pay or (ii) the Optionee continues to participate in one or more health and welfare plans maintained by the Company on the same basis as active employees. Whether an Optionee ceases to have a regular obligation to perform services for a Company shall be determined by the Committee in its sole discretion. Notwithstanding the foregoing, if an Optionee is a party to an employment agreement or severance agreement with a Company which establishes the effective date of such Optionee's termination of employment for purposes of this Paragraph 7(f), that date shall apply. For an Optionee who is a Non-Employee Director, all references to any termination of employment shall be treated as a termination of service to the Sponsor as a Non-Employee Director.

(g) Periods of Exercise of Options.

An Option shall be exercisable in whole or in part at such time or times as may be determined by the Committee and stated in the option document, provided, however, that if the grant of an Option would be subject to section 16(b) of the 1934 Act, unless the requirements for exemption therefrom in Rule 16b-3(c)(1),

under such Act, or any successor provision, are met, the option document for such Option shall provide that such Option is not exercisable until not less than six months have elapsed from the Date of Grant. Except as otherwise provided by the Committee in its discretion, no Option shall first become exercisable following an Optionee's termination of employment for any reason; provided further, that:

(i) In the event that an Optionee terminates employment with the Company for any reason other than death or Cause, any Option held by such Optionee and which is then exercisable shall be exercisable for a period of 90 days following the date the Optionee terminates employment with the Company (unless a longer period is established by the Committee); provided, however, that if such termination of employment with the Company is due to the Disability of the Optionee, he shall have the right to exercise those of his Options which are then exercisable for a period of one year following such termination of employment (unless a longer period is established by the Committee); provided, however, that in no event shall an Incentive Stock Option be exercisable after five years from the Date of Grant in the case of a grant to a Ten Percent Shareholder, nor shall any other Option be exercisable after ten years from the Date of Grant.

(ii) In the event that an Optionee terminates employment with the Company by reason of his death, any Option held at death by such Optionee which is then exercisable shall be exercisable for a period of one year from the date of death (unless a longer period is established by the Committee) by the person to whom the rights of the Optionee shall have passed by will or by the laws of descent and distribution; provided, however, that in no event shall an Incentive Stock Option be exercisable after five years from the Date of Grant in the case of a grant to a Ten Percent Shareholder, nor shall any other Option be exercisable after ten years from the Date of Grant.

(iii) In the event that an Optionee's employment with the Company is terminated for Cause, each unexercised Option held by such Optionee shall terminate and cease to be exercisable; provided further, that in such event, in addition to immediate termination of the Option, the Optionee, upon a determination by the Committee shall automatically forfeit all Shares otherwise subject to delivery upon exercise of an Option but for which the Sponsor has not yet delivered the Share certificates, upon refund by the Sponsor of the option price.

(h) Date of Exercise.

The date of exercise of an Option shall be the date on which written notice of exercise, addressed to the Sponsor at its main office to the attention of its Secretary, is hand delivered, telecopied or mailed first class postage prepaid; provided, however, that the Sponsor shall not be obligated to deliver any certificates for Shares pursuant to the exercise of an Option until the Optionee shall have made payment in full of the option price for such Shares. Each such exercise shall be irrevocable when given. Each notice of exercise must (i) specify the Incentive Stock Option, Non-Qualified Option or combination thereof being exercised; and (ii) include a statement of preference (which shall be binding on and irrevocable by the Optionee but shall not be binding on the Committee) as to the manner in which payment to the Sponsor shall be made (Shares or cash or a combination of Shares and cash). Each notice of exercise shall also comply with the requirements of Paragraph 15.

(i) Cash Rights.

The Committee may, in its sole discretion, provide in an option document for an eligible Optionee that Cash Rights shall be attached to Non-Qualified Options granted under the Plan. All Cash Rights that are attached to Non-Qualified Options shall be subject to the following terms:

(i) Such Cash Right shall expire no later than the Non-Qualified Option to which it is attached.

(ii) Such Cash Right shall provide for the cash payment of such amount per Share as shall be determined by the Committee and stated in the option document.

(iii) Such Cash Right shall be subject to the same restrictions on transferability as the Non-Qualified Option to which it is attached.

(iv) Such Cash Right shall be exercisable only when such conditions to exercise as shall be determined by the Committee and stated in the option document, if any, have been satisfied.

(v) Such Cash Right shall expire upon the exercise of the Non-Qualified Option to which it is attached.

(vi) Upon exercise of a Cash Right that is attached to a Non-Qualified Option, the Option to which the Cash Right is attached shall expire.

8. Limitation on Exercise of Incentive Stock Options

The aggregate Fair Market Value (determined as of the time Options are granted) of the Shares with respect to which Incentive Stock Options may first become exercisable by an Optionee in any one calendar year under the Plan and any other plan of the Company shall not exceed \$100,000. The limitations imposed by this Paragraph 8 shall apply only to Incentive Stock Options granted under the Plan, and not to any other options or stock appreciation rights. In the event an individual receives an Option intended to be an Incentive Stock Option which is subsequently determined to have exceeded the limitation set forth above, or if an individual receives Options that first become exercisable in a calendar year (whether pursuant to the terms of an option document, acceleration of exercisability or other change in the terms and conditions of exercise or any other reason) that have an aggregate Fair Market Value (determined as of the time the Options are granted) that exceeds the limitations set forth above, the Options in excess of the limitation shall be treated as Non-Qualified Options.

9. Rights as Shareholders

An Optionee shall not have any right as a shareholder with respect to any Shares subject to his Options until the Option shall have been exercised in accordance with the terms of the Plan and the option document and the Optionee shall have paid the full purchase price for the number of Shares in respect of which the Option was exercised and the Optionee shall have made arrangements acceptable to the Sponsor for the payment of applicable taxes consistent with Paragraph 15.

10. Changes in Capitalization

In the event that Shares are changed into or exchanged for a different number or kind of shares of stock or other securities of the Sponsor, whether through merger, consolidation, reorganization, recapitalization, stock dividend, stock split-up or other substitution of securities of the Sponsor, the Board shall make appropriate equitable anti-dilution adjustments to the number and class of shares of stock available for issuance under the Plan, and subject to outstanding Options, and to the option prices and the amounts payable pursuant to any Cash Rights. Any reference to the option price in the Plan and in option documents shall be a reference to the option price as so adjusted. Any reference to the term "Shares" in the Plan and in option documents shall be a reference to the appropriate number and class of shares of stock available for issuance under the Plan, as adjusted pursuant to this Paragraph 10. The Board's adjustment shall be effective and binding for all purposes of this Plan.

11. Terminating Events

(a) The Sponsor shall give Optionees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. Upon receipt of such notice, and for a period of ten (10) days thereafter (or such shorter period as the Board shall reasonably determine and so notify the Optionees), each Optionee shall be permitted to exercise the Option to the extent the Option is then exercisable; provided that, the Sponsor may, by similar notice, require the Optionee to exercise the Option, to the extent the Option is then exercisable, or to forfeit the Option (or portion thereof, as applicable). The Committee may, in its discretion, provide that upon the Optionee's receipt of the notice of a Terminating Event under this Paragraph 11(a), the entire number of Shares covered by Options shall become immediately exercisable.

(b) Notwithstanding Paragraph 11(a), in the event the Terminating Event is not consummated, the Option shall be deemed not to have been exercised and shall be exercisable thereafter to the extent it would have been exercisable if no such notice had been given.

12. Interpretation

The Committee shall have the power to interpret the Plan and to make and amend rules for putting it into effect and administering it. It is intended that the Incentive Stock Options granted under the Plan shall constitute incentive stock options within the meaning of section 422 of the Code, and that Shares transferred pursuant to the exercise of Non-Qualified Options shall constitute property subject to federal income tax pursuant to the provisions of section 83 of the Code. The provisions of the Plan shall be interpreted and applied insofar as possible to carry out such intent.

13. Amendments

(a) In General.

The Board or the Committee may amend the Plan from time to time in such manner as it may deem advisable. Nevertheless, neither the Board nor the Committee may, without obtaining approval within twelve months before or after such action

by such vote of the Sponsor's shareholders as may be required by Pennsylvania law for any action requiring shareholder approval, or by a majority of votes cast at a duly held shareholders' meeting at which a majority of all voting stock is present and voting on such amendment, either in person or in proxy (but not, in any event, less than the vote required pursuant to Rule 16b-3(b) under the 1934 Act) change the class of individuals eligible to receive an Incentive Stock Option, extend the expiration date of the Plan, decrease the minimum option price of an Incentive Stock Option granted under the Plan or increase the maximum number of shares as to which Options may be granted, except as provided in Paragraph 10 hereof.

(b) Repricing of Options.

Notwithstanding any provision in the Plan to the contrary, neither the Board nor the Committee may, without obtaining prior approval by the Sponsor's shareholders, reduce the option price of any issued and outstanding Option granted under the Plan at any time during the term of such option (other than by adjustment pursuant to Paragraph 10 relating to Changes in Capitalization). This Paragraph 13(b) may not be repealed, modified or amended without the prior approval of the Sponsor's shareholders.

14. Securities Law

(a) In General.

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

(b) Acknowledgment of Securities Law Restrictions on

Exercise.

To the extent required by the Committee, unless the Shares subject to the Option are covered by a then current registration statement or a Notification under Regulation A under the 1933 Act, each notice of exercise of an Option shall contain the Optionee's acknowledgment in form and substance satisfactory to the Committee that:

(i) the Shares subject to the Option are being purchased for investment and not for distribution or resale (other than a distribution or resale which, in the opinion of counsel satisfactory to the Sponsor, may be made without violating the registration provisions of the Act);

(ii) the Optionee has been advised and understands that (A) the Shares subject to the Option have not been registered under the 1933 Act and are "restricted securities" within the meaning of Rule 144 under the 1933 Act and are subject to restrictions on transfer and (B) the Sponsor is under no obligation to register the Shares subject to the Option under the 1933 Act or to take any action which would make available to the Optionee any exemption from such registration;

(iii) the certificate evidencing the Shares may bear a restrictive legend; and

(iv) the Shares subject to the Option may not be transferred without compliance with all applicable federal and state securities laws.

(c) Delay of Exercise Pending Registration of

Securities.

Notwithstanding any provision in the Plan or an option document to the contrary, if the Committee determines, in its sole discretion, that issuance of Shares pursuant to the exercise of an Option should be delayed pending registration or qualification under federal or state securities laws or the receipt of a legal opinion that an appropriate exemption from the application of federal or state securities laws is available, the Committee may defer exercise of any Option until such Shares are appropriately registered or qualified or an appropriate legal opinion has been received, as applicable.

15. Withholding of Taxes on Exercise of Option

(a) Whenever the Company proposes or is required to deliver or transfer Shares in connection with the exercise of an Option, the Company shall have the right to (i) require the recipient to remit to the Sponsor an amount sufficient to satisfy any federal, state and local withholding tax requirements prior to the delivery or transfer of any certificate or certificates for such Shares or (ii) take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Sponsor's obligation to make any delivery or transfer of Shares on the exercise of an Option shall be conditioned on the recipient's compliance, to the Sponsor's satisfaction, with any withholding requirement. In addition, if the Committee grants Options or amends option documents to permit Options to be transferred during the life of the Optionee, the Committee may include in such option documents such provisions as it determines are necessary or appropriate to permit the Company to deduct compensation expenses recognized upon exercise of such Options for federal or state income tax purposes.

(b) Except as otherwise provided in this Paragraph 15(b), any tax liabilities incurred in connection with the exercise of an Option under the Plan other than an Incentive Stock Option shall be satisfied by the Sponsor's withholding a portion of the Shares underlying the Option exercised having a Fair Market Value approximately equal to the minimum amount of taxes required to be withheld by the Sponsor under applicable law, unless otherwise determined by the Committee with respect to any Optionee. Notwithstanding the foregoing, the Committee may permit an Optionee to elect one or both of the following: (i) to have taxes withheld in excess of the minimum amount required to be withheld by the Sponsor under applicable law; provided that the Optionee certifies in writing to the Sponsor that the Optionee owns a number of Other Available Shares having a Fair Market Value that is at least equal to the Fair Market Value of Option Shares to be withheld by the Company for the then-current exercise on account of withheld taxes in excess of such minimum amount, and (ii) to pay to the Sponsor in cash all or a portion of the taxes to be withheld upon the exercise of an Option. In all cases, the Shares so withheld by the Company shall have a Fair Market Value that does not exceed the amount of taxes to be withheld minus the cash payment, if any, made by the Optionee. Any election pursuant to this Paragraph 15(b) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 15(b) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal representative. No Shares withheld pursuant to this Paragraph 15(b) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 15(b) as it deems appropriate.

(c) Except as otherwise provided in this Paragraph 15(c), any tax liabilities incurred in connection with the exercise of an Incentive Stock Option under the Plan shall be satisfied by the Optionee's payment to the Sponsor in cash all of the taxes to be withheld upon exercise of the Incentive Stock Option. Notwithstanding the foregoing, the Committee may permit an Optionee to elect to have the Sponsor withhold a portion of the Shares underlying the Incentive Stock Option exercised having a Fair Market Value approximately equal to the minimum amount of taxes required to be withheld by the Sponsor under applicable law. Any election pursuant to this Paragraph 15(c) must be in writing made prior to the date specified by the Committee, and in any event prior to the date the amount of tax to be withheld or paid is determined. An election pursuant to this Paragraph 15(c) may be made only by an Optionee or, in the event of the Optionee's death, by the Optionee's legal representative. No Shares withheld pursuant to this Paragraph 15(c) shall be available for subsequent grants under the Plan. The Committee may add such other requirements and limitations regarding elections pursuant to this Paragraph 15(c) as it deems appropriate.

16. Effective Date and Term of Plan

This amendment and restatement of the Plan as the Comcast Corporation 2002 Stock Option Plan shall be effective February 26, 2003. The Plan shall expire on February 25, 2013, unless sooner terminated by the Board.

17. General

Each Option shall be evidenced by a written instrument containing such terms and conditions not inconsistent with the Plan as the Committee may determine. The issuance of Shares on the exercise of an Option shall be subject to all of the applicable requirements of the corporation law of the Sponsor's state of incorporation and other applicable laws, including federal or state securities laws, and all Shares issued under the Plan shall be subject to the terms and restrictions contained in the Articles of Incorporation and By-Laws of the Sponsor, as amended from time to time.

Executed as of the 26th day of February, 2003.

COMCAST CORPORATION

By: _____

Attest: _____

COMCAST CORPORATION
2002 DEFERRED COMPENSATION PLAN

ARTICLE 1 - COVERAGE OF PLAN

1.1. Continuation of Plan.

Comcast Corporation, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Deferred Compensation Plan (the "Plan"), effective February 26, 2003. 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 and November 18, 2002.

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 12% per annum, compounded annually as of the last day of the calendar year.

(b) Except to the extent otherwise required by Section 10.2, 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 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.

(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, compounded annually as of the last day of the calendar year, 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 (formerly known as AT&T 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 other employee of a Participating Company who is designated by the Committee, in its discretion, as an Eligible Employee.

Notwithstanding anything in the foregoing to the contrary, for the period beginning November 18, 2002 and ending December 31, 2002, each individual who (x) immediately preceding his date of hire by a Participating Company, was an employee of AT&T Corp. and (y) is designated by the Committee, in its discretion, as an eligible New Key Employees pursuant to Section 2.31(a)(iii), shall be 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 last trading day prior to the date of determination; or

(b) If shares of Company Stock are not so listed, but trades of shares are reported on the Nasdaq National Market the last quoted sale price of a share on the Nasdaq National Market on the last trading day prior to the date of determination.

(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 the annual London Inter Bank Offered Rate, as published in the Eastern Edition of The Wall Street Journal, as of a Participant's employment termination date (or the next preceding business day, if such termination date is not a business day) 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:

(a) For the period beginning November 18, 2002 and ending December 31, 2002:

(i) each employee of a Participating Company, other than CCCHI or its subsidiaries, 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;

(ii) each employee of a Participating Company, other than CCCHI or its subsidiaries, 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; and

(iii) each individual who, immediately preceding his date of hire by a Participating Company was an employee of AT&T Corp. and who is specifically designated as a New Key Employee by the Committee, in its discretion.

(b) For Plan Years beginning after December 31, 2002, each employee of a Participating Company:

(i) 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;

(ii) 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, Inc. and its subsidiaries;
- (d) Comcast International Holdings, Inc.;
- (e) Comcast Online Communications, Inc.;
- (f) Comcast Business Communications, Inc.;

(g) CCCHI and its subsidiaries; and

(h) 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 the annual rate of interest identified by PNC Bank as its prime rate as of a Participant's employment termination date and as of 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 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 pursuant to Section 3.5(e) or (f), Section 3.7, Section 7.1, 7.2, or Article 8, no distribution may commence earlier than January 2nd of the second calendar year beginning after the date the Initial Election is filed with the Administrator, nor later than January 2nd of the eleventh calendar year beginning after the date the Initial Election is filed with the Administrator. Further, each Outside Director or Eligible Employee may select with each Initial Election the manner of distribution in accordance with Article 4.

3.5. Subsequent Elections.

(a) Active Participants.

Each Active Participant, who has made an Initial Election, or who has made a Subsequent Election, may elect to change the manner of distribution or defer the time of payment of any part or all of such Participant's Account for a minimum of two and a maximum of ten additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on June 30 of the calendar year preceding the calendar year in which the lump-sum distribution or initial installment payment would otherwise be made. The number of Subsequent Elections under this Section 3.5(a) shall not be limited.

(b) Inactive Participants.

The Committee may, in its sole and absolute discretion, permit an Inactive Participant to make a Subsequent Election to change the manner of distribution, or defer the time of payment of any part or all of such Inactive Participant's Account for a minimum of two years and a maximum of ten additional years from the

previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on June 30 of the calendar year preceding the calendar year in which the lump-sum distribution or initial installment payment would otherwise be made. The number of Subsequent Elections under this Section 3.5(b) shall be determined by the Committee in its sole and absolute discretion.

(c) Surviving Spouses.

(i) General Rule.

A Surviving Spouse who is a Deceased Participant's Beneficiary may elect to change the manner of distribution, or defer the time of payment, of any part or all of such Deceased Participant's Account the payment of which would be made neither within six (6) months after, nor within the calendar year of, the date of such election. Such election shall be made by filing a Subsequent Election with the Administrator in which the Surviving Spouse shall specify the change in the manner of distribution or the change in the time of payment, which shall be no less than two nor more than ten years from the previously-elected payment date, or such Surviving Spouse may elect to defer payment until such Surviving Spouse's death. A Surviving Spouse may make a total of two (2) Subsequent Elections under this Section 3.5(c)(i), with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(c)(i) may specify different changes with respect to different parts of the Deceased Participant's Account.

(ii) Exception.

Notwithstanding the above Section 3.5(c)(i), a Subsequent Election may be made by a Surviving Spouse within sixty (60) days of the Deceased Participant's death; provided, however, such election may only be made with respect to amounts which would not be paid under the Deceased Participant's election as in effect on the date of the Deceased Participant's death until a date which is at least six (6) months from the Deceased Participant's date of death. Such election shall be made by filing a Subsequent Election with the Administrator in which the Surviving Spouse shall specify the change in the manner of distribution or the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment date, or such Surviving Spouse may elect to defer payment until such Surviving Spouse's death. A Surviving Spouse may only make one (1) Subsequent Election under this Section 3.5(c)(ii) with respect to all or any part of the Deceased Participant's Account. Such Surviving Spouse may, however, make one additional Subsequent Election under Section 3.5(c)(i) in accordance with the terms of Section 3.5(c)(i). The one (1) Subsequent Election permitted under this Section 3.5(c)(ii) may specify different changes for different parts of the Deceased Participant's Account.

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

(i) General Rule.

A Beneficiary of a Deceased Participant (other than a Surviving Spouse) may elect to change the manner of distribution, or defer the time of payment, of any part or all of such Deceased Participant's Account the payment of which would be made neither within six (6) months after, nor within the calendar year of, the date of such election. Such election shall be made by filing a Subsequent Election with the Administrator in which the Beneficiary shall specify the change in the manner of distribution or the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment date. A Beneficiary may make one (1) Subsequent

Election under this Section 3.5(d)(i), with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(d)(i) may specify different changes for different parts of the Deceased Participant's Account.

(ii) Exception.

Notwithstanding the above Section 3.5(d)(i), a Subsequent Election may be made by a Beneficiary within sixty (60) days of the Deceased Participant's death; provided, however, such election may only be made with respect to amounts which would not be paid under the Deceased Participant's election as in effect on the date of the Deceased Participant's death until a date which is at least six (6) months from the Deceased Participant's date of death. Such election shall be made by filing a Subsequent Election with the Administrator in which the Beneficiary shall specify the change in the manner of distribution or the change in the time of payment, which shall be no less than two (2) nor more than ten (10) years from the previously-elected payment date. A Beneficiary may make one (1) Subsequent Election under this Section 3.5(d)(ii) with respect to all or any part of the Deceased Participant's Account. Subsequent Elections pursuant to this Section 3.5(d)(ii) may specify different changes for different parts of the Deceased Participant's Account.

(e) Other Deferral and Acceleration by a Beneficiary.

Any Beneficiary (other than a Surviving Spouse who has made a Subsequent Election under Section 3.5(c) or a Beneficiary who has made a Subsequent Election under Section 3.5(d)) may elect to change the manner of distribution from the manner of distribution in which payment of a Deceased Participant's Account would otherwise be made, and

(i) Defer the time of payment of any part or all of the Deceased Participant's Account or deceased Beneficiary's Account for one additional year from the date a payment would otherwise be made or begin (provided that if a Subsequent Election is made pursuant to this Section 3.5(e)(i), the Deceased Participant's Account or deceased Beneficiary's Account shall be in all events distributed in full on or before the fifth anniversary of the Deceased Participant's or a deceased Beneficiary's death); or

(ii) Accelerate the time of payment of a Deceased Participant's Account or deceased Beneficiary's Account from the date or dates that payment would otherwise be made or begin to the date that is the later of (A) six (6) months after the date of the Deceased Participant's or deceased Beneficiary's death and (B) January 2nd of the calendar year beginning after the Deceased Participant's or deceased Beneficiary's death, provided that if a Subsequent Election is made pursuant to this Section 3.5(e)(ii), the Deceased Participant's Account or deceased Beneficiary's Account shall be distributed in full on such accelerated payment date.

A Subsequent Election pursuant to this Section 3.5(e) must be filed with the Administrator within one hundred and twenty (120) days following the Deceased Participant's or deceased Beneficiary's death. One and only one Subsequent Election shall be permitted pursuant to this Section 3.5(e) with respect to a Deceased Participant's Account or deceased Beneficiary's Account, although if such Subsequent Election is filed pursuant to Section 3.5(e)(i), it may specify different changes for different parts of the Account.

(f) Disabled Participant.

A Disabled Participant (who has not been permitted to make a Subsequent Election under Section 3.5(h)) may elect to change the form of

distribution from the form of distribution that the payment of the Disabled Participant's Account would otherwise be made and may elect to accelerate the time of payment of the Disabled Participant's Account from the date payment would otherwise be made to January 2nd of the calendar year beginning after the Participant became disabled. A Subsequent Election pursuant to this Section 3.5(f) must be filed with the Administrator on or before the close of business on the later of (i) the June 30 following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant on or before May 1 of a calendar year; (ii) the 60th day following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant after May 1 and before November 2 of a calendar year or (iii) the December 31 following the date the Participant becomes a Disabled Participant if the Participant becomes a Disabled Participant after November 1 of a calendar year.

(g) Retired Participant.

A Retired Participant (who has not been permitted to make a Subsequent Election under Section 3.5(h)) may elect to change the form of distribution from the form of distribution that payment of the Retired Participant's Account would otherwise be made and may elect to defer the time of payment of the Retired Participant's Account for a minimum of two additional years from the date payment would otherwise be made (provided that if a Subsequent Election is made pursuant to this Section 3.5(g), the Retired Participant's Account shall be distributed in full on or before the fifth anniversary of the Retired Participant's Normal Retirement). A Subsequent Election pursuant to this Section 3.5(g) must be filed with the Administrator on or before the close of business on the later of (i) the June 30 following the Participant's Normal Retirement on or before May 1 of a calendar year, (ii) the 60th day following the Participant's Normal Retirement after May 1 and before November 2 of a calendar year or (iii) the December 31 following the Participant's Normal Retirement after November 1 of a calendar year.

(h) Retired Participants and Disabled Participants.

The Committee may, in its sole and absolute discretion, permit a Retired Participant or a Disabled Participant to make a Subsequent Election to change the form of distribution that the payment of the Retired Participant's account would otherwise be made or to defer the time of payment of any part or all of such Retired or Disabled Participant's Account for a minimum of two years and a maximum of ten additional years from the previously-elected payment date, by filing a Subsequent Election with the Administrator on or before the close of business on June 30 of the calendar year preceding the calendar year in which the lump-sum distribution or initial installment payment would otherwise be made. The number of Subsequent Elections under this Section 3.5(h) shall be determined by the Committee in its sole and absolute discretion.

(i) Most Recently Filed Initial Election or Subsequent Election

Controlling.

Subject to acceleration pursuant to Section 3.5(e) or 3.5(f), Section 3.7 or Section 7.1, no distribution of the amounts deferred by a Participant for any calendar year shall be made before the payment date designated by the Participant or Beneficiary on the most recently filed Initial Election or Subsequent Election with respect to each deferred amount.

3.6. Distribution in Full Upon Terminating Event.

The Company shall give Participants at least thirty (30) days notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Committee may, in its discretion, provide in such notice that notwithstanding any

other provision of the Plan or the terms of any Initial Election or Subsequent Election, upon the consummation of a Terminating Event, the Account balance of each Participant shall be distributed in full and any outstanding Initial Elections or Subsequent Elections shall be revoked.

3.7. Withholding and Payment of Death Taxes.

(a) Notwithstanding any other provisions of this Plan to the contrary, including but not limited to the provisions of Article 3 and Article 7, or any Initial or Subsequent Election filed by a Deceased Participant or a Deceased Participant's Beneficiary (for purposes of this Section, the "Decedent"), the Administrator shall apply the terms of Section 3.7(b) to the Decedent's Account unless the Decedent affirmatively has elected, in writing, filed with the Administrator, to waive the application of Section 3.7(b).

(b) Unless the Decedent affirmatively has elected, pursuant to Section 3.7(a), that the terms of this Section 3.7(b) not apply:

(i) The Administrator shall prohibit the Decedent's Beneficiary from taking any action under any of the provisions of the Plan with regard to the Decedent's Account other than the Beneficiary's making of a Subsequent Election pursuant to Section 3.5;

(ii) The Administrator shall defer payment of the Decedent's Account until the later of the Death Tax Clearance Date and the payment date designated in the Decedent's Initial Election or Subsequent Election;

(iii) The Administrator shall withdraw from the Decedent's Account such amount or amounts as the Decedent's Personal Representative shall certify to the Administrator as being necessary to pay the Death Taxes apportioned against the Decedent's Account; the Administrator shall remit the amounts so withdrawn to the Personal Representative, who shall apply the same to the payment of the Decedent's Death Taxes, or the Administrator may pay such amounts directly to any taxing authority as payment on account of Decedent's Death Taxes, as the Administrator elects;

(iv) If the Administrator makes a withdrawal from the Decedent's Account to pay the Decedent's Death Taxes and such withdrawal causes the recognition of income to the Beneficiary, the Administrator shall pay to the Beneficiary from the Decedent's Account, within thirty (30) days of the Beneficiary's request, the amount necessary to enable the Beneficiary to pay the Beneficiary's income tax liability resulting from such recognition of income; additionally, the Administrator shall pay to the Beneficiary from the Decedent's Account, within thirty (30) days of the Beneficiary's request, such additional amounts as are required to enable the Beneficiary to pay the Beneficiary's income tax liability attributable to the Beneficiary's recognition of income resulting from a distribution from the Decedent's Account pursuant to this Section 3.7(b)(iv);

(v) Amounts withdrawn from the Decedent's Account by the Administrator pursuant to Sections 3.7(b)(iii) and 3.7(b)(iv) shall be withdrawn from the portions of Decedent's Account having the earliest distribution dates as specified in Decedent's Initial Election or Subsequent Election; and

(vi) Within a reasonable time after the later to occur of the Death Tax Clearance Date and the payment date designated in the Decedent's Initial Election or Subsequent Election, the Administrator shall pay the Decedent's Account to the Beneficiary.

ARTICLE 4 - MANNER OF DISTRIBUTION

4.1. Manner of Distribution.

(a) Amounts credited to an Account shall be distributed, pursuant to an Initial Election or Subsequent Election in either (i) a lump sum payment or (ii) substantially equal annual installments over a five (5), ten (10) or fifteen (15) year period or (iii) substantially equal monthly installments over a period not exceeding fifteen (15) years. Installment distributions payable in the form of shares of Company Stock shall be rounded to the nearest whole share.

(b) Notwithstanding any Initial Election or Subsequent Election or any other provision of the Plan to the contrary: (i) distributions pursuant to Initial Elections or Subsequent Elections shall be made in one lump sum payment unless the portion of a Participant's Account subject to distribution, as of both the date of the Initial Election or Subsequent Election and the benefit commencement date, has a value of more than \$10,000;

(ii) following a Participant's termination of employment for any reason, if the amount credited to the Participant's Account has a value of \$25,000 or less, the Administrator may, in its sole discretion, direct that such amount be distributed to the Participant (or Beneficiary, as applicable) in one lump sum payment; provided, however, that this Section 4.1(b)(ii) shall not apply to any amount credited to a Participant's Account until the expiration of the deferral period applicable under any Initial Election or Subsequent Election in effect as of April 29, 2002.

4.2. Determination of Account Balances for Purposes of Distribution.

The amount of any distribution made pursuant to Section 4.1 shall be based on the balances in the Participant's Account on the date of distribution. For this purpose, the balance in a Participant's Account shall be calculated by crediting income, gains and losses under the Company Stock Fund and Income Fund, as applicable, through the date immediately preceding the date of distribution.

ARTICLE 5 - BOOK ACCOUNTS

5.1. Deferred Compensation Account.

A deferred Compensation Account shall be established for each Outside Director and Eligible Employee when such Outside Director or Eligible Employee becomes a Participant. Compensation deferred pursuant to the Plan shall be credited to the Account on the date such Compensation would otherwise have been payable to the Participant.

5.2. Crediting of Income, Gains and Losses on Accounts.

(a) In General.

Except as otherwise provided in this Section 5.2, the Administrator shall credit income, gains and losses with respect to each Participant's Account as if it were invested in the Income Fund.

(b) Investment Fund Elections.

(i) Except for amounts credited to the Accounts of Participants who are Outside Directors who have elected to defer the receipt of Compensation payable in the form of Company Stock, all amounts credited to Participants' Accounts on and after July 9, 2002 shall be credited with income, gains and losses as if it were invested in the Income Fund. Each Participant who, as of July 9, 2002, has all or any portion of his or her Account credited with income, gains and losses as if it were invested in the Company Stock Fund may direct, as of December 31, 2002 or the last day of any Plan Year thereafter, to have all or any portion of the amount credited to the Company Stock Fund deemed transferred to the Income Fund. 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 of the first day of each calendar year, provided that the election is filed with the Committee on or before the close of business on December 31 of the calendar year preceding such calendar year. An Active Participant may only make an investment fund election with respect to the Participant's accumulated Account as of December 31, and not with respect to Compensation to be deferred for a calendar year.

(iv) Except for amounts described in Section 5.2(c), if a Participant ceases to continue in service as an Active Participant, then, notwithstanding any election to the contrary, such Participant's Account shall be deemed invested in the Income Fund, effective as of the first day of any calendar year beginning after such Participant ceases to continue in service as an Active Participant.

(c) Outside Director Stock Fund Credits.

Amounts credited to the Accounts of Outside Directors in the form of Company Stock shall be credited with income, gains and losses as if they were invested in the Company Stock Fund. No portion of such Participant's Account attributable to amounts credited after December 31, 2002 to the Company

Stock Fund may be deemed transferred to the Income Fund. Distributions of amounts credited to the Company Stock Fund with respect to Outside Directors' Accounts after December 31, 2002 shall be distributable in the form of Company Stock, rounded to the nearest whole share.

(d) Timing of Credits.

Compensation deferred pursuant to the Plan shall be deemed invested in the Income Fund on the date such Compensation would otherwise have been payable to the Participant. Accumulated Account balances subject to an investment fund election under Section 5.2(b) shall be deemed invested in the applicable investment fund as of the effective date of such election. The value of amounts deemed invested in the Company Stock Fund shall be based on hypothetical purchases and sales of Company Stock at Fair Market Value as of the effective date of an investment election

5.3. Status of Deferred Amounts.

Regardless of whether or not the Company is a Participant's employer, all Compensation deferred under this Plan shall continue for all purposes to be a part of the general funds of the Company.

5.4. Participants' Status as General Creditors.

Regardless of whether or not the Company is a Participant's employer, an Account shall at all times represent a general obligation of the Company. The Participant shall be a general creditor of the Company with respect to this obligation, and shall not have a secured or preferred position with respect to the Participant's Accounts. Nothing contained herein shall be deemed to create an escrow, trust, custodial account or fiduciary relationship of any kind. Nothing contained herein shall be construed to eliminate any priority or preferred position of a Participant in a bankruptcy matter with respect to claims for wages.

ARTICLE 6 - NO ALIENATION OF BENEFITS; PAYEE DESIGNATION

Except as otherwise required by applicable law, the right of any Participant or Beneficiary to any benefit or interest under any of the provisions of this Plan shall not be subject to encumbrance, attachment, execution, garnishment, assignment, pledge, alienation, sale, transfer, or anticipation, either by the voluntary or involuntary act of any Participant or any Participant's Beneficiary or by operation of law, nor shall such payment, right, or interest be subject to any other legal or equitable process. However, subject to the terms and conditions of the Plan, a Participant or Beneficiary may direct that any amount payable pursuant to an Initial Election or a Subsequent Election on any date designated for payment be paid to any person or persons or legal entity or entities, including, but not limited to, an organization exempt from federal income tax under section 501(c)(3) of the Code, instead of to the Participant or Beneficiary. Such a payee designation shall be provided to the Administrator by the Participant or Beneficiary in writing on a form provided by the Administrator, and shall not be effective unless it is provided immediately preceding the time of payment. The Company's payment pursuant to such a payee designation shall relieve the Company and its Affiliates of all liability for such payment.

ARTICLE 7 - DEATH OF PARTICIPANT

7.1. Death of Participant.

A Deceased Participant's Account shall be distributed in accordance with the last Initial Election or Subsequent Election made by the Deceased

Participant before the Deceased Participant's death, unless the Deceased Participant's Surviving Spouse or other Beneficiary timely elects to accelerate or defer the time or change the manner of payment pursuant to Section 3.5.

7.2. Designation of Beneficiaries.

Each Participant and Beneficiary shall have the right to designate one or more Beneficiaries to receive distributions in the event of the Participant's or Beneficiary's death by filing with the Administrator a Beneficiary designation on the form provided by the Administrator for such purpose. The designation of a Beneficiary or Beneficiaries may be changed by a Participant or Beneficiary at any time prior to such Participant's or Beneficiary's death by the delivery to the Administrator of a new Beneficiary designation form.

ARTICLE 8 - HARDSHIP DISTRIBUTIONS

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

ARTICLE 9 - INTERPRETATION

9.1. Authority of Committee.

The Committee shall have full and exclusive authority to construe, interpret and administer this Plan and the Committee's construction and interpretation thereof shall be binding and conclusive on all persons for all purposes.

9.2. Claims Procedure.

If an individual (hereinafter referred to as the "Applicant," which reference shall include the legal representative, if any, of the individual) does not receive timely payment of benefits to which the Applicant believes he is entitled under the Plan, the Applicant may make a claim for benefits in the manner hereinafter provided.

An Applicant may file a claim for benefits with the Administrator on a form supplied by the Administrator. If the Administrator wholly or partially denies a claim, the Administrator shall provide the Applicant with a written notice stating:

(a) The specific reason or reasons for the denial;

(b) Specific reference to pertinent Plan provisions on which the denial is based;

(c) A description of any additional material or information necessary for the Applicant to perfect the claim and an explanation of why such material or information is necessary; and

(d) Appropriate information as to the steps to be taken in order to submit a claim for review.

Written notice of a denial of a claim shall be provided within 90 days of the receipt of the claim, provided that if special circumstances require an extension of time for processing the claim, the

Administrator may notify the Applicant in writing that an additional period of up to 90 days will be required to process the claim.

If the Applicant's claim is denied, the Applicant shall have 60 days from the date of receipt of written notice of the denial of the claim to request a review of the denial of the claim by the Administrator. Request for review of the denial of a claim must be submitted in writing. The Applicant shall have the right to review pertinent documents and submit issues and comments to the Administrator in writing. The Administrator shall provide a written decision within 60 days of its receipt of the Applicant's request for review, provided that if special circumstances require an extension of time for processing the review of the Applicant's claim, the Administrator may notify the Applicant in writing that an additional period of up to 60 days shall be required to process the Applicant's request for review.

It is intended that the claims procedures of this Plan be administered in accordance with the claims procedure regulations of the Department of Labor set forth in 29 CFR ss. 2560.503-1.

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

Comcast Corporation
1500 Market Street
Philadelphia, PA 19102
Attention: General Counsel

ARTICLE 10 - AMENDMENT OR TERMINATION

10.1. Amendment or Termination.

Except as otherwise provided by Section 10.2, the Company, by action of the Board or by action of the Committee, shall have the right at any time, or from time to time, to amend or modify this Plan. The Company, by action of the Board, shall have the right to terminate this Plan at any time.

10.2. Amendment of Rate of Credited Earnings.

No amendment shall change the Applicable Interest Rate with respect to the portion of a Participant's Account that is attributable to an Initial Election or Subsequent Election made with respect to Compensation earned in a calendar year and filed with the Administrator before the date of adoption of such amendment by the Board. For purposes of this Section 10.2, a Subsequent Election to defer the payment of part or all of an Account for an additional period after a previously-elected payment date (as described in Section 3.5) shall be treated as a separate Subsequent Election from any previous Initial Election or Subsequent Election with respect to such Account.

ARTICLE 11 - WITHHOLDING OF TAXES

Whenever the Participating Company is required to credit deferred Compensation to the Account of a Participant, the Participating Company shall have the right to require the Participant to remit to the Participating Company an amount sufficient to satisfy any federal, state and local withholding tax requirements prior to the date on which the deferred Compensation shall be deemed credited to the Account of the Participant, or take any action

whatever that it deems necessary to protect its interests with respect to tax liabilities. The Participating Company's obligation to credit deferred Compensation to an Account shall be conditioned on the Participant's compliance, to the Participating Company's satisfaction, with any withholding requirement. To the maximum extent possible, the Participating Company shall satisfy all applicable withholding tax requirements by withholding tax from other Compensation payable by the Participating Company to the Participant, or by the Participant's delivery of cash to the Participating Company in an amount equal to the applicable withholding tax.

ARTICLE 12 - MISCELLANEOUS PROVISIONS

12.1. No Right to Continued Employment.

Nothing contained herein shall be construed as conferring upon any Participant the right to remain in service as an Outside Director or in the employment of a Participating Company as an executive or in any other capacity.

12.2. Expenses of Plan.

All expenses of the Plan shall be paid by the Participating Companies.

12.3. Gender and Number.

Whenever any words are used herein in any specific gender, they shall be construed as though they were also used in any other applicable gender. The singular form, whenever used herein, shall mean or include the plural form, and vice versa, as the context may require.

12.4. Law Governing Construction.

The construction and administration of the Plan and all questions pertaining thereto, shall be governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and other applicable federal law and, to the extent not governed by federal law, by the laws of the Commonwealth of Pennsylvania.

12.5. Headings Not a Part Hereof.

Any headings preceding the text of the several Articles, Sections, subsections, or paragraphs hereof are inserted solely for convenience of reference and shall not constitute a part of the Plan, nor shall they affect its meaning, construction, or effect.

12.6. Severability of Provisions.

If any provision of this Plan is determined to be void by any court of competent jurisdiction, the Plan shall continue to operate and, for the purposes of the jurisdiction of that court only, shall be deemed not to include the provision determined to be void.

ARTICLE 13 - EFFECTIVE DATE

The effective date of this amendment and restatement of the Plan shall be February 26, 2003.

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 26th day of February, 2003.

COMCAST CORPORATION

BY: -----

ATTEST: -----

COMCAST CORPORATION
2002 DEFERRED STOCK OPTION PLAN

ARTICLE 1 - CONTINUATION AND COVERAGE OF PLAN

1.1. Continuation of Plan.

COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Deferred Stock Option Plan (the "Plan"), effective February 26, 2003. 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 and November 18, 2002.

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), if (and to the extent that) it is approved by the Administrator as described in Section 2.32 or 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 last trading day prior to the date of determination.

(b) If Shares are not so listed, but trades of Shares are reported on the NASDAQ National Market, the last quoted sale price of a share on the NASDAQ National Market on the last trading day prior to the date of determination.

(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.

A Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee may also make the effectiveness of an Initial Election contingent on the Administrator's approval of a proposed Diversification Election as to a specified percentage of Deferred Stock Units creditable to an Account with respect to an Option potentially subject to the Initial Election. If the Administrator does not approve the proposed Diversification Election within 30 days of the date such contingent Initial Election is filed with the Administrator, such Initial Election shall be null and void. Such a proposed Diversification Election shall be effective only if (and to the extent) approved (or, pursuant to Section 5.2(b)(iii), deemed approved).

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. "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.

2.52. "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.

2.53. "Surviving Spouse"

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

2.54. "Terminating Event" means either of the following events:

- (a) the liquidation of the Company; or
- (b) a Change of Control.

2.55. "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) if and to the extent that the opportunity to make a Diversification Election has been approved (or, pursuant to Section 2.24, deemed approved) by the Administrator.

(ii) Administrator Approval of Diversification Elections.

The opportunity to make a Diversification Election and the extent to which a Diversification Election applies to Deferred Stock Units credited to the Company Stock Fund may be approved or rejected by the Administrator in connection with the filing of a contingent Initial Election (as described in Section 2.32), provided that an Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee who has Deferred Stock Units credited to an Account at the time that a Registration Statement first becomes effective with respect to the Plan, may at any time thereafter file a proposed Diversification Election with respect to such Deferred Stock Units. Such a proposed Diversification Election shall only be effective if (and to the extent) approved (or, pursuant to Section 5.2(b)(iii), deemed approved) by the Administrator.

(iii) Conversion of Deferred Stock Units to Cash

Equivalents.

Each Outside Director, Former Outside Director, Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee who is a Participant and whose Diversification Election has been approved (or deemed approved) by the Administrator may make a Diversification Election to convert 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. Notwithstanding the foregoing, an Outside Director's Diversification Election to convert up to 40 percent of the Deferred Stock Units credited to the Company Stock Fund and attributable to any Option to the Income Fund shall be deemed approved by the Administrator, and an Outside Director's Diversification Election to transfer any amount in excess of such 40 percent amount shall be deemed null and void to the extent of such excess amount. 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 are credited to the Participant's Account.

(c) Timing of Credits.

Account balances subject to a Diversification Election under Section 5.2(b) shall be deemed transferred from the Company Stock Fund to the Income Fund as of the effective date of such Diversification Election. The value of amounts deemed invested in the Income Fund immediately following the effective date of a Diversification Election shall be based on hypothetical sales of Company Stock underlying liquidated Deferred Stock Units at Fair Market Value as of the effective date of a Diversification Election.

5.3. Status of Deferred Amounts.

Regardless of whether or not the Company is a Participant's employer, all amounts deferred under this Plan shall continue for all purposes to be a part of the general funds of the Company.

5.4. Participants' Status as General Creditors.

Regardless of whether or not the Company is a Participant's employer, an Account shall at all times represent a general obligation of the Company. The Participant shall be a general creditor of the Company with respect to this obligation, and shall not have a secured or preferred position with respect to the Participant's Accounts. Nothing contained herein shall be deemed to create an escrow, trust, custodial account or fiduciary relationship of any kind. Nothing contained herein shall be construed to eliminate any priority or preferred position of a Participant in a bankruptcy matter with respect to claims for wages.

ARTICLE 6 - NONALIENATION OF BENEFITS

6.1. Alienation Prohibited.

Except as otherwise required by applicable law, the right of any Participant or Beneficiary to any benefit or interest under any of the provisions of this Plan shall not be subject to encumbrance, attachment, execution, garnishment, assignment, pledge, alienation, sale, transfer, or anticipation, either by the voluntary or involuntary act of any Participant or any Participant's Beneficiary or by operation of law, nor shall such payment, right, or interest be subject to any other legal or equitable process.

ARTICLE 7 - DEATH OF PARTICIPANT

7.1. Death of Participant.

Except as provided in Section 3.7, a Deceased Participant's Account shall be distributed in accordance with the last Initial Election or Subsequent Election made by the Deceased Participant before the Deceased Participant's death, unless the Deceased Participant's Surviving Spouse, Permitted Transferee, Successor-in-Interest or Beneficiary timely elects to accelerate or defer the time of payment pursuant to Section 3.5(b), Section 3.5(c), Section 3.5(d), Section 3.5(e), or Section 3.5(f).

7.2. Designation of Beneficiaries.

Each Participant and Beneficiary shall have the right to designate one or more Beneficiaries to receive distributions in the event of the Participant's or Beneficiary's death by filing with the Administrator a Beneficiary designation on the form provided by the Administrator for such purpose. The designation of a Beneficiary or Beneficiaries may be changed by a Participant or Beneficiary at any time prior to such Participant's or Beneficiary's death by the delivery to the Administrator of a new Beneficiary designation form.

ARTICLE 8 - INTERPRETATION

8.1. Authority of Committee.

The Committee shall have full and exclusive authority to construe, interpret and administer this Plan and the Committee's construction and interpretation thereof shall be binding and conclusive on all persons for all purposes.

8.2. Claims Procedure.

If an individual (hereinafter referred to as the "Applicant," which reference shall include the legal representative, if any, of the individual) does not receive timely payment of benefits to which the Applicant believes he is entitled under the Plan, the Applicant may make a claim for benefits in the manner hereinafter provided.

An Applicant may file a claim for benefits with the Administrator on a form supplied by the Administrator. If the Administrator wholly or partially denies a claim, the Administrator shall provide the Applicant with a written notice stating:

- (a) The specific reason or reasons for the denial;
- (b) Specific reference to pertinent Plan provisions on which the denial is based;
- (c) A description of any additional material or information necessary for Applicant to perfect the claim and an explanation of why such material or information is necessary; and
- (d) Appropriate information as to the steps to be taken in order to submit a claim for review.

Written notice of a denial of a claim shall be provided within 90 days of the receipt of the claim, provided that if special circumstances require an extension of time for processing the claim, the Administrator may notify the Applicant in writing that an additional period of up to 90 days will be required to process the claim.

If the Applicant's claim is denied, the Applicant shall have 60 days from the date of receipt of written notice of the denial of the claim to request a review of the denial of the claim by the Administrator. Request for review of the denial of a claim must be submitted in writing. The Applicant shall have the right to review pertinent documents and submit issues and comments to the Administrator in writing. The Administrator shall provide a written decision within 60 days of its receipt of the Applicant's request for review, provided that if special circumstances require an extension of time for processing the review of the Applicant's claim, the Administrator may notify the Applicant in writing that an additional period of up to 60 days shall be required to process the Applicant's request for review.

It is intended that the claims procedures of this Plan be administered in accordance with the claims procedure regulations of the Department of Labor set forth in 29 CFR ss. 2560.503-1.

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

Comcast Corporation
1500 Market Street
Philadelphia, PA 19102
Attention: General Counsel

ARTICLE 9 - AMENDMENT OR TERMINATION

9.1. Amendment or Termination.

The Company, by action of the Board or by action of the Committee, shall have the right at any time, or from time to time, to amend or modify this Plan. The Company, by action of the Board, shall have the right to terminate this Plan at any time.

ARTICLE 10 - WITHHOLDING OF TAXES ON EXERCISE OF OPTION

10.1. In General.

Whenever the Company proposes or is required to credit Deferred Stock Units to an Account in connection with the exercise of an Option, the Company shall have the right to require the Participant to remit to the Company an amount sufficient to satisfy any federal, state and local withholding tax requirements prior to the date on which Deferred Stock Units shall be deemed credited to the Account, or take any action whatever that it deems necessary to protect its interests with respect to tax liabilities. The Company's obligation to credit Deferred Stock Units to an Account on the exercise of an Option subject to an Initial or Subsequent Election shall be conditioned on the Participant's compliance, to the Company's satisfaction, with any withholding requirement. Except as otherwise provided in Section 10.2, the Company shall satisfy all applicable withholding tax requirements by withholding tax from other compensation payable by the Company to the Participant, or by the Participant's delivery of cash or other property acceptable to the Company having a value equal to the applicable withholding tax.

10.2. Share Withholding Election.

With respect to any Option subject to an Initial Election, an Eligible Employee, Former Eligible Employee, Successor-in-Interest or Permitted Transferee may elect to have the number of Option Shares determined such that Shares subject to

such Option are withheld by the Company to the extent necessary to satisfy any withholding tax liabilities incurred in connection with the exercise of such Option. The number of Shares subject to an Option to be withheld pursuant to such a Share Withholding Election shall have a Fair Market Value approximately equal to the sum of:

(a) The minimum amount of withholding taxes required to be withheld by the Company under applicable law, plus

(b) Either (i) the minimum amount of withholding taxes arising because of the recognition of income (and consequent non-deferral of income) with respect to such withheld Shares, or (ii) the amount of withholding taxes arising because of the recognition of income (and consequent non-deferral of income) with respect to such withheld Shares, calculated at the highest applicable marginal tax rates, as indicated on the Share Withholding Election.

Notwithstanding any other provision of the Plan or the terms of any Initial or Subsequent Election, the number of Deferred Stock Units credited to Participants' Accounts shall be adjusted appropriately to reflect the withholding of Shares pursuant to such Share Withholding Elections.

ARTICLE 11 - CAPITAL ADJUSTMENTS

11.1. Capital Adjustments.

In the event that the Common Stock or Special Common Stock is changed into, or exchanged for, a different number or kind of shares of stock or other securities of the Company, whether through merger, consolidation, reorganization, recapitalization, stock dividends, stock split-ups or other substitution of securities of the Company, the Committee shall make appropriate equitable anti-dilution adjustments to the number of Deferred Stock Units credited to Participants' Accounts. The Committee's adjustment shall be effective and binding for all purposes of the Plan.

ARTICLE 12 - MISCELLANEOUS PROVISIONS

12.1. No Right to Continued Employment.

Nothing contained herein shall be construed as conferring upon any Participant the right to remain in service as an Outside Director or in the employment of a Participating Company as an executive or in any other capacity.

12.2. Expenses of Plan.

All expenses of the Plan shall be paid by the Participating Companies.

12.3. Gender and Number.

Whenever any words are used herein in any specific gender, they shall be construed as though they were also used in any other applicable gender. The singular form, whenever used herein, shall mean or include the plural form, and vice versa, as the context may require.

12.4. Law Governing Construction.

The construction and administration of the Plan and all questions pertaining thereto, shall be governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and other applicable federal law and, to the extent not governed by federal law, by the laws of the Commonwealth of Pennsylvania.

12.5. Headings Not a Part Hereof.

Any headings preceding the text of the several Articles, Sections, subsections, or paragraphs hereof are inserted solely for convenience of reference and shall not constitute a part of the Plan, nor shall they affect its meaning, construction, or effect.

12.6. Severability of Provisions.

If any provision of this Plan is determined to be void by any court of competent jurisdiction, the Plan shall continue to operate and, for the purposes of the jurisdiction of that court only, shall be deemed not to include the provision determined to be void.

12.7. Expiration of Options.

Notwithstanding any provision of the Plan or an Initial or Subsequent Election, no Initial or Subsequent Election shall be effective with respect to an Option that has expired. In addition, no provision of the Plan or an Initial or Subsequent Election shall be construed to extend the expiration date of any Option.

ARTICLE 13 - EFFECTIVE DATE

13.1. Effective Date.

The effective date of this amendment and restatement of the Plan shall be February 26, 2003.

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, 26th day of February, 2003.

COMCAST CORPORATION

BY: -----

ATTEST: -----

COMCAST CORPORATION

2002 RESTRICTED STOCK PLAN

(As Amended And Restated, Effective February 26, 2003)

1. BACKGROUND AND PURPOSE

COMCAST CORPORATION, a Pennsylvania corporation (formerly known as AT&T Comcast Corporation), hereby amends and restates the Comcast Corporation 2002 Restricted Stock Plan (the "Plan"), effective February 26, 2003. The purpose of the Plan is to promote the ability of Comcast Corporation to retain certain key employees and enhance the growth and profitability of Comcast Corporation by providing the incentive of long-term awards for continued employment and the attainment of performance objectives.

2. DEFINITIONS

(a) "Active Grantee" means each Grantee who is actively employed by a Participating Company.

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

(d) "Award" means an award of Restricted Stock granted under the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the 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.

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

(h) "Comcast Plan" means any restricted stock, stock bonus, stock option or other compensation plan, program or arrangement established or maintained by the 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.

(i) "Committee" means the Compensation Committee of the Board.

(j) "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.

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

(l) "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.

(m) "Disabled Grantee" means:

(i) a Grantee whose employment by a Participating Company is terminated by reason of disability;

(ii) a Grantee who becomes disabled (as determined by the Committee) following termination of employment by a Participating Company; or

(iii) the duly-appointed legal guardian of an individual described in Paragraph 2(m)(i) or 2(m)(ii) acting on behalf

of such individual.

(n) "Election" means a written election on a form provided by the Committee, filed with the Committee in accordance with Paragraph 8, pursuant to which a Grantee:

(i) elects, within the time or times specified in Paragraph 8, to defer the distribution date of Restricted Stock; and

(ii) designates the distribution date of Restricted Stock.

(o) "Eligible Employee" means a management employee of a Participating Company, as determined by the Committee.

(p) "Grantee" means an Eligible Employee who is granted an Award.

(q) "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.

(r) "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(r)(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(r), a Share that is subject to a deferral election pursuant to Paragraph 8 or 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 for the Company's Class A Special Common Stock, par value \$0.01. For purposes of determining the number of Other Available

Shares, the term "Shares" shall also include the securities held by a Participant immediately before the consummation of the AT&T Broadband Transaction that became Shares as a result of the AT&T Broadband Transaction.

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

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

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

(v) "Plan Year" means the 365-day period (or the 366-day period) extending from January 3 to the next following January 2.

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

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

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

(z) "Share" or "Shares" means:

(i) except as provided in Paragraph 2(z)(ii), a share or shares of Class A Common Stock, par value \$0.01, of the Company.

(ii) with respect to Awards granted before the consummation of the AT&T Broadband Transaction as to which restrictions upon shares have not lapsed, and for purposes of Paragraphs 2(r) and 9(c), the term "Share" or "Shares" also means a share or shares of the Company's Class A Special Common Stock, par value, \$0.01.

(aa) "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.

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

(i) the liquidation of the Company; or

(ii) a Change of Control.

(cc) "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.

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

(ee) "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 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.

4. SHARES SUBJECT TO THE PLAN

(a) Not more than 10,750,000 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 is forfeited pursuant to the term of an Award, other Awards with respect to such Shares may be granted.

5. ADMINISTRATION OF THE PLAN

(a) Administration. The Plan shall be administered by the Committee.

(b) Grants. Subject to the express terms and conditions set forth in the Plan, the Committee shall have the power, from time to time, to:

- (i) select those Employees to whom Awards shall be granted under the Plan, to determine the number of Shares 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
- (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 to any employee or officer of the Company or a Subsidiary Company who, at the time of the grant, has a base salary of less than \$250,000. Such delegation of authority shall continue in effect until the earliest of:

- (i) such time as the Committee shall, in its discretion, revoke such delegation of authority;
- (ii) the delegate shall cease to be an employee of the Company for any reason; or
- (iii) the delegate shall notify the Committee that he declines to continue exercise such authority.

6. ELIGIBILITY

Awards may be granted only to Eligible Employees, as determined by the Committee. No Awards shall be granted to an individual who is not an employee of a Participating Company.

7. RESTRICTED STOCK AWARDS

The Committee may grant Awards in accordance with the Plan. The terms and conditions of Awards shall be set forth in writing as determined from time to time by the Committee, consistent, however, with the following:

- (a) Time of Grant. All Awards shall be granted within ten (10) years from the date of adoption of the Plan by the Board.

(b) Shares Awarded. 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. A certificate shall be issued to each Grantee in respect of Shares subject to an Award. Such certificate shall be registered in the name of the Grantee and shall bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Award. The Company may require that the certificate evidencing such Restricted Stock be held by the Company until all restrictions on such Restricted Stock have lapsed.

(d) Restrictions. Subject to the provisions of the Plan and the Award, during a period set by the Committee commencing with the Date of Grant, which, for Grantees who are subject to the short-swing profit recapture rules of section 16(b) of the 1934 Act by virtue of their position as either a director, officer or holder of more than 10 percent of any class of equity securities of the Company, shall extend for at least six (6) months from the Date of Grant, the Grantee shall not be permitted to sell, transfer, pledge or assign Restricted Stock awarded under the Plan.

(e) Lapse of Restrictions. Subject to the provisions of the Plan and the Award, restrictions upon Shares subject to an Award shall lapse 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 the restrictions upon such Shares shall lapse only if the Grantee on the date of such lapse is, and has been an employee of a Participating Company continuously from the Date of Grant. The Award may provide for the lapse of restrictions in installments, as determined by the Committee. The Committee may, in its sole discretion, waive, in whole or in part, any remaining restrictions with respect to such Grantee's Restricted Stock. All references in Awards granted before the consummation of the AT&T Broadband Transaction as to which restrictions upon shares have not lapsed shall be deemed to be references to Comcast Corporation Class A Special Common Stock, par value \$0.01.

(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.

(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 Shares remaining subject to restrictions shall be forfeited by the Grantee and deemed canceled by the Company.

(h) Delivery of Shares. Except as otherwise provided by Paragraph 8, when the restrictions imposed on Restricted Stock lapse with respect to one or more Shares, the Company shall notify the Grantee that such restrictions no longer apply, and shall deliver to the Grantee (or the person to whom ownership rights may have passed by will or the

laws of descent and distribution) a certificate for the number of Shares for which restrictions have lapsed 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 time the applicable restrictions lapse, as determined by the Committee.

8. DEFERRAL ELECTIONS

A Grantee may elect to defer the receipt of Restricted Stock as to which restrictions have lapsed as provided by the Committee in the Award, consistent, however, with the following:

(a) Deferral Election.

- (i) Election. Each Grantee shall have the right to defer the receipt of all or any portion of the Restricted Stock as to which the Award provides for the potential lapse of applicable restrictions by filing an Election to defer the receipt of such Restricted Stock on a form provided by the Committee for this purpose.
- (ii) Deadline for Deferral Election. No Election to defer the receipt of Restricted Stock as to which the Award provides for the potential lapse of applicable restrictions shall be effective unless it is filed with the Committee on or before the last day of the calendar year ending before the first day of the Plan Year in which the applicable restrictions may lapse; provided that an Election to defer the receipt of Restricted Stock as to which the Award provides for the potential lapse of applicable restrictions within the same Plan Year as the Plan Year in which the Award is granted shall be effective if it is filed with the Committee on or before the earlier of (A) the 30th day following the Date of Grant or (B) the last day of the month that precedes the month in which the applicable restrictions may lapse.

(b) Effect of Failure of Restrictions on Shares to Lapse. An Election shall be null and void if the restrictions on Restricted Stock do not lapse before the distribution date for such Restricted Stock identified in such Election by reason of the failure to satisfy any condition precedent to the lapse of the restrictions.

(c) Deferral Period. Except as otherwise provided in Paragraph 8(d), all Restricted Stock that is subject to an Election shall be delivered to the Grantee (or the person to whom ownership rights may have passed by will or the laws of descent and distribution) 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 Restricted Stock designated by the Grantee on the most recently filed Election. Subject to acceleration or deferral pursuant to Paragraph 8(d) or Paragraph 11, no distribution

may be made earlier than January 2nd of the second calendar year beginning after the date on which the applicable restrictions may lapse, nor later than January 2nd of the tenth calendar year beginning after the date on which the applicable restrictions may lapse. The distribution date may vary with each separate Election.

(d) Additional Deferral Election.

- (i) Each Active Grantee who has previously made an 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 an Election to defer the distribution date for Restricted Stock for an additional period from the originally-elected distribution date, may elect to defer the distribution date for a minimum of two and a maximum of ten additional years from the previously-elected distribution date, by filing an Election with the Committee on or before the close of business on June 30 of the calendar year preceding the calendar year in which the distribution would otherwise be made.
- (ii) A Deceased Grantee's estate or beneficiary to whom the right to payment under the Plan shall have passed may elect to (A) defer the distribution date for the Deceased Grantee's Restricted Stock for a minimum of two additional years from the date payment would otherwise be made (provided that if an Election is made pursuant to this Paragraph 8(d)(ii)(A), the Deceased Grantee's deferred Restricted Stock shall be distributed in full on or before the fifth anniversary of the Deceased Grantee's death); or (B) accelerate the distribution date for the Deceased Grantee's Restricted Stock from the date payment would otherwise be made to January 2nd of the calendar year beginning after the Deceased Grantee's death. An Election pursuant to this Paragraph 8(d)(ii) must be filed with the Committee on or before the close of business on (x) the June 30 following the Grantee's death on or before May 1 of a calendar year, (y) the 60th day following the Grantee's death after May 1 and before November 2 of a calendar year or (z) the December 31 following the Grantee's death after November 1 of a calendar year. One and only one Election shall be permitted pursuant to this Paragraph 8(d)(ii) with respect to a Deceased Grantee.
- (iii) A Disabled Grantee may elect to accelerate the distribution date of the Disabled Grantee's Restricted Stock from the date payment would otherwise be made to January 2nd of the calendar year beginning after the Grantee became disabled. An Election pursuant to this Paragraph 8(d)(iii) must be filed with the Committee on or before the close of business on the (x) the June 30 following the date the Grantee becomes a Disabled Grantee if the Grantee becomes a Disabled Grantee on or before May 1 of a

calendar year, (y) the 60th day following the date the Grantee becomes a Disabled Grantee if the Grantee becomes a Disabled Grantee after May 1 and before November 2 of a calendar year or (z) the December 31 following the date the Grantee becomes a Disabled Grantee if the Grantee becomes a Disabled Grantee after November 2 of a calendar year.

(iv) A Retired Grantee may elect to defer the distribution date of the Retired Grantee's Restricted Stock for a minimum of two additional years from the date payment would otherwise be made (provided that if an Election is made pursuant to this Paragraph 8(d)(iv), the Retired Grantee's Account shall be distributed in full on or before the fifth anniversary of the Retired Grantee's Normal Retirement). An Election pursuant to this Paragraph 8(d)(iv) must be filed with the Committee on or before the close of business on the later of (x) the June 30 following the Grantee's Normal Retirement on or before May 1 of a calendar year, (y) the 60th day following the Grantee's Normal Retirement after May 1 and before November 2 of a calendar year or (z) the December 31 following the Grantee's Normal Retirement after November 1 of a calendar year.

(e) Status of Deferred Shares. A Grantee's right to delivery of Shares subject to an Election under this Paragraph 8 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.

(f) Non-Assignability, Etc. The right of a Grantee to receive Shares subject to an Election under this Paragraph 8 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 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 the lapse of restrictions on 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 lapse of restrictions under 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 lapse of restrictions 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 lapse of restrictions 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 lapse of restrictions. 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. The fair market value of such Shares shall be determined based on the last reported sale price of a Share on the principal exchange on which Shares are listed or, if not so listed, on the NASDAQ Stock Market on the last trading day prior to the date of such grant or lapse of restriction. 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 restrictions on Restricted Stock (other than Restricted Stock that has 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, all Restricted Stock subject to an Election made pursuant to Paragraph 8 shall be transferred to the Grantee.

12. 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.

13. EFFECTIVE DATE

The effective date of this amendment and restatement of the Plan is February 26, 2003. The adoption of this amendment and restatement of the Plan and the grant of Awards pursuant to this amendment and restatement of the Plan is subject to the approval of the

shareholders of the Company to the extent that the Committee determines that such approval (a) is required pursuant to the By-laws of the National Association of Securities Dealers, Inc., and the schedules thereto, in connection with issuers whose securities are included in the Nasdaq National Market System, or (b) is required to satisfy the conditions on Rule 16b-3. If the Committee determines that shareholder approval is required to satisfy the foregoing conditions, the Board shall submit the Plan to the shareholders of the Company for their approval at the first annual meeting of shareholders held after the adoption of the amended and restated Plan by the Board.

14. GOVERNING LAW

The Plan and all determinations made and actions taken pursuant to the Plan shall be governed in accordance with Pennsylvania law.

Executed as of the 26th day of February, 2003.

COMCAST CORPORATION

BY: _____

ATTEST: _____

COMCAST CORPORATION

2002 CASH BONUS PLAN

1. BACKGROUND AND PURPOSE

Comcast Corporation, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 1996 Cash Bonus Plan and renames it as the Comcast Corporation 2002 Cash Bonus Plan (the "Plan"), effective November 18, 2002 upon the consummation of the combination of Comcast Corporation and AT&T Broadband Corp. (the "AT&T Broadband Transaction"). The purpose of the Plan is to promote the ability of Comcast Corporation (the "Company"), as the successor to Comcast Holdings Corporation, and the Company's Affiliates (as defined below) to retain and recruit employees and enhance the growth and profitability of the Company by providing the incentive of short-term and long-term cash bonus awards for continued employment and the attainment of performance objectives.

2. DEFINITIONS

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

(b) "Award" or "Cash Bonus Award" means a cash bonus award granted under the Plan. Each Award under the Plan outstanding upon the consummation of the AT&T Broadband Transaction shall continue in effect on the same terms and conditions as in effect immediately preceding such consummation, except as otherwise provided pursuant to the terms of the Award.

(c) "Award Period" means the period extending from January 1 of the first Plan Year for to which an Award applies through December 31 of the last Plan Year to which such Award applies. The Award Period beginning January 1, 2002 shall not be treated as terminated by the AT&T Broadband Transaction.

(d) "Board" means the Board of Directors of the Company.

(e) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Company such that such Person has the ability to direct the management of the Company, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon

the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(f) "Committee" means the Compensation Committee of the Board or such other committee of the Board assigned by the Board to administer the Plan.

(g) "Company" means Comcast Corporation (formerly known as AT&T 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.

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

(i) "Eligible Employee" means an employee of the Company or an Affiliate, as determined by the Committee.

(j) "Grantee" means an Eligible Employee who is granted an Award.

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

(l) "Plan" means the Comcast Corporation 2002 Cash Bonus Plan, as set forth herein, and as amended from time to time.

(m) "Plan Year" means the calendar year.

(o) "Target" means, for any Plan Year or Award Period, the performance objective or objectives established by the Committee.

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

(i) the liquidation of the Sponsor; or

(ii) a Change of Control.

(q) "Third Party" means any Person, together with such Person's Affiliates, provided that the term "Third Party" shall not include the Company

or an Affiliate of the Company.

3. RIGHTS TO BE GRANTED

Rights that may be granted under the Plan are rights to cash payments, payable in accordance with the terms of the Plan and the Award document.

4. ADMINISTRATION OF THE PLAN

(a) Administration. The Plan shall be administered by the Committee.

(b) Grants. Subject to the express terms and conditions set forth in the Plan, the Committee shall have the power, from time to time, to:

(i) select those Eligible Employees to whom Awards shall be granted under the Plan, to determine the amount of cash to be paid pursuant to each Award, and, pursuant to the provisions of the Plan, to determine the terms and conditions of each Award; and

(ii) interpret the Plan's provisions, prescribe, amend and rescind rules and regulations for the Plan, and make all other determinations necessary or advisable for the administration of the Plan.

The determination of the Committee in all matters as stated above shall be conclusive.

(c) 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 4(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.

5. ELIGIBILITY

Awards may be granted only to Eligible Employees of the Company and its Affiliates, as determined by the Committee. No Awards shall be granted to an individual who is not an Eligible Employee of the Company or an Affiliate of the Company.

6. CASH BONUS AWARDS

The Committee may grant Awards in accordance with the Plan. The terms and conditions of Awards shall be set forth in writing as determined from time to time by the Committee, consistent, however, with the following:

(a) Time of Grant. Awards may be granted at any time from the date of adoption of the Plan by the Board until the Plan is terminated by the Board or the Committee.

(b) Non-uniformity of Awards. The provisions of Awards need not be the same with respect to each Grantee.

(c) Awards and Agreements. The terms of each Award shall be reflected in an Award document in form and substance satisfactory to the Committee.

(d) Conditions to Payment of Awards. The Committee shall establish such conditions on the payment of a bonus pursuant to an Award as it may, in its sole discretion, deem appropriate. The conditions shall be set forth in the Award document. The Award may provide for the payment of Awards in installments, or upon the satisfaction of divisional or Company-wide Targets, as determined by the Committee. The Committee may, in its sole discretion, waive, in whole or in part, any remaining conditions to payment of a Grantee's Award. The Grantee shall not be permitted to sell, transfer, pledge or assign any amount payable pursuant to the Plan or an Award (provided that the right to payment under an Award may pass by will or the laws of descent and distribution).

(e) Termination of Grantee's Employment.

(1) A transfer of an Eligible Employee between two employers, each of which is the Company or an Affiliate of the Company (a "Transfer"), shall not be deemed a termination of employment. The Committee may grant Awards pursuant to which the Committee reserves the right to modify the calculation of an Award in connection with a Transfer. In general, except as otherwise provided by the Committee at the time an Award is granted or in connection with a Transfer, upon the Transfer of a Grantee between divisions while an Award is outstanding and unexpired, the outstanding Award shall be treated as having terminated and expired, and a new Award shall be treated as having been made, effective as of the effective date of the Transfer, for the portion of the Award which had not expired or been paid, but subject to the performance and payment conditions applicable generally to Awards for Grantees who are employees of the transferee division, all as shall be determined by the Committee in an equitable manner.

(2) In the event that a Grantee terminates employment with the Company and its Affiliates, all Awards remaining subject to conditions to payment shall be forfeited by the Grantee and deemed canceled by the Company.

(f) Time of Grant. Subject to Paragraph 7, following the satisfaction of the conditions to payment of an Award, the Company shall pay the Grantee (or the person to whom the right to payment may have passed by will or the laws of descent and distribution) the amount payable in connection with the lapse of such restrictions.

7. TAXES

The Company shall withhold the amount of any federal, state, local or other tax, charge or assessment attributable to the grant of any Award or lapse of restrictions under any Award as it may deem necessary or appropriate, in its sole discretion.

8. TERMINATING EVENTS

The Committee shall give Grantees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Committee may, in its discretion, provide in such notice that upon the consummation of such Terminating Event, any remaining conditions to payment of a Grantee's Award shall be waived, in whole or in part.

9. AMENDMENT AND TERMINATION

The Plan may be terminated by the Board or the Committee at any time. The Plan may be amended by the Board or the Committee at any time. No Award shall be affected by any such termination or amendment without the written consent of the Grantee.

10. EFFECTIVE DATE

The effective date of this amendment and restatement of the Plan is November 18, 2002 or such other date on which the AT&T Broadband Transaction may be consummated, and the amendment and restatement of the Plan is conditioned on the consummation of the AT&T Broadband Transaction. To the extent provided by the Committee, the rules of the Plan, as amended and restated, shall apply to the determination of payments to be made pursuant to the Plan on and after the effective date of this amendment and restatement of the Plan.

11. GOVERNING LAW

The Plan and all determinations made and actions taken pursuant to the Plan shall be governed in accordance with Pennsylvania law.

Executed as of the 29th day of October, 2002.

COMCAST CORPORATION

BY: _____

ATTEST: _____

COMCAST CORPORATION

2002 EXECUTIVE CASH BONUS PLAN

1. BACKGROUND AND PURPOSE

Comcast Corporation, a Pennsylvania corporation (the "Company"), hereby amends and restates the Comcast Corporation 2002 Executive Cash Bonus Plan (the "Plan"), effective February 26, 2003. The purpose of the Plan is to provide a performance-based cash bonus compensation for certain employees of the Company, in accordance with a formula that is based on the financial success of the Company as part of an integrated compensation program which is intended to assist the Company in motivating and retaining employees of superior ability, industry and loyalty.

2. DEFINITIONS

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

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

"Cash Flow." For calendar years beginning after 2002, "Cash Flow" shall mean the operating income before depreciation and amortization for the Company and those of its affiliates which are included with the Company in its consolidated financial statements, as determined by the Committee.

"Committee" shall mean the means the Compensation Committee of the Board or such other committee of the Board assigned by the Board to administer the Plan.

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

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

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

"Plan" shall mean the Comcast Corporation 2002 Executive Cash Bonus Plan.

"Plan Year" shall mean the calendar year.

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

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

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

3. PARTICIPATION

Effective for Plan Years beginning after 2003, the Participants in the Plan shall be C. Michael Armstrong, Brian L. Roberts, Lawrence S. Smith, John R. Alchin, Stephen B. Burke, Michael A. Tallent, Bradley P. Dusto, David N. Watson, Arthur R. Block, Mark A. Coblitz, Robert A. Pick, Terry S. Bienstock and Lawrence J. Salva. In addition, Participants in the Plan shall include such

other key executives as may be designated by the Committee to participate in the Plan from time to time.

4. TERM OF PLAN

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

5. BONUS ENTITLEMENT

Each Participant shall be entitled to receive a bonus in accordance with the provisions of Section 6 of the Plan only after certification by the Committee that the performance goals set forth in Section 6 have been satisfied. The bonus payment under the Plan shall be paid

to each Participant as soon as practicable following the close of the Plan Year with respect to which the bonus is to be paid. Notwithstanding anything contained herein to the contrary, no bonus shall be payable under the Plan without the prior disclosure of the terms of the Plan to the shareholders of the Company and the approval of the Plan by such shareholders.

6. AMOUNT OF PERFORMANCE-BASED COMPENSATION BONUS

For Plan Years beginning on and after January 1, 2003:

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

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

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

(d) Notwithstanding the determination of the amount of a Participant's bonus payable with respect to any Plan Year under Section 6(a), the Committee shall have the

discretion to reduce or eliminate the bonus otherwise payable to a Participant if it determines that such a reduction or elimination of the bonus is in the best interests of the Company.

7. COMMITTEE

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

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

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

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

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

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

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

(d) Participant Information. The Company shall furnish to the Committee in writing all information the Company deems appropriate for the Committee to exercise its powers and duties in administration of the Plan. Such information shall be conclusive for all purposes of the Plan and the Committee shall be entitled to rely thereon

without any investigation thereof; provided, however, that the Committee may correct any errors discovered in any such information.

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

8. TERMINATION AND AMENDMENT

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

9. MISCELLANEOUS PROVISIONS

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

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

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

(d) Continued Employment. Neither the establishment of the Plan, any provisions of the Plan, nor any action of the Committee shall be held or construed to confer

upon any Participant the right to a continuation of employment by the Company. The Company reserves the right to dismiss any employee (including a Participant), or otherwise deal with any employee (including a Participant) to the same extent as though the Plan had not been adopted.

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

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

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

Executed as of the 26th day of February, 2003.

COMCAST CORPORATION

BY: _____

ATTEST: _____

COMCAST CORPORATION

2002 SUPPLEMENTAL CASH BONUS PLAN

1. BACKGROUND AND PURPOSE

Comcast Corporation, a Pennsylvania corporation, hereby adopts the Comcast Corporation 2002 Supplemental Cash Bonus Plan (the "Plan"), effective as of November 18, 2002. The purpose of the Plan is to provide the senior management of Comcast Corporation (the "Company") and the Company's Affiliates (as defined below) with an incentive to accomplish such business objectives as from time to time may be determined by the Committee, including, but not limited to the integration of the business of the former AT&T Broadband Corp.

2. DEFINITIONS

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

(b) "Award" means a cash bonus award granted under the Plan. An Award shall be expressed as the percentage of a Grantee's base salary payable for a Plan Year that shall become payable if all of the Targets established by the Committee are satisfied. The portion of an Award that shall be payable to a Grantee shall be determined by the Committee in accordance with the rules established for the Award for each Plan Year. In addition, in the discretion of the Committee, based on the satisfaction of performance standards as it may determine, whether or not previously designated as a Target, such additional amounts as may be determined by the Committee may be included in an Award for a Plan Year, consistent with the rules of the Plan.

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

(d) "Change of Control" means any transaction or series of transactions as a result of which any Person who was a Third Party immediately before such transaction or series of transactions owns then-outstanding securities of the Company such that such Person has the ability to direct the management of the Company, as determined by the Board in its discretion. The Board may also determine that a Change of Control shall occur upon the completion of one or more proposed transactions. The Board's determination shall be final and binding.

(e) "Committee" means the Compensation Committee of the Board or such other committee of the Board assigned by the Board to administer the Plan.

(f) "Company" means Comcast Corporation (formerly known as AT&T Comcast Corporation), a Pennsylvania corporation, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

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

(h) "Eligible Employee" means an employee of the Company or an Affiliate, as determined by the Committee.

(i) "Grantee" means an Eligible Employee who is granted an Award.

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

(k) "Plan" means the Comcast Corporation 2002 Supplemental Cash Bonus Plan, as set forth herein, and as amended from time to time.

(l) "Plan Year" means the calendar year.

(m) "Qualitative Performance Standards" means performance standards other than Quantitative Performance Standards, including but not limited to customer satisfaction, management effectiveness, workforce diversity and other Qualitative Performance Standards relevant to the Company's business, as may be established by the Committee, and the achievement of which shall be determined in the discretion of the Committee.

(n) "Quantitative Performance Standards" means performance standards such as income, expense, operating cash flow, numbers of customers or subscribers for various services and products offered by the Company or a division, customer service measurements and other objective financial or service-based standards relevant to the Company's business as may be established by the Committee.

(o) "Target" means, for any Plan Year, the Qualitative Performance Standards and the Quantitative Performance Standards established by the Committee, in its discretion. Qualitative Performance Standards, Quantitative

Performance Standards and the weighting of such Standards may differ from Plan Year to Plan Year, and within a Plan Year, may differ among Grantees or classes of Grantees.

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

(i) the liquidation of the Company; or

(ii) a Change of Control.

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

3. ADMINISTRATION OF THE PLAN

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

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

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

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

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

(b) Grants. Subject to the express terms and conditions set forth in the Plan, the Committee shall have the power, from time to time, to select those Eligible Employees to whom Awards shall be granted under the Plan, to determine the amount of cash to be paid pursuant to each Award, and, pursuant to the provisions of the Plan, to determine the terms and conditions of each Award. The Committee may delegate to an officer of the Company or committee of two or more officers of the Company discretion under the Plan to grant an Award to any employee of the Company or its subsidiaries who, at the time of the grant, has a base salary of less than \$250,000. Such delegation of authority shall continue in effect until the earliest of (i) such time as the Committee shall, in its discretion, revoke such delegation of authority, (ii) its delegate shall cease to be an employee of the Company for any reason or (iii) its delegate shall notify the Committee that he declines to continue exercise such authority.

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

4. ELIGIBILITY

Awards may be granted only to Eligible Employees of the Company and its Affiliates, as determined by the Committee. No Awards shall be granted to an individual who is not an Eligible Employee of the Company or an Affiliate of the Company.

5. AWARDS

The Committee may grant Awards in accordance with the Plan. The terms and conditions of Awards shall be as determined from time to time by the Committee, consistent, however, with the following:

(a) Time of Grant. Awards may be granted at any time from the date of adoption of the Plan by the Board until the Plan is terminated by the Board or the Committee.

(b) Non-uniformity of Awards. The provisions of Awards need not be the same with respect to each Grantee.

(c) Establishment of Targets and Conditions to Payment of Awards.

(i) Awards shall be expressed as a percentage of a Grantee's Base Salary.

(ii) The Committee shall establish such conditions on the payment of a bonus pursuant to an Award as it may, in its sole discretion, deem appropriate.

(iii) The Award may provide for the payment of Awards in installments, or upon the satisfaction of Qualitative Performance Standards or Quantitative Performance Standards, on an individual, divisional or Company-wide basis, as determined by the Committee.

(iv) The Committee shall establish the Targets for each Plan Year beginning after 2002 no later than 90 days after the first day of the Plan Year. Each Grantee shall be entitled to receive payment of the Award for Plan Years beginning after 2002 only after certification by the Committee that the Targets established by the Committee for such Plan Year have been satisfied. The Company shall pay the Awards under the Plan to each Grantee as soon as practicable with respect to each Plan Year.

(e) Termination of Grantee's Employment.

(1) A transfer of an Eligible Employee between two employers, each of which is the Company or an Affiliate of the Company (a "Transfer"), shall not be deemed a termination of employment. The Committee may grant Awards pursuant to which the Committee reserves the right to modify the calculation of an Award in connection with a Transfer. In general, except as otherwise provided by the Committee at the time an Award is granted or in connection with a Transfer, upon the Transfer of a Grantee between divisions while an Award is outstanding and unexpired, the outstanding Award shall be treated as having terminated and expired, and a new Award shall be treated as having been made, effective as of the effective date of the Transfer, for the portion of the Award which had not expired or been paid, but subject to the performance and payment conditions applicable generally to Awards for

Grantees who are employees of the transferee division, all as shall be determined by the Committee in an equitable manner.

(2) In the event that a Grantee terminates employment with the Company and its Affiliates, all Awards remaining subject to conditions to payment shall be forfeited by the Grantee and deemed canceled by the Company.

(f) Maximum Grant. In no event shall the amount paid to any Grantee pursuant to an Award for any Plan Year beginning after 2002 exceed \$5 million.

(g) 2002 Awards. Payments authorized by the actions of the Board of Directors of Comcast Holdings Corporation (formerly known as Comcast Corporation and, hereinafter, "Old Comcast") taken on July 9, 2002 and November 15, 2002 with respect to the authorization for payment of supplemental cash bonuses contingent on the completion of the acquisition of AT&T Broadband Corp. by the Company shall be made pursuant to the Plan.

(h) Shareholder Approval. The effectiveness of the grants of Awards under the Plan relating to payments on the satisfaction of the Quantitative Performance Standards established by the Committee from time to time with respect to Plan Years beginning after 2002 shall be conditioned on the approval of the Plan by the Company's shareholders.

6. TERMINATING EVENTS

The Committee shall give Grantees at least thirty (30) days' notice (or, if not practicable, such shorter notice as may be reasonably practicable) prior to the anticipated date of the consummation of a Terminating Event. The Committee may, in its discretion, provide in such notice that upon the consummation of such Terminating Event, any remaining conditions to payment of a Grantee's Award shall be waived, in whole or in part.

7. AMENDMENT AND TERMINATION

No Awards shall be granted for any period commencing after December 31, 2012. The Plan may be terminated by the Board or the Committee at any time. The Plan may be amended by the Board or the Committee at any time. No Award shall be affected by any such termination or amendment without the written consent of the Grantee.

8. MISCELLANEOUS PROVISIONS

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

(b) Non-Assignment of Awards. The Grantee shall not be permitted to sell, transfer, pledge or assign any amount payable pursuant to the Plan or an Award, provided

that the right to payment under an Award may pass by will or the laws of descent and distribution.

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

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

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

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

(g) Withholding. The Company shall withhold the amount of any federal, state, local or other tax, charge or assessment attributable to the grant of any Award or lapse of restrictions under any Award as it may deem necessary or appropriate, in its sole discretion.

9. GOVERNING LAW

The Plan and all determinations made and actions taken pursuant to the Plan shall be governed in accordance with Pennsylvania law.

10. EFFECTIVE DATE

The effective date of the Plan is November 18, 2002.

COMCAST CORPORATION

BY: _____

ATTEST: _____

COMCAST CORPORATION

2002 NON-EMPLOYEE DIRECTOR COMPENSATION PLAN

(As Amended And Restated, Effective February 26, 2003)

1. BACKGROUND AND PURPOSE

COMCAST CORPORATION, a Pennsylvania corporation, hereby amends and restates the Comcast Corporation 2002 Non-Employee Director Compensation Plan, effective February 26, 2003. The purpose of the Plan is to provide Non-Employee Directors of COMCAST CORPORATION (the "Company") with compensation for services to the Company.

2. DEFINITIONS

(a) "Annual Retainer" means the amount payable for service as a Non-Employee Director for a calendar year, as a member of the Board, and as a member of one or more Committees as determined under Paragraph 3(a) of the Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Board Meeting" means a meeting of the Board, whether in person or by telephone.

(d) "Committee" means a duly-constituted committee of the Board.

(e) "Committee Meeting" means a meeting of a Committee, whether in person or by telephone, other than a meeting of a Committee that is convened and held during a Board Meeting.

(f) "Company" means Comcast Corporation, a Pennsylvania corporation, including any successor thereto by merger, consolidation, acquisition of all or substantially all the assets thereof, or otherwise.

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

(h) "Plan" means the Comcast Corporation 2003 Non-Employee Director Compensation Plan, as set forth herein, and as amended from time to time.

(i) "Plan Year" means (i) the period from November 18, 2002 through December 31, 2002 and (ii) each calendar year beginning after 2002.

(j) "Share" means a share of Comcast Corporation Class A Common Stock, par value \$0.01.

3. NON-EMPLOYEE DIRECTOR COMPENSATION

(a) Non-Employee Director Compensation Package. Effective as of November 18, 2002, Non-Employee Directors shall be entitled to payments, grants and awards determined as follows:

(i) Annual Retainer. The Annual Retainer for service to the Company as a Non-Employee Director shall be \$50,000.

(ii) Board Meeting Fee. The fee payable for attendance in person or via telephone at a Board Meeting shall be \$2,000.

(iii) Annual Retainer: Chair - Audit Committee. The Annual Retainer for service as Chair of the Audit Committee shall be \$20,000

(iv) Annual Retainer: Member - Audit Committee. The Annual Retainer for service as a member of the Audit Committee shall be \$10,000.

(v) Annual Retainer: Chair - Compensation Committee. The Annual Retainer for service as Chair of the Compensation Committee shall be \$10,000.

(vi) Annual Retainer: Member - Compensation Committee. The Annual Retainer for service as a member of the Compensation Committee shall be \$5,000.

(vii) Annual Retainer: Chair - Any Committee of the Board other than the Audit Committee or the Compensation Committee. The Annual Retainer for service as the Chair of any committee of the Board other than the Audit Committee or the Compensation Committee shall be \$5,000.

(viii) Annual Retainer: Member - Any Committee of the Board other than the Audit Committee or the Compensation Committee. The Annual Retainer for service as a member of any committee of the Board other than the Audit Committee or the Compensation Committee shall be \$2,500.

(ix) Committee Meeting Fee - Audit Committee and Compensation Committee. The fee payable for attendance in person or via telephone at a Committee Meeting of the Audit Committee or the Compensation

Committee shall be \$2,500.

(X) Committee Meeting Fee - Any Committee of the Board other than the Audit Committee or the Compensation Committee. The fee payable for

attendance in person or via telephone at a Committee Meeting of any Committee other than the Audit Committee or the Compensation Committee shall be \$1,000.

(x) Stock Options.

(A) As of November 20, 2002 and as of November 2002 of each Plan Year beginning after 2002, the Board shall grant non-qualified options to purchase 7,500 Shares to each Non-Employee Director who is in service as of each such date; provided that with respect to each individual who first becomes a Non-Employee Director after November 20, 2002, the Board shall grant a number of non-qualified options to purchase Shares determined as follows:

Date of Commencement of Service as a Non-Employee Director	Number of Shares Subject to Grant of Non-Qualified Options
After November 20 of a Plan Year and before the next following February 20	7,500
After February 20 of a Plan Year and before the next following May 20	5,625
After May 20 of a Plan Year and before the next following August 20	3,750
After August 20 of a Plan Year and before the next following November 20	1,875

Each non-qualified option shall (1) generally be exercisable for 10 years from the date of grant, provided that options, to the extent then exercisable, shall be exercisable for 90 days following a termination of service for any reason other than death, disability or attainment of a mandatory retirement age; (2) vest and be exercisable in full after six months from the date of grant, provided that the Director continues in service for six months from the date of grant; (3) have an option price equal to the fair market value of the option share on the date of grant; and (4) bear such other terms and conditions of such shall be determined by the Board in its discretion.

(B) In the event that Shares are changed into or exchanged for a different number or kind of shares of stock or other securities of the Company, whether through merger, consolidation, reorganization, recapitalization, stock dividend, stock split-up or other substitution of securities of the Company, the number and class of shares of stock subject to the grant of Non-Qualified Options under the Plan shall be adjusted consistent with the adjustment made pursuant to the Comcast Corporation 2002 Stock Option Plan (or such other more recently-adopted generally applicable Plan pursuant to which the Company grants stock options), and such adjustment shall be effective and binding for all purposes of this Plan.

(b) Payment Practices. Payments, grants and awards described in Paragraph 3(a) of the Plan shall be subject to the following payment practices:

(i) Annual Retainer payments described in Paragraphs 3(a)(i), 3(a)(iii), 3(a)(iv), 3(a)(v), 3(a)(vi), 3(a)(vii) and 3(a)(viii) are payable as soon as reasonably practicable following the close of each calendar quarter, in arrears. Payments shall be pro-rated for partial years of service as a Non-Employee Director or on a Committee of the Board, so that a Non-Employee Director shall be entitled to one-quarter of each Annual Retainer payment referenced in this Paragraph 3(b)(i) for each calendar quarter within which such Non-Employee Director has one or more days of service as a Non-Employee Director. The Annual Retainer amounts adopted as part of the amendment and restatement of the Plan effective February 26, 2003 shall apply for the first calendar quarter of 2003 for any Non-Employee Director in service as a Non-Employee Director (including with respect to Committee assignments) for the period from February 26, 2003 through March 31, 2003.

(ii) A Non-Employee Director may elect to receive up to 50% of the Annual Retainer amount described in Paragraph 3(a)(i) and payable after 2002 in the form of Shares. The number of Shares payable to a Non-Employee Director shall be determined based on the closing price of Shares on the last business day of each calendar quarter.

4. ADMINISTRATION OF THE PLAN

The Plan shall be administered by the Board. Subject to the express terms and conditions set forth in the Plan, the Board shall have the power, from time to time, to interpret the Plan's provisions, prescribe, amend and rescind rules and regulations for the Plan, and make all other determinations necessary or advisable for the administration of the Plan. The determination of the Board in all matters as stated above shall be conclusive.

5. TAXES

The Company shall withhold the amount of any federal, state, local or other tax, charge or assessment attributable to the grant of any Award or lapse of restrictions under any Award as it may deem necessary or appropriate, in its sole discretion.

6. AMENDMENT AND TERMINATION

The Plan may be amended or terminated by the Board at any time. No accrued right to payment as determined under Paragraph 3 shall be affected by any such termination or amendment without the written consent of the affected Non-Employee Director.

7. EFFECTIVE DATE

The effective date of this amended and restatement of the Plan is February 26, 2003, and applies with respect to Committee Meetings held on or after January 1, 2003. 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
2003

Director Annual Retainer	\$50,000, subject to election to receive up to half in the form of Comcast Corporation Class A Common Stock
Board Meeting Fee	\$2,000
Audit Committee Annual Retainer - Chair	\$20,000
Compensation Committee Annual Retainer - Chair	\$10,000
Other Committee Annual Retainer - Chair	\$5,000
Audit Committee Annual Retainer - Member	\$10,000
Compensation Committee Annual Retainer - Member	\$5,000
Other Committee Annual Retainer - Member	\$2,500
Committee Meeting Fee - Audit Committee	\$2,500
Committee Meeting Fee - Compensation Committee	\$2,500
Committee Meeting Fee - Other Committee	\$1,000
Annual Stock Option Grant	7,500 shares

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

This Amendment is made this ____ day of _____, 2002, by and between Comcast Corporation, a Pennsylvania corporation (the "Company") and Ralph J. Roberts ("Roberts").

RECITALS

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

WHEREAS, Roberts and the Company amended the Agreement by Amendment dated as of August 19, 1999, and further amended the Agreement by Amendment dated as of June 5, 2001 (the Agreement as thus amended by both Amendments being referred to herein as the "Amended Agreement"); and

WHEREAS, the Company desires to further modify the provisions of the Amended Agreement concerning the payment of bonuses in connection with certain split-dollar life insurance arrangements between Roberts and the Company; and

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

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

1. Section 7.1 of the Amended Agreement is modified by replacing clause (a) of the first sentence thereof with the following new clause (a): "(a) pay the bonuses described in Section 7.2 hereof; and".

2. Section 7.2.1 of the Amended Agreement is replaced with the following new Section 7.2.1:

7.2.1 at least thirty (30) days before the beginning of each policy year for an Insurance Policy during the joint lifetimes of Roberts and his spouse and during the lifetime of the survivor of them, the Company shall pay to Roberts if he is living, otherwise to his spouse if she is living, as a bonus (a "Premium Bonus"), an amount equal to the economic benefit of the insurance protection provided under the Policy and the applicable Split-Dollar Arrangement for that policy year on the life or lives of such as are then living of Roberts and his spouse, regardless of whether or not the issuer of the Policy requires that a premium be paid to such issuer for such policy year. The economic benefit referred to in the preceding sentence shall be the lesser of (i) the value of current life insurance protection as determined using the P.S. 58 rates set forth by the Internal Revenue Service in Revenue Ruling 55-747, 1955-2 C.B. 228, modified as appropriate to reflect that such insurance protection is on the joint lives of Roberts and his spouse and that the death benefit under the Policy is payable only upon the death of the second-to-die of them, and (ii) if such insurance protection is available from the issuer of the Policy as term insurance, the premium for such insurance protection as

determined by reference to such issuer's current published premium rate for initial issue one-year term life insurance protection available to all standard risks; and"

3. Section 7.2.2 of the Amended Agreement is modified by inserting the words, "to Roberts if he is then living, to his spouse if he is not then living but she is then living, or to the personal representatives of the second-to-die of them if neither of them is then living," after the words "the Company shall pay" and before the words "an additional" in the second line thereof.

4. The parties hereby confirm that the terms "Split-Dollar Arrangement" and "Split-Dollar Arrangements" as used in the Amended Agreement shall include all those Split-Dollar Insurance Agreements which pertain to policies of insurance which are owned by the following trusts: (a) the Trust of Ralph J. Roberts dated November 30, 1976, (b) the Trust of Ralph J. Roberts and Suzanne F. Roberts dated June 10, 1992, (c) the 1994-2 Trust of Ralph J. Roberts and Suzanne F. Roberts dated July 22, 1994, (d) the Trust of Ralph J. Roberts dated December 19, 1995, and (e) the Trust of Ralph J. Roberts and Suzanne F. Roberts dated January 13, 1998.

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

IN WITNESS WHEREOF, the parties hereto have executed this Amendment the day and year first above written.

Comcast Corporation

By: _____
Title:

Ralph J. Roberts

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

This Amendment is made as of this 18th day of November, 2002, by and between Comcast Corporation, a Pennsylvania corporation (the "Company"), and Ralph J. Roberts ("Roberts").

RECITALS

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

WHEREAS, Roberts and the Company amended the Agreement by Amendment dated as of August 19, 1999, Amendment dated as of June 5, 2001, and Amendment dated January 24, 2002 (the Agreement as thus amended being referred to herein as the "Amended Agreement"); and

WHEREAS, the Company desires to further modify the provisions of the Amended Agreement concerning the term of the Amended Agreement, the establishment of a trust as provided therein and other matters; and

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

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

1. Section 1.1 of the Amended Agreement is modified by replacing the phrase "December 31, 2002" therein with the phrase "December 31, 2007".

2. Effective as of November 18, 2002, Roberts' Base Compensation is increased to \$1,600,000 per annum. Notwithstanding the provisions of the second sentence of Section 3.1 of the Amended Agreement (which is hereby deleted): (a) the Base Compensation shall not be subject to increase on January 1, 2003; and (b) the Base Compensation shall be subject to increase effective January 1, 2004 (and for each calendar year following 2004) in the discretion of the Subcommittee.

3. The parties acknowledge that the occurrence of the merger (the "Merger") between the Company and a subsidiary of AT&T Comcast Corporation ("AT&T Comcast") (which, effective immediately following the consummation of the Merger, is changing its name to "Comcast Corporation"), as contemplated by the Agreement and Plan of Merger, dated as of December 19, 2001 (as amended from time to time, the "Merger Agreement"), among the Company, AT&T Comcast, AT&T Corp., and certain other related parties, will result in a Change of Control as defined in the Amended Agreement. Pursuant to Section 3.10 of the Amended Agreement, the Company is required, prior to the occurrence of a Change of Control, to establish the Trust (as defined in the Amended Agreement), and is further required, upon and after the occurrence of a Change of Control, to contribute certain assets to the Trust. Roberts hereby waives the requirements that the Company so form and contribute assets to the Trust as a result of the Merger; provided that (a) Roberts may at any time, by notice to the Company, require the Company to form and contribute assets to the Trust and (b) if Roberts gives such notice, the Company, as promptly as practicable (and in any event within 30 days) thereafter, shall (i) form the Trust in accordance with Section 3.10 of the Amended Agreement, (ii) contribute to the Trust the funds and other assets which the Company would be required to

contribute pursuant to the Amended Agreement if a Change of Control occurred on the date of such notice, and (iii) thereafter contribute such additional assets as may be required by the Amended Agreement as if the waiver made hereby had not been made.

4. Section 12.3 of the Amended Agreement is amended by adding the following at the end thereof:

In any case where this Agreement provides for a determination to be made or instruction to be given by Roberts, such determination or instruction made or given after his death shall be made or given by the foregoing persons as their interests may appear; provided that, if it is impractical to give effect to separate determinations or instructions, the determination or instruction given by such of the foregoing as shall then have the greatest interest, as determined by the Company in its reasonable discretion, shall control.

5. As contemplated by Section 9.14 of the Merger Agreement, and pursuant to Section 12.1 of the Amended Agreement, upon consummation of the Merger, AT&T Comcast, as the successor to the Company, will be bound by the Amended Agreement, as further amended hereby (together, the "Further Amended Agreement"), and will perform the Further Amended Agreement, in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. To give effect thereto, and as further contemplated by Section 9.14 of the Merger Agreement, upon and following consummation of the Merger:

(a) When used in the Further Amended Agreement to refer to a period or action to be taken or other event occurring after consummation of the Merger,

(i) the term "Company" shall be deemed to refer to AT&T Comcast (which shall include, for all purposes of this Section 3, its successors as provided in Section 12.1 of the Further Amended Agreement);

(ii) the terms "Board" and "Committee" shall be deemed to refer, respectively, to the Board of Directors of AT&T Comcast and the Compensation Committee of such Board;

(iii) the term "Subcommittee" shall be deemed to refer to the Subcommittee on Performance-Based Compensation of the Compensation Committee, if such Subcommittee exists, or, if such Subcommittee does not exist, such other subcommittee of the Compensation Committee as shall perform the functions heretofore performed by the Subcommittee on Performance-Based Compensation of the Company's Compensation Committee, or, if there is no such other subcommittee, the full Compensation Committee; and

(iv) by signing this Amendment where indicated below, AT&T Comcast hereby assumes the Company's obligations to Roberts under the Further Amended Agreement, 1993 Agreement, the Cash Bonus Plan, the 1992 Split-Dollar Plan, the 1992 and 1994 Split-Dollar Plans, the 1996 Split-Dollar Agreement, the 1997/1998 Split-Dollar Agreement, the 1996 Deferred Compensation Plan, the SERP and the Pre-Existing Agreements (as each is defined in the Amended Agreement), and the terms "1993 Agreement," "Cash Bonus Plan," "1992 Split-Dollar Plan," "1992 and 1994 Split-Dollar Plans," "1996 Split-Dollar Agreement," "1997/1998 Split-Dollar Agreement," "1996

Deferred Compensation Plan," "SERP," and "Pre-Existing Agreements" shall be deemed to refer to such agreements or plans as so assumed by AT&T Comcast.

(b) The phrase "Comcast Corporation" in Section 12.2 of the Further Amended Agreement is replaced with the phrase "AT&T Comcast Corporation (which, effective immediately following the consummation of the merger between Comcast Corporation and a subsidiary of AT&T Comcast Corporation, is changing its name to "Comcast Corporation")".

6. Effective upon consummation of the Merger, Section 2.1 of the Further Amended Agreement is amended by (a) replacing the phrase "Chairman of the Board" therein with the phrase "Chairman of the Executive and Finance Committee of the Board" and (b) deleting the phrase "Section 4-6 of".

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

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

Comcast Corporation

By: -----

Ralph J. Roberts

Agreed to and acknowledged by:

AT&T Comcast Corporation

By: -----

EXECUTION COPY

EMPLOYMENT AGREEMENT

AGREEMENT, made and entered into as of the 18th day of November, 2002 by and between AT&T Comcast Corporation, a Pennsylvania corporation (together with its successors and assigns permitted under this Agreement, the "Company"), and C. Michael Armstrong (the "Executive").

W I T N E S S E T H :

WHEREAS, the Company desires to employ the Executive and to enter into an agreement embodying the terms of such employment (this "Agreement") and the Executive desires to enter into this Agreement and to accept such employment, subject to the terms and provisions of this Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein and for other good and valuable consideration, the receipt of which is mutually acknowledged, the Company and the Executive (individually a "Party" and together the "Parties") agree as follows:

SECTION 1. Definitions.

(a) "Affiliate" of a person or other entity shall mean a person or other entity that directly or indirectly controls, is controlled by, or is under common control with the person or other entity specified.

(b) "AT&T" shall mean AT&T Corp., a New York corporation.

(c) "Base Salary" shall mean the annual rate of salary provided for in Section 4 below or any increased annual rate of salary granted to the Executive pursuant to Section 4.

(d) "Board" shall mean the Board of Directors of the Company.

(e) "Broadband" shall mean AT&T Broadband Corp., a Delaware corporation.

(f) "Cause" shall mean:

(i) the Executive is convicted of a felony involving the Executive's moral turpitude; or

(ii) the Executive is guilty of willful gross neglect or willful gross misconduct in carrying out his duties under this Agreement, resulting, in either case, in material economic harm to the Company, unless the Executive believed in good faith that such act or nonact was in the best interests of the Company.

(g) "Change in Control" shall mean the occurrence of any of the following events:

(i) An acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act")) (an "Entity") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (A) the then outstanding shares of common stock of the Company (the "Outstanding Company Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (1) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (2) any acquisition by the Company, (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (4) any acquisition by any corporation pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) of this Section 1(g);

(ii) A change in the composition of the Board such that the individuals who, as of the effective date of this Agreement, constitute the Board (such Board shall be hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that for purposes of this definition, any individual who becomes a member of the Board subsequent to the effective date of this Agreement, whose election, or nomination for election, by the Company's shareholders was approved by a vote of at least a two-thirds majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individual were a member of the Incumbent Board; and provided, further however, that any such individual whose initial assumption of office occurs as a result of or in

connection with either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of an Entity other than the Board shall not be so considered as a member of the Incumbent Board;

(iii) A merger, reorganization or consolidation to which the Company is a party or a sale or other disposition of all or substantially all of the assets of the Company (each, a "Corporate Transaction"); excluding however, such a Corporate Transaction pursuant to which (A) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 60% of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation or other person which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries (a "Parent Company")) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Stock and Outstanding Company Voting Securities, as the case may be, (B) no Entity (other than the Company, any employee benefit plan (or related trust) of the Company, such corporation resulting from such Corporate Transaction (or, if reference was made to equity ownership of any Parent Company for purposes of determining whether clause (A) above is satisfied in connection with the applicable Corporate Transaction, such Parent Company) will beneficially own, directly or indirectly, 20% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction (or, if reference was made to equity ownership of any Parent Company for purposes of determining whether clause (A) above is satisfied in connection with the applicable Corporate Transaction, such Parent Company) or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors unless such ownership resulted solely from ownership of securities of the Company prior to the Corporate Transaction, and (C) individuals who were members of the Incumbent Board will immediately after the consummation of the Corporate Transaction constitute at least a two-thirds majority of the members of the board of directors of the corporation resulting from such Corporate Transaction (or, if reference was made to equity ownership of any Parent

Company for purposes of determining whether clause (A) above is satisfied in connection with the applicable Corporate Transaction, of the Parent Company); or

(iv) The approval by the shareholders of the Company of a plan of complete liquidation or dissolution of the Company.

(h) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(i) "Constructive Termination Without Cause" shall mean termination by the Executive of his employment at his initiative following the occurrence of any of the following events without his consent:

(i) a reduction in the Executive's then current Base Salary or Target Bonus as a percentage of Base Salary or the termination or material reduction of any employee benefit or executive service enjoyed by him (other than as part of an across-the-board reduction applicable to all executive officers of the Company);

(ii) the failure to elect or reelect the Executive to any of the positions described in Section 3 or the removal of him from any such position;

(iii) a material diminution in the Executive's duties or the assignment to the Executive of duties which are materially inconsistent with his duties or which materially impair the Executive's ability to function as the Chairman of the Company;

(iv) the relocation of the Executive's own principal office from its location in the Grace Building;

(v) the failure of the Company to obtain the assumption in writing of its obligation to perform this Agreement by any successor to all or substantially all of the assets of the Company within 15 calendar days after a merger, consolidation, sale or similar transaction; or

(vi) any breach of this Agreement by the Company.

Following written notice from the Executive, as described above, the Company shall have 15 calendar days in which to cure. If the Company fails to cure, the Executive's termination shall become effective on the 16th calendar day following the written notice.

(j) "Disability" shall mean the Executive's inability, due to physical or mental incapacity, to substantially perform his duties and responsibilities under this Agreement as determined by a medical doctor selected by the Company and the Executive. If the Parties cannot agree on a medical doctor, each Party shall select a medical doctor and the two doctors shall select a third who shall be the approved medical doctor for this purpose.

(k) "EBA" shall mean the Employee Benefits Agreement by and between AT&T and Broadband dated as of December 19, 2001.

(l) "Effective Date" shall mean the "Closing Date" as such term is defined in the Merger Agreement.

(m) "Fair Market Value" shall mean the value of a share of Stock or a share of AT&T stock, as the case may be, as traded on the Nasdaq Stock Market or the New York Stock Exchange, as the case may be, on the date in question, based on the respective closing prices.

(n) "Grace Building" shall mean the W.R. Grace Building at 1114 Avenue of the Americas (and 41 West 42nd Street), New York, New York or any other building of comparable stature maintained by the Company as its principal place of business in the borough of Manhattan in New York City.

(o) "Merger Agreement" shall mean the Agreement and Plan of Merger dated as of December 19, 2001, as amended, by and among AT&T, Broadband, Comcast Corporation, AT&T Broadband Acquisition Corp., Comcast Acquisition Corp. and the Company.

(p) "Stock" shall mean Class A Common Stock of the Company.

(q) "Target Bonus" shall have the definition set forth in Section 5(a) of this Agreement.

(r) "Term of Employment" shall mean the period specified in Section 2 below.

(s) "2003 Annual Meeting" shall mean the regularly scheduled 2003 annual meeting of the shareholders of the Company.

(t) "2004 Annual Meeting" shall mean the regularly scheduled 2004 annual meeting of the shareholders of the Company.

(u) "2005 Annual Meeting" shall mean the regularly scheduled 2005 annual meeting of the shareholders of the Company.

SECTION 2. Term of Employment.

The Term of Employment shall begin on the Effective Date and end on the date of the 2005 Annual Meeting. Notwithstanding the foregoing, after the Effective Date, the Term of Employment may be earlier terminated by either Party in accordance with the provisions of Section 10 and the Articles of Incorporation and the By-Laws of the Company.

SECTION 3. Position, Duties and Responsibilities.

(a) Commencing on the Effective Date and continuing until the date of the 2005 Annual Meeting, the Executive shall be employed as the Chairman of the Board and shall have the duties and responsibilities of the Chairman of the Board as are set forth in the Articles of Incorporation and the By-Laws of the Company. The Executive, in carrying out his duties under this Agreement, shall report to the Board. During the Term of Employment, the Executive shall devote such business time and attention to the business and affairs of the Company as shall be necessary to discharge his responsibilities hereunder and shall use his best efforts, skills and abilities to promote its interests.

(b) Nothing herein shall preclude the Executive from (i) serving on the boards of directors of a reasonable number of other corporations subject to the approval of the Board in each case (which approval has been given as to the boards listed in Exhibit A attached hereto), (ii) serving on the boards of a reasonable number of trade associations and/or charitable organizations, (iii) engaging in charitable activities and community affairs, and (iv) managing his personal investments and affairs, provided that such activities set forth in this Section 3(b) do not materially interfere with the proper performance of his duties and responsibilities under Section 3(a).

SECTION 4. Base Salary.

During the Term of Employment, the Executive shall be paid an annualized Base Salary, payable in accordance with the regular payroll practices of the Company, of \$1,800,000. The Base Salary shall be reviewed annually for increase in the discretion of the Board. In no event shall the Executive's Base Salary be decreased.

SECTION 5. Annual Incentive Award.

(a) During the Term of Employment, the Executive shall participate in the annual incentive award plan of the Company applicable to senior executive officers of the Company. Under such plan, the Executive shall have a target bonus opportunity each year equal to no less than 150% of his Base Salary from time to time during that year (the "Target Bonus"), payable in that amount if the performance goals established for the relevant year are met; provided that the performance goals for each year shall be no less favorable to the Executive than the performance goals established for other senior officers of the Company, including the Company's Chief Executive Officer. If such performance goals are not met, the Executive shall receive a lesser amount (or nothing) as determined in accordance with applicable plan guidelines. If such performance goals are exceeded, the Executive may receive a greater amount as determined in accordance with applicable plan guidelines. Except as otherwise provided herein, the Executive shall be paid his annual incentive awards under this Section 5 no later than other senior executives of the Company are paid their annual incentive awards.

(b) Notwithstanding the foregoing, the Executive's annual incentive awards for the following periods shall be as described below:

(i) For calendar year 2002, the Executive shall receive an annual incentive award of \$3,510,000 on January 3, 2003.

(ii) For calendar year 2005, the Executive shall be entitled to an annual incentive award, equal to the Executive's Target Bonus for such year, multiplied by a fraction, the numerator of which is the number of days that the Executive was employed during the applicable year and the denominator of which is 365. Such award shall be paid to the Executive as soon as practicable after the 2005 Annual Meeting.

SECTION 6. Long-term Incentive Awards.

(a) Existing Performance Awards. Subject to the provisions of Section 10, Exhibit B sets forth the treatment of the outstanding AT&T performance shares, restricted stock units ("RSUs") and stock options, respectively, held by the Executive as of the Effective Date.

(b) Ongoing Performance Awards. As soon as practicable after the Effective Date, the Company shall grant to the Executive an option (the "Option") to purchase 2,400,000 shares of Stock at the Fair Market Value of the Stock on the day immediately preceding the date of grant. This grant shall be made on the

same terms and conditions as options granted to other senior officers of the Company (i.e., ten-year term, ten-year vesting with respect to half of the Option, five-year vesting with respect to the other half (the details of such vesting having been disclosed to the Executive), and the Executive shall have 90 days after retirement to exercise the vested portion of the Option, if any). The Company shall be under no obligation to grant any additional equity awards to the Executive.

SECTION 7. Supplemental Pension. As of the Effective Time, the Company shall have paid to AT&T the amount necessary to discharge any obligation with respect to the supplemental retirement benefit provided to the Executive under Section 9 of his prior employment agreement with AT&T. Executive acknowledges that the obligation to administer and pay such supplemental retirement benefit has accordingly been assumed by AT&T and the Executive further acknowledges that the Company shall have no obligation or liability to the Executive with respect to payment of such supplemental retirement benefit.

SECTION 8. Employee Benefit Programs.

During the Term of Employment, the Executive shall be entitled to participate in all employee pension and welfare benefit plans and programs made available to the Company's senior level executives or to its employees generally, as such plans or programs may be in effect from time to time, including, without limitation, pension, profit sharing, savings and other retirement plans or programs, 401(k), medical, dental, hospitalization, short-term and long-term disability and life insurance plans, accidental death and dismemberment protection, travel accident insurance, and any other pension or retirement plans or programs and any other employee welfare benefit plans or programs that may be sponsored by the Company from time to time, including any plans that supplement the above-listed types of plans or programs, whether funded or unfunded. The Executive's participation shall be based on, and the calculation of all benefits shall be based on, the assumptions that the Executive has met all service-period or other requirements for such participation provided that no such assumptions shall be made as to a tax-qualified plan if such assumption would jeopardize the tax-qualified status of such plan.

SECTION 9. Reimbursement of Business and Other Expenses; Executive Services; Vacation.

(a) The Executive is authorized to incur reasonable expenses in carrying out his duties and responsibilities under this Agreement and the Company shall promptly reimburse him for all business expenses incurred in connection with carrying out the business of the Company, subject to documentation in accordance

with the Company's policy. The Company shall pay all reasonable financial consultant and legal fees and expenses incurred by the Executive in connection with the negotiation of the Executive's employment and consulting arrangements with the Company.

(b) During the Term of Employment, the Executive's principal office shall be located in the Grace Building. The Company shall provide full-time secretarial support for the Executive's principal office, as selected by the Executive in his sole discretion. The Company shall make available for the Executive's use appropriate office space (which shall be on the executive floor) and secretarial support when he performs services at the Company's principal offices in Philadelphia, Pennsylvania.

(c) During the Term of Employment, the Executive shall be entitled to participate in each of the Company's executive services in accordance with the terms and conditions of such arrangements as they are in effect from time to time for the Company's Chief Executive Officer, including primary personal use of an airplane on the same economic terms as the Company's Chief Executive Officer. Without duplication of the foregoing, until the date of the 2004 Annual Meeting, the Company shall pay the dues for the Executive's membership in the Business Roundtable, the G-100 and the Business Council.

(d) With respect to calendar year 2003, the Company shall pay when due the premiums for the Executive's Senior Management Universal Life Insurance Policy (as in effect immediately prior to the Effective Date), estimates of which have been provided to the Company by the Executive, and a gross-up for all federal taxes payable by the Executive in connection with the payment of such premiums. The Company shall only pay such premiums for calendar year 2004 if the Executive elects to become Non-Executive Chairman of the Board prior to or at the 2003 Annual Meeting.

(e) With respect to calendar year 2003, if the Executive elects to become Non-Executive Chairman of the Board prior to or at the 2003 Annual Meeting he shall be entitled to tax preparation and financial counseling services for such year. If the Company provides any executive officer with a gross-up for applicable taxes payable in connection with the provision of such tax preparation and counseling services, the Executive shall also be entitled to such tax gross-up.

(f) The Executive shall be entitled to five weeks paid vacation per year of employment, which shall accrue and otherwise be subject to the Company's vacation policy for senior executives.

SECTION 10. Termination of Employment.

(a) Termination Due to Death. In the event that the Executive's employment is terminated due to his death, his estate or his beneficiaries, as the case may be, shall be entitled to the following benefits:

(i) Base Salary through the end of the month in which his death occurs;

(ii) annual incentive award for the year in which the Executive's death occurs, equal to the Target Bonus for such year, payable in a single installment promptly after his death;

(iii) all outstanding options, whether or not then exercisable, shall become exercisable and shall remain exercisable until the end of their originally scheduled ten-year terms; and

(iv) (A) any restrictions on restricted stock shall lapse and (B) all outstanding RSUs (as well as the \$10,000,000 guarantee set forth in Exhibit B), performance shares and other equity-based awards shall vest and be paid out (at target, with respect to the performance shares) in a single installment promptly after his death.

(b) Termination Due to Disability. In the event that the Executive's employment is terminated due to his Disability, he shall be entitled to the following benefits:

(i) disability benefits in accordance with the long-term disability program then in effect for senior executives of the Company;

(ii) Base Salary through the end of the month in which disability benefits commence;

(iii) annual incentive award for the year in which the Executive's termination occurs, equal to the Target Bonus for such year, payable in a single installment promptly after his termination;

(iv) all outstanding options, whether or not then exercisable, shall become exercisable and shall remain exercisable until the end of their originally scheduled ten-year terms; and

(v) (A) any restrictions on restricted stock shall lapse and (B) all outstanding RSUs (as well as the \$10,000,000 guarantee set forth in Exhibit B), performance shares and other equity-based awards shall vest

and be paid out (at target, with respect to the performance shares) in a single installment promptly after his termination.

In no event shall a termination of the Executive's employment for Disability occur until the Party terminating his employment gives written notice to the other Party in accordance with Section 24 below.

(c) Termination by the Company for Cause.

(i) A termination for Cause shall not take effect unless the provisions of this paragraph (i) are complied with. The Executive shall be given written notice by the Board, authorized by a vote of no less than 75% of the entire Board, of the intention to terminate him for Cause, such notice (A) to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination for Cause is based and (B) to be given within six months of the Board learning of such act or acts or failure or failures to act. The Executive shall have ten calendar days after the date that such written notice has been given to the Executive in which to cure such conduct, to the extent such cure is possible. If he fails to cure such conduct, the Executive shall then be entitled to a hearing before the Board. Such hearing shall be held within 15 calendar days of such notice to the Executive, provided he requests such hearing within ten calendar days of the written notice from the Board of the intention to terminate him for Cause. If, within five calendar days following such hearing, the Executive is furnished written notice by the Board confirming that, in its judgment, grounds for Cause on the basis of the original notice exist, he shall thereupon be terminated for Cause.

(ii) In the event the Company terminates the Executive's employment for Cause:

(A) the Executive shall be entitled to Base Salary through the date of the termination;

(B) all outstanding options which are not exercisable shall be forfeited; exercisable options shall remain exercisable until the earlier of the ninetieth day after the date of termination or the originally scheduled expiration date of the options unless the Board determines otherwise;

(C) all restricted stock as to which restrictions have not lapsed shall be forfeited;

(D) all unvested RSUS shall be forfeited; and

(E) all long-term incentive plan awards with respect to performance cycles which have not yet been completed shall be forfeited.

(d) Termination without Cause or Constructive Termination without Cause. In the event the Executive's employment is terminated by the Company without Cause, other than due to Disability or death, or in the event there is a Constructive Termination without Cause, the Executive shall be entitled to the following benefits:

(i) Base Salary through the date of termination;

(ii) an annual incentive award for the year in which termination occurs, equal to the Target Bonus for such year multiplied by a fraction, the numerator of which is the number of days that the Executive was employed during the applicable year and the denominator of which is 365, payable in a single installment promptly after his termination;

(iii) all outstanding options, whether or not then exercisable, shall become exercisable and shall remain exercisable until the end of their originally scheduled ten-year terms;

(iv) (A) any restrictions on any restricted stock shall lapse and (B) all outstanding RSUs (as well as the \$10,000,000 guarantee set forth in Exhibit B), performance shares and other equity-based awards shall vest and be paid out (at target, with respect to the performance shares) in a single installment promptly after his termination; and

(v) if such termination occurs on or prior to the second anniversary of the Effective Date, the Executive shall be entitled to receive a lump sum cash amount equal to the greater of (A) (X) the product of three multiplied by the sum of (I) the Base Salary, (II) the annual incentive award, equal to the target bonus established by AT&T for 2002, which was 150% of his then base salary, and (III) the long-term performance share award, equal to the performance share target set by AT&T for 2002 and (B) the product of four multiplied by the sum of Base Salary, at the annualized rate in effect on the date of termination, and the Target Bonus for the year in which the termination occurs (with respect to the Target Bonus, \$2.7 million if such termination occurs in 2002 or 2005). If such termination occurs after the second anniversary of the Effective Date, the Executive shall be entitled to receive the payment set forth in clause (B) of this Section 10(d)(v).

(e) Voluntary Termination; Retirement.

(i) Except as otherwise provided herein, termination of employment by the Executive on his own initiative, other than a termination due to death or Disability or a Constructive Termination without Cause or retirement following the end of the Term of Employment, shall have the same consequences as provided in Section 10(c)(ii) for a termination for Cause. A voluntary termination under this Section 10(e) shall be effective 30 calendar days after prior written notice is received by the Company.

(ii) Notwithstanding the foregoing, if the Executive elects to both (A) become Non-Executive Chairman of the Board prior to or at the 2003 Annual Meeting and (B) retire from his position as Non-Executive Chairman of the Board prior to or at the 2004 Annual Meeting, but not earlier than January 1, 2004, the Company shall offer to enter into a consulting agreement with the Executive in the form attached hereto as Exhibit C under which he would serve as a consultant and senior advisor to the Company until the one year anniversary of the 2005 Annual Meeting. All benefits owing to the Executive as a result of a retirement event described in the immediately preceding sentence shall be as set forth in the consulting agreement. The Company's failure to offer to enter into such consulting agreement shall constitute a termination of the Executive's employment without Cause covered by Section 10(d).

(iii) The Executive may retire at any time following the end of the Term of Employment and thereupon commence receiving any benefits to which he is entitled as a retired senior executive in accordance with the Company's then existing plans and practices. Upon such retirement, all stock options, other than the Option, shall continue to be exercisable for the remainder of their originally scheduled ten-year terms.

(f) Gross-up Payment.

(i) If the aggregate of all payments or benefits made or provided to the Executive under this Agreement and under all other plans and programs of the Company (the "Aggregate Payment") is determined to constitute a Parachute Payment within the meaning of Section 280G(b)(2) of the Code, the Company shall pay to the Executive, prior to the time any excise tax imposed by Section 4999 of the Code ("Excise Tax") is payable with respect to such Aggregate Payment, an additional amount (the "Gross-Up Payment") which, after the imposition of all income, employment, excise and other taxes thereon, is equal to the Excise Tax on the Aggregate Payment. The determination of whether the Aggregate

Payment constitutes a Parachute Payment and, if so, the amount to be paid to the Executive and the time of payment pursuant to this Section 10(f)(i) shall be made by an independent auditor (the "Auditor") selected by the Parties and paid by the Company. The Auditor shall be a nationally recognized United States public accounting firm which has not, during the two years preceding the date of its selection, acted in any way on behalf of the Company or any Affiliate thereof. If the Executive and the Company cannot agree on the firm to serve as the Auditor, then the Executive and the Company shall each designate one accounting firm and those two firms shall jointly select the accounting firm to serve as the Auditor. All fees and expenses of the Auditor shall be borne solely by the Company. Any Gross-Up Payment shall be paid by the Company to the Executive within five calendar days of the receipt of the Auditor's determination. Any determination by the Auditor shall be binding upon the Company and the Executive.

(ii) As a result of uncertainty in the application of Sections 280G and 4999 of the Code at the time of the initial determination by the Auditor hereunder, it is possible that the Gross-Up Payment made will have been an amount more than the Company should have paid pursuant to Section 10(f)(i) (the "Overpayment") or that the Gross-Up Payment made will have been an amount less than the Company should have paid pursuant to Section 10(f)(i) (the "Underpayment"). In the event that there is a final determination by the Internal Revenue Service, or a final determination by a court of competent jurisdiction, that an Overpayment has been made, any such Overpayment shall be treated for all purposes as a loan to the Executive which the Executive shall repay to the Company together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code. In the event that there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Underpayment arises under this Agreement, any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code.

(iii) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would result in an Underpayment and would require the payment by the Company of an additional Gross-Up Payment. Such notification shall be given as soon as practicable but no later than 10 business days after the Executive is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the

30 calendar day period following the date on which the Executive gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(A) give the Company any information reasonably requested by the Company relating to such claim,

(B) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(C) cooperate with the Company in good faith in order effectively to contest such claim, and

(D) permit the Company to participate in any proceeding relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income or employment tax (including interest and penalties with respect thereto) imposed as a result of such proceeding and payment of costs and expenses. Without limitation on the foregoing provisions of this Section 10(f), the Company shall control all proceedings taken in connection with such contest, provided that the Company's control of the contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(g) Other Termination Benefits. In the case of any of the foregoing terminations (other than retirement as Non-Executive Chairman of the Board pursuant to Section 10(e)(ii)) the Executive or his estate shall also be entitled to:

(i) the balance of any incentive awards due for performance periods which have been completed, but which have not yet been paid;

(ii) any expense reimbursements due the Executive;

(iii) other benefits, if any, in accordance with applicable plans and programs of the Company; and

(iv) with respect to the Executive only, if such termination occurs on or prior to the second anniversary of the Effective Date, financial counseling services for a period of two years following the Executive's termination.

(h) No Mitigation; No Offset. In the event of any termination of employment under this Section 10, the Executive shall be under no obligation to seek other employment and there shall be no offset against amounts due the Executive under this Agreement on account of any remuneration attributable to any subsequent employment that he may obtain.

(i) Nature of Payments. Any amounts due under this Section 10 are in the nature of severance payments considered to be reasonable by the Company and are not in the nature of a penalty.

SECTION 11. Confidential Information; Prohibited Public Statements; Publicity.

(a) The Company (as hereinafter specially defined for purposes of Sections 11 through 13 hereof), pursuant to the Executive's employment hereunder, provides him access to and confides in him business methods and systems, techniques and methods of operation developed at great expense by the Company ("Trade Secrets") and which the Executive recognizes to be unique assets of the Company's business. The Executive shall not, during or at any time after the Term of Employment, directly or indirectly, in any manner utilize or disclose to any person, firm, corporation, association or other entity, except (i) where required by law, (ii) to directors, consultants or employees of the Company in the ordinary course of his duties or (iii) during his employment and in the ordinary course of his services as Chairman of the Board for such use and disclosure as he shall reasonably determine to be in the best interest of the Company: (A) any such Trade Secrets, (B) any sales prospects, customer lists, products, research or data of any kind, or (C) any information relating to strategic plans, sales, costs, profits or the financial condition of the Company or any of its customers or prospective customers, which are not generally known to the public or recognized as standard practice in the industry in which the Company shall be engaged. The Executive further covenants and agrees that he will promptly deliver to the Company all tangible evidence of the knowledge and information described in (A), (B) and (C), above, prior to or at the termination of the Executive's employment. For purposes of Sections 11, 12 and 13 hereof the term "Company" shall mean AT&T Comcast Corporation ("AT&T Comcast") as well as (I) each of its more than fifty percent (50%) owned subsidiaries and (II) each other entity in

which AT&T Comcast directly or indirectly has a greater than ten percent (10%) equity interest, the fair market value of which interest is in excess of \$50,000,000. In determining AT&T Comcast's equity interest for purposes of this definition, any equity interest which AT&T Comcast has an option to purchase shall be considered as owned by AT&T Comcast.

(b) Neither the Executive nor the Company, its officers or directors (collectively, the "Company Affiliated Entities") shall, either during or at any time after the Term of Employment, directly or indirectly make any public statement (including a private statement reasonably likely to be repeated publicly) reflecting adversely on the Company Affiliated Entities or the Executive, as the case may be, or the business prospects of the Company except for (i) such statements which the Executive may be required to make in the ordinary course of his service as a member of, including Chairman of, the Board or (ii) with respect to each of the Executive and the Company Affiliated Entities, as otherwise required by applicable law.

(c) Neither the Executive nor the Company Affiliated Entities shall publicly comment (including private statements reasonably likely to be repeated publicly) on, or discuss the circumstances surrounding, this Agreement or the consulting agreement attached hereto as Exhibit C, except as mutually agreed or as required by applicable law.

SECTION 12. Noncompetition, Noninterference and Nonsolicitation.

(a) Subject to the geographic limitation of Section 12(b) hereof, the Executive during the Term of Employment and for a period of two (2) years following termination of employment in accordance with this Agreement shall not, directly or indirectly, on his behalf or on behalf of any other person, firm, corporation, association or other entity, as an employee or otherwise, engage in, or in any way be concerned with or negotiate for, or acquire or maintain any ownership interest in any business or activity which is the same as or competitive with that conducted by the Company at the termination of his employment, or which was engaged in or developed by the Company at any time during the Term of Employment for specific implementation in the immediate future by the Company.

(b) The Executive acknowledges that the Company is engaged in business throughout the United States and in various foreign countries and that the Company intends to expand the geographic scope of its activities. Accordingly and in view of the nature of his position and responsibilities, the Executive agrees that the provisions of this Section shall be applicable to each state and each foreign country, possession or territory in which the Company may be engaged in business during the Term of Employment, or, with respect to the Executive's

obligations following termination of his employment, at the termination of his employment or at any time within the twelve-month period following the effective date of his termination of employment.

(c) The Executive agrees that for a period of two (2) years following termination of employment in accordance with this Agreement, the Executive will not, directly or indirectly, for himself or on behalf of any third party at any time in any manner, request or cause any of the Company's customers to cancel or terminate any existing or continuing business relationship with the Company; solicit, entice, persuade, induce, request or otherwise cause any employee, officer or agent of the Company (other than clerical employees of the Company) to refrain from rendering services to the Company or to terminate his or her relationship, contractual or otherwise, with the Company; induce or attempt to influence any supplier to cease or refrain from doing business or to decline to do business with the Company; divert or attempt to divert any supplier from the Company; or induce or attempt to influence any supplier to decline to do business with any businesses of the Company as such businesses are constituted immediately prior to the termination of employment.

(d) The Executive agrees that for a period of two (2) years following his termination of employment in accordance with this Agreement, the Executive will not directly or indirectly, for himself or on behalf of any third party, solicit for business in competition with the business of the Company, accept any business in competition with the business of the Company from or otherwise do, or contract to do, business in competition with the business of the Company with any person or entity who, at the time of, or any time during the twelve (12) months preceding such termination, was an active customer or was actively solicited by the Company according to the books and records of the Company and within the knowledge, actual or constructive of the Executive.

(e) Notwithstanding anything to the contrary in this Section 12, the prohibitions and agreements contained in subsections 12(a), 12(c), and 12(d) shall terminate immediately upon any termination of Executive's employment hereunder following a Change in Control.

(f) Nothing in this Section 12 shall prohibit the Executive from being a passive owner of not more than one percent of the outstanding common stock, capital stock and equity of any firm, corporation, or enterprise so long as the Executive has no active participation in the management of the business of such firm, corporation or enterprise.

SECTION 13. Equitable Remedies.

The Executive acknowledges that his compliance with the covenants in Sections 11 and 12 of this Agreement is necessary to protect the good will and other proprietary interests of the Company and that, in the event of any violation by the Executive of the provisions of Section 11 or 12 of this Agreement, the Company will sustain serious, irreparable and substantial harm to its business, the extent of which will be difficult to determine and impossible to remedy by an action at law for money damages. Accordingly, the Executive agrees that, in the event of such violation or threatened violation by the Executive, the Company shall be entitled to any injunction before trial from any court of competent jurisdiction as a matter of course and upon the posting of not more than a nominal bond in addition to all such other legal and equitable remedies as may be available to the Company. The Executive further agrees that, in the event any of the provisions of Sections 11 and 12 of this Agreement are determined by a court of competent jurisdiction to be contrary to any applicable statute, law or rule, or for any reason to be unenforceable as written, such court may modify any of such provisions so as to permit enforcement thereof as thus modified.

SECTION 14. Resolution of Disputes.

Except as provided in Section 13, any disputes arising under or in connection with this Agreement shall be resolved by third party mediation of the dispute and, failing that, by binding arbitration, to be held in a location mutually agreed to by the Parties, in accordance with the rules and procedures of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Each Party shall bear his or its own costs of the mediation, arbitration or litigation, except that the Company shall bear all such costs if the Executive prevails in such mediation, arbitration or litigation on any material issue.

SECTION 15. Indemnification.

(a) The Company agrees that if the Executive is made a party, or is threatened to be made a party, to any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he is or was a director, officer or employee of the Company or is or was serving at the request of the Company as a director, officer, member, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether or not the basis of such Proceeding is the Executive's alleged action in an official capacity while serving as a director, officer, member, employee or agent, the Executive shall be indemnified and held harmless by the Company to the fullest extent legally permitted or authorized by the Company's certificate of incorporation or bylaws

or resolutions of the Company's Board of Directors or, if greater, by the laws of the Commonwealth of Pennsylvania, against all cost, expense, liability and loss (including, without limitation, attorney's fees, judgments, fines, ERISA excise taxes or other liabilities or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Executive in connection therewith, and such indemnification shall continue as to the Executive even if he has ceased to be a director, member, employee or agent of the Company or other entity and shall inure to the benefit of the Executive's heirs, executors and administrators. The Company shall advance to the Executive all reasonable costs and expenses incurred by him in connection with a Proceeding within 20 calendar days after receipt by the Company of a written request for such advance. Such request shall include an undertaking by the Executive to repay the amount of such advance if it shall ultimately be determined that he is not entitled to be indemnified against such costs and expenses.

(b) Neither the failure of the Company (including its board of directors, independent legal counsel or shareholders) to have made a determination prior to the commencement of any Proceeding concerning payment of amounts claimed by the Executive under Section 15(a) above that indemnification of the Executive is proper because he has met the applicable standard of conduct, nor a determination by the Company (including its board of directors, independent legal counsel or shareholders) that the Executive has not met such applicable standard of conduct, shall create a presumption that the Executive has not met the applicable standard of conduct.

(c) The Company agrees to continue and maintain a directors' and officers' liability insurance policy covering the Executive which is no less favorable than the policy covering other senior officers of the Company.

SECTION 16. Assignability; Binding Nature.

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs (in the case of the Executive) and assigns. Rights or obligations of the Company under this Agreement may be assigned or transferred by the Company pursuant to a merger or consolidation in which the Company is not the continuing entity, or the sale or liquidation of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this Agreement, either contractually or as a matter of law. The Company further agrees that, in the event of a sale of assets or liquidation as described in the preceding sentence, it shall take whatever action it reasonably can in order to cause such assignee or transferee to expressly assume the liabilities, obligations and duties of the Company hereunder. No rights or

obligations of the Executive under this Agreement may be assigned or transferred by the Executive other than his rights to compensation and benefits, which may be transferred only by will or operation of law.

SECTION 17. Representation.

The Company represents and warrants that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between it and any other person, firm or organization. The Executive represents that the performance of his obligations under this Agreement will not violate any agreement between him and any other person, firm or organization that would be violated by the performance of his obligations under this Agreement.

SECTION 18. Entire Agreement.

This Agreement contains the entire understanding and agreement between the Parties concerning the subject matter hereof and supersedes all prior agreements, understandings, discussions, negotiations and undertakings, whether written or oral, between the Parties with respect thereto.

SECTION 19. Amendment or Waiver.

No provision in this Agreement may be amended unless such amendment is agreed to in writing and signed by the Executive and an authorized officer of the Company. No waiver by either Party of any breach by the other Party of any condition or provision contained in this Agreement to be performed by such other Party shall be deemed a waiver of a similar or dissimilar condition or provision at the same or any prior or subsequent time. Any waiver must be in writing and signed by the Executive or an authorized officer of the Company, as the case may be.

SECTION 20. Severability.

In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law so as to achieve the purposes of this Agreement.

SECTION 21. Survivorship.

Except as otherwise expressly set forth in this Agreement, the respective rights and obligations of the Parties hereunder, including the covenants and the

agreements of Executive set forth in Sections 11, 12 and 13, shall survive any termination of the Executive's employment. This Agreement itself (as distinguished from the Executive's employment) may not be terminated by either Party without the written consent of the other Party.

SECTION 22. References.

In the event of the Executive's death or a judicial determination of his incompetence, reference in this Agreement to the Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative.

SECTION 23. Governing Law/Jurisdiction.

This Agreement shall be governed in accordance with the laws of the State of New York without reference to principles of conflict of laws.

SECTION 24. Notices.

All notices and other communications required or permitted hereunder shall be in writing and shall be deemed given when (a) delivered personally, (b) sent by certified or registered mail, postage prepaid, return receipt requested or (c) delivered by overnight courier (provided that a written acknowledgment of receipt is obtained by the overnight courier) to the Party concerned at the address indicated below or to such changed address as such Party may subsequently give such notice of:

If to the Company: AT&T Comcast Corporation

1500 Market Street
Philadelphia, PA 19102
Attention: General Counsel

If to the Executive: Mr. C. Michael Armstrong

c/o AT&T Comcast Corporation
1114 Avenue of the Americas
New York, New York 10036

SECTION 25. Headings.

The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

SECTION 26. Counterparts.

This Agreement may be executed in two or more counterparts.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on November 18, 2002 as of the date first written above.

AT&T Comcast Corporation

By: -----

Name:
Title:

By: -----

C. Michael Armstrong

DIRECTORSHIPS

Citigroup

TBG (private company, Supervisory Board)

EXISTING PERFORMANCE AWARDS

1. Performance Shares:

(a) The Executive shall receive (i) an award under the Broadband Adjustment Plan (as defined in the EBA) for a certain number of Broadband performance shares and (ii) an award under the Broadband Adjustment Plan for a certain number of stock units (valued with respect to AT&T common stock), as described in the EBA. Such Broadband performance shares shall be converted automatically into equivalent awards based upon shares of Stock ("Company Performance Shares").

(b) 2000 and 2001 Grants: Pursuant to the terms of the Broadband Adjustment Plan, the outstanding performance shares for the 2000 and 2001 performance cycles shall vest in full as of the Effective Date and shall be considered to be earned and payable in full as of the Effective Date. In accordance with the resolution of the Board of Directors of AT&T dated October 22, 2000, the payout with respect to these performance shares shall be as follows:

(i) the Fair Market Value of a share of AT&T common stock on the date of grant of the performance share award (adjusted to reflect stock splits, etc.) or on November 15, 2002 (the day prior to the Effective Date), whichever is greater; times

(ii) the current target number of performance shares or the number of performance shares based on the performance factor to date.

The payout shall be at least 50% in cash, and the remainder shall be in the form of Stock, valued on the Effective Date.

(c) 2002 Grant: The performance shares for the 2002-2004 performance cycle shall not vest upon the Effective Date. Company Performance Shares and AT&T stock units will vest on December 31, 2004. Company Performance Shares will be paid out at target in January 2005. The form of payout will be at least 50% in cash, based on the Fair Market Value of Stock on the first trading day in 2005, and the remaining portion of the payment will be in Stock. AT&T stock units will be paid out in cash based on the Fair Market Value of AT&T common stock on the first trading day in 2005.

2. Restricted Stock Units ("RSUs")

(a) The Executive shall receive (i) an award under the Broadband Adjustment Plan for a certain number of Broadband RSUs (valued with respect to Broadband common stock) and (ii) an award under the Broadband Adjustment Plan for a certain number of stock units (valued with respect to AT&T common stock), as described in the EBA. Such Broadband RSUs shall be converted automatically into equivalent awards based upon shares of Stock ("Company RSUs"), as described in the Merger Agreement.

(b) 1997 Grant:

(i) The Company RSUs and AT&T stock units shall vest and be paid out on the earlier of (1) the date that the Executive becomes Non-Executive Chairman of the Board or (2) October 1, 2003 (as applicable, the "Payment Date").

(ii) The form of payout will be Stock in respect of the Company RSUs and cash in respect of the AT&T stock units, based, in the latter case, on the Fair Market Value of AT&T common stock on the day immediately prior to the Payment Date.

(iii) If the dollar value of the payment (determined by adding the cash payment in respect of the AT&T stock units to the Fair Market Value, on the day immediately prior to the Payment Date, of the Stock paid with respect to the Company RSUs) is less than \$10,000,000, then the Executive will receive in cash the excess of \$10,000,000 over such dollar value; provided that the calculation of Fair Market Value shall not include any amounts attributable to dividends paid with respect to such stock.

(c) 2001 Grant: Pursuant to the terms of the Broadband Adjustment Plan, the 2001 grant shall vest in full and become payable as of the Effective Date. The form of payout will be Stock in respect of the Company RSUs, and cash in respect of the AT&T stock units, based, in the latter case, on the Fair Market Value of AT&T common stock on November 15, 2002.

3. Stock Options

(a) The Executive shall receive an award under the Broadband Adjustment Plan for a certain number of options to purchase Broadband common stock, which shall be converted automatically into options to

purchase shares of Stock, as described in the EBA and the Merger Agreement.

(b) Pursuant to the terms of the Merger Agreement, options granted prior to December 19, 2001 shall vest in full as of the Effective Date and shall remain exercisable for the remainder of their original terms.

(c) Pursuant to the terms of the Merger Agreement, options granted on or after December 19, 2001 shall not vest as of the Effective Date and shall remain subject to their original vesting terms.

4. Change in Control

If an award described in Exhibit B of this Agreement is to be determined by reference to AT&T shares, then such award shall vest and become exercisable and be paid out, as the case may be, upon a Change in Control of AT&T (substituting "AT&T" for the "Company" in the definition of Change in Control). If an award described in Exhibit B of this Agreement is to be determined by reference to Company shares, then such award shall vest and be paid out upon a change in control of the Company, as such term is defined in this Agreement.

EXHIBIT C

[FORM OF CONSULTING AGREEMENT]

C-1

CONSULTING AGREEMENT

CONSULTING AGREEMENT ("Agreement"), made as of [], 2004, by and between Comcast Corporation, a Pennsylvania corporation (together with its successors and assigns permitted under this Agreement, the "Company"), and C. Michael Armstrong (the "Consultant").

WITNESSETH:

WHEREAS, the Consultant is employed by the Company pursuant to the Employment Agreement (as defined herein); and

WHEREAS, the Consultant has elected to retire from his position as Non-Executive Chairman of the Board and to retire from employment with the Company, effective [], 2004; and

WHEREAS, the Company desires to retain the benefit of the Consultant's knowledge and experience by retaining the Consultant, and the Consultant desires to accept such position, for the term and upon the other conditions hereinafter set forth; and

WHEREAS, in connection with Consultant's retirement from his position as Non-Executive Chairman of the Board and retirement from employment with the Company, the parties desire to supersede and replace the Employment Agreement with this Agreement;

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein and for other good and valuable consideration, the receipt of which is mutually acknowledged, the Company and the Consultant (individually a "Party" and together the "Parties") agree as follows:

SECTION 1. Definitions.

(a) "Affiliate" of a person or other entity shall mean a person or other entity that directly or indirectly controls, is controlled by, or is under common control with the person or other entity specified.

(b) "AT&T" shall mean AT&T Corp., a New York corporation.

(c) "Board" shall mean the Board of Directors of the Company.

(d) "Broadband" shall mean AT&T Broadband Corp., a Delaware corporation.

(e) "Cause" shall mean:

(i) the Consultant is convicted of a felony involving the Consultant's moral turpitude; or

(ii) the Consultant is guilty of willful gross neglect or willful gross misconduct in carrying out his duties under this Agreement, resulting, in either case, in material economic harm to the Company, unless the Consultant believed in good faith that such act or nonact was in the best interests of the Company.

(f) "Change in Control" shall mean the occurrence of any of the following events:

(i) An acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act")) (an "Entity") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (A) the then outstanding shares of common stock of the Company (the "Outstanding Company Stock") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (1) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (2) any acquisition by the Company, (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (4) any acquisition by any corporation pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) of this Section 1(f);

(ii) A change in the composition of the Board such that the individuals who, as of the effective date of this Agreement, constitute the Board (such Board shall be hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that for purposes of this definition, any individual who becomes a member of the Board subsequent to the effective date of this Agreement, whose election, or nomination for election, by the Company's

shareholders was approved by a vote of at least a two-thirds majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individual were a member of the Incumbent Board; and provided, further however, that any such individual whose initial assumption of office occurs as a result of or in connection with either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of an Entity other than the Board shall not be so considered as a member of the Incumbent Board;

(c) A merger, reorganization or consolidation to which the Company is a party or a sale or other disposition of all or substantially all of the assets of the Company (each, a "Corporate Transaction"); excluding however, such a Corporate Transaction pursuant to which (A) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 60% of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation or other person which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries (a "Parent Company")) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Stock and Outstanding Company Voting Securities, as the case may be, (B) no Entity (other than the Company, any employee benefit plan (or related trust) of the Company, such corporation resulting from such Corporate Transaction (or, if reference was made to equity ownership of any Parent Company for purposes of determining whether clause (A) above is satisfied in connection with the applicable Corporate Transaction, such Parent Company) will beneficially own, directly or indirectly, 20% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction (or, if reference was made to equity ownership of any Parent Company for purposes of determining whether clause (A) above is satisfied in connection with the applicable Corporate Transaction, such Parent Company) or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors unless such ownership resulted

solely from ownership of securities of the Company prior to the Corporate Transaction, and (C) individuals who were members of the Incumbent Board will immediately after the consummation of the Corporate Transaction constitute at least a two-thirds majority of the members of the board of directors of the corporation resulting from such Corporate Transaction (or, if reference was made to equity ownership of any Parent Company for purposes of determining whether clause (A) above is satisfied in connection with the applicable Corporate Transaction, of the Parent Company); or

(iv) The approval by the shareholders of the Company of a plan of complete liquidation or dissolution of the Company.

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

(h) "Constructive Termination Without Cause" shall mean termination by the Consultant of his service at his initiative following the occurrence of any of the following events without his consent:

(i) a reduction in the Consultancy Fee or the termination or material reduction of any benefits provided under this Agreement (other than as part of an across-the-board reduction applicable to all executive officers of the Company);

(ii) prior to the 2005 Annual Meeting, the failure to elect or reelect the Consultant to the Board or the removal of him from the Board;

(iii) the relocation of the Consultant's own principal office from its location in the Grace Building;

(iv) the failure of the Company to obtain the assumption in writing of its obligation to perform this Agreement by any successor to all or substantially all of the assets of the Company within 15 calendar days after a merger, consolidation, sale or similar transaction; or

(v) any breach of this Agreement by the Company.

Following written notice from the Consultant, as described above, the Company shall have 15 calendar days in which to cure. If the Company fails to cure, the Consultant's termination shall become effective on the 16th calendar day following the written notice.

(i) "Disability" shall mean the Consultant's inability, due to physical or mental incapacity, to substantially perform his duties and responsibilities under this Agreement as determined by a medical doctor selected by the Company and the Consultant. If the Parties cannot agree on a medical doctor, each Party shall select a medical doctor and the two doctors shall select a third who shall be the approved medical doctor for this purpose.

(j) "EBA" shall mean the Employee Benefits Agreement by and between AT&T and Broadband dated as of December 19, 2001.

(k) "Employment Agreement" shall mean the Employment Agreement entered into as of November 18, 2002 by and between the Company and the Consultant.

(l) "Fair Market Value" shall mean the value of a share of Stock or a share of AT&T stock, as the case may be, as traded on the Nasdaq Stock Market or the New York Stock Exchange, as the case may be, on the date in question, based on the respective closing prices.

(m) "Grace Building" shall mean the W.R. Grace Building at 1114 Avenue of the Americas (and 41 West 42nd Street), New York, New York or any other building of comparable stature maintained by the Company as its principal place of business in the borough of Manhattan in New York City.

(n) "Merger Agreement" shall mean the Agreement and Plan of Merger dated as of December 19, 2001, as amended, by and among AT&T, Broadband, Comcast Corporation, AT&T Broadband Acquisition Corp., Comcast Acquisition Corp. and the Company.

(o) "Stock" shall mean Class A Common Stock of the Company.

(p) "Term" shall mean the period specified in Section 3 below.

(q) "Termination Date" shall mean the date that is one year after the 2005 Annual Meeting.

(r) "2004 Annual Meeting" shall mean the regularly scheduled 2004 annual meeting of the shareholders of the Company.

(s) "2005 Annual Meeting" shall mean the regularly scheduled 2005 annual meeting of the shareholders of the Company.

SECTION 2. Retirement as Chairman.

Consultant hereby retires from employment with the Company and from his position as Non-Executive Chairman of the Board effective as of the close of business on [], 2004 (the "Effective Date").

SECTION 3. Term.

The Term shall begin on the Effective Date and end on the Termination Date. Notwithstanding the foregoing, after the Effective Date, the Term may be earlier terminated by either Party in accordance with the provisions of Section 8.

SECTION 4. Positions, Duties and Responsibilities.

(a) During the Term, Consultant shall be a senior advisor and consultant to the Company and, upon reasonable request of the Chief Executive Officer, or an Executive Vice President of the Company mutually designated by the Chief Executive Officer and the Consultant, make himself available to perform consulting and advisory services with respect to strategic issues concerning the Company. Such consulting and advisory services shall be related to such matters as the Chief Executive Officer of the Company, or an Executive Vice President of the Company so mutually designated, and Consultant may mutually agree. During the Term, the Consultant shall accommodate reasonable requests for the Consultant's consulting and advisory services, by making himself reasonably available, by phone or otherwise, to perform such services, but in no event shall Consultant be required to devote more than eighty hours per month to his services hereunder. Notwithstanding the foregoing, during the time that the Consultant serves as a director of the Company, he shall devote such time as is necessary to satisfy his fiduciary duties as a director. In addition, the Company shall use its reasonable best efforts to ensure that the Consultant shall serve as a director of the Company through the 2005 Annual Meeting.

(b) Nothing herein shall preclude the Consultant from (i) serving on the boards of directors of a reasonable number of other corporations subject to the approval of the Board in each case (which approval has been given as to the boards listed in Exhibit A attached hereto), which approval shall not be unreasonably withheld, (ii) serving on the boards of a reasonable number of trade associations and/or charitable organizations, (iii) engaging in any charitable or business activities and community affairs, and (iv) managing his personal investments and affairs, provided that such activities set forth in this Section 4(b) do not materially interfere with the proper performance of his duties and responsibilities under Sections 4(a).

SECTION 5. Compensation.

(a) As soon as practicable after the Effective Date, in recognition of the Consultant's retirement from employment with the Company and from his position as Non-Executive Chairman of the Board, the Company shall pay to the Consultant an amount in cash equal to the sum of (a) the base salary under the Employment Agreement as in effect immediately prior to the Effective Date, payable from the Effective Date through April 15, 2005, which shall not be less than one year's base salary, (b) the Target Bonus under the Employment Agreement for calendar year 2004, and (c) a pro-rata portion of the Target Bonus under the Employment Agreement for calendar year 2005, equal to such Target Bonus, multiplied by a fraction, the numerator of which is the number of days from January 1, 2005 until April 15, 2005 and the denominator of which is 365.

(b) During the Term, the Consultant shall be paid consultancy fees at the rate of \$900,000 per year (the "Consultancy Fee"). The Consultancy Fee shall be paid in equal monthly installments on the last day of each month. In no event shall the Consultancy Fee be decreased.

SECTION 6. Outstanding Long-term Incentive Awards.

(a) Existing Performance Awards. Subject to the provisions of Section 8, Exhibit B attached hereto sets forth the treatment of outstanding equity-based awards held by the Consultant as of the Effective Date.

(b) Options. Except as otherwise provided in Exhibit B, all options held by the Consultant as of the Effective Time shall continue to vest during the Term as if he had remained employed by the Company. On the Termination Date, all options held by the Consultant shall become fully vested and shall remain exercisable for the remainder of their original ten-year terms.

SECTION 7. Benefit Programs; Reimbursement of Business and Other Expenses.

(a) The Consultant shall not be entitled to participate in any employee benefit plans or other benefits or conditions of employment available to the employees of the Company, except as provided in Section 6, Section 7 or elsewhere in this Agreement.

(b) During the Term, the Consultant's principal office shall be the office the Consultant occupied as an executive of the Company in the Grace Building. The Company shall provide full-time secretarial support for the Consultant's principal office, as selected by the Consultant in his sole discretion.

(c) From the Effective Date until the 2005 Annual Meeting, the Consultant shall be entitled to participate in each of the Company's executive services in accordance with the terms and conditions of such arrangements as they are in effect from time to time for the Company's Chief Executive Officer (except for the executive services as set forth below). During the Term, the Consultant shall be entitled to (a) primary personal use of an airplane on the same economic terms as the Chief Executive Officer of the Company and (b) tax preparation and financial counseling services (plus a gross-up for applicable taxes payable in connection with the provisions of such services, but only if such gross-up is provided to a senior executive of the Company). In addition, the Company shall pay the dues for the Consultant's membership in each of the Business Roundtable, the G-100 and the Business Council through the 2004 Annual Meeting.

(d) During the Term, the Company shall pay when due the premiums for the Consultant's Senior Management Universal Life Insurance Policy (as in effect as of the Effective Date), and a gross-up for all federal taxes payable by the Consultant in connection with the payment of such premiums.

(e) The Consultant is authorized to incur reasonable expenses in carrying out his duties and responsibilities under this Agreement and the Company shall promptly reimburse him for all business expenses incurred in connection with carrying out the business of the Company, subject to documentation in accordance with the Company's policy.

SECTION 8. Termination.

(a) Termination Due to Death. In the event that the Consultant's performance of consulting services is terminated due to his death, his estate or his beneficiaries, as the case may be, shall be entitled to the following benefits:

(i) the Consultancy Fee through the end of the month in which his death occurs;

(ii) all outstanding options, whether or not then exercisable, shall become exercisable and shall remain exercisable until the end of their originally scheduled ten-year terms; and

(iii) all outstanding performance shares and other equity-based awards shall vest and be paid out (at target, with respect to the performance shares) in a single installment promptly after his death.

(b) Termination Due to Disability. In the event that the Consultant's service is terminated due to his Disability, he shall be entitled to the following benefits:

(i) the Consultancy Fee through the end of the month in which disability benefits commence;

(ii) all outstanding options, whether or not then exercisable, shall become exercisable and shall remain exercisable until the end of their originally scheduled ten-year terms; and

(iii) all outstanding performance shares and other equity-based awards shall vest and be paid out (at target, with respect to the performance shares) in a single installment promptly after his termination.

In no event shall a termination of the Consultant's service for Disability occur until the Party terminating his service gives written notice to the other Party in accordance with Section 23 below.

(c) Termination by the Company for Cause.

(i) A termination for Cause shall not take effect unless the provisions of this paragraph (i) are complied with. The Consultant shall be given written notice by the Board, authorized by a vote of no less than 75% of the Board, of the intention to terminate him for Cause, such notice (A) to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination for Cause is based and (B) to be given within six months of the Board learning of such act or acts or failure or failures to act. The Consultant shall have ten calendar days after the date that such written notice has been given to the Consultant in which to cure such conduct, to the extent such cure is possible. If he fails to cure such conduct, the Consultant shall then be entitled to a hearing before the Board. Such hearing shall be held within 15 calendar days of such notice to the Consultant, provided he requests such hearing within ten calendar days of the written notice from the Board of the intention to terminate him for Cause. If, within five calendar days following such hearing, the Consultant is furnished written notice by the Board confirming that, in its judgment, grounds for Cause on the basis of the original notice exist, he shall thereupon be terminated for Cause.

(ii) In the event the Company terminates the Consultant's service for Cause:

(A) the Consultant shall be entitled to the Consultancy Fee through the date of the termination; and

(B) all outstanding options which are not exercisable shall be forfeited; exercisable options shall remain exercisable until the earlier of the ninetieth day after the date of termination or the originally scheduled expiration date of the options unless the Board determines otherwise.

(d) Termination without Cause or Constructive Termination without Cause. In the event the Consultant's service is terminated by the Company without Cause, other than due to Disability or death, or in the event there is a Constructive Termination without Cause, the Consultant shall be entitled to the following benefits:

(i) the Consultancy Fee through the date of termination;

(ii) a cash payment of \$1,800,000, payable in a single installment promptly after his termination;

(iii) all outstanding options, whether or not then exercisable, shall become exercisable and shall remain exercisable until the end of their originally scheduled ten-year terms;

(iv) all outstanding performance shares and other equity-based awards shall vest and be paid out (at target, with respect to the performance shares) in a single installment promptly after his termination; and

(v) if such termination occurs on or prior to the second anniversary of the effective date of the Employment Agreement, the Consultant shall be entitled to receive a lump sum cash amount equal to the greater of (A) (X) the product of three multiplied by the sum of (I) the Base Salary (as defined in the Employment Agreement), (II) the annual incentive award, equal to the target bonus established by AT&T for 2002, which was 150% of such Base Salary, and (III) the long-term performance share award, equal to the performance share target set by AT&T for 2002 and (B) the product of four multiplied by the sum of Base Salary (as defined in the Employment Agreement), at the annualized rate in effect on the date of termination of employment under the Employment Agreement, and the Target Bonus (as defined in the Employment Agreement) for the year in which the termination of employment under the Employment Agreement occurs. If such termination occurs after the second anniversary

of the effective date of the Employment Agreement, the Consultant shall be entitled to receive the payment set forth in clause (B) of this Section 8(d)(v).

(e) Gross-up Payment.

(i) If the aggregate of all payments or benefits made or provided to the Consultant under this Agreement and under all other plans and programs of the Company (the "Aggregate Payment") is determined to constitute a Parachute Payment within the meaning of Section 280G(b)(2) of the Code, the Company shall pay to the Consultant, prior to the time any excise tax imposed by Section 4999 of the Code ("Excise Tax") is payable with respect to such Aggregate Payment, an additional amount (the "Gross-Up Payment") which, after the imposition of all income, employment, excise and other taxes thereon, is equal to the Excise Tax on the Aggregate Payment. The determination of whether the Aggregate Payment constitutes a Parachute Payment and, if so, the amount to be paid to the Consultant and the time of payment pursuant to this Section 8(e)(i) shall be made by an independent auditor (the "Auditor") selected by the Parties and paid by the Company. The Auditor shall be a nationally recognized United States public accounting firm which has not, during the two years preceding the date of its selection, acted in any way on behalf of the Company or any Affiliate thereof. If the Consultant and the Company cannot agree on the firm to serve as the Auditor, then the Consultant and the Company shall each designate one accounting firm and those two firms shall jointly select the accounting firm to serve as the Auditor. All fees and expenses of the Auditor shall be borne solely by the Company. Any Gross-Up Payment shall be paid by the Company to the Consultant within five calendar days of the receipt of the Auditor's determination. Any determination by the Auditor shall be binding upon the Company and the Consultant.

(ii) As a result of uncertainty in the application of Sections 280G and 4999 of the Code at the time of the initial determination by the Auditor hereunder, it is possible that the Gross-Up Payment made will have been an amount more than the Company should have paid pursuant to Section 8(e)(i) (the "Overpayment") or that the Gross-Up Payment made will have been an amount less than the Company should have paid pursuant to Section 8(e)(i) (the "Underpayment"). In the event that there is a final determination by the Internal Revenue Service, or a final determination by a court of competent jurisdiction, that an Overpayment has been made, any such Overpayment shall be treated for all purposes as a loan to the Consultant which the Consultant shall repay to the Company

together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code. In the event that there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Underpayment arises under this Agreement, any such Underpayment shall be promptly paid by the Company to or for the benefit of the Consultant together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code.

(iii) The Consultant shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would result in an Underpayment and would require the payment by the Company of an additional Gross-Up Payment. Such notification shall be given as soon as practicable but no later than 10 business days after the Consultant is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Consultant shall not pay such claim prior to the expiration of the 30 calendar day period following the date on which the Consultant gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Consultant in writing prior to the expiration of such period that it desires to contest such claim, the Consultant shall:

(A) give the Company any information reasonably requested by the Company relating to such claim,

(B) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(C) cooperate with the Company in good faith in order effectively to contest such claim, and

(D) permit the Company to participate in any proceeding relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Consultant harmless, on an after-tax basis, for any Excise Tax or income or employment tax (including interest and penalties with respect thereto) imposed as a result of such proceeding and

payment of costs and expenses. Without limitation on the foregoing provisions of this Section 8(e), the Company shall control all proceedings taken in connection with such contest, provided that the Company's control of the contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and Consultant shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(f) Other Termination Benefits. In the case of any of the foregoing terminations the Consultant or his estate shall also be entitled to:

(i) the balance of any incentive awards due for performance periods which have been completed, but which have not yet been paid;

(ii) any expense reimbursements due the Consultant;

(iii) with respect to the Consultant only, (i) tax preparation and financial counseling services for the period beginning on the date of termination and ending on the Termination Date (plus a gross-up for all applicable taxes payable in connection with the provisions of such services, but only if such gross-up is provided to a senior executive of the Company); (ii) primary personal use of the Company airplane, on the economic terms set forth in Section 7(c), for the period beginning on the date of termination and ending on the Termination Date; and (iii) continued payment by the Company when due of the premiums for the Senior Management Universal Life Insurance Policy provided under Section 7 of this Agreement, and a gross-up for all federal taxes payable in connection with the payment of such premiums, for the period beginning on the date of termination and ending on the Termination Date;

(iv) with respect to the Consultant only, use of his office in the Grace Building until the Termination Date and then, at the Company's option, use of his office in the Grace Building or a comparable office, as determined by the Company in its sole discretion, in the borough of Manhattan in New York City for the two-year period commencing on the Termination Date. The Company shall provide full-time secretarial support for the Consultant's principal office, as selected by the Consultant in his sole discretion. The Company shall use its reasonable efforts to maintain the Grace Building office for the Consultant's use during this latter period; and

(v) other benefits, if any, in accordance with applicable plans and programs of the Company and this Agreement.

(g) No Mitigation; No Offset. In the event of any termination of service under this Section 8, the Consultant shall be under no obligation to seek other employment and there shall be no offset against amounts due the Consultant under this Agreement on account of any remuneration attributable to any subsequent employment that he may obtain.

(h) Nature of Payments. Any amounts due under this Section 8 are in the nature of severance payments considered to be reasonable by the Company and are not in the nature of a penalty.

SECTION 9. Confidential Information; Prohibited Public Statements; Publicity.

(a) The Company (as hereinafter specially defined for purposes of Sections 9 through 11 hereof), pursuant to the Consultant's performance of consulting services hereunder, provides the Consultant access to and confides in him business methods and systems, techniques and methods of operation developed at great expense by the Company ("Trade Secrets") and which the Consultant recognizes to be unique assets of the Company's business. The Consultant shall not, during or at any time after the Term, directly or indirectly, in any manner utilize or disclose to any person, firm, corporation, association or other entity, except (i) where required by law, (ii) to directors, consultants or employees of the Company in the ordinary course of his duties or (iii) during his performance of consulting services as a consultant or serving as a member of the Board for such use and disclosure as he shall reasonably determine to be in the best interest of the Company: (A) any such Trade Secrets, (B) any sales prospects, customer lists, products, research or data of any kind, or (C) any information relating to strategic plans, sales, costs, profits or the financial condition of the Company or any of its customers or prospective customers, which are not generally known to the public or recognized as standard practice in the industry in which the Company shall be engaged. The Consultant further covenants and agrees that he will promptly deliver to the Company all tangible evidence of the knowledge and information described in (A), (B) and (C), above, prior to or at the termination of the Consultant's service. For purposes of Sections 9, 10 and 11 hereof the term "Company" shall mean Comcast Corporation ("Comcast") as well as (I) each of its more than fifty percent (50%) owned subsidiaries and (II) each other entity in which Comcast directly or indirectly has a greater than ten percent (10%) equity interest, the fair market value of which interest is in excess of \$50,000,000. In determining Comcast's equity interest for purposes of this definition, any equity interest which Comcast has an option to purchase shall be considered as owned by Comcast.

(b) Neither the Consultant nor the Company, its officers or directors (collectively, the "Company Affiliated Entities") shall, either during or at any time after the Term, directly or indirectly make any public statement (including a private statement reasonably likely to be repeated publicly) reflecting adversely on the Company Affiliated Entities or the Consultant, as the case may be, or the business prospects of the Company, except for (a) such statements which the Consultant may be required to make in the ordinary course of his position as senior consultant to the Company or (b) with respect to each of the Consultant and the Company Affiliated Entities, as otherwise required by applicable law.

(c) Neither the Consultant nor the Company Affiliated Entities shall comment (including private statements reasonably likely to be repeated publicly) on, or discuss the circumstances surrounding, this Agreement, except as mutually agreed or as required by applicable law.

SECTION 10. Noncompetition, Noninterference and Nonsolicitation.

(a) Subject to the geographic limitation of Section 10(b) hereof, the Consultant, for the period beginning on the Effective Date and ending on the Termination Date, shall not, directly or indirectly, on his behalf or on behalf of any other person, firm, corporation, association or other entity, as an employee or otherwise, engage in, or in any way be concerned with or negotiate for, or acquire or maintain any ownership interest in any business or activity which is the same as or competitive with that conducted by the Company at the termination of his employment, or which was engaged in or developed by the Company at any time during the term of the Employment Agreement for specific implementation in the immediate future by the Company.

(b) The Consultant acknowledges that the Company is engaged in business throughout the United States and in various foreign countries and that the Company intends to expand the geographic scope of its activities. Accordingly and in view of the nature of his position and responsibilities, the Consultant agrees that the provisions of this Section shall be applicable to each state and each foreign country, possession or territory in which the Company may be engaged in business during the Term or the term of the Employment Agreement, or, with respect to the Consultant's obligations following termination of his employment under the Employment Agreement, at the termination of his service or at any time within the twelve-month period following the effective date of his termination of employment under the Employment Agreement.

(c) The Consultant agrees that, for the period beginning on the Effective Date and ending on the Termination Date, the Consultant will not, directly or indirectly, for himself or on behalf of any third party at any time in any manner,

request or cause any of the Company's customers to cancel or terminate any existing or continuing business relationship with the Company; solicit, entice, persuade, induce, request or otherwise cause any employee, officer or agent of the Company (other than clerical employees of the Company) to refrain from rendering services to the Company or to terminate his or her relationship, contractual or otherwise, with the Company; induce or attempt to influence any supplier to cease or refrain from doing business or to decline to do business with the Company; divert or attempt to divert any supplier from the Company; or induce or attempt to influence any supplier to decline to do business with any businesses of the Company as such businesses are constituted immediately prior to the termination of employment under the Employment Agreement.

(d) The Consultant agrees that, for the period beginning on the Effective Date and ending on the Termination Date, the Consultant will not directly or indirectly, for himself or on behalf of any third party, solicit for business in competition with the business of the Company, accept any business in competition with the business of the Company from or otherwise do, or contract to do, business in competition with the business of the Company with any person or entity who, at the time of, or any time during the twelve (12) months preceding such termination, was an active customer or was actively solicited by the Company according to the books and records of the Company and within the knowledge, actual or constructive, of the Consultant.

(e) Notwithstanding anything to the contrary in this Section 10, the prohibitions and agreements contained in subsections 10(a), 10(c), and 10(d) shall terminate immediately upon any termination of Consultant's service hereunder following a Change in Control.

(f) Notwithstanding the foregoing, if, following the Term, the Consultant engages in any behavior that would be prohibited under this Section, as determined by the Company in its sole discretion, the Company shall be relieved of its obligations under Section 8(f)(iv) of this Agreement.

(g) Nothing in this Section 10 shall prohibit the Consultant from being a passive owner of not more than one percent of the outstanding common stock, capital stock and equity of any firm, corporation, or enterprise so long as the Consultant has no active participation in the management of the business of such firm, corporation or enterprise.

SECTION 11. Equitable Remedies.

The Consultant acknowledges that his compliance with the covenants in Sections 9 and 10 of this Agreement is necessary to protect the good will and

other proprietary interests of the Company and that, in the event of any violation by the Consultant of the provisions of Section 9 or 10 of this Agreement, the Company will sustain serious, irreparable and substantial harm to its business, the extent of which will be difficult to determine and impossible to remedy by an action at law for money damages. Accordingly, the Consultant agrees that, in the event of such violation or threatened violation by the Consultant, the Company shall be entitled to any injunction before trial from any court of competent jurisdiction as a matter of course and upon the posting of not more than a nominal bond in addition to all such other legal and equitable remedies as may be available to the Company. The Consultant further agrees that, in the event any of the provisions of Sections 9 and 10 of this Agreement are determined by a court of competent jurisdiction to be contrary to any applicable statute, law or rule, or for any reason to be unenforceable as written, such court may modify any of such provisions so as to permit enforcement thereof as thus modified.

SECTION 12. Resolution of Disputes.

Except as provided in Section 11, any disputes arising under or in connection with this Agreement shall be resolved by third party mediation of the dispute and, failing that, by binding arbitration, to be held in a location mutually agreed to by the Parties, in accordance with the rules and procedures of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Each Party shall bear his or its own costs of the mediation, arbitration or litigation, except that the Company shall bear all such costs if the Consultant prevails in such mediation, arbitration or litigation on any material issue.

SECTION 13. Indemnification.

(a) The Company agrees that if the Consultant is made a party, or is threatened to be made a party, to any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he is or was a director, officer or employee of the Company or is or was serving at the request of the Company as a director, officer, member, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether or not the basis of such Proceeding is the Consultant's alleged action in an official capacity while serving as a director, officer, member, employee or agent, the Consultant shall be indemnified and held harmless by the Company to the fullest extent legally permitted or authorized by the Company's certificate of incorporation or bylaws or resolutions of the Board or, if greater, by the laws of the Commonwealth of Pennsylvania, against all cost, expense, liability and loss (including, without limitation, attorney's fees, judgments, fines, ERISA excise taxes or other

liabilities or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Consultant in connection therewith, and such indemnification shall continue as to the Consultant even if he has ceased to be a director, member, employee or agent of the Company or other entity and shall inure to the benefit of the Consultant's heirs, executors and administrators. The Company shall advance to the Consultant all reasonable costs and expenses incurred by him in connection with a Proceeding within 20 calendar days after receipt by the Company of a written request for such advance. Such request shall include an undertaking by the Consultant to repay the amount of such advance if it shall ultimately be determined that he is not entitled to be indemnified against such costs and expenses.

(b) Neither the failure of the Company (including its board of directors, independent legal counsel or shareholders) to have made a determination prior to the commencement of any Proceeding concerning payment of amounts claimed by the Consultant under Section 13(a) above that indemnification of the Consultant is proper because he has met the applicable standard of conduct, nor a determination by the Company (including its board of directors, independent legal counsel or shareholders) that the Consultant has not met such applicable standard of conduct, shall create a presumption that the Consultant has not met the applicable standard of conduct.

(c) The Company agrees to continue and maintain a directors' and officers' liability insurance policy covering the Consultant which is no less favorable than the policy covering senior officers of the Company.

SECTION 14. Assignability; Binding Nature. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs (in the case of the Consultant) and assigns. Rights or obligations of the Company under this Agreement may be assigned or transferred by the Company pursuant to a merger or consolidation in which the Company is not the continuing entity, or the sale or liquidation of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this Agreement, either contractually or as a matter of law. The Company further agrees that, in the event of a sale of assets or liquidation as described in the preceding sentence, it shall take whatever action it reasonably can in order to cause such assignee or transferee to expressly assume the liabilities, obligations and duties of the Company hereunder. No rights or obligations of the Consultant under this Agreement may be assigned or transferred by the Consultant other than his rights to compensation and benefits, which may be transferred only by will or operation of law.

SECTION 15. The Consultant's Independence and Discretion.

(a) Nothing herein contained shall be construed to constitute the Parties hereto as partners or as joint venturers, or either as agent of the order, or as employer and employee. By virtue of the relationship described herein the Consultant's relationship to the Company during the Term shall only be that of an independent contractor and the Consultant shall perform all services pursuant to this Agreement as an independent contractor. The Consultant shall not provide any services under the Company's business name, except as requested hereunder, and shall not present himself as an employee of the Company.

(b) Subject only to such specific limitations as are contained in this Agreement, the manner, means, details or methods by which the Consultant performs his obligations under this Agreement shall be solely within the discretion of the Consultant. The Company shall not have the authority to, nor shall it, supervise, direct or control the manner, means, details or methods utilized by the Consultant to perform his obligations under this Agreement and nothing in this Agreement shall be construed to grant the Company any such authority.

(c) To the extent consistent with applicable law, the Company will not withhold any amounts as federal income tax withholding from wages or as employee contributions under the Federal Insurance Contributions Act or any other state or federal laws. The Consultant shall be solely responsible for payment of any required employment taxes or contributions.

SECTION 16. Representation. The Company represents and warrants that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between it and any other person, firm or organization. The Consultant represents that the performance of his obligations under this Agreement will not violate any agreement between him and any other person, firm or organization that would be violated by the performance of his obligations under this Agreement.

SECTION 17. Entire Agreement. This Agreement contains the entire understanding and agreement between the Parties concerning the subject matter hereof and supersedes all prior agreements, understandings, discussions, negotiations and undertakings, whether written or oral, between the Parties with respect thereto, except, without duplication, for those provisions of the Employment Agreement that would otherwise survive the termination of such Employment Agreement. The Consultant acknowledges that, except as provided herein, he shall not be entitled to any other payment, benefits or prerequisites from the Company or any of its subsidiaries on account of his former employment by, or his retirement from, the Company, except that the Consultant shall be entitled

to any benefits due to him as a retired employee under the Company's employee benefit plans.

SECTION 18. Amendment or Waiver. No provision in this Agreement may be amended unless such amendment is agreed to in writing and signed by the Consultant and an authorized officer of the Company. No waiver by either Party of any breach by the other Party of any condition or provision contained in this Agreement to be performed by such other Party shall be deemed a waiver of a similar or dissimilar condition or provision at the same or any prior or subsequent time. Any waiver must be in writing and signed by the Consultant or an authorized officer of the Company, as the case may be.

SECTION 19. Severability. In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law so as to achieve the purposes of this Agreement.

SECTION 20. Survivorship. Except as otherwise expressly set forth in this Agreement, the respective rights and obligations of the Parties hereunder shall survive any termination of the Consultant's service. This Agreement itself (as distinguished from the Consultant's service) may not be terminated by either Party without the written consent of the other Party.

SECTION 21. References. In the event of the Consultant's death or a judicial determination of his incompetence, reference in this Agreement to the Consultant shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative.

SECTION 22. Governing Law; Jurisdiction. This Agreement shall be governed in accordance with the laws of the State of New York without reference to principles of conflict of laws.

SECTION 23. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be deemed given when (a) delivered personally, (b) sent by certified or registered mail, postage prepaid, return receipt requested or (c) delivered by overnight courier (provided that a written acknowledgment of receipt is obtained by the overnight courier) to the Party concerned at the address indicated below or to such changed address as such Party may subsequently give such notice of:

If to the Company: Comcast Corporation
1500 Market Street
Philadelphia, PA 19102
Attention: General Counsel

If to the Consultant: Mr. C. Michael Armstrong
c/o Comcast Corporation
1114 Avenue of the Americas
New York, NY 10036

SECTION 24. Headings. The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

SECTION 25. Counterparts. This Agreement may be executed in counterparts.

on [IN WITNESS WHEREOF, the undersigned have executed this Agreement
], 2004 as of the date first written above.

Comcast Corporation

By: _____
Name:
Title:

By: _____
C. Michael Armstrong

DIRECTORSHIPS

Citigroup

TBG (private company, Supervisory Board)

EXHIBIT B

1. Performance Shares: The 2002 grant of performance shares was converted into Company performance shares and AT&T stock units, pursuant to the terms of the EBA and the Merger Agreement. Company performance shares and AT&T stock units will vest on the Effective Date. Company performance shares will be paid out at target as soon as practicable after the Effective Date. The form of payout will be at least 50% in cash, based on the Fair Market Value of Stock on the day immediately preceding the Effective Date, and the remaining portion of the payment will be in Stock. The AT&T stock unit portion of the award will be paid out in cash based on the Fair Market Value of AT&T common stock on the day immediately preceding the Effective Date.
2. Stock Options: Unvested options granted to the Consultant prior to November 18, 2002 shall vest in full on the Effective Date and all options granted prior to November 18, 2002 shall remain exercisable until the end of their originally scheduled ten-year terms.
3. Change in Control: Options granted to the Consultant on or after November 18, 2002 shall vest upon a Change in Control.

AMENDMENT TO COMPENSATION AGREEMENT
 BETWEEN
 COMCAST CORPORATION AND BRIAN L. ROBERTS

This Amendment is made as of this 18th day of November, 2002, by and between Comcast Corporation, a Pennsylvania corporation (the "Company"), and Brian L. Roberts ("Roberts"). RECITALS

WHEREAS, Roberts and the Company entered into a Compensation Agreement dated as of June 16, 1998 (the "Agreement"); and

WHEREAS, the Company desires to modify the provisions of the Agreement concerning the establishment of a trust as provided therein and other matters; and

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

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

1. Section 1 of the Agreement is modified by replacing the phrase "June 30, 2003" therein with the phrase "the date of the Company's 2005 Annual Meeting of Shareholders".

2. Effective as of November 18, 2002, Roberts' Base Salary is increased to \$2,000,000 per annum. Notwithstanding the provisions of the second sentence of Section 3(a) of the Agreement, the Base Salary shall not be subject to increase on January 1, 2003.

3. The parties acknowledge that the occurrence of the merger (the "Merger") between the Company and a subsidiary of AT&T Comcast Corporation ("AT&T Comcast") (which, effective immediately following the consummation of the Merger, is changing its name to "Comcast Corporation"), as contemplated by the Agreement and Plan of Merger, dated as of

December 19, 2001 (as amended from time to time, the "Merger Agreement"), among the Company, AT&T Comcast, AT&T Corp., and certain other related parties, will result in a Change of Control as defined in the Agreement. Pursuant to Section 3(j) of the Agreement, the Company is required, prior to the occurrence of a Change of Control, to establish the Trust (as defined in the Agreement), and is further required, upon and after the occurrence of a Change of Control, to contribute certain assets to the Trust. Roberts hereby waives the requirements that the Company so form and contribute assets to the Trust as a result of the Merger; provided that (a) Roberts may at any time, by notice to the Company, require the Company to form and contribute assets to the Trust and (b) if Roberts gives such notice, the Company, as promptly as practicable (and in any event within 30 days) thereafter, shall (i) form the Trust in accordance with Section 3(j) of the Agreement, (ii) contribute to the Trust the funds and other assets which the Company would be required to contribute pursuant to the Agreement if a Change of Control occurred on the date of such notice, and (iii) thereafter contribute such additional assets as may be required by the Agreement as if the waiver made hereby had not been made.

4. Section 4(c) of the Agreement is amended by deleting the words "two-thirds" and replacing them with the words "three-fourths."

5. Section 10(c) of the Agreement is amended by adding the following at the end thereof:

In any case where this Agreement provides for a determination to be made or instruction to be given by Roberts, such determination or instruction made or given after his death shall be made or given by the foregoing persons as their interests may appear; provided that, if it is impractical to give effect to separate

determinations or instructions, the determination or instruction given by such of the foregoing as shall then have the greatest interest, as determined by the Company in its reasonable discretion, shall control.

6. As contemplated by Section 9.14 of the Merger Agreement, and pursuant to Section 10 of the Agreement, upon consummation of the Merger, AT&T Comcast, as the successor to the Company, will be bound by the Agreement, amended hereby (together, the "Amended Agreement"), and will perform the Amended Agreement, in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. To give effect thereto, and as further contemplated by Section 9.14 of the Merger Agreement, upon and following consummation of the Merger:

(a) When used in the Amended Agreement to refer to a period or action to be taken or other event occurring after consummation of the Merger:

(i) the term "Company" shall be deemed to refer to AT&T Comcast (which shall include, for all purposes of this Section 3, its successors as provided in Section 10 of the Amended Agreement);

(ii) the terms "Board" and "Committee" shall be deemed to refer, respectively, to the Board of Directors of AT&T Comcast and the Compensation Committee of such Board;

(iii) the term "Subcommittee" shall be deemed to refer to the Subcommittee on Performance-Based Compensation of the Compensation Committee, if such Subcommittee exists, or, if such Subcommittee does not exist, such other subcommittee of the Compensation Committee as shall perform the

functions heretofore performed by the Subcommittee on Performance-Based Compensation of the Company's Compensation Committee, or, if there is no such other subcommittee, the full Compensation Committee; and

(iv) by signing this Amendment where indicated below, AT&T Comcast hereby assumes the Company's obligations to Roberts under the Amended Agreement.

(b) The phrase "Comcast Corporation" in Section 10(b) of the Amended Agreement is replaced with the phrase "AT&T Comcast Corporation (which, effective immediately following the consummation of the merger between Comcast Corporation and a subsidiary of AT&T Comcast Corporation, is changing its name to "Comcast Corporation")".

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

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

Comcast Corporation

By: _____

Brian L. Roberts

Agreed to and acknowledged by:

AT&T Comcast Corporation

By: _____

CERTIFICATE OF INTEREST
OF JULIAN BRODSKY UNDER
THE COMCAST CORPORATION
UNFUNDED PLAN OF DEFERRED COMPENSATION

Comcast Corporation, a Pennsylvania corporation (the "Company"), has established an unfunded plan of deferred compensation (the "Plan") pursuant to which certain future benefits will be provided for Julian Brodsky (the "Participant") should he remain in the employ of the Company, as herein-after set forth.

1. PLAN BENEFITS

(a)(1) If Participant remains without interruption in the employ of the Company as a full-time employee from the Effective Date of the Plan until attainment of age 65, he shall be entitled to a benefit hereunder, commencing upon his termination of employment at or after attaining age 65, in the amount of \$30,000 per year for a period of 15 years.

(2) In the event of the death of Participant during the 15 year period in which the benefit described in the preceding Section 1(a) (1) is payable, the remaining benefit payments to which the Participant was entitled shall be paid to his designated beneficiary or beneficiaries for the remainder of said 15 year period on

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the same basis as that on which the payments were made to participant prior to his death.

(b)(1) In the event Participant leaves the employ of the Company (other than by reason of a termination of employment entitling the Participant to a benefit pursuant to Section 1(a) of the Plan), whether voluntarily or involuntarily (including, for this purpose, the death of Participant), after having completed at least three Full years of Uninterrupted Future Service (as defined in Section 1(b)(6)), he shall be entitled to receive a benefit, commencing upon his attainment of age 65, computed by

(A) multiplying his Vesting Percentage (as determined under the Vesting Schedule of Section 1(b) (4)) as of the date of his termination of employment, by

(B) his Accrued Benefit (determined in accordance with the provisions of Section 1(b)(5)) as of the date of his termination of employment,

(C) which product of (A) and (B) shall then be credited with interest compounded annually at the rate of 6% per year from the date of termination of employment until the day before the first benefit installment payment is made.

The amount so computed under Sections 1(b)(1)(A)-(C) shall

-2-

be paid over a 15 year period in equal installments of principal and interest with interest compounded annually at the rate of 6% per year on the unpaid balance.

(2) If Participant dies prior to attaining age 65, otherwise entitled to receive a benefit under Section 1(b), the beneficiary or beneficiaries designated by the Participant shall receive said benefit, computed in the manner prescribed by Section 1(b) (1). The payment of his benefit shall commence not later than 90 days after the date of Participant's death. The benefit described in this Section 1(b)(2) shall be paid over a 15 year period in equal installments of principal and interest, with interest compounded annually at the rate of 6% per year on the unpaid balance; provided, however, that the Executive Committee of the Company's Board of Directors may, upon request by a beneficiary but in its sole discretion, direct that said benefit be paid in the form of a lump sum.

(3) In the event of the death of Participant during the 15 year period in which a benefit described in Section 1(b)(1) is payable, the remaining benefit installment payments to which the Participant was entitled pursuant to Section 1(b)(1) shall be paid to his designated beneficiary or beneficiaries for the remainder of said 15 year period on the same basis as that on which the benefit installment payments were made to Participant prior to his death.

(4) For purposes of Section 1(b), the Vesting Percentage of Participant shall be as follows:

FULL YEARS OF UNINTERRUPTED FUTURE SERVICE -----	VESTING PERCENTAGE -----
Less than 3 Years	0%
3-5 Years	30%
6-9 Years	60%
10 Years or More	100%

(5) For purposes of Section 1(b), the Accrued benefit of Participant shall mean the total amount credited to the book account of Participant as of any date of reference, computed in accordance with the provisions of this Section 1 (b)(5). Participant's account shall be credited by book entry as of the last day of any Full Year of Uninterrupted Future Service of the Participant in the amount of \$7,300. Each amount credited to the book account of Participant in accordance with the preceding sentence shall further be credited with interest compounded annually at the rate of 6% per year, commencing with the date as of which such amount is credited to Participant's account.

(6) For purposes of Section 1(b), the term "Full Year of Uninterrupted Future Service" means a twelve month period, measured from the Effective Date of the Plan and anniversaries thereof, during which Participant was employed on a full-time basis by the Company or one of its

subsidiaries; provided however, that employment by Participant after attaining age 65 shall not count as service hereunder. Temporary illness or an authorized leave of absence shall not be deemed to interrupt a Participant's Years of Uninterrupted Future Service.

(c) Participant shall have the right to designate one or more beneficiaries and contingent beneficiaries to receive any benefit to which Participant would otherwise be entitled hereunder but for his death prior to the complete distribution of such benefit, by filing a written designation with the Executive Committee of the Board of Directors of the Company on the form prescribed by the Executive Committee. Participant may thereafter designate different beneficiaries at any time by filing a new written designation with the Executive Committee. The consent of the beneficiary shall not be required for any revocation or change of designation of beneficiary.

d) Benefits payable under this Plan shall be paid on a monthly basis.

2. BOOK ACCOUNTS

(a) The Company shall establish and maintain a book account in the name of Participant and shall credit such account by book entry with the amounts accruing to the benefit of Participant, as provided in Section 1(b)(5).

No funds shall at any time be segregated into the account of Participant or set aside in any other manner whatsoever for his benefit.

(b) At all times, the account of Participant shall merely represent a general obligation of the Company. Participant shall be a general creditor of the Company with respect to this obligation, and shall not have or be deemed to have a secured or otherwise preferred position with respect thereto. Nothing contained herein shall be deemed to create an escrow, trust, custodial account, fiduciary relationship, or funded arrangement of any kind.

3. ADMINISTRATION OF THE PLAN

(a) The Administrator (within the meaning of the Employee Retirement Income Security Act of 1974) shall file with the Secretary of Labor all notices and other information required under ERISA. The Administrator of this Plan shall be the Executive Committee of the Board of Directors of the Company.

(b) The Executive Committee (hereinafter referred to as the "Committee") shall have the authority to control and manage the operation and administration of the Plan, and shall be the agent of the Plan for purposes of receiving service of legal process.

(c) The Committee shall keep complete records for the administration of the Plan, promulgate rules and regulations for administration of the Plan consistent with the terms and provisions of the Plan, interpret the Plan, determine any questions of fact arising under the Plan, and make all decisions required by the Plan. The construction thereof and any actions and decisions taken thereon in good faith by the Committee shall be final and conclusive. The Committee may correct any defect, or supply any omission, or reconcile any inconsistency in the Plan in such manner and to such extent as shall be expedient to carry the Plan into effect and shall be the sole judge of such expediency.

(d) If, pursuant to rules, regulations or other interpretations of the Plan, the Committee denies the claim of Participant or of a beneficiary for benefits under the Plan, the Committee shall provide written notice setting forth in a manner calculated to be understood by the claimant:

(i) the specific reasons for such denial;

(ii) the specific reference to the Plan provisions on which the denial is based;

(iii) a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is needed;

(iv) an explanation of the Plan's claim review procedure.

If a claim for benefits by Participant or by a beneficiary has been denied, the Participant or beneficiary may request review by the Committee of the denied claim by notifying the Committee in writing within sixty days after receipt of the notification of claim denial. As part of said review procedure, the claimant or his authorized representative may review pertinent documents and submit issues and comments to the Committee in writing.

4. LIMITATION OF RIGHTS

Neither the establishment of the Plan, nor any modification thereof, nor the payment of any benefit shall be construed as giving Participant, beneficiary, or any person whomsoever, any legal or equitable right against the Company, its subsidiaries, or the Committee, unless such right shall be specifically provided for in the Plan or conferred by affirmative action of the Committee or the Company in accordance with the terms and provisions of the Plan; or as giving Participant the right to be retained in the service of the Company or its subsidiaries, and Participant shall remain subject to discharge to the same extent as if the Plan had never been adopted.

5. EFFECTIVE DATE

The Effective Date of the Plan shall be March 24, 1977.

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT is entered into as of the 1st day of May, 2002 between COMCAST CORPORATION, a Pennsylvania corporation (the "Company") and JULIAN A. BRODSKY ("Employee").

BACKGROUND

WHEREAS, Employee is currently employed by the Company as its Vice Chairman; and

WHEREAS, the Company recognizes that Employee's contribution to the growth and success of the Company has been substantial; and

WHEREAS, the Company desires to assure Employee's continued employment in an executive and non-executive capacity; and

WHEREAS, Employee is willing to commit himself to serve the Company on the terms herein provided.

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

1. Term.

1.1 The Company shall continue to retain Employee and Employee shall continue to serve the Company as an employee, on the terms and conditions set forth herein, for a term (the "Service Period") commencing on May 1, 2002 and ending on the earlier of: (i) April 30, 2009; or (ii) the date Employee's employment terminates for any reason. The period between May 1, 2002 and April 30, 2009, as it may be extended by the agreement of the parties, is referred to as the "Seven Year Period."

1.2 Employee shall serve as an executive employee during the Service Period from May 1, 2002 until the earlier of: (i) April 30, 2004; or (ii) the effective date specified in Employee's written notice to the Company (if any), given at any time prior to April 30, 2004, electing to end his status of an executive employee and begin his status as a non-executive employee, provided the effective date shall not be less than 30 days from the date of notice (the "Executive Term"). The period of time during the Service Period from May 1, 2002 to April 30, 2004 is referred to as the "Base Period."

1.3 Employee shall serve as a non-executive employee from the first day following the end of the Executive Term until the end of the Service Period (the "Non-Executive Term").

2. Position and Duties; Office Space.

2.1 Until the first to occur of: (i) the closing (if it occurs) (the "Closing") of the Company's proposed transaction with AT&T Corp. relating to AT&T Broadband; and (ii) the end of the Executive Term, Employee shall continue to serve as Vice Chairman. If the Closing occurs, then for the balance of the Executive Term Employee shall serve in such other executive officer position as agreed to by the Company and Employee. In either such position, Employee shall have such duties as are consistent with Employee's present duties as Vice Chairman, but shall not have any specific duties which may be attendant to the office of Vice Chairman unless so determined by the Company. During the Non-Executive Term, Employee shall serve in a non-executive capacity without any officer position.

2.2 During the Executive Term, Employee shall continue to devote substantially all of his working time and effort to the business and affairs of the

Company. During the Non-Executive Term, Employee shall devote such time (which the Company acknowledges is not intended to be full-time) as is required for the performance of those duties which are reasonably requested by the Company and which are commensurate with Employee's professional and executive experience. Nothing contained herein shall preclude Employee from engaging in personal or business activities which are consistent with Employee's obligations to the Company hereunder, including the restrictions contained in Section 7, including being an employee of another entity during the Non-Executive Term. Without limiting the foregoing, the Company recognizes that Employee: (i) is Manager of CIC Venture Management, LLC, which is the general partner of CIC Partners, L.P., which in turn is the general partner of Comcast Interactive Partners, L.P., an investment partnership, and may become the manager of a similar entity with respect to a similar investment partnership (together, the "CIC Funds"); and (ii) serves and may serve as a director or trustee on the boards of other corporations and organizations; and that, subject to the restrictions of Section 7.3, Employee may continue to devote considerable time to such activities.

2.3 During the Executive Term, an office and secretarial support will be provided to Employee in the Company's corporate headquarters executive offices floor. During the Non-Executive Term, an office and secretarial support will be provided to Employee in the Company's corporate headquarters, outside the executive offices floor.

3. Compensation.

3.1 Base Salary. The Company shall pay base salary to Employee during the Service Period as follows: From May 1, 2002 through December 31, 2002, the

Company shall pay Employee a base salary at the per annum amount being paid to Employee as of April 30, 2002 (i.e., \$837,560). On each of January 1, 2003 and January 1, 2004, the Company shall increase Employee's base salary per annum amount as of the prior December 31 by the greater of: (i) five percent (5%); (ii) the percentage increase for the preceding year in the Consumer Price Index for all urban consumers published by the United States Department of Labor; and (iii) the average percentage increase in the base salary of the five (5) employees of the Company having the highest base salary (other than Employee) for the preceding year. From May 1, 2004 through April 30, 2009, the Company shall pay Employee a base salary at a per annum amount equal to six hundred thousand dollars (\$600,000).

3.2 Executive Cash Bonus Plan. Employee will be entitled to receive the maximum amount of his cash bonus (less any required withholdings) under the Company's Executive Cash Bonus Plan for 2002, 2003 and 2004 (pro-rated for the portion of 2004 during the Service Period), at the same time as the other participants therein, regardless of whether or not Employee remains employed on any particular date. Employee will not be entitled to participate in the Executive Cash Bonus Plan after 2004.

3.3 Expenses. During the Service Period, Employee shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by him (in accordance with current practices) in performing services hereunder, including attending conferences and conventions (limited to domestic locations following the Executive Term), provided that Employee properly accounts therefor in accordance with Company policy.

3.4 Benefits.

3.4.1 Except as otherwise specifically provided herein, during the Service Period Employee shall continue to be eligible to participate in all employee benefit plans and arrangements generally available to all employees and those generally available to all senior executives (to the extent and on the terms on which they are then in effect), excluding the Company's Restricted Stock Plan, the Company's 1996 Cash Bonus Plan and any plan or arrangement relating to the AT&T Broadband transaction, but including Employee's existing supplemental executive long-term disability insurance (subject to imputed income and tax gross-up bonus in connection therewith) and including directors and officers liability insurance coverage and indemnification rights. Except as otherwise specifically provided herein, following the Service Period Employee shall be eligible to participate in the Company's post-retirement health and welfare benefits plan for a number of years thereunder (the "Post-Retirement Period") based upon service years with the Company including the years during the Service Period (which benefits shall not be reduced on account of the health and welfare benefits provided pursuant to this Section 3.4). Following the Service Period, Employee may elect to continue his supplemental executive long-term disability policy by paying premiums himself. Employee may change health and welfare coverage types and options on the same basis as other employees. Except as otherwise provided herein or as required by law, the Company shall not make any changes in any employee benefit plans or arrangements which would adversely affect Employee's vested rights or vested benefits thereunder. Employee acknowledges that the Company's liability to Employee with respect to this Section 3.4 is limited to providing the specified benefits, and shall not

extend to cover any unspecified tax or other cost, if any, to Employee of receiving the same.

3.4.2 Employee may at any time during the Service Period, in lieu of receiving the health and welfare benefits provided for under Section 3.4.1, elect that the following provisions will apply: (i) Employee and his wife will utilize at their expense Medicare Part A and Part B as each of their primary individual insurance coverage; (ii) the Company will make available to Employee and his wife a supplemental medical plan, Blue Cross Security - 65 Plan H (or its equivalent), as each of their secondary medical insurance coverage; and (iii) the Company will reimburse Employee and his wife (on a pre-tax basis only) for their out-of-pocket costs for amounts not paid for or reimbursed by Medicare or Blue Cross to provide health care benefits equivalent to those available to employees. Employee acknowledges that the value of benefits received from the Company in the event of this election will be includable in the taxable income of Employee or his wife, as applicable.

3.4.3 Except as otherwise specifically provided for herein, following the Service Period and the Post-Retirement Period, Employee and his wife shall be entitled to the provisions of Section 3.4.2 for the remainder of their lives.

3.5 Vacations and Holidays. Employee shall be entitled during the Service Period to not fewer than the same number of paid vacation, flex and personal days in each calendar year as to which he is currently entitled. Employee shall also be entitled during the Service Period to all paid holidays given by the Company to its employees.

3.6 Perquisites. Except as otherwise specifically provided herein,

during the Service Period, Employee shall be entitled to continue to receive his current perquisites ("Perquisites"), including but not limited to: free cable and high speed data service on the same basis as made available to senior executives (provided Employee lives in a Company system); free monthly parking in the parking garage at 1500 Market Street (or any successor corporate headquarters location); a free parking space at the First Union Center (provided it is owned by the Company); and a free cellular phone and service for three phone numbers (on the type of account now provided); in all cases including any tax gross-up amounts on the same basis as is now made available to Employee, and subject to any income required to be imputed to Employee on account thereof in accordance with Company policy.

3.7 Deferred Compensation.

3.7.1 The Company's 1977 Deferred Compensation Plan will remain in effect pursuant to its present terms. If not earlier terminated, Employee's employment with the Company for purposes of the 1977 Deferred Compensation Plan will be deemed to terminate at the end of the Base Period. At that time, a lump sum cash payment shall be made to Employee in an amount representing the present value (calculated using a discount rate equal to the then current yield to maturity on ten (10) year obligations of the Treasury of the United States (the "Discount Rate")) of the stream of payments then otherwise due thereunder. Employee may elect to defer receipt of this amount as a bonus under the Company's 1996 Deferred Compensation Plan.

3.7.2. Employee shall be eligible to participate in the Company's 1996 Deferred Compensation Plan through the Service Period, pursuant to its terms (including any right under such Plan to make an election regarding the continued deferral

of Employee's account following the Service Period).

3.8 Supplemental Executive Retirement Plan. The Company's 1989 Supplemental Executive Retirement Plan (the "SERP") will remain in effect pursuant to its present terms. If not earlier terminated, Employee's employment with the Company for purposes of the SERP will be deemed to terminate at the end of the Base Period.

3.9 Trust.

3.9.1 Prior to the occurrence of a Change of Control (as defined in Section 3.9.3) during the Service Period, the Company shall establish a grantor trust (the "Trust"), the terms of which shall be consistent with the requirements applicable under the Internal Revenue Code of 1986, as amended, in order to avoid the constructive receipt of the assets held in the Trust. The trust document for the Trust shall be in a form that is mutually satisfactory to the Company and Employee, and may, but need not, be in substantially the same form as the model trust agreement published by the Internal Revenue Service in Revenue Procedure 92-64. The trustee of the Trust shall be such person or institution acceptable to the Company and Employee. Upon the occurrence of a Change of Control, the Trust, if not already irrevocable shall become irrevocable and the Company shall contribute to the Trust an amount in cash or such assets as it deems appropriate equal to the present value (calculated using the Discount Rate at that time) of:

(i) the portion of the remaining premiums that the Company is obligated to pay until the death of the survivor of Employee and his spouse under each of the following life insurance policies: the 1987 Security Life of Denver policy, the 1992 Security Life of Denver policy, the 1994 John Hancock policy, the 1994 Mass Mutual policy and the 1994 Prudential policy (together with the related existing split-dollar

agreements, the "Split-Dollar Arrangements");

(ii) the bonuses and tax gross-up amounts (if any) that the Company is obligated to pay to Employee or his surviving spouse pursuant to the Split-Dollar Arrangements; and

(iii) all deferred compensation benefits payable to Employee under the 1977 Deferred Compensation Plan, the 1996 Deferred Compensation Plan, the Income Fund under the Deferred Stock Option Plan and the SERP, where for the purpose of the SERP the present value shall be calculated using the actuarial lives provided under standard mortality tables.

3.9.2 In addition, the Company shall have the further obligation following a Change of Control to make such additional contributions to the Trust, from time to time (but determined no less than annually), as may become necessary to fully fund the benefits described above, determined in the same manner as the initial funding obligation is determined. The assets contributed to the Trust shall, except to the extent otherwise provided in the trust agreement in the case of the bankruptcy or insolvency of the Company, be used exclusively for the purpose of providing the benefits described in this Section 3.9 until all such benefits have been fully paid, at which time the Trust may be terminated and any remaining assets will revert back to the Company. Notwithstanding the foregoing, to the extent benefits are paid by the Company rather than out of assets held in the Trust, the trustee may reimburse the Company out of the Trust such amounts as have been properly paid as benefits by the Company, but only to the extent that such reimbursement does not cause the Trust to be less than fully funded, determined in the same manner as the initial funding obligation is determined.

3.9.3 For purposes of this Agreement, a "Change of Control" shall be deemed to have occurred on the date that persons other than Brian L. Roberts and members of his immediate family (or trusts for their benefit) first acquire more than fifty percent (50%) of the voting power over all outstanding voting shares of the Company. The Closing will be a Change of Control.

3.10 Airplane Use. Subject to priority for business use by the Company's senior executives, Employee will be permitted personal use of Company aircraft during the Base Period for domestic travel, up to a maximum of 40 hours, on the same economic terms (including with respect to cost methodology, cost reimbursement and imputed income) as that made available to the Company's Chief Executive Officer.

3.11 CIC Funds.

3.11.1 Upon the earlier of: (i) the end of the Executive Term; or (ii) termination of Employee's employment for any reason other than Cause (as defined in Section 4.3), the Company agrees that it, or any of its affiliates, shall purchase the general partnership interest of CIC Partners, LP (the "Partnership Interest") in Comcast Interactive Capital, LP (the "Partnership"), and Employee agrees to use his reasonable best efforts to cause CIC Partners, LP to sell the Partnership Interest to the Company or an affiliate. The sale of the Partnership Interest pursuant to Section 3.11 shall be consummated on the fifth business day following the determination of the fair market value of the Partnership Interest pursuant to Section 3.11.4. The earlier of the dates referred to in (i) and (ii) of the first sentence of this Section 3.11.1 is referred to as the "Termination Date."

3.11.2 In the event that the Partnership Interest is sold pursuant to

Section 3.11.1, the purchaser shall be admitted to the Partnership and shall replace CIC Partners, LP as the general partner of the Partnership and the Partnership shall not be dissolved as a result of the transfer of the Partnership Interest. Effective as of the date of the sale of the Partnership Interest, the purchaser shall accede to the Limited Partnership Agreement of the Partnership (the "LP Agreement") by executing an amendment to the LP Agreement that accounts for the sale of the Partnership Interest and the admission of the purchaser as the general partner of the Partnership. The purchaser shall make any necessary filings with the appropriate governmental authorities, including the filing of a certificate of amendment to the certificate of limited partnership of the Partnership previously filed with the Secretary of State of the State of Delaware, to reflect the withdrawal of CIC Partners, LP as the general partner of the Partnership in connection with the sale of its interest and the admission of the purchaser, and take such other actions as are necessary under applicable law to effectuate such admission.

3.11.3 Upon the sale of the Partnership Interest pursuant to Section 3.11, CIC Partners, LP shall: (i) cease to be a partner of the Partnership and cease to have any obligations pursuant to the LP Agreement or as a partner of the Partnership, including, but not limited to, the obligation to make capital contributions pursuant to Section 6.1 of the LP Agreement, the obligation to return to the Partnership excess tax distributions pursuant to Section 7.3.3 of the LP Agreement, any obligation to return any amounts to the Partnership under Section 7.6 of the LP Agreement or the obligation to return certain amounts to the Partnership under Section 10.5.2 of the LP Agreement; and (ii) have no rights or powers under the LP Agreement other than as specifically provided for in the LP Agreement, including, without limitation, the right to indemnification and

advancement of expenses pursuant to Article 12 of the LP Agreement. The purchaser shall succeed to the obligations of the CIC Partners, LP pursuant to the LP Agreement, including, but not limited to, the obligation to make capital contributions pursuant to Section 6.1 of the LP Agreement, the obligation to return to the Partnership excess tax distributions pursuant to Section 7.3.3 of the LP Agreement and the obligations to return certain amounts to the Partnership pursuant to Section 7.6 and Section 10.5.2 of the LP Agreement.

3.11.4 The purchase price payable to CIC Partners, LP in connection with any sale of the Partnership Interest pursuant to Section 3.11 shall be the fair market value of the Partnership Interest as of the Termination Date, as agreed to by CIC Partners, LP and the Company, which valuation may include a good faith estimate of the goodwill associated with the Partnership's assets, the name of the Partnership and CIC Partners, LP, the Partnership's office records, files and statistical data, and any intangible assets of the Partnership in the nature of or similar to goodwill, and which valuation shall be determined without regard to any costs, fees or expenses payable by the Partnership to any appraiser or appraisal firm pursuant to this Section 3.11; provided, however, that should the Company and CIC Partners, LP not agree on such a valuation within 15 days after the Termination Date, the valuation shall be done by a qualified appraisal firm or a qualified appraiser who has the Independent Chartered Financial Analyst designation and who is mutually agreed to by the Company and CIC Partners, LP; provided, further that should the Company and CIC Partners, LP not agree on such third party within 20 days subsequent to the Termination Date, then each of the Company and CIC Partners, LP shall put forth a nominee that is a qualified appraisal firm or

qualified appraiser who has the Independent Chartered Financial Analyst designation, and each of such nominees shall then select a third qualified appraisal firm or qualified appraiser and such third qualified appraisal firm or qualified appraiser shall determine the valuation. No appraisal firm or appraiser determining the valuation pursuant to this Section 3.11 shall be bound by any valuation methodology set forth in Section 14.4 of the LP Agreement. If a qualified appraisal firm or qualified appraiser is used to make such valuation, the Company and CIC Partners, LP shall use commercially reasonable efforts to cause such person to complete such valuation within 45 days of the Termination Date. The cost of any appraisal firm or appraiser shall be paid by the Partnership. The payment of the purchase price to CIC Partners, LP pursuant to this Section 3.11 shall be made in immediately available funds at the time of the sale of the Partnership Interest. At the closing of the sale of the Partnership Interest, CIC Partners, LP and the purchaser of its interest shall execute such transfer documentation as may be reasonably requested in order to consummate the purchase and sale of the Partnership Interest contemplated by this Section 3.11. Upon the sale of the Partnership Interest, the purchaser shall succeed to the Subscription, Contribution and Capital Account of CIC Partners, LP (each as defined in the LP Agreement).

3.11.5 For purposes of Section 3.11, the assets of the Partnership shall be determined as though each of CIC Partners, LP, the partners of CIC Partners, LP, the members of CIC Venture Management, LLC and CIC Development Corp. had remitted to the Partnership immediately prior to the Termination Date, the fees and other remuneration (whether in cash or securities) from portfolio companies of the Partnership

which such persons are obligated pursuant to Section 5.3 of the LP Agreement to remit to the Partnership.

3.12 Stock Options.

3.12.1 Vesting of Employee's presently outstanding stock options with respect to the Company's Common Stock, as well as the stock option granted pursuant to Section 3.12.2 (collectively, the "Company Options"), and the Common Stock of QVC, Inc. ("QVC") (the "QVC Options," and together with the Company Options, the "Options"), will continue during the Service Period. Upon termination of employment for death or Disability (as such term is defined in Section 4.2), vesting of all of the Company Options will accelerate in full and all such options will remain exercisable for their remaining respective terms, per the Option Election Form of Employee dated September 25, 2001 made in connection with the existing agreement between the Company and Employee on this subject. Upon termination of employment at the end of the Seven Year Period, all of the Company Options will accelerate in full and all such options will remain exercisable for their remaining respective terms. Otherwise, the Options will vest, and remain exercisable with respect to vested shares, as set forth herein or in the existing option plans and grant documentation. Except as set forth in Section 3.12.2, Employee shall not be granted any additional Company Options. Employee shall not be granted any additional QVC Options, except pursuant to the "reload" of QVC Options with respect to shares of the Common Stock of QVC acquired upon option exercise and then redeemed during the Base Period.

3.12.2 As soon as practicable after the date hereof, Employee shall be granted a non-qualified stock option to purchase 500,000 shares of the Company's

Class A Special Common Stock. Such options shall have a term of ten (10) years and shall vest and become exercisable as follows: 10% on the second anniversary date of the date of grant; 20% on each of the third to sixth anniversary dates of the date of grant; and 10% on the six year and six month anniversary date of the date of grant.

3.13 Life Insurance. The Split-Dollar Arrangements will remain in effect pursuant to their present terms (including with respect to the payment of premiums, premiums bonuses and tax-gross ups (if any)), provided that the Company will use commercially reasonable efforts to cooperate with Employee's requests to restructure the Split-Dollar Arrangements to improve the terms thereof as they relate to Employee, provided further that the Company will have no obligation to effect any change thereto that will result in any additional net after-tax cost to or other additional obligation of the Company. Employee's reasonable out-of-pocket expenses incurred in connection with such restructuring (including counsel and consultant fees) will be paid by the Company.

4. Termination. Employee's services hereunder may be terminated under the following circumstances:

4.1 Death. Employee's services hereunder shall terminate automatically upon his death.

4.2 Disability. In the event Employee becomes unable to perform Employee's duties hereunder due to partial or total disability or incapacity resulting from a mental or physical illness, injury or health-related cause ("Disability") for a period of nine (9) consecutive months or for a cumulative period of forty five (45) weeks, the Company may terminate Employee's services.

4.3 Cause. The Company may terminate Employee's services

hereunder for Cause. For purposes of this Agreement, the Company shall have "Cause" to terminate Employee's services hereunder at any time upon: (i) either the willful and continued failure by Employee to substantially perform his duties hereunder or the willful failure of Employee to comply with the material provisions of the Company's Code of Ethics and Business Conduct (other than a failure resulting from Employee's incapacity due to physical or mental illness) for a period of sixty (60) days after written demand for substantial performance or compliance is delivered by the Company specifically identifying the manner in which the Company believes Employee has not substantially performed his duties or has not complied; (ii) the commission by Employee of an act of fraud or embezzlement against the Company; (iii) the willful breach by Employee of any material provision of this Agreement; or (iv) Employee's failure to resign as the manager of the CIC Funds upon the first to occur of: (A) Employee's termination of employment hereunder for any reason or (B) the end of the Executive Term. For purposes of this Section 4.3, no act, or failure to act, on Employee's part shall be considered "willful" if resulting from Employee's incapacity due to physical or mental illness or unless done, or omitted to be done, by him not in good faith and without reasonable belief that his action or omission was in the best interests of the Company.

4.4 Retirement. Employee may retire from employment hereunder by giving at least thirty (30) days of advance written notice thereof to the Company.

4.5 Without Cause. The Company may terminate Employee's employment without Cause hereunder by giving at least thirty (30) days of advance written notice thereof to Employee.

4.6 Notice of Termination. Any termination of Employee's

employment by the Company (other than termination upon his death) shall be communicated by written Notice of Termination to Employee. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which indicates the specific termination provision in this Agreement relied upon and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Employee's employment under the provision so indicated.

4.7 Date of Termination. "Date of Termination" shall mean: (i) if Employee's employment is terminated by his death or retirement, the date of his death or retirement; (ii) if Employee's employment is terminated without Cause, thirty (30) days after delivery of Notice of Termination from the Company; (iii) if Employee's employment is terminated for Disability pursuant to Section 4.2, thirty (30) days after delivery of Notice of Termination is given provided that Employee shall not have returned to the performance of his duties during such thirty (30) day period; or (iv) if Employee's employment is terminated for Cause pursuant to Section 4.3, the date specified in the Notice of Termination; provided that if within thirty (30) days after a Notice of Termination under subsection (iii) or (iv) is given, Employee notifies the Company that he disputes the termination, the Date of Termination shall be the date on which the dispute is finally determined, either by mutual written agreement of the parties, by a binding and final arbitration award or by a final judgment, order or decree of a court of competent jurisdiction (the time of appeal therefrom having expired and no appeal having been perfected).

5. Compensation and Benefits Upon Termination.

5.1 If Employee's employment is terminated by reason of his death,

the Company shall continue to pay to Employee's surviving spouse, if any, Employee's then current base salary per annum amount (without increase or decrease thereafter), on a monthly basis, less any required withholdings, for a period of five (5) years, provided that such payments to Employee's surviving spouse shall cease with the payment due immediately following her death. In addition, the Company shall be obligated to provide to Employee's spouse during her lifetime health care benefits on the basis set forth in Section 3.4.2. These death benefits shall be in addition to any other payments Employee's spouse, beneficiaries or estate may be entitled to receive under any of the Company's benefit plans or arrangements or pursuant to this Agreement, including pursuant to the Executive Cash Bonus Plan. The Company shall have no further obligations to Employee, other than pursuant to the terms of this Agreement, the requirements of law and vested rights under any of the Company's benefit plans or arrangements.

5.2 During any period following Employee's failure to perform his duties hereunder as a result of his Disability but prior to any Date of Termination pursuant to Section 4.2, Employee shall continue to receive his base salary, as well as any other benefits and Perquisites he may be entitled to receive under any of the Company's benefit plans or arrangements or pursuant to this Agreement, including pursuant to the Executive Cash Bonus Plan. After the Date of Termination pursuant to Section 4.2: (i) the Company shall continue to pay Employee his then current base salary per annum amount (without increase or decrease thereafter), on a monthly basis, until the first to occur of: (A) a period of five (5) years; or (B) the end of the Seven Year Period (the "Disability Payment Period"); (ii) Employee will continue to receive the Perquisites

through the remainder of the Disability Payment Period; (iii) Employee will be entitled to participate in the Company's post-retirement health and welfare benefit plan based upon service years with the Company through the Date of Termination; and (iv) the Company shall have no further obligations to Employee, other than pursuant to the terms of this Agreement, the requirements of law and vested rights under any of the Company's benefit plans or arrangements. In the event Employee dies before the end of the Disability Payment Period, his surviving spouse, if any, shall be entitled to receive: (1) such base salary payments for the period ending five (5) years after such termination, provided that these payments shall cease with the payment due immediately following her death; and (2) during her lifetime health care benefits on the basis set forth in Section 3.4.2. These death benefits shall be in addition to any other payments Employee's spouse, beneficiaries or estate may be entitled to receive under any of the Company's benefit plans or arrangements or pursuant to this Agreement, including pursuant to the Executive Cash Bonus Plan.

5.3 If Employee's employment is terminated for Cause, the Company shall pay Employee his then current base salary due through the Date of Termination and the Company shall have no further obligations to Employee, other than pursuant to the requirements of law and vested rights under any of the Company's benefit plans or arrangements.

5.4 If the Company terminates Employee's employment pursuant to Section 4.5 (i.e., without Cause), then:

(i) the Company shall pay as severance pay to Employee, on a monthly basis (or, in the case of amounts payable under the Executive Cash Bonus Plan,

on the basis provided in such Plan), for the remainder of the Seven Year Period, an annual amount equal to Employee's base salary at the highest per annum amount in effect at any time during the portion of the Service Period preceding the date of termination, and any amounts that otherwise would have been payable under the Executive Cash Bonus Plan; provided that should Employee die before the end of the Seven Year Period, Employee's surviving spouse shall be entitled to the death benefits provided in Section 5.1 as if Employee's employment had then been terminated by reason of his death;

(ii) the Company shall provide for the remaining Seven Year Period health care benefits, at the election of Employee, on the basis set forth in Section 3.4.2 or by making available private health insurance providing health care benefits reasonably comparable to those available to employees to Employee and his wife; thereafter, Employee shall be entitled to participate in the Company's post-retirement health and welfare benefit plan based upon service years with the Company including the years during the Seven Year Period;

(iii) vesting of the Options will accelerate and the Options will remain outstanding for the remainder of their respective terms;

(iv) Employee will continue to receive the Perquisites through the remainder of the Service Period;

(v) the Company shall reimburse Employee for the remaining Seven Year Period for the cost of obtaining office space and secretarial support comparable to that previously provided by the Company pursuant to Section 2.3; and

(vi) the Company shall have no further obligations to Employee other than pursuant to the terms of this Agreement, the requirements of law and vested

rights under any of the Company's benefit plans or arrangements.

5.5 If Employee terminates his employment as a result of retirement pursuant to Section 4.4, then:

(i) Employee shall be entitled to participate in the Company's post-retirement health and welfare benefit plan based upon service years with the Company through the date of termination of employment;

(ii) vesting of Options will accelerate and the Options will remain outstanding for the remainder of their respective terms;

(iii) Employee will continue to receive the Perquisites through the remainder of the Service Period; and

(iv) the Company shall have no further obligations to Employee other than pursuant to the terms of this Agreement, the requirements of law and vested rights under any of the Company's benefit plans or arrangements.

5.6 Employee shall not be required to mitigate the amount of any payment provided for in this Section 5 by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Section 5 be reduced by any income received by Employee from any other source after termination.

6. Public Statements. During or at any time after the Service Period during which Employee is receiving any benefits from the Company: (i) Employee shall use reasonable efforts to promote the goodwill of the Company in Employee's public statements; and (ii) the Company shall use reasonable efforts to promote the goodwill of Employee or his spouse in the Company's public statements.

7. Non-Competition and Confidentiality.

7.1 During the Service Period and for a period of two (2) years thereafter, Employee shall not, directly or indirectly, solicit, induce, encourage, or attempt to influence any client, customer, employee, consultant, independent contractor, subscriber, service provider, salesman or supplier of the Company to cease to do business or to terminate the employment or other relationship with the Company.

7.2 During the Service Period and for a period of two (2) years thereafter, Employee shall not, directly or indirectly, purchase (other than for personal use) goods, services or programming from material suppliers of Company similar to those purchased by Company if the effect of any such purchase shall cause the Company the denial of or delay in the receipt of such goods, services or programming.

7.3 DURING THE SERVICE PERIOD AND, PROVIDED EMPLOYMENT WAS NOT TERMINATED BY THE COMPANY WITHOUT CAUSE, FOR A PERIOD OF TWO (2) YEARS THEREAFTER, EMPLOYEE SHALL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN (AS A PRINCIPAL, PARTNER, DIRECTOR, OFFICER, AGENT, EMPLOYEE, NON-EXECUTIVE, OWNER, INDEPENDENT CONTRACTOR, CONSULTANT OR OTHERWISE) OR BE FINANCIALLY INTERESTED IN ANY BUSINESS IN COMPETITION WITH THE BUSINESS ACTIVITIES CARRIED ON BY THE COMPANY IN ANY AREA, OR BEING PLANNED BY THE COMPANY (TO EMPLOYEE'S KNOWLEDGE) DURING OR AT THE TIME OF TERMINATION OF EMPLOYMENT. THE FOLLOWING WILL BE DEEMED TO BE BUSINESSES IN COMPETITION WITH THE COMPANY: THE DISTRIBUTION OF VIDEO PROGRAMMING TO

RESIDENTIAL OR COMMERCIAL SUBSCRIBERS BY ANY TECHNOLOGY; THE TRANSPORT OF DATA TO AND/OR FROM RESIDENTIAL OR COMMERCIAL SUBSCRIBERS BY ANY TECHNOLOGY; AND THE PROVISION OF RESIDENTIAL OR COMMERCIAL TELECOMMUNICATIONS SERVICES BY ANY TECHNOLOGY. NOTHING HEREIN SHALL PREVENT EMPLOYEE FROM OWNING FOR INVESTMENT UP TO FIVE PERCENT (5%) OF ANY CLASS OF EQUITY SECURITY OF AN ENTITY WHOSE SECURITIES ARE TRADED ON A NATIONAL SECURITIES EXCHANGE OR MARKET.

7.4 During the Service Period and at all times thereafter, Employee shall not, directly or indirectly, use for Employee's personal benefit, or disclose, communicate or divulge to, or use for the direct or indirect benefit of, anyone other than the Company (except as may be required within the scope of Employee's duties hereunder), any confidential information of the Company which Employee acquires in the course of Employee's employment, which is not otherwise lawfully known by and readily available to the general public. This confidential information includes, but is not limited to: business, marketing, legal or accounting methods, policies, plans, procedures, strategies or techniques; research or development projects or results; software and firmware; trade secrets or other knowledge or processes of or developed by the Company; names and addresses of employees, suppliers or customers; and any data on or relating to past, present or prospective customers, including customer lists. Employee confirms that such confidential information constitutes the exclusive property of the Company, and agrees that, immediately upon Employee's termination of employment for any reason, Employee shall deliver to the Company all correspondence, documents,

books, records, lists and other materials relating to the Company's business, other than Employee's personal records, regardless of the medium in which such confidential information is maintained; and Employee shall retain no copies in any medium, regardless of where or by whom such confidential information was kept or prepared. Nothing herein shall prevent Employee from complying with a valid subpoena or other legal requirement for disclosure of information, provided that Employee shall notify the Company promptly and in advance of disclosure if Employee believes Employee is under a legal requirement to disclose confidential information.

7.5 Employee acknowledges that the restrictions contained in this Section 7, in view of the nature of the business in which the Company is engaged and Employee's position with the Company, are reasonable and necessary to protect the legitimate interests of the Company, and that any violation of these restrictions would result in irreparable injury to the Company. Employee therefore agrees that, in the event of Employee's violation of any of these restrictions, the Company shall be entitled to seek from any court of competent jurisdiction: (i) preliminary and permanent injunctive relief against Employee; (ii) damages from Employee; and (iii) an equitable accounting of all compensation, commissions, earnings, profits and other benefits to Employee arising from such violation, all of which rights shall be cumulative and in addition to any other rights and remedies to which the Company may be entitled as set forth herein or as a matter of law.

7.6 Employee agrees that if any portion of the restrictions contained in this Section 7, or the application thereof, is construed to be invalid or unenforceable, the remainder of such restriction or restrictions or the application thereof shall not be affected

and the remaining restriction or restrictions will then be given full force and effect without regard to the invalid or unenforceable portions. If any restriction is held to be unenforceable because of the geographic area covered, the duration thereof or the scope thereof, Employee agrees that the court making such determination shall have the power to reduce the area and/or the duration, and/or limit the scope thereof, and the restriction shall then be enforceable in its reduced form. If Employee violates any such restrictions, the period of such violation (from the commencement of any such violation until such time as such violation shall be cured by Employee to the satisfaction of the Company) shall not count toward or be included in the restrictive period contained in the applicable subsection above.

7.7 Any and all obligations of Employee under this Section 7 shall terminate immediately upon the Company's material breach of any provision of this Agreement, it being agreed that the Company's failure to comply with any of its economic obligations hereunder shall be deemed for this purpose to be a material breach.

8. Successors; Related Companies; Binding Agreement.

8.1 The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by written agreement, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. In the event of the Closing, this Agreement will be assumed by AT&T Comcast Corporation as the successor to the Company pursuant to the preceding sentence. Failure of the Company to obtain such agreement prior to the effectiveness of any such succession shall

be a breach of this Agreement and shall entitle Employee to equitable relief against the Company as well as compensation, rights and benefits in the same amounts and on the same terms, as he would be entitled to pursuant to Section 5.4 (the date on which any such succession becomes effective being deemed the Date of Termination). As used in this Agreement, the term "the Company" shall mean the Company and any successor as aforesaid or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

8.2 For purposes of Sections 6 and 7, the term "the Company" shall include the Company's subsidiaries and affiliates.

8.3 This Agreement and all rights of Employee hereunder shall inure to the benefit of and shall be binding upon Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Employee should die while any amounts would still be payable to him hereunder if he had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to Employee's devisee, legatee or other designee or, if there be no such designee, to Employee's estate.

9. Entire Agreement. This Agreement constitutes the full and complete understanding and agreement of the Company and Employee respecting the subject matter hereof, and supersedes all prior understandings and agreements, oral or written, express or implied, including the Noncompetition and Confidentiality Agreement between Company and Employee dated August 1, 1996. This Agreement may not be modified or amended orally but only by an agreement in writing, signed by the parties hereto.

10. Waiver and Release. IN CONSIDERATION OF THE RIGHTS OF EMPLOYEE HEREUNDER, EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN AND EXCEPT WITH RESPECT TO ANY VESTED RIGHTS, EMPLOYEE HEREBY WAIVES AND RELEASES THE COMPANY FROM ANY AND ALL CLAIMS, RIGHTS OR BENEFITS HE MAY HAVE AGAINST OR FROM THE COMPANY ON ACCOUNT OF EMPLOYEE BENEFITS, INSURANCE ARRANGEMENTS, EQUITY-BASED ARRANGEMENTS, CASH COMPENSATION OR OTHER BENEFIT PLANS, ARRANGEMENTS OR AMOUNTS WITH RESPECT TO EMPLOYEE'S EMPLOYMENT PRIOR TO MAY 1, 2002.

11. Headings. The section headings of this Agreement are for convenience of reference only and are not to be considered in the interpretation of the terms and conditions of this Agreement.

12. Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when sent by fax (confirmation received) or certified mail, postage prepaid, addressed as follows:

(i) if to the Company:

1500 Market Street
Philadelphia, Pennsylvania 19102-2148
Attention: General Counsel; and

(ii) if to Employee, at his last known personal residence.

Either party may change the address to which notices or other communications are to be sent by giving written notice of such change to the other party in the manner provided herein for giving notice.

13. Waiver of Breach. No waiver by either party of any condition or of the breach by the other of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed or construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition, or of the breach of any other term or covenant set forth in this Agreement. Moreover, the failure of either party to exercise any right hereunder shall not bar the later exercise thereof.

14. Nonalienation. Employee shall not pledge, hypothecate, anticipate or in any way create a lien upon any amounts provided under this Agreement. This Agreement and the benefits payable hereunder shall not be assignable by either party without the prior written consent of the other; provided, however, that nothing in this Section shall preclude Employee from designating a beneficiary to receive any benefit payable hereunder upon his death, or the executors, administrators or other legal representatives of Employee or his estate from assigning any rights hereunder to which they become entitled to the person or persons entitled thereto.

15. Governing Law. This Agreement is entered into and shall be construed in accordance with the internal laws of the Commonwealth of Pennsylvania.

16. Invalidity or Unenforceability. If any term or provision of this Agreement is held to be invalid or unenforceable, for any reason, such invalidity or enforceability shall not affect any other term or provision hereof and this Agreement shall continue in full force and effect as if such invalid or unenforceable term or provision (to the extent of the invalidity or unenforceability) had not been contained herein.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date set forth above.

COMCAST CORPORATION

By: _____

Julian A. Brodsky

AMENDMENT TO EMPLOYMENT AGREEMENT
BETWEEN
COMCAST CORPORATION AND JULIAN A. BRODSKY

This Amendment is made as of this 18th day of November, 2002, by and between Comcast Corporation, a Pennsylvania corporation (the "Company"), and Julian A. Brodsky ("Brodsky").

RECITALS

WHEREAS, Brodsky and the Company entered into an Employment Agreement dated as of May 1, 2002 (the "Agreement"); and

WHEREAS, the Company desires to modify the provisions of the Agreement concerning the establishment of a trust as provided therein and other matters; and

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

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

1. The parties acknowledge that the occurrence of the merger (the "Merger") between the Company and a subsidiary of AT&T Comcast Corporation ("AT&T Comcast") (which, effective immediately following the consummation of the Merger, is changing its name to "Comcast Corporation"), as contemplated by the Agreement and Plan of Merger, dated as of December 19, 2001 (as amended from time to time, the "Merger Agreement"), among the Company, AT&T Comcast, AT&T Corp., and certain other related parties, will result in a Change of Control as defined in the Agreement. Pursuant to Section 3.9 of the Agreement, the Company is required, prior to the occurrence of a Change of Control, to establish the Trust (as defined in the Agreement), and is further required, upon and after the occurrence of a Change of

Control, to contribute certain assets to the Trust. Brodsky hereby waives the requirements that the Company so form and contribute assets to the Trust as a result of the Merger; provided that (a) Brodsky may at any time, by notice to the Company, require the Company to form and contribute assets to the Trust and (b) if Brodsky gives such notice, the Company, as promptly as practicable (and in any event within 30 days) thereafter, shall (i) form the Trust in accordance with Section 3.9 of the Amended Agreement, (ii) contribute to the Trust the funds and other assets which the Company would be required to contribute pursuant to the Agreement if a Change of Control occurred on the date of such notice, and (iii) thereafter contribute such additional assets as may be required by the Agreement as if the waiver made hereby had not been made.

2. Section 8.3 of the Agreement is amended by adding the following at the end thereof:

In any case where this Agreement provides for a determination to be made or instruction to be given by Brodsky, such determination or instruction made or given after his death shall be made or given by the foregoing persons as their interests may appear; provided that, if it is impractical to give effect to separate determinations or instructions, the determination or instruction given by such of the foregoing as shall then have the greatest interest, as determined by the Company in its reasonable discretion, shall control.

3. As contemplated by Section 9.14 of the Merger Agreement, and pursuant to Section 8 of the Agreement, upon consummation of the Merger, AT&T Comcast, as the successor to the Company, will be bound by the Agreement, as amended hereby (together, the

"Amended Agreement"), and will perform the Amended Agreement, in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. To give effect thereto, and as further contemplated by Section 9.14 of the Merger Agreement, upon and following consummation of the Merger: When used in the Amended Agreement to refer to a period or action to be taken or other event occurring after consummation of the Merger,

(a) the term "Company" shall be deemed to refer to AT&T Comcast (which shall include, for all purposes of this Section 3, its successors as provided in Section 8 of the Amended Agreement);

(b) the terms "Board" and "Committee" shall be deemed to refer, respectively, to the Board of Directors of AT&T Comcast and the Compensation Committee of such Board;

(c) the term "Subcommittee" shall be deemed to refer to the Subcommittee on Performance-Based Compensation of the Compensation Committee, if such Subcommittee exists, or, if such Subcommittee does not exist, such other subcommittee of the Compensation Committee as shall perform the functions heretofore performed by the Subcommittee on Performance-Based Compensation of the Company's Compensation Committee, or, if there is no such other subcommittee, the full Compensation Committee; and

(d) by signing this Amendment where indicated below AT&T Comcast hereby assumes the Company's obligations to Brodsky under the Amended Agreement.

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

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written. Comcast Corporation

By: -----

Julian A. Brodsky

Agreed to and acknowledged by:

AT&T Comcast Corporation

By: -----

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT is made as of the ____ day of _____, 2000, between COMCAST CORPORATION, a Pennsylvania corporation (together with its subsidiaries and affiliates, collectively referred to as the "Company"), and STEPHEN B. BURKE, an individual residing in and working for the Company in Pennsylvania ("Employee").

BACKGROUND

Employee is currently employed as President of Comcast Cable Communications Inc. (the "Cable Division") and Executive Vice President of the Company pursuant to an Employment Agreement dated June 3, 1998, as amended September 26, 1999 (the "Prior Employment Agreement"). Employee has been advised by the Company that Employee may continue to be employed pursuant to the terms of the Prior Employment Agreement or may elect to be employed on the terms and conditions contained in this Agreement. Employee has elected to have Employee's relationship with the Company be governed by the terms and conditions of this Agreement, which include increases in Employee's compensation and other material changes and benefits favorable to the Employee. In return for such favorable material changes, Employee is agreeing to the terms and conditions contained in this Agreement which include other material changes favorable to the Company which impose additional material obligations on Employee. Employee, however, will retain all stock option, restricted stock and cash bonus plan grants made in connection with the Prior Employment Agreement or made at any other time prior to the date hereof.

AGREEMENT

Intending to be legally bound, the Company and Employee agree as follows:

1. Position.

(a) Employee shall serve and the Company shall employ Employee as President of the Cable Division and Executive Vice President of the Company. Employee shall report directly to Brian L. Roberts, the President of the Company, in Philadelphia, Pennsylvania. The specific duties of Employee are set forth on Schedule 1 attached hereto. The Company reserves the right to modify the duties and responsibilities of Employee from time to time (other than by making a substantial diminution therein).

(b) Except as otherwise provided in this Agreement, throughout the Term (as defined in Paragraph 2), Employee shall work full time and devote Employee's best efforts to the affairs of the Company in a manner which will further the business and interests of the Company. Without the prior written consent of the Company, Employee shall not, directly or indirectly, do any work for or on behalf of any person or business, other than the Company, during the Term. Nothing herein shall restrict Employee from engaging in non-compensatory civic and charitable activities with the consent of the Company, which consent shall not be

unreasonably withheld. The Company, and its successors and assigns, in addition to receiving the benefit of all of Employee's services, shall be entitled to receive and own all of the results and proceeds of said services (including, without limitation, inventions, patent rights, copyrights, trademark rights, literary material and any other intellectual property) produced or created by Employee during the Term. Employee will, at the request of the Company, execute such assignments, certificates or other instruments as the Company may from time to time deem necessary or desirable to evidence, establish, maintain, protect, enforce or defend its right or title in or to any such material.

2. Term. The term of this Agreement (the "Term") shall be from the date first-above written (the "Commencement Date") through the first to occur of: (i) the date this Agreement is terminated by the Company in accordance with Paragraph 7; (ii) employee's resignation from employment; or (iii) March 31, 2005. Notwithstanding the end of the Term, certain provisions of this Agreement, including, but not limited to, any payments to be made after the Term and the covenants contained in Paragraphs 8, 9 and 11, shall be enforceable after the end of the Term.

3. Compensation.

(a) Base Salary. Employee's salary from the Commencement Date through December 31, 2000 shall be at the annual rate of Eight Hundred Eighty Two Thousand Dollars (\$882,000.00) ("Base Salary"). Base Salary, less normal deductions, shall be paid to Employee in accordance with the Company's regular executive payroll practices in effect from time to time. The Base Salary shall be increased for each calendar year in the Term subsequent to 2000 by the greater of (i) 5% of the previous year's Base Salary or (ii) the percentage increase during the previous year in the Consumer Price Index for all urban consumers published by the U.S. Department of Labor or (if such index is discontinued) the nearest equivalent index, up to a maximum of 10%.

(b) Executive Cash Bonus.

(i) Employee shall be eligible to receive an annual performance bonus ("Executive Cash Bonus") of up to 50% of Employee's then Base Salary, payable in cash or in shares of the Company's Class A Special Common Stock in the discretion of the Subcommittee on Performance-Based Compensation of the Compensation Committee of the Board of Directors of the Company (the "Subcommittee"). The Executive Cash Bonus shall be determined annually by the Subcommittee based upon the performance of the Cable Division and Employee during each calendar year commencing for the year 2000 and through the year 2005. The Executive Cash Bonus shall be paid within ninety (90) days after the end of each applicable calendar year, except as provided in subparagraph (ii) below.

(ii) If any part of the total compensation (including the Executive Cash Bonus and any Deferred Bonus as defined in this subparagraph) paid to Employee for the

Company's taxable year in which such compensation would be paid would not be deductible by the Company for federal income tax purposes by reason of the limitation in Section 162(m) of the Internal Revenue Code of 1986, as amended, the compensation payable in such taxable year shall be paid only to the extent so deductible, assuming that it was the last compensation paid during such taxable year. The balance of the compensation shall be added to an unfunded account maintained on behalf of Employee substantially equivalent to those under the Company's Deferred Compensation Plan with respect to deferrals made into the Income Fund thereunder, to be paid to Employee in a subsequent tax year in accordance with the terms of the Deferred Compensation Plan (as if it were an account maintained thereunder) and this subparagraph (ii). As used herein "Deferred Bonus" means any amount so added to such account, and all interest earned thereon (as if it were an account maintained thereunder). The application or potential application of such Section 162(m) shall be determined in good faith by the Company based on available information prior to the date on which any compensation would otherwise be paid. The provisions of the subparagraph (ii) may be waived from time to time, in whole or in part, with the prior consent of the Company and the Subcommittee.

(c) Stock Options. As soon as practicable after the execution of this Employment Agreement, the Subcommittee shall grant a stock option to purchase 700,000 shares of the Company's Class A Special Common Stock under the Company's Stock Option Plan. Such options shall have a term of ten (10) years and shall vest and become exercisable as follows: 20% on the second anniversary date of the date of grant; 10% on each of the third to ninth anniversary dates of the date of grant; and 10% on the nine year and six month anniversary date of the date of grant.

(d) Withholding. All compensation under this Agreement is subject to applicable tax withholding requirements.

4. Insurance. Employee shall be eligible to participate in the Company's group life, medical and other insurance plans on the same terms and at the same cost to the Company and Employee as the Company's other executives at Employee's level receive from time to time, in accordance with the terms of such plans and subject to the restrictions and limitations contained in the applicable insurance agreement or agreements. Nothing in this Agreement shall limit the Company's right to modify or discontinue any insurance coverages at any time.

5. Other Benefits. Employee shall be entitled to participate in the Company's Deferred Compensation Plan, Deferred Stock Option Plan and other benefits and programs, on the same terms and at the same cost to the Company and Employee as the Company's other executives at Employee's level receive from time to time, in accordance with the terms of such programs and subject to the restrictions and limitations contained in the applicable program or programs. Nothing in this Agreement shall limit the Company's right to modify or discontinue any benefits or programs at any time. The provisions of this Paragraph 5 shall not apply to benefits and programs (including, without limitation, severance) addressed in this Agreement, in which case the applicable terms of this Agreement shall apply.

6. Business Expenses. The Company shall pay or reimburse Employee for reasonable travel, entertainment and other expenses incurred by Employee in connection with the performance of Employee's duties under this Agreement upon receipt of vouchers therefor submitted to the Company on a timely basis and in accordance with the Company's regular reimbursement procedures and practices in effect from time to time.

7. Termination by the Company. The Company may terminate Employee's employment and the Company's obligations or liabilities under this Agreement, excluding any obligations the Company may have under Paragraph 8, in any of the following circumstances:

(a) Disability. In the event Employee becomes unable to perform Employee's duties hereunder due to partial or total disability or incapacity resulting from a mental or physical illness, injury or health-related cause ("Disability") for a period of nine (9) consecutive months or for a cumulative period of forty-five (45) weeks during the term of this Agreement. Employee acknowledges that given Employee's role in the Company's operations, it would be an undue hardship for the Company to accommodate such a Disability for a longer period.

(b) Death of Employee. In the event of Employee's death.

(c) Discharge With Cause. In the event of "cause," which shall include: Employee's willful misconduct; fraud; misappropriation; embezzlement; gross negligence in the management of Company business; self-dealing; dishonesty; misrepresentation; conviction of a crime of moral turpitude; material violation of any Company policy; material violation of the Company's Code of Ethics and Business Conduct as then in effect; or material breach of any provision of this Agreement (which material breach shall be deemed to have occurred, without limitation, in the event of: (i) failure by Employee to perform services consistent with this Agreement after notice of such failure by the Company to Employee and a reasonable opportunity, in light of the context of such failure, for Employee to cure or otherwise remedy such failure; (ii) acceptance of employment with another person or entity, or performing work or providing advice to another person or entity as an employee, consultant or in any other capacity, during the Term; or (iii) breach of the confidentiality provisions hereof) ("Discharge With Cause").

(d) Discharge Without Cause. At any time, without "cause" ("Discharge Without Cause").

8. Payments Upon Termination by the Company.

(a) Discharge Without Cause. If Employee is Discharged Without Cause:

(i) Employee shall continue to receive Employee's then-current Base Salary and all insurance, medical and other similar benefits for two years from the date of the Discharge Without Cause, in exchange for a release by Employee of the Company with respect to all matters relating to Employee's employment. Employee shall also receive any accrued but unused vacation time to the date of termination, and any amounts then due under the Deferred Compensation Plan (or Employee may elect to continue to participate in the Deferred Compensation Plan if such continued participation is authorized in accordance with the terms of the Deferred Compensation Plan).

(ii) Employee shall receive that portion of the Executive Cash Bonus and Deferred Bonus (if any) which would have vested within a period of twelve (12) months from the date of Discharge Without Cause, had there been no termination of Employee's employment.

(iii) Employee shall have no obligation to obtain employment during the period in which Employee receives post-termination payments from the Company under this Paragraph 8(a). However, the Company's obligation for Base Salary under subparagraph (i) above shall be offset by any compensation from employment earned by Employee with another employer during such period, and its obligation to continue insurance, medical and other similar benefits shall cease upon Employee's acceptance of other employment offering substantially similar benefits.

(b) Death or Disability. Upon discharge due to death or Disability, Employee (or Employee's estate, as applicable) will be entitled to payment of Employee's then-current unpaid Base Salary for the period prior to termination and for the period of three (3) months thereafter, amounts payable on account of death or Disability under any insurance or benefit plans or policies maintained by the Company, any accrued but unused vacation time, and any amounts then due under the Deferred Compensation Plan.

(c) Discharge With Cause. If Employee is Discharged With Cause, Employee's sole entitlement shall be the receipt of Employee's then-current unpaid Base Salary for any days worked through the date of termination and any amounts payable to Employee at such time under the Deferred Compensation Plan.

(d) COBRA Rights. Nothing herein shall constitute a waiver by Employee of "COBRA" rights under federal law in connection with termination of employment.

(e) Notwithstanding anything to the contrary contained herein, the Company shall not be liable for any payment under this Paragraph 8 in the event Employee breaches Employee's obligations under Paragraph 9.

9. Non-Competition and Confidentiality.

(a) During the Term and for a period of one year thereafter, Employee shall not, directly or indirectly, solicit, induce, encourage, or attempt to influence any client, customer, employee, consultant, independent contractor, subscriber, service provider, salesman or supplier of Company to cease to do business or to terminate the employment or other relationship with the Company.

(b) During the Term and for a period of one year thereafter, Employee shall not, directly or indirectly, purchase (other than for personal use) goods, services or programming from material suppliers of Company similar to those purchased by Company if the effect of any such purchase shall cause the Company the denial of or delay in the receipt of such goods, services or programming.

(c) DURING THE TERM AND FOR A PERIOD OF ONE YEAR THEREAFTER, EMPLOYEE SHALL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN (AS A PRINCIPAL, PARTNER, DIRECTOR, OFFICER, AGENT, EMPLOYEE, CONSULTANT, OWNER, INDEPENDENT CONTRACTOR OR OTHERWISE) OR BE FINANCIALLY INTERESTED IN: (i) ANY BUSINESS IN COMPETITION WITH THE BUSINESS ACTIVITIES CARRIED ON BY THE COMPANY IN ANY AREA, OR BEING PLANNED BY THE COMPANY (WITH EMPLOYEE'S KNOWLEDGE) AT THE TIME OF SUCH TERMINATION OF EMPLOYMENT; OR (ii) ANY BUSINESS DESCRIBED ON SCHEDULE 2 ATTACHED HERETO (SUBPARAGRAPHS (c)(i) AND (c)(ii) TOGETHER REFERRED TO AS "COMPETITIVE ACTIVITIES"); PROVIDED, HOWEVER, THAT IN THE EVENT TERMINATION OCCURS BY THE COMPANY PURSUANT TO PARAGRAPH 7(d) OR AS A RESULT OF THE EXPIRATION OF THE TERM ON MARCH 31, 2005, THEN SUBPARAGRAPH (c)(ii) SHALL NOT APPLY. NOTHING HEREIN SHALL PREVENT EMPLOYEE FROM OWNING FOR INVESTMENT UP TO FIVE PERCENT (5%) OF ANY CLASS OF EQUITY SECURITY OF AN ENTITY WHOSE SECURITIES ARE TRADED ON A NATIONAL SECURITIES EXCHANGE OR MARKET.

(d) During the term and for a period of one year thereafter, Employee shall not, directly or indirectly, use for Employee's personal benefit, or disclose, communicate or divulge to, or use for the direct or indirect benefit of, anyone other than the Company (except as may be required within the scope of Employee's duties hereunder), any confidential information of the Company which Employee acquires in the course of Employee's employment, which is not otherwise lawfully known by and readily available to the general public. This confidential information includes, but is not limited to: business, marketing, legal or accounting methods, policies, plans, procedures, strategies or techniques; research or development projects or results; software and firmware; trade secrets or other knowledge or processes of or developed by the Company; names and addresses of employees, suppliers or customers; and any data on or relating to past, present or prospective customers, including customer lists. Employee confirms that such information is confidential and constitutes the exclusive property of the Company, and agrees that, immediately upon Employee's

termination, whether such termination occurs by expiration of this Agreement, by a breach of this Agreement by Employee or by the Company, Employee shall deliver to the Company all correspondence, documents, books, records, lists and other materials relating to the Company's business, regardless of the medium in which such materials are maintained; and Employee shall retain no copies in any medium, regardless of where or by whom such materials were kept or prepared. Nothing herein shall prevent Employee from complying with a valid subpoena or other legal requirement for disclosure of information; provided that Employee shall notify the Company promptly and in advance of disclosure if Employee believes Employee is under a legal requirement to disclose confidential information.

(e) Employee acknowledges that the restrictions contained in this Paragraph 9, in view of the nature of the business in which the Company is engaged and Employee's position with the Company, are reasonable and necessary to protect the legitimate interests of the Company, and that any violation of these restrictions would result in irreparable injury to the Company. Employee therefore agrees that, in the event of Employee's violation of any of these restrictions, the Company shall be entitled to obtain from any court of competent jurisdiction: (i) preliminary and permanent injunctive relief against Employee; (ii) damages from Employee; and (iii) an equitable accounting of all compensation, commissions, earnings, profits and other benefits to Employee arising from such violation (including legal fees and other costs and expenses of defending Employee in any legal proceedings relating to this Agreement ("Legal Fees")), all of which rights shall be cumulative and in addition to any other rights and remedies to which the Company may be entitled as set forth herein or as a matter of law.

(f) Employee agrees that if any portion of the restrictions contained in this Paragraph 9, or the application thereof, is construed to be invalid or unenforceable, the remainder of such restriction or restrictions or the application thereof shall not be affected and the remaining restriction or restrictions will then be given full force and effect without regard to the invalid or unenforceable portions. If any restriction is held to be unenforceable because of the area covered, the duration thereof or the scope thereof, Employee agrees that the court making such determination shall have the power to reduce the area and/or the duration, and/or limit the scope thereof, and the restriction shall then be enforceable in its reduced form. If Employee violates any such restrictions, the period of such violation (from the commencement of any such violation until such time as such violation shall be cured by Employee to the satisfaction of the Company) shall not count toward or be included in the restrictive period contained in the applicable subparagraph above.

10. Certain Acknowledgements and Agreements.

(a) Employee acknowledges and agrees as follows:

(i) Employee possesses sufficient knowledge, skill and experience to permit him to earn a living by working in an industry not described in Paragraph 9(c) and Schedule 2 for a period of one year as therein provided.

(ii) Employee's level of skill and experience is rare and unique in the industries in which the Company participates, and that it would be difficult or impossible for the Company to replace Employee within a reasonable period of time.

(iii) Employee's decision to work for or otherwise serve any other business in the industries in which Company participates would cause competitive and other harm and significant hardship to Company, and that to do so would be inconsistent with the benefits provided to Employee under this Agreement or in connection with its execution.

(iv) Employee's compensation provided under this Agreement is fair compensation in consideration of the restrictions contained herein.

(v) A RESIGNATION BY EMPLOYEE FROM EMPLOYMENT BY THE COMPANY (OTHER THAN IN CONNECTION WITH A BONA FIDE RETIREMENT AS AGREED WITH THE COMPANY) MAY BE TREATED BY THE COMPANY AS A MATERIAL BREACH OF THIS AGREEMENT AND, AS A CONSEQUENCE, THE COMPANY MAY AVAIL ITSELF OF ALL RIGHTS AND REMEDIES SET FORTH HEREIN OR AVAILABLE TO IT AS A MATTER OF LAW. In the event of such breach, the Company shall not be liable for any payments or benefits to Employee hereunder.

(b) Employee acknowledges that Employee had the opportunity to retain and consult with legal counsel and tax advisors of Employee's choice regarding the terms of this Agreement. Employee represents that this Agreement is enforceable against Employee in accordance with its terms.

11. Special Remedies.

(a) In the event the Company commits a material breach of this Agreement and such breach is not cured to Employee's satisfaction within thirty (30) days after written demand for such cure, then Employee may terminate this Agreement, and such termination shall be construed as a Discharge Without Cause. A substantial diminution in Employee's duties and responsibilities shall constitute a material breach of this Agreement. In all such events, Employee's rights shall be as provided in Paragraph 8(a).

(b) If, following Employee's resignation from employment by the Company, Employee provides services or otherwise performs any work for or on behalf of any person or business engaged in Competitive Activities at any time through March 31, 2005, then Employee shall pay, or cause to be paid to the Company, on a current basis, all cash and non-

cash compensation, bonuses, commissions, earnings, profits and other benefits of Employee received, vested or earned through such date (including Legal Fees but excluding any health and welfare benefits available generally to all employees of such person or business), to the extent the value of the total amount thereof exceeds the amount Employee would have received from the Company as Base Salary through such date had Employee not so resigned.

(c) Employee acknowledges that Employee's agreement to the terms of Paragraph 9 is necessary consideration for the stock option grants, Executive Cash Bonus, Deferred Bonus and other benefits granted to or received by Employee in connection with the execution of this Agreement and during the Term (collectively, the "Additional Compensation"). In the event Employee commits a breach of Paragraph 9, and such breach is not promptly cured to the Company's satisfaction within ten (10) days after demand for such cure, then the Company may rescind any such Additional Compensation paid to Employee within three (3) months prior to the first day on which such breach occurred. Upon Company's demand therefore, Employee shall: (i) return to the Company (properly endorsed for transfer to the Company to the extent represented by certificates) all shares of stock issued upon exercise of any such options (or the same number of shares of such stock if such shares are not then owned by Employee), within such three-month period (in each case together with all shares of stock or other securities issued with respect to such shares in any dividend or recapitalization subsequent to such exercise), and upon receipt thereof the Company shall repay to Employee the exercise price paid in connection with the exercise of any such option; and (ii) repay to the Company the amount of any other Additional Compensation received by Employee within such three-month period. Employee acknowledges that this Paragraph 11(c) may cause shares of stock received upon exercise of an option to be "substantially nonvested" within the meaning of Section 83 of the Internal Revenue Code of 1986, as amended, and that Employee may be required to file an election under Section 83(b) at the time of exercise of any such option in order to avoid potential adverse tax consequences. The remedies provided by this Paragraph 11(c) are in addition to and not in limitation of any other remedies available to the Company under this Agreement or applicable law.

12. Acceleration Event.

(a) The Company shall give Employee 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 an Acceleration Event (as defined in subparagraph (ii) below). Upon receipt of such notice, all stock options of Employee shall become immediately exercisable in full, and until the day before such anticipated date of consummation (or such shorter period as the Company shall reasonably determine and so notify Employee), Employee shall be permitted to exercise all options with respect to up to the entire number of shares of the Company's Class A Special Common Stock covered thereby; provided that the shares received from the exercise of any options so accelerated (and any shares, cash or other proceeds received in exchange therefor in connection with the consummation of the Acceleration Event), shall be held in escrow by the Company or its successor and shall be delivered to Employee only in the event Employee remains in the employ of the Company or its successor through the six-month anniversary of the

date of consummation of the Acceleration Event. The Company may in such notice require that upon the close of the period described above during which an option may be so exercised such option shall terminate to the extent that it has not theretofore been exercised. Notwithstanding the foregoing, in the event the Acceleration Event which was the subject of such notice is not consummated, options which were exercised shall be deemed not to have been exercised and shall be exercisable thereafter (disregarding any acceleration of vesting as provided for above, which shall then be of no effect) to the same extent they would have been exercisable if no such notice had been given.

(b) "Acceleration Event" means any of the following events: (i) the liquidation of the Company; or (ii) a Change of Control. "Change of Control" means any transaction or series of transactions as a result of which any natural person (other than a member or members of the Roberts Family) beneficially owns securities of the Company or its successor as a result of such transaction(s) or the entity which is the controlling entity of its successor as a result of such transaction(s) having more than 50 percent of the voting power in the election of directors or members of a similar body of the Company, such successor or such other entity. "Roberts Family" means (i) Brian L. Roberts; (ii) a lineal descendant of Brian L. Roberts; and (iii) a trust established for the benefit of any of Brian L. Roberts and/or a lineal descendant or descendants of Brian L. Roberts.

13. Provisions Separable. No provision of this Agreement shall be affected or rendered invalid or unenforceable if for any reason any other provision(s) may be invalid or unenforceable in whole or in part.

14. Merger, Etc.

(a) If the Company merges with, or transfers all or substantially all of its assets to, another entity, such other entity shall be deemed to be the successor to the Company hereunder, and the term "Company" as used herein shall mean such other entity as is appropriate, and this Agreement shall continue in full force and effect.

(b) If the Company transfers part of its assets to another entity owned by the shareholders of the Company (or any substantial portion of them), or distributes stock or other interests in a subsidiary or affiliate of the Company to the shareholders of the Company (or any substantial portion of them), and Employee works for the portion of the Company or the entity so transferred, then such other entity shall be deemed the successor to the Company hereunder, the term "Company" as used herein shall mean such other entity as is appropriate, and this Agreement shall continue in full force and effect. In addition, Paragraph 9 shall apply separately to Employee's employment with such other entity and with the Company, and such other entity shall separately have the rights of the "Company" under Paragraph 9, with respect to Employee's employment with it without affecting or diminishing the rights of the Company hereunder. Notwithstanding the foregoing, the Company shall not be restricted from competing with any such entity.

15. Other Rights. Nothing in this Agreement shall constitute a waiver by Employee of any rights Employee may have to indemnification or the advancement of litigation expenses under any applicable bylaws or insurance policies of the Company or any applicable statute.

16. Jurisdiction; Governing Law. Litigation concerning this Agreement, if initiated by or on behalf of Employee, shall be brought only in a state or federal court in the Eastern District of Pennsylvania, or, if initiated by the Company, in such jurisdiction or in the jurisdiction in which Employee then resides or works. Employee consents to jurisdiction in the Eastern District of Pennsylvania without regard to Employee's residence or place of business. Employee and the Company irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, which Employee either may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Agreement or any transaction related hereto. Employee and the Company acknowledge and agree that any service of legal process by mail constitutes proper legal service of process under applicable law in any action or proceeding under or in respect of this Agreement. This Agreement shall be interpreted and enforced in accordance with the substantive law of the Commonwealth of Pennsylvania, without regard to any choice-of-law doctrine.

17. Notices. All notices referred to in this Agreement shall be made in writing and shall be effective: (a) if given by facsimile, when transmitted to the telecopy number specified in this subparagraph and the appropriate facsimile confirmation is received; or (b) if given by any other means, when delivered at the following address:

If to Company to:

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

If to Employee to:

251 Cheswold Lane
Haverford, PA 19041

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement, in Philadelphia, Pennsylvania.

COMCAST CORPORATION

By: _____
EMPLOYEE:

Stephen B. Burke

SCHEDULE 1

DUTIES OF EMPLOYEE

1. President of the Cable Division, responsible for the development, management and growth of the cable communications, data communications and telephony communications businesses.
2. Advisor to the President of the Company with respect to:
 - (a) growth of existing businesses;
 - (b) new business opportunities;
 - (c) development of video programming opportunities, and
 - (d) development of internet growth opportunities.

SCHEDULE 2

COMPETITIVE ACTIVITIES *

- A. The distribution of video programming to residential or commercial subscribers by any technology, including, but not limited to, coaxial or fiber optic cable, digital subscriber line, SMATV, satellite or wireless distribution systems. The following companies and their successors and assigns are deemed to be competitive video programming distributors engaged in Competitive Activities: AT&T Corp. (AT&T Broadband Services); Time Warner, Inc. (Time Warner Cable Division; Time Warner Entertainment Company, L.P.; Time Warner Entertainment-Advance Newhouse Partnership); Charter Communications, Inc. (Charter Cable TV); Adelphia Communications Corporation; Cox Communications, Inc.; Hughes Electronics Corporation (DirectTV, Inc.); Echostar Communications Corporation; RCN Corporation; Knology Holdings, Inc.; and SBC Communications Inc. (Ameritech New Media, Inc., d/b/a Americast). Other distributors of video programming either providing services in areas (1) served by the Company or (2) serving in excess of 20,000 subscribers in the aggregate, are similarly deemed to be engaged in Competitive Activities.
- B. The transport of data to and/or from residential or commercial subscribers by any technology, including, but not limited to, high speed cable modem, digital subscriber line, wireless or satellite system. The following companies and their successors and assigns are deemed to be competitive data transport providers engaged in Competitive Activities: Regional Bell Operating Companies; Northpoint Communications Group, Inc.; Covad Communications Group, Inc.; Hughes Electronics Corporation (DirectTV, Inc.); Echostar Communications Corporation; Global Crossing Ltd.; Sprint Corporation (Sprint PCS Group); MCI WorldCom, Inc.; At Home Corporation; ServiceCo LLC d/b/a Road Runner. Other providers of data transport services providing services in areas (1) served by the Company or (2) serving in excess of 25,000 subscribers in the aggregate, are similarly deemed to be engaged in Competitive Activities.
- C. The production of video programming for utilization by the technologies set forth in Section A above, for exhibition at movie theaters, for use on the internet, or for purchase by consumers for home viewing. A company which is engaged in such production shall be deemed to be engaged in Competitive Activities if greater than 10% of its gross revenues are derived from such production activities.

SCHEDULE 2 (continued)

D. The provision of residential or commercial local exchange, toll or long distance telecommunications services; the provision of competitive access, point-to-point and primary line services; and the delivery of wide area municipal area and dark fiber network services. A company that is engaged in any of these ventures shall be deemed to be engaged in Competitive Activities if greater than 5% of its gross revenues are derived from such activities.

* A business or specific company listed on Schedule 2 may also be deemed to be engaged in Competitive Activities under Paragraph 9(c)(i) if such business or company is providing competitive products or services in any area where the company is providing products or services.

FIRST AMENDMENT TO

EXECUTIVE EMPLOYMENT AGREEMENT

This First Amendment to Executive Employment Agreement dated the 31st day of May, 2000, between Comcast Corporation ("Company") and Stephen B. Burke ("Employee"), is made on this 30th day of July, 2001.

BACKGROUND

Employee and Company have agreed to amend the Executive Employment Agreement to extend its term and to provide additional compensation to Employee in consideration thereof.

AGREEMENT

Intending to be legally bound, the Company and Employee agree as follows:

1. Paragraph 2(iii) of the Executive Employment Agreement is deleted and replaced with the following:
"(iii) July 31, 2007."
2. The date "March 31, 2005" in Paragraphs 9(c) and 11(b) of the Executive Employment Agreement is deleted and replaced with the date "July 31, 2007."
3. A new paragraph 3(e) will be added to the Executive Employment Agreement as follows:

"(e)Additional Stock Options.

(i)Contemporaneously with the execution of this First Amendment to Executive Employment Agreement, the Subcommittee on Performance-Based Compensation of the Compensation Committee shall grant

Employee stock options to purchase 500,000 shares of the Company's Class A Special Common Stock under the Company's 1996 Stock Option Plan. Such options shall vest and become exercisable as follows: (1) 255,000 of such options shall have a term of ten years and shall vest and become exercisable 40% on the second anniversary date of the date of grant and 20% on each of the third, fourth and fifth anniversary dates of the date of grant; and (2) 245,000 of such options shall have a term of ten years and shall vest and become exercisable 20% on the second anniversary date of the date of grant, 10% on each of the third, fourth, fifth, sixth, seventh, eighth and ninth anniversary dates of the date of grant, and the remaining 10% on the ninth year sixth month anniversary date of the date of grant. (ii) Further, on a date mutually selected by management and Employee during calendar year 2002, the Subcommittee on Performance-Based Compensation of the Compensation Committee shall be requested by management to grant Employee stock options to purchase an additional 500,000 shares of the Company's Class A Special Common Stock. Such options shall vest and become exercisable as follows: (1) 255,000 of such options shall have a term of ten years and shall vest and become exercisable 40% on the second anniversary date of the date of grant and 20% on each of the third, fourth and fifth anniversary

dates of the date of grant; and (2) 245,000 of such options shall have a term of ten years and shall vest and become exercisable 20% on the second anniversary date of the date of grant, 10% on each of the third, fourth, fifth, sixth, seventh, eighth and ninth anniversary dates of the date of grant, and the remaining 10% on the ninth year sixth month anniversary date of the date of grant.

4. All other terms and conditions set forth in the Executive Employment Agreement shall remain in force and effect.

IN WITNESS WHEREOF, the parties hereby have duly executed and delivered this First Amendment to Employment Agreement, in Philadelphia, Pennsylvania.

COMCAST CORPORATION

EMPLOYEE

By: _____

STEPHEN B. BURKE

Title _____

SEE 5K

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT is made as of the ____ day of _____, 2000, between COMCAST CORPORATION, a Pennsylvania corporation (together with its subsidiaries and affiliates, collectively referred to as the "Company"), and LAWRENCE S. SMITH, an individual residing in and working for the Company in Pennsylvania ("Employee").

BACKGROUND

Employee is currently employed as Executive Vice President of the Company pursuant to an Employment Agreement dated January 1, 1995, as amended August 16, 1996 (the "Prior Employment Agreement"). Employee has been advised by the Company that Employee may continue to be employed pursuant to the terms and conditions contained in this Agreement. Employee has elected to have Employee's relationship with the Company be governed by the terms and conditions of this Agreement, which include increases in Employee's compensation and other material changes and benefits favorable to the Employee. In return for such favorable material changes, Employee is agreeing to the terms and conditions contained in this Agreement which include other material changes favorable to the Company which impose additional material obligations on Employee. Employee, however, will retain all stock option, restricted stock and cash bonus plan grants made in connection with the Prior Employment Agreement or made at any other time prior to the date hereof.

AGREEMENT

Intending to be legally bound, the Company and Employee agree as follows:

1. Position.

(a) Employee shall serve and the Company shall employ Employee as Executive Vice President of the Company. The specific duties of Employee are set forth on Schedule 1 attached hereto. The Company reserves the right to modify the duties and responsibilities of Employee from time to time (other than by making a substantial diminution therein).

(b) Except as otherwise provided in this Agreement, throughout the Term (as defined in Paragraph 2), Employee shall work full time and devote Employee's best efforts to the affairs of the Company in a manner which will further the business and interests of the Company. Without the prior written consent of the Company, Employee shall not, directly or indirectly, do any work for or on behalf of any person or business, other than the Company, during the Term. Nothing herein shall restrict Employee from engaging in non-compensatory civic and charitable activities with the consent of the Company, which consent shall not be

unreasonably withheld. The Company, and its successors and assigns, in addition to receiving the benefit of all of Employee's services, shall be entitled to receive and own all of the results and proceeds of said services (including, without limitation, inventions, patent rights, copyrights, trademark rights, literary material and any other intellectual property) produced or created by Employee during the Term. Employee will, at the request of the Company, execute such assignments, certificates or other instruments as the Company may from time to time deem necessary or desirable to evidence, establish, maintain, protect, enforce or defend its right or title in or to any such material.

2. Term.

The term of this Agreement (the "Term") shall be from the date first-above written (the "Commencement Date") through the first to occur of: (i) the date this Agreement is terminated by the Company in accordance with Paragraph 7; (ii) employee's resignation from employment; or (iii) December 31, 2005. Notwithstanding the end of the Term, certain provisions of this Agreement, including, but not limited to, any payments to be made after the Term and the covenants contained in Paragraphs 8, 9 and 11, shall be enforceable after the end of the Term.

3. Compensation.
-----(a) Base Salary.

Employee's salary from the Commencement Date through December 31, 2000 shall be at the annual rate of Seven Hundred Sixty Five Thousand Seven Hundred Sixty Nine Dollars (\$756,769.00); commencing as of January 1, 2001, Employee's salary shall be at the annual rate of Eight Hundred Twenty Five Thousand Dollars (\$825,000.00) ("Base Salary"). Base Salary, less normal deductions, shall be paid to Employee in accordance with the Company's regular executive payroll practices in effect from time to time. The Base Salary shall be increased for each calendar year in the Term subsequent to 2001 by the greater of (i) 5% of the previous year's Base Salary or (ii) the percentage increase during the previous year in the Consumer Price Index for all urban consumers published by the U.S. Department of Labor or (if such index is discontinued) the nearest

equivalent index, up to a maximum of 10%.

(b) Executive Cash Bonus.

(i) Employee shall be eligible to receive an annual performance bonus ("Executive Cash Bonus") of up to 50% of Employee's then Base Salary, payable in cash or in shares of the Company's Class A Special Common Stock in the discretion of the Subcommittee on Performance-Based Compensation of the Compensation Committee of the Board of Directors of the Company (the "Subcommittee"). The Executive Cash Bonus shall be determined annually by the Subcommittee based upon the performance of the Company and Employee during each calendar year commencing for the year 2000 and through the year 2005. The Executive Cash Bonus shall be paid within ninety (90) days after the end of each applicable calendar year, except as provided in subparagraph (ii) below.

(ii) If any part of the total compensation (including the Executive Cash Bonus and any Deferred Bonus as defined in this subparagraph) paid to Employee for the Company's taxable year in which such compensation would be paid would not be deductible by the Company for federal income tax purposes by reason of the limitation in Section 162(m) of the Internal Revenue Code of 1986, as amended, the compensation payable in such taxable year shall be paid only to the extent so deductible, assuming that it was the last compensation paid during such taxable year. The balance of the compensation shall be added to an unfunded account maintained on behalf of Employee substantially equivalent to those under the Company's Deferred Compensation Plan with respect to deferrals made into the Income Fund thereunder, to be paid to Employee in a subsequent tax year in accordance with the terms of the Deferred Compensation Plan (as if it were an account maintained thereunder) and this subparagraph (ii). As used herein "Deferred Bonus" means any amount so added to such account, and all interest earned thereon (as if it were an account maintained thereunder). The application or potential application of such Section 162(m) shall be determined in good faith by the Company based on available information prior to the date on which any compensation would otherwise be paid. The provisions of the subparagraph (ii) may be waived from time to time, in whole or in part, with the prior consent of the Company and the Subcommittee.

(c) Stock Options.

As soon as practicable after the execution of this Employment Agreement, the Subcommittee shall grant a stock option to purchase 800,000 shares of the Company's Class A Special Common Stock under the Company's Stock Option Plan. Such options shall have a term of ten (10) years and shall vest and become exercisable as follows: 20% on the second anniversary date of the date of grant; 10% on each of the third to ninth anniversary dates of the date of grant; and 10% on the nine year and six month anniversary date of the date of grant.

(d) Withholding.

All compensation under this Agreement is subject to applicable tax withholding requirements.

4. Insurance.

Employee shall be eligible to participate in the Company's group life, medical and other insurance plans on the same terms and at the same cost to the Company and Employee as the Company's other executives at Employee's level receive from time to time, in accordance with the terms of such plans and subject to the restrictions and limitations contained in the applicable insurance agreement or agreements. Nothing in this Agreement shall limit the Company's right to modify or discontinue any insurance coverages at any time.

5. Other Benefits.

Employee shall be entitled to participate in the Company's Deferred Compensation Plan, Deferred Stock Option Plan and other benefits and programs, on the same terms and at the same cost to the Company and Employee as the Company's other executives at Employee's level receive from time to time, in accordance with the terms of such programs and subject to the restrictions and limitations contained in the applicable program or programs. Nothing in this Agreement shall limit the Company's right to modify or discontinue any benefits or programs at any time. The provisions of this Paragraph 5 shall not apply to

benefits and programs (including, without limitation, severance) addressed in this Agreement, in which case the applicable terms of this Agreement shall apply.

6. Business Expenses.

The Company shall pay or reimburse Employee for reasonable travel, entertainment and other expenses incurred by Employee in connection with the performance of Employee's duties under this Agreement upon receipt of vouchers therefor submitted to the Company on a timely basis and in accordance with the Company's regular reimbursement procedures and practices in effect from time to time.

7. Termination by the Company.

The Company may terminate Employee's employment and the Company's obligations or liabilities under this Agreement, excluding any obligations the Company may have under Paragraph 8, in any of the following circumstances:

(a) Disability.

In the event Employee becomes unable to perform Employee's duties hereunder due to partial or total disability or incapacity resulting from a mental or physical illness, injury or health-related cause ("Disability") for a period of nine (9) consecutive months or for a cumulative period of forty-five (45) weeks during the term of this Agreement. Employee acknowledges that given Employee's role in the Company's operations, it would be an undue hardship for the Company to accommodate such a Disability for a longer period.

(b) Death of Employee. In the event of Employee's death.

(c) Discharge With Cause.

In the event of "cause," which shall include: Employee's willful misconduct; fraud; misappropriation; embezzlement; gross negligence in the management of Company business; self-dealing; dishonesty; misrepresentation; conviction of a crime of moral turpitude; material violation of any Company policy; material violation of the Company's Code of Ethics and Business Conduct as then in effect; or material breach of any provision of this Agreement (which material breach shall be deemed to have occurred, without limitation, in the event of: (i) failure by Employee to perform services consistent with this Agreement after notice of such failure by the Company to Employee and a reasonable opportunity, in light of the context of such failure, for Employee to cure or otherwise remedy such failure; (ii) acceptance of employment with another person or entity, or performing work or providing advice to another person or entity as an employee, consultant or in any other capacity, during the Term; or (iii) breach of the confidentiality provisions hereof) ("Discharge With Cause").

(d) Discharge Without Cause.

At any time, without "cause" ("Discharge Without Cause").

8. Payments Upon Termination by the Company.

(a) Discharge Without Cause.

If Employee is Discharged Without Cause:

(i) Employee shall continue to receive Employee's then-current Base Salary and all insurance, medical and other similar benefits for two years from the date of the Discharge Without Cause, in exchange for a release by Employee of the Company with respect to all matters relating to Employee's employment. Employee shall also receive any accrued but unused vacation time to the date of termination, and any amounts then due under the Deferred Compensation Plan (or Employee may elect to continue to participate in the Deferred Compensation Plan if such continued participation is authorized in accordance with the terms of the Deferred Compensation Plan).

(ii) Employee shall receive that portion of the Executive Cash Bonus and Deferred Bonus (if any) which would have vested within a period of twelve (12) months from the date of Discharge Without Cause, had there been no termination of Employee's employment.

(iii) Employee shall have no obligation to obtain employment during the period in which Employee receives post-termination payments from the Company under this Paragraph 8(a). However, the Company's obligation for Base Salary under subparagraph (i) above shall be offset by any compensation from employment earned by Employee with another employer during such period, and its obligation to continue insurance, medical and other similar benefits shall cease upon Employee's acceptance of other employment offering substantially similar benefits.

(b) Death or Disability.

Upon discharge due to death or Disability, Employee (or Employee's estate, as applicable) will be entitled to payment of Employee's then-current unpaid Base Salary for the period prior to termination and for the period of three (3) months thereafter, amounts payable on account of death or Disability under any insurance or benefit plans or policies maintained by the Company, any accrued but unused vacation time, and any amounts then due under the Deferred Compensation Plan.

(c) Discharge With Cause.

If Employee is Discharged With Cause, Employee's sole entitlement shall be the receipt of Employee's then-current unpaid Base Salary for any days worked through the date of termination and any amounts payable to Employee at such time under the Deferred Compensation Plan.

(d) COBRA Rights.

Nothing herein shall constitute a waiver by Employee of "COBRA" rights under federal law in connection with termination of employment.

(e) Notwithstanding anything to the contrary contained herein, the Company shall not be liable for any payment under this Paragraph 8 in the event Employee breaches Employee's obligations under Paragraph 9.

9. Non-Competition and Confidentiality.

(a) During the Term and for a period of one year thereafter, Employee shall not, directly or indirectly, solicit, induce, encourage, or attempt to influence any client, customer, employee, consultant, independent contractor, subscriber, service provider, salesman or supplier of Company to cease to do business or to terminate the employment or other relationship with the Company.

(b) During the Term and for a period of one year thereafter, Employee shall not, directly or indirectly, purchase (other than for personal use) goods, services or programming from material suppliers of Company similar to those purchased by Company if the effect of any such purchase shall cause the Company the denial of or delay in the receipt of such goods, services or programming.

(c) DURING THE TERM AND FOR A PERIOD OF ONE YEAR THEREAFTER, EMPLOYEE SHALL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN (AS A PRINCIPAL, PARTNER, DIRECTOR, OFFICER, AGENT, EMPLOYEE, CONSULTANT, OWNER, INDEPENDENT CONTRACTOR OR OTHERWISE) OR BE FINANCIALLY INTERESTED IN: (i) ANY BUSINESS IN COMPETITION WITH THE BUSINESS ACTIVITIES CARRIED ON BY THE COMPANY IN ANY AREA, OR BEING PLANNED BY THE COMPANY (WITH EMPLOYEE'S KNOWLEDGE) AT THE TIME OF SUCH TERMINATION OF EMPLOYMENT; OR (ii) ANY BUSINESS DESCRIBED ON SCHEDULE 2 ATTACHED HERETO (SUBPARAGRAPHS (c)(i) AND (c)(ii) TOGETHER REFERRED TO AS "COMPETITIVE ACTIVITIES"); PROVIDED, HOWEVER, THAT IN THE EVENT TERMINATION OCCURS BY THE COMPANY PURSUANT TO PARAGRAPH 7(d) OR AS A RESULT OF THE EXPIRATION OF THE TERM ON DECEMBER 31, 2005, THEN SUBPARAGRAPH (c)(ii) SHALL NOT APPLY. NOTHING HEREIN SHALL PREVENT EMPLOYEE FROM OWNING FOR INVESTMENT UP TO FIVE PERCENT (5%) OF ANY CLASS OF EQUITY SECURITY OF AN ENTITY WHOSE SECURITIES ARE TRADED ON A NATIONAL SECURITIES EXCHANGE OR MARKET.

(d) During the term and for a period of one year thereafter, Employee shall not, directly or indirectly, use for Employee's personal benefit, or disclose, communicate or divulge to, or use for the direct or indirect benefit of, anyone other than the Company (except as may be required within the scope of Employee's duties hereunder), any confidential information of the Company which Employee acquires in the course of Employee's employment, which is not otherwise lawfully known by and readily available to the general public. This confidential information includes, but is not limited to: business, marketing, legal or accounting methods, policies, plans, procedures, strategies or techniques; research or development projects or results; software and firmware; trade secrets or other knowledge or processes of or developed by the Company; names and addresses of employees, suppliers or customers; and any data on or relating to past, present or prospective customers, including customer lists. Employee confirms that such information is confidential and constitutes the

exclusive property of the Company, and agrees that, immediately upon Employee's termination, whether such termination occurs by expiration of this Agreement, by a breach of this Agreement by Employee or by the Company, Employee shall deliver to the Company all correspondence, documents, books, records, lists and other materials relating to the Company's business, regardless of the medium in which such materials are maintained; and Employee shall retain no copies in any medium, regardless of where or by whom such materials were kept or prepared. Nothing herein shall prevent Employee from complying with a valid subpoena or other legal requirement for disclosure of information; provided that Employee shall notify the Company promptly and in advance of disclosure if Employee believes Employee is under a legal requirement to disclose confidential information.

(e) Employee acknowledges that the restrictions contained in this Paragraph 9, in view of the nature of the business in which the Company is engaged and Employee's position with the Company, are reasonable and necessary to protect the legitimate interests of the Company, and that any violation of these restrictions would result in irreparable injury to the Company. Employee therefore agrees that, in the event of Employee's violation of any of these restrictions, the Company shall be entitled to obtain from any court of competent jurisdiction: (i) preliminary and permanent injunctive relief against Employee; (ii) damages from Employee; and (iii) an equitable accounting of all compensation, commissions, earnings, profits and other benefits to Employee arising from such violation (including legal fees and other costs and expenses of defending Employee in any legal proceedings relating to this Agreement ("Legal Fees")), all of which rights shall be cumulative and in addition to any other rights and remedies to which the Company may be entitled as set forth herein or as a matter of law.

(f) Employee agrees that if any portion of the restrictions contained in this Paragraph 9, or the application thereof, is construed to be invalid or unenforceable, the remainder of such restriction or restrictions or the application thereof shall not be affected and the remaining restriction or restrictions will then be given full force and effect without regard to the invalid or unenforceable portions. If any restriction is held to be unenforceable because of the area covered, the duration thereof or the scope thereof, Employee agrees that the court making such determination shall have the power to reduce the area and/or the duration, and/or limit the scope thereof, and the restriction shall then be enforceable in its reduced form. If Employee violates any such restrictions, the period of such violation (from the commencement of any such violation until such time as such violation shall be cured by Employee to the satisfaction of the Company) shall not count toward or be included in the restrictive period contained in the applicable subparagraph above.

10. Certain Acknowledgements and Agreements.

(a) Employee acknowledges and agrees as follows:

(i) Employee possesses sufficient knowledge, skill and experience to permit him to earn a living by working in an industry not described in Paragraph 9(c) and Schedule 2 for a period of one year as therein provided.

(ii) Employee's level of skill and experience is rare and unique in the industries in which the Company participates, and that it would be difficult or impossible for the Company to replace Employee within a reasonable period of time.

(iii) Employee's decision to work for or otherwise serve any other business in the industries in which Company participates would cause competitive and other harm and significant hardship to Company, and that to do so would be inconsistent with the benefits provided to Employee under this Agreement or in connection with its execution.

(iv) Employee's compensation provided under this Agreement is fair compensation in consideration of the restrictions contained herein.

(v) A RESIGNATION BY EMPLOYEE FROM EMPLOYMENT BY THE COMPANY (OTHER THAN IN CONNECTION WITH A BONA FIDE RETIREMENT AS AGREED WITH THE COMPANY) MAY BE TREATED BY THE COMPANY AS A MATERIAL BREACH OF THIS AGREEMENT AND, AS A CONSEQUENCE, THE COMPANY MAY AVAIL ITSELF OF ALL RIGHTS AND REMEDIES SET FORTH HEREIN OR AVAILABLE TO IT AS A MATTER OF LAW. In the event of such breach, the Company shall not be liable for any payments or benefits to Employee hereunder.

(b) Employee acknowledges that Employee had the opportunity to retain and consult with legal counsel and tax advisors of Employee's choice regarding the terms of this Agreement. Employee represents that this Agreement is enforceable against Employee in accordance with its terms.

11. Special Remedies.

(a) In the event the Company commits a material breach of this Agreement and such breach is not cured to Employee's satisfaction within thirty (30) days after written demand for such cure, then Employee may terminate this Agreement, and such termination shall be construed as a Discharge Without Cause. A substantial diminution in Employee's duties and responsibilities shall constitute a material breach of this Agreement. In all such events, Employee's rights shall be as provided in Paragraph 8(a).

(b) If, following Employee's resignation from employment by the Company, Employee provides services or otherwise performs any work for or on behalf of any person or business engaged in Competitive Activities at any time through December 31, 2005, then Employee shall pay, or cause to be paid to the Company, on a current basis, all cash and non-

cash compensation, bonuses, commissions, earnings, profits and other benefits of Employee received, vested or earned through such date (including Legal Fees but excluding any health and welfare benefits available generally to all employees of such person or business), to the extent the value of the total amount thereof exceeds the amount Employee would have received from the Company as Base Salary through such date had Employee not so resigned.

(c) Employee acknowledges that Employee's agreement to the terms of Paragraph 9 is necessary consideration for the stock option grants, Executive Cash Bonus, Deferred Bonus and other benefits granted to or received by Employee in connection with the execution of this Agreement and during the Term (collectively, the "Additional Compensation"). In the event Employee commits a breach of Paragraph 9, and such breach is not promptly cured to the Company's satisfaction within ten (10) days after demand for such cure, then the Company may rescind any such Additional Compensation paid to Employee within three (3) months prior to the first day on which such breach occurred. Upon Company's demand therefore, Employee shall: (i) return to the Company (properly endorsed for transfer to the Company to the extent represented by certificates) all shares of stock issued upon exercise of any such options (or the same number of shares of such stock if such shares are not then owned by Employee), within such three-month period (in each case together with all shares of stock or other securities issued with respect to such shares in any dividend or recapitalization subsequent to such exercise), and upon receipt thereof the Company shall repay to Employee the exercise price paid in connection with the exercise of any such option; and (ii) repay to the Company the amount of any other Additional Compensation received by Employee within such three-month period. Employee acknowledges that this Paragraph 11(c) may cause shares of stock received upon exercise of an option to be "substantially nonvested" within the meaning of Section 83 of the Internal Revenue Code of 1986, as amended, and that Employee may be required to file an election under Section 83(b) at the time of exercise of any such option in order to avoid potential adverse tax consequences. The remedies provided by this Paragraph 11(c) are in addition to and not in limitation of any other remedies available to the Company under this Agreement or applicable law.

12. Acceleration Event.

(a) The Company shall give Employee 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 an Acceleration Event (as defined in subparagraph (ii) below). Upon receipt of such notice, all stock options of Employee shall become immediately exercisable in full, and until the day before such anticipated date of consummation (or such shorter period as the Company shall reasonably determine and so notify Employee), Employee shall be permitted to exercise all options with respect to up to the entire number of shares of the Company's Class A Special Common Stock covered thereby; provided that the shares received from the exercise of any options so accelerated (and any shares, cash or other proceeds received in exchange therefor in connection with the consummation of the Acceleration Event), shall be held in escrow by the Company or its successor and shall be delivered to Employee only in the event Employee remains in the employ of the Company or its successor through the six-month anniversary of the

date of consummation of the Acceleration Event. The Company may in such notice require that upon the close of the period described above during which an option may be so exercised such option shall terminate to the extent that it has not theretofore been exercised. Notwithstanding the foregoing, in the event the Acceleration Event which was the subject of such notice is not consummated, options which were exercised shall be deemed not to have been exercised and shall be exercisable thereafter (disregarding any acceleration of vesting as provided for above, which shall then be of no effect) to the same extent they would have been exercisable if no such notice had been given.

(b) "Acceleration Event" means any of the following events:

(i) the liquidation of the Company; or (ii) a Change of Control. "Change of Control" means any transaction or series of transactions as a result of which any natural person (other than a member or members of the Roberts Family) beneficially owns securities of the Company or its successor as a result of such transaction(s) or the entity which is the controlling entity of its successor as a result of such transaction(s) having more than 50 percent of the voting power in the election of directors or members of a similar body of the Company, such successor or such other entity. "Roberts Family" means (i) Brian L. Roberts; (ii) a lineal descendant of Brian L. Roberts; and (iii) a trust established for the benefit of any of Brian L. Roberts and/or a lineal descendant or descendants of Brian L. Roberts.

13. Provisions Separable.

No provision of this Agreement shall be affected or rendered invalid or unenforceable if for any reason any other provision(s) may be invalid or unenforceable in whole or in part.

14. Merger, Etc.

(a) If the Company merges with, or transfers all or substantially all of its assets to, another entity, such other entity shall be deemed to be the successor to the Company hereunder, and the term "Company" as used herein shall mean such other entity as is appropriate, and this Agreement shall continue in full force and effect.

(b) If the Company transfers part of its assets to another entity owned by the shareholders of the Company (or any substantial portion of them), or distributes stock or other interests in a subsidiary or affiliate of the Company to the shareholders of the Company (or any substantial portion of them), and Employee works for the portion of the Company or the entity so transferred, then such other entity shall be deemed the successor to the Company hereunder, the term "Company" as used herein shall mean such other entity as is appropriate, and this Agreement shall continue in full force and effect. In addition, Paragraph 9 shall apply separately to Employee's employment with such other entity and with the Company, and such other entity shall separately have the rights of the "Company" under Paragraph 9, with respect to Employee's employment with it without affecting or diminishing the rights of the Company hereunder. Notwithstanding the foregoing, the Company shall not be restricted from competing with any such entity.

15. Other Rights.

Nothing in this Agreement shall constitute a waiver by Employee of any rights Employee may have to indemnification or the advancement of litigation expenses under any applicable bylaws or insurance policies of the Company or any applicable statute.

16. Jurisdiction; Governing Law.

Litigation concerning this Agreement, if initiated by or on behalf of Employee, shall be brought only in a state or federal court in the Eastern District of Pennsylvania, or, if initiated by the Company, in such jurisdiction or in the jurisdiction in which Employee then resides or works. Employee consents to jurisdiction in the Eastern District of Pennsylvania without regard to Employee's residence or place of business. Employee and the Company irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, which Employee either may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Agreement or any transaction related hereto. Employee and the Company acknowledge and agree that any service of legal process by mail constitutes proper legal service of process under applicable law in any action or proceeding under or in respect of this Agreement. This Agreement shall be interpreted and enforced in accordance with the substantive law of the Commonwealth of Pennsylvania, without regard to any choice-of-law doctrine.

17. Notices.

All notices referred to in this Agreement shall be made in writing and shall be effective: (a) if given by facsimile, when transmitted to the telecopy number specified in this subparagraph and the appropriate facsimile confirmation is received; or (b) if given by any other means, when delivered at the following address:

If to Company to:

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

If to Employee to:

1415 Kriebel Mill Road
Collegeville, PA 19426

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement, in Philadelphia, Pennsylvania.

COMCAST CORPORATION

By: _____
EMPLOYEE:

Lawrence S. Smith

SCHEDULE 1

DUTIES OF EMPLOYEE

Responsible for directing the Company's financial and administrative functions.

SCHEDULE 2

COMPETITIVE ACTIVITIES *

- A. The distribution of video programming to residential or commercial subscribers by any technology, including, but not limited to, coaxial or fiber optic cable, digital subscriber line, SMATV, satellite or wireless distribution systems. The following companies and their successors and assigns are deemed to be competitive video programming distributors engaged in Competitive Activities: AT&T Corp. (AT&T Broadband Services); Time Warner, Inc. (Time Warner Cable Division; Time Warner Entertainment Company, L.P.; Time Warner Entertainment-Advance Newhouse Partnership); Charter Communications, Inc. (Charter Cable TV); Adelphia Communications Corporation; Cox Communications, Inc.; Hughes Electronics Corporation (DirectTV, Inc.); Echostar Communications Corporation; RCN Corporation; Knology Holdings, Inc.; and SBC Communications Inc. (Ameritech New Media, Inc., d/b/a Americast). Other distributors of video programming either providing services in areas (1) served by the Company or (2) serving in excess of 20,000 subscribers in the aggregate, are similarly deemed to be engaged in Competitive Activities.
- B. The transport of data to and/or from residential or commercial subscribers by any technology, including, but not limited to, high speed cable modem, digital subscriber line, wireless or satellite system. The following companies and their successors and assigns are deemed to be competitive data transport providers engaged in Competitive Activities: Regional Bell Operating Companies; Northpoint Communications Group, Inc.; Covad Communications Group, Inc.; Hughes Electronics Corporation (DirectTV, Inc.); Echostar Communications Corporation; Global Crossing Ltd.; Sprint Corporation (Sprint PCS Group); MCI WorldCom, Inc.; At Home Corporation; ServiceCo LLC d/b/a Road Runner. Other providers of data transport services providing services in areas (1) served by the Company or (2) serving in excess of 25,000 subscribers in the aggregate, are similarly deemed to be engaged in Competitive Activities.
- C. The production of video programming for utilization by the technologies set forth in Section A above, for exhibition at movie theaters, for use on the internet, or for purchase by consumers for home viewing. A company which is engaged in such production shall be deemed to be engaged in Competitive Activities if greater than 10% of its gross revenues are derived from such production activities.

SCHEDULE 2 (continued)

D. The provision of residential or commercial local exchange, toll or long distance telecommunications services; the provision of competitive access, point-to-point and primary line services; and the delivery of wide area municipal area and dark fiber network services. A company that is engaged in any of these ventures shall be deemed to be engaged in Competitive Activities if greater than 5% of its gross revenues are derived from such activities.

* A business or specific company listed on Schedule 2 may also be deemed to be engaged in Competitive Activities under Paragraph 9(c)(i) if such business or company is providing competitive products or services in any area where the company is providing products or services.

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT is made as of the 31st day of May, 2000, between COMCAST CORPORATION, a Pennsylvania corporation (together with its subsidiaries and affiliates, collectively referred to as the "Company"), and JOHN R. ALCHIN, an individual residing in and working for the Company in Pennsylvania ("Employee").

BACKGROUND

Employee is currently employed as Executive Vice President and Treasurer of the Company pursuant to an Employment Agreement dated January 1, 1995, as amended August 16, 1996 (the "Prior Employment Agreement"). Employee has been advised by the Company that Employee may continue to be employed pursuant to the terms of the Prior Employment Agreement or may elect to be employed on the terms and conditions contained in this Agreement. Employee has elected to have Employee's relationship with the Company be governed by the terms and conditions of this Agreement, which include increases in Employee's compensation and other material changes and benefits favorable to the Employee. In return for such favorable material changes, Employee is agreeing to the terms and conditions contained in this Agreement which include other material changes favorable to the Company which impose additional material obligations on Employee. Employee, however, will retain all stock option, restricted stock and cash bonus plan grants made in connection with the Prior Employment Agreement or made at any other time prior to the date hereof.

AGREEMENT

Intending to be legally bound, the Company and Employee agree as follows:

1. Position.

(a) Employee shall serve and the Company shall employ Employee as Executive Vice President and Treasurer of the Company. The specific duties of Employee are set forth on Schedule 1 attached hereto. The Company reserves the right to modify the duties and responsibilities of Employee from time to time (other than by making a substantial diminution therein).

(b) Except as otherwise provided in this Agreement, throughout the Term (as defined in Paragraph 2), Employee shall work full time and devote Employee's best efforts to the affairs of the Company in a manner which will further the business and interests of the Company. Without the prior written consent of the Company, Employee shall not, directly or indirectly, do any work for or on behalf of any person or business, other than the Company, during the Term. Nothing herein shall restrict Employee from engaging in non-compensatory civic and charitable activities with the consent of the Company, which consent shall not be unreasonably withheld. The Company, and its successors and assigns, in addition to receiving the benefit of all of Employee's services, shall be entitled to receive and own all of the results

and proceeds of said services (including, without limitation, inventions, patent rights, copyrights, trademark rights, literary material and any other intellectual property) produced or created by Employee during the Term. Employee will, at the request of the Company, execute such assignments, certificates or other instruments as the Company may from time to time deem necessary or desirable to evidence, establish, maintain, protect, enforce or defend its right or title in or to any such material.

2. Term.

The term of this Agreement (the "Term") shall be from the date first-above written (the "Commencement Date") through the first to occur of: (i) the date this Agreement is terminated by the Company in accordance with Paragraph 7; (ii) employee's resignation from employment; or (iii) December 31, 2005. Notwithstanding the end of the Term, certain provisions of this Agreement, including, but not limited to, any payments to be made after the Term and the covenants contained in Paragraphs 8, 9 and 11, shall be enforceable after the end of the Term.

3. Compensation.

(a) Base Salary.

Employee's salary from the Commencement Date through December 31, 2000 shall be at the annual rate of Six Hundred Thirty Eight Thousand One Hundred Forty One Dollars (\$638,141.00); commencing as of January 1, 2001, Employee's salary shall be at the annual rate of Seven Hundred Thousand Dollars (\$700,000.00) ("Base Salary"). Base Salary, less normal deductions, shall be paid to Employee in accordance with the Company's regular executive payroll practices in effect from time to time. The Base Salary shall be increased for each calendar year in the Term subsequent to 2001 by the greater of (i) 5% of the previous year's Base Salary or (ii) the percentage increase during the previous year in the Consumer Price Index for all urban consumers published by the U.S. Department of Labor or (if such index is discontinued) the nearest equivalent index, up to a maximum of 10%.

(b) Executive Cash Bonus.

(i) Employee shall be eligible to receive an annual performance bonus ("Executive Cash Bonus") of up to 50% of Employee's then Base Salary, payable in cash or in shares of the Company's Class A Special Common Stock in the discretion of the Subcommittee on Performance-Based Compensation of the Compensation Committee of the Board of Directors of the Company (the "Subcommittee"). The Executive Cash Bonus shall be determined annually by the Subcommittee based upon the performance of the Company and Employee during each calendar year commencing for the year 2000 and through the year 2005. The Executive Cash Bonus shall be paid within ninety (90) days after the end of each applicable calendar year, except as provided in subparagraph (ii) below.

(ii) If any part of the total compensation (including the Executive Cash Bonus and any Deferred Bonus as defined in this subparagraph) paid to Employee for the

Company's taxable year in which such compensation would be paid would not be deductible by the Company for federal income tax purposes by reason of the limitation in Section 162(m) of the Internal Revenue Code of 1986, as amended, the compensation payable in such taxable year shall be paid only to the extent so deductible, assuming that it was the last compensation paid during such taxable year. The balance of the compensation shall be added to an unfunded account maintained on behalf of Employee substantially equivalent to those under the Company's Deferred Compensation Plan with respect to deferrals made into the Income Fund thereunder, to be paid to Employee in a subsequent tax year in accordance with the terms of the Deferred Compensation Plan (as if it were an account maintained thereunder) and this subparagraph (ii). As used herein "Deferred Bonus" means any amount so added to such account, and all interest earned thereon (as if it were an account maintained thereunder). The application or potential application of such Section 162(m) shall be determined in good faith by the Company based on available information prior to the date on which any compensation would otherwise be paid. The provisions of the subparagraph (ii) may be waived from time to time, in whole or in part, with the prior consent of the Company and the Subcommittee.

(c) Stock Options.

As soon as practicable after the execution of this Employment Agreement, the Subcommittee shall grant a stock option to purchase 600,000 shares of the Company's Class A Special Common Stock under the Company's Stock Option Plan. Such options shall have a term of ten (10) years and shall vest and become exercisable as follows: 20% on the second anniversary date of the date of grant; 10% on each of the third to ninth anniversary dates of the date of grant; and 10% on the nine year and six month anniversary date of the date of grant.

(d) Withholding.

All compensation under this Agreement is subject to applicable tax withholding requirements.

4. Insurance.

Employee shall be eligible to participate in the Company's group life, medical and other insurance plans on the same terms and at the same cost to the Company and Employee as the Company's other executives at Employee's level receive from time to time, in accordance with the terms of such plans and subject to the restrictions and limitations contained in the applicable insurance agreement or agreements. Nothing in this Agreement shall limit the Company's right to modify or discontinue any insurance coverages at any time.

5. Other Benefits.

Employee shall be entitled to participate in the Company's Deferred Compensation Plan, Deferred Stock Option Plan and other benefits and programs, on the same terms and at the same cost to the Company and Employee as the Company's other executives at Employee's level receive from time to time, in accordance with the terms of such programs and subject to the restrictions and limitations contained in the applicable program or programs. Nothing in this Agreement shall limit the Company's right to modify or discontinue any benefits or programs at any time. The provisions of this Paragraph 5 shall not apply to benefits and programs (including, without limitation, severance) addressed in this Agreement, in which case the applicable terms of this Agreement shall apply.

6. Business Expenses.

The Company shall pay or reimburse Employee for reasonable travel, entertainment and other expenses incurred by Employee in connection with the performance of Employee's duties under this Agreement upon receipt of vouchers therefor submitted to the Company on a timely basis and in accordance with the Company's regular reimbursement procedures and practices in effect from time to time.

7. Termination by the Company.

The Company may terminate Employee's employment and the Company's obligations or liabilities under this Agreement, excluding any obligations the Company may have under Paragraph 8, in any of the following circumstances:

(a) Disability.

In the event Employee becomes unable to perform Employee's duties hereunder due to partial or total disability or incapacity resulting from a mental or physical illness, injury or health-related cause ("Disability") for a period of nine (9) consecutive months or for a cumulative period of forty-five (45) weeks during the term of this Agreement. Employee acknowledges that given Employee's role in the Company's operations, it would be an undue hardship for the Company to accommodate such a Disability for a longer period.

(b) Death of Employee. In the event of Employee's death.

(c) Discharge With Cause.

In the event of "cause," which shall include: Employee's willful misconduct; fraud; misappropriation; embezzlement; gross negligence in the management of Company business; self-dealing; dishonesty; misrepresentation; conviction of a crime of moral turpitude; material violation of any Company policy; material violation of the Company's Code of Ethics and Business Conduct as then in effect; or material breach of any provision of this Agreement (which material breach shall be deemed to have occurred, without limitation, in the event of: (i) failure by Employee to perform services consistent with this Agreement after notice of such failure by the Company to Employee and a reasonable opportunity, in light of the context of such failure, for Employee to cure or otherwise remedy such failure; (ii) acceptance of employment with another person or entity, or performing work or providing advice to another person or entity as an employee, consultant or in any other capacity, during the Term; or (iii) breach of the confidentiality provisions hereof) ("Discharge With Cause").

(d) Discharge Without Cause.

At any time, without "cause" ("Discharge Without Cause").

8. Payments Upon Termination by the Company.

(a) Discharge Without Cause. If Employee is Discharged Without Cause:

(i) Employee shall continue to receive Employee's then-current Base Salary and all insurance, medical and other similar benefits for two years from the date of the Discharge Without Cause, in exchange for a release by Employee of the Company with respect to all matters relating to Employee's employment. Employee shall also receive any accrued but unused vacation time to the date of termination, and any amounts then due under the Deferred Compensation Plan (or Employee may elect to continue to participate in the Deferred Compensation Plan if such continued participation is authorized in accordance with the terms of the Deferred Compensation Plan).

(ii) Employee shall receive that portion of the Executive Cash Bonus and Deferred Bonus (if any) which would have vested within a period of twelve (12) months from the date of Discharge Without Cause, had there been no termination of Employee's employment.

(iii) Employee shall have no obligation to obtain employment during the period in which Employee receives post-termination payments from the Company under this Paragraph 8(a). However, the Company's obligation for Base Salary under subparagraph (i) above shall be offset by any compensation from employment earned by Employee with another employer during such period, and its obligation to continue insurance, medical and other similar benefits shall cease upon Employee's acceptance of other employment offering substantially similar benefits.

(b) Death or Disability.

Upon discharge due to death or Disability, Employee (or Employee's estate, as applicable) will be entitled to payment of Employee's then-current unpaid Base Salary for the period prior to termination and for the period of three (3) months thereafter, amounts payable on account of death or Disability under any insurance or benefit plans or policies maintained by the Company, any accrued but unused vacation time, and any amounts then due under the Deferred Compensation Plan.

(c) Discharge With Cause.

If Employee is Discharged With Cause, Employee's sole entitlement shall be the receipt of Employee's then-current unpaid Base Salary for any days worked through the date of termination and any amounts payable to Employee at such time under the Deferred Compensation Plan.

(d) COBRA Rights.

Nothing herein shall constitute a waiver by Employee of "COBRA" rights under federal law in connection with termination of employment.

(e) Notwithstanding anything to the contrary contained herein, the Company shall not be liable for any payment under this Paragraph 8 in the event Employee breaches Employee's obligations under Paragraph 9.

9. Non-Competition and Confidentiality.

(a) During the Term and for a period of one year thereafter, Employee shall not, directly or indirectly, solicit, induce, encourage, or attempt to influence any client, customer, employee, consultant, independent contractor, subscriber, service provider, salesman or supplier of Company to cease to do business or to terminate the employment or other relationship with the Company.

(b) During the Term and for a period of one year thereafter, Employee shall not, directly or indirectly, purchase (other than for personal use) goods, services or programming from material suppliers of Company similar to those purchased by Company if the effect of any such purchase shall cause the Company the denial of or delay in the receipt of such goods, services or programming.

(c) DURING THE TERM AND FOR A PERIOD OF ONE YEAR THEREAFTER, EMPLOYEE SHALL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN (AS A PRINCIPAL, PARTNER, DIRECTOR, OFFICER, AGENT, EMPLOYEE, CONSULTANT, OWNER, INDEPENDENT CONTRACTOR OR OTHERWISE) OR BE FINANCIALLY INTERESTED IN: (i) ANY BUSINESS IN COMPETITION WITH THE BUSINESS ACTIVITIES CARRIED ON BY THE COMPANY IN ANY AREA, OR BEING PLANNED BY THE COMPANY (WITH EMPLOYEE'S KNOWLEDGE) AT THE TIME OF SUCH TERMINATION OF EMPLOYMENT; OR (ii) ANY BUSINESS DESCRIBED ON SCHEDULE 2 ATTACHED HERETO (SUBPARAGRAPHS (c)(i) AND (c)(ii) TOGETHER REFERRED TO AS "COMPETITIVE ACTIVITIES"); PROVIDED, HOWEVER, THAT IN THE EVENT TERMINATION OCCURS BY THE COMPANY PURSUANT TO PARAGRAPH 7(d) OR AS A RESULT OF THE EXPIRATION OF THE TERM ON DECEMBER 31, 2005, THEN SUBPARAGRAPH (c)(ii) SHALL NOT APPLY. NOTHING HEREIN SHALL PREVENT EMPLOYEE FROM OWNING FOR INVESTMENT UP TO FIVE PERCENT (5%) OF ANY CLASS OF EQUITY SECURITY OF AN ENTITY WHOSE SECURITIES ARE TRADED ON A NATIONAL SECURITIES EXCHANGE OR MARKET.

(d) During the term and for a period of one year thereafter, Employee shall not, directly or indirectly, use for Employee's personal benefit, or disclose, communicate or divulge to, or use for the direct or indirect benefit of, anyone other than the Company (except as may be required within the scope of Employee's duties hereunder), any confidential information of the Company which Employee acquires in the course of Employee's employment, which is not otherwise lawfully known by and readily available to the general public. This confidential information includes, but is not limited to: business, marketing, legal or accounting methods, policies, plans, procedures, strategies or techniques; research or development projects or results; software and firmware; trade secrets or other knowledge or processes of or developed by the Company; names and addresses of employees, suppliers or customers; and any data on or relating to past, present or prospective customers, including customer lists. Employee confirms that such information is confidential and constitutes the exclusive property of the Company, and agrees that, immediately upon Employee's

termination, whether such termination occurs by expiration of this Agreement, by a breach of this Agreement by Employee or by the Company, Employee shall deliver to the Company all correspondence, documents, books, records, lists and other materials relating to the Company's business, regardless of the medium in which such materials are maintained; and Employee shall retain no copies in any medium, regardless of where or by whom such materials were kept or prepared. Nothing herein shall prevent Employee from complying with a valid subpoena or other legal requirement for disclosure of information; provided that Employee shall notify the Company promptly and in advance of disclosure if Employee believes Employee is under a legal requirement to disclose confidential information.

(e) Employee acknowledges that the restrictions contained in this Paragraph 9, in view of the nature of the business in which the Company is engaged and Employee's position with the Company, are reasonable and necessary to protect the legitimate interests of the Company, and that any violation of these restrictions would result in irreparable injury to the Company. Employee therefore agrees that, in the event of Employee's violation of any of these restrictions, the Company shall be entitled to obtain from any court of competent jurisdiction: (i) preliminary and permanent injunctive relief against Employee; (ii) damages from Employee; and (iii) an equitable accounting of all compensation, commissions, earnings, profits and other benefits to Employee arising from such violation (including legal fees and other costs and expenses of defending Employee in any legal proceedings relating to this Agreement ("Legal Fees")), all of which rights shall be cumulative and in addition to any other rights and remedies to which the Company may be entitled as set forth herein or as a matter of law.

(f) Employee agrees that if any portion of the restrictions contained in this Paragraph 9, or the application thereof, is construed to be invalid or unenforceable, the remainder of such restriction or restrictions or the application thereof shall not be affected and the remaining restriction or restrictions will then be given full force and effect without regard to the invalid or unenforceable portions. If any restriction is held to be unenforceable because of the area covered, the duration thereof or the scope thereof, Employee agrees that the court making such determination shall have the power to reduce the area and/or the duration, and/or limit the scope thereof, and the restriction shall then be enforceable in its reduced form. If Employee violates any such restrictions, the period of such violation (from the commencement of any such violation until such time as such violation shall be cured by Employee to the satisfaction of the Company) shall not count toward or be included in the restrictive period contained in the applicable subparagraph above.

10. Certain Acknowledgements and Agreements.

(a) Employee acknowledges and agrees as follows:

(i) Employee possesses sufficient knowledge, skill and experience to permit him to earn a living by working in an industry not described in Paragraph 9(c) and Schedule 2 for a period of one year as therein provided.

(ii) Employee's level of skill and experience is rare and unique in the industries in which the Company participates, and that it would be difficult or impossible for the Company to replace Employee within a reasonable period of time.

(iii) Employee's decision to work for or otherwise serve any other business in the industries in which Company participates would cause competitive and other harm and significant hardship to Company, and that to do so would be inconsistent with the benefits provided to Employee under this Agreement or in connection with its execution.

(iv) Employee's compensation provided under this Agreement is fair compensation in consideration of the restrictions contained herein.

(v) A RESIGNATION BY EMPLOYEE FROM EMPLOYMENT BY THE COMPANY (OTHER THAN IN CONNECTION WITH A BONA FIDE RETIREMENT AS AGREED WITH THE COMPANY) MAY BE TREATED BY THE COMPANY AS A MATERIAL BREACH OF THIS AGREEMENT AND, AS A CONSEQUENCE, THE COMPANY MAY AVAIL ITSELF OF ALL RIGHTS AND REMEDIES SET FORTH HEREIN OR AVAILABLE TO IT AS A MATTER OF LAW. In the event of such breach, the Company shall not be liable for any payments or benefits to Employee hereunder.

(b) Employee acknowledges that Employee had the opportunity to retain and consult with legal counsel and tax advisors of Employee's choice regarding the terms of this Agreement. Employee represents that this Agreement is enforceable against Employee in accordance with its terms.

11. Special Remedies.

(a) In the event the Company commits a material breach of this Agreement and such breach is not cured to Employee's satisfaction within thirty (30) days after written demand for such cure, then Employee may terminate this Agreement, and such termination shall be construed as a Discharge Without Cause. A substantial diminution in Employee's duties and responsibilities shall constitute a material breach of this Agreement. In all such events, Employee's rights shall be as provided in Paragraph 8(a).

(b) If, following Employee's resignation from employment by the Company, Employee provides services or otherwise performs any work for or on behalf of any person or business engaged in Competitive Activities at any time through December 31, 2005, then Employee shall pay, or cause to be paid to the Company, on a current basis, all cash and non-

cash compensation, bonuses, commissions, earnings, profits and other benefits of Employee received, vested or earned through such date (including Legal Fees but excluding any health and welfare benefits available generally to all employees of such person or business), to the extent the value of the total amount thereof exceeds the amount Employee would have received from the Company as Base Salary through such date had Employee not so resigned.

(c) Employee acknowledges that Employee's agreement to the terms of Paragraph 9 is necessary consideration for the stock option grants, Executive Cash Bonus, Deferred Bonus and other benefits granted to or received by Employee in connection with the execution of this Agreement and during the Term (collectively, the "Additional Compensation"). In the event Employee commits a breach of Paragraph 9, and such breach is not promptly cured to the Company's satisfaction within ten (10) days after demand for such cure, then the Company may rescind any such Additional Compensation paid to Employee within three (3) months prior to the first day on which such breach occurred. Upon Company's demand therefore, Employee shall: (i) return to the Company (properly endorsed for transfer to the Company to the extent represented by certificates) all shares of stock issued upon exercise of any such options (or the same number of shares of such stock if such shares are not then owned by Employee), within such three-month period (in each case together with all shares of stock or other securities issued with respect to such shares in any dividend or recapitalization subsequent to such exercise), and upon receipt thereof the Company shall repay to Employee the exercise price paid in connection with the exercise of any such option; and (ii) repay to the Company the amount of any other Additional Compensation received by Employee within such three-month period. Employee acknowledges that this Paragraph 11(c) may cause shares of stock received upon exercise of an option to be "substantially nonvested" within the meaning of Section 83 of the Internal Revenue Code of 1986, as amended, and that Employee may be required to file an election under Section 83(b) at the time of exercise of any such option in order to avoid potential adverse tax consequences. The remedies provided by this Paragraph 11(c) are in addition to and not in limitation of any other remedies available to the Company under this Agreement or applicable law.

12. Acceleration Event.

(a) The Company shall give Employee 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 an Acceleration Event (as defined in subparagraph (ii) below). Upon receipt of such notice, all stock options of Employee shall become immediately exercisable in full, and until the day before such anticipated date of consummation (or such shorter period as the Company shall reasonably determine and so notify Employee), Employee shall be permitted to exercise all options with respect to up to the entire number of shares of the Company's Class A Special Common Stock covered thereby; provided that the shares received from the exercise of any options so accelerated (and any shares, cash or other proceeds received in exchange therefor in connection with the consummation of the Acceleration Event), shall be held in escrow by the Company or its successor and shall be delivered to Employee only in the event Employee remains in the employ of the Company or its successor through the six-month anniversary of the

date of consummation of the Acceleration Event. The Company may in such notice require that upon the close of the period described above during which an option may be so exercised such option shall terminate to the extent that it has not theretofore been exercised. Notwithstanding the foregoing, in the event the Acceleration Event which was the subject of such notice is not consummated, options which were exercised shall be deemed not to have been exercised and shall be exercisable thereafter (disregarding any acceleration of vesting as provided for above, which shall then be of no effect) to the same extent they would have been exercisable if no such notice had been given.

(b) "Acceleration Event" means any of the following events:

(i) the liquidation of the Company; or (ii) a Change of Control. "Change of Control" means any transaction or series of transactions as a result of which any natural person (other than a member or members of the Roberts Family) beneficially owns securities of the Company or its successor as a result of such transaction(s) or the entity which is the controlling entity of its successor as a result of such transaction(s) having more than 50 percent of the voting power in the election of directors or members of a similar body of the Company, such successor or such other entity. "Roberts Family" means (i) Brian L. Roberts; (ii) a lineal descendant of Brian L. Roberts; and (iii) a trust established for the benefit of any of Brian L. Roberts and/or a lineal descendant or descendants of Brian L. Roberts.

13. Provisions Separable.

No provision of this Agreement shall be affected or rendered invalid or unenforceable if for any reason any other provision(s) may be invalid or unenforceable in whole or in part.

14. Merger, Etc.

(a) If the Company merges with, or transfers all or substantially all of its assets to, another entity, such other entity shall be deemed to be the successor to the Company hereunder, and the term "Company" as used herein shall mean such other entity as is appropriate, and this Agreement shall continue in full force and effect.

(b) If the Company transfers part of its assets to another entity owned by the shareholders of the Company (or any substantial portion of them), or distributes stock or other interests in a subsidiary or affiliate of the Company to the shareholders of the Company (or any substantial portion of them), and Employee works for the portion of the Company or the entity so transferred, then such other entity shall be deemed the successor to the Company hereunder, the term "Company" as used herein shall mean such other entity as is appropriate, and this Agreement shall continue in full force and effect. In addition, Paragraph 9 shall apply separately to Employee's employment with such other entity and with the Company, and such other entity shall separately have the rights of the "Company" under Paragraph 9, with respect to Employee's employment with it without affecting or diminishing the rights of the Company hereunder. Notwithstanding the foregoing, the Company shall not be restricted from competing with any such entity.

15. Other Rights.

Nothing in this Agreement shall constitute a waiver by Employee of any rights Employee may have to indemnification or the advancement of litigation expenses under any applicable bylaws or insurance policies of the Company or any applicable statute.

16. Jurisdiction; Governing Law.

Litigation concerning this Agreement, if initiated by or on behalf of Employee, shall be brought only in a state or federal court in the Eastern District of Pennsylvania, or, if initiated by the Company, in such jurisdiction or in the jurisdiction in which Employee then resides or works. Employee consents to jurisdiction in the Eastern District of Pennsylvania without regard to Employee's residence or place of business. Employee and the Company irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, which Employee either may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Agreement or any transaction related hereto. Employee and the Company acknowledge and agree that any service of legal process by mail constitutes proper legal service of process under applicable law in any action or proceeding under or in respect of this Agreement. This Agreement shall be interpreted and enforced in accordance with the substantive law of the Commonwealth of Pennsylvania, without regard to any choice-of-law doctrine.

17. Notices.

All notices referred to in this Agreement shall be made in writing and shall be effective: (a) if given by facsimile, when transmitted to the telecopy number specified in this subparagraph and the appropriate facsimile confirmation is received; or (b) if given by any other means, when delivered at the following address:

If to Company to:

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

If to Employee to:

241 South 6th Street
#2311
Philadelphia, PA 19106

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement, in Philadelphia, Pennsylvania.

COMCAST CORPORATION

By: _____

EMPLOYEE:

John R. Alchin

SCHEDULE 1

DUTIES OF EMPLOYEE

Responsible for the direction and management of all Treasury activities - domestic and international. Oversees the capital formation, investor relations and cash management functions.

SCHEDULE 2

COMPETITIVE ACTIVITIES *

- A. The distribution of video programming to residential or commercial subscribers by any technology, including, but not limited to, coaxial or fiber optic cable, digital subscriber line, SMATV, satellite or wireless distribution systems. The following companies and their successors and assigns are deemed to be competitive video programming distributors engaged in Competitive Activities: AT&T Corp. (AT&T Broadband Services); Time Warner, Inc. (Time Warner Cable Division; Time Warner Entertainment Company, L.P.; Time Warner Entertainment-Advance Newhouse Partnership); Charter Communications, Inc. (Charter Cable TV); Adelphia Communications Corporation; Cox Communications, Inc.; Hughes Electronics Corporation (DirectTV, Inc.); EchoStar Communications Corporation; RCN Corporation; Knology Holdings, Inc.; and SBC Communications Inc. (Ameritech New Media, Inc., d/b/a Americast). Other distributors of video programming either providing services in areas (1) served by the Company or (2) serving in excess of 20,000 subscribers in the aggregate, are similarly deemed to be engaged in Competitive Activities.
- B. The transport of data to and/or from residential or commercial subscribers by any technology, including, but not limited to, high speed cable modem, digital subscriber line, wireless or satellite system. The following companies and their successors and assigns are deemed to be competitive data transport providers engaged in Competitive Activities: Regional Bell Operating Companies; Northpoint Communications Group, Inc.; Covad Communications Group, Inc.; Hughes Electronics Corporation (DirectTV, Inc.); EchoStar Communications Corporation; Global Crossing Ltd.; Sprint Corporation (Sprint PCS Group); MCI WorldCom, Inc.; At Home Corporation; ServiceCo LLC d/b/a Road Runner. Other providers of data transport services providing services in areas (1) served by the Company or (2) serving in excess of 25,000 subscribers in the aggregate, are similarly deemed to be engaged in Competitive Activities.
- C. The production of video programming for utilization by the technologies set forth in Section A above, for exhibition at movie theaters, for use on the internet, or for purchase by consumers for home viewing. A company which is engaged in such production shall be deemed to be engaged in Competitive Activities if greater than 10% of its gross revenues are derived from such production activities.

SCHEDULE 2 (continued)

- D. The provision of residential or commercial local exchange, toll or long distance telecommunications services; the provision of competitive access, point-to-point and primary line services; and the delivery of wide area municipal area and dark fiber network services. A company that is engaged in any of these ventures shall be deemed to be engaged in Competitive Activities if greater than 5% of its gross revenues are derived from such activities.

* A business or specific company listed on Schedule 2 may also be deemed to be engaged in Competitive Activities under Paragraph 9(c)(i) if such business or company is providing competitive products or services in any area where the company is providing products or services.

COMCAST CORPORATION

2002 EMPLOYEE STOCK PURCHASE PLAN

(As Amended and Restated, Effective November 18, 2002)

1. Purpose.

COMCAST CORPORATION, a Pennsylvania corporation (formerly known as AT&T Comcast Corporation), hereby amends and restates the Comcast Corporation 2002 Employee Stock Purchase Plan, As Amended and Restated, Effective November 18, 2002, (the "Plan"), effective November 18, 2002, upon the consummation of the combination of Comcast Holdings Corporation (formerly known as Comcast Corporation) and Comcast Cable Communications Holdings, Inc. (formerly known as AT&T Broadband Corp.) (the "AT&T Broadband Transaction"). The Comcast Corporation 2002 Employee Stock Purchase Plan (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, 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.

(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 November 18, 2002.

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 18th day of November, 2002.

COMCAST CORPORATION

BY: -----

ATTEST: -----

SCHEDULE A

Participating Companies

Effective as of November 18, 2002:

Comcast Business Communications Holdings, Inc. and its subsidiaries
Comcast Cable Communications, Inc. and its subsidiaries
Comcast Corporation (formerly known as AT&T Comcast Corporation)
Comcast Holdings Corporation (formerly known as Comcast Corporation)
Comcast Online Communications, Inc.
Home Team Sports Limited Partnership

Effective as of January 1, 2003:

Comcast Business Communications Holdings, Inc. and its subsidiaries
Comcast Cable Communications Holdings, Inc. (formerly known as AT&T
Broadband Corp.) and its subsidiaries*
Comcast Cable Communications, Inc. and its subsidiaries
Comcast Corporation (formerly known as AT&T Comcast Corporation)
Comcast Holdings Corporation (formerly known as Comcast Corporation)
Comcast Online Communications, Inc.
G4 Media, LLC
Home Team Sports Limited Partnership
Outdoor Life Network, LLC
Philadelphia Sports Media, L.P

*subject to the approval of the Company's shareholders

AT&T BROADBAND CORP.
ADJUSTMENT PLAN

Section 1. Background and Purpose. (a) Pursuant to the Merger Agreement, the Employee Benefits Agreement and related agreements, the Company will be separated from AT&T Corp. and immediately thereafter will become a wholly owned subsidiary of AT&T Comcast Corporation ("AT&T Comcast"). In that connection, the Pre-Distribution Awards will be converted into and replaced by awards governed by this AT&T Broadband Corp. Adjustment Plan (the "Plan").

(b) This Plan is the Broadband Adjustment Plan as defined in, and required to be adopted by, the Employee Benefits Agreement. The only Awards that may be granted hereunder are the Awards that replace the Pre-Distribution Awards as set forth in Section 1(a) above, and the purpose of this Plan is to provide for the terms, conditions and administration of these Awards. In connection with its assumption of the Awards in accordance with Section 4.02(g) of the Merger Agreement, except as provided in Section 6(c) of the plan, AT&T Comcast shall assume all obligation and liability under the Plan and with respect to all such Awards.

(c) This Plan has been adopted by the Company on November 14, 2002, and approved by AT&T Corp. as the Company's sole shareholder on November 14, 2002, to become effective as set forth in Section 12. AT&T Comcast shall adopt this Plan in connection with its assumption of the Awards in accordance with Section 4.02(g) of the Merger Agreement.

Section 2. Definitions. As used in the Plan, the following terms shall have the meanings set forth below:

(a) "AT&T Comcast" shall have the meaning given in Section 1(a).

(b) "AT&T Comcast Board" shall mean the Board of Directors of AT&T Comcast.

(c) "AT&T Restricted Stock" shall have the meaning given in Section 6(a).

(d) "AT&T Shares" shall mean the common stock, par value \$1.00 per share, of AT&T Corp.

(e) "AT&T Stock Units" shall have the meaning given in Section 7(a).

(f) "Award" shall mean any Option, Restricted Stock, AT&T Restricted Stock, Restricted Stock Unit, AT&T Stock Unit or Performance Shares granted under the Plan.

(g) "Award Agreement" shall mean any written agreement, contract, or other instrument or document evidencing any Award granted hereunder or any Pre-

Distribution Award. Award Agreements may, but need not, be executed or acknowledged by both AT&T or AT&T Comcast, on the one hand, and the Participant, on the other hand.

(h) "Change in Control" shall mean the happening of any of the following events after consummation of the Merger:

(i) An acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (an "Entity") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (A) the then outstanding Shares (the "Outstanding AT&T Comcast Common Stock") or (B) the combined voting power of the then outstanding voting securities of AT&T Comcast entitled to vote generally in the election of directors (the "Outstanding AT&T Comcast Voting Securities"); excluding, however, the following: (1) any acquisition directly from AT&T Comcast, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from AT&T Comcast, (2) any acquisition by AT&T Comcast, (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by AT&T Comcast or any corporation controlled by AT&T Comcast, or (4) any acquisition by any corporation pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) of this definition;

(ii) A change in the composition of the AT&T Comcast Board as constituted immediately following the Effective Date of the Merger (as defined in the Merger Agreement) such that the individuals who, immediately following the Effective Date, constitute the AT&T Comcast Board (such AT&T Comcast Board shall be hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the AT&T Comcast Board; provided, however, that for purposes of this definition, any individual who becomes a member of the AT&T Comcast Board subsequent to the effective date of the Plan, whose election, or nomination for election, by AT&T Comcast's stockholders was approved by a vote of at least a majority of those individuals who are members of the AT&T Comcast Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individuals were a member of the Incumbent Board; and provided, further, however, that any such individual whose initial assumption of office occurs as a result of or in connection with either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf

of an Entity other than the AT&T Comcast Board shall not be so considered as a member of the Incumbent Board;

(iii) The consummation of a merger, reorganization or consolidation or sale or other disposition of all or substantially all of the assets of AT&T Comcast (each, a "Corporate Transaction"); excluding, however, such a Corporate Transaction pursuant to which (A) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding AT&T Comcast Common Stock and Outstanding AT&T

Comcast Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 60% of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation or other person which as a result of such transaction owns AT&T Comcast or all or substantially all of AT&T Comcast's assets either directly or through one or more subsidiaries (a "Parent Company")) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding AT&T Comcast Common Stock and Outstanding AT&T Comcast Voting Securities, as the case may be, (B) no Entity (other than AT&T Comcast, any employee benefit plan (or related trust) of AT&T Comcast, such corporation resulting from such Corporate Transaction or, if reference was made to equity ownership of any Parent Company for purposes of determining whether clause (A) above is satisfied in connection with the applicable Corporate Transaction, such Parent Company) will beneficially own, directly or indirectly, 20% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors unless such ownership resulted solely from ownership of securities of AT&T Comcast prior to the Corporate Transaction, and (C) individuals who were members of the Incumbent Board will immediately after the consummation of the Corporate Transaction constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction (or, if reference was made to equity ownership of any Parent Company for purposes of determining whether clause (A) above is satisfied in connection with the applicable Corporate Transaction, of the Parent Company); or

(iv) The approval by the stockholders of AT&T Comcast of a complete liquidation or dissolution of AT&T Comcast.

(i) "Change in Control Price" means, with respect to a Share, the higher of (A) the highest reported sales price, regular way, of such Share in any transaction reported on the New York Stock Exchange Composite Tape or other national exchange on which such Shares are listed or on the Nasdaq National Market during the 60-day period prior to and including the date of a Change in Control or (B) if the Change in Control is the result of a tender or exchange offer or a Corporate Transaction, the highest price per such Share paid in such tender or exchange offer or Corporate Transaction. To the extent that the consideration paid in any such transaction described above consists all or in part of securities or other noncash consideration, the value of such securities or other noncash consideration shall be determined in the sole discretion of the Committee.

(j) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

(k) "Committee" shall mean the Compensation Committee of the AT&T Comcast Board, or any successor to such committee.

(l) "Company" shall mean AT&T Broadband Corp., a Delaware corporation.

(m) "Domestic Relations Order" shall mean a domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974 or the rules and regulations promulgated thereunder.

(n) "Effective Time" shall have the meaning set forth in the Merger Agreement.

(o) "Employee Benefits Agreement" shall mean that certain Employee Benefits Agreement between AT&T Corp. and the Company dated as of the 19th day of December, 2001, as amended, in connection with the Distribution.

(p) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(q) "Fair Market Value" shall mean, with respect to any property, the market value of such property determined by such methods or procedures as shall be established from time to time by the Committee.

(r) "Merger" shall mean, collectively, the AT&T Broadband Merger and the Comcast Merger, each as defined in the Merger Agreement.

(s) "Merger Agreement" shall mean the Agreement and Plan of Merger, dated December 19, 2001, by and among AT&T Corp., AT&T Broadband Corp., Comcast Corporation, AT&T Broadband Acquisition Corp., Comcast Acquisition Corp. and AT&T Comcast Corporation.

(t) "October 2000 AT&T Board Resolutions" shall have the meaning given in Section 4(a).

(u) "Option" shall have the meaning given in Section 5(a).

(v) "Participant" shall mean any individual who holds a Pre-Distribution Award.

(w) "Performance Period" shall mean that period during which any performance goals with respect to Performance Shares are to be measured in accordance with the terms of the Award.

(x) "Performance Shares" shall have the meaning given in Section 8.

(y) "Plan" shall have the meaning set forth in Section 1(a).

(z) "Pre-Distribution Award" shall mean an equity, equity-based or performance-based award with respect to AT&T Shares under a Prior Plan that is to be replaced by an Award under the Plan in connection with the Distribution pursuant to Section 5.3 of the Employee Benefits Agreement.

(aa) "Prior Plans" shall mean the AT&T Long Term Incentive Plans as defined in the Employee Benefits Agreement.

(bb) "Restricted Stock" shall have the meaning given in Section 6(a).

(cc) "Restricted Stock Unit" shall have the meaning given in Section 7.

(dd) "Shares" shall mean the shares of Class A Common Stock of AT&T Comcast, par value \$0.01 per share.

(ee) "Tele-Communications, Inc. Incentive Plans" means any of the following plans: TCI 1998 Incentive Plan, TCI 1996 Incentive Plan, TCI 1995 Incentive Plan, TCI 1994 Incentive Plan, or TCI 1992 Incentive Plan.

Section 3. Administration. The Plan shall be administered by the Committee. The Committee shall have full power and authority, subject to such orders or resolutions not inconsistent with the provisions of the Plan as may from time to time be adopted by the AT&T Comcast Board, to: (i) determine whether, to what extent and under what circumstances Awards may be settled in cash, Shares or other property or cancelled or suspended, (ii) interpret and administer the Plan and any instrument or agreement entered into under the Plan; (iii) establish such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; and (iv) make any other determination and take any other action that the Committee deems necessary or desirable for administration of the Plan. Decisions of the Committee shall be final, conclusive and binding upon all persons, including the Company, any Participant, any shareholder, and any employee of the Company or of any of its affiliates.

Section 4. Conversion and Replacement of Pre-Distribution Awards; Shares Subject to the Plan. (a) Pursuant to the requirements of the Employee Benefits Agreement and the Merger Agreement, Pre-Distribution Awards will be converted into and replaced by Awards under this Plan as of the Effective Time. The Committee shall take all actions necessary to effectuate such conversion and replacement, including without limitation imposing a blackout period as contemplated by Section 5.3(d)(iii) of the Employee Benefits Agreement and issuing new or amended Award Agreements or other documentation to reflect such Awards. As provided in Sections 2.9, 2.11 and 5.3 of the Employee Benefits Agreement, for purposes of each Award governed by this Plan (except for the Awards replacing the Pre-Distribution Awards identified on Schedule I hereto), the Merger shall constitute a "Change in

Control" (or such other similar term) within the meaning the Pre-Distribution Award with respect to which each such Award shall be granted, and consequently, as of the Effective Time, (i) each such Award will be fully vested, all restrictions and deferral limitations with respect thereto shall lapse, (ii) all Performance Shares shall be considered to be earned and payable in full (based on the greater of (1) the target number of performance shares multiplied by the greater of (a) the fair market value of the shares on the grant date, or (b) the fair market value of the shares at Effective Time, or (2) the number or performance shares based on the performance factor to date multiplied by the greater of (a) the fair market value of the shares on the grant date, or (b) the fair market value of the shares at the Effective Time), (iii) all Options governed by the Plan will remain exercisable for the remainder of the full original term of the Pre-Distribution Award each such Option replaces and (iv) if a Pre-Distribution Award included a right by the committee administering the AT&T Long Term Incentive Program to determine that Participant could elect to receive cash in settlement thereof upon a "Change in Control" at the "Change in Control Price" (each as defined in the AT&T 1997 Long Term Incentive Program (the "AT&T Long Term Incentive Program")), then the Award replacing such Pre-Distribution Award shall include a similar right with respect to the Committee, treating the consummation of the Merger as the "Change in Control" within the meaning of Section 11(b) of the AT&T Long Term Incentive Program. Except as otherwise specified herein, each Award will governed by the terms of the Pre-Distribution Award with respect to which the Award is granted. For the avoidance of doubt and as provided by Section 2.11 of Employee Benefits Agreement, the terms of each Pre-Distribution Award shall include any amendment, clarification or modification to terms effected by the Resolutions of the Board Directors of AT&T effective as of October 23, 2000 (the "October 2000 AT&T Board Resolutions").

(b) Any Shares issued hereunder may consist, in whole or in part, of authorized and unissued shares, treasury shares, or shares purchased in the open market or otherwise.

(c) In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, stock split, reverse stock split, spin-off or similar transaction or other change in corporate structure affecting the Shares or the AT&T Shares occurring after consummation of the Merger, such adjustments and other substitutions shall be made to the Plan and to Awards as the Committee in its sole discretion deems equitable or appropriate, including without limitation such adjustments in the aggregate number, class and kind of securities which may be delivered under the Plan, in the aggregate or to any one Participant, in the number, class, kind and option or exercise price of securities subject to outstanding Options or other Awards granted under the Plan, and in the number, class and kind of securities subject to Awards granted under the Plan (including, if the Committee deems appropriate, the substitution of similar options to purchase the shares of, or other awards denominated in the shares of, another company) as the Committee may determine to be appropriate in its sole discretion; provided that the number of Shares or AT&T Shares, as the case may be, subject to or referenced by any Award shall always be a whole number; provided,

further, that the number of AT&T Shares subject to any Awards denominated in AT&T Shares (and the exercise price thereof, if applicable) shall appropriately reflect the reverse stock split of the AT&T Shares that is expected to occur on the Effective Date, such that the value of each such award immediately prior to such reverse stock split is the same as the value of each such award after such reverse stock split (subject to customary rounding adjustments).

Section 5. Stock Options. (a) Certain Awards will take the form of options to acquire Shares ("Options"), as contemplated by Section 5.3(a)(ii) or Section 5.3(b) of the Employee Benefits Agreement. All Options that replace Pre-Distribution Awards consisting of stock options, the vesting of which was accelerated as a result of the consummation of the transactions contemplated by the Merger Agreement shall remain exercisable for the remainder of their full original term (as such term is set forth in the Award Agreement for the Pre-Distribution Award that the Option replaces). To the extent an Option replaces a Pre-Distribution Award that was granted in tandem with a stock appreciation right, such Option shall also have an equivalent stock appreciation right feature.

(b) Method of Exercise. Subject to the other provisions of the Plan, any Option may be exercised by the Participant in whole or in part at such time or times, and the Participant may make payment of the option price in such form or forms, including, without limitation, payment by delivery of cash, Shares or other consideration (including, where permitted by law and the Committee, Awards) having a Fair Market Value on the exercise date equal to the total option price, or by any combination of cash, Shares and other consideration as the Committee may specify in the applicable Award Agreement.

(c) Incentive Stock Options. No Option granted hereunder shall be an "incentive stock option" as defined in Section 422 of the Code and any successor thereto.

Section 6. Restricted Stock. (a) Issuance. Certain Awards will take the form of Shares subject to forfeiture and other restrictions ("Restricted Stock"), as contemplated by Section 5.3(e)(ii)(A) of the Employee Benefits Agreement. Other Awards will take the form of AT&T Shares previously issued under a Prior Plan subject to forfeiture and other restrictions ("AT&T Restricted Stock"), as contemplated by Section 5.3(e)(ii)(B) of the Employee Benefits Agreement.

(b) Registration. Any Restricted Stock issued hereunder may be evidenced in such manner as the Committee in its sole discretion shall deem appropriate, including, without limitation, book entry registration or issuance of a stock certificate or certificates. In the event any stock certificates are issued in respect of Shares of Restricted Stock or AT&T Restricted Stock awarded under the Plan, such certificate shall be registered in the name of the Participant, and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award. In the case of AT&T Restricted Stock, AT&T Comcast and AT&T Corp. shall cooperate to accomplish the foregoing.

(c) Forfeiture. Except as otherwise provided in an applicable Award Agreement or by the Committee, upon termination of employment for any reason during the restriction period, all Shares of Restricted Stock then still subject to restriction shall be forfeited by the Participant and reacquired by the Company, and all AT&T Shares of AT&T Restricted Stock shall be forfeited by the Participant and reacquired by AT&T Corp. Notwithstanding any other provision of this Plan, any AT&T Shares subject to any Award that are for any reason forfeited by the Participant shall revert to AT&T Corp. and in no event shall revert to the Company or AT&T Comcast. When the restrictions applicable to an Award of Restricted Stock expire, the Committee shall promptly issue, or cause to be issued, to the Participant Shares, evidenced in such manner as the Committee shall deem appropriate. In the case of AT&T Restricted Stock as to which restrictions expire, AT&T Corp. shall, upon receipt from AT&T Comcast of its costs incurred with respect to vesting and issuing such shares of AT&T Restricted Stock, issue, or cause to be issued, AT&T Shares to the Participant, and AT&T Comcast and AT&T Corp. shall cooperate to accomplish the foregoing. Except for its obligations to reimburse AT&T Corp. pursuant to the immediately preceding sentence, AT&T Comcast shall have no obligation to deliver or issue any such AT&T Shares.

Section 7. Restricted Stock Units and Stock Units. (a) Certain Awards will take the form of restricted stock units valued with respect to Shares, as contemplated by Section 5.3(f)(ii)(A) of the Employee Benefits Agreement ("Restricted Stock Units"). Certain Awards will take the form of stock units valued with respect to AT&T Shares, as contemplated by Section 5.3(f)(ii)(B) and Section 5.3(g)(ii)(B) of the Employee Benefits Agreement ("AT&T Stock Units").

(b) Restricted Stock Units shall be settled by AT&T Comcast and may be paid in Shares, cash or any other form of property as the Committee shall determine. AT&T Stock Units shall be settled by AT&T Comcast in AT&T Shares, cash or any other form of property as the Committee shall determine.

Section 8. Performance Shares. Certain Awards will take the form of performance shares ("Performance Shares") valued with respect to Shares as contemplated by Section 5.3(g)(ii)(A) of the Employee Benefits Agreement. Except as provided in Section 9, Performance Shares will be distributed only after the end of the relevant Performance Period. Performance Shares may be paid in cash, Shares, other property or any combination thereof, in the sole discretion of the Committee at the time of payment. The value and performance criteria of Performance Shares shall be based on the underlying value of the Shares (taking into account the provisions of the October 2000 AT&T Board Resolutions, in the case of a Change in Control) and performance measures as determined by the Committee from time to time. The performance levels to be achieved for each Performance Period and the amount of the Award to be distributed shall be conclusively determined by the Committee. Performance Shares may be paid in a lump sum or in installments following the close of the Performance Period, or in accordance with procedures established by the Committee, on a deferred basis.

Section 9. Change in Control Provisions. (a) Impact of Event. Notwithstanding any other provision of the Plan, any Prior Plan or other agreement or arrangement to the contrary, unless the Committee shall determine otherwise at the time of grant with respect to a particular Award, in the event of a Change in Control:

(i) any Options outstanding as of the date such Change in Control is determined to have occurred, and which are not then exercisable and vested, shall vest and become fully exercisable, and all Options then outstanding shall remain exercisable for the remainder of the full original term of the Award (as set forth in the Award Agreement for the Pre-Distribution Award that the Option, replaces);

(ii) the restrictions and deferral limitations applicable to any Restricted Stock and AT&T Restricted Stock shall lapse, and such Restricted Stock and AT&T Restricted Stock shall become free of all restrictions and limitations and become fully vested and transferable to the full extent of the original grant;

(iii) all Performance Shares shall be considered to be earned and payable in full, and any deferral or other restriction shall lapse and such Performance Shares shall be immediately settled or distributed; and

(iv) the restrictions and deferral limitations and other conditions applicable to any Restricted Stock Units and AT&T Stock Units shall lapse, and such Awards shall become free of all restrictions, limitations or conditions and become fully vested and transferable to the full extent of the original grant.

(b) Change in Control Cash-Out. Notwithstanding any other provision of the Plan, during the 60-day period from and after a Change in Control (the "Exercise Period"), if the Committee shall determine; a Participant holding an Option shall have the right, whether or not the Option is fully exercisable and in lieu of the payment of the purchase price for the Shares being purchased under the Option and by giving notice to the Company, to elect (within the Exercise Period) to surrender all or part of the Option to the Company and to receive cash, within 30 days of such notice, in an amount equal to the amount by which the Change in Control Price per Share on the date of such election shall exceed the purchase price per Share under the Option, multiplied by the number of Shares granted under the Option as to which the right granted under this Section 9(b) shall have been exercised.

Section 10. Amendments and Termination. The AT&T Comcast Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time; provided that no such amendment, alteration, suspension, discontinuation or termination shall be made without (i) shareholder approval if such approval is necessary to qualify for or comply with any tax, regulatory or other requirement for which or with which the AT&T Comcast Board deems it necessary or desirable to qualify or comply or (ii) the consent of the affected Participant, if such action would impair the rights of such Participant under any outstanding Award. Notwithstanding anything to the contrary herein, the Committee may

amend the Plan in such manner as may be necessary so as to have the Plan conform to local rules and regulations in any jurisdiction outside the United States.

The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively, but no such amendment shall impair the rights of any Participant without his or her consent. Notwithstanding any provision of this plan, the Committee may not amend the terms of any Option to reduce the option price nor may the Committee, without prior shareholder approval, cancel any outstanding Option and replace it with a new Option with a lower option price, where the economic effect would be the same as reducing the option price of the canceled Option.

Section 11. General Provisions. (a) No Award, and no Shares subject to Awards that have not been issued as to which any applicable restriction, performance or deferral period has not lapsed, may be sold, assigned, transferred, pledged or otherwise encumbered, except (i) by will, (ii) by the laws of descent and distribution or (iii) pursuant to a Domestic Relations Order, in the case of Awards granted with respect to Pre-Distribution Awards granted under the Tele-Communications, Inc. Incentive Plans that by their terms allowed for transfer of such Pre-Distribution Award pursuant to a Domestic Relations Order; provided that, if so determined by the Committee, a Participant may, in the manner established by the Committee, designate a beneficiary to exercise the rights of the Participant with respect to any Award upon the death of the Participant. Any designation of a beneficiary made with respect to a Pre-Distribution Award prior to the effective date of the Plan as set forth in Section 12 shall not be effective with respect to any Award granted under the Plan. Except as otherwise required pursuant a Domestic Relations Order in connection with an Award described in clause (iii) of the immediately preceding sentence, each Award shall be exercisable, during the Participant's lifetime, only by the Participant or, if permissible under applicable law, by the Participant's guardian or legal representative.

(b) No Participant shall have any claim to be granted any Award under the Plan or to have any Award converted pursuant to the Plan and there is no obligation for uniformity of treatment of Participants under the Plan.

(c) The Committee shall be authorized to make adjustments in performance award criteria or in the terms and conditions of other Awards in recognition of unusual or nonrecurring events affecting the Company or its financial statements or changes in applicable laws, regulations or accounting principles. Notwithstanding the foregoing sentence, except as provided with respect to an individual Participant in an agreement to which AT&T Comcast is a party, with respect to Awards that are intended to meet the requirements of "performance-based compensation" within the meaning of Section 162(m)(4)(C) of the Code, or any successor provisions thereto, the Committee may adjustment downwards, but not upwards the amounts payable pursuant to such awards, and the Committee may not waive the achievement of the applicable performance goals except in the case of the death or disability of the Participant, to the extent doing so would cause the Awards to be subject to the deduction

limitation of Section 162(m) of the Code. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem desirable to carry it into effect.

(d) The Committee shall have full power and authority to determine whether, to what extent and under what circumstances any Award shall be canceled or suspended.

(e) All certificates for Shares delivered under the Plan pursuant to any Award shall be subject to such stock-transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Shares are then listed, and any applicable Federal or state securities law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(f) No Award governed by the Plan shall be construed as an offer to sell securities of AT&T Comcast, the Company or AT&T Corp., and no such offer shall be outstanding, unless and until the Committee in its sole discretion has determined that any such offer, if made, would comply with all applicable requirements of the U.S. federal securities laws and any other laws to which such offer, if made, would be subject.

(g) The Committee shall be authorized to establish procedures pursuant to which the payment of any Award may be deferred.

(h) Except as otherwise required in any applicable Award Agreement or by the terms of the Plan, recipients of Awards under the Plan shall not be required to make any payment or provide consideration other than the rendering of services.

(i) AT&T Comcast and the Committee shall be authorized to withhold from any Award granted or payment due under the Plan the amount of withholding taxes due in respect of an Award or payment hereunder and to take such other action as may be necessary in the opinion of the AT&T Comcast or the Company to satisfy all obligations for the payment of such taxes. The Committee shall be authorized to establish procedures for election by Participants to satisfy such obligation for the payment of such taxes by delivery or transfer of Shares to the Company (up to the employer's minimum required tax withholding rate to the extent the Participant has owned the surrendered shares for less than six months if such a limitation is necessary to avoid a charge to the Company for financial reporting purposes), or by directing the Company to retain Shares (up to the employer's minimum required tax withholding rate) otherwise deliverable in connection with the Award.

(j) Nothing contained in this Plan shall prevent the AT&T Comcast Board from adopting other or additional compensation arrangements, subject to shareholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

(k) The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the laws of the State of Pennsylvania and applicable Federal law.

(l) If any provision of this Plan is or becomes or is deemed invalid, illegal or unenforceable in any jurisdiction, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan, it shall be stricken and the remainder of the Plan shall remain in full force and effect.

Section 12. Effective Date of Plan. The Plan shall be effective as of the Effective Date of the Merger (as defined in the Merger Agreement).

Schedule I

- o Awards granted on or after December 19, 2001
- o Options granted pursuant to Section 5.3(b) of the Employee Benefits Agreement

Entity Name	State of Formation
1227844 Ontario Ltd.	Ontario
ABB MOG-WM, Inc.	CO
ABB RFL, Inc.	DE
Affiliate Investment, Inc.	DE
Affiliate Marks Investment, Inc.	DE
Affiliate Relations Holdings, Inc.	DE
Affiliate Sales & Marketing, Inc.	DE
American Microwave & Communications, Inc.	MI
American Telementure of Minersville, Inc.	CO
Ames Cablevision, Inc.	IA
Athena Cablevision Corporation of Knoxville	TN
Athena Cablevision of Tennessee and Kentucky, Inc.	TN
Athena Realty, Inc.	NV
Atlantic American Cablevision of Florida, Inc.	FL
Atlantic American Cablevision, Inc.	DE
Atlantic American Holdings, Inc.	FL
Atlantic Cablevision of Florida, Inc.	FL
Bay Area Interconnect	CA
Beatrice Cable TV Company	NE
Brigand Pictures, Inc.	NY
BroadNet Austria GmbH	Austria
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 Hungary Holdings Ltd	UK
BroadNet Italy Holdings Ltd	UK
BroadNet Italy No. 2, Ltd.	Italy
BroadNet Italy SPA	Italy
BroadNet Magyarorszag Kft	Hungary
BroadNet Norge A.S.	Norway
BroadNet Poland Holdings Ltd	UK
BroadNet Polska s.p.z.o.o.	Poland
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 Adnet Partners	DE
Cable Network Television, Inc.	NV
Cable Programming Ventures, LLC	DE
Cable Sports Southeast, LLC	DE
Cable Television Advertising Group, Inc.	WY
Cable Television of Gary, Inc.	IN
Cable TV Fund 12-B, Ltd.	CO
Cable TV Fund 12-B/C/D Venture	CO
Cable TV Fund 12-C, Ltd.	CO
Cable TV Fund 12-D, Ltd.	CO
Cable TV Fund 14-A, Ltd.	CO
Cable TV Fund 14-B, Ltd.	CO
Cabletime, Inc.	CO
Cablevision Investment of Detroit, Inc.	MI
Cablevision of Arcadia/Sierra Madre, Inc.	DE

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CATV Facility Co., Inc.	CO
CCC Sub, Inc.	CO
CCC-NJFT, Inc.	CO
CCF Management Services, Inc.	FL
CCI Management Services, Inc.	CA
CDirect Mexico I, Inc.	DE
CDirect Mexico II, Inc.	DE
Channel 3 Everett, Inc.	WA
Classic Services, Inc.	DE
Clinton Cable TV Investors, Inc.	MI
Clinton TV Cable Company, Inc.	IA
Coastal Cable TV, Inc.	CT
Colorado Terrace Tower II Corporation	CO
COM Indiana, LLC	DE
COM Indianapolis, LLC	DE
COM Inkster, Inc.	MI
COM MH, LLC	DE
COM South Limited Partnership	DE
COM South, LLC	CO
COM Sports Holding Company, Inc.	DE
COM Sports Ventures, Inc.	DE
Com-Cable TV, Inc.	DE
Comcast 38GHZ, Inc.	DE
Comcast ABB BIS Payroll, Inc.	CO
Comcast ABB Business Services, Inc.	CO
Comcast ABB Cablevision IV, Ltd.	IA
Comcast ABB Cablevision V, Inc.	IA
Comcast ABB CSC Holdings, Inc.	DE
Comcast ABB CSC II, Inc.	DE
Comcast ABB HCI, LLC	IA
Comcast ABB Holdings I, Inc.	DE

Comcast ABB Holdings II, Inc.	DE
Comcast ABB LCI, Inc.	DE
Comcast ABB Management Corporation	CO
Comcast ABB Network Solutions, Inc.	CO
Comcast ABB NOC, LLC	DE
Comcast ABB of Clinton	IA
Comcast ABB of Georgia II, LLC	GA
Comcast ABB of Kiowa, LLC	CO
Comcast ABB of Mississippi/Iowa, LLC	DE
Comcast ABB of Ohio/Iowa, Inc.	DE
Comcast ABB of Oregon, Inc.	OR
Comcast ABB of Payette, Inc.	OR
Comcast ABB Overseas Holdings I, LLC	DE
Comcast ABB Overseas Holdings II, LLC	DE
Comcast ABB Overseas Holdings, Inc.	DE
Comcast ABB USC, LLC	DE
Comcast Advertising Sales, Inc.	DE
Comcast ASBC, Inc.	DE
Comcast Brazil, Inc.	DE
Comcast BroadNet Payroll Services, Inc.	DE
Comcast Business Communications Financing, Inc.	DE
Comcast Business Communications Holdings, LLC	DE
Comcast Business Communications of Virginia, LLC	VA
Comcast Business Communications Purchasing, LLC	DE
Comcast Business Communications, Inc.	PA

Comcast Cable Communications Holdings, Inc.	DE
Comcast Cable Communications Management, LLC	DE
Comcast Cable Communications, Inc.	DE
Comcast Cable Funding	DE
Comcast Cable Funding GP, Inc.	DE
Comcast Cable Funding I, Inc.	DE
Comcast Cable Holdings, LLC	DE
Comcast Cable Investors, Inc.	DE
Comcast Cable of Dallas, Inc.	TX
Comcast Cable of Indiana, Inc.	DE
Comcast Cable of Indiana/Michigan/Texas I, LLC	TX
Comcast Cable of Indiana/Michigan/Texas, Inc.	TX
Comcast Cable of Maryland, Inc.	DE
Comcast Cable of Plano, Inc.	TX
Comcast Cable of Richardson, Inc.	TX
Comcast Cable of Texas II, Inc.	TX
Comcast Cable SC Investment, Inc.	DE
Comcast Cable Trust I	DE
Comcast Cable Trust II	DE
Comcast Cable Trust III	DE
Comcast Cablevision Corporation of California, LLC	DE
Comcast Cablevision Corporation of Connecticut	CT
Comcast Cablevision of Alabama, Inc.	AL
Comcast Cablevision of Arizona, Inc.	CO
Comcast Cablevision of Arkansas, Inc.	DE
Comcast Cablevision of Avalon, LLC	DE
Comcast Cablevision of Baltimore City GP, Inc.	DE
Comcast Cablevision of Baltimore City, Inc.	MD
Comcast Cablevision of Baltimore City, L.P.	CO
Comcast Cablevision of Bryant, Inc.	AR
Comcast Cablevision of Burlington County, LLC	DE
Comcast Cablevision of Carolina, Inc.	SC
Comcast Cablevision of Celebration, LLC	DE
Comcast Cablevision of Central New Jersey, LLC	DE
Comcast Cablevision of Chesterfield County, Inc.	VA
Comcast Cablevision of Clinton	MI
Comcast Cablevision of Clinton, Inc.	CT
Comcast Cablevision of Clinton, Inc.	MI
Comcast Cablevision of Danbury, Inc.	DE
Comcast Cablevision of Delmarva, Inc.	DE
Comcast Cablevision of Detroit	MI
Comcast Cablevision of Detroit, Inc.	MI
Comcast Cablevision of Eastern Shore, Inc.	DE
Comcast Cablevision of Elkton, Inc.	DE
Comcast Cablevision of Flint, Inc.	MI
Comcast Cablevision of Fort Wayne Limited Partnership	IN
Comcast Cablevision of Garden State L.P.	DE
Comcast Cablevision of Georgia/South Carolina, Inc.	CO
Comcast Cablevision of Gloucester County, LLC	DE
Comcast Cablevision of Grosse Pointe, Inc.	MI
Comcast Cablevision of Groton, Inc.	CT
Comcast Cablevision of Harford County, LLC	MD
Comcast Cablevision of Hopewell Valley, Inc.	NJ
Comcast Cablevision of Indianapolis, Inc.	DE
Comcast Cablevision of Indianapolis, L.P.	DE
Comcast Cablevision of Inkster Limited Partnership	MI

Comcast Cablevision of Jersey City, LLC	DE
Comcast Cablevision of Laurel, Inc.	MS
Comcast Cablevision of Lawrence, LLC	DE
Comcast Cablevision of Levittown, Inc.	DE
Comcast Cablevision of Little Rock, Inc.	AR
Comcast Cablevision of Lompoc, LLC	DE
Comcast Cablevision of Long Beach Island, LLC	DE
Comcast Cablevision of Lower Merion, Inc.	PA
Comcast Cablevision of Macomb County, Inc.	MI
Comcast Cablevision of Macomb, Inc.	MI
Comcast Cablevision of Marianna, Inc.	DE
Comcast Cablevision of Maryland Limited Partnership	MD
Comcast Cablevision of Maryland, Inc.	CO
Comcast Cablevision of Maryland, LLC	DE
Comcast Cablevision of Mercer County, LLC	DE
Comcast Cablevision of Meridian, Inc.	MS
Comcast Cablevision of Michigan, LLC	CO
Comcast Cablevision of Middletown, Inc.	DE
Comcast Cablevision of Missouri, Inc.	CO
Comcast Cablevision of Monmouth County, LLC	DE
Comcast Cablevision of Mt. Clemens	MI
Comcast Cablevision of Mt. Clemens, Inc.	MI
Comcast Cablevision of Muncie, LLC	IN
Comcast Cablevision of Muncie, LP	IN
Comcast Cablevision of Nashville I, LLC	DE
Comcast Cablevision of Nashville II, LLC	DE
Comcast Cablevision of New Castle County	DE
Comcast Cablevision of New Castle County, LLC	DE
Comcast Cablevision of New Haven, Inc.	CT
Comcast Cablevision of New Jersey II, LLC	DE
Comcast Cablevision of New Jersey, LLC	NJ
Comcast Cablevision of New Mexico, Inc.	CO
Comcast Cablevision of New Mexico/Pennsylvania, Inc.	DE
Comcast Cablevision of Northwest New Jersey, LLC	DE
Comcast Cablevision of Ocean County, LLC	DE
Comcast Cablevision of Paducah, Inc.	KY
Comcast Cablevision of Panama City, Inc.	DE
Comcast Cablevision of Pennsylvania, LLC	DE
Comcast Cablevision of Perry, Inc.	DE
Comcast Cablevision of Philadelphia Area I, LLC	PA
Comcast Cablevision of Philadelphia, Inc.	PA
Comcast Cablevision of Plainfield, LLC	DE
Comcast Cablevision of Potomac, LLC	DE
Comcast Cablevision of Quincy, Inc.	DE
Comcast Cablevision of Santa Maria, LLC	DE
Comcast Cablevision of Shelby, Inc.	MI
Comcast Cablevision of South Jersey, Inc.	NJ
Comcast Cablevision of Southeast Michigan, Inc.	DE
Comcast Cablevision of Southeast Pennsylvania, Inc.	PA
Comcast Cablevision of Sterling Heights, Inc.	MI
Comcast Cablevision of Tallahassee, Inc.	DE
Comcast Cablevision of Taylor, LLC	DE
Comcast Cablevision of the District, LLC	DC
Comcast Cablevision of the Meadowlands, LLC	DE
Comcast Cablevision of the South	CO
Comcast Cablevision of the South, Inc.	CO

Comcast Cablevision of the South, L.P.	DE
Comcast Cablevision of the South, LLC	DE
Comcast Cablevision of Tupelo, Inc.	MS
Comcast Cablevision of Utica, Inc.	MI
Comcast Cablevision of Virginia, Inc.	CO
Comcast Cablevision of Warren	MI
Comcast Cablevision of Warren, Inc.	MI
Comcast Cablevision of West Florida, Inc.	DE
Comcast Cablevision of Wildwood, Inc.	DE
Comcast Cablevision of Willow Grove, Inc.	PA
Comcast Cablevision of Wisconsin, Inc.	CO
Comcast Capital Corporation	DE
Comcast CIGG GP, Inc.	DE
Comcast CIGG LP, Inc.	DE
Comcast CIGG, L.P.	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 of Pennsylvania	PA
Comcast Corporation Trust I	DE
Comcast Corporation Trust II	DE
Comcast Corporation Trust III	DE
Comcast Crystalvision, Inc.	DE
Comcast DC Radio, Inc.	DE
Comcast DIVA Holdings, Inc.	DE
Comcast do Brasil Ltda.	Brazil
Comcast Entertainment Holdings LLC	DE
Comcast Financial Agency Corporation	DE
Comcast Florida Programming Investments, Inc.	DE
Comcast Funding I, Inc.	DE
Comcast Garden State, LLC	DE
Comcast Gateway Holdings, LLC	DE
Comcast Greater Boston Advertising Holdings, LLC	DE
Comcast Hattiesburg Holding Company, Inc.	DE
Comcast Holdings Corporation	PA
Comcast HTS Holdings, Inc.	DE
Comcast HTS, LLC	DE
Comcast ICG Holdings 2, Inc.	DE
Comcast ICG Holdings 3, Inc.	DE
Comcast ICG Holdings 4, Inc.	DE
Comcast ICG, Inc.	DE
Comcast In Demand Holdings, Inc.	DE
Comcast International Holdings, Inc.	DE
Comcast Investment Holdings, Inc.	DE
Comcast IP Phone of Pennsylvania, LLC	PA
Comcast IP Phone, Inc.	PA
Comcast IP Services, LLC	DE
Comcast LCP, Inc.	DE
Comcast Levittown Finance, Inc.	DE
Comcast Life Insurance Holding Company	DE
Comcast LM Investment, Inc.	DE
Comcast Long Distance, Inc.	DE
Comcast Merger, Inc.	AL
Comcast Metatv, Inc.	DE

Comcast MH Holdings, LLC	DE
Comcast Michigan Holdings, Inc.	MI
Comcast Midwest Management, Inc.	DE
Comcast MLP Partner, Inc.	PA
Comcast MO Cable Advertising of Metropolitan Atlanta, LLC	CO
Comcast MO Cable News, Inc.	MA
Comcast MO Cable Programming Corporation	CO
Comcast MO Capital Corporation	CO
Comcast MO Communications Holding Company, Inc.	DE
Comcast MO Connect, Inc.	DE
Comcast MO Delta, Inc.	CO
Comcast MO Digital Radio, Inc.	MA
Comcast MO Espana Telecommunications, Inc.	DE
Comcast MO Europe, Inc.	CO
Comcast MO Express Midwest, Inc.	OH
Comcast MO Express of California, Inc.	CA
Comcast MO Express of Florida, Inc.	FL
Comcast MO Express of Illinois, Inc.	IL
Comcast MO Express of New England, Inc.	MA
Comcast MO Express of Virginia, Inc.	VA
Comcast MO Federal Relations, Inc.	DE
Comcast MO Finance Corporation	CO
Comcast MO Finance Trust I	DE
Comcast MO Finance Trust II	DE
Comcast MO Finance Trust III	DE
Comcast MO Finance Trust IV	DE
Comcast MO Finance Trust V	DE
Comcast MO Finance Trust VI	DE
Comcast MO Financial Services, 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 Group Funding, Inc.	DE
Comcast MO Group, Inc.	DE
Comcast MO Holdings I, Inc.	DE
Comcast MO Holdings II, Inc.	DE
Comcast MO HSD, LLC	DE
Comcast MO Information Technology Systems, Inc.	MA
Comcast MO Interactive Services, Inc.	CO
Comcast MO Interconnects, Inc.	DE
Comcast MO International Holdings II, Inc.	DE
Comcast MO International Programming, Inc.	MA
Comcast MO International, Inc.	CO
Comcast MO Investment Holdings, Inc.	CO
Comcast MO Investments, Inc.	DE
Comcast MO Leveraged Lease Partners 1997, LP	DE
Comcast MO Marketing Resources (UK) Limited	UK
Comcast MO of Australia, Inc.	MA
Comcast MO of Burnsville/Eagan, Inc.	MN
Comcast MO of Columbia Heights/Hilltop, Inc.	MN
Comcast MO of Costa Mesa, Inc.	CA
Comcast MO of Delaware, Inc.	DE
Comcast MO of Minnesota, Inc.	MN
Comcast MO of Nevada, Inc.	NV
Comcast MO of North Valley, Inc.	CA

Comcast MO of Quad Cities, Inc.	MN
Comcast MO of Ramsey/Washington, Inc.	MN
Comcast MO of the North Central Suburbs, Inc.	MN
Comcast MO of the North Suburbs, Inc.	MN
Comcast MO Programming Partners I, Inc.	MA
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.	MA
Comcast MO Telecommunications Corp. of New England	MA
Comcast Nashville Finance	DE
Comcast Nashville I, L.P.	CA
Comcast Nashville II, L.P.	CA
Comcast NCC Holdings I, LLC	DE
Comcast NCC Holdings II, LLC	DE
Comcast NCC Holdings III, LLC	DE
Comcast Netherlands, Inc	DE
Comcast New Media Development, Inc.	PA
Comcast New Mexico/Pennsylvania Finance, Inc.	DE
Comcast of Alameda, Inc.	CA
Comcast of Bellevue, Inc.	WA
Comcast of Boston, Inc.	NY
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/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/Massachussets/Michigan/Utah, Inc.	DE
Comcast of California/Ohio/Pennsylvania/Utah/Washington, Inc.	PA
Comcast of Canon City, LP	CO
Comcast of Chicago, Inc.	IL

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, Inc.	OK
Comcast of Contra Costa, Inc.	WA
Comcast of Cupertino, Inc.	CA
Comcast of Cypress, Inc.	CA
Comcast of Davis County, Inc.	UT
Comcast of East San Fernando Valley, LP	CO
Comcast of Eastern Connecticut, Inc.	CT
Comcast of Everett, Inc.	WA
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 Fresno, Inc.	CA
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 Greater Florida/Georgia, Inc.	FL
Comcast of Harbor, Inc.	CA
Comcast of Howard County, LLC	MD
Comcast of Illinois I, Inc.	IL
Comcast of Illinois II, Inc.	KS
Comcast of Illinois III, Inc.	IL
Comcast of Illinois IV, Inc.	IL
Comcast of Illinois IX, LLC	DE
Comcast of Illinois V, Inc.	MD
Comcast of Illinois VI, Inc.	DE
Comcast of Illinois VII, Inc.	FL
Comcast of Illinois VIII, LLC	DE
Comcast of Illinois X, LLC	DE
Comcast of Illinois XI, LLC	DE
Comcast of Illinois XII, LP	NJ
Comcast of Illinois XIII, LP	AZ
Comcast of Illinois/Indiana	FL
Comcast of Illinois/Indiana/Michigan, Inc.	AR
Comcast of Illinois/Ohio/Oregon, LLC	DE
Comcast of Illinois/Texas, Inc.	IL

Comcast of Illinois/West Virginia, LLC	DE
Comcast of Indiana, LLC	CO
Comcast of Indiana/Michigan, LLC	IA
Comcast of Indiana/Michigan/Pennsylvania, LLC	IA
Comcast of Lakewood, Inc.	CA
Comcast of Lomita, Inc.	CA
Comcast of Los Angeles County, Inc.	CA
Comcast of Los Angeles, Inc.	CA
Comcast of Maine/New Hampshire, Inc.	NH
Comcast of Margate, Inc.	FL
Comcast of Marin I, Inc.	CA
Comcast of Marin II, Inc.	CA
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 Miami, Inc.	FL
Comcast of Michigan I, Inc.	VA
Comcast of Michigan II, Inc.	DE
Comcast of Michigan III, Inc.	DE
Comcast of Michigan, LLC	DE
Comcast of Milton, Inc.	MA
Comcast of Minnesota, Inc.	DE
Comcast of Minnesota/Wisconsin, Inc.	WA
Comcast of Montana I, Inc.	MT
Comcast of Montana II, Inc.	DE
Comcast of Montana III, Inc.	OR
Comcast of Montana/Indiana/Kentucky/Utah	CA
Comcast of Muskegon	MI
Comcast of New Hampshire, Inc.	MD
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 Novato, Inc.	OR
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 Parkland, Inc.	FL
Comcast of Pennsylvania	CO
Comcast of Pennsylvania I, Inc.	DE
Comcast of Pennsylvania II, Inc.	CO
Comcast of Pennsylvania/Washington/West Virginia, LP	CO
Comcast of Puget Sound, Inc.	WA
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 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 Southern California, Inc.	OR
Comcast of Southern Illinois, Inc.	DE
Comcast of Southern New England, Inc.	MA
Comcast of St. Paul, Inc.	MN
Comcast of Tacoma, Inc.	DE
Comcast of Texas I, Inc.	IA
Comcast of Texas, LLC	DE
Comcast of the Gulf Plains, Inc.	DE
Comcast of Tualatin Valley, Inc.	OR
Comcast of Twin Cities, Inc.	WA
Comcast of Utah I, Inc.	IN
Comcast of Utah II, Inc.	LA
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 Western Colorado, Inc.	CO
Comcast of Wyoming I, Inc.	FL
Comcast of Wyoming II, Inc.	WY
Comcast of Wyoming, LLC	DE
Comcast Online Communications Investment Holdings, Inc.	DE
Comcast PC Investments, Inc.	DE
Comcast Phone of California, LLC	DE
Comcast Phone of Colorado, LLC	DE
Comcast Phone of Connecticut, Inc.	CO
Comcast Phone of Florida, LLC	DE
Comcast Phone of Georgia, LLC	CO
Comcast Phone of Illinois, LLC	DE
Comcast Phone of Indiana, LLC	DE
Comcast Phone of Kentucky, LLC	DE
Comcast Phone of Massachusetts, Inc.	DE
Comcast Phone of Minnesota, Inc.	MN
Comcast Phone of New Hampshire, LLC	DE
Comcast Phone of Ohio, LLC	DE
Comcast Phone of Oregon, LLC	DE
Comcast Phone of Pennsylvania, LLC	DE
Comcast Phone of Texas, LLC	DE
Comcast Phone of Utah, LLC	DE
Comcast Phone of Virginia, Inc.	VA
Comcast Phone of Washington, LLC	DE
Comcast Phone of West Virginia, LLC	DE
Comcast Phone, LLC	DE
Comcast Primestar Holdings, Inc.	DE
Comcast Programming Development, Inc.	DE
Comcast Programming Holdings, Inc.	DE
Comcast Programming Ventures II, Inc.	DE
Comcast Programming Ventures III, Inc.	DE
Comcast Programming Ventures IV, Inc.	DE

Comcast Programming Ventures, Inc.	DE
Comcast PSM Holdings, Inc.	PA
Comcast QIH, Inc.	DE
Comcast QVC Holdings I, Inc.	DE
Comcast QVC Holdings II, Inc.	DE
Comcast QVC Holdings III, Inc.	DE
Comcast QVC Holdings IV, Inc.	DE
Comcast QVC Holdings V, Inc.	DE
Comcast QVC Holdings VI, Inc.	DE
Comcast QVC, Inc.	DE
Comcast Rapid, LLC	DE
Comcast Real Estate Holdings of Alabama, Inc.	AL
Comcast SC Investment, Inc.	DE
Comcast SCH Holdings, LLC	DE
Comcast Shared Services Corporation	DE
Comcast Soccer, LLC	DE
Comcast Spectacor, L.P.	PA
Comcast Sports Holding Company, Inc.	DE
Comcast Technology, Inc.	DE
Comcast Telecommunications of Michigan, LLC	DE
Comcast Telephony Communications of California, Inc.	CA
Comcast Telephony Communications of Connecticut, Inc.	CT
Comcast Telephony Communications of Delaware, Inc.	DE
Comcast Telephony Communications of Georgia, Inc.	GA
Comcast Telephony Communications of Indiana, Inc.	IN
Comcast Telephony Communications of Maryland, Inc.	MD
Comcast Telephony Communications of Pennsylvania, Inc.	PA
Comcast Telephony Communications of South Carolina, Inc.	SC
Comcast Telephony Communications, LLC	DE
Comcast Telephony Services Holdings, Inc.	DE
Comcast 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 WCS MergerCo, Inc.	DE
Comcast Wink, Inc.	DE
Comcast/Time Warner Charleston Cable Advertising, LLC	DE
Comcast/Time Warner Detroit Cable Advertising, LLC	DE
Comcast/Time Warner Ft. Myer-Naples Cable Advertising, LLC	DE
Comcast-Spectacor Foundation	PA
ComCon Entertainment Holdings, Inc.	DE
Command Cable of Eastern Illinois Limited Partnership	NJ
Commerce Technologies, Inc.	NY
Commercial Funding, Inc.	NY
Communication Investment Corporation	VA
Community Realty, Inc.	NV
Community Telecable of Seattle, Inc.	WA
Consumer Entertainment Services, Inc.	WY
Continental Australia Programming, Inc.	MA
Continental Cablevision Asia Pacific, Inc.	MA

Continental Programming Australia Limited Partnership	NEW SOUTH WALES
Continental Satellite Company of Florida, Inc.	FL
Continental Satellite Company of New England, Inc.	NH
Continental Satellite Company, Inc.	MA
Continental Telecommunications Corp. of Virginia	VA
Continental Teleport Partners, Inc.	MA
Copley/Colony, Inc.	DE
Corsair Pictures, Inc.	DE
Country Cable III, Inc.	CO
CP MI, LLC	WA
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
CV Directo de Mexico S. de R.L. de C.V.	Mexico
CVC Keep Well LLC	DE
CVN Companies, Inc.	MN
CVN Distribution Co., Inc.	MN
Diamonique Corporation	NJ
Diamonique Corporation	PA
DigiVentures, LLC	DE
Direct Broadcast Satellite Services, Inc.	DE
District Cablevision, Inc.	DC
E! Distribution, LLC	DE
E! Entertainment Television International Holdings, Inc.	DE
E! Entertainment Television, Inc.	DE
E! Online, Inc.	DE
Eastex Microwave, Inc.	TX
ECP Holdings, Inc.	OK
Equity Resources Venture	CO
ER Development International, Inc.	PA
ER Marks, Inc.	DE
Exclamation Music, Inc.	CA
Exclamation Productions, Inc.	CA
EZShop International, Inc.	DE
FAB Communications, Inc.	OK
First Television Corporation	DE
Florida Telecommunications Services, Inc.	FL
Flyers Skate Zone, L.P.	PA
For Games Music, LLC	DE
Four Flags Cable TV	MI
Four Flags Cablevision	MI
FPS Rink, Inc.	PA
FPS Rink, L.P.	PA
G4 Media, LLC	DE
Garden State Telecommunications LLC	DE
Gateway/Jones Communications, Ltd.	CO
Gill Bay Interconnect, Inc.	CA
Global London, Inc.	Ontario
Global London, L.P.	Ontario
Global Spectrum, Inc.	PA
Global Spectrum, L.P.	DE
Greater Boston Cable Advertising	MA

Guide Investments, Inc.	CO
Harris County Cable TV, Inc.	VA
Hawkeye Communications of Clinton, Inc.	IA
Headend In The Sky, Inc.	CO
Health Ventures Partners	PA
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
IC Marks, Inc.	DE
IM Experience, Inc.	PA
Influence Marketing Corporation	Nova Scotia
Influence Marketing Services, Inc.	Canada
Innovative Retailing, Inc.	DE
Interactive Technology Acquisitions, Inc.	DE
Interactive Technology Holdings, LLC	DE
Interactive Technology Services, Inc.	PA
Intermedia Cable Investors, Inc.	CA
International Telemeter Corporation	NV
Jones Cable Corporation	CO
Jones Cable Holdings, Inc.	CO
Jones Panorama Properties, LLC	DE
Jones Programming Services, Inc.	CO
Jones Spacelink Cable Corporation	CO
Jones Telecommunications of California, LLC	CO
Jones Telecommunications of Maryland, Inc.	CO
Jones Telecommunications of Virginia, Inc.	VA
King Videocable Company - Idaho	CO
King Videocable Company - Twin Falls	ID
Knox Cable T.V., Inc.	TN
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, Inc.	DE
Lenfest Investments, Inc.	DE
Lenfest Jersey, Inc.	DE
Lenfest MCN, Inc.	DE
Lenfest Oaks, Inc.	PA
Lenfest Raystay Holdings, Inc.	DE
Lenfest West, LLC	DE
Lenfest York, Inc.	DE
Liberty Ventures Group LLC	DE
LVO Cable Properties, Inc.	OK
M H Lightnet Inc.	DE
MarketLink Indianapolis Cable Advertising, LLC	DE
MediaOne Brasil Comercio e Participacoes Ltda.	Brazil
MediaOne Financial Services Foreign Sales, Inc.	UNITED STATES
	VIRGIN ISLANDS
MediaOne FSC One, Ltd.	Bermuda
MediaOne FSC Three, Ltd.	Bermuda
MediaOne FSC Two, Ltd.	Bermuda
Micro-Relay, Inc.	MD

Mobile Enterprises, Inc.	DE
MOC Holdco I, Inc.	DE
MOC Holdco II, Inc.	DE
MOTH Holdings, Inc.	DE
Mountain Cable Network, Inc.	NV
Mountain States General Partner Co.	CO
Mountain States Limited Partner Co.	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
Northwest Illinois Cable Corporation	DE
Northwest Illinois TV Cable Co.	DE
Ottumwa Cablevision, Inc.	IA
Outdoor Life Network, L.L.C.	DE
Ovations Food Services, Inc.	PA
Ovations Food Services, L.P.	PA
Overseas Operations II, Inc.	DE
Overseas Operations, Inc.	CO
Owner Trusts UT 1-3, 7-12, 15-27, 29, 33, 34	DE
Pacific Northwest Interconnect	NY
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
Pioneer Studios, Inc.	DE
Preview Magazine Corporation	NY
Prime Telecom Potomac, LLC	DE
Q the Music, Inc.	DE
Q2, Inc.	NY
QC Marks, Inc.	DE
QCOM TV Partners	PA
QCOM TV, Inc.	NC
QDirect Ventures, Inc.	DE
QExhibits, Inc.	DE
QFit, Inc.	DE
QHealth, Inc.	DE
QK Holdings, Inc.	DE
QVC	UK
QVC Britain	UK
QVC Britain I, Inc.	DE
QVC Britain II, Inc.	DE
QVC Britain III, Inc.	DE
QVC Call Center GmbH & Co. KG	Germany
QVC Call Center Verwaltungs GmbH	Germany
QVC Chesapeake, Inc.	VA
QVC China Domain Limited	Hong Kong
QVC China, Inc.	DE

QVC de Mexico de C.V.	Mexico
QVC Delaware, Inc.	DE
QVC Deutschland GmbH	Germany
QVC eDistribution, Inc.	Germany
QVC eServices, Inc.	Germany
QVC Germany I, Inc.	DE
QVC Germany II, Inc.	DE
QVC Handel GmbH	Germany
QVC Holdings, Inc.	DE
QVC International, Inc.	DE
QVC Japan Holdings, Inc.	DE
QVC Japan Services, Inc.	DE
QVC Japan, Inc.	Japan
QVC Local, Inc.	DE
QVC Logistik GmbH	Germany
QVC Mexico II, Inc.	DE
QVC Mexico III, Inc.	DE
QVC Mexico, Inc.	DE
QVC Middle East, Inc.	DE
QVC ProductWorks, Inc.	DE
QVC Properties, Ltd.	UK
QVC Publishing, Inc.	DE
QVC Realty, Inc.	PA
QVC Rocky Mount, Inc.	NC
QVC RS Naples, Inc.	FL
QVC San Antonio, Inc.	TX
QVC Satellite, Ltd.	Japan
QVC St. Lucie, Inc.	FL
QVC Studio GmbH	Germany
QVC Virginia, Inc.	VA
QVC, Inc.	DE
Raystay Co.	PA
Roberts Broadcasting Corporation	PA
Robin Cable Systems of Sierra Vista, L.P.	CA
RS Marks, Inc.	DE
RS Myrtle Beach, Inc.	SC
S.A. Ventures (Delaware), Inc.	DE
S.A. Ventures II, Inc.	MA
S.A. Ventures, Inc.	MA
Satellite Services of Puerto Rico, Inc.	DE
Satellite Services, Inc.	DE
Saturn Cable TV, Inc.	CO
SCC Programs, Inc.	IL
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
Shorebirds, L.P.	MD
SIFD One, Ltd.	DE
SIFD Three, Ltd.	DE
SIFD Two, Ltd.	DE
Southwest Telecable, Inc.	TX
Southwest Washington Cable, Inc.	WA

Spectacor Adjoining Real Estate New Arena, L.P.	DE
Spectrum Arena Limited Partnership	PA
SSI 2, Inc.	NV
St. Louis Tele-Communications, Inc.	MO
Stage II, L.P.	PA
Storer Administration, Inc.	DE
Sural LLC	DE
TATV, Inc.	DE
Taurus Properties, Inc.	CO
TCI Adelpia Holdings, LLC	DE
TCI AIT, Inc.	CO
TCI Atlantic, LLC	CO
TCI Baton Rouge Ventures, Inc.	CO
TCI Bay Interconnect, Inc.	CA
TCI Bay, Inc.	DE
TCI Bresnan LLC	DE
TCI Business Alliance and Technology Co., Inc.	CO
TCI Cable Adnet, Inc.	CO
TCI Cable Investments, LLC	DE
TCI Cablevision Associates, Inc.	DE
TCI Cablevision of Alabama, Inc.	AL
TCI Cablevision of Baker/Zachary, Inc.	DE
TCI Cablevision of California Century Holdings, LLC	CO
TCI Cablevision of Kentucky, Inc.	KY
TCI Cablevision of Leesville, 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 Nevada, Inc.	NV
TCI Cablevision of New Hampshire, Inc.	NH
TCI Cablevision of North Central Kentucky, Inc.	KY
TCI Cablevision of Sierra Vista II, Inc.	CO
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 CH, Inc.	CO
TCI Command II, Inc.	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 Digital TV, Inc.	CO
TCI Evangola, Inc.	WY
TCI Falcon Holdings, LLC	DE
TCI FCLP Alabama, LLC	DE
TCI FCLP California, LLC	DE
TCI FCLP Missouri, LLC	DE
TCI FCLP Northern California, LLC	DE
TCI FCLP Northwest, LLC	DE
TCI FCLP Oregon, LLC	DE
TCI FCLP Redding, LLC	DE
TCI FCLP Washington, Inc.	WA
TCI FCLP Wenatchee, LLC	DE
TCI Fleet Services, Inc.	CO
TCI Gilbert Uplink, Inc.	CO
TCI Great Lakes, Inc.	DE
TCI Hits At Home, Inc.	CO
TCI Hits, Inc.	CO
TCI Holdings II, Inc.	CO
TCI Holdings, LLC	DE
TCI ICM III, Inc.	DE
TCI ICM VI, Inc.	DE
TCI IL - Holdings II, Inc.	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 K-1, Inc.	CO
TCI Lake II, Inc.	CO
TCI Lake, Inc.	WY
TCI Lenfest, Inc.	CO
TCI Magma Holdings, Inc.	CO
TCI Materials Management, Inc.	CO
TCI Michigan, Inc.	DE
TCI Microwave, Inc.	DE
TCI Midcontinent, LLC	DE
TCI Music Holdings, Inc.	CO
TCI National Digital Television Center - Hong Kong, Inc.	DE
TCI New York Holdings, Inc.	CO
TCI News, Inc.	CO
TCI News-Damn Right, Inc.	CO
TCI News-Presidential, Inc.	CO
TCI Northeast, Inc.	DE
TCI Northwest, Inc.	CO
TCI of Arkansas, Inc.	AR
TCI of Bloomington/Normal, Inc.	VA
TCI of Columbus, Inc.	GA
TCI of Connecticut, Inc.	CT
TCI of Council Bluffs, Inc.	IA
TCI of D.C., Inc.	DC
TCI of Decatur, Inc.	AL
TCI of Delaware, Inc.	DE
TCI of Greenwich, Inc.	CO
TCI of Houston, Inc.	CO

TCI of Indiana Holdings, LLC	CO
TCI of Indiana Insgt Holdings, LLC	CO
TCI of Iowa, Inc.	IA
TCI of Kokomo, Inc.	CO
TCI of Lee County, Inc.	AL
TCI of Lexington, Inc.	KY
TCI of Maine, Inc.	ME
TCI of Mississippi, Inc.	MS
TCI of Missouri, Inc.	MO
TCI of New Jersey, Inc.	NV
TCI of North Central Kentucky, Inc.	KY
TCI of North Dakota, Inc.	ND
TCI of Overland Park, Inc.	KS
TCI of Paterson, Inc.	NV
TCI of Racine, Inc.	WI
TCI of Radcliff, Inc.	KY
TCI of Rhode Island, Inc.	RI
TCI of Roanoke Rapids, Inc.	VA
TCI of Selma, Inc.	AL
TCI of South Dakota, Inc.	CO
TCI of Southern Minnesota, Inc.	DE
TCI of Springfield, Inc.	MO
TCI of Tennessee, Inc.	TN
TCI of Watertown, Inc.	IA
TCI Ohio Holdings, Inc.	CO
TCI Oscar I, Inc.	CO
TCI Pacific Communications, Inc.	DE
TCI Pacific Microwave, Inc.	CO
TCI Pacific, Inc.	DE
TCI Payroll, Inc.	CO
TCI PCS Holdings, Inc.	DE
TCI Pennsylvania Holdings, Inc.	CO
TCI Private Ventures, Inc.	CO
TCI Programming Holding Company III	DE
TCI Realty, LLC	DE
TCI Shell One - De, Inc.	DE
TCI South Carolina IP-I, LLC	DE
TCI Southeast Divisional Headquarters, Inc.	AL
TCI Southeast, Inc.	DE
TCI Spartanburg IP-IV, LLC	DE
TCI Starz, Inc.	CO
TCI STS, Inc.	CO
TCI STS-MTVI, Inc.	TX
TCI Technology Management, LLC	DE
TCI Telecom, Inc.	DE
TCI Texas Cable Holdings LLC	CO
TCI Texas Cable, Inc.	CO
TCI TKR Cable I, Inc.	DE
TCI TKR Cable II, Inc.	DE
TCI TKR of Alabama, Inc.	DE
TCI TKR of Dallas, Inc.	DE
TCI TKR of Florida, Inc.	DE
TCI TKR of Georgia, Inc.	DE
TCI TKR of Houston, Inc.	TX
TCI TKR of Jefferson County, Inc.	KY
TCI TKR of Metro Dade, LLC	DE

TCI TKR of Southeast Texas, Inc.	DE
TCI TKR of Wyoming, Inc.	WY
TCI TKR, Inc.	DE
TCI TVC, Inc.	CA
TCI TW Texas JV Holdings II, Inc.	CO
TCI TW Texas JV Holdings III, Inc.	CO
TCI TW Texas JV Holdings IV, Inc.	CO
TCI TW Texas JV Holdings V, Inc.	CO
TCI USC, Inc.	CO
TCI VCI, Inc.	CA
TCI Ventures Five, Inc.	CO
TCI Ventures Four, Inc.	CO
TCI Ventures Group-Airplanes, Inc.	CO
TCI Ventures Group-Financing, Inc.	CO
TCI Ventures, Inc.	CO
TCI Washington Associates, L.P.	DE
TCI West, Inc.	DE
TCI.net of California, Inc.	CO
TCI.net of Washington, Inc.	CO
TCI.net, Inc.	DE
TCI/CA Acquisition Sub Corp.	CO
TCI/CI Merger Sub Corp.	DE
TCID Data Transport, Inc.	CO
TCID of Carson, Inc.	CA
TCID of Chicago, Inc.	IL
TCID of Florida, Inc.	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
TCID-ICP III, Inc.	CO
TCID-IP III, Inc.	CO
TCID-IP IV, Inc.	CO
TCID-IP V, Inc.	CO
TCI-UC, Inc.	DE
Tele-Communications of Colorado, Inc.	CO
Tele-Link Telecomunicacoes S.A.	Brazil
Televents Group Joint Venture	CO
Televents Group, Inc.	NV
Televents of Colorado, Inc.	CO
Televents of Florida, Inc.	WY
Televents of Powder River, Inc.	WY
Televents of Wyoming, Inc.	WY
Televester, Inc.	DE
Tempo DBS, Inc.	CO
Tempo Development Corporation	OK
TGC, Inc.	DE
TGW Telecomunicacoes S.A.	Brazil
The Comcast Foundation	DE
The Intercable Group, Ltd.	CO
The Sacramento Interconnect, LLC	DE
TheGolfChannel.com, Inc.	FL
THOG Productions, LLC	DE
Trans-Muskingum, Incorporated	WV

Tribune Company Cable of Michigan, Inc.	DE
Tribune-United Cable of Oakland County	MI
TWE Holdings I Trust	DE
TWE Holdings II LLC	DE
TWE Holdings III Trust	DE
U S West (India) Private Limited	INDIA
UACC Midwest Insgt Holdings, LLC	CO
UA-Columbia Alpine Tower, Inc.	NJ
UA-Columbia Cablevision of Massachusetts, Inc.	MA
UA-Columbia Cablevision of New Jersey, Inc.	NJ
UATC Merger Corp.	NY
UCTC LP Company	DE
United Artists Cable Holdings, Inc.	CO
United Artists Holdings, Inc.	DE
United Artists Holdings, LLC	DE
United Cable Investment of Baltimore, Inc.	MD
United Cable Television Corporation of Michigan	MI
United Cable Television of Baldwin Park, Inc.	CO
United Cable Television of Chaska, Inc.	CO
United Cable Television of Illinois Valley, Inc.	IL
United Cable Television of Los Angeles, Inc.	CA
United Cable Television of Oakland County, Ltd.	CO
United Cable Television of Pico Rivera, Inc.	CO
United Cable Television of Sarpy County, Inc.	NE
United Cable Television of Scottsdale, Inc.	AZ
United Cable Television Real Estate Corporation	CO
United Cable Television Services of Colorado, Inc.	CO
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, Inc.	CO
Watch What You Play Music, LLC	DE
Western Community TV, Inc.	MT
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, Inc.	CO
Westmarc Development IV, Inc.	CO
Westmarc Development, Inc.	CO
Westmarc Realty, Inc.	CO

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statements of Comcast Corporation (formerly AT&T Comcast Corporation) on Form S-8 (Nos. 333-101645 and 333-101295), Form S-3 (No. 333-101861), and Form S-4 (No. 333-101264) of our reports dated March 17, 2003 (which report on the financial statements expresses an unqualified opinion and includes an explanatory paragraph related to the adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, effective January 1, 2001, and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," effective January 1, 2002) appearing in this Annual Report on Form 10-K of Comcast Corporation for the year ended December 31, 2002.

/s/ Deloitte & Touche LLP

Philadelphia, Pennsylvania
March 17, 2003