

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

FORM 10-Q

(Mark One)

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

SEPTEMBER 30, 1998

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 0-6983

COMCAST CORPORATION
[GRAPHIC OMITTED - LOGO]

(Exact name of registrant as specified in its charter)

PENNSYLVANIA

23-1709202

(State or other jurisdiction of incorporation or organization)

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

1500 Market Street, Philadelphia, PA 19102-2148

(Address of principal executive offices)
(Zip Code)

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

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

Yes

No

As of September 30, 1998, there were 328,571,932 shares of Class A Special Common Stock, 31,771,319 shares of Class A Common Stock and 8,786,250 shares of Class B Common Stock outstanding.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 1998

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This Quarterly Report on Form 10-Q contains forward looking statements made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that such forward looking statements involve risks and uncertainties which could significantly affect expected results in the future from those expressed in any such forward looking statements made by, or on behalf, of the Company. Certain factors that could cause actual results to differ materially include, without limitation, the effects of legislative and regulatory changes; the potential for increased competition; technological changes; the need to generate substantial growth in the subscriber base by successfully launching, marketing and providing services in identified markets; pricing pressures which could affect demand for the Company's services; the Company's ability to expand its distribution; changes in labor, programming, equipment and capital costs; the Company's continued ability to create or acquire programming and products that customers will find attractive; future acquisitions, strategic partnerships and divestitures; general business and economic conditions; and other risks detailed from time to time in the Company's periodic reports filed with the Securities and Exchange Commission.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 1998

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

(Dollars in millions, except share data)
September 30, December 31,
1998 1997

	September 30, 1998	December 31, 1997
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents.....	\$435.0	\$413.7
Short-term investments.....	38.7	163.9
Investments, available for sale.....	1,663.8	
Accounts receivable, less allowance for doubtful accounts of \$119.0 and \$115.0.....	502.7	498.8
Inventories, net.....	368.2	324.0
Other current assets.....	191.1	159.1
	-----	-----
Total current assets.....	3,199.5	1,559.5
	-----	-----
INVESTMENTS, principally in affiliates.....	764.6	1,264.3
	-----	-----
PROPERTY AND EQUIPMENT.....	4,973.1	4,285.4
Accumulated depreciation.....	(1,664.4)	(1,388.5)
	-----	-----
Property and equipment, net.....	3,308.7	2,896.9
	-----	-----
DEFERRED CHARGES.....	9,529.2	9,213.3
Accumulated amortization.....	(2,436.4)	(2,129.8)
	-----	-----
Deferred charges, net.....	7,092.8	7,083.5
	-----	-----
	\$14,365.6	\$12,804.2
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses.....	\$1,418.5	\$1,195.5
Accrued interest.....	152.6	89.6
Current portion of long-term debt.....	106.4	132.7
	-----	-----
Total current liabilities.....	1,677.5	1,417.8
	-----	-----
LONG-TERM DEBT, less current portion.....	6,597.4	6,558.6
	-----	-----
DEFERRED INCOME TAXES.....	2,301.6	2,112.2
	-----	-----
MINORITY INTEREST AND OTHER.....	1,026.5	1,037.7
	-----	-----
COMMITMENTS AND CONTINGENCIES		
COMMON EQUITY PUT OPTIONS.....	111.2	31.4
	-----	-----
STOCKHOLDERS' EQUITY		
Preferred stock - authorized, 20,000,000 shares; 5% series A convertible, no par value, issued, 6,370 at redemption value.....	31.9	31.9
5.25% series B mandatorily redeemable convertible, \$1,000 par value, issued, 533,685 and 513,211 at redemption value.....	533.7	513.2
Class A special common stock, \$1 par value - authorized, 500,000,000 shares; issued, 328,571,932 and 317,025,969.....	328.6	317.0
Class A common stock, \$1 par value - authorized, 200,000,000 shares; issued, 31,771,319 and 31,793,487	31.8	31.8
Class B common stock, \$1 par value - authorized, 50,000,000 shares; issued, 8,786,250	8.8	8.8
Additional capital.....	3,287.0	3,030.6
Accumulated deficit.....	(1,898.7)	(2,415.9)
Unrealized gains on marketable securities.....	337.3	140.7
Cumulative translation adjustments.....	(9.0)	(11.6)
	-----	-----
Total stockholders' equity.....	2,651.4	1,646.5
	-----	-----
	\$14,365.6	\$12,804.2
	=====	=====

See notes to condensed consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 1998
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT
(Unaudited)

	(Amounts in millions, except per share data)			
	Nine Months Ended		Three Months Ended	
	September 30,		September 30,	
	1998	1997	1998	1997
REVENUES				
Service income.....	2,387.9	\$2,081.5	781.0	\$713.6
Net sales from electronic retailing.....	1,648.5	1,438.0	573.9	490.6
	-----	-----	-----	-----
	4,036.4	3,519.5	1,354.9	1,204.2
	-----	-----	-----	-----
COSTS AND EXPENSES				
Operating.....	1,077.2	925.5	336.9	314.0
Cost of goods sold from electronic retailing.....	997.6	869.9	345.2	298.1
Selling, general and administrative.....	750.1	658.0	252.1	227.1
Depreciation.....	407.3	341.7	138.5	120.2
Amortization.....	390.1	362.0	132.5	121.1
	-----	-----	-----	-----
	3,622.3	3,157.1	1,205.2	1,080.5
	-----	-----	-----	-----
OPERATING INCOME.....	414.1	362.4	149.7	123.7
OTHER (INCOME) EXPENSE				
Interest expense.....	437.3	422.8	145.4	143.9
Investment income.....	(1,022.0)	(138.1)	(1,023.2)	(44.5)
Equity in net losses of affiliates.....	345.3	217.1	108.3	85.9
Gain from equity offering of affiliate.....	(157.8)		(98.2)	
Other.....	(7.0)	13.4	(3.5)	9.0
	-----	-----	-----	-----
	(404.2)	515.2	(871.2)	194.3
	-----	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAX EXPENSE, MINORITY INTEREST AND EXTRAORDINARY ITEMS.....	818.3	(152.8)	1,020.9	(70.6)
INCOME TAX EXPENSE.....	309.3	45.4	309.0	8.5
	-----	-----	-----	-----
INCOME (LOSS) BEFORE MINORITY INTEREST AND EXTRAORDINARY ITEMS.....	509.0	(198.2)	711.9	(79.1)
MINORITY INTEREST.....	(44.3)	(66.8)	(5.1)	(27.0)
	-----	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS.....	553.3	(131.4)	717.0	(52.1)
EXTRAORDINARY ITEMS.....	(3.0)	(25.9)	(3.0)	(3.1)
	-----	-----	-----	-----
NET INCOME (LOSS).....	550.3	(157.3)	714.0	(55.2)
PREFERRED DIVIDENDS.....	(21.7)	(7.8)	(7.4)	(7.0)
	-----	-----	-----	-----
NET INCOME (LOSS) FOR COMMON STOCKHOLDERS.....	\$528.6	(\$165.1)	\$706.6	(\$62.2)
	=====	=====	=====	=====
ACCUMULATED DEFICIT				
Beginning of period	(\$2,415.9)	(\$2,127.1)	(\$2,596.7)	(\$2,262.6)
Net income (loss).....	550.3	(157.3)	714.0	(55.2)
Common dividends - \$.070, \$.070, \$.0233 and \$.0233 per share.....	(25.8)	(24.0)	(8.7)	(8.3)
Retirement of common stock.....	(7.3)	(17.7)	(7.3)	
	-----	-----	-----	-----
End of period.....	(\$1,898.7)	(\$2,326.1)	(\$1,898.7)	(\$2,326.1)
	=====	=====	=====	=====
BASIC EARNINGS (LOSS) FOR COMMON STOCKHOLDERS				
PER COMMON SHARE				
Income (loss) before extraordinary items.....	\$1.46	(\$.42)	\$1.92	(\$.17)
Extraordinary items.....	(.01)	(.08)	(.01)	(.01)
	-----	-----	-----	-----
Net income (loss).....	\$1.45	(\$.50)	\$1.91	(\$.18)
	=====	=====	=====	=====
BASIC WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING.....				
	365.5	333.2	369.3	348.9
	=====	=====	=====	=====
DILUTED EARNINGS (LOSS) FOR COMMON STOCKHOLDERS				
PER COMMON SHARE				
Income (loss) before extraordinary items.....	\$1.33	(\$.42)	\$1.76	(\$.17)
Extraordinary items.....	(.01)	(.08)	(.01)	(.01)
	-----	-----	-----	-----
Net income (loss).....	\$1.32	(\$.50)	\$1.75	(\$.18)
	=====	=====	=====	=====
DILUTED WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING.....				
	402.1	333.2	404.3	348.9
	=====	=====	=====	=====

See notes to condensed consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 1998
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

(Dollars in millions)
Nine Months Ended September 30,
1998 1997

OPERATING ACTIVITIES

Net income (loss).....	\$550.3	(\$157.3)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation.....	407.3	341.7
Amortization.....	390.1	362.0
Non-cash interest expense, net.....	30.5	39.4
Equity in net losses of affiliates.....	345.3	217.1
Gains on investments, net of losses.....	(976.6)	(98.1)
Gain from equity offering of affiliate.....	(157.8)	
Minority interest.....	(44.3)	(66.8)
Extraordinary items.....	3.0	25.9
Deferred income taxes and other.....	191.9	(22.4)
	-----	-----
	739.7	641.5
 Changes in working capital.....	 78.9	 100.6
	-----	-----
 Net cash provided by operating activities.....	 818.6	 742.1
	-----	-----

FINANCING ACTIVITIES

Proceeds from borrowings.....	1,058.3	2,968.3
Retirement and repayment of debt.....	(922.5)	(3,518.4)
Issuance of preferred stock.....		500.0
Issuances of common stock, net.....	23.8	499.5
Issuances of common equity put options.....	11.4	2.4
Repurchases of common stock.....	(9.5)	(36.0)
Dividends.....	(27.1)	(25.2)
Deferred financing costs.....	(4.8)	(43.8)
Other.....	4.6	(1.5)
	-----	-----
 Net cash provided by financing activities.....	 134.2	 345.3
	-----	-----

INVESTING ACTIVITIES

Acquisitions, net of cash acquired.....	(269.4)	(136.1)
Proceeds from sales of short-term investments, net.....	125.2	2.4
Investments, principally in affiliates.....	(137.6)	(180.3)
Proceeds from sales of and distributions from investments, principally in affiliates	0.7	169.1
Proceeds from sales of call options.....	20.7	
Proceeds from investees' repayments of loans.....	74.7	25.2
Capital expenditures.....	(684.8)	(682.0)
Additions to deferred charges.....	(47.0)	(37.5)
Other.....	(14.0)	(5.9)
	-----	-----
 Net cash used in investing activities.....	 (931.5)	 (845.1)
	-----	-----

INCREASE IN CASH AND CASH EQUIVALENTS.....	21.3	242.3
CASH AND CASH EQUIVALENTS, beginning of period.....	413.7	331.3
	-----	-----
CASH AND CASH EQUIVALENTS, end of period.....	\$435.0	\$573.6
	=====	=====

See notes to condensed consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 1998
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation

The condensed consolidated balance sheet as of December 31, 1997 has been condensed from the audited consolidated balance sheet as of that date. The condensed consolidated balance sheet as of September 30, 1998, the condensed consolidated statement of operations and accumulated deficit for the nine and three months ended September 30, 1998 and 1997 and the condensed consolidated statement of cash flows for the nine months ended September 30, 1998 and 1997 have been prepared by Comcast Corporation (the "Company") and have not been audited by the Company's independent auditors. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows as of September 30, 1998 and for all periods presented have been made.

Certain information and note disclosures normally included in the Company's annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 1997 Annual Report on Form 10-K filed with the Securities and Exchange Commission. The results of operations for the periods ended September 30, 1998 are not necessarily indicative of operating results for the full year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Pronouncement

In June 1998, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities." This statement, which establishes accounting and reporting standards for derivatives and hedging activities, is effective for fiscal years beginning after June 15, 1999. Upon the adoption of SFAS No. 133, all derivatives are required to be recognized in the statement of financial position as either assets or liabilities and measured at fair value. The Company is currently evaluating the impact the adoption of SFAS No. 133 will have on its financial position and results of operations.

Comprehensive Income (Loss)

In June 1997, the FASB issued SFAS No. 130, "Reporting Comprehensive Income." This statement, which establishes standards for reporting and disclosure of comprehensive income, is effective for interim and annual periods beginning after December 15, 1997. The Company adopted SFAS No. 130 effective January 1, 1998. Total comprehensive income (loss) for the nine and three months ended September 30, 1998 and 1997 was \$749.5 million, (\$62.2) million, \$760.0 million and \$36.2 million, respectively. Total comprehensive income (loss) includes net income (loss), unrealized gains (losses) on marketable securities and foreign currency translation gains (losses) for the periods presented.

Earnings (Loss) for Common Stockholders Per Common Share

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

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 1998
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(Unaudited)

The following table reconciles the numerator and denominator of the computations of diluted earnings (loss) per common share for common stockholders ("Diluted EPS") for the nine and three months ended September 30, 1998 and 1997, respectively.

	(Amounts in millions, except per share data)			
	Nine Months Ended		Three Months Ended	
	September 30,		September 30,	
	1998	1997	1998	1997
Net income (loss) for common stockholders.....	\$528.6	(\$165.1)	\$706.6	(\$62.2)
Dilutive securities effect on net income (loss) for common stockholders.....	1.0	-----	-----	-----
Net income (loss) for common stockholders used for Diluted EPS.....	\$529.6	(\$165.1)	\$706.6	(\$62.2)
	=====	=====	=====	=====
Weighted average number of common shares outstanding.....	365.5	333.2	369.3	348.9
Dilutive securities:				
1 1/8% discount convertible subordinated debentures, redeemed March 1998.....	3.4			
Series A and B convertible preferred stock.....	22.6		22.6	
Stock option and restricted stock plans.....	10.6	-----	12.4	-----
Diluted weighted average number of common shares outstanding.....	402.1	333.2	404.3	348.9
	=====	=====	=====	=====
Diluted earnings (loss) for common stockholders per common share	\$1.32	(\$.50)	\$1.75	(\$.18)
	=====	=====	=====	=====

Put options sold by the Company on 2.75 million shares of its Class A Special Common stock (see Note 6) were outstanding during the three months ended September 30, 1998 but were not included in the computation of Diluted EPS as the options' exercise price was less than the average market price of the Company's Class A Special Common Stock during the period.

For the nine and three months ended September 30, 1997, the Company's potential common shares of 61.2 million shares have an antidilutive effect on loss for common stockholders per common share for the periods and, therefore, have not been used in determining the total weighted average number of common shares outstanding.

Reclassifications

Certain reclassifications have been made to the prior year condensed consolidated financial statements to conform to those classifications used in 1998.

3. SIGNIFICANT EVENTS

Sale of Comcast UK Cable

In February 1998, Comcast UK Cable Partners Limited ("Comcast UK Cable"), a consolidated subsidiary of the Company, entered into a definitive agreement to be acquired (the "NTL Transaction") by NTL Incorporated ("NTL"), an alternative telecommunications company in the United Kingdom ("UK"). The Company received 4.8 million shares of NTL common stock in exchange for all of the shares of Comcast UK Cable held by the Company upon closing of the NTL Transaction on October 29, 1998. Certain conditions agreed to in the NTL Transaction restrict the Company's ability to sell the NTL common stock to be received for a period of 150 days after the closing of the NTL Transaction. The Company's investment in NTL common stock had a fair value, prior to consideration of the restrictions on the NTL common stock, of approximately \$225.4 million, based on the quoted market price of \$46.75 per share of NTL common stock as of October 29, 1998. As of September 30, 1998 and for the nine months then ended, the assets and revenues of Comcast UK Cable totaled \$866.0 million and \$93.7 million, respectively.

COMCAST CORPORATION AND SUBSIDIARIES

FORM 10-Q

QUARTER ENDED SEPTEMBER 30, 1998

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

(Unaudited)

AT&T Acquisition of TCGI

In January 1998, AT&T Corp. ("AT&T") entered into a definitive merger agreement with Teleport Communications Group, Inc. ("TCGI"). Upon closing of the merger (the "AT&T Transaction") on July 23, 1998, the Company received 24.2 million shares of unregistered AT&T common stock in exchange (the "Exchange") for the 25.6 million shares of TCGI Class B Common Stock held by the Company (see Note 4). As a result of the Exchange, the Company recognized a pre-tax gain of \$1.092 billion during the nine and three months ended September 30, 1998, representing the difference between the fair value of the AT&T stock received and the Company's basis in TCGI. Such gain is included in investment income in the Company's condensed consolidated statement of operations and accumulated deficit. The Company has registration rights, subject to customary restrictions, which allow the Company to effect a registration of the AT&T shares received. As of September 30, 1998, the Company has recorded its investment in AT&T, classified as available for sale, at its estimated fair value.

Acquisition of Jones Intercable

In May 1998, the Company agreed to purchase from BCI Telecom Holding ("BTH") 6.4 million Class A Common Shares in Jones Intercable, Inc. ("Jones Intercable"), and a 49% interest in the BTH subsidiaries which were to continue to own BTH's remaining 6.4 million shares of Jones Intercable Class A Common Stock. At the same time, the Company agreed to acquire approximately 2.9 million shares of Common Stock of Jones Intercable (the "Control Shares"), if and when acquired by BTH from affiliates of Jones Intercable's controlling shareholder under an existing option (the "Control Option") to acquire such shares (which absent extraordinary circumstances would not have been exercisable until December 2001). The Company was to purchase the remaining 51% of the BTH subsidiaries when the Control Shares were acquired. The Company, BTH, Jones Intercable and Jones Intercable's controlling shareholder agreed in August 1998 to accelerate the Control Option to permit its early exercise and the early closing of the transactions with BTH. At closing (expected to occur in the first quarter of 1999, subject to the receipt of required regulatory approvals), the Company will pay BTH a total of \$500 million in cash to acquire the 12.8 million shares of Jones Intercable Class A Common Stock and \$200 million in cash to acquire the Control Shares. After closing, the Company will control approximately 37% of the economic and 47% of the voting interest in Jones Intercable. In addition, the Control Shares will represent shares having the right to elect approximately 75% of the Board of Directors of Jones Intercable. The transaction will be funded either with new borrowings, with available borrowings under existing lines of credit or by other means. Jones Intercable, a public company, owns or manages cable operations serving approximately 1.0 million customers.

4. INVESTMENTS

	September 30, 1998	December 31, 1997
	(Dollars in millions)	
Equity method.....	\$387.0	\$867.6
Fair value method.....	1,984.6	346.5
Cost method.....	56.8	50.2
	-----	-----
Total investments.....	2,428.4	1,264.3
Less current investments, available for sale.....	1,663.8	-----
	-----	-----
Investments, principally in affiliates.....	\$764.6	\$1,264.3
	=====	=====

Equity Method

The Company records its proportionate interests in the net income (loss) of substantially all of its investees, other than the UK Investees (see below), three months in arrears. The Company holds interests representing less than 20% of the total outstanding ownership interests in certain of its equity method investees. The equity method of accounting is utilized for these investments based on the type of investment (e.g. general partnership interest), board representation, participation in a controlling investor group, significant shareholder rights or a combination of these and other factors. The Company's recorded investments exceed its proportionate interests in the book value of the investees' net assets by \$141.2 million as of September 30, 1998 (primarily related to the Company's investments in The Golf Channel and Sprint PCS (see below)). Such excess is being amortized to equity in net income or loss, primarily over a period of twenty years, which is consistent with the estimated lives of the underlying assets. The

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(Unaudited)

original cost of investments accounted for under the equity method totaled \$1.179 billion and \$1.454 billion as of September 30, 1998 and December 31, 1997, respectively.

Summarized financial information for the Company's equity method investees is presented below (dollars in millions):

	Sprint PCS	TCGI	UK Investees	Other	Combined
Nine Months Ended September 30, 1998:					
Combined Results of Operations					
Revenues, net.....	\$477.3	\$605.8	\$176.5	\$584.1	\$1,843.7
Operating, selling, general and administrative expenses.....	1,300.0	558.7	136.0	613.5	2,608.2
Depreciation and amortization.....	389.8	163.4	61.9	55.1	670.2
Operating loss.....	(1,212.5)	(116.3)	(21.4)	(84.5)	(1,434.7)
Net loss (a).....	(1,600.2)	(190.6)	(70.6)	(123.2)	(1,984.6)
Company's Equity in Net Loss					
Equity in current period net loss.....	(\$240.0)	(\$27.2)	(\$25.9)	(\$47.1)	(\$340.2)
Amortization expense.....	(2.3)		(0.5)	(2.3)	(5.1)
Total equity in net loss.....	<u>(\$242.3)</u>	<u>(\$27.2)</u>	<u>(\$26.4)</u>	<u>(\$49.4)</u>	<u>(\$345.3)</u>
Three Months Ended September 30, 1998:					
Combined Results of Operations					
Revenues, net.....	\$192.3	\$295.3	\$60.4	\$48.8	\$596.8
Operating, selling, general and administrative expenses.....	428.5	257.4	45.8	37.2	768.9
Depreciation and amortization.....	151.4	66.3	21.1	11.6	250.4
Operating loss.....	(387.6)	(28.4)	(6.5)		(422.5)
Net loss (a).....	(542.2)	(55.9)	(20.0)	(9.3)	(627.4)
Company's Equity in Net Loss					
Equity in current period net loss.....	(\$81.3)	(\$7.5)	(\$7.7)	(\$9.8)	(\$106.3)
Amortization expense.....	(0.8)		(0.2)	(1.0)	(2.0)
Total equity in net loss.....	<u>(\$82.1)</u>	<u>(\$7.5)</u>	<u>(\$7.9)</u>	<u>(\$10.8)</u>	<u>(\$108.3)</u>
Combined Financial Position					
As of September 30, 1998:					
Current assets.....	\$431.6	\$476.7	\$40.2	\$57.9	\$1,006.4
Noncurrent assets.....	6,244.0	3,056.1	739.8	318.0	10,357.9
Current liabilities.....	610.5	572.6	79.0	44.3	1,306.4
Noncurrent liabilities.....	5,083.4	1,183.6	650.9	441.3	7,359.2

(a) See footnote (1) on page 9.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 1998
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(Unaudited)

	Sprint PCS	TCGI	UK Investees	Other	Combined
Nine Months Ended September 30, 1997:					
Combined Results of Operations					
Revenues, net.....	\$39.0	\$300.0	\$143.3	\$672.1	\$1,154.4
Operating, selling, general and administrative expenses.....	588.2	278.9	125.4	708.4	1,700.9
Depreciation and amortization.....	110.1	93.4	52.5	81.7	337.7
Operating loss.....	(659.3)	(72.3)	(34.6)	(118.0)	(884.2)
Net loss (1).....	(730.2)	(139.1)	(66.2)	(159.7)	(1,095.2)
Company's Equity in Net Loss					
Equity in current period net loss (2).....	(\$109.5)	(\$22.1)	(\$25.1)	(\$54.0)	(\$210.7)
Amortization expense.....	(0.8)	(0.3)	(0.4)	(4.9)	(6.4)
--	-----	-----	-----	-----	-----
Total equity in net loss.....	(\$110.3)	(\$22.4)	(\$25.5)	(\$58.9)	(\$217.1)
	=====	=====	=====	=====	=====

Three Months Ended September 30, 1997:

Combined Results of Operations					
Revenues, net.....	\$25.4	\$115.8	\$50.4	\$229.8	\$421.4
Operating, selling, general and administrative expenses.....	236.7	107.0	43.2	255.4	642.3
Depreciation and amortization.....	66.3	37.2	16.5	27.6	147.6
Operating loss.....	(277.6)	(28.4)	(9.3)	(53.2)	(368.5)
Net loss (1).....	(331.4)	(51.4)	(21.4)	(70.1)	(474.3)
Company's Equity in Net Loss					
Equity in current period net loss.....	(\$49.7)	(\$7.9)	(\$8.4)	(\$17.7)	(\$83.7)
Amortization (expense) income.....	(0.7)	0.1	(0.1)	(1.5)	(2.2)
--	-----	-----	-----	-----	-----
Total equity in net loss.....	(\$50.4)	(\$7.8)	(\$8.5)	(\$19.2)	(\$85.9)
	=====	=====	=====	=====	=====

(1) Net loss also represents loss from continuing operations before extraordinary items and cumulative effect of changes in accounting principle.

(2) As a result of the acquisition of E! Entertainment Television, Inc. ("E! Entertainment") on March 31, 1997, the Company recorded a charge representing the cumulative amount that would have been recorded had the Company accounted for its investment in E! Entertainment under the equity method since the date of initial investment (the "Cumulative Charge"). Since the Company's proportionate share of E! Entertainment's cumulative losses was in excess of the Company's historical cost basis in E! Entertainment and as the Company was under no contractual obligation to fund the losses of E! Entertainment, the Cumulative Charge was limited to the Company's historical cost basis of \$12.1 million. Such amount is included in equity in net losses of affiliates in the Company's condensed consolidated statement of operations and accumulated deficit for the nine months ended September 30, 1997 as it is not significant for restatement of the Company's prior year financial statements.

Sprint PCS. The Company, Tele-Communications, Inc. ("TCI"), Cox Communications, Inc. ("Cox," and together with the Company and TCI, the "Cable Partners") and Sprint Corporation ("Sprint," and together with the Cable Partners, the "Parents"), engage in the wireless communications business through a limited partnership known as "Sprint PCS." The Company made its initial investment in 1994 to acquire a general and limited partnership interest of 15% in Sprint PCS. As of September 30, 1998, the Company had contributed \$669.5 million to Sprint PCS. No additional amounts are due with respect to the balance of the Company's original funding commitment to Sprint PCS.

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In May 1998, the Parents announced an agreement (the "Restructuring Agreement") under which Sprint would assume total ownership and management control of Sprint PCS.

At closing of the Restructuring Agreement, Sprint will issue a new class of Sprint stock (the "Sprint PCS Stock") to track the performance of Sprint's combined wireless operations. Initially, in exchange for its interests in Sprint PCS, the Company will receive an approximate 11.6% interest in the Sprint PCS Stock, consisting of approximately 47.2 million shares of Series 2 Sprint PCS common stock, approximately 2.2 million shares of Sprint PCS preferred stock (convertible on specified terms to Series 2 Sprint PCS common stock) and warrants to purchase approximately 3.0 million shares of Sprint PCS Stock. Under the Restructuring Agreement, Sprint will distribute its interest in the Sprint PCS Stock to its existing shareholders. The Restructuring Agreement also contemplates a subsequent initial public offering ("IPO") of the Sprint PCS Stock. The Cable Partners' interests in the Sprint PCS Stock would be reduced proportionately by the amount of ownership interests issued in connection with an IPO, and in connection with any purchases made at that time by two of Sprint's major shareholders under existing anti-dilution rights - France Telecom S.A. ("France Telecom") and Deutsche Telekom AG ("Deutsche Telekom").

The Sprint PCS Stock will be divided into three categories: (i) Series 1 (one vote per share) to be held by the public, (ii) Series 2 (1/10 vote per share other than in class votes) to be held by the Cable Partners, and (iii) Series 3 (one vote per share) to be held by France Telecom and Deutsche Telekom. Under the terms of the Restructuring Agreement, the Cable Partners have registration rights, subject to customary restrictions, that, if used, would permit the monetization of their Sprint PCS holdings through equity offerings or derivatives. If the Series 2 shares are transferred by a Cable Partner, the transferred shares become full vote Series 1 shares.

On September 25, 1998, Sprint Corporation filed a preliminary registration statement with the Securities and Exchange Commission (the "SEC") to register up to \$604.0 million in an IPO of its Sprint PCS Stock. The timing of the public offering can not yet be determined.

On November 13, 1998, the Sprint stockholders approved the Restructuring Agreement. The Restructuring Agreement is expected to close on November 23, 1998, subject to the receipt of necessary regulatory approvals.

TCGI. In April 1998, in connection with an acquisition, TCGI issued 16.3 million shares of its Class A Common Stock (the "TCGI Acquisition"). In November 1997, TCGI filed a registration statement with the SEC to sell 7.3 million shares of TCGI Class A Common Stock (the "TCGI Offering"). As a result of the TCGI Acquisition and the TCGI Offering, the Company recognized a \$157.8 million and \$98.2 million increase in its proportionate share of TCGI's net assets as a gain from equity offering of affiliate for the nine and three months ended September 30, 1998, respectively. The Company records its proportionate share of TCGI's net assets one quarter in arrears.

UK Investees. As of September 30, 1998, Comcast UK Cable (see Note 3) holds a 27.5% interest in Birmingham Cable Corporation Limited and a 50.0% interest in Cable London PLC.

Comcast-Spectacor. Effective January 1, 1998, the Company's condensed consolidated financial statements include the accounts of Comcast Spectacor, L.P. ("Comcast-Spectacor"), an affiliate previously accounted for under the equity method, due to certain call rights held by the Company which became exercisable effective January 16, 1998.

Other. The Company's other equity investees include investments in cable communications (including Garden State Cablevision L.P., a cable communications company serving more than 210,000 subscribers as of September 30, 1998 in the State of New Jersey), cellular/PCS telecommunications and content providers. The Company does not consider these other equity method investments to be individually significant to its consolidated financial position, results of operations or liquidity.

Fair Value Method

The Company holds unrestricted equity investments in certain publicly traded companies, with an historical cost (including a \$1.092 billion pre-tax gain recognized during the third quarter of 1998 - see Note 3) of \$1.466 billion and \$130.0 million as of September 30, 1998 and December 31, 1997, respectively. The Company has recorded these investments, which are classified as available for sale, at their estimated fair values of \$1.985 billion and

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\$346.5 million as of September 30, 1998 and December 31, 1997, respectively. The unrealized pre-tax gains as of September 30, 1998 and December 31, 1997 of \$518.9 million and \$216.5 million, respectively, have been reported in the Company's condensed consolidated balance sheet as a component of stockholders' equity, net of related deferred income tax expense of \$181.6 million and \$75.8 million, respectively.

In March 1998, the Company sold call options relating to its unrestricted equity investments in TCI, TCI Ventures Group, Inc. and Liberty Media Group common stock (together, the "TCI Stock") for \$20.7 million. Such call options expire between March and September 1999. During the nine and three months ended September 30, 1998, the Company recorded pre-tax investment (expense) income of (\$32.1) million and \$8.1 million, respectively, related to changes in the value of the call options.

During the nine and three months ended September 30, 1998, the Company recorded a pre-tax loss of \$91.2 million on certain of its investments based on a decline in value that is considered other than temporary. Such pre-tax loss is recorded in investment income in the Company's condensed consolidated statement of operations and accumulated deficit.

5. LONG-TERM DEBT

Debt Offering

On November 10, 1998, the Company, through its wholly owned subsidiary, Comcast Cable Communications, Inc. ("Comcast Cable") announced that it has sold \$800.0 million aggregate principal amount of 6.20% senior notes due 2008 in a public offering (the "Offering"). Interest on the notes will be payable semiannually on May 15 and November 15 of each year, commencing May 15, 1999. The notes are redeemable only upon maturity on November 15, 2008. The Company expects to use all of the net proceeds from the Offering for general corporate purposes. The Offering is expected to close on November 16, 1998.

Redemption of 1 1/8% Debentures

In March 1998, the Company completed the redemption of its \$541.9 million principal amount 1 1/8% discount convertible subordinated debentures due 2007 (the "1 1/8% Debentures"). The Company issued 10.4 million shares of its Class A Special Common Stock upon conversion of \$540.2 million principal amount of 1 1/8% Debentures while \$1.7 million principal amount of 1 1/8% Debentures was redeemed for cash at a redemption price of 67.112% of the principal amount, together with accrued interest thereon. Stockholders' equity was increased by the full amount of 1 1/8% Debentures converted plus accrued interest, less unamortized debt acquisition costs. Unamortized debt acquisition costs related to the 1 1/8% Debentures redeemed for cash were not significant. The issuance of the Company's Class A Special Common Stock upon conversion of the 1 1/8% Debentures had no impact on the Company's condensed consolidated statement of cash flows due to its noncash nature.

Interest Rates

As of September 30, 1998 and December 31, 1997, the Company's effective weighted average interest rate on its long-term debt outstanding was 8.39% and 8.36%, respectively.

Lines of Credit

As of November 2, 1998, certain subsidiaries of the Company had unused lines of credit of \$870.5 million, \$370.5 million of which is restricted by the covenants of the related debt agreements and to subsidiary general purposes and dividend declaration.

6. STOCKHOLDERS' EQUITY

Repurchase Program

In September 1998, the Company announced that its Board of Directors had authorized a market repurchase program (the "Repurchase Program") pursuant to which the Company may purchase, in the open market or in private transactions up to \$500.0 million of its outstanding common equity securities, subject to certain restrictions and market conditions. Through September 30, 1998, the Company had repurchased shares of its common stock for aggregate consideration of \$9.5 million pursuant to the Repurchase Program. Through October 31, 1998, the

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Company had repurchased additional shares for aggregate consideration of \$3.4 million. In conjunction with the Repurchase Program, in September 1998, the Company sold put options on 2.75 million shares of its Class A Special Common Stock. The put options give the holder the right to require the Company to repurchase such shares at specified prices on specific dates during the period from April through September 1999. Proceeds of \$11.4 million from the sale of these put options were credited to additional capital. The amount the Company would be obligated to pay to repurchase such shares if all outstanding put options were exercised, totaling \$111.2 million, has been reclassified to a temporary equity account in the Company's condensed consolidated balance sheet as of September 30, 1998.

In April 1997, in connection with the Company's previous market repurchase program which terminated in May 1997, the Company sold put options on 2.0 million shares of its Class A Special Common Stock. The put options, which expired unexercised during April and May 1998, gave the holder the right to require the Company to repurchase such shares at a specified price on specific dates in April and May 1998. Upon expiration, the Company reclassified \$31.4 million, the amount it would have been obligated to pay to repurchase such shares had the put options been exercised, from common equity put options to additional capital in the Company's condensed consolidated balance sheet.

7. STATEMENT OF CASH FLOWS - SUPPLEMENTAL INFORMATION

The Company made cash payments for interest of \$334.1 million, \$303.4 million, \$71.5 million and \$69.6 million during the nine and three months ended September 30, 1998 and 1997, respectively.

The Company made cash payments for income taxes of \$105.2 million, \$89.7 million, \$17.1 million and \$14.7 million during the nine and three months ended September 30, 1998 and 1997, respectively.

During the three months ended September 30, 1998, the Company settled all issues primarily related to the deductibility of amortization of cable television distribution rights raised by the Internal Revenue Service ("IRS") in its examination of QVC, Inc., a majority owned subsidiary ("QVC"), through fiscal tax year 1993. Such settlement resulted in a reversal of previously recorded deferred tax liabilities of \$135.5 million. As a result of the settlement, the Company recorded an adjustment to reduce goodwill by \$119.7 million during the three months ended September 30, 1998. Such adjustment has been excluded from the Company's condensed consolidated statement of cash flows due to its noncash nature.

8. COMMITMENTS AND CONTINGENCIES

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

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9. FINANCIAL DATA BY BUSINESS SEGMENT
(Dollars in millions)

	Domestic Cable Communications	Electronic Retailing	Cellular Communications	Other (1)	Total
Nine Months Ended September 30, 1998					
Revenues, net.....	\$1,681.2	\$1,648.5	\$338.0	\$368.7	\$4,036.4
Depreciation and amortization.....	495.1	97.0	88.5	116.8	797.4
Operating income (loss).....	307.4	194.6	47.6	(135.5)	414.1
Interest expense.....	163.0	39.4	82.4	152.5	437.3
Capital expenditures.....	488.2	57.3	41.7	97.6	684.8
Equity in net losses of affiliates.....				345.3	345.3
Three Months Ended September 30, 1998					
Revenues, net.....	\$571.7	\$573.9	\$116.7	\$92.6	\$1,354.9
Depreciation and amortization.....	171.5	38.7	30.8	30.0	271.0
Operating income (loss).....	105.7	65.1	16.6	(37.7)	149.7
Interest expense.....	55.1	13.0	29.1	48.2	145.4
Capital expenditures.....	194.5	15.6	24.3	30.8	265.2
Equity in net losses of affiliates.....				108.3	108.3
As of September 30, 1998					
Assets.....	\$6,302.2	\$2,136.4	\$1,454.8	\$4,472.2	\$14,365.6
Long-term debt, less current portion.....	2,699.1	681.9	1,234.2	1,982.2	6,597.4
Nine Months Ended September 30, 1997					
Revenues, net.....	\$1,537.0	\$1,438.0	\$335.4	\$209.1	\$3,519.5
Depreciation and amortization.....	462.7	79.2	80.7	81.1	703.7
Operating income (loss).....	261.9	151.7	59.3	(110.5)	362.4
Interest expense.....	174.2	42.1	78.7	127.8	422.8
Capital expenditures.....	367.1	69.6	87.2	158.1	682.0
Equity in net losses of affiliates.....				217.1	217.1
Three Months Ended September 30, 1997					
Revenues, net.....	\$515.1	\$490.6	\$115.1	\$83.4	\$1,204.2
Depreciation and amortization.....	155.9	27.6	27.1	30.7	241.3
Operating income (loss).....	92.0	48.7	24.3	(41.3)	123.7
Interest expense.....	54.3	14.2	26.6	48.8	143.9
Capital expenditures.....	115.6	28.5	29.3	61.5	234.9
Equity in net losses of affiliates.....				85.9	85.9

(1) Other includes certain other operating businesses, including Comcast-Spectacor (effective January 1, 1998) and E! Entertainment (effective March 31, 1997), the Company's consolidated UK cable and telecommunications operations (see Note 3), the Company's DBS operations (prior to April 1, 1998) and elimination entries related to the segments presented.

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

Overview

The Company has experienced significant growth in recent years both through strategic acquisitions and growth in its existing businesses. The Company has historically met its cash needs for operations through its cash flows from operating activities. Cash requirements for acquisitions and capital expenditures have been provided through the Company's financing activities and sales of long-term investments, as well as its existing cash, cash equivalents and short-term investments.

General Developments of Business

See Note 3 to the Company's condensed consolidated financial statements included in Item 1.

Liquidity and Capital Resources

Cash, Cash Equivalents, Short-term Investments and Investments, Available for Sale The Company has traditionally maintained significant levels of cash, cash equivalents, short-term investments and investments, available for sale to meet its short-term liquidity requirements. Cash, cash equivalents, short-term investments and investments, available for sale as of September 30, 1998 were \$2.138 billion. As of September 30, 1998, \$406.1 million of the Company's cash, cash equivalents, short-term investments and investments, available for sale is restricted to use by subsidiaries of the Company under contractual or other arrangements, including \$146.8 million which is restricted to use by Comcast UK Cable Partners Limited ("Comcast UK Cable"), a consolidated subsidiary of the Company (see Note 3 to the Company's condensed consolidated financial statements).

The Company's cash equivalents and short-term investments are recorded at cost which approximates their fair value. As of September 30, 1998, short-term investments have a weighted average maturity of approximately five months. The Company's investments, available for sale are recorded at fair value.

Investments

See Notes 3 and 4 to the Company's condensed consolidated financial statements included in Item 1.

The Company does not have any 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. The Company continually evaluates its existing investments as well as new investment opportunities.

Financing

See Notes 5 and 6 to the Company's condensed consolidated financial statements included in Item 1.

As of September 30, 1998 and December 31, 1997, the Company's long-term debt, including current portion, was \$6.704 billion and \$6.691 billion, respectively, of which 22.1% and 17.1%, respectively, was at variable rates.

The Company may from time to time, depending on certain factors including market conditions, make optional repayments on its debt obligations, which may include open market repurchases of its outstanding public notes and debentures.

Year 2000 Issue

The Year 2000 Issue is the result of computer programs being written using two digits rather than four to define the applicable year. Certain of the Company's computer programs that have date-sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000 (the "Year 2000 Issue"). If this situation occurs, the potential exists for computer system failure or miscalculations by computer programs, which could cause disruption of operations.

The Company is in the process of evaluating and addressing the impact of the Year 2000 Issue on its operations to ensure that its information technology and business systems recognize calendar Year 2000. The Company is utilizing both internal and external resources in implementing its Year 2000 program, which consists of the following phases:

Assessment Phase

Structured evaluation, including a detailed inventory outlining the impact that the Year 2000 Issue may have on current operations.

Detailed Planning Phase

Establishment of priorities, development of specific action steps and allocation of resources to address the issues identified in the Assessment Phase.

Conversion Phase

Implementation of the necessary system modifications as outlined in the Detailed Planning Phase.

Testing Phase

Verification that the modifications implemented in the Conversion Phase will be successful in resolving the Year 2000 Issue so that all inventory items will function properly, both individually and on an integrated basis.

Implementation Phase

Final roll-out of fully tested components into an operational unit.

Based on an inventory conducted in 1997, the Company has identified computer systems that will require modification or replacement so that they will properly utilize dates beyond December 31, 1999. Many of the Company's critical systems are new and are already Year 2000 compliant as a result of the recent rebuild of many of the Company's cable communications systems and the implementation of a fully digital cellular communications network. In addition, the Company has initiated communications with all of its significant software suppliers and service bureaus to determine their plans for remediating the Year 2000 Issue in their software which the Company uses or relies upon.

As of September 30, 1998, the Company is in the Conversion Phase of its Year 2000 remediation program and has entered the Testing Phase with respect to certain of its key systems. Through September 30, 1998, the Company has incurred approximately \$5.0 million in connection with its Year 2000 remediation program. The Company estimates that it will incur between approximately \$10 million to \$20 million of additional expense through December 1999 in connection with its Year 2000 remediation program. The Company's estimate to complete the remediation plan includes the estimated time associated with mitigating the Year 2000 Issue for third party software. However, there can be no guarantee that the systems of other companies on which the Company relies will be converted on a timely basis, or that a failure to convert by another company would not have a material adverse effect on the Company.

Management of the Company will continue to periodically report the progress of its Year 2000 remediation program to the Audit Committee of the Company's Board of Directors. The Company plans to complete the Year 2000 mitigation by the third quarter of 1999. Management of the Company has investigated and may consider potential contingency plans in the event that the Company's Year 2000 remediation program is not completed by that date.

The costs of the project and the date on which the Company plans to complete the Year 2000 modifications and replacements are based on management's best estimates, which were derived using assumptions of future events including the continued availability of resources and the reliability of third party modification plans. However, there can be no guarantee that these estimates will be achieved and actual results could differ materially from those plans. Specific factors that may cause such material differences include, but are not limited to, the availability and cost of personnel with appropriate necessary skills and the ability to locate and correct all relevant computer code and similar uncertainties.

The Company believes that with modifications to existing software and conversions to new software, the Year 2000 Issue can be mitigated. However, if such modifications and conversions are not made, or are not completed within an adequate time frame, the Year 2000 Issue could have a material adverse impact on the operations of the Company.

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The telecommunications industry, including cable and cellular communications, and the electronic retailing industry are experiencing increasing competition and rapid technological changes. The Company's future results of operations will be affected by its ability to react to changes in the competitive environment and by its ability to implement new technologies. However, the Company believes that competition, technological changes and its history of significant losses will not significantly affect its ability to obtain financing.

The Company believes that it will be able to meet its current and long-term liquidity and capital requirements, including fixed charges, through its cash flows from operating activities, existing cash, cash equivalents, short-term investments, investments, available for sale and lines of credit and other external financing.

Statement of Cash Flows

Cash and cash equivalents increased \$21.3 million as of September 30, 1998 from December 31, 1997 and increased \$242.3 million as of September 30, 1997 from December 31, 1996. Increases in cash and cash equivalents resulted from cash flows from operating, financing and investing activities which are explained below.

Net cash provided by operating activities amounted to \$818.6 million and \$742.1 million for the nine months ended September 30, 1998 and 1997, respectively. The increase of \$76.5 million is principally due to the increase in the Company's operating income before depreciation and amortization (see "Results of Operations") and changes in working capital as a result of the timing of receipts and disbursements, including the effects of the consolidation of Comcast Spectacor, L.P. ("Comcast-Spectacor") effective January 1, 1998 (see Note 4 to the Company's condensed consolidated financial statements included in Item 1) and the acquisition of E! Entertainment Television, Inc. ("E! Entertainment") on March 31, 1997 (the "E! Acquisition").

Net cash provided by financing activities was \$134.2 million and \$345.3 million for the nine months ended September 30, 1998 and 1997, respectively. During the nine months ended September 30, 1998, the Company borrowed \$1.058 billion and repaid \$922.5 million of its long-term debt, primarily in connection with the refinancing of certain subsidiary indebtedness in March 1998. In addition, during the nine months ended September 30, 1998, the Company had net issuances of \$23.8 million of its common stock and paid cash dividends of \$27.1 million on its common stock and Series A Preferred Stock. During the nine months ended September 30, 1997, the Company borrowed \$2.968 billion, primarily in connection with the refinancing of certain subsidiary indebtedness and the acquisition of E! Entertainment (the "E! Acquisition"), and repaid \$3.518 billion of its long-term debt, primarily in connection with the refinancing of certain subsidiary indebtedness and the redemption of debt. Deferred financing costs of \$43.8 million were incurred during the nine months ended September 30, 1997 related to the issuance of certain subsidiary senior notes. In addition, during the nine months ended September 30, 1997, the Company received \$1.0 billion from Microsoft Corporation for the issuance of its Class A Special Common Stock and Series B Preferred Stock, repurchased \$36.0 million of its common stock and paid cash dividends of \$25.2 million on its common stock and Series A Preferred Stock.

Net cash used in investing activities was \$931.5 million and \$845.1 million for the nine months ended September 30, 1998 and 1997, respectively. During the nine months ended September 30, 1998, net cash used in investing activities includes acquisitions, net of cash acquired, of \$269.4 million, investments in affiliates of \$137.6 million and capital expenditures of \$684.8 million, offset by proceeds from the sales of short-term investments and call options of \$145.9 million and proceeds from the repayment of a loan by an investee of \$74.7 million. During the nine months ended September 30, 1997, net cash used in investing activities includes acquisitions, net of cash acquired, of \$136.1 million, investments in affiliates of \$180.3 million and capital expenditures of \$682.0 million, offset by the proceeds from the sales of short-term and long-term investments and a distribution from an investee of \$171.5 million and proceeds from the repayment of a loan by an investee of \$25.2 million.

Results of Operations

The effects of the Company's recent acquisitions and the consolidation of Comcast-Spectacor effective January 1, 1998, as well as increased levels of capital expenditures, were to increase the Company's revenues and expenses resulting in increases in its operating income before depreciation and amortization, depreciation expense, amortization expense and interest expense. In addition, the Company's equity in net losses of affiliates has increased principally as a result of the start-up nature of certain of the Company's equity investees (see "Consolidated Analysis").

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Summarized consolidated financial information for the Company for the nine and three months ended September 30, 1998 and 1997 is as follows (dollars in millions, "NM" denotes percentage is not meaningful):

	Nine Months Ended September 30,		Increase / (Decrease)	
	1998	1997	\$	%
Revenues.....	\$4,036.4	\$3,519.5	\$516.9	14.7%
Cost of goods sold from electronic retailing.....	997.6	869.9	127.7	14.7
Operating, selling, general and administrative expenses...	1,827.3	1,583.5	243.8	15.4
	-----	-----		
Operating income before depreciation and amortization (1).....	1,211.5	1,066.1	145.4	13.6
Depreciation.....	407.3	341.7	65.6	19.2
Amortization.....	390.1	362.0	28.1	7.8
	-----	-----		
Operating income.....	414.1	362.4	51.7	14.3
	-----	-----		
Interest expense.....	437.3	422.8	14.5	3.4
Investment income.....	(1,022.0)	(138.1)	883.9	NM
Equity in net losses of affiliates.....	345.3	217.1	128.2	59.1
Gain from equity offering of affiliate.....	(157.8)		157.8	NM
Other.....	(7.0)	13.4	(20.4)	NM
Income tax expense.....	309.3	45.4	263.9	NM
Minority interest.....	(44.3)	(66.8)	(22.5)	(33.7)
Extraordinary items.....	(3.0)	(25.9)	(22.9)	(88.4)
	-----	-----		
Net income (loss).....	\$550.3	(\$157.3)	\$707.6	NM
	=====	=====		

	Three Months Ended September 30,		Increase / (Decrease)	
	1998	1997	\$	%
Revenues.....	\$1,354.9	\$1,204.2	\$150.7	12.5%
Cost of goods sold from electronic retailing.....	345.2	298.1	47.1	15.8
Operating, selling, general and administrative expenses...	589.0	541.1	47.9	8.9
	-----	-----		
Operating income before depreciation and amortization (1)	420.7	365.0	55.7	15.3
Depreciation.....	138.5	120.2	18.3	15.2
Amortization.....	132.5	121.1	11.4	9.4
	-----	-----		
Operating income.....	149.7	123.7	26.0	21.0
	-----	-----		
Interest expense.....	145.4	143.9	1.5	1.0
Investment income.....	(1,023.2)	(44.5)	978.7	NM
Equity in net losses of affiliates.....	108.3	85.9	22.4	26.1
Gain from equity offering of affiliate.....	(98.2)		98.2	NM
Other.....	(3.5)	9.0	(12.5)	NM
Income tax expense.....	309.0	8.5	300.5	NM
Minority interest.....	(5.1)	(27.0)	(21.9)	(81.1)
Extraordinary items.....	(3.0)	(3.1)	(0.1)	(3.2)
	-----	-----		
Net income (loss).....	\$714.0	(\$55.2)	\$769.2	NM
	=====	=====		

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

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principles, and should not be considered as an alternative to such measurements as an indicator of the Company's performance. See "Statement of Cash Flows" above for a discussion of net cash provided by operating activities.

Operating Results by Business Segment

Domestic Cable Communications

The following table sets forth the operating results for the Company's domestic cable communications segment (dollars in millions):

	Nine Months Ended September 30,		\$	Increase	
	1998	1997			%
Service income.....	\$1,681.2	\$1,537.0	\$144.2		9.4%
Operating, selling, general and administrative expenses.....	878.7	812.4	66.3		8.2
	-----	-----	-----		
Operating income before depreciation and amortization (a).....	\$802.5	\$724.6	\$77.9		10.8%
	=====	=====	=====		
	Three Months Ended September 30,			Increase	
	1998	1997	\$		%
Service income.....	\$571.7	\$515.1	\$56.6		11.0%
Operating, selling, general and administrative expenses.....	294.5	267.2	27.3		10.2
	-----	-----	-----		
Operating income before depreciation and amortization (a).....	\$277.2	\$247.9	\$29.3		11.8%
	=====	=====	=====		

(a) See footnote (1) on page 17.

Of the respective \$144.2 million and \$56.6 million increases in service income for the nine and three month periods from 1997 to 1998, \$20.0 million and \$10.1 million is attributable to the effects of the acquisitions of cable communications systems, \$24.8 million and \$7.7 million are attributable to subscriber growth, \$79.0 million and \$28.8 million relate to changes in rates, \$14.1 million and \$4.8 million are attributable to growth in cable advertising sales and \$6.3 million and \$5.2 million relate to other product offerings.

Of the respective \$66.3 million and \$27.3 million increases in operating, selling, general and administrative expenses for the nine and three months period from 1997 to 1998, \$10.7 million and \$5.3 million is attributable to the effects of the acquisitions of cable communications systems, \$36.5 million and \$14.1 million are attributable to increases in the costs of cable programming as a result of changes in rates, subscriber growth and additional channel offerings, \$5.8 million and \$2.2 million are attributable to growth in advertising sales and \$13.3 million and \$5.7 million result from increases in the cost of labor, other volume related expenses and costs associated with new product offerings. It is anticipated that the Company's cost of cable programming will increase in the future as cable programming rates increase and additional sources of cable programming become available.

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Electronic Retailing

The following table sets forth the operating results for the Company's electronic retailing segment, consisting of the operations of QVC, Inc. and its subsidiaries ("QVC"), a majority owned and controlled subsidiary of the Company (dollars in millions):

	Nine Months Ended September 30,		Increase	
	1998	1997	\$	%
Net sales.....	\$1,648.5	\$1,438.0	\$210.5	14.6%
Cost of goods sold.....	997.6	869.9	127.7	14.7
Operating, selling, general and administrative expenses.....	359.3	337.2	22.1	6.6
	-----	-----	-----	
Operating income before depreciation and amortization (a).....	\$291.6	\$230.9	\$60.7	26.3%
	=====	=====	=====	
Gross margin.....	39.5%	39.5%		
	=====	=====		
	Three Months Ended September 30,		Increase	
	1998	1997	\$	%
Net sales.....	\$573.9	\$490.6	\$83.3	17.0%
Cost of goods sold.....	345.2	298.1	47.1	15.8
Operating, selling, general and administrative expenses.....	124.9	116.2	8.7	7.5
	-----	-----	-----	
Operating income before depreciation and amortization (a).....	\$103.8	\$76.3	\$27.5	36.0%
	=====	=====	=====	
Gross margin.....	39.9%	39.2%		
	=====	=====		

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(a) See footnote (1) on page 17.

The respective increases in net sales of \$210.5 million and \$83.3 million for the nine and three month periods from 1997 to 1998 are due to the effects of 6.2% and 4.3% increases in the average number of homes receiving QVC services in the United States ("US"), increases in net sales per home and 12.5% and 11.0% increases in the average number of homes receiving QVC services in the United Kingdom.

The increases in cost of goods sold are primarily related to the growth in net sales.

Of the \$22.1 million increase in operating, selling, general and administrative expenses for the nine month period from 1997 to 1998, \$21.4 million is attributable to higher variable costs associated with the increase in sales volume. The remaining increase is attributable to personnel and facilities based costs associated with Studio Park, QVC's new production, studio and administrative facility which was opened in the third quarter of 1997 and expansion in the UK and Germany, partially offset by savings in marketing and promotional costs in the US. Of the \$8.7 million increase in operating, selling, general and administrative expenses for the three month period from 1997 to 1998, \$8.9 million is attributable to higher variable costs associated with the increase in sales volume. The remaining decrease is primarily attributable to reduced marketing and promotional costs in the US.

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Cellular Communications

The following table sets forth the operating results for the Company's cellular communications segment (dollars in millions):

	Nine Months Ended September 30,		Increase/ (Decrease)	
	1998	1997	\$	%
Service income.....	\$338.0	\$335.4	\$2.6	0.8%
Operating, selling, general and administrative expenses.....	201.9	195.4	6.5	3.3
	-----	-----	-----	
Operating income before depreciation and amortization (a).....	\$136.1	\$140.0	(\$3.9)	(2.8%)
	=====	=====	=====	
	Three Months Ended September 30,		Increase/ (Decrease)	
	1998	1997	\$	%
Service income.....	\$116.7	\$115.1	\$1.6	1.4%
Operating, selling, general and administrative expenses.....	69.3	63.7	5.6	8.8
	-----	-----	-----	
Operating income before depreciation and amortization (a).....	\$47.4	\$51.4	(\$4.0)	(7.8%)
	=====	=====	=====	

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(a) See footnote (1) on page 17.

Service income increased by \$2.6 million and \$1.6 million for the nine and three month periods from 1997 to 1998, as subscriber growth was offset, in part, by the effects of increased use of promotional and free minute plans offered to subscribers. These plans generally have higher access fees and increase the minutes of use per subscriber while lowering the average rate per minute of use.

The respective \$6.5 million and \$5.6 million increases in operating, selling, general and administrative expenses for the nine and three month periods from 1997 to 1998 are primarily the result of increases in commission costs associated with more gross sales in 1998.

Consolidated Analysis

The respective \$65.6 million and \$18.3 million increases in depreciation expense for the nine and three month periods from 1997 to 1998 are primarily attributable to the effects of capital expenditures, increased losses on asset disposals in connection with the Company's domestic cable communications rebuild activities, the consolidation of Comcast-Spectacor and the acquisition of cable communications systems.

The respective \$28.1 million and \$11.4 million increases in amortization expense for the nine and three month periods from 1997 to 1998 are primarily attributable to the effects of the consolidation of Comcast-Spectacor.

The \$14.5 million increase in interest expense for the nine month period from 1997 to 1998 is attributable to the effects of capitalized interest associated with the Company's investment in Sprint PCS during the nine months ended September 30, 1997, the consolidation of Comcast-Spectacor, the E! Acquisition and an increase in the Company's effective weighted average interest rate, offset, in part, by lower levels of debt outstanding. The Company anticipates that, for the foreseeable future, interest expense will be a significant cost to the Company and will have a significant adverse effect on the Company's ability to realize net earnings. The Company believes it will continue to be able to meet its obligations through its ability both to generate operating income before depreciation and amortization and to obtain external financing.

In January 1998, AT&T Corp. ("AT&T") entered into a definitive merger agreement with Teleport Communications Group Inc. ("TCGI"). Upon closing of the merger on July 23, 1998, the Company received 24.2 million shares of unregistered AT&T common stock in exchange (the "Exchange") for 25.6 million shares of TCGI Class B common stock held by the Company. As a result of the Exchange, the Company recognized a pre-tax gain of \$1.092 billion during the

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nine and three months ended September 30, 1998, representing the difference between the fair value of the AT&T stock received and the Company's basis in TCGI. Such gain is included in investment income in the Company's condensed consolidated statement of operations and accumulated deficit.

During the nine and three months ended September 30, 1998, the Company recorded a pre-tax loss of \$91.2 million on certain of its investments based on a decline in value that is considered other than temporary. Such pre-tax loss is included in investment income in the Company's condensed consolidated statement of operations and accumulated deficit.

In March 1998, the Company sold call options relating to its unrestricted equity investments in Tele-Communications, Inc. ("TCI"), TCI Ventures Group, Inc. and Liberty Media Group common stock (together, the "TCI Stock") for \$20.7 million. Such call options expire between March and September 1999. During the nine and three months ended September 30, 1998, the Company recorded pre-tax investment (expense) income of (\$32.1) million and \$8.1 million, respectively, related to changes in the value of the call options. In addition, as of September 30, 1998, the Company recorded net unrealized gains (losses) of \$47.9 million and (\$5.2) million related to the TCI Stock, net of deferred income tax expense (benefit) of \$25.8 million and (\$2.8) million, to its condensed consolidated balance sheet, representing the increase in fair value of the TCI Stock during the nine and three months ended September 30, 1998, respectively.

During the first quarter of 1997 the Company received 2.76 million shares of TCGI Class A Stock from TCGI in exchange for the Company's shares of an alternate access provider. In May 1997, the Company sold all of its shares of TCGI Class A Stock for \$68.9 million and recognized a pre-tax gain of \$68.9 million. In February 1997, the Company sold options to acquire 25.0 million shares of Nextel Communications, Inc. ("Nextel") common stock to Nextel for \$25.0 million and recognized a pre-tax gain of \$5.0 million. In January 1997, the Company sold 1.27 million shares of Time Warner, Inc. ("Time Warner") common stock, representing the Company's entire interest in Time Warner, for \$48.6 million and recognized a pre-tax loss of \$3.8 million. Such pre-tax gains and pre-tax loss are included in investment income in the Company's condensed consolidated statement of operations and accumulated deficit.

The \$128.2 million and \$22.4 million increases in equity in net losses of affiliates for the nine and three month periods from 1997 to 1998 are primarily due to the effects of increased losses incurred by Sprint PCS (see Note 4 to the Company's condensed consolidated financial statements included in Item 1).

In April 1998, in connection with an acquisition, TCGI issued 16.3 million shares of its Class A Common Stock (the "TCGI Acquisition"). In November 1997, TCGI filed a registration statement with the Securities and Exchange Commission to sell 7.3 million shares of TCGI Class A Stock (the "TCGI Offering"). As a result of the TCGI Acquisition and the TCGI Offering, the Company recognized a \$157.8 million and \$98.2 million increase in its proportionate share of TCGI's net assets as a gain from equity offering of affiliate for the nine and three months ended September 30, 1998, respectively. The Company records its proportionate share of TCGI's net losses one quarter in arrears.

The fluctuations in other (income) expense for the nine and three month periods from 1997 to 1998 are primarily attributable to the effects of fluctuations in the foreign currency exchange rate.

The \$263.9 million and \$300.5 million increases in income tax expense for the nine and three month periods from 1997 to 1998 are primarily the result of the effects of changes in the Company's income before taxes and minority interest, and non-deductible foreign losses and non-deductible equity in net losses of affiliates.

The \$22.5 million and \$21.9 million decreases in minority interest for the nine and three month periods from 1997 to 1998 are primarily attributable to the effects of changes in the net income (loss) of QVC and Comcast UK Cable, the consolidation of Comcast-Spectacor and the E! Acquisition.

In connection with the redemption of certain indebtedness, the Company expensed unamortized debt acquisition costs and incurred debt extinguishment costs of \$4.7 million, resulting in an extraordinary loss, net of tax, of \$3.0 million or \$0.01 per common share during the nine and three months ended September 30, 1998. In connection with the refinancing of certain subsidiaries' indebtedness and the redemption of debt, the Company expensed unamortized debt acquisition costs and incurred debt extinguishment costs of \$39.8 million and \$4.7 million, resulting in an extraordinary loss, net

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of tax, of \$25.9 million or \$.08 per common share and \$3.1 million or \$.01 per common share during the nine and three months ended September 30, 1997, respectively. For the nine and three months ended September 30, 1998 and 1997, the Company's earnings (net income (loss) plus income tax expense (benefit), equity in net losses of affiliates, fixed charges (interest expense) and extraordinary items) were \$1.645 billion, \$555.7 million, \$1.280 billion and \$186.2 million, respectively. Such earnings were adequate to cover the Company's fixed charges (including interest capitalized of \$18.0 million for the nine months ended September 30, 1997) of \$437.3 million, \$440.8 million, \$145.4 million and \$143.9 million for the nine and three months ended September 30, 1998 and 1997, respectively. Fixed charges include non-cash interest expense, net of interest capitalized, of \$37.4 million, \$42.7 million, \$11.3 million and \$13.8 million for the nine and three months ended September 30, 1998 and 1997, respectively.

The Company believes that its losses will not significantly affect the performance of its normal business activities because of its existing cash, cash equivalents, short-term investments and investments, available for sale, its ability to generate operating income before depreciation and amortization and its ability to obtain external financing.

The Company believes that its operations are not materially affected by inflation.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

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

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

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

10.1* Compensation and Deferred Compensation Agreement by and between Comcast Corporation and Ralph J. Roberts (as amended and restated effective August 31, 1998).

27.1 Financial Data Schedule.

(b) Reports on Form 8-K:

(i) Comcast Corporation ("Comcast") filed a Current Report on Form 8-K under Item 5 on September 17, 1998 relating to its determination that it would contribute, via a capital contribution to its wholly owned subsidiary, Comcast Cable Communications, Inc., all of the shares in Jones Intercable, Inc. to be acquired by Comcast from BCI Telecom Holding and affiliates of Glenn R. Jones in transactions previously announced by Comcast.

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* Constitutes a management contract or compensatory plan or arrangement.

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SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COMCAST CORPORATION

/S/ LAWRENCE S. SMITH

Lawrence S. Smith
Executive Vice President
(Principal Accounting Officer)

Date: November 16, 1998

AGREEMENT amended and restated as of the 31st day of August, 1998 by and between COMCAST CORPORATION, a Pennsylvania corporation (the "Company," as further defined in Section 12), and RALPH J. ROBERTS ("Roberts").

R E C I T A L S

WHEREAS, Roberts has been employed by the Company since he founded the Company in 1969 and is currently Chairman of the Board of Directors; and

WHEREAS, Roberts and the Company entered into a Compensation and Deferred Compensation Agreement and Stock Appreciation Bonus Plan, as of September 9, 1993, as amended and restated March 16, 1994 (the "1993 Agreement"), which was approved by the Company's shareholders on June 22, 1994; and

WHEREAS, certain employment and compensation terms of the 1993 Agreement expired on December 31, 1997; and

WHEREAS, the Company's Board of Directors (the "Board") as well as the Board's Compensation Committee (the "Compensation Committee") and its Subcommittee on Performance-Based Compensation (the "Subcommittee") recognize that Roberts' contribution to the growth and success of the Company has continued to be substantial throughout the term of the 1993 Agreement and that without his continued leadership and vision the Company would not have achieved and maintained its current preeminent status in the cable television and cellular communications industries nor would the Company have achieved its performance levels or successfully consummated the many strategic transactions that have closed during the term of the 1993 Agreement; and

WHEREAS, the Board desires to assure the Company of Roberts' continued employment in an executive or consultative capacity and to compensate him therefor; and

WHEREAS, the Company's shareholders approved a 1996 Executive Cash Bonus Plan on June 18, 1997 (the "Cash Bonus Plan"); and

WHEREAS, the Board has established the Subcommittee as a subcommittee of its Compensation Committee comprised of two outside directors and which has the responsibility for establishing the criteria for the payment of performance-based compensation to Roberts and the Company's other senior executive officers; and

WHEREAS, Roberts is currently a participant in the Company's 1992 Executive Split Dollar Insurance Plan (the "1992 Split-Dollar Plan") and its 1994 Executive Split Dollar Insurance Plan (together, the "1992 and 1994 Split-Dollar Plans"), each of which provides a death benefit to the Roberts family following the death of the last survivor of Roberts and his spouse and a repayment of all amounts advanced by the Company on behalf of Roberts and his spouse for the purpose of assisting Roberts to maintain in force the life insurance policies issued thereunder; and

WHEREAS, in accordance with the 1993 Agreement, the Company has increased the life insurance protection provided for the Roberts family pursuant to the 1992 Split-Dollar Plan; and

WHEREAS, in the 1993 Agreement the Company also agreed to extend its premium payment obligations under the 1992 Split-Dollar Plan until the death of the survivor of Roberts and his spouse and to pay an additional annual bonus until the death of their survivor in an amount that takes into account the owner's share of the applicable insurance premiums and the income and gift taxes attributable thereto; and

WHEREAS, Roberts and the Company have entered into a 1996 Split-Dollar Life Insurance Agreement (the "1996 Split-Dollar Agreement"), which provides a death benefit to the Roberts family following Roberts' death and a repayment of all amounts advanced by the Company on behalf of Roberts for the purpose of assisting Roberts to maintain in force the life insurance policies issued thereunder; and

WHEREAS, Roberts, in preference to other forms of compensation and incentive compensation, wishes to provide additional life insurance protection for his family following the death of the last survivor of Roberts and his spouse and the Committee has determined that it would be in the Company's best interests to provide such additional protection; and

WHEREAS, in order to provide this additional insurance protection Roberts and the Compensation Committee, upon receiving the advice of management compensation consulting firms, have agreed that the Company will increase the insurance protection for the Roberts family under a split-dollar arrangement pursuant to which it will (a) continue its current practice of providing an additional bonus to Roberts (and his surviving spouse, if any) with respect to the portion of the premiums payable by the owner of the insurance policies and (b) provide that such additional bonus shall also take into account the income and gift taxes payable on such bonus; and

WHEREAS, Roberts and the Company desire to amend the 1993 Agreement in order to replace certain tax gross-up bonuses contained therein (relating to options owned by Roberts on Class B Common Stock of the Company) with a death benefit in a fixed amount; and

WHEREAS, Roberts and the Company wish to confirm their other continuing rights and obligations under all of their existing agreements, including the 1993 Agreement; and

WHEREAS, Roberts 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 agree as follows:

1. Continued Service to the Company; Effect of Service Period Termination.

1.1 The Company hereby agrees to retain Roberts and Roberts hereby agrees to continue to serve the Company, on the terms and conditions set forth herein, for a term commencing on the date hereof and expiring on December 31, 2002 (unless Roberts' services are sooner terminated as hereinafter set forth) (the "Service Period").

1.2 Except as specifically provided herein, the termination of Roberts' services under Section 4 shall not affect the parties' continuing rights and obligations under this Agreement. As more specifically provided in Sections 6, 13 and 23.1 hereof, the termination of Roberts' services under Section 4 also shall not affect the Company's continuing obligations under the 1993 Agreement and the other Pre-Existing Agreements (as defined in Section 6).

2. Position and Duties. During the Service Period:

2.1 Roberts shall serve as the Chairman of the Board, or such other officer position as agreed to by Roberts and the Company (unless he chooses to withdraw from such position in connection with his making a Consultant Election described in Section 3.2), and, in such position, he shall have such powers and duties as may from time to time be prescribed by the Board in accordance with Section 4-6 of the Company's By-Laws.

2.2 As long as Roberts retains his executive status, he shall continue to devote substantially all of his working time and effort to the business and affairs of the Company. It is recognized that Roberts has outside interests, including, but not limited to, serving as a director

on the boards of other corporations and that Roberts may devote a reasonable amount of time to such outside interests.

2.3 Roberts may at any time, upon thirty (30) days notice to the Company, elect to change his position from that of an executive to that of consultant to the Company, without any executive duties. Such an election shall be referred to as the "Consultant Election." If Roberts makes the Consultant Election, he shall thereafter devote such time as may be necessary for the performance of those duties which are reasonably requested by the Company.

2.4 In connection with his service as an executive or a consultant to the Company, Roberts shall be based at the Company's principal executive offices in the Delaware Valley.

2.5 The provisions of this Section 2 shall not prevent Roberts from investing his assets in such form and manner as he chooses; provided, however, that Roberts shall not have any personal interest, direct or indirect (other than through the Company or its subsidiaries), financial or otherwise, in any supplier to, buyer from, or competitor of the Company unless such interest is, or arises solely from ownership of, less than two percent (2%) of the outstanding capital stock of such supplier, buyer or competitor and such capital stock is available to the general public through trading on any national, regional or over-the-counter securities market.

3. Compensation and Related Matters.

3.1 Base Payment. For each full year included in the Service Period the Company shall pay Roberts a base payment ("Base Payment") for all services to be rendered each year by Roberts as an executive or a consultant hereunder of One Million Dollars (\$1,000,000) per annum (less appropriate deductions), payable in installments at such times as the Company customarily pays its senior executive officers (but in any event no less often than

monthly). Effective as of each January 1 (beginning in 1999) or such other date as may be determined by the Compensation Committee, the Compensation Committee shall adjust Roberts' Base Payment in order to reflect the greater of (i) increases subsequent to 1997 in the Consumer Price Index for all urban consumers published by the United States Department of Labor or (ii) the average percentage increase in the base compensation of the five (5) employees of the Company having the highest base compensation (other than Roberts) for the preceding year. Once established at an increased annual rate, Roberts' Base Payment hereunder shall not thereafter be reduced unless such reduction is pursuant to an overall plan to reduce the salaries of all the senior executive officers of the Company.

3.2 Performance-Based Compensation under Cash Bonus Plan. For each full year in the Service Period during which Roberts remains an executive of the Company, he shall be entitled to an annual performance-based cash bonus ("Cash Bonus") of up to fifty percent (50%) of the Base Payment, determined in accordance with, and upon satisfaction of, the performance-based standards contained in the Cash Bonus Plan.

3.3 Expenses. During the Service Period, Roberts shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by him (in accordance with the policies and procedures established from time to time by the Board for its senior executive officers) in performing services hereunder, provided that Roberts properly accounts therefor in accordance with Company policy.

3.4 1997/1998 Split-Dollar Agreement. The Company shall assist in providing additional survivorship life insurance protection for the benefit of the Roberts family in accordance with the terms of a separate split-dollar insurance agreement executed by the Company and Roberts (the "1997/1998 Split-Dollar Agreement"), which in all material respects

is similar to the form of agreement attached hereto as Appendix A. The additional insurance shall provide the survivorship life insurance protection to the Roberts family which is shown on Schedule A attached to the form of agreement. This increase in insurance protection shall in no way affect the obligation to repay to the Company all loans which it has advanced and will advance in the future pursuant to the Split-Dollar Arrangements (as defined in Section 3.10.1(i)). In the event the additional insurance required hereunder is unavailable, or in the event the terms on which it may be available become too onerous, in the mutual determination of the Company and Roberts, the Company shall satisfy the obligations contained in this Section 3.4 by providing cash benefits or other valuable consideration, acceptable in amount and form to Roberts.

3.5 Other Benefits. Except as otherwise specifically provided herein, Roberts shall continue to be eligible to participate in all employee benefit plans and arrangements in effect on the date of this Agreement and shall continue to obtain benefits thereunder, including, without limitation, each plan or program for key executives, each bonus plan, savings and profit sharing plan, supplemental pension and retirement plan, stock ownership plan, stock purchase plan, stock option plan, life insurance plan, medical insurance plan, disability plan, dental plan and health-and-accident plan. Except as otherwise provided herein or as required by law, the Company shall not make any changes in any such employee benefit plans or arrangements which would adversely affect Roberts' rights or benefits thereunder, unless such change occurs pursuant to a program applicable to all executives of the Company and does not result in a proportionately greater reduction in the rights of or benefits to Roberts as compared with any executive of the Company. Roberts shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement made available by the Company in the future to its most senior executives and key management employees, subject to and on a basis consistent with the terms,

conditions and overall administration of such plan or arrangement. No amount paid to Roberts under any plan or arrangement presently in effect or made available in the future shall be deemed to be in lieu of the annual Base Payment payable to Roberts pursuant to Section 3.1. In the event any benefit provided for in this Section 3.5 is not able to be granted to Roberts because he has become a consultant to the Company, the Company will provide Roberts with benefits having comparable benefits and value on an after-tax basis.

3.6 Vacations. Roberts shall be entitled to not fewer than the same number of paid vacation days in each calendar year as he is currently entitled. Roberts shall also be entitled to all paid holidays given by the Company to its senior executive officers.

3.7 Perquisites. So long as he serves as Chairman of the Board or other officer position, Roberts shall be entitled to continue to receive the perquisites and fringe benefits appertaining to the office of the Chairman of the Board in accordance with the Company's present practice.

3.8 Deferred Compensation. As long as Roberts and the Company so agree in writing prior to December 31 of any calendar year (or such earlier date as may be required by the Company's 1996 Deferred Compensation Plan), and to the extent so agreed, the payment of all or any portion of the compensation payable to Roberts in the next following calendar year (including, without limitation, (i) any tax grossed-up bonus payable to Roberts to cover the owner's share of the life insurance premiums subject to the Split-Dollar Arrangements (as defined in Section 3.10.1(i)), and (ii) any compensation payable in such year by reason of having been deferred from a prior year pursuant to an election made prior to June 30 of the year prior to the year of distribution in accordance with Section 3.6.2 of the 1996 Deferred Compensation Plan) shall be deferred to a subsequent calendar year selected by Roberts and agreed to by the

Company. Once a deferral has been agreed to pursuant to this Section 3.8, the deferred amount shall be subject to the same terms and conditions as apply to deferrals under the Company's 1996 Deferred Compensation Plan, including, without limitation, the crediting of interest.

3.9 Supplemental Executive Retirement Plan. In lieu of the Cash Bonus provided in Section 3.2, if Roberts becomes a consultant to the Company, his employment with the Company will terminate on the day before becoming a consultant for purposes of determining his entitlement to a Normal Retirement Pension under Article III of the Company's Supplemental Executive Retirement Plan adopted by the Company on July 31, 1989 (the "SERP"). Each year thereafter the amount of Roberts' Normal Retirement Pension shall be recalculated by adjusting the amount of his final average compensation to take into account one hundred fifty percent (150%) of the amount he has received from the Company for the year as compensation for performing his duties as a consultant under Section 2 of this Agreement; provided, however, that the benefit payable under the SERP for any calendar year shall not exceed the maximum Cash Bonus that Roberts could have received for that year if he had remained an executive for the entire year. For purposes of the definition of final average compensation in Section 2.8 of the SERP, the date on which Roberts ceases to perform any duties as an executive or a consultant under Section 2 of this Agreement shall be considered his termination of employment date. In the event Roberts dies while a consultant for the Company: (i) his surviving spouse shall be entitled to receive an annual death benefit for her lifetime equal to one hundred percent (100%) of the annual pension Roberts was receiving immediately prior to his death; and (ii) for purposes of Sections 7.2 and 7.4 (relating to the payment of benefits to an executive's surviving spouse, Roberts' death shall be treated as having occurred before the

commencement of his Normal Retirement Pension (as defined therein) while employed by the Company.

3.10 Funding of Trust.

3.10.1 Prior to the occurrence of a "Change of Control" (as hereinafter defined), the Company shall establish a grantor trust (the "Trust"), the terms of which shall be consistent with the requirements applicable under the Code in order to avoid the constructive receipt of the assets held in the Trust by Roberts or his family. The trust document for the Trust shall be in a form that is satisfactory to both the Company and Roberts, and may, but need not, be in substantially the same form as the model trust agreement published by the Internal Revenue Service in Revenue Procedure 92-64. The trustee of the Trust shall be such person or institution acceptable both to the Company and Roberts. The Company shall contribute such amounts in cash or such assets as it deems appropriate for the purpose of funding the deferred compensation and/or death benefits payable under the terms of this Agreement and such other deferred compensation or insurance plans or arrangements that may be in effect. Upon the occurrence of a Change of Control, the Trust, if not already irrevocable, shall become irrevocable. In addition, upon the occurrence of a Change of Control, the Company shall be required to contribute to the Trust an amount equal to the present value of:

(i) the portion of the remaining premiums that the Company is obligated to pay until the death of the survivor of Roberts and his spouse to each insurance company that has issued a policy providing a death benefit to the Roberts family in connection with a split dollar insurance plan or agreement between the Company and Roberts, including but not limited to the 1992 and 1994 Split-Dollar Plans, the applicable provisions of the 1993 Agreement, the 1996 Split-Dollar Agreement, the 1997/1998 Split-Dollar Agreement and this

Agreement, including Section 7 hereof (individually, a "Split-Dollar Arrangement"; collectively, the "Split-Dollar Arrangements");

(ii) the bonuses and tax grossed-up amounts that the Company is obligated to pay to Roberts or his surviving spouse pursuant to the split dollar insurance plans and agreements between the Company and Roberts, including but not limited to the Split-Dollar Arrangements; and

(iii) all deferred compensation benefits payable to Roberts under the terms of any nonqualified deferred compensation arrangement in which Roberts is a participant, including, but not limited to, the Company's 1996 Deferred Compensation Plan, the SERP and this Agreement, including Sections 3.4 (in the event additional insurance is unavailable), 3.8 and 3.9 hereof (collectively, the "Deferred Compensation Arrangements"); and

(iv) the Death Benefit provided in Section 3.11 hereof; where for this purpose the present value shall be calculated using the actuarial lives provided under standard mortality tables and a discount factor equal to the then current yield to maturity on ten (10) year obligations of the Treasury of the United States.

3.10.2 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 above until all such benefits have been fully paid, at which time the Trust may be terminated and any remaining assets 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.

3.10.3 For purposes of this Agreement, a "Change of Control" shall be deemed to have occurred on the date that persons other than 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.

3.11 Supplemental Death Benefit. In addition to the other payments provided or referred to herein, in the event of Roberts' death during the term of this Agreement or thereafter the Company shall pay a supplemental death benefit of Thirty Million Dollars (\$30,000,000) to Roberts' personal representatives within six (6) months following Roberts' date of death (the "Death Benefit").

4. Termination. Roberts' services hereunder may be terminated without any breach of this Agreement only under the following circumstances:

4.1 Death. Roberts' services hereunder shall terminate upon his death.

4.2 Disability. If, as a result of Roberts' incapacity due to physical or mental illness, Roberts shall have been absent from his duties hereunder for one hundred eighty (180) consecutive calendar days, and within thirty (30) days after written notice of termination is given (which may occur before or after the end of such 180 day period), shall not have returned to the performance of his duties hereunder on the basis provided for in Sections 1 and 2 hereof, the Company may terminate Roberts' services hereunder.

4.3 Cause. The Company may terminate Roberts' services hereunder for Cause. For purposes of this Agreement, the Company shall have "Cause" to terminate Roberts' services hereunder at any time prior to, but not after, a Change of Control, as defined in Section 3.10.3, upon (A) the willful and continued failure by Roberts to substantially perform his duties hereunder or to comply with the provisions of the Company's Code of Ethics and Business Conduct (other than a failure resulting from Roberts' incapacity due to physical or mental illness) for a period of sixty (60) days after demand for substantial performance or compliance is delivered by the Company specifically identifying the manner in which the Company believes Roberts has not substantially performed his duties or has not complied, or (B) the willful engaging by Roberts in misconduct which is materially injurious to the Company, monetarily or otherwise, or (C) the willful breach by Roberts either during or after the Service Period of any material provision of this Agreement, including, but not limited to, Sections 8, 9 and 10 hereof. For purposes of this paragraph, no act, or failure to act, on Roberts' part shall be considered "willful" 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 interest of the Company. Notwithstanding the foregoing, Roberts shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to Roberts a copy of a resolution, duly adopted by the affirmative vote of not less than two-thirds of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to Roberts and an opportunity for him, together with his counsel, to be heard before the Board), finding that in the good faith opinion of the Board Roberts was guilty of conduct set forth above in clause (A), (B), or (C) of the preceding sentence, and specifying the particulars thereof in detail.

4.4 Notice of Termination. Any termination of Roberts' services by the Company shall be communicated by written Notice of Termination to Roberts. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Roberts' services under the provision so indicated.

4.5 Date of Termination. "Date of Termination" shall mean (i) if Roberts' services are terminated by his death, the date of his death, (ii) if Roberts' services are terminated pursuant to Section 4.2, hereof, thirty (30) days after Notice of Termination is given (provided that Roberts shall not have returned to the performance of his duties on the basis provided for in Section 2 hereof during such thirty (30) day period) or (iii) if Roberts' services are terminated pursuant to Section 4.3 hereof, the date specified in the Notice of Termination; provided that if within thirty (30) days after a Notice of Termination is given the party receiving such Notice of Termination notifies the other party that a dispute exists concerning 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 Upon Termination Due to Death or During Disability.

5.1 If during the Service Period Roberts' services as an executive or a consultant shall be terminated by reason of his death, the Company shall continue to pay to Roberts' surviving spouse, if any, Roberts' then Base Payment, on a monthly basis for a period of five (5) years, provided that the payments to Roberts' surviving spouse shall cease with the

payment due immediately following her death. This death benefit shall be in addition to (x) the Company's obligation to provide to Roberts' spouse during her lifetime all health plan benefits which are available from time to time to the Company's highest paid employee, and (y) any other payments Roberts' spouse, beneficiaries or estate may be entitled to receive pursuant to this Agreement (including, but not limited to, Roberts' Cash Bonus with respect to any period then ended which would have accrued to him on the basis of the Company's performance but which has not yet been paid (the "Accrued Cash Bonus") and the Death Benefit provided in Section 3.11), as well as under any Deferred Compensation Arrangements, Split-Dollar Arrangements or any other pension or employee benefit plans (collectively these arrangements and plans shall be referred to herein as the "Benefit Plans").

5.2 During any period that Roberts fails to perform his duties hereunder as a result of incapacity due to physical or mental illness, Roberts shall continue to receive his Base Payment until his services are terminated pursuant to Section 4.2 hereof or until the end of the Service Period, whichever occurs first, as well as any other payments he may be entitled to receive pursuant to this Agreement (including, but not limited to, his Accrued Cash Bonus) or any Benefit Plans. After termination pursuant to Section 4.2 hereof, Roberts shall be paid for five (5) years, on a monthly basis, an annual amount equal to his Base Payment at the rate in effect at the time the Notice of Termination is given, as well as any other amounts he may be entitled to receive pursuant to this Agreement or any Benefit Plans. In the event Roberts dies before the end of the five (5) year payment period, his surviving spouse, if any, shall be entitled to receive (i) the remaining payments for the period as a death benefit, provided that these payments shall cease with the payment due immediately following her death; and (ii) all benefits described in the last sentence of Section 5.1 hereof, as if Roberts' services had been terminated

by reason of his death. The provisions of the preceding sentence shall not alter or detract from any other payments that Roberts' surviving spouse, beneficiaries or estate may be entitled to receive pursuant to this Agreement (including, but not limited to, the Death Benefit provided in Section 3.11) or any Benefit Plans.

5.3 If Roberts' services shall be terminated for Cause, the Company shall pay Roberts his Base Payment due through the Date of Termination at the rate in effect at the time the Notice of Termination is given and the Company shall have no further obligation to Roberts under this Agreement, including, but not limited to, the obligation to make the payments provided for in Sections 3 and 7 hereof.

5.4 If, in breach of this Agreement, the Company shall terminate Roberts' services other than pursuant to Section 4.2 or 4.3 hereof (it being understood that a purported termination pursuant to Section 4.2 or 4.3 hereof which is disputed and finally determined not to have been proper shall be a termination by the Company in breach of this Agreement), then,

(i) the Company shall pay Roberts his Base Payment through the Date of Termination at the rate in effect at the time the Notice of Termination is given as well as any other amount, including his Cash Bonus, with respect to any period then ended which would have accrued to Roberts on the basis of the Company's performance but which has not yet been paid to him;

(ii) subsequent to the Date of Termination, the Company shall pay as severance pay to Roberts on a monthly basis (or, in the case of his Cash Bonus, on the basis provided in the Cash Bonus Plan) for the remaining Service Period an annual amount equal to Roberts' Base Payment at the highest annual rate in effect at any time during the portion of the Service Period immediately preceding the Date of Termination and his Cash Bonus; provided

that: (x) should Roberts die before the end of the Service Period, Roberts' surviving spouse shall be entitled to the death benefit provided in Section 5.1 hereof, and all benefits described in the last sentence of Section 5.1 hereof, as if Roberts' services had been terminated by reason of his death; and (y) the provision of this survivor's benefit shall not alter or detract from any other payments that Roberts' surviving spouse, beneficiaries or estate may be entitled to receive pursuant to this Agreement (including, but not limited to, the Death Benefit provided in Section 3.11) or any Benefit Plans; and

(iii) the Company shall maintain in full force and effect for the continued benefit of Roberts (and for his surviving spouse, as provided in paragraph (ii) above) for the remaining Service Period all (x) health plan benefits available from time to time to the Company's highest paid employee, and (y) employee benefit plans and programs in which Roberts was entitled to participate immediately prior to the Date of Termination, including, without limitation, the Benefit Plans.

5.5 Roberts 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 compensation earned by Roberts as a result of employment by another employer after the Date of Termination, or otherwise.

5.6 Notwithstanding anything herein to the contrary, in the event Roberts' services are terminated on or after the occurrence of a Change of Control, as defined in Section 3.10, such termination shall in no circumstances be treated under the terms of this Agreement as a termination for Cause, and Roberts shall be entitled to the same benefits as are payable with respect to a termination of Roberts' services subject to the provisions of Section 5.4.

6. Pre-Existing Agreements. Roberts has entered into certain agreements with the Company providing for the deferral of income and the maintenance of life insurance protection for the Roberts family, and he is a participant in a supplemental retirement plan and several split-dollar life insurance plans maintained by the Company. Each of these agreements and plans (the "Pre-Existing Agreements") pre-date this Agreement. The parties hereto intend that the Pre-Existing Agreements shall remain in full force and effect and, except as expressly provided in this Agreement, the Company's obligations and liabilities thereunder shall not be affected in any way by the Company and Roberts entering into this Agreement or by the termination of the Service Period.

7. Split-Dollar Arrangements.

7.1 Except as otherwise provided in Section 5.3 (relating to a termination for Cause), during the term of this Agreement and thereafter the Company shall both: (a) pay to Roberts (or his spouse, if she survives him) the bonuses described in Section 7.2 hereof, until the death of the last survivor of Roberts and his spouse; and (b) satisfy its obligations under the Split-Dollar Arrangements for all benefits granted to Roberts to date or hereunder, cumulatively, including, but not limited to, advancing its share of the annual premiums to the issuers of the insurance policies subject to the Split-Dollar Arrangements (individually, an "Insurance Policy"; collectively, the "Insurance Policies"). The form and amount of death benefit and the method of financing the payment of premiums available to Roberts and his family under the 1992 and 1994 Split-Dollar Plans shall be continued by the Company in a substantially similar manner even if the Company terminates the 1992 and 1994 Split-Dollar Plans with respect to its other senior executive officers.

7.2 The bonus payments referred to in Section 7.1 hereof shall be as follows:

7.2.1 at least thirty (30) days before the annual premium is due for an Insurance Policy (the "Premium") 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 that portion of the Premium which equals the economic benefit of the insurance protection then provided to the owner of the Policy under the Policy and the applicable Split-Dollar Arrangement on the life or lives of such as are then living of Roberts and his spouse. The economic benefit referred to in the preceding sentence shall be the lesser of (i) the P.S. 58 cost for the insurance protection referred to therein (as determined under tables published by the Internal Revenue Service) and modified as appropriate (or, if applicable, as specifically prescribed by the Internal Revenue Service) 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 one-year term life insurance protection available to all standard risks; and

7.2.2 if the Company pays at least one Premium Bonus during a calendar year, then on or before March 15th of the following year the Company shall pay an additional bonus equal to the sum of (x) and (y), where:

(x) equals (i) the product of the aggregate Premium Bonuses paid during such calendar year and the highest marginal income tax rate, (ii) divided by one minus the highest marginal income tax rate, where the term "highest marginal income tax rate" means the sum of the highest marginal combined local, state and federal personal income tax rates (including any state unemployment compensation tax rate, any surtax rate as well as the

Medicare hospital insurance tax rate imposed on employees under the Federal Insurance Contributions Act), as in effect for the calendar year as to which the Premium Bonuses relate, provided that in determining such tax rate the highest marginal state and local income tax rates shall be reduced by such number of percentage points as will give effect to the tax benefit obtained by Roberts (or his surviving spouse, if applicable) in connection with the deduction of state and local income taxes for federal income tax purposes; and

(y) equals (i) the product of the aggregate Premium Bonuses paid during the calendar year and the highest marginal gift tax rate, (ii) divided by one minus the highest marginal income tax rate; provided that for this purpose the term "highest marginal gift tax rate" shall mean the highest tax rate (including any surtax) imposed under Section 2001(c) of the Internal Revenue Code of 1986, as amended (or any successor provision) as applied to gifts made in the calendar year to which the Premium Bonuses relate.

8. Confidential Information. The Company, pursuant to Roberts' 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 Roberts recognizes to be unique assets of the Company's business. Roberts shall not, during or at any time after the Service Period, 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. Roberts 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 Roberts' employment.

9. Prohibited Public Statements and Promotion of Goodwill.

9.1 Roberts shall not, either during or at any time after the termination of his employment, make any public statement (including a private statement reasonably likely to be repeated publicly) reflecting adversely on the Company and its business prospects, except for such statements which during Roberts' employment he may be required to make in the ordinary course of his service as Chairman of the Board.

9.2 For a period of five (5) years following the Service Period or following any termination of Roberts' service hereunder Roberts agrees, that while he is alive and not disabled, he will perform such reasonable ceremonial functions as the Company may request, and will promote the interests and goodwill of the Company in such manner as the Company may reasonably request. Roberts shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by him in performing such functions or duties provided that Roberts properly accounts for such expenses.

10. Noncompetition, Noninterference and Nonsolicitation.

10.1 Subject to the geographic limitation of Section 10.2 hereof, Roberts during the Service Period and for a period of five (5) years following termination of his service 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 service, or which was engaged in or developed by the Company at any time during the Service Period for specific implementation in the immediate future by the Company.

10.2 Roberts 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, Roberts 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 Service Period, or, with respect to Roberts' obligations following termination of his service, at the termination of his service or at any time within the twelve-month period following the effective date of his termination of service.

10.3 Roberts agrees that for a period of five (5) years following termination of service in accordance with this Agreement, Roberts 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 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 service.

10.4 Roberts agrees that for a period of five (5) years following his termination of service in accordance with this Agreement, Roberts will not directly or indirectly, for himself or on behalf of any third party, solicit for business, accept any business from or otherwise do, or contract to do, business 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 Roberts.

11. Equitable Remedies. Roberts acknowledges that his compliance with the covenants in Sections 8, 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 Roberts of the provisions of Section 8, 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, Roberts agrees that, in the event of such violation or threatened violation by Roberts, 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. Roberts further agrees that, in the event any of the provisions of Sections 8, 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.

12. Successors; Related Companies; Binding Agreement.

12.1 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 agreement in form and substance satisfactory to Roberts, 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. 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 Roberts to compensation from the Company in the same amount and on the same terms as he would be entitled to hereunder pursuant to Section 5.4 hereof, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. As used in this Agreement, "Company" shall mean the Company and any successor to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this Section 12 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

12.2 For purposes of Sections 8, 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 Fifty Million Dollars (\$50,000,000). In determining Comcast's equity interest for purposes of this Section 12.2, any equity interest which Comcast has an option to purchase shall be considered as owned by Comcast.

12.3 This Agreement and all rights of Roberts hereunder shall inure to the benefit of and shall be binding upon Roberts' personal or legal representatives, executors,

administrators, successors, heirs, distributees, devisees and legatees. If Roberts 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 Roberts' devisee, legatee, or other designee or, if there be no such designee, to Roberts' estate.

13. Entire Agreement. This Agreement, the provisions of the 1993 Agreement recited in Section 23 hereof, the Pre-Existing Agreements described in Section 6 hereof, and the 1997/1998 Split-Dollar Agreement constitute the full and complete understanding and agreement of Roberts and the Company respecting the subject matter hereof, and supersede all prior understandings and agreements, oral or written, express or implied. This Agreement may not be modified or amended orally but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

14. 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.

15. Actions by Board. The Company is governed by its Board and, accordingly, all references in this Agreement to the actions and discretion of the Company are meant and deemed to refer to the actions and discretion of the Board.

16. 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 certified mail, postage prepaid, addressed as follows:

If to the Company:

35th Floor
1500 Market Street

Philadelphia, Pennsylvania 19102-2148

Attn: Corporate Secretary

If to Roberts, at his last known personal residence.

Any party may change the persons and 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.

17. 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.

18. Nonalienation. Roberts 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 Roberts from designating a beneficiary to receive any benefit payable hereunder upon his death, or the executors, administrators or other legal representatives of Roberts or his estate from assigning any rights hereunder to which they become entitled to the person or persons entitled thereto.

19. Governing Law. This Agreement is entered into and shall be construed in accordance with the internal laws of the Commonwealth of Pennsylvania.

20. Continuation of Covenants. The covenants and agreements of Roberts set forth in Sections 8, 9 and 10 hereof shall survive any termination of services, shall continue thereafter, and shall not expire unless and except as may be expressly set forth in Sections 8, 9 and 10 hereof.

21. 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.

22. Counterparts. This Agreement may be executed in on or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

23. Effect on 1993 Agreement and on Certain Conditions to 1996 Split-Dollar Agreement.

23.1 1993 Agreement.

23.1.1 This Agreement is intended to replace and supersede the 1993 Agreement, except for Sections 3(b), 3(c), 3(e), 3(i), 5, 6, 7, 8 (including, as to Section 8, the definition of "Options" in the Recitals of the 1993 Agreement, which definition is hereby amended to include any and all non-qualified options issued or to be issued subsequent to March 16, 1994) and 13 through 23 thereof, all of which provisions of the 1993 Agreement shall remain in effect (except as amended by Section 23.1.2 below), as well as any other provisions of the 1993 Agreement (to the extent not inconsistent with this Agreement) which are necessary to remain in effect in order to effectuate any or all of the above-referenced provisions.

23.1.2 Notwithstanding anything to the contrary in Section 23.1.1 of this Agreement, Sections 3(b), 3(c), 8(b) and 8(c), as well as the parenthetical clause in the first sentence of Section 3(i), of the 1993 Agreement shall be amended and replaced in full by the provisions of Section 3.11 of this Agreement. The parties hereby agree that the Company shall not pay the Stock Appreciation Bonus provided in Section 3(b) of the 1993 Agreement or the mandatory Tax Grossed-Up Bonus provided in Section 8(b) of the 1993 Agreement following the exercise of any of Roberts' options to purchase shares of Class B Common Stock of the Company.

23.2 Concurrent with approval of this Agreement by the Subcommittee on December 16, 1997, the Subcommittee rescinded the resolutions adopted at its meeting of April 15, 1996 relating to amendment of Roberts' 1996 Split-Dollar Agreement to condition entitlements thereunder on a performance test.

IN WITNESS WHEREOF, the parties have executed this amended and restated Agreement on the dates set forth below.

Attest:

COMCAST CORPORATION

/s/ Stanley Wang
Secretary

By: /s/ Joseph S. Smith August 31, 1998
Title: Executive V.P.

Witness:

/s/ _____

/s/ Ralph J. Roberts August 31, 1998
Ralph J. Roberts

Appendix A

1997/1998 SPLIT-DOLLAR LIFE
INSURANCE AGREEMENT
(as amended and restated effective August 31, 1998)

AGREEMENT amended and restated as of the 31st day of August, 1998, by and among Comcast Corporation, a Pennsylvania corporation (the "Corporation"), Ralph J. Roberts, Sr., an executive of the Corporation (the "Employee"), and Sheldon M. Bonovitz, Trustee U/T/A of Ralph J. and Suzanne F. Roberts, dated January 13, 1998 (the "Owner").

R E C I T A L S

WHEREAS, the Employee has rendered loyal and valuable service to the Corporation; and

WHEREAS, the Employee and the Corporation have previously entered into several split-dollar life insurance agreements in order to provide life insurance protection for the Employee's family; and

WHEREAS, in the Compensation and Deferred Compensation Agreement as of December 16, 1997, as amended and restated effective August 31, 1998 (the "Compensation Agreement"), the Corporation agreed to provide additional life insurance protection for the Employee's family by advancing a portion of the annual premiums for such protection pursuant to a split-dollar life insurance arrangement on the terms and conditions contained herein; and

WHEREAS, the Owner has applied for the additional policies insuring the life of last survivor of the Employee and his spouse listed on Schedule A attached to this Agreement (individually, a "Policy"; collectively, the "Policies") and, upon their issuance, will possess all incidents of ownership in and to the Policies; and

WHEREAS, the parties desire to enter into this split-dollar agreement with respect to the Policies to provide that the Corporation will advance a portion of the annual premiums due on the Policies on the terms and conditions hereinafter set forth, the Owner will collaterally assign the Policies to the Corporation to secure the repayment of the amounts advanced, and the Corporation will have a security interest in the aggregate cash surrender value of the Policies and in the proceeds thereof;

NOW THEREFORE, in consideration of the premises and the mutual promises contained herein and intending to be legally bound, the parties hereby agree as follows:

1. Policies. The parties have taken the actions necessary to cause each insurance company identified on Schedule A (individually, an "Insurer") to issue its Policy to the Owner, and shall take any further action that may be necessary to cause each Policy to conform to the

provisions of this Agreement. The parties agree that each Policy shall be subject to the terms and conditions of this Agreement and of the collateral assignment filed with the Insurer relating to its Policy.

2. Ownership Rights. Except as otherwise provided herein, the Owner shall be the sole and absolute owner of each Policy and may exercise all ownership rights granted to the owner thereunder.

3. Payment of Annual Premiums.

3.1 The Owner shall pay each annual premium for a Policy (a "Premium") on or before its due date or within the grace period provided therefor under the Policy (the "Premium Due Date") as follows:

3.1.1 At least fifteen (15) days before the Premium Due Date, the Owner shall pay the portion of the Premium that would be includable in the gross income of the insured for federal income tax purposes if not paid by the insured (the "Taxable Portion") and shall send evidence of its payment to the Corporation.

3.1.2 Upon receipt of the Owner's evidence of payment, the Corporation promptly shall advance to the Owner the remaining portion of the Premium (the "Remaining Portion"), or in its discretion the Corporation may pay its advance directly to the Insurer.

3.1.3 The obligation of the Corporation to advance the Remaining Portion of a Premium under Section 3.1.2 is conditioned upon the Owner's payment of the Taxable Portion of the Premium under Section 3.1.1.

3.2 The obligation of the Corporation to make the annual payments provided in Section 3.1 hereof shall be governed by Compensation Agreement. Accordingly, if it is determined that the Employee's services are terminated for "Cause" (as defined in Section 4.3 of the Compensation Agreement), the Corporation shall have no further obligation to make payments under Section 3.1 following the Employee's Date of Termination, as determined under Section 4.5 of the Compensation Agreement.

4. Proof of Payment of Advances. The Corporation shall, upon request, promptly furnish the Owner evidence of timely payment of each advance paid directly to the Insurer under Section 3.1.2.

5. Collateral Assignment of Policies. To secure the repayment to the Corporation of the amounts it advances to the Owner under Section 3.1.2, the Owner has, contemporaneously herewith, assigned each Policy to the Corporation as collateral, under instruments which in all material respects are the same as the form attached hereto as Addendum A. The collateral assignment of a Policy to the Corporation hereunder shall not be terminated, altered or amended by the Owner, without the express written consent of the Corporation. The parties hereto agree to take all action necessary to cause each collateral assignment to conform to the provisions of

this Agreement. In the event of any inconsistency between the terms of this Agreement and the terms of a collateral assignment, the terms of this Agreement shall control.

6. Limitation on Policy Disposition. During the period that a collateral assignment of a Policy is in effect, the Owner shall not borrow from, pledge, transfer or assign the Policy and shall not sell, surrender or cancel the Policy, change the beneficiary designation provision or terminate the dividend election without the express written consent of the Corporation, which consent shall not be unreasonably withheld.

7. Policy Proceeds.

7.1 Upon the death of the Employee (or his wife, if she survives him), the Corporation and the Owner shall promptly take all action necessary to obtain the death benefit provided under each Policy.

7.2 The Corporation shall have the unqualified right to receive a portion of each Policy's death benefit equal to the total amount that it advanced with respect to the Policy under Section 3.1.2. The balance of the death benefit, if any, shall be paid directly to the beneficiary or beneficiaries designated by the Owner, in the manner and the amount or amounts provided in the beneficiary designation provision of the Policy. In no event shall the amount payable to the Corporation hereunder with respect to a Policy exceed the amount of the Policy's death benefit. The parties agree that the beneficiary designation provision of each Policy shall conform to the provisions hereof.

8. Termination.

8.1 This Agreement shall terminate, without notice, upon the surrender of the Policies by the Owner with the written consent of the Corporation as provided in Section 6.

8.2 In addition, either the Owner or the Employee may terminate this Agreement by written notice to the other parties hereto at any time that the cash surrender value of each Policy at least equals the total amount that the Corporation has advanced with respect to the Policy under Section 3.1.2. Such termination shall be effective as of the date of such notice. The Corporation may not terminate this Agreement.

9. Release of Policy Collateral.

9.1 For sixty (60) days after the earlier of the date of termination of this Agreement or the date on which the Corporation's payment obligation ceases under Section 3.2 hereof as a result of the termination of the Employee's services for Cause, the Owner shall have the option of obtaining the release of the collateral assignment of each Policy to the Corporation. To obtain such release, the Owner shall pay or cause to be paid to the Corporation an amount equal to the Policy's then cash surrender value. Upon receipt of that payment, the Corporation promptly shall release the collateral assignment of the Policy.

9.2 If the Owner fails to exercise such option within such sixty (60) day period with respect to a Policy, then the Owner shall transfer the Policy to the Corporation. Thereafter, neither the Owner, the Employee, his wife nor their respective heirs, assigns or beneficiaries shall have any further interest in and to the Policy, either under the terms thereof or under this Agreement.

10. Insurer. An Insurer shall be fully discharged from its obligations under a Policy by payment of the Policy death benefit to the beneficiary or beneficiaries named in the Policy, subject to the terms and conditions of the Policy. In no event shall an Insurer be considered a party to this Agreement, or any modification or amendment hereof. No provision of this Agreement, nor of any modification or amendment hereof, shall in any way be construed as enlarging, changing, varying, or in any other way affecting the obligations of an Insurer as expressly provided in the Policy, except insofar as the provisions hereof are made a part of the Policy by the collateral assignment executed by the Owner and filed with the Insurer in connection herewith.

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

12. Succession. This Agreement shall be binding upon and shall inure to the benefit of the Corporation and its successors and assigns, and the Employee, his wife, the Owner and their respective successors, assigns, heirs, executors, administrators and beneficiaries.

13. Notices. Any notice, consent or demand required or permitted to be given under the provisions of this Agreement shall be in writing, and shall be signed by the party giving or making the same. If such notice, consent or demand is mailed to a party hereto, it shall be sent by United States certified mail, postage prepaid, addressed to such party's last known address as shown on the records of the Corporation. The date of such mailing shall be deemed the date of notice, consent or demand.

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

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

16. Trust Agreement. Recognizing that the Owner is a trustee and that the Policies are held in trust, the parties agree that the terms of this Agreement shall control in the event of any inconsistencies between the terms of this Agreement and the terms of any trust agreement.

IN WITNESS WHEREOF, the Corporation has caused the amendment and restatement of this Agreement to be executed by its duly authorized officers and the Employee and the Owner have hereunto set their hands and seals on the dates set forth below.

Attest: COMCAST CORPORATION

By: _____, 1998

Secretary

Title:

Ralph J. Roberts, Sr. _____, 1998

Sheldon M. Bonovitz, Trustee _____, 1998
U/T/A of Ralph J. and Suzanne F.
Roberts, dated January 13, 1998

Schedule A

The following survivorship life insurance policies are subject to this 1997/1998 Split-Dollar Life Insurance Agreement:

Insurer	Policy No.	Initial Face Amount
Phoenix Home Life Mutual Insurance Company	2 745 863	\$ 5,000,000
Phoenix Home Life Mutual Insurance Company	2 751 332	962,000
Phoenix Home Life Mutual Insurance Company	2 751 655	750,000
Massachusetts Mutual Life Insurance Company (formerly Connecticut Mutual)	6,262,844	8,000,000
Massachusetts Mutual Life Insurance Company (formerly Connecticut Mutual)	6,277,777	3,000,000
John Hancock Life Insurance Co.	5700110	5,000,000
The New England Life Insurance Company	1Z002938	8,000,000
Transamerica Occidental Life Insurance Company	60026274	2,000,000

Addendum A

COLLATERAL ASSIGNMENT

A. FOR VALUE RECEIVED the undersigned hereby assigns, transfers and sets over to Comcast Corporation, a Pennsylvania corporation, its successors and assigns (the "Assignee") Policy number policy~ issued by Insurer~ (the "Insurer") and any supplementary contracts issued in connection therewith (together, the "Policy"), upon the life of the survivor of Ralph J. Roberts, Sr. and Suzanne F. Roberts, residents of the Commonwealth of Pennsylvania, and all claims, options, privileges, rights, titles and interests therein and thereunder (except as provided in Paragraph B hereof), subject to all the terms and conditions of the Policy and to all superior liens, if any, which the Insurer may have against the Policy. The undersigned by this instrument agrees and the Assignee by the acceptance of this assignment agrees to the conditions and provisions herein set forth.

B. It is expressly understood and agreed that the Assignee shall have the sole right to collect from the Insurer the net proceeds of the Policy when it becomes a claim by death or maturity and that all other rights under the Policy, including, by way of illustration and not limitation, the right to surrender the Policy, the right to obtain loans or advances on the Policy, the right to designate and change the beneficiary, and the right to elect and to receive dividends, are reserved exclusively to the undersigned and are excluded from this assignment and do not pass by virtue hereof and may be exercised by the undersigned on its sole signature. Nothing herein shall affect funds, if any, now or hereafter held by the Insurer for the purpose of paying premiums under the Policy.

C. This assignment is made and the Policy is to be held as collateral security for any and all liabilities of the undersigned to the Assignee, either now existing or that may hereafter arise under the Insurance Agreement (collectively, the "Liabilities").

D. The Assignee covenants and agrees with the undersigned as follows:

1. That any balance of sums received hereunder from the Insurer remaining after payment of the then existing Liabilities, matured or unmatured, shall be paid by the Assignee to the persons entitled thereto under the terms of the Policy had this assignment not been executed; and

2. That the Assignee shall upon request forward without unreasonable delay to the Insurer the Policy for endorsement for any designation or change of beneficiary or any election of an optional mode of settlement.

E. The Insurer is hereby authorized to recognize the Assignee's claims to rights hereunder without investigating the reason for any action taken by the Assignee after the Policy becomes a claim by death or maturity, including the application to be made by the Assignee of any amounts to be paid to the Assignee. The sole signature of the Assignee shall be sufficient for the exercise of the rights under the Policy assigned hereby and the sole receipt of the Assignee for any sums received shall be a full discharge and release therefor to the Insurer. Checks for all or any part of the sums payable under the Policy and assigned herein, shall be drawn to the exclusive order of the Assignee if, when, and in such amounts as may be, requested by the Assignee.

F. The exercise of any right, option, privilege or power given herein to the Assignee shall be at the option of the Assignee; the Assignee may exercise any such right, option, privilege, or power without notice to, or assent by, or without affecting the liability of, or releasing any interest hereby assigned by, the undersigned.

G. The Assignee may take or release other security, may release any party primarily or secondarily liable for any of the Liabilities, may grant extensions, renewals or indulgences with respect to the Liabilities, or may apply to the Liabilities in such order as the Assignee shall determine, the proceeds of the Policy hereby assigned or any amount received on account of the Policy by the exercise of any right permitted under this assignment, without resorting to other security.

H. The undersigned declares that no proceedings in bankruptcy are pending against it and that its property is not subject to any assignment for the benefit of creditors.

Signed and sealed as of the ____ day of _____.

Witness:

Owner
Sheldon M. Bonovitz, Trustee,
U/T/A of Ralph J. and Suzanne F. Roberts,
dated January 13, 1998

CORPORATION'S CONSENT

As of the _____ day of _____, Comcast Corporation, having reviewed the foregoing collateral assignment, does hereby consent and agree to the terms and conditions therein set forth.

Attest:

COMCAST CORPORATION

By: _____
Title: Secretary

By: _____
Title: _____

This schedule contains summary financial information extracted from the consolidated statement of operations and consolidated balance sheet and is qualified in its entirety by reference to such financial statements.

0000022301
COMCAST CORPORATION
1,000,000

9-MOS		
	DEC-31-1998	
	SEP-30-1998	435
		39
		622
		119
		368
	3,200	4,973
	(1,664)	
	14,366	
	1,678	6,597
	534	32
		369
		1,717
14,366		4,036
	4,036	998
	3,622	
	(842)	
	0	
	437	
	818	
	309	
	553	
	0	
	(3)	0
	550	
	1.45	
	1.32	

Current assets includes investments available for sale of \$1,664.
Loss before income tax expense and other items excludes the effect of minority interests, net of tax, of \$44.3.