



TABLE 1
Condensed Consolidated Statement of Operations (Unaudited)
(amounts in millions, except per share data)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|---------|------------------------------|---------|
| | 2005 | 2004 | 2005 | 2004 |
| Revenues | \$5,598 | \$5,066 | \$10,961 | \$9,974 |
| Operating expenses | 1,944 | 1,794 | 3,901 | 3,663 |
| Selling, general and administrative expenses | 1,445 | 1,320 | 2,821 | 2,626 |
| | 3,389 | 3,114 | 6,722 | 6,289 |
| Operating Cash Flow | 2,209 | 1,952 | 4,239 | 3,685 |
| Depreciation expense | 891 | 813 | 1,765 | 1,611 |
| Amortization expense | 270 | 287 | 560 | 563 |
| | 1,161 | 1,100 | 2,325 | 2,174 |
| Operating Income | 1,048 | 852 | 1,914 | 1,511 |
| Other Income (Expense) | | | | |
| Interest expense | (467) | (484) | (911) | (984) |
| Investment income, net | 176 | 151 | 140 | 142 |
| Equity in net losses of affiliates | (16) | (20) | (4) | (37) |
| Other income (expense) | 30 | 12 | (78) | 19 |
| | (277) | (341) | (853) | (860) |
| Income before Income Taxes and Minority Interest | 771 | 511 | 1,061 | 651 |
| Income tax expense | (331) | (234) | (471) | (310) |
| Income Before Minority Interest | 440 | 277 | 590 | 341 |
| Minority interest | (10) | (15) | (17) | (14) |
| Net Income | \$430 | \$262 | \$573 | \$327 |
| Net Income per common share | \$0.19 | \$0.12 | \$0.26 | \$0.14 |
| Basic weighted average number of common shares | 2,207 | 2,257 | 2,211 | 2,257 |
| Diluted weighted average number of common shares | 2,221 | 2,267 | 2,224 | 2,268 |



TABLE 2
Condensed Consolidated Balance Sheet (Unaudited)
(dollars in millions)

| | <u>June 30, 2005</u> | <u>December 31, 2004</u> |
|--|--------------------------|------------------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$1,335 | \$452 |
| Investments | 848 | 1,555 |
| Accounts receivable, net | 1,031 | 959 |
| Other current assets | 570 | 569 |
| Total current assets | <u>3,784</u> | <u>3,535</u> |
| INVESTMENTS | 13,208 | 12,812 |
| PROPERTY AND EQUIPMENT, NET | 18,797 | 18,711 |
| FRANCHISE RIGHTS | 51,075 | 51,071 |
| GOODWILL | 14,118 | 14,020 |
| OTHER INTANGIBLE ASSETS, net | 3,658 | 3,851 |
| OTHER NONCURRENT ASSETS, net | <u>707</u> | <u>694</u> |
| | <u><u>\$105,347</u></u> | <u><u>\$104,694</u></u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued expenses related to trade creditors | \$2,042 | \$2,041 |
| Accrued expenses and other current liabilities | 2,663 | 2,735 |
| Deferred income taxes | 110 | 360 |
| Current portion of long-term debt | 3,367 | 1,854 |
| Current portion of exchangeable debt | 1,017 | 1,645 |
| Total current liabilities | <u>9,199</u> | <u>8,635</u> |
| LONG-TERM DEBT, less current portion | 19,697 | 20,039 |
| LONG-TERM EXCHANGEABLE DEBT, less current portion | 49 | 54 |
| DEFERRED INCOME TAXES | 26,995 | 26,815 |
| OTHER NONCURRENT LIABILITIES | 7,310 | 7,261 |
| MINORITY INTEREST | 679 | 468 |
| STOCKHOLDERS' EQUITY | <u>41,418</u> | <u>41,422</u> |
| | <u><u>\$105,347</u></u> | <u><u>\$104,694</u></u> |



TABLE 3
Condensed Consolidated Statement of Cash Flows (Unaudited)
(dollars in millions)

| | Six Months Ended June 30, | |
|--|------------------------------|---------------------|
| | 2005 | 2004 |
| OPERATING ACTIVITIES | | |
| Net cash provided by operating activities | <u>\$2,517</u> | <u>\$2,633</u> |
| FINANCING ACTIVITIES | | |
| Proceeds from borrowings | 1,495 | 1,058 |
| Retirements and repayments of debt | (279) | (1,617) |
| Repurchases of common stock and stock options | (660) | (511) |
| Issuances of common stock | 59 | 38 |
| Other, net | 83 | 8 |
| Net cash provided by (used in) financing activities | <u>698</u> | <u>(1,024)</u> |
| INVESTING ACTIVITIES | | |
| Capital expenditures | (1,842) | (1,732) |
| Proceeds from sales and restructuring of investments | 317 | 51 |
| Purchases of investments | (305) | (106) |
| Acquisitions, net of cash acquired | (134) | (336) |
| Additions to intangible and other noncurrent assets | (305) | (453) |
| Purchases of short-term investments, net | (63) | (15) |
| Proceeds from settlement of contract of acquired company | - | 26 |
| Net cash used in investing activities | <u>(2,332)</u> | <u>(2,565)</u> |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 883 | (956) |
| CASH AND CASH EQUIVALENTS, beginning of period | <u>452</u> | <u>1,550</u> |
| CASH AND CASH EQUIVALENTS, end of period | <u><u>\$1,335</u></u> | <u><u>\$594</u></u> |

TABLE 4
Calculation of Free Cash Flow (Unaudited) (1)
(dollars in millions)

| | Six Months Ended June 30, | |
|---|------------------------------|---------------------|
| | 2005 | 2004 |
| Operating Cash Flow | \$4,239 | \$3,685 |
| Interest, Net (2) | (826) | (906) |
| Cash Paid for Income Taxes | (427) | (150) |
| Capital Expenditures | (1,842) | (1,732) |
| FREE CASH FLOW | <u><u>\$1,144</u></u> | <u><u>\$897</u></u> |
| Changes in Working Capital and Other Items (3) | (469) | 4 |
| Net Cash Provided by (Used in) Operating Activities Less Capital Expenditures | <u><u>\$675</u></u> | <u><u>\$901</u></u> |

(1) Free Cash Flow is defined as Operating Cash Flow less net interest, cash paid for taxes, and capital expenditures. It is unaffected by fluctuations in working capital levels from period to period and cash payments associated with intangible and other noncurrent assets. Cash payments for intangible and other noncurrent assets include long-term technology license agreements including computer software, long term rights to service multi-dwelling properties and programming content for our cable networks. In 2005, cash payments for intangibles and other noncurrent assets of \$305 million included licenses and software intangibles of approximately \$105 million, multiple dwelling unit contracts of approximately \$67 million and acquisitions of additional ownership interests in certain of our majority owned subsidiaries. In 2004, cash payments for intangible assets of \$453 million included a long-term strategic license agreement with Gemstar of approximately \$250 million, other licenses and software intangibles of \$104 million and multiple dwelling unit contracts of \$69 million. In 2005, cash payments for acquisitions and investments totaling \$439 million included MGM Inc., Liberate Technologies, and MetaTV. In 2004, cash payments for acquisitions primarily related to the acquisition of TechTV.

(2) Includes interest expense net of interest income and excludes non-cash interest and subsidiary preferred dividends.

(3) Free Cash Flow excludes amounts necessary to reconcile Free Cash Flow to "Net Cash Provided by Operating Activities Less Capital Expenditures." In 2005, this amount includes \$383 million in cash payments for liabilities incurred as part of the acquisition of AT&T Broadband, including \$220 million in payments representing our share of the settlement payments related to certain AT&T litigation. In 2004, this amount includes income tax refunds of \$536 million offset by \$199 million in cash payments for liabilities recorded as part of the acquisition of AT&T Broadband.



TABLE 5
Pro Forma Financial Data by Business Segment (Unaudited) (1)
(dollars in millions)

| | <u>Cable (2)</u> | <u>Content (3)</u> | <u>Corporate and Other (4)</u> | <u>Total</u> |
|--|------------------|--------------------|------------------------------------|--------------|
| <u>Three Months Ended June 30, 2005</u> | | | | |
| Revenues | \$5,328 | \$234 | \$36 | \$5,598 |
| Operating Cash Flow | \$2,175 | \$97 | (\$63) | \$2,209 |
| Operating Income (Loss) | \$1,054 | \$68 | (\$74) | \$1,048 |
| Operating Cash Flow Margin | 40.8% | 41.2% | NM | 39.4% |
| Capital Expenditures (5) | \$936 | \$3 | \$11 | \$950 |
| <u>Three Months Ended June 30, 2004</u> | | | | |
| Revenues | \$4,840 | \$199 | \$28 | \$5,067 |
| Operating Cash Flow | \$1,920 | \$77 | (\$45) | \$1,952 |
| Operating Income (Loss) | \$877 | \$38 | (\$63) | \$852 |
| Operating Cash Flow Margin | 39.7% | 38.7% | NM | 38.5% |
| Capital Expenditures (5) | \$893 | \$6 | \$5 | \$904 |
| <u>Six Months Ended June 30, 2005</u> | | | | |
| Revenues | \$10,431 | \$447 | \$83 | \$10,961 |
| Operating Cash Flow | \$4,170 | \$174 | (\$105) | \$4,239 |
| Operating Income (Loss) | \$1,945 | \$100 | (\$131) | \$1,914 |
| Operating Cash Flow Margin | 40.0% | 38.8% | NM | 38.7% |
| Capital Expenditures (5) | \$1,819 | \$7 | \$16 | \$1,842 |
| <u>Six Months Ended June 30, 2004</u> | | | | |
| Revenues | \$9,490 | \$375 | \$114 | \$9,979 |
| Operating Cash Flow | \$3,641 | \$146 | (\$100) | \$3,687 |
| Operating Income (Loss) | \$1,581 | \$72 | (\$140) | \$1,513 |
| Operating Cash Flow Margin | 38.4% | 38.8% | NM | 37.0% |
| Capital Expenditures (5) | \$1,707 | \$10 | \$15 | \$1,732 |

(1) See Non-GAAP and Other Financial Measures in Table 7. Historical financial data by business segment, as required under generally accepted accounting principles, is available in the Company's quarterly report on Form 10-Q. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

(2) Pro forma financial data includes the results of the 30,000 cable subscribers acquired from US Coastal Cable in April 2004.

(3) Content includes our national networks E! Entertainment Television and Style Network (E! Networks), The Golf Channel, Outdoor Life Network, G4 and AZN Television.

(4) Corporate and Other includes Comcast-Spectacor, Corporate activities and all other businesses not presented in the Cable or Content segments and elimination entries. Beginning in the third quarter of 2004, Comcast-Spectacor includes the operating results of its investment in a sports-event related business.

(5) Our Cable segment's capital expenditures are comprised of the following categories:

| | <u>2Q05</u> | <u>2Q04</u> | <u>YTD 2Q05</u> | <u>YTD 2Q04</u> |
|-----------------------------------|--------------|--------------|---------------------|---------------------|
| New Service Offerings | | | | |
| Customer Premise Equipment (CPE) | \$469 | \$338 | \$932 | \$630 |
| Scalable Infrastructure | 227 | 110 | 436 | 231 |
| | <u>696</u> | <u>448</u> | <u>1,368</u> | <u>861</u> |
| Recurring Capital Projects | | | | |
| Line Extensions | 81 | 81 | 145 | 141 |
| Support Capital | 92 | 76 | 139 | 165 |
| | <u>173</u> | <u>157</u> | <u>284</u> | <u>306</u> |
| Upgrades | | | | |
| | 67 | 288 | 167 | 540 |
| Total | <u>\$936</u> | <u>\$893</u> | <u>\$1,819</u> | <u>\$1,707</u> |

CPE includes costs incurred at the customer residence to secure new customers, revenue units and additional bandwidth revenues (e.g. digital converters). Scalable infrastructure includes costs, not CPE or network related, to secure growth of new customers, revenue units and additional bandwidth revenues or provide service enhancements (e.g. headend equipment). Line extensions include network costs associated with entering new service areas (e.g. fiber/coaxial cable). Support capital includes costs associated with the replacement or enhancement of non-network assets due to obsolescence and wear out (e.g. non-network equipment, land, buildings and vehicles). Upgrades include costs to enhance or replace existing fiber/coaxial cable networks, including recurring betterments.



TABLE 6
Pro Forma Data - Cable Segment Components (Unaudited) (1) (2)
(dollars in millions, except average monthly revenue per subscriber data)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--|----------------|--------------------------------------|----------------|
| | 2005 | 2004 | 2005 | 2004 |
| Revenues: | | | | |
| Video (3) | \$3,441 | \$3,249 | \$6,803 | \$6,433 |
| High-Speed Internet | 982 | 763 | 1,907 | 1,461 |
| Phone | 170 | 176 | 343 | 355 |
| Advertising | 362 | 330 | 658 | 599 |
| Other (4) | 203 | 159 | 383 | 320 |
| Franchise Fees | 170 | 163 | 337 | 322 |
| Total Revenues | \$5,328 | \$4,840 | \$10,431 | \$9,490 |
| | | | | |
| Operating Cash Flow | \$2,175 | \$1,920 | \$4,170 | \$3,641 |
| Operating Income | \$1,054 | \$877 | \$1,945 | \$1,581 |
| Operating Cash Flow Margin | 40.8% | 39.7% | 40.0% | 38.4% |
| Capital Expenditures | \$936 | \$893 | \$1,819 | \$1,707 |
| Operating Cash Flow, Net of Capital Expenditures | \$1,239 | \$1,027 | \$2,351 | \$1,934 |

| | 2Q05 | 2Q04 | 1Q05 |
|--|-------------|-------------|-------------|
| Video | | | |
| Homes Passed (000's) | 41,200 | 40,300 | 41,000 |
| Basic Subscribers (000's) | 21,448 | 21,485 | 21,525 |
| Basic Penetration | 52.1% | 53.3% | 52.6% |
| Quarterly Net Basic Subscriber Additions (000's) | (77) | (96) | (29) |
| | | | |
| Digital Subscribers (000's) | 9,140 | 8,065 | 8,856 |
| Digital Penetration | 42.6% | 37.5% | 41.1% |
| Quarterly Net Digital Subscriber Additions (000's) | 284 | 206 | 200 |
| Digital Set-Top Boxes | 13,859 | 11,926 | 13,365 |
| | | | |
| Monthly Average Video Revenue per Basic Subscriber | \$53.38 | \$50.29 | \$52.04 |
| Monthly Average Total Revenue per Basic Subscriber | \$82.67 | \$74.91 | \$78.99 |
| | | | |
| High-Speed Internet | | | |
| "Available" Homes (000's) | 40,758 | 37,323 | 40,483 |
| Subscribers (000's) | 7,705 | 6,007 | 7,408 |
| Penetration | 18.9% | 16.1% | 18.3% |
| Quarterly Net Subscriber Additions (000's) | 297 | 327 | 414 |
| Monthly Average Revenue per Subscriber | \$43.34 | \$43.50 | \$42.81 |
| | | | |
| Phone | | | |
| "Available" Homes (000's) (5) | 12,227 | 9,766 | 11,277 |
| Subscribers (000's) | 1,230 | 1,225 | 1,228 |
| Penetration | 10.1% | 12.5% | 10.9% |
| Quarterly Net Subscriber Additions (000's) | 3 | (22) | 4 |
| Monthly Average Revenue per Subscriber | \$46.06 | \$47.71 | \$47.07 |
| | | | |
| Total Revenue Generating Units (000's) (6) | 39,523 | 36,782 | 39,017 |
| Quarterly Net Additions | 507 | 415 | 589 |

- (1) See Non-GAAP and Other Financial Measures in Table 7. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.
- (2) Pro forma financial and subscriber data includes the results of the 30,000 cable subscribers acquired from US Coastal Cable in April 2004. Pro forma subscriber data also includes 60,000 subscribers acquired in various small acquisitions during the periods presented. The impact of these acquisitions on our segment operating results was not material.
- (3) Video revenues consist of our basic, expanded basic, premium, pay-per-view, equipment and digital services.
- (4) Other revenues include installation revenues, guide revenues, commissions from electronic retailing, other product offerings, commercial data services and revenues of our digital media center and regional sports programming networks.
- (5) Available homes includes circuit switched and Comcast Digital Voice homes.
- (6) The sum total of all basic video, digital video, high-speed Internet and phone subscribers, excluding additional outlets.



TABLE 7

Non-GAAP and Other Financial Measures

Operating Cash Flow is the primary basis used to measure the operational strength and performance of our businesses. Free Cash Flow is an additional performance measure used as an indicator of our ability to repay debt, make investments and return capital to investors, principally through stock repurchases. We use Debt Excluding Exchangeables as a measure of debt that will require cash from future operations or financings. We also adjust certain historical data on a pro forma basis following significant acquisitions or dispositions to enhance comparability.

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

As Operating Cash Flow is the measure of our segment profit or loss, we reconcile it to operating income, the most directly comparable financial measure calculated and presented in accordance with Generally Accepted Accounting Principles (GAAP), in the business segment footnote of our quarterly and annual financial statements. Therefore, we believe our measure of Operating Cash Flow for our business segments is not a "non-GAAP financial measure" as contemplated by Regulation G adopted by the Securities and Exchange Commission. Consolidated Operating Cash Flow is a non-GAAP financial measure.

Free Cash Flow, which is a non-GAAP financial measure, is defined as Operating Cash Flow less net interest, cash paid for taxes, and capital expenditures. As such, it is unaffected by fluctuations in working capital levels from period to period and cash payments associated with intangible and other non-current assets which are detailed in our quarterly and annual reports on Forms 10Q/K. We believe that Free Cash Flow is also useful to investors as it is one of the bases for comparing our operating performance with other companies in our industries, although our measure of Free Cash Flow is accrual-based and may not be comparable to similar measures used by other companies.

Debt Excluding Exchangeables, which is a non-GAAP financial measure, refers to the aggregate amount of our consolidated debt and capital lease obligations less the amount of notes that are collateralized by securities that we own.

Pro forma data is used by management to evaluate performance when significant acquisitions or dispositions occur. Historical data reflects results of acquired businesses only after the acquisition dates while pro forma data enhances comparability of financial information between periods by adjusting the data as if the acquisitions (or dispositions) occurred at the beginning of the prior year. Our pro forma data is only adjusted for the timing of acquisitions and does not include adjustments for costs related to integration activities, cost savings or synergies that have been or may be achieved by the combined businesses. We believe our pro forma data is not a non-GAAP financial measure as contemplated by Regulation G.

Operating Cash Flow and Free Cash Flow should not be considered as substitutes for operating income (loss), net income (loss), net cash provided by operating activities or other measures of performance or liquidity reported in accordance with GAAP. Debt Excluding Exchangeables should not be considered as a substitute for Total Debt. Additionally, in the opinion of management, our pro forma data is not necessarily indicative of future results or what results would have been had the acquired businesses been operated by us after the assumed earlier date.

Following are quantitative reconciliations of Free Cash Flow, Debt Excluding Exchangeables, Consolidated Operating Cash Flow, and, although not required by Regulation G, reconciliations of business segment Operating Cash Flow and pro forma data.



TABLE 7-A continued
Reconciliation of Historical and Pro Forma Data by Business Segment (Unaudited) (1)
(dollars in millions)

| | Historical | | | | Adjustments (1) | | | Pro forma |
|--|------------|---------|------------------------|---------|-----------------|------------------------|--|-----------|
| | Cable | Content | Corporate and Other | Total | Cable | Corporate and Other | | |
| Three Months Ended June 30, 2004 | | | | | | | | |
| Revenues | \$4,838 | \$199 | \$29 | \$5,066 | \$2 | (\$1) | | \$5,067 |
| Operating expenses (excluding depreciation and amortization) | 2,918 | 122 | 74 | 3,114 | 2 | (1) | | 3,115 |
| Operating Cash Flow | \$1,920 | \$77 | (\$45) | \$1,952 | - | - | | \$1,952 |
| Depreciation and amortization | 1,043 | 39 | 18 | 1,100 | - | - | | 1,100 |
| Operating income (loss) | \$877 | \$38 | (\$63) | \$852 | - | - | | \$852 |
| Capital expenditures | \$893 | \$6 | \$5 | \$904 | - | - | | \$904 |
| Six Months Ended June 30, 2004 | | | | | | | | |
| Revenues | \$9,485 | \$375 | \$114 | \$9,974 | \$5 | - | | \$9,979 |
| Operating expenses (excluding depreciation and amortization) | 5,846 | 229 | 214 | 6,289 | 3 | - | | 6,292 |
| Operating Cash Flow | \$3,639 | \$146 | (\$100) | \$3,685 | \$2 | - | | \$3,687 |
| Depreciation and amortization | 2,060 | 74 | 40 | 2,174 | - | - | | 2,174 |
| Operating income (loss) | \$1,579 | \$72 | (\$140) | \$1,511 | \$2 | - | | \$1,513 |
| Capital expenditures | \$1,707 | \$10 | \$15 | \$1,732 | - | - | | \$1,732 |

Reconciliation of Operating Cash Flow to Free Cash Flow (Unaudited)
(dollars in millions)

| | Three Months Ended June 30, | | | | Six Months Ended June 30, | | | |
|--|--------------------------------|---------|---------|---------|------------------------------|---------|---------|---------|
| | 2005 | 2005 | 2004 | 2004 | 2005 | 2005 | 2004 | 2004 |
| Operating Cash Flow | \$2,209 | \$2,209 | \$1,952 | \$1,952 | \$4,239 | \$4,239 | \$3,685 | \$3,685 |
| Less: | | | | | | | | |
| Interest, net (2) | (422) | (422) | (459) | (459) | (826) | (826) | (906) | (906) |
| Cash Paid for Income Taxes | (415) | (415) | (89) | (89) | (427) | (427) | (150) | (150) |
| Change in Operating Assets and Liabilities, net of acquisitions | (103) | | 442 | | (191) | | 3 | |
| Other (3) | (84) | | 13 | | (278) | | 1 | |
| Net Cash Provided by Operating Activities | \$1,185 | | \$1,859 | | \$2,517 | | \$2,633 | |
| Less: Capital Expenditures | | (950) | | (904) | | (1,842) | | (1,732) |
| Free Cash Flow | | \$422 | | \$500 | | \$1,144 | | \$897 |

Calculation of 2005 Estimated Free Cash Flow
(dollars in billions)

| | Free Cash Flow |
|--|-----------------------|
| 2004 Operating Income | \$2.9 |
| Add: Depreciation and Amortization | 4.6 |
| 2004 Operating Cash Flow | 7.5 |
| Less: 2004 Capital Expenditures | 3.7 |
| 2004 Consolidated Interest, net | 1.7 |
| 2004 Consolidated Cash Paid for Income Taxes | 0.2 |
| 2004 Free Cash Flow | \$1.9 |
| 2005 Free Cash Flow Growth | 35% to 45% |
| Projected 2005 Free Cash Flow | \$2.6 to \$2.8 |

Reconciliation of Total Debt to Debt Excluding Exchangeables (Unaudited)
(dollars in millions)

| | June 30, 2005 | December 31, 2004 |
|-----------------------------------|---------------|-------------------|
| Current portion of long-term debt | \$4,384 | \$3,499 |
| Long-term debt | 19,746 | 20,093 |
| Total Debt | \$24,130 | \$23,592 |
| Exchangeable debt | 1,066 | 1,699 |
| Debt excluding exchangeables | \$23,064 | \$21,893 |

(1) Pro forma data is only adjusted for timing of the acquisitions (or dispositions) and does not include adjustments for costs related to integration activities, cost savings or synergies that have been or may be achieved by the combined businesses. There were no pro forma adjustments to the three and six months ending June 30, 2005. Minor differences may exist due to rounding.

(2) Includes interest expense net of interest income and excludes non-cash interest and subsidiary preferred dividends.

(3) Includes non-cash interest expense included in Operating Cash Flow, cash related to other (income) expense, dividends, and the net effect of changes in accrued income taxes.