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, 2003
OR

( ) Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the Transition Period from ________ to ________.

Commission File Number 000-50093

[COMCAST LOGO OMITTED]

COMCAST CORPORATION
(Exact name of registrant as specified in its charter)

PENNSYLVANIA	27-0000798
(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 X No ___

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12-b2 of the Exchange Act). Yes X No ___

As of September 30, 2003, there were 1,356,652,544 shares of Class A Common Stock, 884,835,241 shares of Class A Special Common Stock and 9,444,375 shares of Class B Common Stock outstanding.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 2003
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This Quarterly Report on Form 10-Q is for the three and nine months ended September 30, 2003. This Quarterly Report modifies and supersedes documents filed prior to this Quarterly Report. Information that we file with the SEC in the future will automatically update and supersede information contained in this Quarterly Report. In this Quarterly Report, "Comcast," "we," "us" and "our" refer to Comcast Corporation and its subsidiaries.

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

Factors Affecting Future Operations

On November 18, 2002, we acquired AT&T Corp.'s broadband business, which we refer to as "Broadband" and we refer to this acquisition as the "Broadband acquisition." In this Quarterly Report, we refer to cable operations owned prior to the Broadband acquisition as "historical," and those we acquired in the Broadband acquisition as "newly acquired."

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

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

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

As more fully described elsewhere in this Quarterly

Report and in our Annual Report on Form 10-K for the year ended December 31, 2002, the Broadband acquisition substantially increased the size of our cable operations and caused significant changes in our capital structure. As a result, direct comparisons of our results of operations for periods prior to November 18, 2002 to subsequent periods are not meaningful.

As more fully described elsewhere in this Quarterly Report, on September 17, 2003 we sold our approximate 57% interest in QVC, Inc., our electronic retailing subsidiary, to Liberty Media Corporation. The results of QVC have been reported as discontinued operations for all periods presented in the accompanying condensed consolidated financial statements.

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

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

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 2003

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

(Dollars in millions, except share data)	September 30, 2003	December 31, 2002
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$3,245	$505
Investments	2,982	3,258
Accounts receivable, less allowance for doubtful accounts of $166 and $172	850	862
Other current assets	537	380
Current assets of discontinued operations		1,481
Current assets held for sale		613
Total current assets	7,614	7,099
INVESTMENTS	15,463	15,174
PROPERTY AND EQUIPMENT, net of accumulated depreciation of $5,890 and $3,855	18,194	18,381
FRANCHISE RIGHTS	46,023	48,222
GOODWILL	17,563	16,562
OTHER INTANGIBLE ASSETS, net of accumulated amortization of $2,008 and $735	4,216	5,429
OTHER NONCURRENT ASSETS, net	743	666
NONCURRENT ASSETS OF DISCONTINUED OPERATIONS		1,595
	$109,816	$113,128
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$1,188	$1,296
Accrued expenses and other current liabilities	5,352	5,236
Deferred income taxes	510	1,105
Short-term debt		3,750
Current portion of long-term debt	3,065	3,203
Current liabilities of discontinued operations		816
Total current liabilities	10,115	15,406
LONG-TERM DEBT, less current portion	27,316	27,956
DEFERRED INCOME TAXES	24,654	23,104
OTHER NONCURRENT LIABILITIES	6,214	7,161
MINORITY INTEREST	279	249
NONCURRENT LIABILITIES AND MINORITY INTEREST OF DISCONTINUED OPERATIONS		923
COMMITMENTS AND CONTINGENCIES (NOTE 10)		
STOCKHOLDERS' EQUITY		
Preferred stock - authorized 20,000,000 shares; issued, zero		
Class A common stock, $0.01 par value - authorized, 7,500,000,000 shares; issued, 1,600,293,044 and 1,599,014,148; outstanding, 1,356,652,544 and 1,355,373,648	16	16
Class A special common stock, $0.01 par value - authorized, 7,500,000,000 shares; issued 932,125,084 and 930,633,433; outstanding, 884,835,241 and 883,343,590	9	9
Class B common stock, $0.01 par value - authorized, 75,000,000 shares; issued, 9,444,375		
Additional capital	44,709	44,620
Retained earnings	4,181	1,340
Treasury stock, 243,640,500 Class A common shares and 47,289,843 Class A special common shares	(7,517)	(7,517)
Accumulated other comprehensive loss	(160)	(139)
Total stockholders' equity	41,238	38,329
	$109,816	$113,128

See notes to condensed consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 2003
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

(Dollars in millions, except per share data)	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
SERVICE REVENUES	$4,546	$1,698	$13,606	$5,102
COSTS AND EXPENSES				
Operating (excluding depreciation)	1,703	597	5,267	1,831
Selling, general and administrative	1,211	459	3,667	1,340
Depreciation	774	321	2,370	957
Amortization	365	50	1,090	134
	4,053	1,427	12,394	4,262
OPERATING INCOME	493	271	1,212	840
OTHER INCOME (EXPENSE)				
Interest expense	(565)	(172)	(1,579)	(535)
Investment loss, net	(182)	(47)	(418)	(702)
Equity in net losses of affiliates	(16)	(9)	(33)	(55)
Other income (expense)	28	5	71	(12)
	(735)	(223)	(1,959)	(1,304)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST	(242)	48	(747)	(464)
INCOME TAX (EXPENSE) BENEFIT	103	(27)	231	123
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST	(139)	21	(516)	(341)
MINORITY INTEREST	(14)	3	(85)	(23)
INCOME (LOSS) FROM CONTINUING OPERATIONS	(153)	24	(601)	(364)
INCOME FROM DISCONTINUED OPERATIONS, net of tax	39	52	168	141
GAIN ON DISCONTINUED OPERATIONS, net of tax	3,290		3,290	
NET INCOME (LOSS)	$3,176	$76	$2,857	($223)
BASIC EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE				
Income (loss) from continuing operations	($0.07)	$0.03	($0.27)	($0.38)
Income from discontinued operations	0.02	0.05	0.08	0.15
Gain on discontinued operations	1.46		1.46	
Net income (loss)	$1.41	$0.08	$1.27	($0.23)
DILUTED EARNINGS (LOSS) FOR COMMON STOCKHOLDERS PER COMMON SHARE				
Income (loss) from continuing operations	($0.07)	$0.03	($0.27)	($0.38)
Income from discontinued operations	0.02	0.05	0.08	0.15
Gain on discontinued operations	1.46		1.46	
Net income (loss)	$1.41	$0.08	$1.27	($0.23)

See notes to condensed consolidated financial statements.

COMCAST CORPORATION AND SUBSIDIARIES
FORM 10-Q
QUARTER ENDED SEPTEMBER 30, 2003
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	(Dollars in millions) Nine Months Ended September 30, 2003	2002
OPERATING ACTIVITIES		
Net income (loss)	$2,857	($223)
Income from discontinued operations	(168)	(141)
Gain on discontinued operations	(3,290)	
Loss from continuing operations	(601)	(364)
Adjustments to reconcile net loss from continuing operations to net cash provided by operating activities from continuing operations:		
Depreciation	2,370	957
Amortization	1,090	134
Non-cash interest (income) expense, net	(85)	32
Equity in net losses of affiliates	33	55
Losses (gains) on investments and other (income) expense, net	423	733
Minority interest	34	23
Deferred income taxes	(289)	(60)
Proceeds from sales of trading securities	85	
Other	105	(56)
	3,165	1,454
Changes in working capital, net of effects of acquisitions and divestitures:		
Decrease in accounts receivable, net	12	11
Increase in other current assets	(157)	(5)
(Decrease) increase in accounts payable, accrued expenses and other current liabilities	(501)	183
	(646)	189
Net cash provided by operating activities from continuing operations	2,519	1,643
FINANCING ACTIVITIES		
Proceeds from borrowings	9,377	876
Retirements and repayments of debt	(13,675)	(1,801)
Other	(3)	70
Net cash used in financing activities from continuing operations	(4,301)	(855)
INVESTING ACTIVITIES		
Acquisitions, net of cash acquired	(39)	(16)
Proceeds from sales of (purchases of) short-term investments, net	(8)	4
Proceeds from restructuring of TWE investment	2,100	
Proceeds from sales of discontinued operations and assets held for sale	1,875	
Proceeds from sales of Liberty Notes	3,000	
Proceeds from sales of investments	977	734
Purchases of investments	(151)	(48)
Capital expenditures	(3,093)	(1,035)
Additions to intangible and other noncurrent assets	(139)	(231)
Net cash provided by (used in) investing activities from continuing operations	4,522	(592)
INCREASE IN CASH AND CASH EQUIVALENTS	2,740	196
CASH AND CASH EQUIVALENTS, beginning of period	505	214
CASH AND CASH EQUIVALENTS, end of period	$3,245	$410

See notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation

Comcast Corporation and its subsidiaries ("Comcast" or the "Company") has prepared these unaudited condensed consolidated financial statements based upon Securities and Exchange Commission ("SEC") rules that permit reduced disclosure for interim periods.

These financial statements include all adjustments that are necessary for a fair presentation of the Company's results of operations and financial condition for the interim periods shown including normal recurring accruals and other items. The results of operations for the interim periods presented are not necessarily indicative of results for the full year.

For a more complete discussion of the Company's accounting policies and certain other information, refer to the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2002.

On November 18, 2002, the Company completed the acquisition (the "Broadband acquisition") of AT&T Corp.'s ("AT&T") broadband business ("Broadband"). Accordingly, the accompanying financial statements include the results of Broadband from the date of the Broadband acquisition (see Note 4). The Broadband acquisition substantially increased the size of the Company's cable operations and caused significant changes in the Company's capital structure, including a substantially higher amount of debt. As a result, direct comparisons of the Company's results of operations and financial condition for periods prior to November 18, 2002 to subsequent periods are not meaningful.

On September 17, 2003, the Company completed the sale of its approximate 57% interest in QVC, Inc. ("QVC"). Accordingly, QVC has been presented as a discontinued operation pursuant to Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" (see Note 4).

Reclassifications

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

2. RECENT ACCOUNTING PRONOUNCEMENTS

SFAS No. 143

The Financial Accounting Standards Board ("FASB") issued SFAS No. 143, "Accounting for Asset Retirement Obligations," in June 2001. SFAS No. 143 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. The Company adopted SFAS No. 143 on January 1, 2003, in accordance with the new statement. The adoption of SFAS No. 143 had no impact on the Company's financial condition or results of operations.

SFAS No. 148

The FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure," in December 2002. SFAS No. 148 amends SFAS No. 123 to provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation. SFAS No. 148 also amends the disclosure provisions of SFAS No. 123 to require disclosure about the effects on reported net income of an entity's stock-based employee compensation in interim financial statements. SFAS No. 148 is effective for fiscal years beginning after December 31, 2002. The Company adopted SFAS No. 148 on January 1, 2003. The Company did not change to the fair value based method of accounting for stock-based employee compensation. Accordingly, the adoption of SFAS No. 148 would only affect the Company's financial condition or results of operations if the Company elects to change to the fair value method specified in SFAS No. 123. The adoption of SFAS No. 148 requires the Company to disclose the effects of its stock-based employee compensation in interim financial statements beginning with the first quarter of 2003 (see Note 8).

SFAS No. 149

In April 2003, the FASB issued SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." The Statement amends and clarifies accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133. SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003, for hedging relationships designated after June 30, 2003, and to certain preexisting contracts. The Company adopted SFAS No. 149 on July 1, 2003 on a prospective basis in accordance with the new statement. The adoption of SFAS No. 149 had no material impact on the Company's financial condition or results of operations.

SFAS No. 150

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." This Statement establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. SFAS No. 150 requires that an issuer classify a financial instrument that is within its scope as a liability or, in some circumstances, as an asset, with many such financial instruments having been previously classified as equity. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise was effective July 1, 2003. In connection with the adoption of SFAS No. 150, the Company reclassified its subsidiary preferred shares totaling approximately $1.6 billion previously included in minority interest to other noncurrent liabilities in the Company's consolidated balance sheets.

The FASB is addressing certain implementation issues associated with the application of SFAS No. 150. On October 29, 2003, the FASB decided to defer certain provisions of SFAS No. 150 related to mandatorily redeemable financial instruments representing noncontrolling interests in subsidiaries included in consolidated financial statements. The Company will monitor the actions of the FASB and assess the impact, if any, that these actions may have on its financial statements.

FIN 45

In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45"). FIN 45 expands on the accounting guidance of SFAS No.'s 5, 57, and 107 and supercedes FIN 34. FIN 45 clarifies that a guarantor is required to disclose in its interim and annual financial statements its obligations under certain guarantees that it has issued, including the nature and terms of the guarantee, the maximum potential amount of future payments under the guarantee, the carrying amount, if any, for the guarantor's obligations under the guarantee, and the nature and extent of any recourse provisions or available collateral that would enable the guarantor to recover the amounts paid under the guarantee. FIN 45 also clarifies that, for certain guarantees, a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. FIN 45 does not prescribe a specific approach for subsequently measuring the guarantor's recognized liability over the term of the related guarantee. The initial recognition and initial measurement provisions of FIN 45 apply on a prospective basis to certain guarantees issued or modified after December 31, 2002. The disclosure requirements in FIN 45 are effective for financial statements of interim or annual periods ending after December 15, 2002. The Company adopted the disclosure provisions of FIN 45 in the fourth quarter of 2002 and adopted the initial recognition and measurement provisions of FIN 45 on January 1, 2003, as required by the Interpretation. The impact of the adoption of FIN 45 will depend on the nature and terms of guarantees entered into or modified by the Company in the future. The adoption of FIN 45 in the first quarter of 2003 did not have a material impact on the Company's financial condition or results of operations (see Note 10).

FIN 46

The Company adopted the provisions of FASB Interpretation No. 46 "Consolidation of Variable Interest Entities" ("FIN 46") effective January 1, 2002. FIN 46 clarifies the application of Accounting Research Bulletin 51 to certain entities, defined as variable interest entities ("VIEs"), in which equity investors do not have characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated support from other parties. At the time of the initial application, FIN 46 had no impact on the Company's financial condition or results of operations because the Company previously consolidated all VIEs in which it was the primary beneficiary. Since the Company's initial application, the FASB has been addressing various implementation issues that could potentially broaden the application of FIN 46 to entities outside its originally interpreted scope and has issued and proposed several FASB Staff Positions. The Company does not expect that these FASB Staff Positions will have a material impact on its financial statements.

3. EARNINGS PER SHARE

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

The Company's potentially dilutive securities include potential common shares related to the Company's Zero Coupon Convertible Debentures due 2020 (the "Zero Coupon Debentures"), stock options and restricted stock. Diluted earnings for common stockholders per common share ("Diluted EPS") considers the impact of potentially dilutive securities except in periods in which there is a loss as the inclusion of the potential common shares would have an antidilutive effect. Diluted EPS excludes the impact of potential common shares related to the Company's Zero Coupon Debentures in periods in which the weighted average closing sale price of the Company's Class A Special common stock during the period is not greater than 110% of the accreted conversion price. Diluted EPS excludes the impact of potential common shares related to the Company's stock options in periods in which the option exercise price is greater than the average market price of the Company's common stock for the period. Diluted EPS excludes the impact of potential common shares related to the Company's Class A Special common stock held in treasury because it is the Company's intent to settle the related Comcast exchangeable notes using cash (see Note 7).

Diluted EPS for the three and nine months ended September 30, 2003 and the nine months ended September 30, 2002 excludes approximately 148.7 million, 144.4 million and 83.0 million potential common shares, respectively, related to the Company's stock option plans, restricted stock plans and Zero Coupon Debentures because the assumed issuance of such potential common shares is antidilutive in periods in which there is a loss from continuing operations.

Diluted EPS for the three months ended September 30, 2002 excludes approximately 58.5 million potential common shares related to both the Company's stock option plans because the option exercise price was greater than the average market price of the Company's Class A Special common stock for the period and also to the Zero Coupon Debentures.

The following table reconciles the numerator and denominator of the computations of Diluted EPS for income (loss) from continuing operations for the interim periods presented.

(Amounts in millions, except per share data)

	Three Months Ended September 30, 2003			Three Months Ended September 30, 2002		
	Loss	Shares	Per Share Amount	Income	Shares	Per Share Amount
Basic EPS................................	($153)	2,257	($0.07)	$24	953	$0.03
Effect of Dilutive Securities						
Assumed exercise of stock option and restricted stock plans..........					6	
Diluted EPS..............................	($153)	2,257	($0.07)	$24	959	$0.03

	Nine Months Ended September 30, 2003			Nine Months Ended September 30, 2002		
	Loss	Shares	Per Share Amount	Loss	Shares	Per Share Amount
Basic and Diluted EPS....................	($601)	2,256	($0.27)	($364)	952	($0.38)

4. ACQUISITIONS AND OTHER SIGNIFICANT EVENTS

Acquisition of Broadband

On November 18, 2002, the Company completed the acquisition of Broadband. The allocation of the purchase price for the Broadband acquisition is preliminary. The values of certain assets and liabilities are based on preliminary valuations and are subject to adjustment as additional information is obtained. Such additional information includes: final reports from valuation specialists; information related to the cost of terminating or meeting contractual obligations; and information related to preacquisition contingencies.

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

Liabilities associated with exit activities recorded in the purchase price allocation consist of accrued employee termination and related costs of $602 million and $929 million associated with either the cost of terminating contracts or the present value of remaining amounts payable under non-cancelable contracts. Amounts paid, adjustments made against these accruals and interest accretion during the nine months ended September 30, 2003 were as follows (in millions):

	Employee Termination and Related Costs	Contract Exit Costs
Balance, December 31, 2002	$492	$913
Payments	(184)	(40)
Adjustments	(100)	(524)
Interest accretion		29
Balance, September 30, 2003	$208	$378

The adjustments reflected in the preceding table are the result of reductions in the estimated payments related to employee and contractual termination costs.

Unaudited Pro Forma Information
The following unaudited pro forma information has been presented as if the Broadband acquisition occurred on January 1, 2002. This information is based on historical results of operations, adjusted for acquisition costs, and, in the opinion of management, is not indicative of what the results would have been had the Company operated Broadband since January 1, 2002.

	(Amounts in millions, except per share data) Nine Months Ended September 30, 2002
Revenues	$12,410
Net loss	($14,444)
Diluted EPS	($6.41)

The unaudited pro forma information for the nine months ended September 30, 2002 includes $11.781 billion, net of tax, of goodwill and franchise impairment charges recorded by Broadband prior to the closing of the Broadband acquisition.

Bresnan Transaction
On March 20, 2003, the Company completed the previously announced transaction with Bresnan Broadband Holdings, LLC and Bresnan Communications, LLC (together, "Bresnan") pursuant to which the Company transferred cable systems serving approximately 314,000 subscribers in Montana, Wyoming and Colorado to Bresnan that the Company had acquired in connection with the Broadband acquisition. The Company received $525 million in cash, plus preferred and common equity interests in Bresnan in exchange for these cable systems. The assets of $613 million (which consist primarily of cable franchise rights, other intangible assets and property and equipment) were reported as current assets held for sale in accordance with SFAS No. 144 in the Company's consolidated balance sheet as of December 31, 2002. The transfer of these cable systems was accounted for at fair value with no gain or loss recognized. The results of operations for these cable systems for the first quarter of 2003 were not significant and were included in equity in net losses of affiliates in the Company's consolidated statement of operations.

TWE Restructuring
On March 31, 2003, the Company announced the successful completion of the previously announced restructuring of Time Warner Entertainment Company L.P. ("TWE"). As a result of the restructuring, Time Warner, Inc. ("Time Warner") assumed complete control over TWE's content assets, including Home Box Office, Warner Bros., and stakes in The WB Network, Comedy Central and Court TV. All of Time Warner's interests in cable, including those held through TWE, are now held through or for the benefit of a new subsidiary of Time Warner called Time Warner Cable, Inc. ("TWC"). In exchange for its 27.6% interest in TWE, the Company received common-equivalent

preferred stock of Time Warner, which will be converted into $1.5 billion of Time Warner common stock valued upon completion of an effective registration statement filing with the SEC, and the Company received a 21% economic stake in the business of TWC. In addition, the Company received $2.1 billion in cash which was used immediately to repay amounts outstanding under certain of the Company's credit facilities (see Notes 5 and 7). The TWE restructuring was accounted for as a fair value exchange with no gain or loss recognized. Under the restructuring agreement, the Company has registration rights that should facilitate the disposal or monetization of its shares in TWC and in Time Warner.

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

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

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

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

The Liberty Notes and shares of Liberty Series A common stock received in the transaction have been registered with the SEC pursuant to the Agreement. On September 24, 2003, the Company, through its wholly-owned indirect subsidiaries, sold an aggregate of $3.0 billion principal amount of the Liberty Notes for net proceeds of approximately $3.0 billion. The remaining Liberty Notes held by the Company, which bear interest at LIBOR plus 1.5%, are classified as available for sale and the shares of Liberty Series A common stock received by the Company in connection with the sale of QVC are classified as trading securities (see Note 5).

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

	December 31, 2002
Cash	$276
Accounts receivable, less allowance for doubtful accounts	569
Inventories, net	479
Other current assets	157
Total current assets of discontinued operations	$1,481
Property and equipment, net of accumulated depreciation	$485
Goodwill	835
Other intangible assets, net of accumulated amortization	170
Other noncurrent assets, net	105
Total noncurrent assets of discontinued operations	$1,595
Accounts payable	$367
Accrued expenses and other current liabilities	449
Total current liabilities of discontinued operations	$816
Minority interest	$867
Other noncurrent liabilities	56
Total noncurrent liabilities and minority interest of discontinued operations	$923

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Revenues	$752	$1,012	$2,915	$3,000
Income before income taxes and minority interest	$123	$146	$496	$419

The 2003 periods include QVC operations through August 31, 2003 as reported to the Company by QVC. The amount of income from discontinued operations and gain on discontinued operations is subject to reallocation as additional information is obtained from QVC, which will have no effect on net income.

5. INVESTMENTS

	September 30, 2003	December 31, 2002
	(in millions)	
Fair value method (see Note 7)		
AT&T Corp	$	$287
Cablevision	750	694
Liberty	3,212	43
Microsoft	1,998	1,967
Sprint Corp. PCS Group	354	369
Vodafone	1,392	1,759
Other	27	30
	7,733	5,149
Equity Method		
Cable related	2,170	2,094
Other	232	204
	2,402	2,298
Cost method, principally TWC and Time Warner at September 30, 2003 and TWE at December 31, 2002 (see Note 4)	8,310	10,985
Total investments	18,445	18,432
Less, current investments	2,982	3,258
Non-current investments	$15,463	$15,174

Fair Value Method
The Company holds unrestricted equity investments in certain publicly traded companies, which it accounts for as available for sale or trading securities. The net unrealized pre-tax gains on investments accounted for as available for sale securities as of September 30, 2003 and December 31, 2002 of $38 million and $72 million, respectively, have been reported in the Company's consolidated balance sheet principally as a component of accumulated other comprehensive loss, net of related deferred income taxes of $13 million and $25 million, respectively.

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

	September 30, 2003	December 31, 2002
Cost	$1,072	$322
Unrealized gains	43	73
Unrealized losses	(5)	(1)
Fair value	$1,110	$394

Cost Method
In connection with the Broadband acquisition, the Company acquired an indirect interest in CC VIII, LLC ("CC VIII"), a cable joint venture with Charter Communications, Inc. ("Charter"). In April 2002, AT&T exercised its rights to cause Paul G. Allen ("Allen"), Charter's Chairman, or his designee to purchase this indirect interest. In June 2003, Allen purchased the Company's interest in CC VIII for $728 million in cash. The Company accounted

for the sale of its interest in CC VIII at fair value with no gain or loss recognized. The Company used the proceeds from the sale to repay a portion of the amounts outstanding under its revolving credit facilities.

Investment Loss, Net

Investment loss, net for the interim periods includes the following (in millions):

	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Interest and dividend income	$27	$6	$103	$19
Gains (losses) on sales and exchanges of investments, net	4		26	(101)
Investment impairment losses		(6)	(70)	(227)
Unrealized (losses) gains on trading securities	(110)	(181)	182	(1,621)
Mark to market adjustments on derivatives related to trading securities	(62)	139	(367)	1,310
Mark to market adjustments on derivatives and hedged items	(41)	(5)	(292)	(82)
Investment loss, net	($182)	($47)	($418)	($702)

6. GOODWILL

The changes in the carrying amount of goodwill by business segment (see Note 11) for the periods presented are as follows (in millions):

	Cable	Corporate and Other	Total
Balance, December 31, 2002	$15,644	$918	$16,562
Purchase price allocation adjustments	1,001		1,001
Intersegment transfers	20	(20)	
Balance, September 30, 2003	$16,665	$898	$17,563

During the nine months ended September 30, 2003, the Company adjusted its preliminary purchase price allocation of the Broadband acquisition. The net increase to goodwill primarily relates to the reduction in values assigned to property and equipment, franchise rights and other intangible assets as a result of obtaining updated valuation reports. This increase to goodwill was partially offset by the reduction in the Company's estimated liabilities associated with employee termination costs, estimated contractual obligations assumed in the acquisition and the impact of the adjustments on deferred taxes.

7. LONG-TERM DEBT

	September 30, 2003	December 31, 2002
	(in millions)	
Notes exchangeable into common stock	$5,406	$5,459
Bank and public debt	24,617	28,702
Other, including capital lease obligations	358	748
Total debt	$30,381	$34,909

The Cross-Guarantee Structure

To simplify the Company's capital structure, effective with the acquisition of Broadband, the Company and four of its cable holding company subsidiaries fully and unconditionally guaranteed each other's debt securities (the "Cross-Guarantee Structure"). Comcast Holdings Corporation ("Comcast Holdings") is not a guarantor, and none of its debt is guaranteed. Comcast MO of Delaware, Inc. (formerly, MediaOne of Delaware, Inc. and Continental Cablevision, Inc.) was not originally a part of the Cross-Guarantee Structure. On March 12, 2003, the Company announced the successful completion of a bondholder consent solicitation related to Comcast MO of Delaware, Inc.'s $1.7 billion aggregate principal amount in debt securities to permit it to become part of the Cross-Guarantee Structure. As of September 30, 2003, $22.568 billion of the Company's debt securities were entitled to the benefits of the Cross-Guarantee Structure (see Note 12).

Senior Notes Offerings

In January, March and May 2003, the Company sold an aggregate of $4.0 billion of public debt consisting of $600 million of 5.85% senior notes due 2010, $900 million of 6.50% senior notes due 2015, $750 million of 5.50% senior notes due 2011, $750 million of 7.05% senior notes due 2033 and $1.0 billion of 5.30% senior notes due 2014. The Company used all of the net proceeds from the offerings to repay a portion of its short-term debt outstanding and to repay a portion of amounts outstanding under its revolving credit facilities due in 2005 and 2007.

Repayments of Debt with Proceeds from TWE Restructuring

On March 31, 2003, in connection with the closing of the TWE restructuring, the Company received $2.1 billion in cash which was used to repay debt, including the remaining outstanding balance of the Company's short-term debt (see Note 4).

Redemptions and Refinancings of Debt

In May 2003, the Company redeemed at their respective scheduled redemption price $433 million aggregate principal amount of certain of its senior notes and senior subordinated notes with maturities ranging from 2003 to 2023 and interest rates ranging from 8 1/4% to 9.65%. The Company financed the redemptions with amounts available under its existing credit facilities.

In May 2003, the Company borrowed an aggregate of $2.75 billion, representing all amounts available under two new credit agreements. Borrowings under the new credit agreements, which bear interest at LIBOR plus 1.125% and LIBOR plus 0.875%, respectively, and are due in 2006, were used to repay a portion of the $3.18 billion that was outstanding under the Company's term loan due 2004. The new credit agreements replaced the Company's 364-day credit facility, which expired in May 2003.

Repayments of Debt with Proceeds from Sale of QVC and Liberty Notes

In September 2003, in connection with the sale of QVC and the sale of the Liberty Notes, the Company received an aggregate of approximately $4.35 billion in cash. In September 2003, the Company used a portion of the cash proceeds to repay all amounts outstanding on certain of its bank credit facilities, including $430 million on the Comcast term loan due 2004, $700 million on the Comcast revolving credit facilities due 2006 and 2007, and $550 million on the Comcast Cable revolving credit facility due 2005 (see Note 4).

Notes Exchangeable into Common Stock

As a result of the Broadband acquisition, the Company assumed exchangeable notes (the "Exchangeable Notes"), which are mandatorily redeemable at the Company's option into shares of Cablevision NY Group ("Cablevision") Class A common stock or its cash equivalent, Microsoft Corporation ("Microsoft") common stock or its cash equivalent, (i) Vodafone ADRs, (ii) the cash equivalent, or (iii) a combination of cash and Vodafone ADRs, and Comcast Class A Special common stock or its cash equivalent. The maturity value of the Exchangeable Notes varies based upon the fair market value of the security to which it is indexed. The Company's Exchangeable Notes are collateralized by the Company's investments in Cablevision, Microsoft and Vodafone, respectively, and the Comcast Class A Special common stock held in treasury. The Exchangeable Notes mature in tranches from 2003 through 2007 (see Note 3).

During the nine months ended September 30, 2003, the Company settled an aggregate of $352 million of its obligations relating to Vodafone exchangeable notes by delivering the underlying shares of Vodafone common stock to the counterparty upon maturity of the instruments, and the equity collar agreements related to the underlying Vodafone shares expired. The transactions, which represented non-cash financing and investing activities, had no effect on the Company's statement of cash flows due to their non-cash nature. As of September 30, 2003, the securities held by the Company collateralizing the Exchangeable Notes were sufficient to satisfy the debt obligations associated with the outstanding Exchangeable Notes (see Notes 5 and 9).

ZONES

At maturity, holders of the Company's 2.0% Exchangeable Subordinated Debentures due 2029 (the "ZONES") are entitled to receive in cash an amount equal to the higher of the principal amount of the ZONES or the market value of Sprint PCS common stock. Prior to maturity, each ZONES is exchangeable at the holders' option for an amount of cash equal to 95% of the market value of Sprint PCS Stock. As of September 30, 2003, the number of Sprint PCS shares held by the Company exceeded the number of ZONES outstanding.

The Company split the accounting for the Exchangeable Notes and the ZONES into derivative and debt components. The Company records the change in the fair value of the derivative component of the Exchangeable Notes and the ZONES (see Note 5) and the change in the carrying value of the debt component of the Exchangeable Notes and the ZONES as follows (in millions):

	Exchangeable Notes	ZONES	
	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2003	2002
Balance at Beginning of Period:			
Debt component	$6,981	$491	$468
Derivative component	(1,522)	208	1,145
Total	5,459	699	1,613
Decrease in debt component due to maturities	(352)		
(Decrease) increase in debt component to interest expense	(80)	18	17
Increase (decrease) in derivative component to investment income (loss), net	379	64	(1,053)
Balance at End of Period:			
Debt component	6,549	509	485
Derivative component	(1,143)	272	92
Total	$5,406	$781	$577

Interest Rates

Excluding the derivative component of the Exchangeable Notes and the ZONES whose changes in fair value are recorded to investment income (loss), net, the Company's effective weighted average interest rate on its total debt outstanding was 6.71% and 6.00% as of September 30, 2003 and December 31, 2002, respectively.

Derivatives

The Company uses derivative financial instruments to manage its exposure to fluctuations in interest rates and securities prices. The Company has issued indexed debt instruments and prepaid forward sale agreements whose value, in part, is derived from the market value of certain publicly traded common stock.

Lines and Letters of Credit

As of September 30, 2003, certain subsidiaries of the Company had unused lines of credit of $5.896 billion under their respective credit facilities.

As of September 30, 2003, the Company and certain of its subsidiaries had unused irrevocable standby letters of credit totaling $399 million to cover potential fundings under various agreements.

8. STOCKHOLDERS' EQUITY

Stock-Based Compensation

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Net income (loss), as reported	$3,176	$76	$2,857	($223)
Deduct: Total stock-based compensation expense determined under fair value based method for all awards relating to continuing operations, net of related tax effects	(45)	(33)	(121)	(94)
Total stock-based compensation expense determined under fair value based method for all awards relating to discontinued operations, net of related tax effects	(5)	(4)	(12)	(12)
Pro forma, net income (loss)	$3,126	$39	$2,724	($329)
Basic earnings (loss) from continuing operations for common stockholders per common share:				
As reported	($0.07)	$0.03	($0.27)	($0.38)
Pro forma	($0.09)	($0.01)	($0.32)	($0.48)
Diluted earnings (loss) from continuing operations for common stockholders per common share:				
As reported	($0.07)	$0.03	($0.27)	($0.38)
Pro forma	($0.09)	($0.01)	($0.32)	($0.48)
Basic earnings (loss) for common stockholders per common share:				
As reported	$1.41	$0.08	$1.27	($0.23)
Pro forma	$1.39	$0.04	$1.21	($0.35)
Diluted earnings (loss) for common stockholders per common share:				
As reported	$1.41	$0.08	$1.27	($0.23)
Pro forma	$1.39	$0.04	$1.21	($0.35)

Total stock-based compensation expense was determined under the fair value method for all awards using the accelerated recognition method as permitted under SFAS No. 123. Had the Company applied the fair value recognition provisions of SFAS No. 123 using the straight-line rather than the accelerated recognition method of its stock options, total stock-based compensation expense relating to continuing operations, net of related tax effects, would have been $39 million and $26 million for the three months ended September 30, 2003 and 2002, respectively, and $103 million and $75 million for the nine months ended September 30, 2003 and 2002, respectively.

The weighted-average fair value at date of grant of a Class A common stock option granted under the Company's option plan during the three and nine months ended September 30, 2003 was $12.93 and $10.48, respectively. The weighted-average fair value at date of grant of a Class A Special common stock option granted under the

Company's option plan during the three and nine months ended September 30, 2002 was $10.33 and $15.50, respectively. The fair value of each option granted during the interim periods in 2003 and 2002 was estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	Class A Common Stock	Class A Special Common Stock	Class A Common Stock	Class A Special Common Stock
Dividend yield	0%	0%	0%	0%
Expected volatility	28.2%	31.5%	29.4%	29.5%
Risk-free interest rate	4.1%	4.6%	3.3%	5.2%
Expected option lives (in years)	8.0	8.0	6.7	8.0
Forfeiture rate	3.0%	3.0%	3.0%	3.0%

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

Comcast Option Plans

The Company maintains stock option plans for certain employees, directors and other persons (collectively, the "Comcast Option Plans"). The following table summarizes the activity of the Comcast Option Plans during the nine months ended September 30, 2003 (options in thousands):

	Class A Common Stock		Class A Special Common Stock	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Outstanding at beginning of period	63,575	$43.31	64,890	$28.57
Granted	24,108	28.70		
Exercised	(596)	15.97	(2,618)	8.73
Canceled	(1,787)	48.84	(1,334)	30.79
Outstanding at end of period	85,300	39.28	60,938	29.37
Exercisable at end of period	58,514	44.36	28,903	24.82

Comprehensive Income (Loss)
The Company's total comprehensive income (loss) for the interim periods was as follows (in millions):

	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Net income (loss)	$3,176	$76	$2,857	($223)
Unrealized (losses) gains on marketable securities	(25)	25	(40)	(339)
Reclassification adjustments for (gains) losses included in net income (loss)	(14)		13	203
Unrealized losses (gains) on the effective portion of cash flow hedges	1	(198)	1	(198)
Foreign currency translation gains (losses)	3	(1)	5	(8)
Comprehensive income (loss)	$3,141	($98)	$2,836	($565)

9. STATEMENT OF CASH FLOWS - SUPPLEMENTAL INFORMATION

The Company made cash payments for interest and income taxes related to continuing operations during the interim periods as follows (in millions):

	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Interest	$637	$101	$1,653	$441
Income taxes	$14	$2	$67	$11

During the nine months ended September 30, 2003, the Company entered into non-cash financing and investing activities related to certain of its Exchangeable Notes (see Note 7). The Liberty shares and Liberty Notes received in connection with the sale of QVC are non-cash investing activities (see Note 4).

10. COMMITMENTS AND CONTINGENCIES

Commitments
Certain subsidiaries of the Company support debt compliance with respect to obligations of certain cable television partnerships and investments in which the Company holds an ownership interest (see Note 5). The obligations expire between May 2008 and September 2010. Although there can be no assurance, management believes that it will not be required to meet its obligations under such commitments. The total notional amount of commitments for the Company was $1.021 billion as of September 30, 2003, at which time there were no quoted market prices for similar agreements.

Contingencies

At Home.

Litigation has been filed against the Company as a result of alleged conduct of the Company with respect to its investment in and distribution relationship with At Home Corporation. At Home was a provider of high-speed Internet services which filed for bankruptcy protection in September 2001. Filed actions are: (i) class action lawsuits against the Company, Brian L. Roberts (the Company's President and Chief Executive Officer and a director), AT&T (the former controlling shareholder of At Home and also a former distributor of the At Home service) and other corporate and individual defendants in the Superior Court of San Mateo County, California, alleging breaches of fiduciary duty on the part of the Company and the other defendants in connection with transactions agreed to in March 2000 among At Home, the Company, AT&T and Cox Communications, Inc. (Cox is also an investor in At Home and a former distributor of the At Home service); (ii) class action lawsuits against Comcast Cable Communications, Inc., AT&T and others in the United States District Court for the Southern District of New York, alleging securities law violations and common law fraud in connection with disclosures made by At Home in 2001; (iii) a lawsuit brought in the United States District Court for the District of Delaware in the name of At Home by certain At Home bondholders against the Company, Brian L. Roberts, Cox and others, alleging breaches of fiduciary duty relating to the March 2000 transactions and seeking recovery of alleged short- swing profits of at least $600 million pursuant to Section 16(b) of the Securities Exchange Act of 1934 purported to have arisen in connection with certain transactions relating to At Home stock effected pursuant to the March 2000 agreements; and (iv) a lawsuit brought in the United States Bankruptcy Court for the Northern District of California by certain At Home bondholders against Comcast Cable Holdings, LLC and Comcast Communications Holdings, Inc., as well as AT&T, AT&T Credit Holdings, Inc. and AT&T Wireless Services, Inc., seeking to avoid and recover certain alleged "preference" payments in excess of $89 million allegedly made to the defendants prior to the At Home bankruptcy filing. The actions in San Mateo County, California have been stayed by the United States Bankruptcy Court for the Northern District of California, the court in which At Home filed for bankruptcy, as violating the automatic bankruptcy stay. In the Southern District of New York actions, the court ordered the actions consolidated into a single action. All of the defendants served motions to dismiss on February 11, 2003. The court dismissed the common law claims against the Company and Mr. Roberts, leaving only a claim against them for "control person" liability under the Securities Exchange Act of 1934. The Delaware case has been transferred to the United States District Court for the Southern District of New York.

Under the terms of the Broadband acquisition, the Company is generally contractually liable for 50% of any liabilities of AT&T relating to At Home, including most liabilities resulting from any pending or threatened litigation, with the exception, among other things, of liabilities arising out of contracts between At Home and AT&T (or its affiliates) for the benefit of the businesses retained by AT&T following the divestiture of Broadband. In those situations where the Company is contractually liable for 50% of any liabilities, AT&T will be liable for the other 50% of these liabilities. In addition to the actions against AT&T described above, where the Company is also a defendant, there are two additional actions brought by At Home's bondholders' liquidating trust against AT&T, not naming the Company: (i) a lawsuit filed against AT&T and certain of its senior officers in Santa Clara, California state court alleging various breaches of fiduciary duties, misappropriation of trade secrets and other causes of action in connection with the transactions in March 2000 described above, and prior and subsequent alleged conduct on the part of the defendants, and (ii) an action filed against AT&T in the District Court for the Northern District of California, alleging that AT&T infringes an At Home patent by using its broadband distribution and high-speed Internet backbone networks and equipment. Both of these actions are in the discovery stage.

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

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

Starz Encore.

Some of the entities formerly attributed to Broadband which are now subsidiaries of the Company were parties to a 1997 affiliation term sheet with Starz Encore Group LLC ("Starz Encore"), an affiliate of Liberty, which was the subject of a lawsuit by Starz Encore against Broadband in Colorado state court that preceded the Company's

acquisition of Broadband. In November 2002, the Company and Comcast Holdings filed suit against Starz Encore in the United States District Court for the Eastern District of Pennsylvania relating to that term sheet.

In January 2003, Starz Encore filed an amended complaint in its lawsuit against Broadband in Colorado state court. The amended complaint added the Company and Comcast Holdings as defendants and added new claims against the Company, Comcast Holdings and Broadband asserting alleged breaches of, and interference with, a standstill agreement relating to the lawsuit filed by the Company and Comcast Holdings in federal District Court in Pennsylvania. On September 19, 2003, the Company, Starz Encore and certain of their affiliates entered into a confidential settlement agreement that provided for the dismissal with prejudice of both the Colorado lawsuit and the Pennsylvania lawsuit, subject to the execution of a contemporaneous amendment to an existing affiliation agreement between Comcast and Starz Encore that originally applied only to the cable systems of Comcast Holdings. The amended affiliation agreement now applies to all Comcast owned and operated systems, including the former Broadband systems, and provides for: (i) payment on a per-subscriber basis rather than the flat fee arrangement that formerly existed under the 1997 term sheet between Broadband and Starz Encore; (ii) elimination of the pass-through of any of Starz Encore's incremental programming costs, such as there had been under the 1997 term sheet between Broadband and Starz Encore; and (iii) enhanced joint marketing efforts promoting Starz Encore products. The parties have filed stipulations of dismissal of both the Colorado and Pennsylvania lawsuits with prejudice.

CSG Systems.

An entity formerly attributed to Broadband, which is now a subsidiary of the Company, is party to a master agreement under which it purchases certain billing services from CSG Systems, Inc.

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

On October 7, 2003, the arbitrator issued his award which provided for the following relief: (i) that CSG pay Broadband approximately $120 million plus 8% interest for violations of a most favored nations provision; (ii) that the charges and fees in the master agreement are deemed amended to conform to those in a CSG agreement with another customer containing more favorable pricing going forward; (iii) that Broadband has the right to unilaterally terminate the master agreement without cause but in such event shall be liable for contract damages not to exceed $44 million; (iv) that CSG shall furnish Broadband's customer data in deconversion format upon receipt of a statement of work requesting the same; (v) that if Broadband terminates the master agreement, CSG shall provide seven months of termination assistance; and (vi) that CSG is awarded no relief on its counterclaims. On October 9, 2003, CSG filed an application with the arbitrator to have the amount awarded for CSG's most favored nation violations reduced. Broadband filed an opposition to this application, and CSG paid Broadband the approximate $65 million undisputed amount of such award. On October 23, 2003, the arbitrator denied CSG's application. As a result, CSG now owes Broadband the balance of such award.

On November 15, 2002, the Company initiated a lawsuit against CSG in federal court in Philadelphia, Pennsylvania asserting that the former Broadband cable systems owned by the Company may be added to the billing service agreement between the Company and CSG. CSG moved to dismiss or stay the lawsuit on the ground that the issues raised by the complaint could be wholly or substantially determined by the above-mentioned arbitration. By order dated February 10, 2003, the Court stayed the lawsuit until further notice. Certain of the Company's claims in this lawsuit are not the subject of the arbitration described above and remain outstanding.

AT&T.

The Company, in connection with its acquisition of Broadband, is potentially responsible for up to 15% of the liabilities arising from two purported securities class action lawsuits brought against AT&T and others and consolidated for pre-trial purposes in the United States District Court for the District of New Jersey. These lawsuits assert claims under Section 11, Section 12(a)(2) and Section 15 of the Securities Act of 1933, as amended, and Section 10(b) and Section 20(a) of the Securities Exchange Act of 1934, as amended, and allege, among other things, that AT&T made material misstatements and omissions in the Registration Statement and Prospectus for the AT&T Wireless initial public offering and knowingly provided false projections relating to AT&T common stock. The complaints seek damages in an unspecified amount, but because the trading activity during the purported class periods was extensive the amounts ultimately demanded may be significant. The Company and AT&T believe that the lawsuits are without merit and these actions are being vigorously defended. The parties are currently engaged in discovery.

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

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

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

Management is currently unable to determine what impact, if any, the final resolution of the Company's share of these AT&T potential liabilities would have on the Company's consolidated financial position or results of operations. No assurance can be given that any adverse outcome would not be material.

Other.

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

In connection with a license awarded to an affiliate, the Company is contingently liable in the event of nonperformance by the affiliate to reimburse a bank which has provided a performance guarantee. The amount of the performance guarantee is approximately $165 million; however the Company's current estimate of the amount of expenditures (principally in the form of capital expenditures) that will be made by the affiliate necessary to comply with the performance requirements will not exceed $50 million.

11. FINANCIAL DATA BY BUSINESS SEGMENT

As a result of the sale of QVC, the Company's only reportable segment is "Cable." The Company's other business segments, including the Company's content operations, do not meet the quantitative guidelines for segment reporting. The components of net income (loss) below operating income before depreciation and amortization are not separately evaluated by the Company's management on a segment basis (in millions).

	Cable	Corporate and Other (1)	Total
Three Months Ended September 30, 2003			
Revenues (2)	$4,374	$172	$4,546
Operating income before depreciation and amortization (3)	1,620	12	1,632
Depreciation and amortization	1,086	53	1,139
Operating income (loss)	534	(41)	493
Interest expense	437	128	565
Capital expenditures	1,045	36	1,081
Three Months Ended September 30, 2002			
Revenues (2)	$1,548	$150	$1,698
Operating income before depreciation and amortization (3)	645	(3)	642
Depreciation and amortization	309	62	371
Operating income (loss)	336	(65)	271
Interest expense	140	32	172
Capital expenditures	322	7	329
Nine Months Ended September 30, 2003			
Revenues (2)	$12,985	$621	$13,606
Operating income before depreciation and amortization (3)	4,638	34	4,672
Depreciation and amortization	3,299	161	3,460
Operating income (loss)	1,339	(127)	1,212
Interest expense	1,264	315	1,579
Capital expenditures	3,045	48	3,093
Nine Months Ended September 30, 2002			
Revenues (2)	$4,558	$544	$5,102
Operating income before depreciation and amortization (3)	1,896	35	1,931
Depreciation and amortization	900	191	1,091
Operating income (loss)	996	(156)	840
Interest expense	428	107	535
Capital expenditures	1,011	24	1,035
As of September 30, 2003			
Assets	$93,482	$16,334	$109,816
Long-term debt, less current portion	20,364	6,952	27,316
As of December 31, 2002			
Assets	$106,314	$6,814	$113,128
Long-term debt, less current portion	26,033	1,923	27,956

(1) Other includes segments not meeting certain quantitative guidelines for reporting and elimination entries related to the segment presented. Corporate and other assets consist primarily of the Company's investments and intangible assets related to the Company's content operations and, as of December 31, 2002, $3.689 billion of assets associated with discontinued operations and assets held for sale (see Notes 4, 5 and 6).

(2) No single customer accounted for a significant amount of the Company's revenues in any period.

(3) Operating income before depreciation and amortization is defined as operating income before depreciation and amortization and impairment charges, if any, related to fixed and intangible assets. As such, it eliminates the significant level of non-cash depreciation and amortization expense that results from the capital intensive nature of the Company's businesses and intangible assets recognized in business combinations, and is unaffected by the Company's capital structure or investment activities. The Company's management and Board of Directors use this measure in evaluating the Company's consolidated operating performance and the operating performance of all of its operating segments. This metric is used to allocate resources and capital to the Company's operating segments and is a significant component of the Company's annual incentive compensation programs. This measure is also useful to investors as it is one of the bases for comparing the Company's operating performance with other companies in its industries, although the Company's measure may not be directly comparable to similar measures used by other companies. This measure should not be considered as a substitute for operating income (loss), net income (loss), net cash provided by operating activities or other measures of performance or liquidity reported in accordance with generally accepted accounting principles.

12. CONDENSED CONSOLIDATING FINANCIAL INFORMATION

In November 2002, in order to simplify the Company's capital structure, the Company and four of its cable holding company subsidiaries, Comcast Cable Communications, Inc. (Comcast Cable or "CCCI"), Comcast Cable Communications Holdings, Inc. (Comcast Cable Communications Holdings or "CCCH"), Comcast MO Group, Inc. ("Comcast MO Group"), and Comcast Cable Holdings, LLC (Comcast Cable Holdings or "CCH"), fully and unconditionally guaranteed each other's debt securities. Comcast MO of Delaware, Inc. ("Comcast MO of Delaware") was not originally a part of the Cross-Guarantee Structure. On March 12, 2003, the Company announced the successful completion of a bondholder consent solicitation related to Comcast MO of Delaware's $1.7 billion aggregate principal amount in debt securities to permit it to become part of the Cross-Guarantee Structure (see Note 7). Comcast MO Group and CCH (as of December 31, 2002) and Comcast MO Group, CCH and Comcast MO of Delaware (as of September 30, 2003 and for the three and nine months ended September 30, 2003) are collectively referred to as the "Combined CCHMO Parents." Condensed consolidating financial information of the Company is as follows (in millions):

Comcast Corporation
Condensed Consolidating Balance Sheet
As of September 30, 2003

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
ASSETS							
Cash and cash equivalents	$	$	$	$	$3,245	$	$3,245
Investments	43				2,939		2,982
Accounts receivable, net					850		850
Other current assets	10				527		537
Total current assets	53				7,561		7,614
INVESTMENTS					15,463		15,463
INVESTMENTS IN AND AMOUNTS DUE FROM SUBSIDIARIES ELIMINATED UPON CONSOLIDATION	47,347	21,436	26,880	33,667	14,376	(143,706)	
PROPERTY AND EQUIPMENT, net					18,194		18,194
FRANCHISE RIGHTS					46,023		46,023
GOODWILL					17,563		17,563
OTHER INTANGIBLE ASSETS, net					4,216		4,216
OTHER NONCURRENT ASSETS, net	89	46	31		577		743
Total Assets	$47,489	$21,482	$26,911	$33,667	$123,973	($143,706)	$109,816
LIABILITIES AND STOCKHOLDERS' EQUITY							
Accounts payable	$	$	$	$	$1,188	$	$1,188
Accrued expenses and other current liabilities	271	174	50	293	4,564		5,352
Deferred income taxes					510		510
Current portion of long-term debt		305		319	2,441		3,065
Total current liabilities	271	479	50	612	8,703		10,115
LONG-TERM DEBT, less current portion	5,644	6,627	3,498	6,175	5,372		27,316
DEFERRED INCOME TAXES					24,654		24,654
OTHER NONCURRENT LIABILITIES	336				5,878		6,214
MINORITY INTEREST					279		279
STOCKHOLDERS' EQUITY							
Common stock	25						25
Other stockholders' equity	41,213	14,376	23,363	26,880	79,087	(143,706)	41,213
Total Stockholders' Equity	41,238	14,376	23,363	26,880	79,087	(143,706)	41,238
Total Liabilities and Stockholders' Equity	$47,489	$21,482	$26,911	$33,667	$123,973	($143,706)	$109,816

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

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
ASSETS							
Cash and cash equivalents	$	$	$	$	$505	$	$505
Investments	30				3,228		3,258
Accounts receivable, net					862		862
Other current assets	22				358		380
Current assets of discontinued operations					1,481		1,481
Current assets held for sale					613		613
Total current assets	52				7,047		7,099
INVESTMENTS					15,174		15,174
INVESTMENTS IN AND AMOUNTS DUE FROM SUBSIDIARIES ELIMINATED UPON CONSOLIDATION	39,356	21,818	33,683	40,749	13,913	(149,519)	
PROPERTY AND EQUIPMENT, net					18,381		18,381
FRANCHISE RIGHTS					48,222		48,222
GOODWILL					16,562		16,562
OTHER INTANGIBLE ASSETS, net					5,429		5,429
OTHER NONCURRENT ASSETS, net	74	99	121		372		666
NON-CURRENT ASSETS OF DISCONTINUED OPERATIONS					1,595		1,595
Total Assets	$39,482	$21,917	$33,804	$40,749	$126,695	($149,519)	$113,128
LIABILITIES AND STOCKHOLDERS' EQUITY							
Accounts payable	$1	$	$	$	$1,295	$	$1,296
Accrued expenses and other current liabilities	208	107	46	469	4,406		5,236
Deferred income taxes					1,105		1,105
Short-term debt			3,750				3,750
Current portion of long-term debt				1,465	1,738		3,203
Current liabilities of discontinued operations					816		816
Total current liabilities	209	107	3,796	1,934	9,360		15,406
LONG-TERM DEBT, less current portion	680	7,897	6,005	4,932	8,442		27,956
DEFERRED INCOME TAXES					23,104		23,104
OTHER NONCURRENT LIABILITIES	264			200	6,697		7,161
MINORITY INTEREST					249		249
NON-CURRENT LIABILITIES AND MINORITY INTEREST OF DISCONTINUED OPERATIONS					923		923
STOCKHOLDERS' EQUITY							
Common stock	25						25
Other stockholders' equity	38,304	13,913	24,003	33,683	77,920	(149,519)	38,304
Total Stockholders' Equity	38,329	13,913	24,003	33,683	77,920	(149,519)	38,329
Total Liabilities and Stockholders' Equity	$39,482	$21,917	$33,804	$40,749	$126,695	($149,519)	$113,128

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Three Months Ended September 30, 2003

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES							
Service revenues	$	$	$	$	$4,546	$	$4,546
Management fee revenue	94	38	56	56		(244)	
	94	38	56	56	4,546	(244)	4,546
COSTS AND EXPENSES							
Operating (excluding depreciation)					1,703		1,703
Selling, general and administrative	34	38	56	56	1,271	(244)	1,211
Depreciation					774		774
Amortization					365		365
	34	38	56	56	4,113	(244)	4,053
OPERATING INCOME	60				433		493
OTHER INCOME (EXPENSE)							
Interest expense	(98)	(131)	(83)	(130)	(123)		(565)
Investment loss, net					(182)		(182)
Equity in net (losses) income of affiliates	3,199	227	(48)	36	126	(3,556)	(16)
Other income					28		28
	3,101	96	(131)	(94)	(151)	(3,556)	(735)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST	3,161	96	(131)	(94)	282	(3,556)	(242)
INCOME TAX (EXPENSE) BENEFIT	15	46	29	46	(33)		103
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST	3,176	142	(102)	(48)	249	(3,556)	(139)
MINORITY INTEREST					(14)		(14)
INCOME (LOSS) FROM CONTINUING OPERATIONS	3,176	142	(102)	(48)	235	(3,556)	(153)
INCOME FROM DISCONTINUED OPERATIONS, net of tax					39		39
GAIN ON DISCONTINUED OPERATIONS, net of tax					3,290		3,290
NET INCOME (LOSS)	$3,176	$142	($102)	($48)	$3,564	($3,556)	$3,176

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Three Months Ended September 30, 2002

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
SERVICE REVENUES	$	$	$	$	$1,698	$	$1,698
COSTS AND EXPENSES							
Operating (excluding depreciation)					597		597
Selling, general and administrative					459		459
Depreciation					321		321
Amortization					50		50
					1,427		1,427
OPERATING INCOME					271		271
OTHER INCOME (EXPENSE)							
Interest expense		(141)			(31)		(172)
Investment loss, net					(47)		(47)
Equity in net income (losses) of affiliates		215			114	(338)	(9)
Other income					5		5
		74			41	(338)	(223)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST		74			312	(338)	48
INCOME TAX (EXPENSE) BENEFIT		49			(76)		(27)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST		123			236	(338)	21
MINORITY INTEREST					3		3
INCOME FROM CONTINUING OPERATIONS		123			239	(338)	24
INCOME FROM DISCONTINUED OPERATIONS, net of tax					52		52
NET INCOME (LOSS)	$	$123	$	$	$291	($338)	$76

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Nine Months Ended September 30, 2003

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
REVENUES							
Service revenues	$	$	$	$	$13,606	$	$13,606
Management fee revenue	281	109	172	172		(734)	
	281	109	172	172	13,606	(734)	13,606
COSTS AND EXPENSES							
Operating (excluding depreciation)					5,267		5,267
Selling, general and administrative	110	109	172	172	3,838	(734)	3,667
Depreciation					2,370		2,370
Amortization					1,090		1,090
	110	109	172	172	12,565	(734)	12,394
OPERATING INCOME	171				1,041		1,212
OTHER INCOME (EXPENSE)							
Interest expense	(221)	(405)	(289)	(322)	(342)		(1,579)
Investment loss, net					(418)		(418)
Equity in net income (losses) of affiliates	2,889	728	(455)	(246)	432	(3,381)	(33)
Other income					71		71
	2,668	323	(744)	(568)	(257)	(3,381)	(1,959)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST	2,839	323	(744)	(568)	784	(3,381)	(747)
INCOME TAX (EXPENSE) BENEFIT	18	142	101	113	(143)		231
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST	2,857	465	(643)	(455)	641	(3,381)	(516)
MINORITY INTEREST					(85)		(85)
INCOME (LOSS) FROM CONTINUING OPERATIONS	2,857	465	(643)	(455)	556	(3,381)	(601)
INCOME FROM DISCONTINUED OPERATIONS, net of tax					168		168
GAIN ON DISCONTINUED OPERATIONS, net of tax					3,290		3,290
NET INCOME (LOSS)	$2,857	$465	($643)	($455)	$4,014	($3,381)	$2,857

Comcast Corporation
Condensed Consolidating Statement of Operations
For the Nine Months Ended September 30, 2002

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
SERVICE REVENUES	$	$	$	$	$5,102	$	$5,102
COSTS AND EXPENSES							
Operating (excluding depreciation)					1,831		1,831
Selling, general and administrative					1,340		1,340
Depreciation					957		957
Amortization					134		134
					4,262		4,262
OPERATING INCOME					840		840
OTHER INCOME (EXPENSE)							
Interest expense		(421)			(114)		(535)
Investment loss, net					(702)		(702)
Equity in net income (losses) of affiliates		634			305	(994)	(55)
Other expense					(12)		(12)
		213			(523)	(994)	(1,304)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST		213			317	(994)	(464)
INCOME TAX (EXPENSE) BENEFIT		147			(24)		123
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST		360			293	(994)	(341)
MINORITY INTEREST					(23)		(23)
INCOME (LOSS) FROM CONTINUING OPERATIONS		360			270	(994)	(364)
INCOME FROM DISCONTINUED OPERATIONS, net of tax					141		141
NET INCOME (LOSS)	$	$360	$	$	$411	($994)	($223)

Comcast Corporation
Condensed Consolidating Statement of Cash Flows
For the Nine Months Ended September 30, 2003

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
OPERATING ACTIVITIES							
Net income (loss)	$2,857	$465	($643)	($455)	$4,014	($3,381)	$2,857
Income from discontinued operations					(168)		(168)
Gain on discontinued operations					(3,290)		(3,290)
Loss from continuing operations	2,857	465	(643)	(455)	556	(3,381)	(601)
Adjustments to reconcile net loss from continuing operations to net cash provided by (used in) operating activities from continuing operations:							
Depreciation					2,370		2,370
Amortization					1,090		1,090
Non-cash interest (income) expense, net	31	(2)		(114)			(85)
Equity in net (income) losses of affiliates	(2,889)	(728)	455	246	(432)	3,381	33
Losses (gains) on investments and other (income) expense, net					423		423
Minority interest					34		34
Deferred income taxes					(289)		(289)
Proceeds from sales of trading securities					85		85
Other					105		105
	(1)	(265)	(188)	(323)	3,942		3,165
Changes in working capital							
Decrease in accounts receivable, net					12		12
Increase in other current assets					(157)		(157)
Increase (decrease) in accounts payable, accrued expenses and other current liabilities	62	67	4	(276)	(358)		(501)
	62	67	4	(276)	(503)		(646)
Net cash provided by operating activities from continuing operations	61	(198)	(184)	(599)	3,439		2,519
FINANCING ACTIVITIES							
Proceeds from borrowings	8,138	1,150			89		9,377
Retirements and repayments of debt	(3,180)	(2,104)	(6,250)	(1,907)	(234)		(13,675)
Other					(3)		(3)
Net cash used in financing activities from continuing operations	4,958	(954)	(6,250)	(1,907)	(148)		(4,301)
INVESTING ACTIVITIES							
Net transactions with affiliates	(5,019)	1,152	6,434	2,506	(5,073)		
Acquisitions, net of cash acquired					(39)		(39)
Proceeds from sales of (purchases of) short-term investments, net					(8)		(8)
Proceeds from restructuring of TWE investment					2,100		2,100
Proceeds from sale of discontinued operations. and assets held for sale					1,875		1,875
Proceeds from sales of Liberty Notes					3,000		3,000
Proceeds from sales of investments					977		977
Purchases of investments					(151)		(151)
Capital expenditures					(3,093)		(3,093)
Additions to intangible and other noncurrent assets					(139)		(139)
Net cash provided by (used in) investing activities from continuing operations	(5,019)	1,152	6,434	2,506	(551)		4,522
INCREASE IN CASH AND CASH EQUIVALENTS					2,740		2,740
CASH AND CASH EQUIVALENTS, beginning of							

period.....................................					505		505
CASH AND CASH EQUIVALENTS, end of period......	$	$	$	$	$3,245	$	$3,245

Comcast Corporation
Condensed Consolidating Statement of Cash Flows
For the Nine Months Ended September 30, 2002

	Comcast Parent	CCCI Parent	CCCH Parent	Combined CCHMO Parents	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
OPERATING ACTIVITIES							
Net income (loss)............................	$	$360	$	$	$411	($994)	($223)
Income from discontinued operations..........					(141)		(141)
Loss from continuing operations..............		360			270	(994)	(364)
Adjustments to reconcile net loss from continuing operations to net cash provided by (used in) operating activities from continuing operations:							
Depreciation.............................					957		957
Amortization.............................					134		134
Non-cash interest (income) expense, net...		(2)			34		32
Equity in net (income) losses of affiliates............................		(634)			(305)	994	55
Losses (gains) on investments and other (income) expense, net..................					733		733
Minority interest........................					23		23
Deferred income taxes....................					(60)		(60)
Proceeds from sales of trading securities.							
Other....................................					(56)		(56)
		(276)			1,730		1,454
Changes in working capital							
Decrease in accounts receivable, net....					11		11
Increase in other current assets........					(5)		(5)
Increase (decrease) in accounts payable, accrued expenses and other current liabilities...................					183		183
					189		189
Net cash provided by operating activities from continuing operations.............		(276)			1,919		1,643
FINANCING ACTIVITIES							
Proceeds from borrowings..................		856			20		876
Retirements and repayments of debt........		(1,619)			(182)		(1,801)
Other.....................................					70		70
Net cash used in financing activities from continuing operations....................		(763)			(92)		(855)
INVESTING ACTIVITIES							
Net transactions with affiliates..........		1,039			(1,039)		
Acquisitions, net of cash required........					(16)		(16)
Proceeds from sales of (purchase of) short-term investments, net.............					4		4
Proceeds from sales of investments........					734		734
Purchases of investments..................					(48)		(48)
Capital expenditures......................					(1,035)		(1,035)
Additions to intangible and other noncurrent assets.......................					(231)		(231)
Net cash provided by (used in) investing activities from continuing operations...		1,039			(1,631)		(592)
INCREASE IN CASH AND CASH EQUIVALENTS........					196		196
CASH AND CASH EQUIVALENTS, beginning of period..................................					214		214
CASH AND CASH EQUIVALENTS, end of period.....	$	$	$	$	$410	$	$410

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

Business Developments

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

On September 17, 2003, we completed the sale to Liberty Media Corporation ("Liberty") of all shares of QVC, Inc. ("QVC") common stock held by our subsidiaries and by us. In accordance with Statement of Financial Accounting Standards No. 144 ("SFAS 144"), QVC's operations are presented as a discontinued operation in our financial statements.

Refer to Note 4 to our financial statements included in Item 1 for further discussion of our acquisitions and other significant events.

Liquidity and Capital Resources

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

Available sources of financing to fund these requirements include our existing cash and cash equivalents, amounts available under our lines of credit, which total $5.896 billion, and through the future sales or monetizations of our investments.

As more fully described in Note 4 to our financial statements included in Item 1 (see Sale of QVC), on September 17, 2003 we sold our approximate 57% interest in QVC to Liberty for approximately $7.7 billion under a stock purchase agreement. We received from Liberty three-year senior unsecured notes (the "Liberty Notes") bearing interest at LIBOR plus 1.5%, approximately 218 million shares of Liberty Series A common stock and cash. The values of the note, shares and cash received were approximately $4.0 billion, $2.339 billion and $1.35 billion, respectively.

Cash and Cash Equivalents

We have traditionally maintained significant levels of cash and cash equivalents to meet our short-term liquidity requirements. Our cash equivalents are recorded at fair value. Cash and cash equivalents as of September 30, 2003 were $3.245 billion, substantially all of which is unrestricted.

Investments

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

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

Refer to Note 5 to our financial statements included in Item 1 for a discussion of our investments.

Financing

As of September 30, 2003 and December 31, 2002, our debt, including capital lease obligations, was $30.381 billion and $34.909 billion, respectively.

The $4.528 billion decrease from December 31, 2002 to September 30, 2003 results principally from the effects of our net repayments during 2003. Included in our debt as of September 30, 2003 and December 31, 2002 was short-term debt and current portion of long-term debt of $3.065 billion and $6.953 billion, respectively.

In January, March and May 2003, we sold an aggregate of $4.0 billion of public debt consisting of $600 million of 5.85% senior notes due 2010, $900 million of 6.50% senior notes due 2015, $750 million of 5.50% senior notes due 2011, $750 million of 7.05% senior notes due 2033 and $1.0 billion of 5.30% senior notes due 2014. We used all of the net proceeds from the offerings to repay a portion of our short-term debt

outstanding and to repay a portion of amounts outstanding under our revolving credit facilities due in 2005 and 2007.

On March 31, 2003, in connection with the closing of the TWE restructuring, we received $2.1 billion in cash which was used to repay debt, including the remaining outstanding balance of our short-term debt.

In May 2003, we redeemed at their respective scheduled redemption price $433 million aggregate principal amount of certain of our senior notes and senior subordinated notes with maturities ranging from 2003 to 2023 and interest rates ranging from 8 1/4% to 9.65%. We financed the redemptions with amounts available under our existing credit facilities.

In May 2003, we borrowed an aggregate of $2.75 billion, representing all amounts available under two new credit agreements. Borrowings under the new credit agreements, which bear interest at LIBOR plus 1.125% and LIBOR plus 0.875%, respectively, and are due in 2006, were used to repay a portion of the $3.18 billion that was outstanding under our term loan due 2004. The new credit agreements replaced our 364-day credit facility, which expired in May 2003.

In June 2003, we sold our interest in CC VIII, LLC, a cable joint venture with Charter Communications, Inc. ("Charter") to Paul G. Allen, Charter's Chairman, for $728 million in cash. We used the proceeds from the sale to repay a portion of the amounts outstanding under our revolving credit facilities.

In addition to the $1.35 billion in cash proceeds received in the QVC sale, in September 2003, we sold an aggregate of $3.0 billion principal amount of the Liberty Notes for net proceeds of approximately $3.0 billion. A portion of the cash proceeds from these sales was used to repay all amounts outstanding on certain of our bank credit facilities. The remaining portion will be used primarily to pay certain income taxes associated with the sale of QVC and further reduce debt outstanding.

During 2003, we settled our obligations relating to certain of our Exchangeable Notes by delivering the underlying shares of common stock to the counterparty upon maturity of the instruments, and the equity collar agreements related to the underlying shares expired. The transactions, which represented non-cash financing and investing activities, had no effect on our statement of cash flows due to their non-cash nature. As of September 30, 2003, the securities held by us collateralizing the Exchangeable Notes were sufficient to satisfy the debt obligations associated with the outstanding Exchangeable Notes.

Excluding the effects of interest rate risk management instruments, 14.8% and 31.8% of our long- term debt, including short-term debt and current portion, as of September 30, 2003 and December 31, 2002, respectively, was at variable rates.

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

Refer to Note 7 to our financial statements included in Item 1 for a discussion of our long-term debt.

Equity Price Risk Management

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

The change in the fair value of certain of our investments accounted for as trading securities, with the exception of the Liberty shares we received from the sale of QVC, was substantially offset by the changes in the fair values of the Equity Collars and the derivative components of the ZONES, Exchangeable Notes and Prepaid Forward Sales. See "Results of Operations - Investment Loss, Net" below.

Cash Flows from Continuing Operations

Cash and cash equivalents increased $2.740 billion as of September 30, 2003 from December 31, 2002. The increase 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, which amounted to $2.519 billion for the nine months ended

September 30, 2003, is comprised of operating income before depreciation and amortization (see "Results of Operations"), the effects of interest payments, and changes in working capital as a result of the timing of receipts and disbursements, including income tax payments.

Net cash used in financing activities consists primarily of borrowings and repayments of debt. Net cash used in financing activities was $4.301 billion for the nine months ended September 30, 2003. During the nine months ended September 30, 2003, we borrowed $9.377 billion, consisting of:

- $3.988 billion of senior notes,
- $3.650 billion under revolving credit facilities,
- $1.650 billion under a term loan due 2006, and
- $89 million under capital leases and other.

During the nine months ended September 30, 2003, we repaid $13.675 billion of our debt, consisting of:

- $4.496 billion of our revolving credit facilities,
- $3.750 billion of our short-term debt,
- $3.180 billion of our term loans,
- $2.088 billion of our senior notes, and
- $161 million under capital leases and other.

Net cash provided by investing activities was $4.522 billion for the nine months ended September 30, 2003. Proceeds from investing activities include the restructuring of our TWE investment of $2.100 billion, sales of Liberty Notes of $3.000 billion, sales of discontinued operations and assets held for sale of $1.875 billion, and sales of other investments of $977 million. Capital expenditures were $3.093 billion for the nine months ended September 30, 2003.

Results of Continuing Operations

The following represents our consolidated operating results as well as the operating results of our Cable business segment. The remaining components of our operations are not independently significant to our consolidated financial condition or results of operations.

The effects of the Broadband acquisition were to increase our revenues and expenses, resulting in increases in our operating income. The increases in our depreciation expense from the 2002 to 2003 interim periods are primarily due to the effects of the Broadband acquisition and our increased levels of capital expenditures. The increases in our amortization expense and interest expense from the 2002 to 2003 interim periods are primarily due to the effects of the Broadband acquisition.

As the effect of the Broadband acquisition was to substantially increase the size of our cable operations, direct comparisons of our results of operations for periods prior to November 18, 2002 to subsequent periods are not meaningful. Refer to "Pro Forma Results" below for additional information relating to our cable segment operating results as if the Broadband acquisition occurred on January 1, 2002.

Our summarized financial information for the interim periods is as follows (dollars in millions, "NM" denotes percentage is not meaningful):

	Three Months Ended September 30, 2003	2002	Increase / (Decrease) $	%
Service revenues	$4,546	$1,698	$2,848	167.7%
Operating, selling, general and administrative expenses	2,914	1,056	1,858	175.9
Depreciation	774	321	453	141.1
Amortization	365	50	315	630.0
Operating income	493	271	222	81.9
Interest expense	(565)	(172)	393	228.5
Investment loss, net	(182)	(47)	135	287.2
Equity in net losses of affiliates	(16)	(9)	7	77.8
Other income	28	5	23	460.0
Income tax benefit (expense)	103	(27)	130	NM
Minority interest	(14)	3	(17)	NM
Income (loss) from continuing operations	($153)	$24	($177)	NM%

	Nine Months Ended September 30, 2003	2002	Increase / (Decrease) $	%
Service revenues	$13,606	$5,102	$8,504	166.7%
Operating, selling, general and administrative expenses	8,934	3,171	5,763	181.7
Depreciation	2,370	957	1,413	147.6
Amortization	1,090	134	956	713.4
Operating income	1,212	840	372	44.3
Interest expense	(1,579)	(535)	1,044	195.1
Investment loss, net	(418)	(702)	(284)	(40.5)
Equity in net losses of affiliates	(33)	(55)	(22)	(40.0)
Other income (expense)	71	(12)	83	NM
Income tax benefit	231	123	108	87.8
Minority interest	(85)	(23)	62	269.6
Loss from continuing operations	($601)	($364)	$237	65.1%

Consolidated Operating Results

Revenues

Consolidated revenues for the three and nine month interim periods increased $2.848 billion and $8.504 billion, respectively. Of these increases, $2.826 billion and $8.427 billion, respectively, relate to our cable segment, which is discussed separately below. The remaining increases are primarily the result of our content businesses, which achieved combined revenue growth of 17.5% and 16.2%, respectively, for the three and nine month interim periods. Such increases were primarily the result of increases in distribution revenues and in advertising.

Operating, selling, general and administrative expenses

Consolidated operating, selling, general and administrative expenses for the three and nine month interim periods increased $1.858 billion and $5.763 billion, respectively. Of these increases, $1.851 billion and $5.685 billion, respectively, relate to our cable segment, which is discussed separately below. The remaining increases are primarily the result of growth in our content businesses and increases in corporate overhead.

Depreciation and Amortization

The increases in depreciation and amortization expense for the interim periods from 2002 to 2003 are primarily attributable to our Cable segment and are principally due to the effects of the Broadband acquisition, as well as our increased levels of capital expenditures. As a result of the Broadband acquisition, we recorded approximately $4 billion of franchise related customer relationship intangible assets which we are amortizing over their average estimated useful life of approximately four years.

Cable

The discussion of our cable segment operating results is presented as an historical comparison of the 2003 interim periods and the 2002 interim periods, which do not include the Broadband results. In order to provide additional information relating to our cable segment operating results, we also present a discussion comparing our cable segment operating results on a pro forma basis. 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 or may be achieved by the combined businesses. In the opinion of management, this information is not indicative of what our results would have been had we operated Broadband since January 1, 2002, nor of our future results.

Pro Forma Results

As previously described, the following discussion includes the pro forma results of our cable segment operations as if the Broadband acquisition had occurred on January 1, 2002 (dollars in millions).

	Three Months Ended September 30, 2003	2002	Increase/(Decrease) $	%
Video	$3,020	$2,865	$155	5.4%
High-speed Internet	586	391	195	49.9
Phone	189	211	(22)	(10.4)
Advertising sales	276	258	18	7.2
Other	152	169	(17)	(10.1)
Franchise fees	151	141	10	7.1
Revenues	4,374	4,035	339	8.4
Operating, selling, general and administrative expenses	2,754	2,837	(83)	(2.9)
Operating income before depreciation and amortization (a)	$1,620	$1,198	$422	35.3%

	Nine Months Ended September 30, 2003	2002	Increase/(Decrease) $	%
Video	$9,038	$8,580	$458	5.3%
High-speed Internet	1,626	1,052	574	54.6
Phone	618	594	24	4.0
Advertising sales	797	739	58	7.8
Other	452	495	(43)	(8.7)
Franchise fees	453	428	25	5.8
Revenues	12,984	11,888	1,096	9.2
Operating, selling, general and administrative expenses	8,346	8,467	(121)	(1.4)
Operating income before depreciation and amortization (a)	$4,638	$3,421	$1,217	35.6%

(a) Operating income before depreciation and amortization is defined as operating income before depreciation and amortization and impairment charges, if any, related to fixed and intangible assets. As such, it eliminates the significant level of non-cash depreciation and amortization expense that results from the capital intensive nature of our businesses and intangible assets recognized in business combinations, and is unaffected by our capital structure or investment activities. Our management and Board of Directors use this measure in evaluating our consolidated operating performance and the operating performance of all of our operating segments. This metric is used to allocate resources and capital to our operating segments and is a significant component of our annual incentive compensation programs. We believe that this measure is also useful to investors as it is one of the bases for comparing our operating performance with other companies in our industries, although our measure may not be directly comparable to similar measures used by other companies. Because we use this measure as the measure of our segment profit or loss, we reconcile it to operating income, the most directly comparable financial measure calculated and presented in accordance with Generally Accepted Accounting Principles (GAAP), in the business segment footnote to our financial statements. This measure should not be considered as a substitute for operating income (loss), net income (loss), net cash provided by operating activities or other measures of performance or liquidity reported in accordance with GAAP.

Video revenue consists of our basic, expanded basic, premium, pay-per-view, equipment and digital cable services. The increases in video revenue for the interim periods from 2002 to 2003 are primarily due to the effects of increases in average monthly revenue per basic subscriber as a result of rate increases in our traditional analog video service, growth in digital subscribers, and repricing and repackaging of the digital products in the newly acquired systems. These increases were offset by the continuing impact of pre-acquisition basic subscriber

losses in the newly acquired cable systems. From September 30, 2002 to September 30, 2003, we added approximately 1,036,000 digital subscribers, or a 16.6% increase in digital subscribers.

The increases in high-speed Internet revenue for the interim periods from 2002 to 2003 are primarily due to the addition of approximately 1,608,000 high-speed Internet subscribers from September 30, 2002 to September 30, 2003, or a 49.4% increase in high-speed Internet subscribers, as well as to the effects of increases in average monthly revenue per subscriber as a result of rate increases.

The decrease in phone revenue for the three-month interim period from 2002 to 2003 is primarily due to our reduced marketing efforts during 2003. The slight increase in phone revenue for the nine-month interim period from 2002 to 2003 is primarily due to an increase in the number of phone subscribers during 2002 offset, to some extent, by the effects of our reduced marketing efforts during 2003. During the three months ended September 30, 2003, our phone subscribers decreased by approximately 55,000 subscribers primarily as a result of our reduced marketing efforts. We anticipate that our phone subscribers may decrease by up to a total of 175,000 subscribers for all of 2003.

The increases in advertising sales revenue for the interim periods from 2002 to 2003 are primarily due to the effects of growth in regional/national advertising as a result of the continuing success of our regional interconnects, and growth in a soft local advertising market.

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

The increases in franchise fees collected from our cable subscribers for the interim periods from 2002 to 2003 are primarily attributable to the increases in our revenues upon which the fees apply.

The decreases in operating, selling, general and administrative expense for the interim periods from 2002 to 2003 are primarily due to the effects of approximately $107 million and $295 million of acquisition and employee termination related costs recorded by Broadband during the three and nine months ended September 30, 2002, respectively. These decreases were offset by the effects of increases in the costs related to high-speed Internet subscriber growth, increases in labor costs and other volume related expenses, and the costs of cable programming occurring in 2003.

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

Historical Results

	Three Months Ended September 30, 2003	2002	Increase $	%
Video	$3,020	$1,180	$1,840	155.9%
High-speed Internet	586	156	430	275.6
Phone	189	6	183	NM
Advertising sales	276	93	183	196.8
Other	152	64	88	137.5
Franchise fees	151	49	102	208.2
Revenues	4,374	1,548	2,826	182.6
Operating, selling, general and administrative expenses	2,754	903	1,851	205.0
Operating income before depreciation and amortization (a)	$1,620	$645	$975	151.2%

	Nine Months Ended September 30, 2003	2002	Increase $	%
Video	$9,038	$3,516	$5,522	157.1%
High-speed Internet	1,626	415	1,211	291.8
Phone	618	18	600	NM
Advertising sales	797	274	523	190.9
Other	453	184	269	146.2
Franchise fees	453	151	302	200.0
Revenues	12,985	4,558	8,427	184.9
Operating, selling, general and administrative expenses	8,347	2,662	5,685	213.6
Operating income before depreciation and amortization (a)	$4,638	$1,896	$2,742	144.6%

(a) See footnote (a) on page 39.

Of the $1.840 billion and $5.522 billion increases in video revenues for the interim periods from 2002 to 2003, $1.771 billion and $5.303 billion, respectively, is attributable to the effects of our acquisition of Broadband and $69 million and $219 million, respectively, relates to changes in rates and subscriber growth in our historical operations, driven principally by growth in digital subscribers. From September 30, 2002 to September 30, 2003, we added approximately 437,000 digital subscribers in our historical operations, or a 20.7% increase in digital subscribers. During the three and nine months ended September 30, 2003, we added approximately 318,000 and 649,000 digital subscribers, respectively, in our consolidated cable operations.

The increases in high-speed Internet revenue for the interim periods from 2002 to 2003 are primarily due to the effects of the Broadband acquisition and growth in high-speed Internet subscribers. From September 30, 2002 to September 30, 2003, we added approximately 733,000 high-speed Internet subscribers in our historical operations, or a 54.8% increase in high-speed Internet subscribers. During the three and nine months ended September 30, 2003, we added approximately 473,000 and 1,241,000 high-speed Internet subscribers, respectively, in our consolidated cable operations.

The increases in phone revenue are attributable to the effects of our acquisition of Broadband.

The increases in advertising sales revenue for the interim periods from 2002 to 2003 are primarily due to the acquisition of Broadband and growth in regional/national advertising as a result of the continuing success of our regional interconnects, and growth in a soft local advertising market.

The increases in other revenue for the interim periods from 2002 to 2003 are primarily attributable to the effects of the Broadband acquisition.

The increases in franchise fees collected from our cable subscribers for the interim periods from 2002 to 2003 are primarily attributable to the increases in our revenues upon which the fees apply.

The increases in operating, selling, general and administrative expense for the interim periods from 2002 to 2003 are primarily due to the effects of the Broadband acquisition, as well as to the effects of increases in the costs of cable programming, high-speed Internet subscriber growth, and, to a lesser extent, increases in labor costs and other volume related expenses in our historical operations.

Consolidated Analysis

Interest Expense

The increases in interest expense for the interim periods from 2002 to 2003 are due to the effects of our increased amount of debt outstanding as a result of the Broadband acquisition.

We anticipate that, for the foreseeable future, interest expense will be significant. We believe we will continue to be able to meet our obligations through our ability both to generate cash flow from operations and to obtain external financing.

Investment Loss, Net

Investment loss, net for the interim periods includes the following (in millions):

	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Interest and dividend income	$27	$6	$103	$19
Gains (losses) on sales and exchanges of investments, net	4		26	(101)
Investment impairment losses		(6)	(70)	(227)
Unrealized (losses) gains on trading securities	(110)	(181)	182	(1,621)
Mark to market adjustments on derivatives related to trading securities	(62)	139	(367)	1,310
Mark to market adjustments on derivatives and hedged items	(41)	(5)	(292)	(82)
Investment loss, net	($182)	($47)	($418)	($702)

We have entered into derivative financial instruments which we account for at fair value and which limit our exposure to and benefits from price fluctuations in the common stock of certain of our investments accounted for as trading securities. Investment loss, net includes the fair value adjustments related to our trading securities and derivative financial instruments. The change in the fair value of our investments accounted for as trading securities, with the exception of the Liberty Series A common shares, was substantially offset by the changes in the fair values of the related derivatives. The Liberty Series A common shares we received in the sale of QVC have been classified as trading securities; however, currently there is no corresponding derivative to hedge this market exposure. As such, the decline in value in these shares during the quarter is included in investment loss, net. Investment loss, net for the 2003 interim periods also includes the fair value adjustments for the derivative component of the Comcast Exchangeable Notes. There is no corresponding offset to these adjustments in our statement of operations since the underlying Comcast common stock held in treasury will continue to be carried at our historical cost and not adjusted for changes in the fair value. Accordingly, our future results of operations may be affected by fluctuations in the fair value of both the Liberty Series A common stock and the derivative component of the Comcast Exchangeable Notes in future periods.

Equity in Net Losses of Affiliates

The increase in equity in net losses of affiliates for the three month interim period from 2002 to 2003 is primarily attributable to losses of investees acquired in connection with the Broadband acquisition. The decrease in equity in net losses of affiliates for the nine month interim period from 2002 to 2003 is primarily attributable to decreases in the net losses of certain of our international equity method investees.

Other Income (Expense)

The changes in other income (expense) for the interim periods from 2002 to 2003 are primarily attributable to lease rental income related to certain assets acquired in connection with the Broadband acquisition.

Income Tax (Expense) Benefit

The changes in income tax (expense) benefit for the interim periods from 2002 to 2003 are primarily the result of the effects of changes in our income (loss) before taxes and minority interest.

Minority Interest

The changes in minority interest for the interim periods from 2002 to 2003 are attributable to the effects of changes in the net income or loss of our less than wholly owned consolidated subsidiaries, as well as to the minority interests in certain subsidiaries acquired in connection with the Broadband acquisition.

Discontinued operations

The decrease in income from discontinued operations for the three month interim period from 2002 to 2003 is primarily attributable to the 2003 period including results through August 31, while the 2002 period includes results for the full three month interim period. The increase in income from discontinued operations for the nine month interim period from 2002 to 2003 is primarily attributable to a decrease in investment loss, net, offset in part by the 2003 period including results through August 31, while the 2002 period includes results for the full nine month interim period. As a result of the sale, we recognized a $3.290 billion gain, net of approximately $2.865 billion of related income taxes.

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

ITEM 4. DISCLOSURE CONTROLS AND PROCEDURES

Our chief executive officer and our co-chief financial officers, after evaluating the effectiveness of our disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) or 15d-15(e)) as of the end of the period covered by this quarterly report, have concluded, based on the evaluation of these controls and procedures required by paragraph (b) of Exchange Act Rules 13a-15 or 15d-15, that our disclosure controls and procedures were adequate and designed to ensure that material information relating to us and our consolidated subsidiaries would be made known to them by others within those entities.

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

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Refer to Note 10 to our condensed financial statements included in Item 1 of this Quarterly Report on Form 10-Q for a discussion of recent developments related to our legal proceedings.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

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

10.1 Amended and Restated Stock Purchase Agreement dated as of June 30, 2003 among Comcast QVC, Inc., Comcast Corporation, Liberty Media Corporation, and QVC, Inc. (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on October 1, 2003).

31 Certifications of Chief Executive Officer and Co-Chief Financial Officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification of Chief Executive Officer and Co-Chief Financial Officers pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K:

(i) We filed a Current Report on Form 8-K under Items 5 and 7(c) on July 3, 2003 announcing that we had agreed to sell our ownership interest in QVC, Inc., formerly a consolidated subsidiary, to Liberty Media Corporation.

(ii) We filed a Current Report on Form 8-K under Items 5 and 7 (c) on September 17, 2003 announcing the disposition of our indirect ownership interest in QVC, Inc.

SIGNATURES

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

COMCAST CORPORATION

/S/ LAWRENCE J. SALVA

Lawrence J. Salva
Senior Vice President and Controller
(Principal Accounting Officer)

Date: October 31, 2003

Exhibit 31

CERTIFICATIONS

I, Brian L. Roberts, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Comcast Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986.]

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2003

/s/ BRIAN L. ROBERTS
- ---
Name: Brian L. Roberts
Chief Executive Officer

I, Lawrence S. Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Comcast Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986.]

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2003

/s/ LAWRENCE S. SMITH
- --
Name: Lawrence S. Smith
Co-Chief Financial Officer

I, John R. Alchin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Comcast Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986.]

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2003

/s/ JOHN R. ALCHIN
- ---
Name: John R. Alchin
Co-Chief Financial Officer

Exhibit 32

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act

October 31, 2003

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Ladies and Gentlemen:

The certification set forth below is being submitted in connection with the quarterly report on Form 10-Q of Comcast Corporation (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Brian L. Roberts, the Chief Executive Officer, Lawrence S. Smith, the Co-Chief Financial Officer and John R. Alchin, the Co-Chief Financial Officer of Comcast Corporation, each certifies that, to the best of his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Comcast Corporation.

/s/ BRIAN L. ROBERTS
- ---------------------------------------
Name: Brian L. Roberts
Chief Executive Officer

/s/ LAWRENCE S. SMITH
- ---------------------------------------
Name: Lawrence S. Smith
Co-Chief Financial Officer

/s/ JOHN R. ALCHIN
- ---------------------------------------
Name: John R. Alchin
Co-Chief Financial Officer