



**THE MARKET**

Since its inception in 1948, the cable industry has grown into a multibillion-dollar industry serving more than 69 percent of U.S. television households. Once considered an alternative television service for homes too far from broadcast towers, cable's broadband infrastructure provides an ideal pipeline for delivery of new and emerging technologies, including digital networks, video on demand, interactive television, high-speed Internet access, and phone service.

Comcast is primarily involved in the development, management, and operation of broadband cable networks and is also involved in



**THE PRODUCT**

*Digital Cable.* Traditional cable television is a transmission of analog signals sent via coaxial cable. In recent years, technological developments have brought about digital cable television, which — thanks to digital compression technology — allows cable operators to offer anywhere from four to 12 digital video signals in the space that one analog signal would occupy.

Comcast Digital Cable offers customers up to 270 channels, including dozens of commercial-free premium movie channels and pay-per-view channels with movies starting every half-hour. Comcast Digital Cable also features an interactive, on-screen program guide that lets viewers choose movies and shows by time, category, or channel, and a parental control feature to help prevent children from viewing inappropriate programs.

*High-Speed Internet.* By 2001, more than 9.2 million customers were enjoying real-time access to video, audio, and interactive game services thanks to the advantages of broadband cable. Comcast High-Speed Internet allows customers to connect to the Web via their cable line. The "always on" feature allows customers to turn on their computer and go online without the time-consuming and sometimes frustrating process of dialing into a server over a phone line. And since cable is ideal for quickly transmitting data, Comcast High-Speed Internet customers are able to surf the Web and download files up to 50 times faster than with a dial-up modem.

broadband products in the United States. Of the 98 million homes passed by cable in the United States, Comcast passes 38 million.

In addition to being a national market leader, Comcast is a local community leader. Comcast continues to adhere to its longstanding tradition of giving back to the communities it serves through community programs and partnerships such as Cable in the Classroom. Comcast Cares Day is the company's annual day of volunteer employee service. In 2002, approximately 8,000 employees, family members, and friends volunteered in 120 projects in 26 states.

Because of its strong commitment to community, Comcast was awarded the 2002 Multichannel News Innovator Award for community service as well as the Cable Television Public Affairs Association's Golden Beacon for the same year.

**HISTORY**

The history of Comcast is rooted in true entrepreneurial spirit. In 1963, Ralph J. Roberts purchased a 1,200-subscriber community antenna television system in Tupelo, Mississippi. From this small operation, which

Roberts founded with Daniel Aaron and Julian Brodsky in the pioneering days of the cable industry, Comcast Corporation has become a leading provider of broadband cable services, electronic commerce, and original entertainment and sports programming.

In 1995, Comcast purchased a 57 percent stake in QVC and assumed management of the company. QVC, the world's leading electronic retailer, reaches more than 84 million homes in the United States and is forging a solid global presence, reaching more than 45 million households in the United Kingdom, Germany, and Japan. QVC continues to set the standard for innovation in electronic merchandising.

Today, Comcast is the leading U.S. cable operator and a Fortune 500 company.



electronic retailing and programming content. Comcast, the nation's leading cable and broadband communications provider, serves more than 21 million cable customers in 41 states and has more than 6.3 million digital video customers, more than 3.3 million high-speed Internet customers, and more than 1.3 million phone customers. Comcast is also the majority owner of QVC, Comcast-Spectacor, Comcast Sportsnet, E! Entertainment Television, Style, The Golf Channel, Outdoor Life Network, and G4.

**ACHIEVEMENTS**

Comcast completed its acquisition of AT&T Broadband in November 2002 to become the market leader in eight of the top 10 U.S. markets. Comcast is the first national provider of cable

**HE SHOOTS. YOU PAUSE. YOU GET UP. YOU GET A BEER. YOU COME BACK. YOU PRESS PLAY. HE SCORES!**

The Flyers have just joined our lineup of ON DEMAND programming. Every game shown on Comcast SportsNet will make the list. Which means now, you can start games any time you want. And watch them any way you want. You can fast-forward. Rewind. Even pause for your own timeouts. And every game comes at no extra charge as part of your subscription to Comcast Digital Cable.

**FLYERS ON DEMAND**  
Only with Digital Cable.

**comcast**

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*Telephony.* Digital telephone service is provided via the same digital fiber-optic-based broadband platform that has made Comcast a new-technologies leader. Advanced fiber-optic technology assures a clear connection while providing the customer with a less expensive, high-quality alternative to traditional service.

## RECENT DEVELOPMENTS

Recent technological developments have helped make Comcast a leading provider of emerging



technology. With each of these developments, Comcast has been able to build on its existing broadband infrastructure to provide customers with additional products and services. One of the most exciting of these technologies is ON DEMAND, Comcast's video-on-demand (VOD) service, which offers digital cable customers the opportunity to choose from hundreds of video titles; start their selections at whatever time is convenient for them; and pause, rewind, or fast-forward the programs using their current digital cable set-top box and remote control.

Comcast has aggressively deployed ON DEMAND to more than 7 million homes. In most markets, the service consists primarily of hundreds of movie titles. In the Philadelphia, Pennsylvania, area, digital cable customers also can select content at no additional charge from leading cable and broadcast programmers — including A&E Television Networks, the Anime Network, Atom Television, Comcast SportsNet, Comedy Central, Court TV, C-SPAN, the Golf Channel, NBC, Outdoor Life Network, PRIMEDIA, and WISDOM Television. ON DEMAND from Comcast offers ultimate convenience and control to its customers by providing them with the power to rent a movie from their couch or watch the 6 o'clock news anytime after it first runs. While providing an additional



revenue stream from existing customers (there is a charge for each movie ordered), ON DEMAND also serves to add significant value.

Comcast is also leading the way in providing high-definition television. HDTV is a new standard of television featuring highly detailed picture quality, improved audio quality, and a wide-screen, theater-like display. HDTV picture quality is over five times the resolution of analog television. Comcast was one of the first cable companies to offer HDTV, deploying it on systems in the Philadelphia area in 2001. Comcast's HDTV service offers high-definition programming from major broadcast networks, as well as 24-hour HDTV channels from HBO and Showtime that are not available over the air. In addition, Comcast is working with cable and broadcast programmers to offer the most robust HDTV lineup possible.

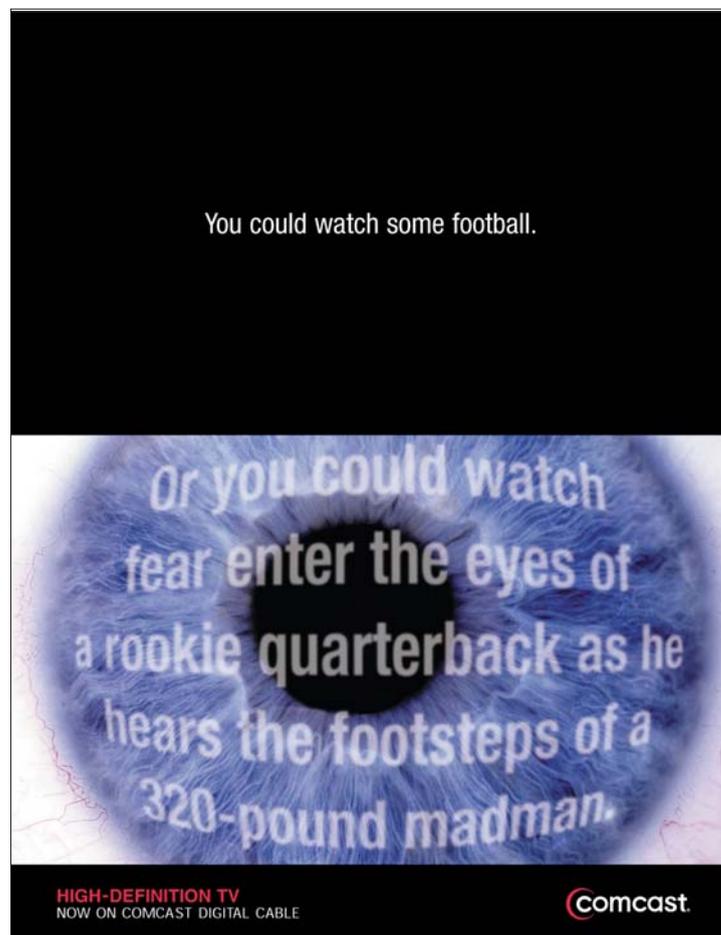
## PROMOTION

For 40 years, Comcast has been connecting customers to the news and entertainment that is important to them. In the first quarter of 2003, Comcast launched a campaign to introduce itself



to the new markets it's serving as a result of Comcast's acquisition of AT&T Broadband. This campaign, comprising television and print ads, features four-time Tour de France winner Lance Armstrong. Comcast's choice of Armstrong reflects the company's commitment to community, integrity, reliability, and success through hard work.

Despite its national presence, Comcast remains committed to its philosophy that running a cable system is very much a local business. The company utilizes a decentralized management structure, giving much authority and autonomy to the management



team in each division. Each of the company's local divisions is able to choose the best methods of promotion for their area. For example, one market may run a promotion featuring HBO's *The Sopranos*, while another may highlight NASCAR on TNT. The common thread in all of the company's communications is a focus on the power of connection and the convenience that broadband technology brings to life.

## BRAND VALUES

Comcast is committed to being the company to look to first for the communications products and services that connect people to what's important in their lives. In every ad, every customer service script, and every direct-mail promotion, Comcast advances the idea that communications technology is a powerful instrument to connect its customers to news, family, community, entertainment, and education.

## THINGS YOU DIDN'T KNOW ABOUT COMCAST

- The name Comcast is an amalgam of the words "communications" and "broadcast."
- Comcast is the majority owner of the NBA's Philadelphia 76ers and the NHL's Philadelphia Flyers. Comcast also owns the arena in which these teams play.
- The company's 83-year-old founder, Ralph J. Roberts, still comes into the office four days a week.
- The call letters QVC stand for "Quality," "Value," "Convenience."
- In 1997, Microsoft invested \$1 billion in Comcast.