



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

	Three Months Ended March 31,	
	2006	2005
Revenues	\$5,901	\$5,363
Operating expenses	2,196	1,957
Selling, general and administrative expenses	1,504	1,376
	3,700	3,333
Operating Cash Flow	2,201	2,030
Depreciation expense	932	874
Amortization expense	219	290
	1,151	1,164
Operating Income	1,050	866
Other Income (Expense)		
Interest expense	(476)	(444)
Investment income (loss), net	64	(36)
Equity in net (losses) income of affiliates	(10)	12
Other income (expense)	12	(108)
	(410)	(576)
Income before Income Taxes and Minority Interest	640	290
Income tax expense	(164)	(140)
Income Before Minority Interest	476	150
Minority interest	(10)	(7)
Net Income	\$466	\$143
Net Income per common share	\$0.22	\$0.06
Basic weighted average number of common shares	2,135	2,214
Diluted weighted average number of common shares	2,142	2,222



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

	March 31, 2006	December 31, 2005
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$1,693	\$693
Investments	819	148
Accounts receivable, net	910	1,060
Other current assets	576	693
Total current assets	3,998	2,594
INVESTMENTS	12,018	12,682
PROPERTY AND EQUIPMENT, net	18,709	18,769
FRANCHISE RIGHTS	51,086	51,090
GOODWILL	13,620	14,218
OTHER INTANGIBLE ASSETS, net	2,999	3,160
OTHER NONCURRENT ASSETS, net	552	633
	\$102,982	\$103,146
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses related to trade creditors	\$1,940	\$2,033
Accrued expenses and other current liabilities	2,640	2,545
Deferred income taxes	239	2
Current portion of long-term debt	881	1,689
Total current liabilities	5,700	6,269
LONG-TERM DEBT, less current portion	23,249	21,682
DEFERRED INCOME TAXES	26,918	27,370
OTHER NONCURRENT LIABILITIES	6,427	6,949
MINORITY INTEREST	662	657
STOCKHOLDERS' EQUITY	40,026	40,219
	\$102,982	\$103,146



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

	Three Months Ended March 31,	
	2006	2005
OPERATING ACTIVITIES		
Net cash provided by operating activities	<u>\$1,722</u>	<u>\$1,332</u>
FINANCING ACTIVITIES		
Proceeds from borrowings	2,242	225
Retirements and repayments of debt	(1,457)	(112)
Repurchases of common stock	(710)	(326)
Issuances of common stock	12	40
Other	(9)	38
Net cash provided by (used in) financing activities	<u>78</u>	<u>(135)</u>
INVESTING ACTIVITIES		
Capital expenditures	(878)	(892)
Cash paid for intangible assets	(69)	(112)
Proceeds from sales and restructuring of investments	189	100
Purchases of investments	(48)	(40)
Proceeds from sales (purchases) of short-term investments, net	4	(1)
Other investing activities	2	(68)
Net cash used in investing activities	<u>(800)</u>	<u>(1,013)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	1,000	184
CASH AND CASH EQUIVALENTS, beginning of period	<u>693</u>	<u>452</u>
CASH AND CASH EQUIVALENTS, end of period	<u><u>\$1,693</u></u>	<u><u>\$636</u></u>

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

	Three Months Ended March 31,	
	2006	2005
Net Cash Provided by Operating Activities	<u>\$1,722</u>	<u>\$1,332</u>
Capital Expenditures	(878)	(892)
Cash paid for Intangible Assets	(69)	(112)
Free Cash Flow	<u><u>\$775</u></u>	<u><u>\$328</u></u>

(1) See Non-GAAP and Other Financial Measures in Table 7 for the definition of Free Cash Flow.



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

	<u>Cable</u>	<u>Content (2)</u>	<u>Corporate and Other</u>	<u>Total</u>
<u>Three Months Ended March 31, 2006</u>				
Revenues	\$5,588	\$239	\$74	\$5,901
Operating Cash Flow	\$2,215	\$50	(\$64)	\$2,201
Operating Income (Loss)	\$1,126	\$9	(\$85)	\$1,050
Operating Cash Flow Margin	39.6%	20.8%	NM	37.3%
Capital Expenditures (3)	\$864	\$8	\$6	\$878
<u>Three Months Ended March 31, 2005, as adjusted (4)</u>				
Revenues	\$5,106	\$213	\$44	\$5,363
Operating Cash Flow	\$1,970	\$76	(\$55)	\$1,991
Operating Income (Loss)	\$866	\$31	(\$70)	\$827
Operating Cash Flow Margin	38.6%	35.7%	NM	37.1%
Capital Expenditures (3)	\$883	\$4	\$5	\$892

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

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

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

	<u>1Q06</u>	<u>1Q05</u>
New Service Offerings		
Customer Premise Equipment (CPE)	\$468	\$463
Scalable Infrastructure	172	209
	<u>640</u>	<u>672</u>
Recurring Capital Projects		
Line Extensions	73	64
Support Capital	91	47
	<u>164</u>	<u>111</u>
Upgrades		
	<u>60</u>	<u>100</u>
Total	<u><u>\$864</u></u>	<u><u>\$883</u></u>

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

(4) Adjusted as if stock options had been expensed in 2005. See Table 7-A for Reconciliation of "As Adjusted" Financial Data.



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

	Three Months Ended March 31,		
	2006	2005	
Revenues:			
Video (3)	\$3,576	\$3,362	
High-Speed Internet	1,131	925	
Phone	191	175	
Advertising	309	296	
Other (4)	206	181	
Franchise Fees	175	167	
Total Revenues	\$5,588	\$5,106	
Operating Cash Flow (5)	\$2,215	\$1,970	
Operating Income (5)	\$1,126	\$866	
Operating Cash Flow Margin (5)	39.6%	38.6%	
Capital Expenditures	\$864	\$883	
Annualized Capital Expenditures per Basic Subscriber	\$161	\$164	
Annualized Capital Expenditures per Revenue Generating Unit	\$82	\$91	
	1Q06	1Q05	4Q05
Video			
Homes Passed (000's)	41,800	41,000	41,600
Basic Subscribers (000's)	21,495	21,532	21,449
Basic Penetration	51.4%	52.6%	51.5%
Quarterly Net Basic Subscriber Additions (000's)	47	(29)	40
Digital Subscribers (000's)	10,129	8,856	9,789
Digital Penetration	47.1%	41.1%	45.6%
Quarterly Net Digital Subscriber Additions (000's)	340	200	342
Digital Set-Top Boxes	15,657	13,365	15,052
Monthly Average Video Revenue per Basic Subscriber	\$55.51	\$52.02	\$53.29
Monthly Average Total Revenue per Basic Subscriber	\$86.75	\$79.00	\$84.16
High-Speed Internet			
"Available" Homes (000's)	41,399	40,483	41,249
Subscribers (000's)	8,957	7,408	8,520
Penetration	21.6%	18.3%	20.7%
Quarterly Net Subscriber Additions (000's)	437	414	378
Monthly Average Revenue per Subscriber	\$43.14	\$42.81	\$42.38
Phone			
Comcast Digital Voice			
"Available" Homes (000's)	18,883	1,156	16,290
Subscribers (000's)	416	9	204
Penetration	2.2%	0.8%	1.3%
Quarterly Net Subscriber Additions (000's)	211	7	134
Circuit Switched Phone			
"Available" Homes (000's)	10,623	10,121	10,245
Subscribers (000's)	1,047	1,219	1,117
Penetration	9.9%	12.0%	10.9%
Quarterly Net Subscriber Additions (000's)	(70)	(3)	(55)
Monthly Average Total Phone Revenue per Subscriber	\$45.70	\$47.69	\$45.73
Total Revenue Generating Units (000's) (6)	42,044	39,024	41,079
Quarterly Net Additions	965	589	839

(1) See Non-GAAP and Other Financial Measures in Table 7. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

(2) Pro forma subscriber data also includes 13,000 subscribers acquired in various small acquisitions during 2005. The impact of these acquisitions on our segment operating results was not material.

(3) Video revenues consist of our basic, expanded basic, premium, pay-per-view, equipment and digital services.

(4) Other revenues include installation revenues, guide revenues, commissions from electronic retailing, other product offerings, commercial data services and revenues of our digital media center and regional sports programming networks.

(5) Adjusted as if stock options had been expensed in 2005.

(6) The total of all basic video, digital video, high-speed Internet and net phone subscribers, excluding additional outlets.



TABLE 7

Non-GAAP and Other Financial Measures

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

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

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

Beginning in 2006, we changed our definition of Free Cash Flow, which is a non-GAAP financial measure, to mean "Net Cash Provided by Operating Activities From Continuing Operations" (as stated in our Consolidated Statement of Cash Flows) reduced by capital expenditures and cash paid for intangible assets; and increased by any payments related to certain non-operating items, net of estimated tax benefits (such as income taxes on investment sales, and non-recurring payments related to income tax and litigation contingencies of acquired companies). We believe that Free Cash Flow is also useful to investors as it is one of the bases for comparing our performance with other companies in our industries, although our measure of Free Cash Flow may not be comparable to similar measures used by other companies.

Pro forma data is used by management to evaluate performance when significant acquisitions or dispositions occur. Historical data reflects results of acquired businesses only after the acquisition dates while pro forma data enhances comparability of financial information between periods by adjusting the data as if the acquisitions (or dispositions) occurred at the beginning of the prior year. Our pro forma data is only adjusted for the timing of acquisitions and does not include adjustments for costs related to integration activities, cost savings or synergies that have been or may be achieved by the combined businesses. There were no significant acquisitions or dispositions causing pro forma adjustments to operating results in the first quarter of 2006. We believe our pro forma data is not a non-GAAP financial measure as contemplated by Regulation G.

In certain circumstances we also present data, as adjusted, in order to enhance comparability between periods. In connection with the adoption of FAS 123R, we have adjusted 2005 data as if stock options had been expensed.

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

We provide reconciliations of Consolidated Operating Cash Flow in Table 1, Free Cash Flow in Table 4 and "as adjusted" in Table 7A.



TABLE 7-A
Reconciliation of "As Adjusted" Financial Data
(dollars in millions)

	2005			Three Months Ended March 31, 2006		<u>% Growth As Adjusted</u>	<u>% Growth</u>
	<u>Historical Total</u>	<u>Adjustment (1)</u>	<u>As Adjusted</u>	<u>Total</u>			
	Revenue	\$5,363	-	\$5,363	\$5,901		
Operating Expenses (excluding depreciation and amortization)	3,333	39	3,372	3,700			
Operating Cash Flow	<u>\$2,030</u>	<u>(\$39)</u>	<u>\$1,991</u>	<u>\$2,201</u>	11%	8%	
Depreciation and Amortization	<u>\$1,164</u>	<u>-</u>	<u>\$1,164</u>	<u>\$1,151</u>			
Operating Income (Loss)	<u>\$866</u>	<u>(\$39)</u>	<u>\$827</u>	<u>\$1,050</u>	27%	21%	
Operating Cash Flow Margin	37.9%	NM	37.1%	37.3%			
Earnings per Share	\$0.06	(\$0.01)	\$0.05	\$0.22	340%	267%	

(1) To be consistent with our management reporting, 2005 has been adjusted as if stock options had been expensed as of January 1, 2005. The adjustment by segment is \$26 million for Cable, \$1 million for Content and \$12 million for Corporate and Other.