

COMCAST CORP
Form S-3
March 26, 2003

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As filed with the Securities and Exchange Commission on March 26, 2003

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form S-3
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933
Comcast Corporation
(Exact name of Registrant as specified in its charter)

Pennsylvania
*(State of other jurisdiction of
incorporation or organization)*

See Table of Additional Registrants

27-0000798
*(I.R.S. Employer
Identification No.)*

1500 Market Street
Philadelphia, Pennsylvania 19102-2148
(215) 665-1700
(Address, including zip code, and telephone number including area code, of Registrant's principal executive offices)

Arthur R. Block, Esq.
Senior Vice President
Comcast Corporation
Philadelphia, Pennsylvania 19102-2148
(215) 665-1700
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Bruce K. Dallas

Davis Polk & Wardwell
1600 El Camino Real
Menlo Park, California 94025
(650) 752-2000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: _____

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: _____

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box:

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Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Unit(2)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(3)
Senior Debt Securities and Subordinated Debt Securities (collectively, Debt Securities)(4)				
Preferred Stock, without par value				
Depositary Shares representing Preferred Stock				
Class A Common Stock, \$0.01				
Class A Special Common Stock, \$0.01 par value				
Warrants(5)				
Purchase Contracts(5)				
Units(5)				
Guarantees of the Debt Securities, Warrants, Purchase Contracts and Units(3)				
Total		100%		

(1) This registration statement relates to guarantees by Comcast MO of Delaware, Inc. of the remaining \$7,000,000,000 initial offering price of Debt Securities, Warrants, Purchase Contracts, and Units the offer and sale of which was registered under the registration statement, file no. 333-101861, of the registrants other than Comcast MO of Delaware, Inc., which was declared effective on December 23, 2002. Pursuant to Rule 429 under the Securities Act of 1933, as amended, the prospectus which forms a part of this registration statement also relates to the securities registered under such prior registration statement.

(2) Estimated solely for the purpose of calculating the registration fee.

(3) Pursuant to Rule 457(n), no separate registration fee is payable in connection with the Guarantees.

(4) Comcast Cable Communications, Inc., Comcast Cable Communications Holdings, Inc., Comcast Cable Holdings, LLC, Comcast MO Group, Inc. and Comcast MO of Delaware, Inc. (collectively, the Cable Guarantors) will fully and unconditionally guarantee the Debt Securities.

(5) If indicated in the relevant prospectus supplement, the Warrants, Purchase Contracts and/or Units may be fully and unconditionally guaranteed by specified Cable Guarantors.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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ADDITIONAL REGISTRANTS

Comcast Cable Communications, Inc.

(Exact name of registrant as specified in its charter)

Delaware

23-2175755

(State of other jurisdiction of incorporation or organization)

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

1500 Market Street

Philadelphia, Pennsylvania 19102-2148

(215) 665-1700

(Address, including zip code, and telephone number including area code, of Registrant's principal executive offices)

Arthur R. Block, Esq.

Senior Vice President

Comcast Corporation

Philadelphia, Pennsylvania 19102-2148

(215) 665-1700

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Comcast Cable Communications Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware

04-3592397

(State of other jurisdiction of incorporation or organization)

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

1500 Market Street

Philadelphia, Pennsylvania 19102-2148

(215) 665-1700

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Arthur R. Block, Esq.

Senior Vice President

Comcast Corporation

Philadelphia, Pennsylvania 19102-2148

(215) 665-1700

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Comcast Cable Holdings, LLC

(Exact name of Registrant as specified in its charter)

Delaware

84-1260157

(State of other jurisdiction of incorporation or organization)

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

1500 Market Street

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Philadelphia, Pennsylvania 19102-2148

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Senior Vice President

Comcast Corporation

Philadelphia, Pennsylvania 19102-2148

(215) 665-1700

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Comcast MO Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State of other jurisdiction of incorporation or organization)

84-0926774

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

1500 Market Street

Philadelphia, Pennsylvania 19102-2148

(215) 665-1700

(Address, including zip code, and telephone number including area code, of Registrant's principal executive offices)

Arthur R. Block, Esq.

Senior Vice President

Comcast Corporation

Philadelphia, Pennsylvania 19102-2148

(215) 665-1700

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Comcast MO of Delaware, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State of other jurisdiction of incorporation or organization)

84-1372033

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

1500 Market Street

Philadelphia, Pennsylvania 19102-2148

(215) 665-1700

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Arthur R. Block, Esq.

Senior Vice President

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Philadelphia, Pennsylvania 19102-2148

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion)
Issued March 26, 2003

\$7,000,000,000

The following are types of securities that we may offer and sell under this prospectus:

Unsecured senior debt securities

Unsecured subordinated debt securities

Warrants

Purchase contracts

Units

Preferred Stock

Depository shares

Class A Common Stock

Class A Special Common Stock

If indicated in the relevant prospectus supplement, the securities may be fully and unconditionally guaranteed by a number of our wholly-owned cable subsidiaries named in this prospectus.

Our Class A Common Stock and Class A Special Common Stock are quoted on The Nasdaq National Market System under the ticker symbols CMCSA and CMCSK. On March 24, 2003, the reported last sale prices on The Nasdaq National Market System for our Class A Common Stock and our Class A Special Common Stock were \$28.61 and \$27.50.

We will describe in a prospectus supplement, which must accompany this prospectus, the securities we are offering and selling, as well as the specific terms of the securities. Those terms may include:

Maturity

Interest rate

Sinking fund terms

Currency of payments

Dividends

Redemption terms

Listing on a securities exchange

Amount payable at maturity

Conversion or exchange rights

Liquidation amount

Subsidiary guarantees

Investing in the securities involves risks that are described under the caption Risk Factors beginning on page 3.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We may offer the securities in amounts, at prices and on terms determined at the time of offering. We may sell the securities directly to you, through agents we select, or through underwriters and dealers we select. If we use agents, underwriters or dealers to sell the securities, we will name them and describe their compensation in a prospectus supplement.

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[Illustration: The diagram is a simplified diagram of the corporate structure of Comcast Corporation and shows the wholly owned cable subsidiaries that will guarantee any debt securities which may be offered by the prospectus. These cable guarantors may also guarantee other securities offered if so stated in the prospectus supplement related to the offering of these other securities. The cable guarantors include:

Comcast Cable Communications, Inc., the principal Comcast cable subsidiary prior to Comcast's acquisition of Broadband, referred to as Comcast Cable.

Comcast Cable Communications Holdings, Inc., the company holding the broadband business acquired from AT&T, referred to as Comcast Cable Communications Holdings or Broadband.

Comcast MO Group, Inc. (formerly known as MediaOne Group, Inc.), referred to as Comcast MO Group.

Comcast Cable Holdings, LLC, (formerly known as AT&T Broadband, LLC and Tele-Communications, Inc.), referred to as Comcast Cable Holdings.

Comcast MO of Delaware, Inc. (formerly known as MediaOne of Delaware, Inc. and Continental Cablevision, Inc.), referred to as Comcast MO of Delaware.

The diagram also shows that Comcast Holdings Corporation, a subsidiary of Comcast and the parent of Comcast Cable Communications, Inc., as well as various non-cable subsidiaries, will not be a cable guarantor, that Comcast has other non-cable subsidiaries, and that the cable guarantors have various operating subsidiaries which will not guarantee the Continental Notes.

End of illustration.]

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We refer to Comcast Corporation in this prospectus as Comcast or we, us, our or comparable terms and to Comcast Holdings Corporation, Comcast Cable Communications, Inc., Comcast Cable Communications Holdings, Inc., Comcast Cable Holdings, LLC, Comcast MO Group, Inc. and Comcast MO of Delaware, Inc. collectively as the Cable Guarantors.

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SUMMARY

THE COMPANIES

Comcast Corporation

We were incorporated in 2001 under the name AT&T Comcast Corporation to effect the acquisition of the broadband business of AT&T Corp, which we refer to as Broadband. The acquisition, which we refer to as the Broadband acquisition, was consummated on November 18, 2002. On November 18, 2002, we changed our name to Comcast Corporation.

We are involved in three principal lines of business:

Cable through the development, management and operation of broadband communications networks, including video, high-speed Internet and phone service,

Commerce through QVC, our electronic retailing subsidiary, and

Content through our consolidated programming investments, including, Comcast Spectacor, Comcast SportsNet, Comcast SportsNet Mid-Atlantic, Cable Sports Southeast, E! Entertainment Television, Style, The Golf Channel, Outdoor Life Network, G4, and through our other programming investments.

As a result of the Broadband acquisition, we are the largest cable operator in the United States. We have deployed digital cable and high-speed Internet service to the substantial majority of our cable systems. As of December 31, 2002, our consolidated cable operations served 21.3 million subscribers in 41 states, passed 39.1 million homes, and provided digital cable to more than 6.6 million subscribers, high-speed Internet to more than 3.6 million subscribers and phone service to more than 1.4 million subscribers. The Broadband acquisition contributed approximately 60% of these subscribers, 64% of these homes passed, 66% of the digital cable subscribers, 58% of the high-speed Internet subscribers and 97% of the phone subscribers. We expect to make substantial capital expenditures over the next two years to complete the upgrade and rebuild of the newly acquired cable systems.

Through QVC, we market a wide variety of products directly to consumers primarily on merchandise-focused television programs. As of December 31, 2002, QVC was available, on a full and part-time basis, to 85.9 million homes in the United States, 11.4 million homes in the United Kingdom, 25.8 million homes in Germany and 8.4 million homes in Japan.

For a description of our business, financial condition, results of operations and other important information regarding us, see our filings with the SEC incorporated by reference in this prospectus. For instructions on how to find copies of these and our other filings incorporated by reference in this prospectus, see Available Information.

We are a Pennsylvania corporation incorporated in 2001. Our principal executive office is located at 1500 Market Street, Philadelphia, Pennsylvania 19102-2148. Our telephone number is (215) 665-1700. The address of our web site is www.comcast.com. The information on our web site is not part of this prospectus.

Cable Guarantors

Our obligations, including the payment of principal, premium, if any, and interest, on the debt securities will be fully and unconditionally guaranteed by each of Comcast Cable, Comcast Cable Communications Holdings, Comcast Cable Holdings, Comcast MO Group and Comcast MO of Delaware. In this prospectus, we refer to these guarantors as the cable guarantors and to these guarantees as the cable guarantees. If indicated in the relevant prospectus supplement, our obligations under the other securities we are offering and selling may be fully and unconditionally guaranteed by specified cable guarantors.

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The cable guarantees will not contain any restrictions on the ability of any cable guarantor to:

pay dividends or distributions on, or redeem, purchase, acquire, or make a liquidation payment with respect to, any of that cable guarantor's capital stock; or

make any payment of principal, interest or premium, if any, on or repay, repurchase or redeem any debt securities of that cable guarantor.

Comcast Cable Communications, Inc.

Comcast Cable is a Delaware corporation incorporated in 1981 and our indirect wholly-owned subsidiary. As of December 31, 2002, Comcast Cable served approximately 8.5 million subscribers.

Comcast Cable Communications Holdings, Inc.

Comcast Cable Communications Holdings is a Delaware corporation incorporated in 2001 and our wholly-owned subsidiary. As of December 31, 2002, Comcast Cable Communications Holdings served approximately 12.8 million subscribers.

Comcast Cable Holdings, LLC

Comcast Cable Holdings is a Delaware limited liability company formed in 1994. Comcast Cable Holdings is a wholly-owned subsidiary of Comcast Cable Communications Holdings.

Comcast MO Group, Inc.

Comcast MO Group is a Delaware corporation incorporated in 1999. Comcast MO Group is a wholly-owned subsidiary of Comcast Cable Communications Holdings.

Comcast MO of Delaware, Inc.

Comcast MO of Delaware is a Delaware Corporation incorporated in 1996. Comcast MO of Delaware is an indirect wholly-owned subsidiary of Comcast MO Group.

Each cable guarantor's principal place of business is 1500 Market Street, Philadelphia, Pennsylvania 19102-2148.

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RISK FACTORS

Risks Relating to the Broadband Acquisition

We may fail to realize the anticipated benefits of the Broadband acquisition.

The Broadband acquisition combined two companies that have previously operated separately. We expect to realize cost savings and other financial and operating benefits as a result of the Broadband acquisition. However, we cannot predict with certainty when these cost savings and benefits will occur, or the extent to which they actually will be achieved. There are a large number of systems that must be integrated, including management information, purchasing, accounting and finance, sales, billing, payroll and benefits, and regulatory compliance. The integration of Comcast Cable and Comcast Cable Communications Holdings will also require substantial attention from management. The diversion of management attention and any difficulties associated with integrating Comcast Cable and Comcast Cable Communications Holdings could have a material adverse effect on our operating results.

We will have to abide by restrictions to preserve the tax treatment of the Broadband acquisition.

In order to preserve the treatment of the Broadband acquisition as tax-free, our ability to redeem stock or issue equity securities will be limited through December 2004. As of December 31, 2002, we had the ability to issue at least 250 million shares of our common stock without affecting the tax treatment of the Broadband acquisition. These restrictions may limit our ability to issue equity securities to satisfy our financing needs or to acquire businesses or assets.

We and our subsidiaries have significant debt and debt-like obligations and may not maintain investment-grade credit ratings.

We and our subsidiaries have a significant amount of debt and debt-like obligations. Our credit rating and the credit ratings of our subsidiaries may in the future be lower than the current or historical credit ratings of Comcast Holdings, Comcast Cable Communications Holdings and their respective subsidiaries. In addition, it is possible that we or any of our subsidiaries that issue debt may not obtain or maintain an investment-grade credit rating. Differences in credit ratings would affect the interest rates charged on financings, as well as the amounts of indebtedness, types of financing structures and debt markets that may be available to us and our subsidiaries. A downgrade in our or any of our subsidiaries' existing credit ratings or failure by us and our subsidiaries to maintain investment-grade credit ratings could have a material adverse effect on our operating results, our ability to obtain additional financing, and on the value of our common stock.

Atypical governance arrangements may make it more difficult for our shareholders to act.

In connection with the Broadband acquisition, we implemented a number of governance arrangements that are atypical for a large, publicly held corporation. A number of these arrangements relate to the election of our Board. The term of our Board will not expire until our 2004 annual meeting of shareholders. Since our shareholders will not have the right to call special meetings of shareholders or act by written consent and our directors may be removed only for cause, our shareholders will not be able to replace our initial Board members prior to that meeting. After our 2004 annual meeting of shareholders, our directors will be elected annually. Even then, however, it will be difficult for one of our shareholders, other than BRCC Holdings LLC, to elect a slate of directors of its own choosing to our Board. Brian L. Roberts, our President and Chief Executive Officer, through his control of BRCC Holdings LLC, holds a 33 1/3% nondilutable voting interest in our stock. In addition, we adopted a shareholder rights plan upon completion of the Broadband acquisition that prevents any holder of our stock, other than any holder of our Class B common stock or any of such holder's affiliates, from acquiring our stock representing more than 10% of the voting power with respect to us without the approval of our Board.

In addition to the governance arrangements relating to our Board, a number of governance arrangements will make it difficult to replace our senior management. Upon completion of the Broadband

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acquisition, C. Michael Armstrong, Chairman of the Board and CEO of AT&T, became our Chairman of the Board and Brian L. Roberts, President of Comcast Holdings, became our President and CEO. After the 2005 annual meeting of our shareholders, Brian L. Roberts will also be our Chairman of the Board. Prior to the sixth anniversary of our 2004 annual meeting of shareholders, unless Brian L. Roberts ceases to be our Chairman of the Board or CEO prior to such time, our Chairman of the Board and CEO will be able to be removed only with the approval of at least 75% of our entire Board. This supermajority removal requirement makes it unlikely that C. Michael Armstrong or Brian L. Roberts will be removed from their management positions. Mr. Armstrong has notified us that as of May 7, 2003, the date of our 2003 annual shareholders meeting, he will exercise his election to become non-executive Chairman of the Board of Directors.

Our principal shareholder has considerable influence over our operations.

Brian L. Roberts has significant control over our operations through his control of BRCC Holdings LLC, which as a result of its ownership of outstanding shares of our Class B common stock holds a nondilutable 33 1/3% of the combined voting power of our stock and also has separate approval rights over certain material transactions involving us. In addition, Brian L. Roberts is our President and CEO and will, together with our Chairman of the Board, comprise the Office of the Chairman, our principal executive deliberative body.

The performance of Broadband prior to the Broadband acquisition may not be representative of the results of Comcast Cable Communications Holdings without the other AT&T businesses and therefore is not a reliable indicator of its future results.

Broadband was a fully integrated business unit of AT&T, and as a result the financial information of Broadband incorporated by reference in this prospectus was derived from the consolidated financial statements and accounting records of AT&T and reflects certain assumptions and allocations. The financial position, results of operations and cash flows of Comcast Cable Communications Holdings without the other AT&T businesses could differ from those that would have resulted had its business operated with the other AT&T businesses.

Risks Relating to Our Business

Our actual financial position and results of operations may differ significantly and adversely from the pro forma amounts included in this prospectus.

Our actual financial position and results of operations may differ, perhaps significantly and adversely, from the pro forma information included in this prospectus due to a variety of factors, including access to additional information and changes in value not currently identified.

In addition, in many cases each of Comcast Holdings and Broadband had long-term agreements, in some cases with the same counterparties, for the same services and products, such as programming, billing services and interactive programming guides. It is not clear, in the case of certain services and products, whether each of the existing agreements continues to apply only to the operations to which they have historically applied or whether instead one of the two contracts will apply to the operations of both companies and the other contract will be terminated. Since these contracts often differ significantly in their terms, resolution of these contractual issues could cause our actual financial position and results of operations to differ significantly and adversely from those reflected in the pro forma financial information incorporated by reference in this prospectus.

Programming costs are increasing and we may not have the ability to pass these increases on to our subscribers, which would materially adversely affect our cash flow and operating margins.

Programming costs are expected to be our largest single expense item in the foreseeable future. In recent years, the cable and satellite video industries have experienced a rapid increase in the cost of programming, particularly sports programming. This increase is expected to continue, and we may not be

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able to pass programming cost increases on to our subscribers. The inability to pass these programming cost increases on to our subscribers would have a material adverse impact on our operating results. In addition, as we upgrade the channel capacity of our systems and add programming to our basic, expanded basic and digital programming tiers, we may face increased programming costs, which, in conjunction with the additional market constraints on our ability to pass programming costs on to our subscribers, may reduce operating margins.

We also expect to be subject to increasing financial and other demands by broadcasters to obtain the required consent for the retransmission of broadcast programming to our subscribers. We cannot predict the financial impact of these negotiations or the effect on our subscribers should we be required to stop offering this programming.

We face a wide range of competition in areas served by our cable systems, which could adversely affect our future results of operations.

Our cable communications systems compete with a number of different sources which provide news, information and entertainment programming to consumers. We compete directly with program distributors and other companies that use satellites, build competing cable systems in the same communities we serve or otherwise provide programming and other communications services to our subscribers and potential subscribers. In addition, federal law now allows local telephone companies to provide directly to subscribers a wide variety of services that are competitive with cable communications services. Some local telephone companies provide, or have announced plans to provide, video services within and outside their telephone service areas through a variety of methods, including broadband cable networks. Additionally, we will be subject to competition from telecommunications providers and Internet service providers, known as ISPs, in connection with offerings of new and advanced services, including telecommunications and Internet services. This competition may materially adversely affect our business and operations in the future. In addition, any increase in vacancy rates in multi-dwelling units has historically adversely impacted subscriber levels and is expected to do so in the future. Subscriber levels also have historically demonstrated seasonal fluctuations, particularly in markets that include major universities.

We have substantial capital requirements which may require us to obtain additional financing that may be difficult to obtain.

Our future capital expenditures may exceed, perhaps significantly, our net cash provided by operating activities. This may require us to obtain additional financing. We may not be able to obtain or to obtain on favorable terms the capital necessary to fund the substantial capital expenditures described below that are required by our strategy and business plan. A failure to obtain necessary capital or to obtain necessary capital on favorable terms could have a material adverse effect on us and result in the delay, change or abandonment of our development or expansion plans.

We anticipate that we will upgrade a significant portion of our broadband systems over the coming years and make other capital investments, including with respect to our advanced services. During 2003, we expect to incur approximately \$4.2 billion of capital expenditures in our cable, commerce and content businesses, including approximately \$4 billion for our cable operations. We are expected to incur substantial capital expenditures in the years subsequent to 2003. However, the actual amount of the funds required for capital expenditures cannot be determined with precision at this time. Capital is expected to be used to upgrade and rebuild network systems to expand bandwidth capacity and add two-way capability so that our systems may offer advanced services. In addition, capital expenditures are expected to be used to acquire equipment, such as set-top boxes, cable modems and telephone equipment, and to pay for installation costs for additional video and advanced services customers. There can be no assurance that these amounts will be sufficient to accomplish the planned system upgrades, equipment acquisitions and expansion.

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Some of our subsidiaries may be subject to long-term exclusive agreements that may limit their future operating flexibility and materially adversely affect our financial results.

Some of the entities that became our subsidiaries following the Broadband acquisition may be subject to long-term agreements relating to significant aspects of their operations, including long-term agreements for video programming, audio programming, electronic program guides, billing and other services. The price, terms and conditions of these agreements may not reflect current market terms and if one or more of these arrangements were to continue to apply to any of our subsidiaries, they may materially adversely impact our financial performance.

Comcast Cable Holdings, and Broadband's subsidiary, Satellite Services, Inc., are parties to an affiliation term sheet with Starz Encore Group LLC, an affiliate of Liberty Media, which extends to 2022 and provided for annual fixed price payments, subject to adjustment for various factors including inflation, and purported to require Broadband to pay two-thirds of Starz Encore Group's programming costs above levels designated in the term sheet. Excess programming costs that may be payable by us in future years are not presently estimable, and could be significant.

By letter dated May 29, 2001, Broadband disputed the enforceability of the excess programming pass-through provisions of the Starz Encore term sheet and questioned the validity of the term sheet as a whole. Broadband also has raised certain issues concerning the uncertainty of the provisions of the term sheet and the contractual interpretation and application of certain of its provisions to, among other things, the acquisition and disposition of cable systems. In July 2001, Starz Encore Group filed a lawsuit in Colorado state court seeking payment of alleged 2001 excess programming costs and a declaration that the term sheet is a binding and enforceable contract. In October 2001, Broadband and Starz Encore agreed to delay any further proceedings in the litigation until August 31, 2002 to allow the parties time to continue negotiations toward a potential business resolution of this dispute. As part of this standstill agreement, Broadband and Starz Encore settled Starz Encore's claim for the 2001 excess programming costs, and Broadband agreed to continue to make the standard monthly payments due under the term sheet, with a full reservation of rights with respect to these payments. In connection with the standstill agreement, the court granted a stay on October 30, 2001. The terms of the stay order allowed either party to petition the court to lift the stay after April 30, 2002 and to proceed with the litigation. Broadband and Starz Encore agreed to extend the standstill agreement to and including January 31, 2003, with a requirement that the parties attempt to mediate the dispute. A mediation session held in January 2003 did not result in any resolution of the matter.

On November 18, 2002, we filed suit against Starz Encore Group in the United States District Court for the Eastern District of Pennsylvania. We seek a declaratory judgment that, pursuant to our rights under a March 17, 1999 contract with a predecessor of Starz Encore, upon the completion of the Broadband acquisition, that contract now provides the terms under which Starz Encore Group programming is acquired and transmitted by our cable systems. In January 2003, Starz Encore Group filed a motion to dismiss the lawsuit on the grounds that claims asserted by us raised issues of state law that the United States District Court should decline to decide. We have responded contesting these assertions. The motion has been submitted to the Court for decision.

On January 31, 2003, Starz Encore filed an amended complaint that adds us and Comcast Holdings as defendants and adds new claims against us, Comcast Holdings and Broadband asserting alleged breaches of, and interference with, the standstill agreement relating to the lawsuit filed by us and Comcast Holdings in federal District Court in Pennsylvania and to the defendants' position that, since the completion of the Broadband acquisition, the March 17, 1999 contract provides the terms under which Starz Encore programming is acquired and transmitted by our cable systems.

On March 3, 2003, Starz Encore filed a motion for leave to file a second amended complaint that would add allegations that Broadband has breached certain joint-marketing obligations under the term sheet and that we and Comcast Holdings have breached certain joint-marketing obligations under the March 17, 1999 contract and other agreements. We, Comcast Holdings and Broadband intend to oppose Starz Encore's motion for leave to file a second amended complaint and, in light of Starz Encore's pending

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motion for leave to amend, have sought an extension of time from the Court to respond to Starz Encore's amended complaint.

An entity formerly attributed to Broadband, which is now our subsidiary, is party to a master agreement that may not expire until December 31, 2012, under which it purchases certain billing services from CSG Systems, Inc. The master agreement requires monthly payments, subject to adjustment for inflation. The master agreement also contains a most favored nation provision that may affect the amounts paid thereunder. In the event that either the arbitration or this litigation or the settlement thereof results in the termination of the master agreement, Comcast Cable Communications Holdings may incur significant costs in connection with its replacement of these customer care and billing services and may experience temporary disruptions to its operations.

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 breach of the master agreement, a declaration that we are now bound by the master agreement to use CSG as our exclusive provider for certain billing and customer care services, tortious interference with prospective contractual relations, and civil conspiracy. A hearing in the arbitration is scheduled to commence on May 5, 2003.

On June 21, 2002, CSG filed a lawsuit against Comcast Holdings in federal court in Denver, Colorado asserting claims related to the master agreement and the pending arbitration. On November 4, 2002, CSG withdrew its complaint against Comcast Holdings without prejudice. On November 15, 2002, we initiated a lawsuit against CSG in federal court in Philadelphia, Pennsylvania asserting that cable systems owned by Comcast Holdings are not required to use CSG as a billing service or customer care provider pursuant to the master agreement, and that the former Broadband cable systems we now own may be added to a billing service agreement between us 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 an order dated February 10, 2003, the Court stayed the lawsuit until further notice.

On January 8, 2003, Liberty Digital, Inc. filed a complaint in Colorado state court against us and Comcast Cable Holdings, LLC (formerly AT&T Broadband LLC and Tele-Communications, Inc.), our wholly-owned subsidiary. The complaint alleges that Comcast Cable Holdings breached a 1997 contribution agreement between Liberty Digital and Comcast Cable Holdings and that we tortiously interfered with that agreement. The complaint alleges that this purported agreement obligates Comcast Cable Holdings to pay fees to Liberty Digital totaling \$18 million (increasing at CPI) per year through 2017. We and Comcast Cable Holdings filed our answer to the complaint on March 5, 2003, in which we denied the essential allegations of the complaint and asserted various affirmative defenses.

We are subject to regulation by federal, state and local governments which may impose costs and restrictions.

Federal, state and local governments extensively regulate the cable industry. We expect that legislative enactments, courts actions and regulatory proceedings will continue to clarify and in some cases change the rights and obligations of cable companies and other entities under the Communications Act of 1934, as amended, and other laws, possibly in ways that we have not foreseen. The results of these legislative, judicial and administrative actions may materially affect our business operations. Local authorities grant us franchises that permit us to operate our cable systems. We will have to renew or renegotiate these franchises from time to time. Local franchising authorities often demand concessions or other commitments as a condition to renewal or transfer, which concessions or other commitments could be costly to us in the future.

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We are subject to additional regulatory burdens in connection with the provision of telecommunications services, which could cause us to incur additional costs.

We are subject to risks associated with the regulation of our telecommunications services by the Federal Communications Commission, or FCC, and state public utilities commissions, or PUCs. Telecommunications companies generally are subject to significant regulation. This regulation could materially adversely affect our business operations.

We may face increased competition because of technological advances and new regulatory requirements, which could adversely affect our future results of operations.

Numerous companies, including telephone companies, have introduced Digital Subscriber Line technology, known as DSL, which provides Internet access to subscribers at data transmission speeds substantially greater than that of conventional analog modems. We expect other advances in communications technology, as well as changes in the marketplace, to occur in the future. Other new technologies and services may develop and may compete with services that cable systems offer. The success of these ongoing and future developments could have a negative impact on our business operations. Moreover, in recent years, Congress has enacted legislation and the FCC has adopted regulatory policies intended to provide a favorable operating environment for existing competitors and for potential new competitors to our cable systems.

Ever since high-speed cable Internet service was introduced, some local governments and various competitors sought to impose regulatory requirements on how we deal with third-party Internet service providers, or ISPs. Thus far, only a few local governments have imposed such requirements, and the courts have invalidated all of them. Likewise, the FCC has refused to treat our service as a common carrier telecommunications service, but has instead classified it as an interstate information service, which has historically meant that no regulations apply. Nonetheless, the FCC's decision remains subject to judicial review, and a decision by a federal appellate court is expected later this year.

In addition, the FCC itself is still considering whether it should impose any regulatory requirements and also whether local franchising authorities should be permitted to impose fees or other requirements, such as service quality or customer service standards. A few franchising authorities have sued us seeking payment of franchise fees on high-speed Internet service revenues. Further, a number of software and content providers and electronic retailers are now urging the FCC to adopt certain nondiscrimination principles that purport to be intended to allow Internet customers access to the Internet content of their choosing (something we already provide). We cannot now predict whether these or similar regulations will be adopted and, if so, what effects, if any, they would have on our business.

A number of cable operators have reached agreements to provide unaffiliated ISPs access to their cable systems in the absence of regulatory requirements. We reached access agreements with several national and regional third-party ISPs. In addition, in connection with the restructuring of TWE, we will enter into a three-year non-exclusive access agreement with AOL Time Warner. We also have agreed to offer Microsoft an access agreement on terms no less favorable than those provided to other ISPs with respect to specified cable systems. We cannot provide any assurance, however, that regulatory authorities will not impose open access or similar requirements on us as part of an industry-wide requirement. These requirements could adversely affect our results of operations.

We, through Comcast Cable Communications Holdings, have substantial economic interests in joint ventures in which we have limited management rights.

Comcast Cable Communications Holdings is a partner in several large joint ventures, such as TWE, Texas Cable Partners and Kansas City Cable Partners, in which it has a substantial economic interest but does not have substantial control with regard to management policies or the selection of management. These joint ventures may be managed in a manner contrary to our best interests, and the value of our investment in these joint ventures, through Comcast Cable Communications Holdings, may be affected by management policies that are determined without our input or over our objections. Comcast Cable

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Communications Holdings has cable partnerships with each of AOL Time Warner, Insight Communications, Adelphia Communications, Midcontinent and US Cable. Materially adverse financial or other developments with respect to a partner could adversely impact the applicable partnership.

We, through Comcast Holdings and Comcast Cable Communications Holdings, face risks arising from their and AT&T's relationship with At Home Corporation.

Litigation has been filed against us as a result of our alleged conduct with respect to our investment in and distribution relationship with At Home Corporation. At Home was a provider of high-speed Internet access and content services which filed for bankruptcy protection in September 2001. Filed actions are:

class action lawsuits against us, Brian L. Roberts (our 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 us and the other defendants in connection with transactions agreed to in March 2000 among At Home, us, AT&T and Cox Communications, Inc., an investor in At Home and a former distributor of the At Home service;

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; and

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 us, 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.

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. An amended consolidated class action complaint was filed on November 8, 2002. All of the defendants served motions to dismiss on February 11, 2003.

Under the terms of the Broadband acquisition, we are contractually liable for 50% of any liabilities of AT&T relating to At Home, including any resulting from any pending or threatened litigation. AT&T will be liable for the other 50% of these liabilities. In addition to the action against AT&T described above, where we are also a defendant, there are two additional actions brought by At Home's bondholders' liquidating trust against AT&T, not naming us:

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

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.

AT&T moved to dismiss the Santa Clara action on the grounds that California is an inconvenient forum, but the court denied AT&T's motion. AT&T also moved to transfer the Northern District of California action to the Southern District of New York as being a more convenient venue. AT&T's motion is pending.

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We deny any wrongdoing in connection with the claims which have been made directly against us, our subsidiaries and Brian L. Roberts, and intend 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 our consolidated financial position, but could possibly be material to our consolidated results of operations of any one period. Further, no assurance can be given that any adverse outcome would not be material to our consolidated financial position.

Management is continuing to evaluate this litigation and is unable to currently determine what impact, if any, that our 50% share of the At Home potential liabilities would have on our consolidated financial position or results of operations. No assurance can be given that any adverse outcome would not be material.

Our indentures do not restrict our ability to incur additional indebtedness, which could make our debt securities more risky in the future.

As of December 31, 2002, our consolidated indebtedness was approximately \$34.9 billion, of which \$34.2 billion was issued by our subsidiaries and was senior to debt obligations at Comcast Corporation. As of December 31, 2002, our consolidated stockholders' equity was approximately \$38.3 billion. The indentures that govern the terms of our debt do not restrict our ability or our subsidiaries' ability to incur additional indebtedness. The degree to which we incur additional debt could have important consequences to holders of the securities, including:

limiting our ability to obtain any necessary financing in the future for working capital, capital expenditures, debt service requirements or other purposes;

requiring us to dedicate a substantial portion of our cash flows from operations to the payment of indebtedness and not for other purposes, such as working capital and capital expenditures;

limiting our flexibility to plan for, or react to, changes in our businesses;

making us more indebted than some of our competitors, which may place us at a competitive disadvantage; and

making us more vulnerable to a downturn in our businesses.

The securities we are offering may not develop an active public market, which could depress the resale price of the securities.

The securities we are offering, other than our Class A Common Stock and Class A Special Common Stock, will be new issues of securities for which there is currently no trading market. We cannot predict whether an active trading market for the securities will develop or be sustained. If an active trading market were to develop, the securities could trade at prices that may be lower than the initial offering price of the securities.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

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.

In this prospectus and in the documents we incorporate by reference, we state our expectations of future events and our future financial performance. In some cases, you can identify those so-called forward-looking statements by words such as may, will, should, expects, plan, 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 under Risk Factors above. Those factors may cause our actual results to differ materially from any of our forward-looking statements.

USE OF PROCEEDS

We intend to use the net proceeds from the sale of the securities for working capital and general corporate purposes. We may also invest the proceeds in certificates of deposit, United States government securities or certain other interest-bearing securities. If we decide to use the net proceeds from a particular offering of securities for a specific purpose, we will describe that in the related prospectus supplement.

DIVIDEND POLICY

We do not intend to pay dividends on our common stock for the foreseeable future.

RATIOS OF EARNINGS TO FIXED CHARGES

	For the Years Ended December 31,				
	2002	2001	2000	1999	1998
Comcast(a)	1.20x	2.20x	5.93x	3.30x	5.37x

(a)

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We became the parent of Comcast Holdings and Comcast Cable Communications Holdings on November 18, 2002 in connection with the consummation of the merger of Comcast Holdings and Comcast Cable Communications Holdings with our subsidiaries. Because Comcast Holdings is our predecessor, our historical ratios are the same as Comcast Holdings' historical ratios. For purposes of our ratio of earnings to fixed charges, earnings consist of income (loss) from continuing operations before income taxes, cumulative effect of accounting change, minority interest, equity in net (income) losses of affiliates and fixed charges. Fixed charges consist of interest expense.

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**RATIO OF EARNINGS TO COMBINED FIXED CHARGES
AND PREFERRED DIVIDENDS**

	For the Years Ended December 31,				
	2002	2001	2000	1999	1998
Comcast(b)	1.20x	2.20x	5.77x	3.20x	5.12x

(b) For purposes of calculating our ratios of earnings to combined fixed charges and preferred dividends, earnings consist of income (loss) from continuing operations before income taxes, cumulative effect of accounting change, minority interest, equity in net (income) losses of affiliate and combined fixed charges and preferred dividends. Combined fixed charges and preferred dividends consist of interest expense and preferred dividends.

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UNAUDITED PRO FORMA COMBINED CONDENSED

STATEMENT OF OPERATIONS OF COMCAST CORPORATION

The following Unaudited Pro Forma Combined Condensed Statement of Operations of Comcast for the year ended December 31, 2002 gives effect to the Broadband acquisition. The pro forma financial statement accounts for the Broadband acquisition under the purchase method of accounting. The consideration to complete the Broadband acquisition was \$50,780 million, consisting of \$25,495 million of Comcast common stock and options, \$24,860 million of assumed debt and \$425 million of transaction costs directly related to the acquisition.

The estimated fair value of certain assets and liabilities are based on preliminary valuations and are subject to adjustment as additional information is obtained. Our estimates have and will continue to change as final reports from valuation specialists are obtained and additional information becomes available regarding assets acquired and liabilities assumed. Changes in the amounts assigned to acquisition related assets and liabilities may affect the results of operations in future periods.

Management believes that the assumptions used provide a reasonable basis on which to present the unaudited pro forma financial data. Both Comcast Holdings and AT&T Broadband Group have completed other acquisitions and dispositions that are not significant, individually or in the aggregate, and, accordingly, have not been included in the accompanying unaudited pro forma financial data. The unaudited pro forma financial data may not be indicative of the results that would have occurred if the Broadband acquisition had been in effect on the dates indicated or which may be obtained in the future.

The unaudited pro forma financial data should be read in conjunction with the historical consolidated financial statements and accompanying notes thereto for Comcast, and the historical combined financial statements and accompanying notes thereto for AT&T Broadband Group incorporated by reference in this prospectus.

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COMCAST CORPORATION

UNAUDITED PRO FORMA COMBINED CONDENSED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2002

	Comcast(a)	Historical Broadband(a)	Adjustments(b)	Pro Forma Comcast
(Amounts in millions, except per share amounts)				
Revenues				
Service revenues	\$ 8,079	\$8,693	\$(41)	\$ 16,731
Net sales from electronic retailing	4,381			4,381
	12,460	8,693	(41)	21,112