

WILLKIE FARR & GALLAGHER

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20036-3384
Tel: 202 328 8000
Fax: 202 887 8979

July 2, 2002

ORIGINAL

EX PARTE

Marlene H. Dortch, Esq.
Secretary
Federal Communications Commission
445 12th Street, S.W., TW-A325
Washington, DC 20554

Re: **REDACTED – FOR PUBLIC INSPECTION**

Applications for Consent to the Transfer of Control of Licenses
from Comcast Corporation and AT&T Corp. to AT&T Comcast
Corporation.

MB Docket No. 02-70

Dear Ms. Dortch:

This letter provides notice for the public record that undersigned counsel for AT&T Corp. filed today certain confidential documents under seal and subject to the *Protective Order* adopted by the Media Bureau for this proceeding.¹ The confidential submission is redacted in its entirety from this public filing. In addition to the confidentiality notice, these documents are marked "Copying Prohibited" in accordance with the *Protective Order*.

The documents submitted simultaneously herewith are responsive to Request Nos. F4, H3, H4, and H6 in the Document and Information Request attached to the letter dated June 11, 2002, from Royce D. Sherlock to James R. Coltharp, Comcast, and Betsy J. Brady, AT&T. The documents produced in response to Request H3 include one publicly available document that is

¹ See In the Matter of Applications for Consent to the Transfer of Control of Licenses from Comcast Corporation and AT&T Corp., Transferors, to AT&T Comcast Corporation, Transferee, MB Docket No. 02-70, Protective Order, DA 02-734, at ¶ 2 and Exhibit A (MB March 29, 2002) ("Protective Order").

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Marlene H. Dortch, Esq.
July 2, 2002
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not marked confidential. This document is attached hereto for the public record.

The confidential documents submitted under separate cover simultaneously herewith are available for review subject to the *Protective Order* at the following address:

David Lawson, Esq.
Sidley Austin Brown & Wood
1501 K Street, N.W.
Washington, D.C. 20005
202-736-8088

An original and two copies of this letter are submitted herewith in accordance with Section 1.1206(b) of the Commission's rules and the *Protective Order*.

Respectfully submitted,



Michael H. Hammer

cc: Roger Holberg
Linda Senecal

*File
INVESTOR
PRESENTATIONS*

AT&T Comcast[®] CORPORATION

**Investor Presentation
December 20, 2001**

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Safe Harbor

Caution Concerning Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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. AT&T Corp ("AT&T") and Comcast Corporation ("Comcast") wish to take advantage of the "safe harbor" provided for by the Private Securities Litigation Reform Act of 1995 and you are cautioned that actual events or results may differ materially from the expectations expressed in such forward-looking statements as a result of various factors, including risks and uncertainties, many of which are beyond the control of AT&T and Comcast. Factors that could cause actual results to differ materially include, but are not limited to (1) the businesses of Comcast and AT&T Broadband ("AT&T Broadband") may not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; (2) expected combination benefits from the transaction may not be fully realized or realized within the expected time frame; (3) revenues following the transaction may be lower than expected; (4) operating costs, customer loss and business disruption, including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers, may be greater than expected following the transaction; (5) the regulatory approvals required for the transaction may not be obtained on the proposed terms or on the anticipated schedule; (6) the effects of legislative and regulatory changes; (7) the potential for increased competition; (8) technological changes; (9) the need to generate substantial growth in the subscriber base by successfully launching, marketing and providing services in identified markets; (10) pricing pressures which could affect demand for Comcast's services; (11) AT&T and Comcast's ability to expand its distribution; (12) changes in labor, programming, equipment and capital costs; (13) AT&T and Comcast's continued ability to create or acquire programming and products that customers will find attractive; (14) future acquisitions, strategic partnerships and divestitures; (15) general business and economic conditions; and (16) other risks described from time to time in AT&T and Comcast's periodic reports filed with the Securities and Exchange Commission.

Safe Harbor

Additional Information and Where to Find it

In connection with the proposed merger, AT&T and Comcast will file a joint proxy statement/prospectus with the Securities and Exchange Commission. INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE, BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain a free copy of the joint proxy statement/prospectus (when available) and other documents filed by AT&T and Comcast with the Commission at the Commission's web site at <http://www.sec.gov>. Free copies of the joint proxy statement/prospectus, once available, and each company's other filings with the Commission may also be obtained from the respective companies. Free copies of AT&T's filings may be obtained by directing a request to AT&T Corp., 295 North Maple Avenue, Basking Ridge NJ 07920. Free copies of Comcast's filings may be obtained by directing a request to Comcast, 1500 Market Street, Philadelphia PA 19102.

Participants in the Solicitation

AT&T, Comcast and their respective directors, executive officers and other members of their management and employees may be soliciting proxies from their respective stockholders in favor of the merger. Information concerning persons who may be considered participants in the solicitation of AT&T's and Comcast's stockholders under the rules of the Commission is set forth in public filings filed by AT&T and Comcast with the Commission and will be set forth in the Joint Proxy Statement/Prospectus when it is filed with the Commission.

Realization of the Broadband Vision

Mike Armstrong
Chairman and CEO
AT&T

Realization of the Broadband Vision



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- More services to more people, more quickly
- Maximizes shareholder value

Creates one of the most powerful communications media and entertainment companies in the world

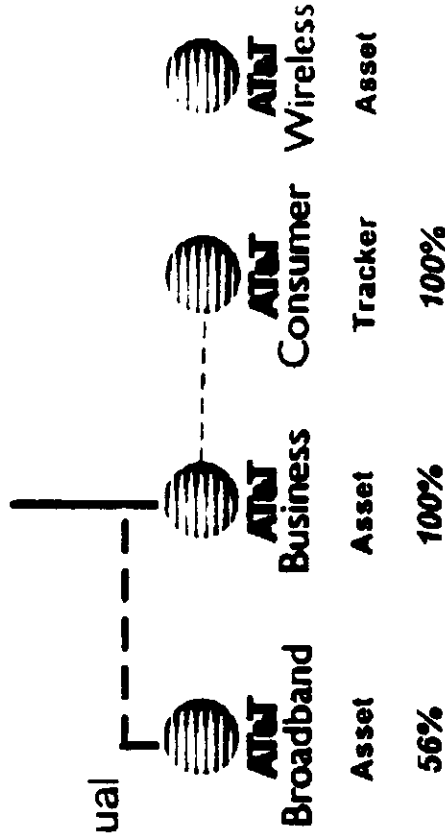


Rationale for AT&T Restructuring

Combination of AT&T Broadband and Comcast furthers the AT&T restructuring plan

- Financial strength to realize growth opportunities
- Greater transparency of results
- Separate currencies that track individual businesses
- Direct stock-based reward system for employees
- Appeals to distinct sets of investors

AT&T Corp



Accelerates execution of the multi-product broadband strategy




Strength of AT&T Communications Services

AT&T Business

- 4M+ customers
- \$14B growth businesses base (Data/IP, Local)
- Leader in enterprise customer relationships

AT&T Consumer

- ~60M customers
- Leader in long distance voice
- Developing integrated service offerings

 **AT&T Communications Services**

Revenues: \$44.2B
EBITDA: \$14.7B



AT&T Communications Services is an industry leader

Note: LTM data as of September 30, 2001. EBITDA excludes other income, pretax equity earnings (losses), and asset impairment charges.



Realization of the Broadband Vision



Revenues: \$18.0B
EBITDA: \$4.6B

- 38M homes passed, with 22M subscribers
- Potential for scaling new and innovative products and services to consumers
- Best value proposition to the consumer
- Experienced management and employees
- Projected EBITDA growth approaching 20%
- Financial strength and flexibility

Merger creates the leading entertainment, communications and information company

Note: Financial data for AT&T Broadband based on 9 months annualized as of September 30, 2001. Financial data for Comcast represents LTM as of September 30, 2001. EBITDA excludes other income, pretax equity earnings (losses), and asset impairment charges.



Transaction Summary

- Merger between Comcast and AT&T Broadband
- Tax-free spin-off to shareholders
- Values AT&T Broadband at \$72 billion, implying \$4,500 per sub
- Microsoft converting \$5 billion of QUIPS for up to 115 million AT&T Comcast Corp shares
- AT&T shareholders will receive approximately 0.34 of AT&T Comcast Corp Class A shares for each share of AT&T (subject to adjustment)
- AT&T shareholders will own 56% of the economics and 66% of the vote of the new company

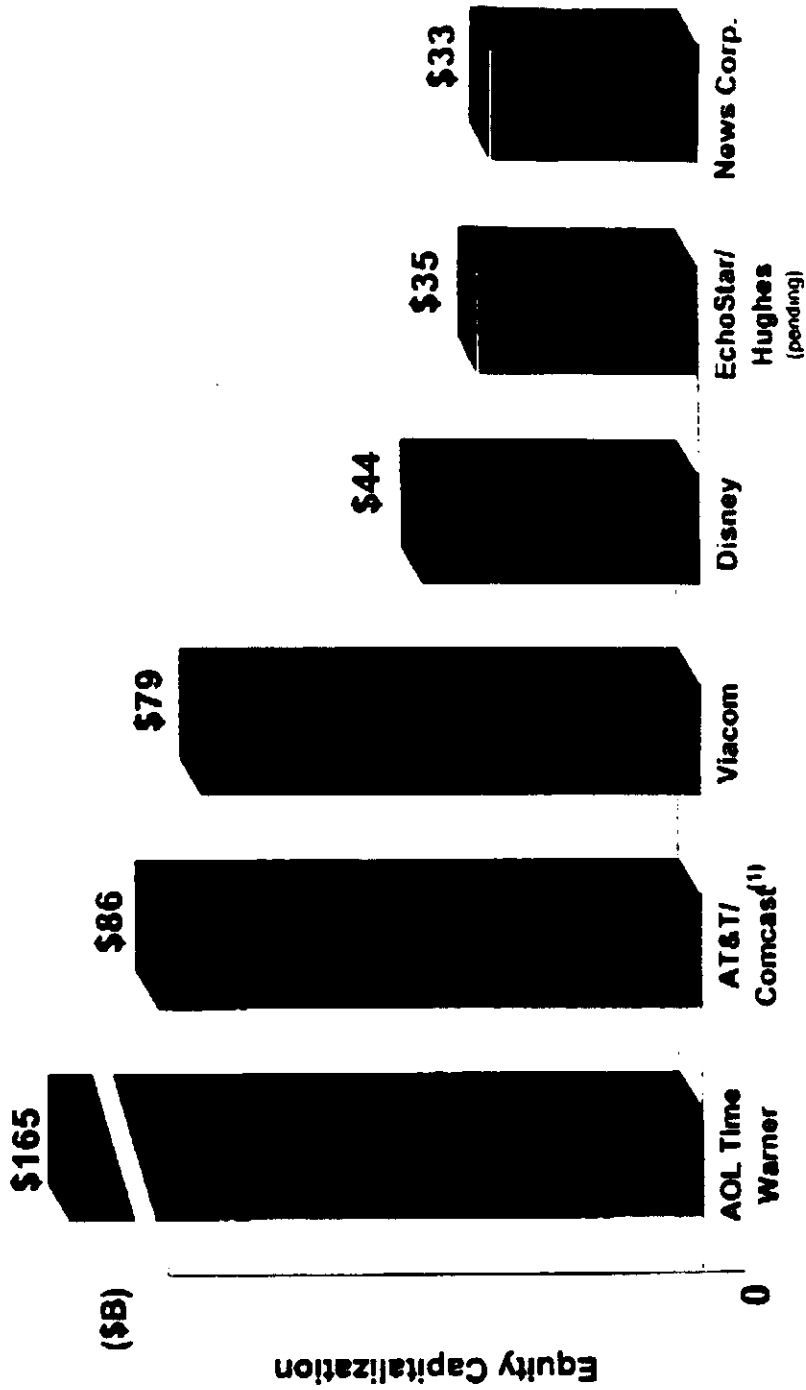
(1) Value includes TWE and other non core cable assets.

(2) Approximately 1.235B Comcast shares based on current shares outstanding.

Transaction Summary

- **Company Name: AT&T Comcast Corp**
- **"Best of both teams" management approach**
- **Five Board members from each company plus 2 independent**
- **Executive transition team led by proven experts selected from both companies**
- **Headquarters: Philadelphia, with executive offices in New York area**
- **Well positioned for regulatory approvals**
- **Closing expected by year-end 2002**

Transaction Summary



AT&T Comcast Corp: A "must own" large-cap growth stock

Note: (1) Equity values based on 20 day trading average ending 12/16/2001
 AT&T Comcast Corp based on pro forma value implied by
 Comcast price. Value reflects conversion of Microsoft QUIPS 10
 for up to 115 million AT&T Comcast Corp shares.



Powerful Platform for Growth

Brian Roberts
President
Comcast Corporation

Powerful Platform for Growth

Creates one of the most powerful communications media and entertainment companies in the world

- Unparalleled scale and scope
- The leader in advanced services
- Realizing the telephony opportunity
- Creating value through content
- Maximizing cost synergies and revenue enhancement

Powerful Platform for Growth

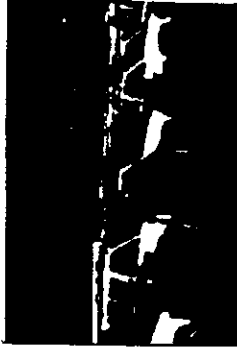
Creates one of the most powerful communications media and entertainment companies in the world

- **Unparalleled scale and scope**
- **The leader in advanced services**
- **Realizing the telephony opportunity**
- **Creating value through content**
- **Maximizing cost synergies and revenue enhancement**

Powerful Platform for Growth

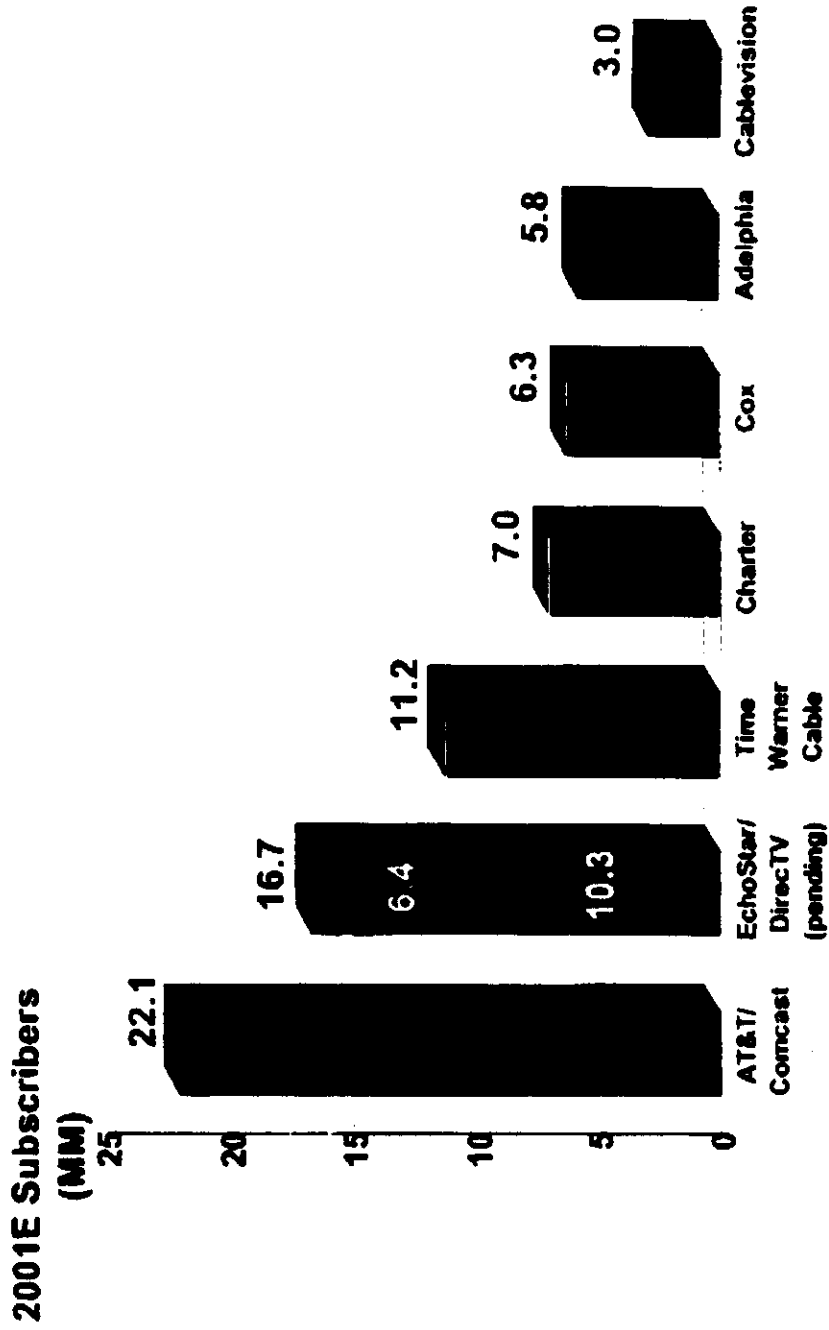
Diligence Assessment – What Did We Find?

- Strong foundation in place to drive future growth
- Best and most highly clustered industry footprint
- Consolidation and integration of operating activities and facilities largely complete
- Telephony and data infrastructure investments were behind them -- just beginning to realize scale benefits
- Highly committed workforce: “Best of Both”



Powerful Platform for Growth

Scale drives accelerated broadband deployment



Source: Wall Street equity research.

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Powerful Platform for Growth

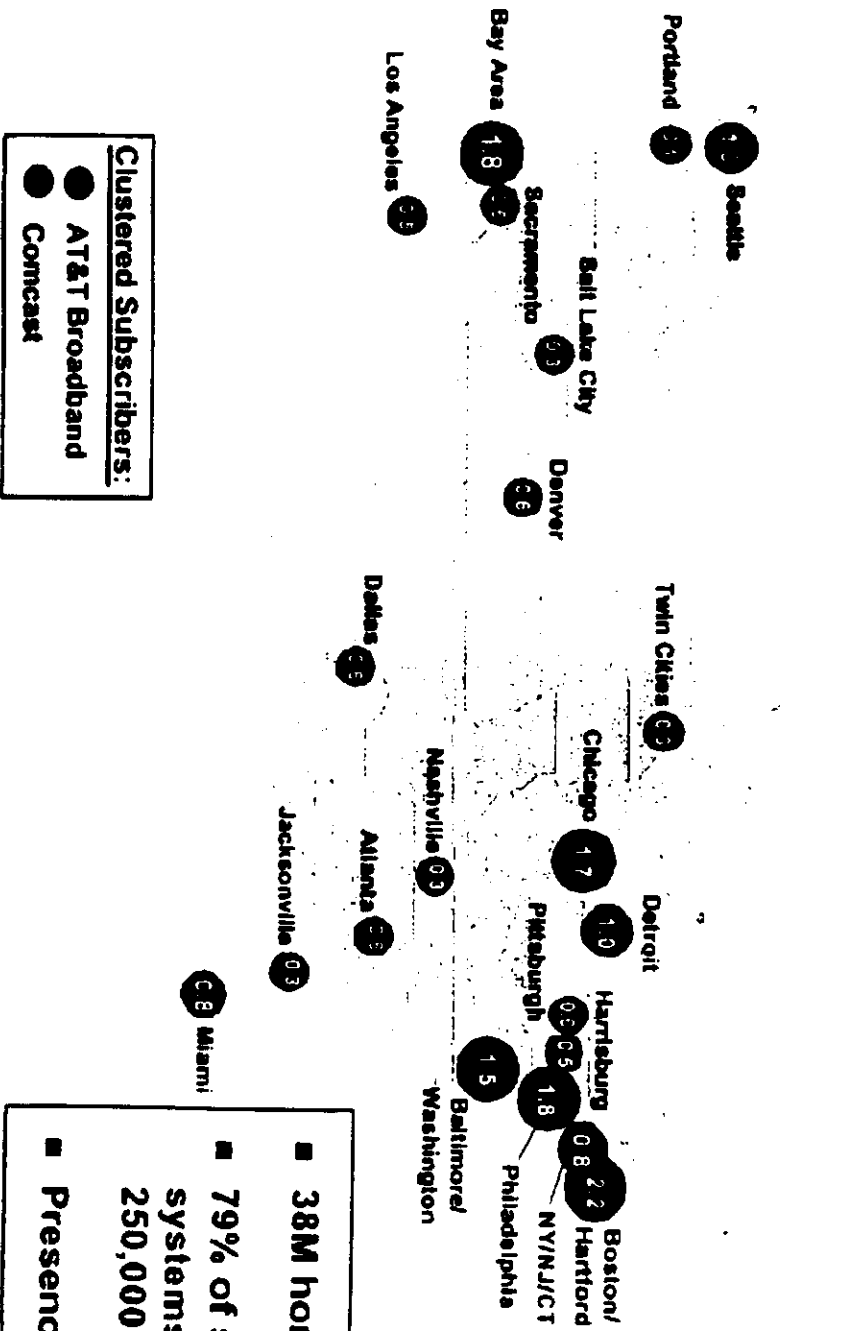
Scale drives accelerated broadband deployment

- Deploy new products and services
 - Telephony
 - VOD
 - SVOD
 - Home networking
 - Interactive TV
- Develop new, and leverage existing, programming content



Powerful Platform for Growth

Best and most highly clustered industry footprint



Clustered Subscribers:

- AT&T Broadband
- Comcast

- 38M homes passed
- 79% of subs in systems greater than 250,000
- Presence in 41 states



Powerful Platform for Growth

A national market presence

Top 20 DMAs	Subs in 000s
1. New York, NY	670
2. Los Angeles, CA	530
3. Chicago, IL	1,750
4. Philadelphia, PA	1,790
5. San Francisco-Oakland-San Jose, CA	1,830
6. Boston, MA	1,680
7. Dallas-Fort Worth, TX	560
8. Washington, DC	860
9. Detroit, MI	830
10. Atlanta, GA	680
11. Houston, TX	--
12. Seattle-Tacoma, WA	960
13. Tampa/St. Petersburg-Sarasota, FL	210
14. Minneapolis-St. Paul, MN	340
15. Cleveland, OH	90
16. Miami/Ft. Lauderdale, FL	780
17. Phoenix, AZ	--
18. Denver, CO	620
19. Sacramento-Stockton-Modesto, CA	550
20. Pittsburgh, PA	620

Source: Wall Street equity research.

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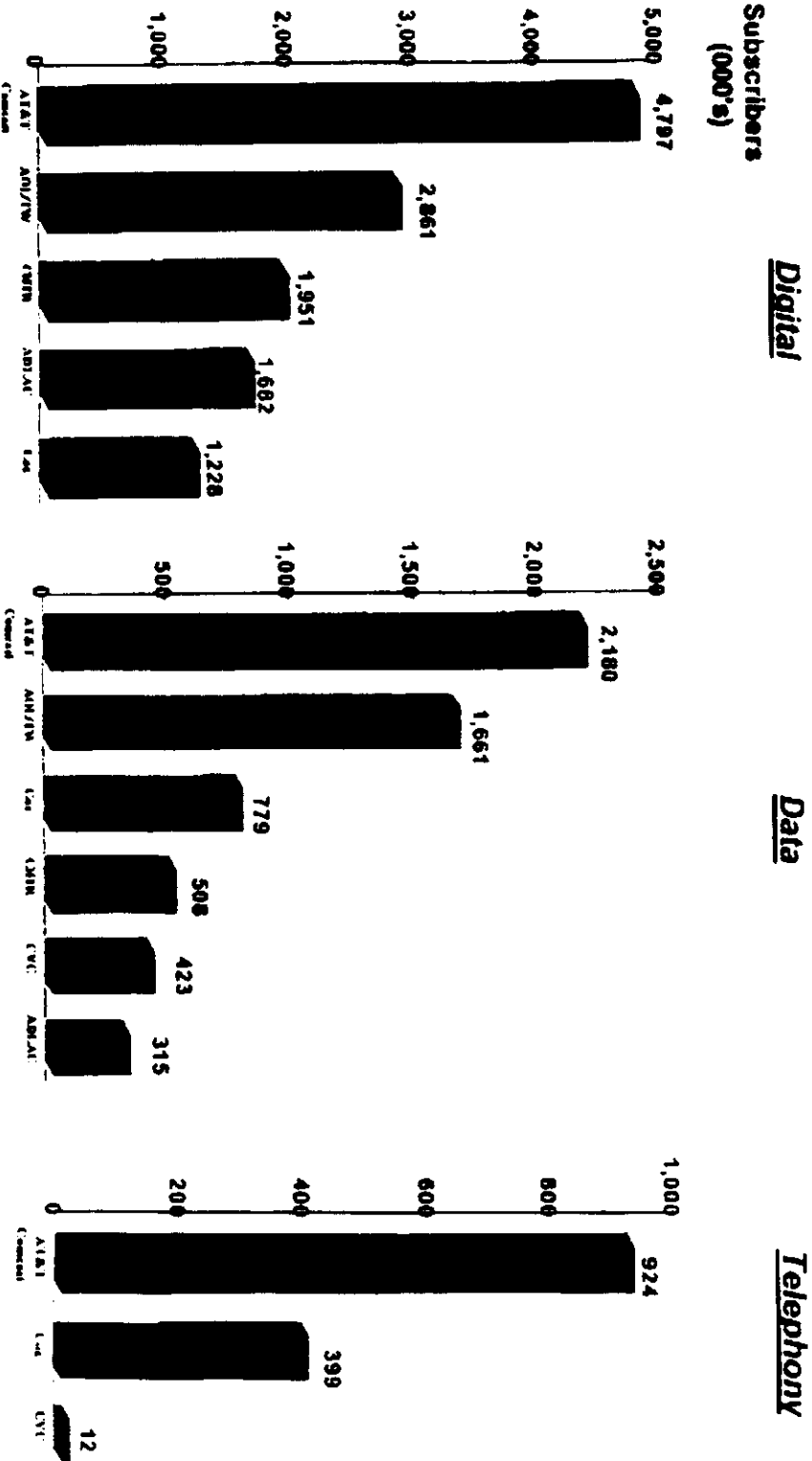
- Leader in 8 of top 10 DMAs
- 70% of subscribers in top 20 DMAs
- Major presence in 17 of the top 20 DMAs



AT&T Comcast.
CORPORATION

Powerful Platform for Growth

Leading Provider of Advanced Services



Source: Data as of Company reports on 9/30/01.

Powerful Platform for Growth







Value creation by leveraging AT&T's telephony expertise

- Telephony footprint with national reach
- AT&T telephony infrastructure leverageable and scalable into Comcast footprint
- Initial rollout to 1 million Comcast homes
 - Initial Comcast markets - Philadelphia and Detroit
- Strong focus on building long term economic value
- Enhances growth profile of combined company

Powerful Platform for Growth

Comcast record of content value creation benefits all shareholders

Value Today

 <ul style="list-style-type: none"> • More than Tripled OCF in 7 years • \$209M in 1994 to \$700M in 2001 	<p>\$13 - \$15B</p>
 <ul style="list-style-type: none"> • 60% subscriber growth in 4 years • 46M in 1997 to 75M at YE01 	<p>\$1.5 - \$2.5B</p>
 <ul style="list-style-type: none"> • 15M subscribers today growing to 40M by YE04 	<p>\$300 - \$500M</p>
 <ul style="list-style-type: none"> • 200% subscriber growth in 4 years • 14M in 1997 to 46M at YE01 	<p>\$1.0 - \$1.5B</p>
 <ul style="list-style-type: none"> • 120% subscriber growth since 1998 • 17M in 1998 to 37M at YE01 	<p>\$500 - \$700M</p>
 <ul style="list-style-type: none"> • Regional sports network covers 8.2M subscribers and entire Mid-Atlantic customer base 	<p>\$300 - \$500M</p>

\$16.6 - \$20.7B

AT&T Comcast.
CORPORATION

Source: Wall Street equity research estimates.
Value represents 100% of the equity for each entity. 20

Powerful Platform for Growth

Comcast's superior currency has outperformed its peers and the market⁽¹⁾

	1 Year	3 Years	5 Years	10 Years
Comcast	(0.3%)	11%	34%	22%

Cable Composite⁽²⁾ (21%) 4% 32% 13%

Nasdaq (21%) (2%) 9% 14%

S&P 500 (12%) (1%) 9% 11%

Notes: (1) All performance measurements calculated through 12/19/01.

(2) Consists of Adelphia, Cablevision, Charter and Cox.

