

CBS CORP
Form DEF 14A
April 13, 2012

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12

CBS Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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(1) Amount Previously Paid:

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April 13, 2012

Dear Stockholder:

You are cordially invited to attend the 2012 Annual Meeting of Stockholders of CBS Corporation (the "Annual Meeting"), which will be held at the Equitable Center, 787 Seventh Avenue (at 51st Street), New York, New York 10019 at 10:00 a.m., Eastern Daylight Time, on Thursday, May 24, 2012. Holders of CBS Corporation Class A Common Stock are being asked to vote on the matters listed in the attached Notice of 2012 Annual Meeting of Stockholders.

If you hold shares of the Company's Class A Common Stock, please cast your vote promptly to ensure that your shares will be voted at the Annual Meeting. You may vote by telephone or through the Internet by following the instructions on the Notice of Internet Availability of Proxy Materials or in the 2012 Proxy Statement. You may also submit your vote by returning a proxy card or voting instruction card, if you received a printed copy of proxy materials by request. If you attend the Annual Meeting, you may vote your shares in person.

National Amusements, Inc., which as of March 30, 2012 beneficially owned shares of the Company's Class A Common Stock representing approximately 79.1% of the voting power of CBS Corporation's common stock, has advised CBS Corporation that it intends to vote all of its shares of the Company's Class A Common Stock in accordance with the recommendations of the Board of Directors on both Items 1 and 2 in the attached Notice. Therefore, approval of those matters in accordance with the Board's recommendations is assured.

If you wish to attend the Annual Meeting in person, you will need to request an admission ticket in advance. If you are a registered holder of the Company's Class A Common Stock, you can request a ticket when you vote by telephone or through the Internet, or by marking the appropriate box on the proxy card (if you requested a printed copy of proxy materials). If you are a registered holder of the Company's Class B Common Stock or you hold shares of the Company's Class A or Class B Common Stock in a brokerage account, you can request a ticket by sending a written request along with proof of ownership, such as your brokerage firm account statement, to Director, Shareholder Relations, CBS Corporation, 51 West 52nd Street, New York, New York 10019.

If you have elected to receive paper copies of the Company's proxy statements, annual reports and other materials relating to the Annual Meeting and want to elect to receive these documents electronically next year instead of by mail, please go to <http://enroll.icsdelivery.com/cbs> and follow the instructions to enroll. We highly recommend that you consider electronic delivery of these documents as it helps to lower the Company's costs and reduce the amount of paper mailed to your home.

We appreciate your interest in and support of CBS Corporation and look forward to seeing you at the Annual Meeting.

SUMNER M. REDSTONE
Executive Chairman and Founder

LESLIE MOONVES
President and Chief Executive Officer

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CBS CORPORATION

NOTICE OF 2012 ANNUAL MEETING OF STOCKHOLDERS AND PROXY STATEMENT

To CBS Corporation Stockholders:

The 2012 Annual Meeting of Stockholders (the "Annual Meeting") of CBS Corporation (the "Company") will be held at the Equitable Center, 787 Seventh Avenue (at 51st Street), New York, New York 10019 at 10:00 a.m., Eastern Daylight Time, on Thursday, May 24, 2012. The principal business of the meeting will be the consideration of the following matters:

1. The election of 14 directors;
2. The ratification of the appointment of PricewaterhouseCoopers LLP to serve as the Company's independent registered public accounting firm for fiscal year 2012; and
3. Such other business as may properly come before the Annual Meeting or any adjournment thereof.

The close of business on March 30, 2012 has been fixed as the record date for determining the holders of shares of CBS Corporation Class A Common Stock entitled to notice of and to vote at the Annual Meeting and any adjournment thereof. For a period of at least 10 days prior to the Annual Meeting, a complete list of stockholders entitled to vote at the Annual Meeting will be open to the examination of any stockholder during ordinary business hours at the Company's corporate headquarters located at 51 West 52nd Street, New York, New York 10019.

By order of the Board of Directors,

ANGELINE C. STRAKA
Secretary

April 13, 2012

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**CBS CORPORATION
2012 PROXY STATEMENT**

VOTING AND SOLICITATION OF PROXIES

Solicitation of Proxies

A proxy is being solicited by the Board of Directors of CBS Corporation, a Delaware corporation ("CBS Corporation" or the "Company"), for use at the 2012 Annual Meeting of Stockholders (the "Annual Meeting") to be held on Thursday, May 24, 2012 at 10:00 a.m., Eastern Daylight Time. The close of business on March 30, 2012 is the record date for determining the record holders of the Company's Class A Common Stock, par value \$0.001 per share, entitled to notice of and to vote at the Annual Meeting and any adjournment thereof. Holders of the Company's non-voting Class B Common Stock, par value \$0.001 per share, are not entitled to vote at the Annual Meeting or any adjournment thereof.

As of March 30, 2012, the Company had outstanding 43,444,102 shares of its Class A Common Stock, each of such shares being entitled to one vote, and 605,885,323 non-voting shares of its Class B Common Stock (together with the Company's Class A Common Stock, the "Common Stock").

Internet Availability of Proxy Materials

In accordance with Securities and Exchange Commission ("SEC") rules, instead of mailing to stockholders a printed copy of the Company's proxy statement, annual report and other materials relating to the Annual Meeting ("proxy materials"), the Company intends to mail to stockholders a Notice of Internet Availability of Proxy Materials (the "Notice of Internet Availability"), which advises that the proxy materials are available on the Internet. The Company intends to commence its distribution of the Notice of Internet Availability on or about April 13, 2012. Stockholders receiving a Notice of Internet Availability by mail will not receive a printed copy of proxy materials, unless they so request. Instead, the Notice of Internet Availability will instruct stockholders as to how they may access and review proxy materials on the Internet. Stockholders who receive a Notice of Internet Availability by mail who would like to receive a printed copy of the Company's proxy materials, including a proxy card or voting instruction card, should follow the instructions for requesting these materials included in the Notice of Internet Availability. Stockholders who currently receive printed copies of proxy materials who would like to receive copies of these documents electronically instead of by mail should follow the instructions for requesting electronic delivery set forth in the "Other Matters" section in this proxy statement.

Submission of Proxies

The persons named in the proxy card and on the Company's voting website at www.proxyvote.com (the "proxy holders") have been designated by the Company's Board of Directors to vote the shares represented by proxy at the Annual Meeting. The proxy holders are officers of the Company. They will vote the shares represented by each valid and timely received proxy in accordance with the stockholder's instructions, or if no instructions are specified, the shares represented by the proxy will be voted in accordance with the recommendations of the Board of Directors as described in this proxy statement. If any other matter properly comes before the Annual Meeting, the proxy holders will vote on that matter in their discretion.

Registered holders of the Company's Class A Common Stock may submit a proxy in the following ways:

By Internet: Registered holders of record may access www.proxyvote.com, with the Notice of Internet Availability in hand (or, if a printed copy of proxy materials was received by

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request, the proxy card in hand), and follow the instructions. The Internet proxy must be received no later than 11:59 p.m., Eastern Daylight Time, on May 23, 2012.

By Telephone: Registered holders of record living in the United States or Canada may use any touch-tone telephone to call 1-800-690-6903, with the Notice of Internet Availability in hand (or, if a printed copy of proxy materials was received by request, the proxy card in hand), and follow the recorded instructions. The telephone proxy must be received no later than 11:59 p.m., Eastern Daylight Time, on May 23, 2012.

By Mail: Registered holders of record who received a printed copy of proxy materials by request may complete, sign and date the proxy card and return it in the envelope provided, so that it is received prior to the Annual Meeting.

"Beneficial holders" (defined below) will receive voting instructions directly from the holder of record.

Shares Held in the Company's 401(k) Plan. Voting instructions relating to shares of the Company's Class A Common Stock held in the Company's 401(k) plan must be received no later than 11:59 p.m., Eastern Daylight Time, on May 22, 2012, so that the trustee of the plan (who votes the shares on behalf of plan participants) has adequate time to tabulate the voting instructions. Shares held in the 401(k) plan that are not voted or for which the trustee does not receive timely voting instructions will be voted by the trustee in the same proportion as the shares held in the plan that are timely voted.

Voting Other than by Proxy. While the Company encourages holders of its Class A Common Stock to vote by proxy, holders of the Company's Class A Common Stock (other than shares held in the 401(k) plan) also have the option of voting their shares in person at the Annual Meeting. Some holders of the Company's Class A Common Stock hold their shares in "street name" through a broker or other nominee and are therefore known as "beneficial holders." If shares of Class A Common Stock are held for a beneficial holder in a brokerage, bank or other institutional account, then the beneficial holder must obtain a proxy from that entity and bring it to the Annual Meeting in order to vote the shares at the Annual Meeting.

Revocation of Proxies

A proxy may be revoked before the voting deadline by sending written notice to Angeline C. Straka, Secretary, CBS Corporation, 51 West 52nd Street, New York, NY 10019, or by submission (including telephonic or Internet submission) of a proxy bearing a later date than the proxy being revoked to Proxy Services, P.O. Box 9111, Farmingdale, NY 11735-9543. Revocations made by telephone or through the Internet must be received by 11:59 p.m., Eastern Daylight Time, on May 23, 2012. A holder may also revoke a proxy by voting in person at the Annual Meeting.

Shares Held in the Company's 401(k) Plan. Voting instructions relating to shares of the Company's Class A Common Stock held in the Company's 401(k) plan may be revoked prior to 11:59 p.m., Eastern Daylight Time, on May 22, 2012, by sending written notice to Angeline C. Straka, Secretary, CBS Corporation, 51 West 52nd Street, New York, NY 10019, or by timely submission (including telephonic or Internet submission) of voting instructions bearing a later date than the voting instructions being revoked to Proxy Services, P.O. Box 9111, Farmingdale, NY 11735-9543.

Quorum

Under the Company's Amended and Restated Bylaws, the holders of a majority of the aggregate voting power of the Company's Class A Common Stock outstanding on the record date, present in person or represented by proxy at the Annual Meeting, shall constitute a quorum. Abstentions and broker non-votes will be treated as present for purposes of determining the presence of a quorum.

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Matters to Be Considered at the Annual Meeting

The Board of Directors recommends a vote FOR each of the following matters:

1. The election of each of the 14 nominated directors; and
2. The ratification of the appointment of PricewaterhouseCoopers LLP to serve as the Company's independent registered public accounting firm ("independent auditor") for fiscal year 2012.

The affirmative vote of the holders of a majority of the aggregate voting power of the Company's Class A Common Stock present in person or represented by proxy at the Annual Meeting ("majority vote") is required to elect each of the 14 nominated directors and to approve Item 2 set forth above. An abstention with respect to any matter will have the effect of a vote against such matter.

Under the rules of the New York Stock Exchange ("NYSE"), a broker or other nominee holding shares of the Company's Class A Common Stock on behalf of a beneficial holder may not be permitted to exercise voting discretion with respect to some matters to be acted upon at stockholders' meetings. Therefore, if a beneficial holder does not give the broker or nominee specific voting instructions, the holder's shares may not be voted on those matters and a broker non-vote will occur. Under the rules of the NYSE, brokers or nominees may vote on the matter listed as Item 2 above, but not on the matter listed as Item 1 above, if they do not receive instructions from the beneficial holder of the shares held in street name. A broker non-vote will have no effect on the voting results for Item 1 above.

As of March 30, 2012, National Amusements, Inc. ("National Amusements") beneficially owned directly and indirectly through its wholly owned subsidiary, NAI Entertainment Holdings LLC ("NAI EH"), approximately 79.1% of the Company's outstanding Class A Common Stock and approximately 6.2% of the Company's outstanding Class A Common Stock and Class B Common Stock on a combined basis. Sumner M. Redstone, the controlling stockholder of National Amusements, is Executive Chairman and Founder of the Company. National Amusements has advised the Company that it intends to vote all of its shares of the Company's Class A Common Stock in favor of each of Items 1 and 2 above. Such action by National Amusements will be sufficient to constitute a quorum and to approve each of the matters.

Cost of Proxy Solicitation and Inspector of Election

The Company will pay the cost of the solicitation of proxies, including the preparation, printing and mailing of the Notice of Internet Availability and, as applicable, this proxy statement and the related materials. The Company will furnish copies of the Notice of Internet Availability and, if requested, this proxy statement and related materials to banks, brokers, fiduciaries and custodians that hold shares on behalf of beneficial holders so that they may forward the materials to the beneficial holders. IVS Associates, Inc. will serve as the independent inspector of election for the Annual Meeting.

Mailing Address

The Company's mailing address is 51 West 52nd Street, New York, NY 10019.

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CORPORATE GOVERNANCE

CBS Corporation's corporate governance practices are established and monitored by its Board of Directors (the "Board"). The Board, with assistance from its Nominating and Governance Committee, regularly assesses CBS Corporation's governance practices in light of legal requirements and governance best practices. In several areas, CBS Corporation's practices go beyond the requirements of the NYSE corporate governance listing standards (the "NYSE listing standards"). For example, despite being a "controlled company" (*i.e.*, a company of which more than 50% of the voting power is held by an individual or another company), CBS Corporation has a majority of independent directors on its Board and has an independent Compensation Committee and an independent Nominating and Governance Committee, none of which is required for controlled companies under the NYSE listing standards.

CBS Corporation's principal governance documents are as follows:

Corporate Governance Guidelines

Board Committee Charters:

Audit Committee Charter

Compensation Committee Charter

Nominating and Governance Committee Charter

Business Conduct Statement

Supplemental Code of Ethics for Senior Financial Officers

These documents are available on the Company's public website at www.cbscorporation.com, and copies of these documents may also be requested by writing to Investor Relations, CBS Corporation, 51 West 52nd Street, New York, NY 10019. The Company encourages its stockholders to read these documents, as we believe they illustrate CBS Corporation's commitment to good governance practices. Certain key provisions of these documents are summarized below.

Corporate Governance Guidelines

CBS Corporation's Corporate Governance Guidelines (the "Guidelines") set forth the Company's corporate governance principles and practices on a variety of topics, including the responsibilities, composition and functioning of the Board, director qualifications, and the roles of the Board Committees. The Guidelines are periodically reviewed and updated as needed. The Guidelines provide, among other things, that:

A majority of the members of the Board must be independent as determined under the NYSE listing standards and the standards set forth in the Guidelines;

All of the members of the Audit, Compensation, and Nominating and Governance Committees must be independent;

Separate executive sessions of the non-management directors and independent directors must be held a minimum number of times each year;

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The Board, acting on the recommendation of the Nominating and Governance Committee, shall determine whether a director candidate's service on more than three other public company boards of directors is consistent with service on the Board;

Director compensation will be established in light of the policies set forth in the Guidelines;

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Within three years of joining the Board, directors are expected to own shares of Common Stock having a market value of at least three times the cash annual retainer fee paid to them, in accordance with the Guidelines;

The Board will hold an annual self-evaluation to assess its effectiveness; and

The Compensation Committee and the Nominating and Governance Committee will together review periodically succession planning and report to the non-management directors on these reviews.

Board Committee Charters

Each Board Committee operates under a written charter that has been adopted by the Board. The Company has three standing Committees: the Audit Committee, the Compensation Committee and the Nominating and Governance Committee. The Committee charters set forth the purpose, objectives and responsibilities of each Committee and discuss matters such as Committee membership requirements, number of meetings and the setting of meeting agendas. The charters are assessed at least every other year, or more frequently as the applicable Committee may determine, and are updated as needed. More information on the Committees, their respective roles and responsibilities and their charters can be found under "CBS Corporation's Board of Directors Board Committees."

Business Conduct Statement

The Company's Business Conduct Statement ("BCS") sets forth the Company's standards for ethical conduct that are expected of all directors and employees of the Company. The BCS is available on the Company's website at www.cbscorporation.com and on the Company's intranet sites and also has been distributed to the Company's employees and directors. As part of the Company's compliance and ethics program, directors and full-time employees are required to certify as to their compliance with the BCS and, on an ongoing basis, must disclose any potential conflicts of interest. The Company has also implemented an online BCS training program. The BCS addresses, among other things, topics such as:

Compliance with laws, rules and regulations, including the Foreign Corrupt Practices Act;

Conflicts of interest, including the disclosure of potential conflicts to the Company;

Confidentiality, insider information and trading, and fair disclosure;

Financial accounting and improper payments;

The Company's commitment to providing equal employment opportunities and a bias-free and harassment-free workplace environment;

Fair dealing and relations with competitors, customers and suppliers;

Health, safety and the environment; and

Political contributions and payments.

The BCS provides numerous avenues for employees to report violations of the BCS or matters of concern, whether anonymously or with attribution, to the appropriate officers of the Company and/or the Audit Committee. These avenues include a telephone hotline, email contacts or direct communication with the Company's compliance officers. The BCS also provides that the Company will protect anyone who

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makes a good faith report of a violation of the BCS and that retaliation against an employee who makes a good faith report will not be tolerated.

Waivers of the BCS for the Company's executive officers or directors will be disclosed on the Company's website at www.cbscorporation.com or by Form 8-K filed with the SEC.

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Supplemental Code of Ethics for Senior Financial Officers

The Supplemental Code of Ethics is applicable to the Company's Executive Chairman, President and Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer. The Supplemental Code of Ethics, which is available on the Company's website at www.cbcorporation.com, addresses matters specific to those senior financial positions in the Company, including responsibility for the disclosures made in CBS Corporation's filings with the SEC, reporting obligations with respect to certain matters and a general obligation to promote honest and ethical conduct within the Company. The senior financial officers are also required to comply with the BCS. Amendments to or waivers of the Supplemental Code of Ethics for these officers will be disclosed on the Company's website at www.cbcorporation.com or by Form 8-K filed with the SEC.

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CBS CORPORATION'S BOARD OF DIRECTORS

The Company's Board of Directors is currently comprised of 14 members: David R. Andelman, Joseph A. Califano, Jr., William S. Cohen, Gary L. Countryman, Charles K. Gifford, Leonard Goldberg, Bruce S. Gordon, Linda M. Griego, Arnold Kopelson, Leslie Moonves, Doug Morris, Shari Redstone, Sumner M. Redstone and Frederic V. Salerno. All of the current members of the Board were elected at the Company's 2011 Annual Meeting of Stockholders.

During 2011, the Board held 9 meetings and also acted by unanimous written consent. Each incumbent director attended at least 75% of the meetings of the Board and Committees on which such director served during 2011. In addition to Board and Committee meetings, directors are expected to attend the Annual Meeting, and all of the directors standing for election in 2011 were present at the Company's 2011 Annual Meeting of Stockholders.

In accordance with the Guidelines and the NYSE listing standards, the non-management directors meet separately, without directors who are Company employees, at least two times each year, and at such other times as they deem appropriate. The independent directors also meet separately, without those directors who are not independent as determined by the Board, at least two times each year, and at such other times as they deem appropriate. The members of the Nominating and Governance Committee preside at meetings of the non-management directors and independent directors on a rotating basis. During 2011, the non-management directors met seven times, and the independent directors met seven times.

Director Independence

The Company's Guidelines provide that a majority of the Company's directors must be independent of the Company, as "independence" is defined in the NYSE listing standards and in the Guidelines. The NYSE listing standards set forth five "bright-line" tests that require a finding that a director is not independent if the director fails any of the tests. In addition, the NYSE listing standards provide that a director is not independent unless the Board affirmatively determines that the director has no "material relationship" with the Company. The Guidelines set forth categorical standards to assist the Board in determining what constitutes a "material relationship" with the Company. Generally under these categorical standards, the following relationships are deemed not to be material:

The types of relationships identified by the NYSE listing standards' "bright-line" tests, if they occurred more than five years ago (the Board will review any such relationship if it occurred more than three but less than five years ago);

A relationship whereby the director has received, or an immediate family member of the director has received for service as an executive officer, less than \$120,000 in direct compensation from the Company during any 12-month period within the last three years; and

A relationship where the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of the following:

a company that made payments to, or received payments from, the Company for property or services in an amount that, in any of the last three fiscal years, is less than 1% of such company's annual consolidated gross revenues;

a company which is either indebted to or a creditor of the Company in an amount that is less than 1% of such indebted company's total consolidated assets; and

a tax-exempt organization that received contributions from the Company in the prior fiscal year in an amount less than the greater of \$500,000 or 1% of that organization's consolidated gross revenues.

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For relationships that exceed the thresholds described above, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, is made by the directors who are independent. In addition, the Guidelines state that, generally, the types of relationships not addressed by the NYSE listing standards or described in the Guidelines will not cause an otherwise independent director to be considered not independent. However, the Board may determine that a director is not independent for any reason it deems appropriate.

The full text of the Guidelines is available on the Company's website at www.cbcorporation.com.

In February 2012, the Nominating and Governance Committee reviewed the independence of the 14 director nominees standing for election at the Annual Meeting to determine its recommendation regarding which nominees meet the independence standards outlined above. The Board, based on its review and the recommendation of the Nominating and Governance Committee, determined that 9 of the 14 nominees are independent. The independent director nominees are Messrs. Califano, Cohen, Countryman, Gifford, Gordon, Kopelson, Morris and Salerno and Ms. Griego.

During its review, in determining that the director nominees named above are independent, the Board considered the transactions disclosed under "Related Person Transactions," all of which the Board determined were immaterial to, and would not impair, each such director's independence. The Board also considered that the Company and its subsidiaries in the ordinary course of business have, during the past three years, sold products and services to, and/or purchased products and services from, companies and other entities, of which certain directors were executive officers or principals during 2011, and determined that all of these transactions were below the threshold for relationships deemed to be immaterial under the Guidelines.

Board Leadership Structure

The Company's Board of Directors separates its Board chairman and principal executive officer positions. The Company believes that this structure is most appropriate for the Company, since the two positions serve different functions. The Company's Executive Chairman provides leadership as chairman of the board and strategic oversight of the Company. He is uniquely suited for this position, given his history with the Company as a principal participant in the establishment of the Company and as a stockholder who has maintained, through National Amusements, a controlling ownership position since that time. The Company's Chief Executive Officer is responsible for the day-to-day supervision, management and control of the business and affairs of the Company and serves as a bridge between management and the Board to support the alignment of the goals of both. In addition, the Board has appointed a Vice Chair whose responsibilities include the duties set forth in the Company's Bylaws. In support of the independent oversight of management, the non-management directors and, separately, the independent directors routinely meet and hold discussions without management present. While the Company does not maintain a written succession plan with respect to the Executive Chairman, in accordance with the Guidelines, the Compensation Committee and the Nominating and Governance Committee will together review periodically succession planning for the Executive Chairman, and others, and report to the non-management directors on these reviews.

Board Risk Oversight

The Company's Board of Directors has overall responsibility for the oversight of the Company's risk management process. The Board carries out its oversight responsibility directly and through the delegation to its Committees of responsibilities related to the oversight of certain risks, as follows:

The Audit Committee, as part of its internal audit and independent auditor oversight, is responsible for reviewing the Company's risk assessment and risk management practices and discusses risks as they relate to its review of the Company's financial statements, the

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evaluation of the effectiveness of internal control over financial reporting, compliance with legal and regulatory requirements, and the performance of the internal audit function, among other responsibilities set forth in the Committee's charter.

The Compensation Committee monitors risks associated with the design and administration of the Company's compensation programs, including its performance-based compensation programs, to promote an environment which does not encourage unnecessary and excessive risk-taking by the Company's employees. The Committee also reviews risks related to management resources, including the depth of the Company's senior management. In view of this oversight and based on management's assessment, the Company does not believe that its employee compensation policies and practices create risks that are reasonably likely to have a material adverse effect on the Company.

The Nominating and Governance Committee oversees risk as it relates to monitoring developments in law and practice with respect to the Company's corporate governance processes and in reviewing related person transactions.

Each of these Committees reports regularly to the Board on these risk-related matters, among other items within its purview. On an annual basis, the Board conducts strategy sessions, which include presentations from economic, political and industry experts, among others, on matters affecting the Company, to assist the Board and management in preparing and implementing strategic initiatives, including risk management. In addition, the Board and Committees receive regular reports from management that include matters affecting the Company's risk profile, including, among others, operations reports from the Chief Executive Officer and from division heads, all of which include strategic and operational risks; reports from the Chief Financial Officer and Chief Accounting Officer on credit and liquidity risks and on the integrity of internal controls over financial reporting; reports from the General Counsel on legal risks and material litigation; and reports on internal audit activities from the Senior Vice President, Internal Audit. The Audit Committee also receives periodic reports from the Company's Chief Compliance Officer on the Company's compliance program and from the Senior Vice President, Internal Audit on the internal audit plan for the upcoming fiscal year, the scope of which is to determine the adequacy and function of the Company's risk management, control and governance processes. Outside of formal meetings, Board members have regular access to senior executives, including the Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, General Counsel and Executive Vice President, Human Resources and Administration. The Committee and management reports, strategy sessions and real-time management access collectively provide the Board with integrated insight on the Company's management of its risks.

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Board Committees

The following chart sets forth the current membership of each Board Committee. The Board reviews and determines the membership of the Committees at least annually.

Committee	Members
Audit Committee	Gary L. Countryman, Chair Joseph A. Califano, Jr. Linda M. Griego Frederic V. Salerno
Compensation Committee	Charles K. Gifford, Chair William S. Cohen Bruce S. Gordon Doug Morris
Nominating and Governance Committee	Joseph A. Califano, Jr., Chair Gary L. Countryman Charles K. Gifford

During 2011, the Audit Committee held 6 meetings, the Compensation Committee held 5 meetings and the Nominating and Governance Committee held 7 meetings. Information about the Committees, including their respective roles and responsibilities and charters, is set forth below.

Audit Committee

The Audit Committee Charter provides that the Audit Committee will be comprised of at least three members and that all of the members on the Committee must be independent directors. Also, the Committee must have at least one "audit committee financial expert" (as described below) and all Committee members must be financially literate. The Committee holds at least five regular meetings each year, and it regularly meets separately at these meetings with the independent auditor, the Company's General Counsel, its Senior Vice President of Internal Audit and other members of the Company's senior management. The Committee is responsible for the following, among other things:

The appointment, retention, termination, compensation and oversight of the Company's independent auditor, including reviewing with the independent auditor the scope of the audit plan and audit fees;

Reviewing the Company's financial statements and related disclosures, including with respect to internal control over financial reporting;

Oversight of the Company's internal audit function; and

Oversight of the Company's compliance with legal and regulatory requirements.

For additional information on the Committee's role and its oversight of the independent auditor during 2011, see "Report of the Audit Committee."

Audit Committee Financial Experts. The Board has determined that all of the members of the Audit Committee are "financially literate," as that term is interpreted by the Board in its business judgment. In addition, the Board has determined that two members of the Audit Committee, including Mr. Countryman (Chair), qualify as "audit committee financial experts," as that term is defined in the regulations promulgated under the Securities Act of 1933, as amended (the "Securities Act").

Compensation Committee

The Compensation Committee Charter provides that the Compensation Committee will be comprised of at least three members, except that the Committee is deemed to be properly constituted

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with at least two members in the event of a vacancy until the Board fills the vacancy. The Charter also provides that all of the members on the Committee must be independent directors and that the Committee shall also satisfy the relevant requirements established pursuant to regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"). The Committee holds at least four regular meetings each year and is responsible for the following, among other things:

Adopting and periodically reviewing the Company's compensation philosophy, strategy and principles regarding the design and administration of the Company's compensation programs;

Reviewing and approving the total compensation packages for the Executive Chairman, the President and Chief Executive Officer, the Company's other executive officers, and other senior executives identified by the Committee after consultation with the Company's Chief Executive Officer and Executive Vice President, Human Resources and Administration, and, in certain instances, other persons among the Company's most highly compensated executives (excluding "Talent," as such term is currently used in the media or entertainment industries) (collectively, the "senior executives"); and

Overseeing the administration of the Company's incentive compensation plans (including the bonus plan for executives subject to Section 162(m) of the Code) and its equity-based compensation plans.

Consideration and Determination of Executive Compensation. The Compensation Committee reviews all components of senior executives' compensation, including base salary, annual and long-term incentives and severance arrangements. In approving compensation for the senior executives (other than Messrs. Redstone and Moonves), the Committee considers the input and recommendations of Mr. Moonves with respect to the senior executives' performances, Mr. Briskman with respect to those senior executives who report directly to him and Mr. Ianniello with respect to those senior executives who report directly to him. With respect to Messrs. Redstone and Moonves, the Committee reviews and approves goals and objectives relevant to their compensation and, together with the Nominating and Governance Committee, annually evaluates the performances of the Executive Chairman and the Chief Executive Officer in light of those goals and objectives. The results of these evaluations are then reported to the non-management directors. The Compensation Committee sets compensation for the Executive Chairman and the Chief Executive Officer taking these evaluations into account. The Committee then reports to the Board on the process for setting compensation for the Executive Chairman and Chief Executive Officer.

The Company's processes and procedures for the consideration of executive compensation and the role of the Company's executive officers in determining or recommending the amount or form of executive compensation are more fully described in the "Compensation Discussion and Analysis" section below. Director compensation is approved by the Board, based on recommendations from the Nominating and Governance Committee, as more fully described in the "Nominating and Governance Committee" section below.

The Compensation Committee has the power to delegate its authority and duties to subcommittees or individuals as it deems appropriate and in accordance with applicable laws and regulations. The Committee has delegated to the President and Chief Executive Officer limited authority (with respect to executives who are not senior executives) to grant long-term incentive awards under the Company's long-term incentive plan to such executives in connection with their hiring, promotion or contract renewal and to modify the terms of outstanding equity grants in certain post-termination scenarios, as discussed in the "Compensation Discussion and Analysis" section below.

The Committee is empowered to retain compensation consultants having special competence to assist the Committee in evaluating executive officer and employee compensation. The Committee has the sole authority to retain and terminate such consultants and to review and approve such consultants'

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fees and other retention terms. The Committee retains an independent compensation consulting firm, currently Exequity LLP, to advise the Committee in its review of senior executive compensation. The Compensation Committee adopted a policy in 2008 providing that the independent compensation consulting firm will not be considered as a provider of services to the Company, other than for services provided to the Compensation Committee. Accordingly, other than these services provided to the Committee, Exequity does not perform any administrative or consulting services for the Company. In furtherance of the Committee's review of senior executive compensation, the independent consultant examines the compensation practices at companies with which the Company competes for senior executive talent, including those companies engaged in similar business activities and other publicly traded U.S. companies, and provides other analysis, as more fully described in the "Compensation Discussion and Analysis" section below.

Nominating and Governance Committee

The Nominating and Governance Committee's Charter provides that the Nominating and Governance Committee will be comprised of at least three members, except that the Committee is deemed to be properly constituted with at least two members in the event of a vacancy until the Board fills the vacancy. The Charter also provides that all of the members on the Committee must be independent directors. The Committee holds at least three regular meetings each year and is responsible for the following, among other things:

Identifying and recommending to the Board nominees for election to the Board and reviewing the composition of the Board as part of this process;

Overseeing all aspects of the Company's corporate governance initiatives, including regular assessments of its principal governance documents;

Establishing criteria for the annual self-evaluations of the Board and its Committees;

Making recommendations to the Board on director compensation matters;

Monitoring developments in the law and practice of corporate governance;

Developing and recommending items for Board meeting agendas; and

Reviewing transactions between the Company and related persons.

The members of the Nominating and Governance Committee also chair the executive sessions of non-management and independent directors on a rotating basis.

Consideration and Determination of Director Compensation. The Committee annually reviews and recommends for the Board's consideration the form and amount of compensation for Outside Directors. "Outside Directors" are directors of the Company who are not employees of the Company or any of its subsidiaries. Only Outside Directors are eligible to receive compensation for serving on the Board, as more fully described in the "Director Compensation" section below.

In accordance with the Guidelines and its Charter, the Committee is guided by three principles in its review of Outside Director compensation and benefits: Outside Directors should be fairly compensated for the services they provide to the Company, taking into account, among other things, the size and complexity of the Company's business and compensation and benefits paid to directors of comparable companies; Outside Directors' interests should be aligned with the interests of stockholders; and Outside Directors' compensation should be easy for stockholders to understand.

The recommendations of the Committee with respect to director compensation are subject to approval by the Board.

2012 Director Nomination Process; Board Diversity. In connection with the 2012 director nomination process, the Committee reviewed the current composition of the Board in light of the considerations set forth in its Charter and the Company's Guidelines. The

Committee also considered

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input received from other directors on Board member qualifications, Board composition and any special circumstances that the Committee considers important in its determination. After taking these considerations into account, the Committee determined to recommend to the Board that each of the current members of the Board be nominated to stand for election at the 2012 Annual Meeting.

As part of its review, the Committee considers diversity, among other factors. The Committee considers diversity to be a broadly defined concept which takes into account professional experience, gender and ethnicity, among other characteristics. As a result of considering diversity as part of its nomination process, multiple industries are represented on the Board, including the entertainment and media, communications, banking, legal, insurance and management consulting industries, among others. Additionally, distinguished contributors to governmental and not-for-profit organizations also serve on the Board. Multiple professions are represented among the directors, including current and past experience as principal executive and principal financial officers, attorneys, high-level government officials, entrepreneurs and television, film and record producers, among others. Also, over the six-year period following the separation of former Viacom Inc. ("Former Viacom") into two publicly traded companies, CBS Corporation and new Viacom Inc. (the "Separation"), the Committee has nominated, and stockholders have elected, a total of four female directors, one of whom is Hispanic, and one African-American director. The Committee assesses the effectiveness of its consideration of diversity as part of its annual nomination process, when it reviews the composition of the Board as a whole.

Stockholder Recommendations for Director. The Committee will consider candidates for director recommended by the stockholders of the Company. All recommendations by stockholders for potential director candidates, which shall include written materials with respect to the potential candidate, should be sent to Angeline C. Straka, Secretary, CBS Corporation, 51 West 52nd Street, New York, NY 10019. The Company's Guidelines and Nominating and Governance Committee Charter set forth certain criteria for director qualifications and Board composition that stockholders should consider when making a recommendation. These criteria include an expectation that directors have substantial accomplishments in their professional backgrounds, are able to make independent, analytical inquiries, and exhibit practical wisdom and mature judgment. Directors of CBS Corporation should also possess the highest personal and professional ethics, integrity and values and be committed to promoting the long-term interests of CBS Corporation's stockholders. Director candidates recommended by stockholders who meet the director qualifications, which are described more fully in the Company's Guidelines and Nominating and Governance Committee Charter, will be considered by the Chair of the Committee, who will present the information on the candidate to the entire Committee. Director candidates recommended by stockholders will be considered by the Committee in the same manner as any other candidate.

Communications with Directors

Stockholders and other parties interested in contacting CBS Corporation's non-management directors may send an email to nonmanagementdirectors@cbs.com or write to Non-Management Directors, CBS Corporation, 51 West 52nd Street, 35th Floor, New York, NY 10019. The non-management directors' contact information is also available on CBS Corporation's website at www.cbscorporation.com. The non-management directors have approved the process for handling communications received in this manner.

Stockholders should also use the email and mailing address for the non-management directors to send communications to the Board. The process for handling stockholder communications to the Board received in this manner has been approved by the independent directors of the Board. Correspondence relating to accounting or auditing matters will be handled in accordance with procedures established by the Audit Committee for such matters.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee during fiscal year 2011 was, or has ever been, an officer or employee of the Company, and, during fiscal year 2011, no executive officer of the Company served on the board and/or compensation committee of any company that employed as an executive officer any member of the Company's Board and/or Compensation Committee.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The table below sets forth as of February 29, 2012, unless otherwise indicated, information concerning the beneficial ownership of the Company's Class A and Class B Common Stock by (i) each current director and director nominee, (ii) each named executive officer and (iii) the current directors and executive officers of the Company as a group. Each person has sole voting and investment power over the shares reported, except as noted. Also set forth below is information concerning the beneficial ownership by each person, or group of affiliated persons, who is known by the Company to beneficially own 5% or more of the Company's Class A Common Stock. As of February 29, 2012, there were 43,444,102 shares of the Company's Class A Common Stock outstanding and 609,009,189 shares of the Company's Class B Common Stock outstanding.

Beneficial Ownership of Equity Securities

Name	Title of Security	Number of Shares	Percent of Class
Anthony G. Ambrosio	Class A Common	0	*
	Class B Common	595,513 (1)(4)	*
David R. Andelman	Class A Common	20,464 (2)	*
	Class B Common	97,793 (1)(2)	*
Louis J. Briskman	Class A Common	0	*
	Class B Common	1,732,067 (1)(3)(4)	*
Joseph A. Califano, Jr.	Class A Common	2,803 (2)	*
	Class B Common	91,904 (1)(2)(3)	*
William S. Cohen	Class A Common	23,879 (2)	*
	Class B Common	110,144 (1)(2)	*
Gary L. Countryman	Class A Common	6,243 (2)	*
	Class B Common	66,354 (1)(2)	*
Charles K. Gifford	Class A Common	0	*
	Class B Common	77,496 (1)(2)	*
Leonard Goldberg	Class A Common	0	*
	Class B Common	70,577 (1)(3)	*
Bruce S. Gordon	Class A Common	0	*
	Class B Common	73,165 (1)(2)	*
Linda M. Griego	Class A Common	0	*
	Class B Common	66,116 (1)(2)(3)	*
Joseph R. Ianniello	Class A Common	0	*
	Class B Common	510,020 (1)(4)	*
Arnold Kopelson	Class A Common	3,420 (2)	*
	Class B Common	63,589 (1)(2)	*
Leslie Moonves	Class A Common	0	*
	Class B Common	8,930,771 (1)(3)(4)	1.5%
Doug Morris	Class A Common	16,419 (2)	*
	Class B Common	76,586 (1)(2)	*

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Beneficial Ownership of Equity Securities				
Name	Title of Security	Number of Shares		Percent of Class
Shari Redstone	Class A Common	7,940	(2)(5)	*
	Class B Common	75,194	(1)(2)(3)(5)	*
Sumner M. Redstone	Class A Common	34,349,481	(6)	79.1%
	Class B Common	9,828,465	(1)(6)	1.6%
Frederic V. Salerno	Class A Common	24,334	(2)	*
	Class B Common	84,182	(1)(2)	*
Current directors and executive officers as a group, other than the interests of Mr. Redstone (21 persons)	Class A Common	105,502	(2)	*
	Class B Common	13,916,110	(1)(2)(3)(4)(7)	2.3%
National Amusements/NAI EH 846 University Avenue Norwood, MA 02062	Class A Common	34,349,441	(8)	79.1%
	Class B Common	5,800,000	(8)	*
Mario J. Gabelli <i>et al.</i> (9) GAMCO Investors, Inc. One Corporate Center Rye, NY 10580-1435	Class A Common	4,411,381		10.2%

*

Represents less than 1% of the outstanding shares of the class.

(1)

Includes the following shares of the Company's Class B Common Stock (a) which the indicated named executive officer or director had the right to acquire on or within 60 days from February 29, 2012, through the exercise of stock options: Ambrosio, 478,270; Andelman, 39,470; Briskman, 1,471,192; Califano, 48,384; Cohen, 48,384; Countryman, 28,012; Gifford, 38,198; Goldberg, 33,105; Gordon, 38,198; Griego, 28,012; Ianniello, 411,111; Kopelson, 28,012; Moonves, 6,866,763; Morris, 28,012; Shari Redstone, 30,350; Sumner Redstone, 3,357,099; and Salerno, 28,012; and (b) underlying RSUs which will vest within 60 days from February 29, 2012 held by the indicated executive officer: Ambrosio, 524.

(2)

Includes (a) the following Company Class A Common Stock phantom units and Class B Common Stock phantom units credited pursuant to the Company's deferred compensation plans for Outside Directors: Andelman, 20,464 Class A and 20,563 Class B; Califano, 2,803 Class A and 2,821 Class B; Cohen, 23,879 Class A and 24,000 Class B; Countryman, 6,243 Class A and 6,245 Class B; Kopelson, 3,420 Class A and 3,416 Class B; Morris, 16,419 Class A and 16,501 Class B; Shari Redstone, 7,940 Class A and 7,971 Class B; and Salerno, 24,334 Class A and 24,436 Class B (including 7,918 Class A and 7,946 Class B, which amounts were deferred prior to December 31, 2005, and are held in an account in Mr. Salerno's name at Viacom Inc.); and (b) the following shares of the Company's Class B Common Stock underlying vested restricted share units ("RSUs") for which settlement has been deferred: Andelman, 37,760; Califano, 37,760; Cohen, 37,760; Countryman, 30,293; Gifford, 35,298; Gordon, 32,546; Griego, 25,188; Kopelson, 3,666; Morris, 30,293; Shari Redstone, 18,020; and Salerno, 30,293. Pursuant to the governing plans, the phantom common stock units are payable in cash and the RSUs are payable in shares of the Company's Class B Common Stock following termination of service as a director.

(3)

Includes the following number of shares of the Company's Class B Common Stock (a) owned by family members but as to which, except in the case of Ms. Griego, the indicated named executive officer or director disclaims beneficial ownership: Califano, 927; Griego, 6,000; and

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Moonves, 4,579; (b) held in a family partnership: Briskman, 2,784, as to which he disclaims beneficial ownership to the extent that he has no pecuniary interest; (c) held by trusts, as to which the indicated director has shared voting and investment power: Goldberg, 5,000 and Shari Redstone, 1,500; and (d) held in family trusts, as to which the indicated officer has sole voting and investment power: Moonves: 1,500,259.

- (4) Includes shares held through the CBS 401(k) Plan.
- (5) Ms. Redstone is a stockholder of National Amusements and has a significant indirect beneficial interest in the Company shares owned by National Amusements.
- (6) Includes 34,349,441 shares of the Company's Class A Common Stock and 5,800,000 shares of the Company's Class B Common Stock that are owned by National Amusements and NAI EH, a wholly owned direct subsidiary of National Amusements. Mr. Redstone is the beneficial owner of the controlling interest in National Amusements and, accordingly, beneficially owns all such shares. Based on information received from National Amusements, the shares of the Company's Class A and Class B Common Stock owned by NAI EH are pledged to NAI EH's lenders. National Amusements holds more than 50% of the Company's Class A Common Stock directly, and these shares are not pledged.
- (7) Includes 10,539,576 shares of the Company's Class B Common Stock which the current directors and executive officers as a group, other than Mr. Redstone, had the right to acquire on or within 60 days from February 29, 2012, through the exercise of stock options or through the vesting of RSUs.
- (8) Mr. Redstone is the beneficial owner of the controlling interest in National Amusements and, accordingly, beneficially owns all the Company's shares held by National Amusements and NAI EH. Based on information received from National Amusements, the shares of the Company's Class A and Class B Common Stock owned by NAI EH are pledged to NAI EH's lenders. National Amusements holds more than 50% of the Company's Class A Common Stock directly, and these shares are not pledged.
- (9) The number of shares identified is based on a Schedule 13D dated February 25, 2011 and filed with the SEC by Gamco Investors, Inc. *et al.* on March 15, 2011. The Schedule 13D reported that the Gabelli entities have investment discretion and/or voting power with respect to substantially all of such shares.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires the Company's executive officers and directors, and persons who own more than 10% of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the SEC and the NYSE and to furnish the Company with copies of all Section 16(a) forms they file. Based upon the Company's compliance program, a review of the forms furnished to the Company and written representations, the Company believes that during 2011 its executive officers, directors and greater than 10% beneficial owners complied with all applicable Section 16(a) filing requirements.

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RELATED PERSON TRANSACTIONS

Review, Approval or Ratification of Transactions with Related Persons

The Board of Directors adopted a written policy whereby the Nominating and Governance Committee reviews and approves, ratifies or takes other actions it deems appropriate with respect to a related person transaction that, under the rules of the SEC, is required to be disclosed in the Company's proxy statement. In its review, the Committee considers the related person's interest in the transaction; the material terms of the transaction, including the dollar amount involved; the importance of the transaction to the related person and the Company; whether the transaction would impair the judgment of the related person; and any other information the Committee deems appropriate.

Any member of the Committee who is a related person with respect to a transaction under review may not participate in the review or vote respecting the transaction; however, that person may be counted in determining the presence of a quorum at a meeting of the Committee that considers the transaction.

Under the policy, the Company's legal staff is primarily responsible for determining whether a related person has a direct or indirect material interest in a transaction with the Company that is required to be disclosed. The determination will be made after a review of information obtained from the related person and information available from the Company's records. The staff is responsible for establishing and maintaining policies and procedures to obtain relevant information to allow it to make the determination.

Agreements Related to Viacom Inc.

National Amusements, the Company's controlling stockholder, is also the controlling stockholder of Viacom Inc. ("Viacom"). Mr. Sumner M. Redstone, the controlling stockholder, chairman of the board of directors and chief executive officer of National Amusements, serves as the Executive Chairman of the Board of Directors for both the Company and Viacom.

During 2011, the Company, as part of its normal course of business, entered into transactions with Viacom and its subsidiaries. The Company, through its Entertainment segment, licenses its television products to Viacom, primarily MTV Networks and BET Networks. In addition, the Company recognizes revenues for advertising spending placed by various subsidiaries of Viacom, primarily Paramount Pictures. Viacom also distributes certain of the Company's television products in the home entertainment market. Simon & Schuster, a subsidiary of the Company, is also involved in certain nonmaterial transactions with Viacom. The Company's total revenues from these transactions were \$255 million for the year ended December 31, 2011. In addition, the Company places advertisements with, and leases production facilities, licenses programming, and purchases other goods and services from, various subsidiaries of Viacom. The total amounts from these transactions were \$23 million for the year ended December 31, 2011. As of December 31, 2011, Viacom owed the Company approximately \$300 million, and the Company owed Viacom approximately \$5 million in connection with the Company's various normal course of business transactions with Viacom.

The Company believes that the terms of all such transactions were no more or less favorable to the Company and its businesses than they would have obtained from unrelated parties. The Company expects for the foreseeable future to continue to have transactions with Viacom.

Other Related Person Transactions

National Amusements, during 2011, paid to CBS Films, a subsidiary of the Company, approximately \$769,000 for CBS' share of revenues from the theatrical exhibition of CBS Films' motion pictures in National Amusements' theaters. In addition, National Amusements and certain of its subsidiaries place advertising on certain CBS radio stations from time to time, which amounted to

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approximately \$176,000 in 2011. The Company believes that the terms of these arrangements are no more or less favorable to the Company than it could have obtained from unrelated parties. The Company expects for the foreseeable future to continue these arrangements with National Amusements.

The National Center on Alcohol and Substance Abuse at Columbia University ("CASA"), of which Mr. Califano served as Founder and Chairman during 2011, sponsors an annual "Family Day" event, the purpose of which is to encourage families to eat dinner together. In 2011, certain divisions of the Company and its subsidiaries supported the cause by airing public service announcements (PSAs) that promote Family Day. It is anticipated that divisions of the Company and its subsidiaries will from time to time promote Family Day. In addition, in 2011, the Company made contributions totaling \$64,500 to CASA.

Pursuant to an agreement between a subsidiary of the Company and Panda Productions, a television and film production company owned 50% by Mr. Goldberg, he serves as an Executive Producer of CBS Network's television series, *Blue Bloods*. In connection with this agreement, during 2011, the Company paid to Panda Productions fees per episode, which are consistent with fees paid to other executive producers at Mr. Goldberg's level. The Company currently expects to pay Panda Productions additional fees for Mr. Goldberg's producer services through the end of May 2012 and may also in the future pay additional contingent compensation to Panda Productions based upon its negotiated participation in net revenues received by the Company in connection with the *Blue Bloods* series. The Company believes that the terms of the agreement with Panda Productions are no more or less favorable to the Company than it could have obtained from unrelated parties.

Julie Chen, the wife of Mr. Moonves, is a host of CBS Network's show, *The Talk*, the host of the CBS Network show *Big Brother*, and a contributor to CBS News. Ms. Chen's compensation is comparable to on-air talent in similar positions at the CBS Network, and the Company believes it is comparable to on-air talent in such positions generally.

Amy Salerno, daughter of Mr. Salerno, is an employee in the Business Development department of Showtime Networks Inc., a subsidiary of the Company. Ms. Salerno has been an employee of Showtime Networks for approximately eleven years. She is not an executive officer of the Company or of Showtime. Ms. Salerno received compensation in 2011 in an amount consistent with the compensation paid to other employees at her level.

In November 1995, the Company entered into an agreement with Gabelli Asset Management Company ("GAMCO") pursuant to which GAMCO manages certain assets for qualified U.S. pension plans sponsored by the Company. For 2011, the Company paid GAMCO approximately \$205,000 for such investment management services. The Company believes that the terms of the agreement with GAMCO are no more or less favorable to the Company than it could have obtained from unrelated parties. Entities that are affiliated with GAMCO collectively own 4,411,381 shares of the Company's Class A Common Stock, according to a Schedule 13D filed with the SEC on March 15, 2011 by such entities, the latest filing available, which shares, as of February 29, 2012, represented approximately 10.1% of the outstanding shares of the class.

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ITEM 1 ELECTION OF DIRECTORS

The election of 14 directors is proposed by the Board of Directors, each director to hold office, in accordance with the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, until the next annual meeting or until his or her successor is duly elected and qualified. The Company's Board proposes for election: David R. Andelman, Joseph A. Califano, Jr., William S. Cohen, Gary L. Countryman, Charles K. Gifford, Leonard Goldberg, Bruce S. Gordon, Linda M. Griego, Arnold Kopelson, Leslie Moonves, Doug Morris, Shari Redstone, Sumner M. Redstone and Frederic V. Salerno. All of the nominees are current members of the Company's Board who were elected at the Company's 2011 Annual Meeting of Stockholders.

In accordance with the Board's recommendation, the proxy holders will vote the shares of the Company's Class A Common Stock covered by the respective proxies for the election of each of the 14 director nominees set forth below, unless the stockholder gives instructions to the contrary. If, for any reason, any of the director nominees become unavailable for election, the proxy holders may exercise discretion to vote for substitute nominees proposed by the Board. Each of the director nominees has indicated that he or she will be able to serve if elected and has agreed to do so.

Information about each director nominee is set forth below:

David R. Andelman

Age 72

Director since 2000

Mr. Andelman is an attorney associated with the law firm of Lourie & Cutler, P.C. in Boston, Massachusetts since 1964. Mr. Andelman also serves as a director and treasurer of Lourie & Cutler. He is also a director of National Amusements. He has held no other directorships during the past five years.

Mr. Andelman is an accomplished attorney, practicing law for 48 years with a focus in tax, estate and business planning. His legal acumen positions him as an invaluable advisor in the Company's deliberations. Mr. Andelman also provides institutional knowledge of the Company and continuity on the Company's Board, having served on the Board for 12 years.

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Joseph A. Califano, Jr.
Age 80
Director since 2003

Mr. Califano is Founder and Chairman Emeritus of the Board of The National Center on Addiction and Substance Abuse at Columbia University ("CASA"). Prior to becoming Founder and Chairman Emeritus, effective February 1, 2012, Mr. Califano served as Founder and Chairman of CASA, commencing in 1992, and also served as its President from 1992 through May 1, 2009. Mr. Califano has served as Adjunct Professor of Public Health at Columbia University's Medical School and School of Public Health since 1992 and is a member of the Institute of Medicine of the National Academy of Sciences. He was senior partner of the Washington, D.C. office of the law firm Dewey Ballantine from 1983 to 1992. Mr. Califano served as the United States Secretary of Health, Education, and Welfare from 1977 to 1979, and he served as President Lyndon B. Johnson's Assistant for Domestic Affairs from 1965 to 1969. He is the author of 12 books. Mr. Califano is also a director of Willis Group Holdings PLC. During the past five years, he was also a director of Midway Games Inc. (2004-2009).

As the Founder and Chairman Emeritus and former senior executive of a nonprofit organization at a major university, Mr. Califano brings to the Board a distinctive ability to advise on public policy issues that may affect the Company and its reputation. In addition, his prior service at the highest levels of the federal government for more than 10 years and as an accomplished attorney in private practice in Washington, D.C. and New York provides the Board with insight on matters related to the federal government's regulation of the Company's businesses. From this experience plus his past and present directorship experience, which includes service on audit, financial and executive committees, Mr. Califano provides meaningful leadership in these areas and with respect to the implementation of sound corporate governance practices.

William S. Cohen
Age 71
Director since 2003

Mr. Cohen has been Chairman and Chief Executive Officer of The Cohen Group, a business consulting firm, since January 2001. Prior to founding The Cohen Group, Mr. Cohen served as the United States Secretary of Defense from January 1997 to 2001. He also served as a United States Senator from 1979 to 1997, and as a member of the United States House of Representatives from 1973 to 1979. Mr. Cohen is also a director of RLJ Acquisition, Inc. During the past five years, he was also a director of Head N.V. (2001-2007).

Mr. Cohen currently serves as the principal executive officer of a privately held global consulting group that provides global business consulting services and advice on tactical and strategic opportunities in multiple global markets. This experience, coupled with his prior 28 years of service at the highest levels of the federal government, makes Mr. Cohen an invaluable, skilled advisor to the Board on global economic and political conditions and on the development of international strategies.

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Gary L. Countryman

Age 72

Director since 2007

Mr. Countryman has been Chairman Emeritus of the Liberty Mutual Group since 2000. He served as Chairman of Liberty Mutual Group from 1986 to 2000 and as Chief Executive Officer from 1986 to 1998. Mr. Countryman is also Vice Chairman of the Dana-Farber Cancer Institute. Mr. Countryman is also a director of the Liberty Mutual Group and NSTAR. During the past five years, he was also a director of Bank of America Corporation (2004-2009).

Mr. Countryman's 40-year career in the insurance industry provides the Board with financial expertise and an understanding of the management of risk from an insurance perspective. His leadership in transforming Liberty Mutual from a domestic to an international financial services group and overseeing a complex, highly regulated group of insurance companies is relevant to the Board's oversight of the Company's global businesses and complex regulations. Mr. Countryman is an experienced director, whose breadth of experience includes past and present service on executive personnel, executive, investment and nominating committees.

Charles K. Gifford

Age 69

Director since 2006

Mr. Gifford has been Chairman Emeritus of Bank of America Corporation since February 2005. He was Chairman and Chief Executive Officer of BankBoston prior to its 1999 merger with Fleet Financial Group and became President and Chief Operating Officer of the combined companies. Mr. Gifford became Chief Executive Officer of FleetBoston Financial in 2001 and Chairman in 2002. Mr. Gifford is also a director of Bank of America Corporation and NSTAR. He has held no other directorships during the past five years.

Mr. Gifford, through an accomplished career overseeing large complex financial institutions in the banking industry, brings important business and financial expertise to the Board in its deliberations on complex transactions and other financial matters. In addition, his breadth of director experience, which includes his service on executive, executive personnel, credit, governance and nominating, and audit committees, as well as his service as the lead trustee of NSTAR, provides valuable contributions to the Board in implementing good corporate governance.

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Leonard Goldberg
Age 78
Director since 2007

Mr. Goldberg has been President of Mandy Films, Inc. and Panda Productions, Inc., both independent television and film production companies, since 1984. He is currently Executive Producer of the hit CBS television series, *Blue Bloods*. He was President of Twentieth Century Fox from 1987 to 1989. In addition, from 1972 to 1984, he partnered with producer Aaron Spelling to launch various television series and made-for-television movies. Prior to that, Mr. Goldberg served as Vice President of Production at Screen Gems (now Columbia Pictures Television) from 1969 to 1972. During the years 1961 to 1969, he served in various positions with the ABC Network, advancing to Head of Programming. He has held no other directorships during the past five years.

With his 50 years of executive and creative experience in the television and film industries, Mr. Goldberg brings a deep understanding of the Company's core television and film businesses. He is well-positioned to advise directly on the strategic direction of the Company's Entertainment segment, including with respect to providing insight into the management of the Company's executive and creative talent.

Bruce S. Gordon
Age 66
Director since 2006

Mr. Gordon served as President and Chief Executive Officer of the National Association for the Advancement of Colored People ("NAACP") from August 2005 to March 2007. In December 2003, Mr. Gordon retired from Verizon Communications where he had served as President, Retail Markets Group since June 2000. Prior to that, Mr. Gordon served as Group President, Enterprise Business with Bell Atlantic Corporation (Verizon's predecessor) since December 1998. He served as Group President, Consumer and Small Business Services of Bell Atlantic from 1993 to August 1997, and as Group President, Retail, from August 1997 to December 1998. Mr. Gordon is also a director of Northrop Grumman Corporation and Tyco International Ltd. He has held no other directorships during the past five years.

Having completed a 35-year career as a top executive in the telecommunications industry in 2003, Mr. Gordon became the first business executive to head the NAACP from 2005 to 2007. In addition to bringing significant leadership experience to the Board from his previous executive officer positions, the combination of proven business acumen and experience in public service makes Mr. Gordon a valuable advisor on business practices, including those with social policy implications. For example, he has been an instrumental advisor in the Company's re-affirmation of its diversity commitment programs. Also, Mr. Gordon's current service on two other boards, including service on nominating and governance, compensation and policy committees, gives him a deep understanding of public company governance.

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Linda M. Griego
Age 64
Director since 2007

Ms. Griego has served, since 1986, as President and Chief Executive Officer of Griego Enterprises, Inc., a business management company. For more than 20 years, she oversaw the operations of Engine Co. No. 28, a prominent restaurant in downtown Los Angeles that she founded in 1988. From 1990 to 2000, Ms. Griego held a number of government-related appointments, including Deputy Mayor of the city of Los Angeles, President and Chief Executive Officer of the Los Angeles Community Development Bank, and President and Chief Executive Officer of Rebuild LA, the agency created to jump-start inner-city economic development following the 1992 Los Angeles riots. Over the past two decades, she has also served on a number of government commissions and boards of directors of nonprofit organizations, including current service on the boards of the David and Lucile Packard Foundation, the Martin Luther King, Jr. Hospital, and the Community Development Technologies Center. Ms. Griego has served as a director of publicly traded and private corporations, including presently serving as director of AECOM Technology Corporation. During the past five years, she was also a director of City National Corporation (2006-2009) and Southwest Water Company (2001-2010).

With the breadth of her leadership experience as a businesswoman, in the public sector through her multiple government appointments and extensive community-based participation in Los Angeles, an area where the Company has a significant presence, and on multiple not-for-profit boards, Ms. Griego provides the Board with financial and business acumen, as well as public policy expertise as it relates to business practices. Ms. Griego is also an experienced director, including current service on other audit, compensation and organization, and nominating and governance committees, with demonstrated expertise in the application of sound corporate governance principles.

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Arnold Kopelson
Age 77
Director since 2007

Mr. Kopelson has been Co-Chairman and Co-President of Kopelson Entertainment, through which he produces films and finances the acquisition and development of screenplays, since 1979. Prior to that, he practiced entertainment and banking law, specializing in motion picture financing. He has been honored with a Best Picture Academy Award, a Golden Globe, and an Independent Spirit Award, and his films have generated 17 Academy Award nominations. Mr. Kopelson serves on the Executive Committee of the Producers Branch of the Academy of Motion Picture Arts and Sciences. He has held no other directorships during the past five years.

As an Academy Award-winning producer, Mr. Kopelson brings to the Board a significant depth of knowledge of the entertainment industry. This encompasses 33 years of executive and creative experience in film production and financing, as well as his prior experience in practicing entertainment and banking law. With his film industry experience and affiliations, Mr. Kopelson is a skilled advisor on the strategic direction of the Company's Entertainment segment and provides insight into the management of the Company's executive and creative talent.

Leslie Moonves
Age 62
Director since 2006

Mr. Moonves has been President and Chief Executive Officer of the Company since January 2006. Previously, Mr. Moonves served as Co-President and Co-Chief Operating Officer of Former Viacom from June 2004 through December 2005. Prior to that, he served as Chairman and Chief Executive Officer of CBS Broadcasting since 2003 and as its President and Chief Executive Officer since 1998. Mr. Moonves joined former CBS Corporation in 1995 as President, CBS Entertainment. Prior to that, Mr. Moonves was President of Warner Bros. Television since July 1993. During the past five years, he was also a director of KB Home (2004-2012).

As the Company's President and Chief Executive Officer, Mr. Moonves provides a critical link to management's perspective in Board discussions regarding the businesses and strategic direction of the Company. With his experience in all aspects of the Company's global businesses, having served in executive positions with the Company for the past 17 years, coupled with his service on the Board since the Separation, he provides the Board with unique institutional knowledge of the Company. Mr. Moonves is widely recognized as one of the most influential leaders in the entertainment industry. He is also an experienced director, with his service on the boards of multiple industry associations, and his prior service on other public company boards.

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Doug Morris

Age 73

Director since 2007

Mr. Morris has been the Chief Executive Officer of Sony Music Entertainment since July 2011. Previously, he served as Chairman of Universal Music Group from November 1995 through early March 2011, as its Chairman and Chief Executive Officer from November 1995 to July 2010, and as its Chairman and Co-Chief Executive Officer for the remainder of 2010. In July 1995, he formed a joint venture with Universal Music Group for a full-service record label. Prior to that, Mr. Morris served as President and Chief Operating Officer of Warner Music U.S. commencing in 1994 and was soon after appointed Chairman. He served as President of Atlantic Records and Co-Chief Executive Officer of the Atlantic Recording Group from 1980 to 1994. Mr. Morris began his career as a songwriter, producer, and the founder of his own record label, which was acquired by Atlantic Records in 1978. During the past five years, he was also a director of Activision Blizzard, Inc. (2008-2011).

Mr. Morris brings to the Board significant leadership experience from his executive positions at industry-leading international music companies, including his position at Sony Music Entertainment ("Sony") and his prior positions at Universal Music Group ("UMG"). As both Sony and UMG are involved in the development, manufacturing, marketing, sales and distribution of recorded music through a network of subsidiaries, joint ventures and licensees in multiple countries around the world, Mr. Morris brings his direct experience overseeing a business structure focused on content creation and distribution to advise on the strategic direction of the Company's businesses with a global footprint.

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Shari Redstone¹

Age 57

Director since 1994

Ms. Redstone is a media executive with a wide-ranging background in numerous aspects of the entertainment industry and related ventures. Ms. Redstone brings to the Board, and to her position as its Vice Chair, extensive industry and executive expertise, as well as legal acumen from her prior experience as a practicing attorney. That broad experience and entertainment industry knowledge directly assist the Board in overseeing the management of the Company.

As President since 2000 of National Amusements, a company involved primarily in the theater exhibition business and the controlling stockholder of the Company, Ms. Redstone has continued to expand its international footprint and its exploration of new technologies. Ms. Redstone is also Chairman of Rising Star Media which owns the top-grossing cinemas in Russia.

Ms. Redstone is also Co-founder and Managing Partner of Advancit Capital, a venture capital firm launched in 2011 which focuses on early stage investments in media, entertainment and technology. She has also joined the Board and Executive Committee of "Our Time," a mass-membership organization that stands for the economic interests and political inclusion of young Americans aged 18-30.

Ms. Redstone is a board member of several charitable organizations, including the Dana Farber Cancer Institute, Combined Jewish Philanthropies, The National Center on Addiction and Substance Abuse at Columbia University and the John F. Kennedy Library Foundation. Ms. Redstone is also a director of National Amusements and Viacom (Vice Chair). During the past five years, she was also a director of Midway Games (2004-2008).

Ms. Redstone brings to the Board's deliberations this forward-looking vision and direct knowledge of global growth strategies for the Company's businesses. She is also an experienced director through her service on the boards of multiple industry associations, other public companies and charitable organizations. Ms. Redstone also provides institutional knowledge of the Company and continuity on the Company's Board, having served as a Board member for 18 years.

¹ Ms. Redstone is Sumner Redstone's daughter. There are no other director nominees related to any other director or executive officer by blood, marriage or adoption.

Table of Contents**Sumner M. Redstone¹**

Age 88

Director since 1986

Mr. Redstone is the Company's Founder and has been Executive Chairman of the Board since January 2006. He was Chairman of the Board of Former Viacom from 1987 through 2005 and served as Chief Executive Officer of Former Viacom from 1996 through 2005. Mr. Redstone has also served as Chairman of the Board of National Amusements since 1986 and Chief Executive Officer of National Amusements since 1967. He served as President of National Amusements from 1967 through 1999. Mr. Redstone served as the first Chairman of the Board of the National Association of Theatre Owners and is currently a member of its Executive Committee. Mr. Redstone has been a frequent lecturer at universities, including Harvard Law School, Boston University Law School and Brandeis University. Mr. Redstone graduated from Harvard University in 1944 and received a LL.B. from Harvard University School of Law in 1947. Upon graduation, Mr. Redstone served as Law Secretary with the United States Court of Appeals and then as a Special Assistant to the United States Attorney General. Mr. Redstone served in the Military Intelligence Division during World War II. While a student at Harvard, he was selected to join a special intelligence group whose mission was to break Japan's high-level military and diplomatic codes. Mr. Redstone received, among other honors, two commendations from the Military Intelligence Division in recognition of his service, contribution and devotion to duty. He is also a recipient of the Army Commendation Award. Mr. Redstone is also Chairman of the Board of National Amusements and serves as Executive Chairman of the board of directors and Founder of Viacom. He has held no other directorships during the past five years.

Mr. Redstone, with over 58 years as a renowned leader in the entertainment industry, has played a significant role in the entertainment and communications industries, through his ownership and executive positions at National Amusements, Viacom and this Company and his multiple leadership positions held at various industry associations. This industry and business experience, as well as his leadership experience in multiple entertainment and media company acquisitions and reorganizations, brings direct expertise to the Board's oversight of this Company's corporate and business strategies. His years of experience as a leader in multiple civic and community affairs and as a practicing attorney add to his position as an important advisor in this Company's deliberations. Mr. Redstone is also unsurpassed in his institutional knowledge of this Company and service on this Company's Board, having served on the Board for 26 years, and is thus uniquely qualified to be the Board's Chairman.

¹ Ms. Redstone is Sumner Redstone's daughter. There are no other director nominees related to any other director or executive officer by blood, marriage or adoption.

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Frederic V. Salerno

Age 68

Director since 2007

Mr. Salerno is a retired Vice Chairman and Chief Financial Officer of Verizon Communications Inc., a position he held from June 2000 to October 2002. Prior to that, Mr. Salerno served as Vice Chairman and Chief Financial Officer of Bell Atlantic Corporation (Verizon's predecessor) from August 1997. Prior to the merger of Bell Atlantic and NYNEX Corporation, Mr. Salerno served as Vice Chairman, Finance and Business Development of NYNEX from 1994 to 1997. Mr. Salerno was Vice Chairman of the Board of NYNEX and President of the NYNEX Worldwide Services Group from 1991 to 1994. Prior to the Separation, Mr. Salerno served as a director of Former Viacom from 1994 through 2005. Mr. Salerno is also a director of Akamai Technologies, Inc., IntercontinentalExchange, Inc., National Fuel Gas Company and Viacom. During the past five years, he was also a director of Bear Stearns Companies Inc. (1992-2008), Consolidated Edison, Inc. (2002-2007) and Popular Inc. (2003-2011).

Mr. Salerno, through his prior principal financial officer and other executive positions held during his 37-year career in the telecommunications industry, provides the Board with a depth of business acumen and financial expertise important in analyzing complex financial transactions and overseeing financial and accounting matters for a large public company, including with respect to service on the Company's Audit Committee. Mr. Salerno is an experienced director bringing a broad and deep understanding of public company governance from his past and current service on other public company boards and various committees. He provides valuable institutional knowledge of the Company and continuity on the Company's Board, having served a total of 16 years on the Board.

RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors recommends a vote "FOR" the election of each of the director nominees named above.

Table of Contents**DIRECTOR COMPENSATION****Outside Director Compensation During 2011**

The following table sets forth information concerning the compensation of the Company's Outside Directors for 2011.

Name	Fees Earned or Paid in Cash (\$) (1)	Stock Awards (\$) (2)	Option Awards (\$) (3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) (4)	All Other Compensation (\$) (5)	Total (\$) (6)
Andelman, David R.	98,334	100,003	32,942	0	7,500	238,779
Califano, Jr., Joseph A.	148,334	100,003	32,942	0	7,500	288,779
Cohen, William S.	112,334	100,003	32,942	0	0	245,279
Countryman, Gary L.	148,334	100,003	32,942	0	7,500	288,779
Gifford, Charles K.	146,334	100,003	32,942	0	7,500	286,779
Goldberg, Leonard	98,334	100,003	32,942		7,500	238,779
Gordon, Bruce S.	112,334	100,003	32,942		0	245,279
Griego, Linda M.	110,334	100,003	32,942		6,850	250,129
Kopelson, Arnold	98,334	100,003	32,942	0	0	231,279
Morris, Doug	112,334	100,003	32,942	0	0	245,279
Redstone, Shari	98,334	100,003	32,942	0	7,500	238,779
Salerno, Frederic V.	110,334	100,003	32,942	0	0	243,279

- (1) Reflects cash amounts earned in 2011 for the annual board retainer, committee chair retainers, meeting fees for board meetings (through February 2, 2011, after which date board meeting fees were eliminated) and meeting fees for committee meetings. These amounts include cash deferred by Messrs. Andelman, Califano, Cohen, Morris and Salerno and Ms. Redstone under the CBS Corporation Deferred Compensation Plan for Outside Directors.
- (2) These amounts reflect the grant date fair value determined in accordance with FASB ASC Topic 718 of the annual grant of restricted share units to each Outside Director under the amended and restated CBS Corporation 2005 RSU Plan for Outside Directors. For a discussion of the assumptions made in calculating the grant date fair value amounts for 2011, see "RSUs and PSUs" in Note 10 to the audited 2011 consolidated financial statements on page II-68 in the Company's Form 10-K for the fiscal year ended December 31, 2011. The aggregate number of unvested restricted share units outstanding as of the fiscal year ended December 31, 2011 for each Outside Director was 5,043.
- (3) These amounts reflect the grant date fair value determined in accordance with FASB ASC Topic 718 of the annual grant of stock options to each Outside Director under the amended and restated CBS Corporation 2000 Stock Option Plan for Outside Directors. Effective February 3, 2011, this annual grant was eliminated. For a discussion of the assumptions made in calculating the grant date fair value amounts for 2011, see "Stock Options and Equivalents" in Note 10 to the audited 2011 consolidated financial statements on page II-69 and II-70 in the Company's Form 10-K for the fiscal year ended December 31, 2011. The aggregate number of option awards outstanding as of the fiscal year ended December 31, 2011 for each Outside Director was as follows: Andelman, 48,384;

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Califano and Cohen, 53,478; Countryman, Griego, Kopelson, Morris and Salerno, 33,106; Gifford and Gordon, 43,292; Goldberg, 38,199; and Shari Redstone, 35,444.

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- (4) Interest that accrues on deferred accounts under the CBS Corporation Deferred Compensation Plan for Outside Directors is accrued at the prime rate in effect at Citibank, N.A. at the beginning of each calendar quarter. For 2011, the prime rate did not represent a preferential rate for purposes of this table, as the prime rate was not more than 120% higher than the applicable Federal Reserve Board's long-term interest rate. Messrs. Goldberg and Gordon and Ms. Griego do not have any deferred cash amounts.
- (5) Amounts reflect the aggregate value of all matching charitable contributions made by the Company on behalf of the director for 2011 under the CBS Corporation Matching Gifts Program for Directors. Under the program, the Company matches donations made by a director to eligible tax-exempt organizations at the rate of one dollar for each dollar donated up to \$7,500 for each fiscal year.

Description of Director Compensation

Directors of the Company who are not employees of the Company or any of its subsidiaries are "Outside Directors" as defined in the director plans described below. Outside Directors receive compensation for their service on the Board and are eligible to participate in these director plans. Messrs. Andelman, Califano, Cohen, Countryman, Gifford, Goldberg, Gordon, Kopelson, Morris and Salerno and Meses. Griego and Redstone are currently deemed Outside Directors. Messrs. Redstone and Moonves are not compensated for serving on the Board and are not eligible to participate in any director plans, other than the Matching Gifts Program for Directors.

Cash Compensation

The Company pays, effective February 3, 2011, the following cash compensation to Outside Directors:

A \$100,000 annual Board retainer, payable in equal installments quarterly in advance (\$60,000 prior to February 3, 2011);

A \$20,000 annual Committee Chair retainer for the chair of each of the Audit Committee, the Compensation Committee, and the Nominating and Governance Committee, payable in equal installments quarterly in advance (same as prior to February 3, 2011); and

A per meeting attendance fee of \$2,000 to committee members for each meeting of the Audit Committee, the Compensation Committee, and the Nominating and Governance Committee (same as prior to February 3, 2011).

Prior to February 3, 2011, each of the Company's Outside Directors also received a per Board meeting attendance fee of \$2,000. Effective February 3, 2011, this Board meeting fee was eliminated.

Deferred Compensation Plan

The Company maintains deferred compensation plans for Outside Directors (the "Director Deferred Compensation Plans"). Under the Director Deferred Compensation Plans, Outside Directors may elect to defer their Board and committee retainer and committee meeting fees. Deferred amounts are credited during a calendar quarter to an interest-bearing income account or a stock unit account in accordance with the director's prior election. Amounts credited to an income account bear interest at the prime rate in effect at the beginning of each calendar quarter. Amounts credited to a stock unit account are deemed invested in phantom units for shares of the Company's Class A Common Stock and Class B Common Stock on the first day of the calendar quarter following the quarter in which the amounts are credited, with the number of shares calculated based on the closing market prices on that first day. Until the amounts credited to the stock unit account are converted into phantom units, these

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credited amounts bear interest at the prime rate in effect at the beginning of the relevant calendar quarter.

Upon a director's leaving the Board, the amounts deferred under the Director Deferred Compensation Plans are paid in cash in a lump sum or in three or five annual installments, based on the director's prior election, with the lump sum or initial annual installment becoming payable on the later of six months after the director leaves the Board (90 days after the director leaves the Board in the case of amounts deferred before January 1, 2005) or January 15th of the following year. The value of a stock unit account is determined by reference to the average of the respective closing market prices of the Company's Class A Common Stock and Class B Common Stock on the NYSE on each trading date during the four-week period ending five business days prior to the initial payment date. Amounts paid in installments accrue interest until the final installment is paid.

Equity Compensation

The Company maintains the amended and restated CBS Corporation 2005 RSU Plan for Outside Directors (the "Director RSU Plan") and the amended and restated CBS Corporation 2000 Stock Option Plan for Outside Directors (the "Director Option Plan").

Stock Awards

Outside Directors receive the following awards, effective for 2012, under the Director RSU Plan:

an annual grant of RSUs with a value of \$170,000 (for the 2011 annual grant, \$100,000 in value) based on the closing price of the Company's Class B Common Stock on the NYSE on the date of grant, which RSUs vest one year from the date of grant; and

Prorated RSU grants for Outside Directors who join the Board following the date of the annual RSU grant, but during the calendar year of the grant. Prorated grants will be made five business days following the date an Outside Director joins the Board, and will be determined by multiplying the number of months remaining in the calendar year from the date the Outside Director joins the Board (counting the month of joining as a full month), by the value of the annual RSU grant for that calendar year divided by 12, then divided by the closing price of the Company's Class B Common Stock on the NYSE on the date of grant. Prorated RSU grants vest on the first anniversary of the date of grant of the annual RSU grant that was awarded during the calendar year in which the Outside Director received such prorated RSU grant.

RSUs are payable to Outside Directors in shares of the Company's Class B Common Stock upon vesting unless the Outside Director elects to defer the settlement to a future date. Outside Directors are entitled to receive dividend equivalents on the RSUs in the event the Company pays a regular cash dividend on its Class B Common Stock. Dividend equivalents will accrue on the RSUs (including RSUs for which settlement has been deferred) in accordance with the Director RSU Plan until the RSUs are settled.

Option Awards

On the date a director joins the Board as, or otherwise becomes, an Outside Director, he or she receives an initial grant of 12,734 stock options to purchase shares of the Company's Class B Common Stock under the Director Option Plan. This grant vests one year from the date of grant and the exercise price for grants made under the Director Option Plan is the closing price of the Company's Class B Common Stock on the NYSE on the date of grant, or if such day is not a business day, on the business day immediately preceding the date of grant.

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Prior to February 3, 2011, Outside Directors also received an annual grant of 5,093 stock options to purchase shares of the Company's Class B Common Stock, which vest ratably on the first three anniversaries of the date of grant. Effective February 3, 2011, this annual grant was eliminated.

Matching Gifts Program for Directors

All directors are eligible to participate in the Company's Matching Gifts Program for Directors. Under the program, the Company matches donations made by a director to eligible tax-exempt organizations at the rate of one dollar for each dollar donated up to \$7,500 for each fiscal year. The purpose of the program is to recognize the interest of the Company and its directors in supporting eligible organizations.

Other

Expenses: Directors are reimbursed for expenses incurred in attending Board, committee and stockholder meetings (including travel and lodging) in accordance with the Company's normal travel policies.

Director Attendance at Certain Other Events: CBS Corporation believes it is in its best interest for directors to participate in certain Company events and other events to meet with management, customers, talent and others important to the Company's business. The Board has established a policy on director attendance at these events. Under the policy, tickets to events that are designated as having a business purpose are allocated to directors. In addition, the Company reimburses directors for travel and related expenses in accordance with the Company's normal travel policies.

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**ITEM 2 RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT
REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed PricewaterhouseCoopers LLP ("PwC") as the Company's independent registered public accounting firm for the year ending December 31, 2012, subject to stockholder ratification. The Audit Committee has reviewed PwC's independence from the Company as described in the "Report of the Audit Committee." In appointing PwC as the Company's independent registered public accounting firm for the year ending December 31, 2012, and in recommending that the Company's stockholders ratify the appointment, the Audit Committee has considered whether the non-audit services provided by PwC were compatible with maintaining PwC's independence from the Company and has determined that such services do not impair PwC's independence.

Representatives of PwC are expected to be present at the Annual Meeting and will be given an opportunity to make a statement if they desire to do so. They will also be available to respond to questions at the Annual Meeting.

RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors recommends a vote "FOR" the ratification of the appointment of PricewaterhouseCoopers LLP to serve as the Company's independent registered public accounting firm for fiscal year 2012.

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REPORT OF THE AUDIT COMMITTEE

The following Report of the Audit Committee does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent the Company specifically incorporates such information by reference.

The Audit Committee Charter states that the purpose of the Audit Committee is to oversee the accounting and financial reporting processes of the Company and the audit of the consolidated financial statements of the Company. The Audit Committee also assists the Board of Directors' oversight of:

The quality and integrity of the Company's consolidated financial statements and related disclosures;

Evaluation of the effectiveness of the Company's internal control over financial reporting and risk management;

The Company's compliance with legal and regulatory requirements;

The independent auditor's qualifications and independence; and

The performance of the Company's internal audit function and independent auditor.

Under the Audit Committee Charter, the Audit Committee's authorities and duties include, among other things:

Direct responsibility for the appointment, retention, termination, compensation and oversight of the work of the independent auditor, which reports directly to the Audit Committee, and the sole authority to pre-approve all services provided by the independent auditor;

Reviewing and discussing the Company's annual audited financial statements, quarterly financial statements and earnings releases with the Company's management and its independent auditor;

Reviewing the organization, responsibilities, audit plan and results of the internal audit function;

Reviewing with management, the internal auditor and the independent auditor the effectiveness of the Company's internal control over financial reporting and disclosure controls and procedures;

Reviewing with management material legal matters and the effectiveness of the Company's procedures to ensure compliance with legal and regulatory requirements; and

Overseeing the Company's compliance program and obtaining periodic reports from the Chief Compliance Officer.

The Audit Committee also discusses certain matters with the independent auditor on a regular basis, including the Company's critical accounting policies, certain communications between the independent auditor and management, and the qualifications of the independent auditor.

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The full text of the Audit Committee Charter is available on CBS Corporation's website at www.cbscorporation.com. The Audit Committee assesses the adequacy of its Charter at least every other year, or more frequently as the Committee may determine.

The Company's management is responsible for the preparation of the Company's consolidated financial statements, the financial reporting processes and maintaining effective internal control over financial reporting. The independent auditor is responsible for performing an audit of the consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight

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Board ("PCAOB") and expressing an opinion on the conformity of the audited consolidated financial statements to U.S. generally accepted accounting principles. The independent auditor also expresses an opinion on the effectiveness of the Company's internal control over financial reporting. The Audit Committee monitors and oversees these processes.

As part of its oversight role, the Audit Committee has reviewed and discussed with management and the Company's independent auditor, PricewaterhouseCoopers LLP ("PwC"), the Company's audited consolidated financial statements for the year ended December 31, 2011, the Company's disclosures under "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the Company's 2011 Annual Report on Form 10-K and matters relating to the effectiveness of the Company's internal control over financial reporting as of December 31, 2011.

The Audit Committee has also discussed with PwC all required communications, including the matters required to be discussed pursuant to PCAOB AU 380 (Communication With Audit Committees). In addition, the Audit Committee has received the written disclosures and the letter from PwC required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with PwC the firm's independence from the Company.

Based on the Audit Committee's review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

Members of the Audit Committee

Gary L. Countryman, Chair
Joseph A. Califano, Jr.
Linda M. Griego
Frederic V. Salerno

Table of Contents**FEEES FOR SERVICES PROVIDED BY THE INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

The following table sets forth fees for professional services rendered by PwC to the Company and its subsidiaries for each of the years ended December 31, 2011 and 2010.

	2011	2010
Audit Fees	\$ 8,013,000	\$ 8,183,000
Audit-Related Fees(1)	715,000	723,000
Tax Fees(2)	822,000	607,000
All Other Fees(3)	28,000	9,000
Total	\$ 9,578,000	\$ 9,522,000

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- (1) Audit-related fees for 2011 and 2010 principally related to employee benefit plan audits, audits attesting to the control environment and other attestation services required by contract.
- (2) Tax fees for 2011 and 2010 principally related to tax compliance, tax advice and tax planning services for domestic and international subsidiaries.
- (3) All other fees for 2011 and 2010 principally related to purchases of and license fees for the use of PwC reference materials and publications and access to various online tools.

Audit Committee Pre-Approval of Services Provided by PwC

All audit and non-audit services provided to the Company by PwC for 2011 were pre-approved by either the full Audit Committee or the Chair of the Audit Committee. Under the Audit Committee's pre-approval policies and procedures in effect during 2011, the Chair of the Audit Committee was authorized to pre-approve the engagement of PwC to provide certain specified audit and non-audit services, and the engagement of any accounting firm to provide certain specified audit services, up to a maximum amount of \$200,000 per engagement, with the total amount of such authorizations outstanding that have not been reported to the Audit Committee not to exceed an aggregate of \$1,000,000. The Audit Committee receives regular reports on the engagements approved by the Chair pursuant to this delegation. For 2012, the Audit Committee adopted the same pre-approval policies and procedures that were in effect for 2011, which permit the Chair to pre-approve the specified audit and non-audit services up to a maximum amount of \$200,000 per engagement, with the total amount of such authorizations outstanding that have not been reported to the Audit Committee not to exceed an aggregate of \$1,000,000.

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COMPENSATION DISCUSSION AND ANALYSIS

Fiscal Year 2011 Executive Summary

Company Performance

CBS Corporation had an exceptional 2011 fiscal year as it once again outperformed its own key financial results from the prior year and further outdistanced its diversified media peers in various key categories, despite challenging macroeconomic factors. This strong performance directly resulted from the leadership of the senior management team in executing key strategies, including continuing to strengthen the Company's financial position and to capitalize on the value of its top-tier content by monetizing it through traditional and new media opportunities and expanding the Company's presence globally. As described below, the Company continued to position itself for long-term success, rewarding its stockholders in the process.

The Company delivered significant results for 2011, operating from a position of financial strength, further outpacing its diversified media peers in key metrics, and returning even more value to stockholders than in the prior year:

The Company's stock in 2011 performed even more strongly than in 2010:

The Company's Class B Common Stock appreciated 42.5% during 2011;

The stock price appreciation significantly exceeded for the third consecutive calendar year the average of its diversified media peers (11.6% appreciation for 2011) and the S&P 500 Index (0% appreciation for 2011);

The Company ranked #17 out of the S&P 500 Index for stock price appreciation;

For the third consecutive year, the Company is in the top 5% of the S&P 500 Index for stock price appreciation;

Adjusted diluted earnings per share ("EPS") grew 75% during 2011 to \$1.94 the highest adjusted diluted EPS for the Company since the Separation (see Annex A, "Reconciliation of Non-GAAP Measures"), and the Company had the highest EPS growth among its diversified media peers; and

The Company's market capitalization increased by approximately \$4.8 billion for 2011, based on diluted shares outstanding at fiscal year end.

The Company significantly beat its internal budgets for 2011 for both OIBDA (*i.e.*, operating income before depreciation and amortization) and Free Cash Flow ("FcF") (*i.e.*, OIBDA, less cash interest, taxes paid, working capital requirements and capital expenditures), and

Achieved a significant rate of adjusted OIBDA growth of 32% and improved its adjusted OIBDA margin by 500 basis points to return to a previous pre-recession high level of 22% (see Annex A, "Reconciliation of Non-GAAP Measures"); and

Increased its FcF by 12% over the prior year (excluding contributions to its qualified pension plans) and maintained a high level of free cash flow conversion, which was 56% for 2011 (see Annex A,

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"Reconciliation of Non-GAAP Measures").

As a result of the Company's strong free cash flow performance, the Company continued to deliver on its commitment to return value and capital to shareholders by:

Generating a total shareholder return ("TSR") (*i.e.*, the total return of a stock to an investor, including stock price appreciation plus dividends) of 45% during 2011 the highest among its diversified media peers by 21%;

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Doubling during 2011 its dividend payment; and

Doubling the share repurchase program, with an additional \$1.5 billion authorized in 2011 for stock buybacks.

The Company secured the highest credit ratings in its history (since the Separation), with upgrades from Moody's and S&P, as a result of strengthening the balance sheet.

The CBS Television Network ("Network") expanded its lead in Nielsen Media Research ratings categories and turned in a historic year for content-related successes. As a result of its hit shows, the Network boasted the most shows returning from the fall 2010 television season replacing only four hours of primetime programming in the fall 2011 television season, the least of any major network. The Network led the second place network for the first half of the 2011-2012 season, with the largest first-half lead for any network, in terms of total viewers, in 24 years and topped its nearest competitor by an average of more than 3.4 million viewers in primetime. As a result of the strength of its ratings, the Network continued to command top dollar and rate increases during the upfront. Key successes in 2011 for the first half of the 2011/2012 television season include:

The Network ranked #1 in key demographics (Adults 18-49, for the second consecutive year and six of the past eight years, and Adults 25-54, for the ninth consecutive year);

The Network became the first network to have 20 of the 30 most popular primetime shows (in terms of total viewers) and for the second consecutive year; and

Among viewers, in primetime, the Network had:

14 of the top 20 regularly scheduled programs the most of any network in 24 years,

The #1 New Program,

The #1 Comedy and #1 New Comedy,

The #1 Drama and #1 New Drama,

The #1 News Program,

The Top 3 most-watched new shows,

The #1 Program on 4 nights, and

The #1 Scripted Series on 5 nights.

In 2011, senior management accelerated the Company's momentum in executing its revenue diversification strategy to increase non-advertising revenues, which in 2011 grew to 37% of the Company's revenues up from 28% just 4 years ago. This dramatic shift principally resulted from the Company's continued accomplishments during 2011 in content monetization and international expansion, including by:

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Securing multi-year non-exclusive licensing agreements with online distributors Netflix and Amazon, which have generated over \$250 million of incremental revenue alone, but use less than 10% of the Company's existing library content;

Continuing to be an industry leader in securing TV station affiliate compensation arrangements and retransmission compensation arrangements and significantly growing this revenue stream by 46% over last year;

Capitalizing on the Company's success in creating highly profitable "franchise" TV shows such as *CSI* and *NCIS* and selling the domestic network rights of *Hawaii-Five-0* to TNT for a significant value per episode in its first year of airing;

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Transforming the Company's business model with respect to its transactions relating to, and investment in, the CW Network (a joint venture with Warner Bros. Entertainment), due to, among other things, multi-year licensing agreements for CW programming with Hulu, Hulu Plus and Netflix;

Securing rights for the Network for major broadcast events, including with respect to National Football League games through the 2022 season, the GRAMMY Awards through 2021, the Academy of Country Music Awards through 2021, Kennedy Center Honors through 2018, U.S. Tennis Association through 2014, and the PGA Tour through 2021; and

Further expanding the Company brand internationally, continuing growth in international revenue from the previous year through:

Securing separate multi-year non-exclusive licensing agreements with Netflix in Canada and Latin America, and with Hulu in Japan;

Entering into licensing agreements in Europe, Asia, Latin America, the Middle East and Africa for Showtime's "The Borgias", building on previous deals in the U.K, Ireland, and Spain; and

Leveraging its existing joint venture in India with the launch of the first international channels in India targeted at key demographics.

Pay for Performance

As a result of this strong performance in the 2011 fiscal year, the Compensation Committee approved bonuses for each of the executive officers whose compensation is individually disclosed in the tables that appear on subsequent pages (the "named executive officers"), as disclosed in the "Summary Compensation Table for Fiscal Year 2011." The level of the bonus paid for each named executive officer reflects the Company's core objective of pay for performance. The bonus awards and further achievements during the 2011 fiscal year are discussed in more detail below in the "Bonus Awards" section.

Overview of Compensation Objectives

CBS Corporation's compensation programs are designed to motivate and reward business success and to increase stockholder value. The Company's compensation programs are based on the following core objectives:

Stockholder Value Focused: Align executives' interests with stockholders' interests, with particular emphasis on creating incentives that reward executives for consistently increasing the value of the Company.

Market-based: Take into account the profile of compensation and benefits programs found in peer companies in order to attract and retain the talent needed to drive sustainable competitive advantage and deliver value to stockholders.

Performance-based: Ensure plans provide reward levels that reflect variances between actual and desired performance results.

Flexible: Enable management and the Board to make decisions based on the needs of the business and to recognize different levels of individual contribution and value creation.

In determining the Company's compensation policies and decisions, the Company has considered the results of the vote held at the 2011 Annual Meeting of Stockholders on the compensation of the named executive officers, as disclosed in the 2011 proxy statement. Since the

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results of the vote were favorable, the Compensation Committee has continued to base the Company's compensation programs on the above objectives.

Evaluating Senior Executive Compensation

The Compensation Committee reviews and approves the Company's compensation arrangements with the named executive officers and certain other senior executives (together with the named executive officers, the "senior executives"). The Committee reviews all components of the senior executives' compensation, including base salary, annual and long-term incentives, severance arrangements and benefit programs to ensure that they adhere to the core objectives of the Company's compensation programs. The Committee utilizes a rolling 12-month calendar based on regularly scheduled meeting dates that identifies the meeting date at which each senior executive requires Committee consideration regarding compensation and the type of action to be considered (*i.e.*, salary increase, annual bonus payout, long-term incentive award determination, and other compensation actions). All final determinations relating to the compensation of the Executive Chairman and the President and Chief Executive Officer are made by the Committee in executive session, with advice from an independent compensation consultant (currently Exequity LLP). In assessing the compensation of the senior executives, the Committee considers many factors, including the performance of the Company's operations (with respect to corporate executives, the overall performance of the Company; with respect to operational executives, performance of the operations for which the executive is responsible), individual performance, experience, tenure and historical compensation, comparisons to other appropriate senior executives at identified peer companies and the advice of the Committee's independent compensation consultant. In considering any individual element of a senior executive's compensation, the Committee considers that element in relation to the individual executive's total compensation (*i.e.*, base salary, bonus and long-term incentives).

The Compensation Committee retains an independent compensation consultant to advise the Committee in its review of senior executive compensation. The Committee has the sole authority to retain and terminate the independent compensation consultant and to review and approve the firm's fees and other retention terms. The Committee adopted a policy in 2008 providing that the independent compensation consultant will not be considered as a provider of services to the Company, other than for services provided to the Compensation Committee. Accordingly, other than these services provided to the Committee, Exequity LLP does not perform any administrative or consulting services for the Company.

In reviewing senior executive compensation, the Compensation Committee considers data regarding the competitive market for senior executive talent. For 2011, at the Committee's request, Exequity reviewed and approved a competitive assessment on the compensation practices at, firstly, companies with which the Company competes for senior executive talent, including those companies engaged in similar business activities (*e.g.*, diversified media companies) and, as applicable, other publicly traded U.S. companies (general industry), as described below. Not all of the companies included in these groups may be used as a point of comparison when reviewing a senior executive's total compensation. In determining which companies are appropriate comparisons for each senior executive, the scope of the executive's responsibility and the nature of the business for which he or she is responsible are considered. As a result, the appropriate companies selected for comparison may differ from one senior executive to the next. The competitive assessment focuses on applicable compensation packages at the 65th percentile of reliable market data, which includes an evaluation of base salary, target annual incentive opportunities (as such data is available), actual annual incentive earned, annualized expected value of long-term incentives, and the resulting total actual and target compensation. The competitive assessment also includes market data at the 65th percentile to reflect the Committee's commitment to competing with the Company's media peers in recruiting and retaining the most sought-after executive talent in the media industry. Although the Committee does not target

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total compensation amounts for each senior executive to a specific benchmark, the Committee does consider the compensation levels from the competitive assessment as one factor in determining these total compensation amounts for each senior executive.

In 2011, the competitive assessment included data with respect to an industry-specific group, which included other diversified media companies (*i.e.*, Comcast Corporation, News Corporation, Time Warner Inc., Viacom Inc. and The Walt Disney Company) and a general industry group, which included publicly traded companies from which the Company may source, or to which the Company may lose, executive talent (*i.e.*, AT&T Inc., Cablevision Systems Corporation, Cisco Systems, Inc., Clear Channel Communications, Inc. (now a non-public subsidiary of CC Media Holdings, Inc., a public company), The Coca-Cola Company, Comcast Cable Communications, Dell Inc., Gannett Co., Inc., General Electric Company, Hewlett-Packard Company, International Business Machines Corporation, PepsiCo, Inc., The Procter & Gamble Company, Qwest Communications International Inc., Sprint Nextel Corporation, Time Warner Inc., Verizon Communications Inc., Viacom Inc., The Walt Disney Company and Yahoo! Inc.). For Mr. Redstone, the Committee considers the compensation arrangements for similar executive chairman roles at peer media companies.

Changes in Named Executive Officers' Compensation Arrangements for 2011

In order to secure the continued service of Mr. Briskman beyond the scheduled expiration of his employment agreement on September 30, 2011, the Compensation Committee determined that it would be in the Company's best interest to enter into a new employment agreement with Mr. Briskman, effective October 1, 2011. Mr. Briskman's employment agreement provides that he will continue to serve as the Company's Executive Vice President and General Counsel through December 31, 2013. In determining the compensation terms, the Committee considered the compensation arrangements for similar executives at peer media companies, as well as the core objectives set forth in the "Overview of Compensation Objectives" section above. As a result, the Committee determined to maintain his current base salary at \$1,300,000, increase his bonus target to 200% of base salary, and maintain his annual long-term incentive award target at \$3,000,000.

The Compensation Committee did not change the compensation arrangements set forth in the employment agreements for any other named executive officer during 2011, except that amendments to the employment agreements of Messrs. Ianniello and Ambrosio, as well as Mr. Briskman's new agreement, provide for enhanced severance benefits, as described in "Post-Termination Benefits" below.

Elements of Executive Compensation

The Company's compensation arrangements with each of the senior executives, including the named executive officers, consist of the following elements:

Base Salary

Performance-Based Compensation Programs

Annual Bonus Awards

Long-Term Incentives

Retirement and Deferred Compensation Plans

Other Compensation (Perquisites and Other Personal Benefits)

The Compensation Committee considers these elements in determining a senior executive's compensation package in order to reward for both the long- and short-term performance of the executive and the Company. The Committee does not use rigid guidelines in determining the mix of compensation elements (*i.e.*, long-term versus currently paid out compensation and cash versus

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non-cash compensation) for each senior executive. However, the Committee does consider the level of base salary of each named executive officer as it relates to the allocation of guaranteed versus performance-based compensation. Variable, at-risk compensation, both short- and long-term, makes up the majority of each senior executive's total compensation.

The Compensation Committee believes that its consideration of these compensation elements effectively achieves the objective of aligning compensation with performance measures that are directly related to the Company's financial goals and creation of stockholder value, without encouraging senior executives to take unnecessary and excessive risks that threaten the value of the Company. The Committee selects the financial performance metrics, goals and criteria for the performance-based compensation programs each year and also approves adjustments to the calculation of those goals and criteria, including pre-approved adjustments for awards intended to satisfy Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), in order to avoid distorted performance goals and criteria. The Committee believes this process results in performance goals and criteria that are challenging, yet realistic, and that will not encourage senior executives to engage in risky business activities in order to achieve unattainable goals or overcome lower results caused by unforeseen events.

Base Salary

The Company provides the senior executives with base salary that is sufficiently competitive to attract and retain talented individuals and provides a secure base of guaranteed cash to compensate them for services rendered during the fiscal year. In order to ensure that the majority of compensation is variable, at-risk and tied to performance, the Compensation Committee has currently set base salary levels for the named executive officers typically between 10% and 30% of targeted total compensation. When reviewing proposals for changes to base salary for the named executive officers, the Committee considers the following:

Appropriate competitive compensation data for the position;

Individual performance;

Base salary level for the executive in relation to that executive's total compensation package;

Input and recommendations of Mr. Moonves as President and Chief Executive Officer (for executives other than himself and Mr. Redstone);

The level of the annual merit increase budget across the Company as a whole; and

Existing contractual obligations, if any.

In reviewing base salary during 2011 for the named executive officers, the Compensation Committee continued to consider their level of base salary as it relates to the allocation of guaranteed versus variable, at-risk compensation, as well as the factors listed above. As a result, none of the named executive officers received base salary increases during 2011.

Performance-Based Compensation Programs

CBS's performance-based compensation programs provide for the opportunity to reward senior executives for contributing to annual financial and operational performance (through annual bonus programs) and for realizing stock price appreciation (through long-term equity incentives). Bonus awards are based on the Compensation Committee's review of the Company's financial results and qualitative assessment of senior executive performance against key strategic objectives and are not directly linked to the Company's stock price performance. A high percentage of the named executive officers' total compensation is performance-based (typically targeted at 75%-90% of total compensation), with a significant portion of total compensation in the form of equity awards (typically targeted at 40%-50% of total compensation).

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Bonus Awards

The Company provides an opportunity for annual bonus awards under its short-term incentive program ("Bonus Program"). The purpose of the Bonus Program is to benefit and advance the interests of the Company by granting annual bonus awards to the named executive officers and other senior executives as "pay for performance" a reward for their individual contributions to the Company's annual financial and operational success.

At the beginning of each fiscal year, the Compensation Committee approves funding levels that can be earned for that year for the Bonus Program. These funding levels are based on financial performance goals set by the Committee that are derived from budget determinations for the relevant year that take into account expected financial performance of the Company's industry peers for that year, as well as on expected performance against the key strategic objectives identified below. After the end of the fiscal year, the Committee evaluates the Company's actual performance relative to the funding levels in order to determine the aggregate amount available for payouts under the Bonus Program.

In January 2012, the Committee evaluated the Company's actual financial performance for 2011, including the levels of achievement against the pre-established performance goals, and management's performance in 2011 against the strategic objectives, relative to the funding levels approved at the beginning of 2011, in order to determine the aggregate amount available for bonus payouts. The aggregate amount of awards provided to the named executive officers, as well as to the other participants in the Bonus Program, is limited by the funding pool resulting from the Committee's evaluation.

As part of the Bonus Program, the named executive officers and certain other senior executives participate in the Company's Senior Executive Short-Term Incentive Plan (the "Senior Executive STIP"), which is a shareholder approved plan that provides for deductibility of amounts paid pursuant to the plan. Under the Senior Executive STIP, awards may be paid, in whole or in part, in cash, in the form of stock-based awards issued under the Company's long-term incentive plan or in any other form prescribed by the Committee.

At the beginning of each fiscal year, the Compensation Committee sets a performance criterion under the Senior Executive STIP, as a first step toward qualifying bonus awards made under the Senior Executive STIP as "qualified performance-based compensation" eligible for deductibility under Section 162(m) of the Code. Assuming that the Committee determines that the criterion is met, the terms of the Senior Executive STIP establish for each of the named executive officers a maximum bonus that may be paid under the plan, subject to the Committee's negative discretion ("downward discretion"), for deductibility purposes. See the "Compensation Deductibility Policy" section below for a discussion of the Section 162(m) performance criterion set for 2011. The Committee may approve bonus compensation in excess of amounts paid under the Senior Executive STIP, in order to provide appropriate compensation, which excess amounts may not be deductible. In any exercise of its downward discretion under the Senior Executive STIP, the Committee takes into account certain terms in Mr. Moonves' employment agreement which provide that a portion of his bonus must be, at least, an amount consistent with the level of achievement attained against a "Company-Wide performance goal(s)" established for that year by the Committee (provided such achievement level is at least 80%), as described under "Summary Compensation Table for Fiscal Year 2011 Employment Agreements Leslie Moonves."

The Compensation Committee considers individual performance factors in determining bonus payouts for the senior executives. In addition to reviewing each executive's contributions to the achievement of financial goals, for 2011, the Committee also considered the following key strategic objectives: (i) strengthening the Company's financial position; (ii) providing continuous flow of top-tier content; (iii) continuing to drive growth through strategic transformation of the Company;

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(iv) maintaining and building the Company's reputation as one of the most desirable organizations for top "talent"; (v) continuing to ensure a high degree of focus on the importance of a diverse workforce; and (vi) positioning the Company for long-term success. In this regard, the Committee also considers the input and recommendations of Mr. Moonves as President, Chief Executive Officer (for executives other than himself and Mr. Redstone). With respect to Messrs. Redstone and Moonves, the Committee takes into account the performance evaluation of each of them conducted by the Committee, along with the Nominating and Governance Committee, based on the goals and objectives for each of them approved by the Compensation Committee at the beginning of each year. The Committee's determination regarding the amount of the annual bonus awards to be paid to the named executive officers takes into account all of the factors it deems appropriate, with no pre-determined emphasis on any individual item, and utilizes discretion to award an appropriate bonus.

The Compensation Committee also considers target bonus amounts for each named executive officer, which amounts are based on competitive practice. See "Summary Compensation Table for Fiscal Year 2011 Employment Agreements" for a discussion of the named executive officers' target bonus amounts. The differences in the target bonus amounts set forth in the named executive officers' agreements reflect the level of relative impact of each of their positions on Company performance.

In determining the bonus amounts for 2011 for the named executive officers, as set forth in the Summary Compensation Table for Fiscal Year 2011, the Compensation Committee took into account their leadership and execution with respect to the key strategic objectives identified above. As a result of this leadership and execution, the Company exceeded its own financial objectives and outperformed its diversified media peers across key industry benchmarks, while also being positioned by management for long-term success. The Committee noted the following accomplishments within this context:

The Company Exceeded its 2011 Financial Objectives and Continued to Strengthen its Financial Position Relative to its Diversified Media Peers.

The Company significantly exceeded the performance criterion for the Senior Executive STIP by beating its budget for each of OIBDA and FcF;

The Company achieved a significant rate of adjusted OIBDA growth of 32% and improved its adjusted OIBDA margin by 500 basis points to return to a previous pre-recession high level of 22% (see Annex A, "Reconciliation of Non-GAAP Measures");

Adjusted diluted EPS grew 75% during 2011 to \$1.94 the highest adjusted diluted EPS for the Company since the Separation (see Annex A, "Reconciliation of Non-GAAP Measures"), and the Company had the highest EPS growth among its diversified media peers;

The Company's stock boasted higher growth in its stock price in 2011 than in 2010 and continued to hold the position as the #1 stock price performer in terms of growth among its diversified media peers for the third consecutive year;

The Company secured multi-year non-exclusive licensing agreements with online distributors (Netflix, Amazon and Hulu Japan) that provide for select TV shows from CBS's library of programming to be streamed by viewers domestically and internationally, generating significant incremental revenues;

The Company secured the highest credit ratings in its history (since the Separation) as a result of actions taken by the Company to deleverage its balance sheet; and

The Company continued to deliver on its commitment to return value to stockholders through doubling the share repurchase program and doubling the quarterly dividend.

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The Company Continued to Deliver Top-Tier Content Across All Business Units.

The Network led the competition in Nielsen Media Research ratings categories;

The Network maintained its #1 position in key demographics for the first half of the 2011/2012 television season (Adults 18-49, for the second consecutive year and six of the past eight years, and Adults 25-54, for the ninth consecutive year), and turned in historic successes:

Among viewers, had 14 of the top 20 regularly-scheduled programs the most of any network in 24 years;

Was #1 in most categories (New Program, Comedy, New Comedy, Drama, New Drama, News Program) and had the #1 Program on 4 nights and the #1 Scripted Series on 5 nights;

Due to the strength of the Network's content, returned to the fall 2011 season with only 4 hours of new programming to fill in the open primetime slots the least number of replacement hours of any major network;

Boasted more #1 program nights of the week than ABC, NBC, and Fox on a combined basis;

Became the first network to have 20 of the 30 most popular primetime shows (in terms of total viewers) and for the second consecutive year; and

Topped its nearest competitor by an average of more than 3.4 million viewers in primetime;

The Network delivered on a number of record-setting events, including the most watched GRAMMY Awards and NCAA March Madness in 11 and 6 years, respectively, and the second most watched weekend coverage of the Masters in 10 years;

The Company took advantage of the demand for premium content, given its continued position as the #1 Television Network, to command higher prices in the upfront and scatter markets;

The Network secured rights for major broadcast events, including with respect to National Football League games through the 2022 season, the GRAMMY Awards through 2021, the Academy of Country Music Awards through 2021, Kennedy Center Honors through 2018, U.S. Tennis Association through 2014, and the PGA Tour through 2021;

The Company's programming (with respect to the Network, CBS News, and Showtime) received 61 more Emmy nominations and 17 more wins than in the prior year;

CBS Television Stations' WCBS in New York was ranked the #1 TV Station in the U.S. in terms of households/cumulative audience;

Showtime's award-winning original programming continued to drive growth in subscription rates and in the number of subscribers; its new drama *Homeland* was the highest rated freshman series in Showtime's history;

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Simon & Schuster continued to produce even more bestsellers in hardcover, paperback and multiformats, than in the prior year, 233 of which appeared on the New York Times bestseller lists (vs. 154 in 2010) and 29 of which held the #1 position (vs. 14 in 2010); Walter Isaacson's biography on Steve Jobs was #1 on Amazon.com's 2011 Bestseller list; and

The Company continued to have the #1 TV Network website (in average monthly videos streamed, unique viewers and minutes spent viewing video), according to comScore.

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The Company Continued to Drive Growth through Diversification and Expansion of its Sources of Revenue and Position Itself for Future Success.

The Company:

expanded non-advertising, incremental revenue by securing four separate multi-year non-exclusive licensing agreements with Netflix in the U.S., Netflix in Canada and Latin America, Amazon and Hulu Japan;

continued as an industry leader in securing TV station affiliate compensation arrangements and retransmission compensation arrangements ensuring the Company's dual-revenue stream broadcasting model for 2012 and beyond;

further expanded its brand and revenues internationally by:

leveraging its joint venture in India to launch two new channels dedicated to key demographics,

entering into new licensing agreements for Showtime's "The Borgias" across Europe, Asia, Latin America, the Middle East, and Africa, and

establishing a sales and marketing publishing arm in New Delhi (Simon & Schuster India) to serve the expanding market for English language books;

continued to leverage the power of its local broadcasting assets, as well as content from its major market local websites which ranked #1 in total minutes spent each month, beating out other regional sites including Yelp, Yahoo! and MSN and launched sub-channels in New York and Los Angeles to further drive new revenues; and

continued to exploit the full range of the Company's content across new media technologies to increase audience outreach, including through mobile and iPad applications, digital books, and 3D billboards.

The Company Secured its Reputation as a Desirable Organization for Top "Talent" and Demonstrated its Commitment to Diversity.

The Company:

continued to capitalize on opportunities to acquire key executive and creative talent, exemplified by the acquisition of key talent from notable industry leaders, including Fox Networks, Bloomberg, MSNBC, ESPN, CA Technologies, Starz, Electronic Arts, and Warner Bros.;

increased minority representation in internal promotions, overall minority representation in its workforce (including in higher salary brackets) and supplier diversity spending from the prior year; and

continued to actively participate in, support, and sponsor programs to develop diverse talent in the workplace and to appoint diverse candidates to key executive roles.

With respect to the performance of each named executive officer, the Compensation Committee also determined (in the case of Messrs. Redstone and Moonves) and concurred in the recommendations made by Mr. Moonves (in the case of the other named executive officers) that:

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Mr. Redstone continued to oversee the Board of Directors in his role as Executive Chairman. Under his guidance, the Company significantly exceeded its financial targets, strengthened its financial position, and executed strategies to continue to create value for shareholders and to position the Company for long-term success.

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Mr. Moonves provided the leadership under which the Company's stock price appreciated 42.5% in 2011, significantly exceeding the average stock price appreciation of its diversified media peers and outstripping the S&P 500 Index, which was flat at 0% appreciation. This marked the third consecutive calendar year that Mr. Moonves led CBS to rank among the top 5% in stock price appreciation for shareholders of S&P 500 Index companies. He also led the Company to deliver OIBDA and FcF results that were well above the Company's OIBDA and FcF targets, and continued to demonstrate consistent leadership in driving record-breaking ratings successes. Together with his senior management team, he positioned the business segments to expand OIBDA margins to pre-recession levels. He advanced strategic plans across the business segments to develop growth opportunities to monetize content and diversify revenue. He was instrumental in securing multiple deals with emerging distribution platforms (Netflix, Hulu, and Amazon) for select content through an innovative distribution strategy recognized in the industry. He continued to champion retransmission and affiliate compensation, securing several deals in 2011 that will provide for significant revenues in future years. Mr. Moonves continued to improve the strength and reputation of the Company's brands and businesses in international markets with new content distribution agreements in Europe, Asia, Latin America, the Middle East and Africa, expansion of our joint ventures in India and Australia, and multi-year streaming deals with Netflix in 44 countries in the Americas and with Hulu in Japan. He effectively enhanced the Company's reputation with key stakeholders and developed an innovative approach to the typical investor day with the "Upfront for Investors," which showcased the Company's opportunities. He continued to effectively build stockholder value as demonstrated by a total shareholder return that was the highest of its diversified media peers and by the doubling of the share repurchase program and doubling of the dividend. The Compensation Committee also acknowledged Mr. Moonves' successes in management development and human resources, including his involvement in acquiring key executive and creative talent, his execution of the Company's succession planning and diversity programs and his leadership in fostering a remarkably stable senior management team. Mr. Moonves was instrumental in leading the CBS Television Network in solidifying its #1 position in key ratings measures and further outpacing the competition with his direct involvement in developing and securing high quality programming and maintaining CBS' reputation as one of the most highly desirable organizations for top creative talent.

Mr. Ianniello led his team to successfully manage the Company's financial operations to deliver performance that exceeded the Company's financial targets for OIBDA and FcF despite a challenging advertising marketplace, lingering concerns about the economy, and a difficult comparison to 2010 which included the Super Bowl. Mr. Ianniello continued focus on improving the cost structure in 2011, which contributed to OIBDA margins at pre-recession levels. He continued to strengthen the Company's financial stability and investment proposition to stockholders, including securing the highest credit rating in the Company's history (since the Separation), doubling the share repurchase program, and doubling the dividend. The Compensation Committee also acknowledged Mr. Ianniello's success in outpacing the Company's media peers across key industry benchmarks. He also continued to improve operations through strategic restructuring activities.

Mr. Briskman provided leadership with respect to the Company's legal affairs by serving in a prominent role in successfully managing significant corporate litigation and arbitration matters and was instrumental in securing recoveries for the Company for certain matters in which the Company was the plaintiff; addressing regulatory and legal issues; and collaborating on negotiations of key contracts for the Company, including with respect to key digital content transactions and acquisitions. He also continued to improve the efficiency of the legal departments of the Company and secured savings of legal fees.

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Mr. Ambrosio provided leadership with respect to his role as the Company's chief human resources officer, responsible for all aspects of the human resources function globally, as the Company's chief administrative officer responsible for oversight of corporate real estate, strategic sourcing, facilities management and security, and management oversight of the Company's EcoMedia business unit. In human resources, he effectively met management development and succession needs at the most senior levels across the organization. He also effectively employed human resources programs and managed staff in creating a high degree of focus within the Company on a results-oriented performance culture, as well as on the importance of a diverse workforce and inclusive workplace. Mr. Ambrosio effectively oversaw some of the Company's most significant areas of cost including compensation costs, benefit expenses, sourcing spend and real estate occupancy costs and contributed significantly to the Company's efforts to control costs and expand margins. Under Mr. Ambrosio's guidance, the EcoMedia team significantly grew its client and business partner base, launching its innovative EcoAd products, and its patent application won "Green Fast Track" status from the U.S. Patent Trademark Office. His strategic sourcing unit drove significant savings for the Company, realized through aggressive project management and collaboration with the business units.

In determining the individual bonus payouts to the named executive officers for 2011, the Compensation Committee took into consideration the factors above, as well as the historical bonus payouts and performance relative to previous years' performances. For Mr. Moonves, the Committee not only took into account the successes in his role as President and Chief Executive Officer of the Company, but also his leadership, unique in this industry, in connection with the creation of premium content across the Company's portfolio of businesses, particularly with respect to the CBS Television Network, which outperformed its diversified media peers in 2011. For all of these reasons, the Committee determined to award bonuses in the amounts set forth in the "Summary Compensation Table for Fiscal Year 2011." In addition, during 2012, as part of Mr. Moonves' bonus for 2011, the Compensation Committee awarded to Mr. Moonves a grant of shares of the Company's Class B Common Stock having a value of \$2.5 million. This award will be reportable in the Company's 2013 proxy statement in accordance with SEC rules.

Long-Term Incentive Programs

Long-Term "Management" Incentive Program (LTMIP)

The LTMIP is designed as a "pay for performance" vehicle to encourage executives to make decisions which will create and sustain long-term value for stockholders. It is also a vehicle used to retain talent and build executive ownership. Through the Company's total compensation design, a significant portion of the named executive officers' total compensation opportunity is directly linked to stock price performance (typically 50%-70% of the total pay-for-performance compensation), with the intention of creating alignment with the stockholders. In determining the target value to be delivered through these equity vehicles, the Compensation Committee reviews competitive market data, the Company's retention needs, potential stockholder dilution, the expense to be incurred by the Company and prior equity grant practices. Eligibility to participate in the LTMIP is generally limited to executives who have management responsibility.

The type and mix of equity-based vehicles used to deliver value varies primarily by an executive's level in the organization and the Company's business needs. The Compensation Committee considers the following objectives in determining the appropriate type and mix of equity-based vehicles:

Increased alignment with stockholder interests (Stock Options): Provide the opportunity to acquire an equity interest in the Company and share in the appreciation of the value of the stock.

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Increased accountability for senior executive (Performance-Based Stock Awards): Motivate senior executives to focus on Company performance through the achievement of pre-determined financial goals over a designated period.

Retention of talent in both up and down markets (Time-Based Stock Awards): Provide real value in awards that are earned over a specified vesting period.

The values, mix, and type of annual grants for each senior executive are discussed by management and the Compensation Committee and ultimately approved by the Committee, unless the terms have been previously approved and set forth in an employment agreement. With respect to the grants awarded in 2011, other than with respect to Messrs. Redstone and Moonves, the Committee determined to provide a mix of stock options, performance-based restricted stock units ("PRSUs"), and time-based restricted stock units ("TRSUs" and together with the PRSUs, the "RSUs"). For Messrs. Redstone and Moonves, the determination of their annual grants is provided for under their respective employment agreements. See "Summary Compensation Table for Fiscal Year 2011 Employment Agreements."

In addition to the objectives and approach to allocating award types noted above, the Compensation Committee takes into consideration the competitive assessment of total compensation reviewed by the independent compensation consultant (as discussed in the "Evaluating Senior Executive Compensation" section above) in determining the value, mix and type of each senior executive's award. In determining the appropriate value, mix and type of annual equity awards for eligible executives for 2011, the Committee reviewed the LTMIP with its independent compensation consultant and senior management. For 2011, Messrs. Ianniello, Briskman and Ambrosio received LTMIP awards based on their then-current contractual target values that took into account the compensation assessment and the relative impact of the executive's position on Company performance. The 2011 awards to the named executive officers were delivered as follows:

Named Executive Officer	Mix of 2011 Awards under Long-Term Management Incentive Program		
	Options	Performance-based	Time-based
		Stock Awards(a)	Stock Awards
Sumner Redstone	50%	50%	
Leslie Moonves(b)	76%	12%	12%
Joseph Ianniello	40%	30%	30%
Louis Briskman	40%	30%	30%
Anthony Ambrosio	40%	30%	30%

- (a) Mr. Redstone's "performance-based stock awards" were delivered in performance share units ("PSUs") in accordance with his employment agreement. For the other named executive officers, the performance-based stock award portion of their equity grant was delivered in PRSUs.
- (b) The mix of stock options and stock awards for Mr. Moonves consists of: (i) his March 1, 2011 grant of 3,600,000 stock options (with a fair market value of \$27,316,800 as of the date of grant), which included a grant of 3,311,198 stock options (the second of two grants calculated in accordance with his employment agreement) and an additional number of stock options approved by the Committee, and (ii) the annual grant of RSUs provided for under his employment agreement, half of which grant is subject to performance conditions.

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Performance Goals for LTMP Awards

*PRSU*s

PRSU Awards for 2011. The performance goals are set based on financial and operational goals for the relevant fiscal year, which take into account expected performance of the Company's media peers for that year as determined by media industry analysts. At the beginning of each year, the Compensation Committee reviews performance goals and considers which metrics offer the best measure of Company performance.

For 2011, the performance goal for the most senior levels of management, including the named executive officers (except for Mr. Redstone who does not receive PRSUs and except for PRSUs granted to Mr. Moonves pursuant to his employment agreement), was the achievement during 2011 of an 80% or greater level of the weighted average performance of (i) the percentage of an OIBDA Metric Target (as defined below) of \$2.545 billion actually achieved (75% weighting) and (ii) the percentage of an FCF Metric Target (as defined below) of \$1.043 billion actually achieved (25% weighting). The performance goal for Mr. Moonves' PRSU grant was the achievement during 2011 of an FCF Metric Target of \$1.043 billion.

In setting the 2011 performance goals, the Compensation Committee selected two metrics: (i) OIBDA (*i.e.*, operating income before depreciation, and amortization) (the "OIBDA metric") and (ii) free cash flow (*i.e.*, operating income before depreciation and amortization, less cash interest, taxes paid, working capital requirements and capital expenditures) (the "FCF metric"). The "OIBDA Metric Target" is calculated by starting with the Company's budget for 2011 for the OIBDA metric and then taking into account items approved by the Committee that may otherwise distort the calculation of the performance goal, and the "FCF Metric Target" is calculated by starting with the Company's budget for 2011 for the FCF metric and then taking into account the same items. The OIBDA metric was selected because it is an important indicator of the Company's operational strength and performance of its businesses, as it provides a link between profitability and operating cash flow. The FCF metric was selected because it gives a clear view of the Company's ability to generate cash (and thus profits) and allows the Company to pursue opportunities that enhance stockholder value.

The vesting of an annual award of PRSUs is subject to the Compensation Committee's determination of the level of achievement against a pre-determined performance goal set by the Committee. See "Grants of Plan-Based Awards During 2011 Description of Plan-Based Awards" for vesting schedules. The number of target shares is determined at the time of grant based on the closing price of a share of the Company's Class B Common Stock on the NYSE on the date of grant (February 23, 2011). The number of shares earned upon vesting of the PRSUs is determined in accordance with the following schedule:

if the Company achieves less than 80% of the pre-determined performance goal, the award will be forfeited;

if the Company achieves 80% of the pre-determined performance goal, 80% of the target shares will be earned;

if the Company achieves 100% of the pre-determined performance goal, 100% of the target shares will be earned; and

if the Company achieves 120% or greater of the pre-determined performance goal, 120% of the target shares will be earned.

For achievement at intermediate points between 80% and 100% and between 100% and 120%, the number of shares to be delivered will be linearly interpolated. Dividend equivalents accrue on the target number of shares and equal the value of regular cash dividends paid on the shares of the Company's Class B Common Stock. Dividend equivalents are paid in cash, less applicable withholdings,

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when the PRSUs vest, but only up to the amount payable with respect to the target number of shares. If the PRSUs do not vest, then the dividend equivalents accrued on those PRSUs are forfeited.

Payout Under PRSU Awards for 2011. In February 2012, the Compensation Committee reviewed and discussed the Company's performance versus the 2011 performance goals. The Committee then certified that the 2011 performance goals had been exceeded with actual performance at over 120% of the targeted levels. Actual performance with respect to the OIBDA metric was \$3.077 billion and with respect to the FCF metric was \$1.484 billion. Thus, 120% of the target number of shares underlying the PRSUs granted in February 2011 to Messrs. Moonves, Ianniello, Briskman and Ambrosio will vest in accordance with their respective schedules.

PSUs

2011 PSU Awards. As noted above, only Mr. Redstone received a PSU grant in 2011, with such grant having a target number of shares set at 156,577 shares, as determined under the terms of his employment agreement. The number of shares of Class B Common Stock to be delivered under Mr. Redstone's 2011 PSU grant for the measurement period January 1, 2011 through December 31, 2013 is determined in accordance with the following schedule (the "SMR TSR Schedule"): if the Company achieves less than the 25th percentile total shareholder return ("TSR"), the award of PSUs will be forfeited; if the Company achieves the 25th percentile TSR, the number of shares to be delivered will be 25% of the target number of shares; if the Company achieves the 50th percentile TSR, the number of shares to be delivered will be 100% of the target number of shares; and if the Company achieves the 100th percentile TSR (*i.e.*, if it is the first ranked company in the reference group for TSR), the number of shares to be delivered will be 300% of the target number of shares. For Company achievement at intermediate points between the 25th and 50th percentile, or between the 50th percentile and the 100th percentile, the number of shares to be delivered will be linearly interpolated. Notwithstanding the SMR TSR Schedule, in the event the Company achieves less than the 50th percentile TSR for the measurement period, but achieves a hurdle set by the Compensation Committee (*i.e.*, the Company's three-year average actual OIBDA meets or exceeds the Company's three-year average budgeted OIBDA), then the number of shares to be delivered will equal the average of the target award and the number of shares that would have been delivered under the SMR TSR Schedule. If this OIBDA hurdle is not met, then the number of shares to be delivered, if any, will be in accordance with the SMR TSR Schedule.

Payouts Under PSU Awards for Measurement Period 2009-2011. In February 2012, the Compensation Committee reviewed achievement of the performance thresholds for the measurement period that ran from January 1, 2009 through December 31, 2011 with respect to 50% of the PSU awards granted in 2008 to Messrs. Redstone, Ianniello, Briskman and Ambrosio and 100% of the PSU award granted in 2009 to Mr. Redstone, and confirmed that, of the established thresholds, the Company's achievement of the 96.8 percentile TSR during the 2009-2011 measurement period was the applicable threshold to determine the number of shares of Class B Common Stock to be delivered for the performance period. As a result, the Company delivered, on February 23, 2012, (i) to Messrs. Ianniello, Briskman and Ambrosio, 193.6% of the target number of shares for such measurement period (which target number relates to 50% of each PSU award granted), in accordance with the terms of such PSU awards, and (ii) to Mr. Redstone, 287.2% of both (a) the target number of shares relating to 50% of his 2008 award and (b) the target number of shares relating to 100% of his 2009 award, in each case in accordance with the terms of his employment agreement.

Grant Date of Awards The grant date for equity awards is the date on which the Compensation Committee approves awards under the Company's LTMP or, if so determined by the Committee, a future grant date, or a date specified in an employment agreement. The Committee may approve an award that will have a future grant date, with the exercise price of any stock option not to be less than

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the closing price of a share of the Company's Class B Common Stock on the NYSE on the date of grant. The Company does not set grant dates intentionally to precede the release of material non-public information. Communications regarding individual grant awards, including the terms and conditions, are provided to recipients as soon as administratively feasible. Annual management grants made in 2011 (except with respect to Mr. Redstone's PSU award), were approved on February 23, 2011, with a grant date for all RSU awards on the same date and a grant date for all stock option awards to be March 1, 2011. The exercise price of these stock options was the closing price of the Company's Class B Common Stock on March 1, 2011 (*i.e.*, \$23.19). Pursuant to his employment agreement, Mr. Redstone's 2011 PSU grant was awarded on January 1, 2011.

Other Terms for RSUs/Stock Options/PSUs For a description of certain other material terms of the RSU, stock option and PSU grants, see "Grants of Plan-Based Awards During 2011 Description of Plan-Based Awards."

Delegation of Authority With Respect to Awards

The Compensation Committee has delegated to the President and Chief Executive Officer limited authority, with respect to executives who are not senior executives, to grant long-term incentive awards under the Company's long-term incentive plan to such executives in connection with their hiring, promotion or contract renewal and to modify the terms of outstanding equity grants in certain post-termination scenarios. The Committee delegated this authority in order for the Company to have the ability to (i) act in a timely manner in a competitive environment in connection with the hiring of new executives or the compensating of an existing executive being given a significant increase in responsibility and (ii) maintain flexibility to manage compensation in post-termination scenarios when mutually beneficial to the Company and the executive. The Committee's delegation specifies the circumstances in which the authority can be used; limits the amount that can be awarded to an individual, the total amount that can be awarded in any period, and, in certain circumstances, aggregate incremental expense that can be incurred by the Company resulting from modifications of the terms of outstanding equity grants; and specifies the method for establishing the grant date. The delegation also requires that the President and Chief Executive Officer report to the Committee periodically on his exercise of this delegated authority.

Stock Ownership Guidelines

In order to further align the senior executives' interests with those of the Company's stockholders, the Company has established stock ownership guidelines. The guidelines provide that, within five years, starting in fiscal year 2007 or, if later, in the year in which a senior executive becomes subject to the guidelines, these senior executives are expected to acquire and establish holdings in Company stock equal in value to a multiple of their cash base (base salary less mandatory deferrals, if applicable), depending upon their positions as follows:

Senior Executive	Ownership Guideline Multiple
CEO	5x cash base
Other Senior Executives	2x to 3x cash base

All types of equity holdings, with the exception of stock options, are included in determining ownership. The Compensation Committee monitors compliance with these guidelines by receiving an annual progress report from senior management. During 2011, senior management reported to the Committee that all of the senior executives subject to the guidelines, including the named executive officers, met the guidelines. The Committee determined to continue to monitor compliance with the guidelines.

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Retirement and Deferred Compensation Plans

The Company provides active, eligible employees, including the named executive officers, with the opportunity to build financial resources for retirement through the Company's broad-based tax-qualified defined benefit and defined contribution plans. In addition, eligible executives, including the named executive officers, participate in the Company's nonqualified defined benefit and deferred compensation plans. In some instances, participants in these qualified and nonqualified plans may also have frozen benefits in other qualified and nonqualified plans. Information regarding these retirement and deferred compensation plans is set forth in the narrative following each of the Pension Benefits in 2011 tables and Nonqualified Deferred Compensation in 2011 table.

All Other Compensation

The Company provides for other compensation to participating employees (including the named executive officers) by providing Company-matching contributions in the CBS 401(k) and 401(k) excess plans and Company-paid life insurance. Compensation paid to the named executive officers in relation to these programs is included in the "All Other Compensation" column of the Summary Compensation Table for Fiscal Year 2011.

In certain instances, the Company provides executives, including the named executive officers, with additional benefits that the Company believes are reasonable and typical for executives in similar industries and helps the Company to attract and retain these executives. Among these benefits are transportation-related benefits, which the Company believes provide travel flexibility and efficiencies that result in a more productive use of the executive's time, given the demands of his position. In addition, the Company provided security services to Mr. Moonves, at the Company's request, due to the significance of the chief executive to the Company and the security issues that surround a senior executive in Mr. Moonves' position, representing a high-profile company with multinational interests. Mr. Moonves is also entitled to reimbursement for certain taxes and fees resulting from his obligation to the Company under his employment agreement to provide services in New York and Los Angeles, since the Company has significant operations in both cities; however, no such reimbursements were made in 2011. For the same reason, the Company also requires certain East Coast-based senior executives to provide extended services at the Company's West Coast operations, for which the Company provides an expense allowance; executives are reimbursed for taxes on imputed income associated with certain expenses. All additional benefits are also described in footnote 7 to the "All Other Compensation" column of the Summary Compensation Table for Fiscal Year 2011.

Post-Termination Arrangements

Post-termination payments with respect to the named executive officers are set forth in each of their respective employment agreements. Each of the named executive officers is entitled to post-termination payments and benefits upon the occurrence of a termination without cause or a resignation for good reason (except for Mr. Redstone) and upon death or disability. The employment agreements for Messrs. Ianniello, Briskman and Ambrosio also provide enhanced severance payments and benefits in the event of a termination within twenty-four months following certain corporate events. None of the Company's employment arrangements with the named executive officers or long-term incentive plans provide for payment solely upon a change in control. During 2011, following a review of competitive practice at other diversified media companies, the Committee determined to provide to employees (including the named executive officers and other senior executives) accelerated vesting for certain outstanding and unvested equity awards granted in 2011 and in prior years, in the event of the employee's termination of employment due to death or permanent disability. The Committee also authorized officers of the Company to provide this benefit with respect to future grants.

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The terms of these payments and benefits and the estimated potential payments that would be made to each named executive officer if his employment terminated for each of these reasons as of the 2011 fiscal year end are described under "Potential Payments Upon Termination." In assessing post-termination payments and benefits in connection with senior executive employment arrangements, the Compensation Committee considers competitive practice with respect to comparable executives at the identified peer companies. The objective of these payments and benefits is to recruit and retain talent in a competitive market and, as applicable, compensate executives for restrictive covenants and other obligations following a termination without cause or a resignation for good reason.

Compensation Deductibility Policy

In approving compensation, the Compensation Committee takes into account Section 162(m) of the Code, which generally limits to \$1 million the federal tax deductibility of compensation paid in one year to the named executive officers. However, the Compensation Committee has approved, and may continue to approve, compensation exceeding the \$1 million limitation, including with respect to a portion of base salary and long-term incentives, and exceeding the maximum bonus amount provided for under the Senior Executive STIP, in order to provide appropriate compensation. As part of the Bonus Program, the named executive officers are eligible to receive bonus awards under the Senior Executive STIP, and the senior executives (including the named executive officers) are eligible to receive long-term compensation under the Company's long-term incentive plan. Performance-based compensation may qualify for an exception to the limit on deductibility, provided that the plan under which such compensation is paid meets certain requirements, including stockholder approval. Each of the Senior Executive STIP and the Company's long-term incentive plan is designed to permit awards that comply with the Section 162(m) exception for performance-based compensation. The stockholders of the Company have approved both of these plans.

In order for bonus awards made under the Senior Executive STIP to be eligible for deductibility under Section 162(m), the Compensation Committee establishes a performance criterion for the bonus awards, which criterion must not be certain of being achieved at the time it is set.

For 2011, the Section 162(m) performance criterion established was the achievement during 2011 of an 80% or greater level of the weighted average performance of (i) the percentage of an OIBDA Metric Target of \$2.545 billion actually achieved (75% weighting) and (ii) the percentage of an FCF Metric Target of \$1.043 billion actually achieved (25% weighting). The "OIBDA Metric Target" is calculated by starting with the Company's budget for 2011 for the OIBDA metric and then taking into account items approved by the Committee that may otherwise distort the calculation of the performance criterion, and the "FCF Metric Target" is calculated by starting with the Company's budget for 2011 for the FCF metric and then taking into account the same items.

Assuming that the Compensation Committee determines that the performance criterion has been achieved, the terms of the Senior Executive STIP establish a maximum bonus for each named executive officer that can be awarded under the Senior Executive STIP equal to eight times his base salary in effect at the beginning of the year with the amount of the bonus, if any, actually awarded to any named executive officer under the Senior Executive STIP being subject to the Committee's downward discretion, as discussed under the "Performance-Based Compensation Programs Bonus Awards" section above. This framework for establishing a maximum bonus is designed to provide that the awards granted under the Senior Executive STIP will be eligible for deductibility under Section 162(m).

In January 2012, the Compensation Committee reviewed and discussed the Company's performance versus the 2011 performance criterion. Actual performance with respect to the OIBDA metric was \$3.077 billion and with respect to the FCF metric was \$1.484 billion. The Committee then certified that the 2011 performance criterion had been exceeded with actual performance significantly

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exceeding the targeted level. Therefore, the Committee awarded bonuses to the named executive officers under the Senior Executive STIP, except for a portion of the shares of the Company's Class B Common Stock which were awarded to Mr. Moonves as part of his bonus.

With respect to the Company's long-term incentive plan, the Compensation Committee also establishes performance goals for PRSUs and PSUs, rendering them eligible for deductibility under Section 162(m), as described in the "Long-Term Incentive Programs Performance Goals for LTMIP Awards" section above.

Employment Contracts

All of the named executive officers are, and were during 2011, parties to employment contracts with the Company, as the Compensation Committee has considered it to be in the Company's best interest, and as the best means, to secure the employment of each of these executives. The terms and provisions of these contracts are more fully described in the narrative section following the Summary Compensation Table for Fiscal Year 2011 and in "Changes in Named Executive Officers' Compensation Arrangements for 2011" in this "Compensation Discussion and Analysis."

The Compensation Committee approves all employment arrangements with senior executives. With respect to employees other than senior executives, employment contracts are subject to an approval process coordinated through the Office of the Executive Vice President, Human Resources and Administration.

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COMPENSATION COMMITTEE REPORT

The following Compensation Committee Report does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent the Company specifically incorporates such information by reference.

The Compensation Committee Charter states that the primary purpose of the Compensation Committee is to discharge the responsibilities of the Board of Directors relating to the compensation of the Company's executive officers and other senior executives. Under the Charter, the Compensation Committee's authorities and duties include, among other things:

Adopting and periodically reviewing the Company's philosophy, strategy and principles regarding the design and administration of the Company's compensation programs;

Reviewing and approving the total compensation packages for the Executive Chairman, the President and Chief Executive Officer, the Company's other executive officers, and other senior executives identified by the Committee after consultation with the Company's Chief Executive Officer and Executive Vice President, Human Resources and Administration, and in certain instances, other persons among the Company's most highly compensated executives (excluding "Talent," as such term is currently used in the media or entertainment industries); and

Overseeing the administration of the Company's incentive compensation plans (including the bonus plan for executives subject to Section 162(m) of the Code) and equity-based compensation plans.

The Compensation Committee retains an independent compensation consulting firm to advise the Committee in its review of senior executive compensation. The consultant reports directly to the Compensation Committee.

The full text of the Compensation Committee Charter is available on the Company's website at www.cbcorporation.com. The Compensation Committee assesses the adequacy of its Charter at least every other year, or more frequently as the Committee may determine.

The Compensation Committee of the Board of Directors of CBS Corporation has reviewed and discussed with the Company's management the Compensation Discussion and Analysis ("CD&A") included in this proxy statement. Based on this review and these discussions, the Compensation Committee has recommended to the CBS Corporation Board of Directors that the CD&A be included in this proxy statement and incorporated by reference from this proxy statement into the Company's Annual Report on Form 10-K, which was filed with the Securities and Exchange Commission on February 23, 2012.

Members of the Compensation Committee

Charles K. Gifford, Chair
William S. Cohen
Bruce S. Gordon
Doug Morris

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The following table sets forth information concerning total compensation for the Company's last three completed fiscal years, unless otherwise indicated, for the Company's principal executive officer, principal financial officer and the three other most highly compensated executive officers of the Company for fiscal year 2011 who were serving as executive officers at the end of fiscal year 2011 (the "named executive officers").

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Change in Pension Value and NQDC Earnings (\$)	All Other Compensation (\$)	Total (\$)
(a)	(b)	(c) (2)	(d) (3)	(e) (4)	(f) (5)	(g) (6)	(h) (7)	(i)
Sumner M. Redstone <i>Executive Chairman and Founder</i>	2011	1,750,000	10,000,000	5,506,813	2,999,203	18,428	9,466	20,283,910
	2010	1,638,461	10,000,000	5,469,792	2,999,996	18,580	160,229	20,287,058
	2009	1,003,846	7,500,000	4,329,864	3,336,416	10,417	30,317	16,210,860
Leslie Moonves <i>President and Chief Executive Officer</i>	2011	3,500,000	27,500,000	8,499,978	27,316,800	1,478,466	1,605,433	69,900,677
	2010	3,513,462	27,500,000	7,999,982	14,868,000	869,854	2,977,722	57,729,020
	2009	3,513,462	15,000,000	7,599,997	14,339,265	263,359	2,522,792	43,238,875
Joseph R. Ianniello <i>Executive Vice President and Chief Financial Officer</i>	2011	1,500,000	7,100,000	1,799,988	1,199,678	154,229	174,877	11,928,772
	2010	1,505,769	6,000,000	1,799,988	1,199,998	89,724	188,305	10,783,784
	2009	1,123,462	2,800,000	465,000	1,206,669	49,889	113,961	5,758,981
Louis J. Briskman <i>Executive Vice President and General Counsel</i>	2011	1,300,000	5,200,000	1,799,988	1,199,678	1,060,964	51,228	10,611,858
	2010	1,305,000	2,990,000	1,799,988	1,199,998	999,779	44,623	8,339,388
	2009	1,305,000	1,800,000	899,995	2,335,490	1,064,448	35,365	7,440,298
Anthony G. Ambrosio(8) <i>Executive Vice President, Human Resources and Administration</i>	2011	750,000	1,402,500	899,994	599,839	182,429	76,513	3,911,275
	2010	710,192	1,275,000	913,739	599,996	292,998	66,656	3,858,581

(1)

The table below sets forth the following 2011 compensation items: (i) cash compensation comprised of salary and annual bonus awards, (ii) annual equity awards, and (iii) special equity awards. The table below differs from the Summary Compensation Table, in that the table below excludes column (g) ("Change in Pension Value and NQDC Earnings") and column (h) ("All Other Compensation") and as further described in the footnotes to the table below. This table is not required by SEC rules and is not designed to replace the Summary Compensation Table. It is intended to provide information that the Company believes is useful in understanding and analyzing 2011 compensation decisions.

Annual Compensation
Cash Portion

Name	Salary (\$)	Bonus (\$)	Annual Equity Awards (\$) (a)	Total Annual Compensation (\$)	Special Equity Award (\$)
Sumner M. Redstone	1,750,000	10,000,000	8,506,016	20,256,016	
Leslie Moonves	3,500,000	27,500,000(b)	8,499,978	39,499,978	27,316,800(c)
Joseph R. Ianniello	1,500,000	7,100,000	2,999,666	11,599,666	
Louis J. Briskman	1,300,000	5,200,000	2,999,666	9,499,666	
Anthony G. Ambrosio	750,000	1,402,500	1,499,833	3,652,333	

(a)

Represents the grant date fair value, determined in accordance with FASB ASC Topic 718, of the annual stock and option awards granted in 2011 to Messrs. Redstone, Ianniello, Briskman and Ambrosio, as disclosed in columns (e) and (f) in the Summary Compensation Table, and the annual stock award granted in 2011 to Mr. Moonves, as disclosed in column (e) of the Summary Compensation Table.

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- (b) See footnote (3) below for a discussion of Mr. Moonves' 2011 bonus.
- (c) Represents the grant date fair value, determined in accordance with FASB ASC Topic 718, of a special option grant awarded on March 1, 2011 to Mr. Moonves, as disclosed in column (f) of the Summary Compensation Table, in connection with the terms of his employment agreement. The award represents the second of two grants to be made under his employment agreement, subject to conditions set forth in the agreement, which second grant could not be less than three million and not more than four million stock options and was to be awarded on the first anniversary of the initial stock option grant on March 1, 2010. The grant is comprised of 3,311,198 stock options (calculated in accordance with his employment agreement) and an additional number of stock options approved by the Committee.
- (2) Salary includes amounts deferred under qualified and nonqualified arrangements. For 2011, all named executive officers, except for Mr. Redstone, deferred a portion of their salary under qualified and nonqualified deferred compensation arrangements. See the Nonqualified Deferred Compensation in 2011 table for further information on amounts deferred under nonqualified deferred compensation arrangements.

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- (3) With respect to all named executive officers, amounts set forth in the "Bonus" column for 2011, 2010 and 2009 reflect cash payments made in early 2012 for fiscal year 2011 performance, early 2011 for fiscal year 2010 performance and early 2010 for fiscal year 2009 performance, respectively.
- With respect to Mr. Moonves' 2011 bonus, the Compensation Committee awarded to Mr. Moonves a total cash bonus amount which reflects a \$20,000,000 payment for the successes in his role as President and Chief Executive Officer of the Company and a special cash payment of \$7,500,000 for his leadership in connection with the creation of premium content across the Company's portfolio of businesses, particularly with respect to the CBS Television Network, which outperformed its media peers in 2011. During 2012, the Compensation Committee determined to grant Mr. Moonves, as part of his bonus, a \$2.5 million grant of shares of the Company Class B Common Stock. This award will be reportable in the Company's 2013 proxy statement in accordance with SEC rules.
- (4) These amounts reflect the aggregate grant date fair values determined in accordance with FASB ASC Topic 718 of grants of (i) restricted share units ("RSUs"), and (ii) performance share units ("PSUs"), as applicable for each executive. In 2011, only Mr. Redstone was granted a PSU award, with respect to which the maximum number of shares to be delivered, assuming attainment of the highest level of performance conditions, would be 469,731 shares, with respect to which the maximum grant date value, determined in accordance with FASB ASC Topic 718, would be \$8,948,376. For the performance-based RSUs granted in 2011 to Messrs. Moonves, Ianniello, Briskman and Ambrosio (representing 50% of their awards included in column (e)), the maximum grant date value, determined in accordance with FASB ASC Topic 718, would be \$5,100,000, \$1,079,992, \$1,079,992 and \$539,996, respectively. For a discussion of the assumptions made in calculating the grant date fair value amounts for 2011, see "RSUs and PSUs" in Note 10 to the audited 2011 consolidated financial statements on page II-68 in the Company's Form 10-K for the fiscal year ended December 31, 2011.
- (5) These amounts reflect the aggregate grant date fair values determined in accordance with FASB ASC Topic 718. For a discussion of the assumptions made in calculating the amounts for 2011, see "Stock Options and Equivalents" in Note 10 to the audited 2011 consolidated financial statements on pages II-69 and II-70 in the Company's Form 10-K for the fiscal year ended December 31, 2011.
- For Mr. Moonves, the 2011 and 2010 amounts represent the grant date fair value, determined in accordance with FASB ASC Topic 718, of two special option grants made to Mr. Moonves, under the terms of his employment agreement, on March 1, 2011 and March 1, 2010, respectively. See footnote (1)(c) for a description of these grants.
- (6) Amounts reflect changes in pension value only, as none of the Company's nonqualified deferred compensation plans provide for above-market interest or preferential earnings, except as noted below. For Mr. Redstone, the amounts for 2011, 2010 and 2009 also include the minimum required distributions he received under qualified pension plans. For Mr. Briskman, the amounts for 2011, 2010 and 2009 also include the distributions he received under qualified and nonqualified pension plans pursuant to which he has an accumulated benefit, but is not currently accruing benefits. See "Pension Benefits in 2011" for further information on these plans.
- Pursuant to Mr. Redstone's amended employment agreement, effective March 16, 2007, the balance of his deferred salary compensation account was converted to stock option equivalents ("SOEs") of equal value. For purposes of this table, the Company considers an increase in the intrinsic value of the SOEs (*i.e.*, the extent to which the market price of the stock underlying an SOE is above its exercise price at a given point in time) as preferential, since other executives and employees do not have the ability to invest their deferred salary in SOEs. There was no increase in the intrinsic value of the SOEs from December 31, 2010 to December 31, 2011, as the market price of the stock underlying each SOE, as of December 31, 2011, remained below its exercise price (\$30.21). See "Employment Agreements - Sumner M. Redstone" for further information on the SOEs. Information about each nonqualified deferred compensation plan is included in the "Description of Nonqualified Deferred Compensation" section.
- (7) The following table and footnotes describe each component of the "All Other Compensation" column for 2011:

PERQUISITES AND OTHER PERSONAL BENEFITS

Named Executive Officer	Company Contribution to 401(k) Plan	Company Contribution to 401(k) Excess Plan	Company-Paid Life Insurance	Tax Reimbursement	Extended Services on West Coast	Transportation-Related Benefits	Security	Total
	(\$)	(\$)	(\$) (a)	(\$) (b)	(\$) (c)	(\$) (d)	(\$) (e)	(\$)
Sumner M. Redstone	0	0	3,780			5,686		9,466
Leslie Moonves	3,300	21,604	131,280	0		557,600	383,000	1,605,433(f)
Joseph R. Ianniello	7,998	17,675	2,268	98,988	47,948			174,877
Louis J. Briskman	4,750	21,000	1,966	23,512	0			51,228

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Anthony G. Ambrosio	3,562	22,256	1,134	49,561	0	76,513
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- (a) Represents premiums paid in 2011 by the Company for life insurance coverage.
- (b) With respect to Mr. Moonves, no tax reimbursements were made in 2011. For Messrs. Ianniello, Briskman and Ambrosio, amounts include tax reimbursement on imputed income associated with the West Coast Expense (defined below).
- (c) The Company requires that certain East Coast-based senior executives provide extended services at the Company's West Coast operations, for which the Company provides an estimated expense allowance. The amounts shown in this column represent certain other costs and expenses incurred in connection with providing these services ("West Coast Expense").
- (d) The amounts of perquisites and other personal benefits shown in this column include (i) for Messrs. Redstone and Moonves, the percentage of personal use of a car and driver provided for business-related security reasons, and (ii) for Mr. Moonves, the incremental cost to the Company of the personal use of the Company aircraft. The incremental cost to the Company of the personal use of the Company aircraft is calculated by dividing the total variable costs (including fuel, maintenance, landing and navigation fees, catering, flight crew trip expenses, telecommunications, supplies and miscellaneous expenses) by the total flight hours for such year and multiplying such amount by the executive's total number of flight hours for his personal use for the year (including flights made to reposition the plane in connection with such personal use). Fixed costs which do not change based on usage, such as pilot salaries, hangar rental and insurance are excluded.

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- (e) The amount represents the cost to the Company for the provision of a Company-specified level of regular security coverage (*i.e.*, exclusive of cost for any extraordinary incident coverage) deemed necessary to protect CBS's business interests. Although the security is directed by and provided at the request of the Company for business purposes, the cost is being reported as a perquisite.
- (f) The "Total" amount also includes (i) matching charitable contributions made by the Company on behalf of Mr. Moonves, in his capacity as a director, under the directors' matching gift program (\$7,500); (ii) automobile insurance provided by the company (\$1,149); and (iii) the one-time cost to the Company incurred pursuant to Mr. Moonves' February 2010 employment agreement, related to the construction of a dedicated work area at his home for the purpose of screening and evaluating television and film programming, and other work-related activities (\$500,000).
- From time to time, tickets to sporting and other entertainment events are provided to certain employees, including the named executive officers, without charge, to attend these events as they relate to a business purpose. Tickets are made available to employees, including the named executive officers, for personal use if the tickets are not otherwise needed for business use. The Company does not incur incremental costs with respect to tickets to sporting and other entertainment events, as the tickets were purchased by the Company for business purposes and are made available if the tickets are not utilized for such purposes.
- (8) Mr. Ambrosio first became a named executive officer of the Company for fiscal year 2010; therefore, only fiscal year 2010 and 2011 information is provided for him.

Employment Agreements

All of the named executive officers have employment agreements that set forth the terms and conditions of their employment with the Company. The material terms of each of these agreements necessary to an understanding of the information provided in the Summary Compensation Table for Fiscal Year 2011 and the Grants of Plan-Based Awards During 2011 table are provided below. For the vesting terms of long-term compensation awards granted to the named executive officers during 2011, see "Grants of Plan-Based Awards During 2011 Description of Plan-Based Awards." See "Potential Payments Upon Termination" for a description of the payments and benefits that would be provided to the named executive officers in connection with a termination of their employment, including enhanced severance payments and benefits available to certain named executive officers in connection with a termination of their employment following specified corporate events.

Sumner M. Redstone

Effective March 13, 2007, the Company entered into an amendment to Mr. Redstone's December 2005 employment agreement, pursuant to which he serves as Executive Chairman and Founder of CBS Corporation, with a pay package structured at that time to reduce fixed compensation, strengthen the pay-for-performance linkage and shift the pay towards equity. Under the amended agreement, Mr. Redstone received a base salary of \$1.75 million during 2011. His target bonus was \$5 million for 2011. His salary and target bonus are subject to review on at least an annual basis and may be increased at the discretion of the Compensation Committee. Mr. Redstone is provided with \$2.5 million of life insurance during his employment with the Company.

Pursuant to the amended agreement, Mr. Redstone received in 2007 through 2011, an annual award of stock options for shares of the Company's Class B Common Stock having a value of \$3 million. Also pursuant to the amended agreement, Mr. Redstone received in 2007 through 2011 an annual award of PSUs, with a target value of \$3 million. Payouts under the PSUs range from zero to a maximum of 300% of the target number of shares of the Company's Class B Common Stock for the award. The Compensation Committee may make additional awards to Mr. Redstone in future years.

In addition to the above, effective as of March 16, 2007 (the "Exchange Date"), the approximate \$10 million balance of Mr. Redstone's vested deferred compensation account was converted into appreciation rights ("Stock Option Equivalents") with the same fair value on the conversion date. The Stock Option Equivalents have an exercise price equal to the closing price of a share of the Company's Class B Common Stock on the Exchange Date (\$30.21), vest in 25% installments on each of the first four anniversaries of the Exchange Date and have a term of eight years from the Exchange Date. Accordingly, Mr. Redstone will only realize value on such deferred amount to the extent the price of a share of the Company's Class B Common Stock is higher, at the time the Stock Option Equivalents are exercised, than the exercise price.

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Leslie Moonves

On February 23, 2010, the Company entered into an employment agreement with Mr. Moonves, which superseded his employment agreement dated October 15, 2007 and extended the term of his employment to February 22, 2015. This agreement provides for an annual base salary of \$3.5 million and a target bonus of \$12 million, both subject to an annual review and increase at the discretion of the Compensation Committee. Pursuant to the terms of his employment agreement, a portion of the bonus amount payable to him, if any, is subject to a payment schedule based on levels of achievement (ranging from 80% to 120%) of a "Company-wide" performance goal established by the Committee, which goal will be the same as the performance criterion under the Senior Executive STIP. The payment schedule provides that an 80% level of achievement against this goal will result in a payment of at least 80% of 85% of the target bonus amount set forth in his employment agreement; a 100% level of achievement will result in a payment of at least 85% of the target amount; and a 120% or greater level of achievement will result in a payment of at least 120% of 85% of the target amount.

Mr. Moonves' employment agreement provides for an initial grant of 3 million stock options on March 1, 2010, with an additional grant of not less than 3 million and not more than 4 million stock options to be awarded on the first anniversary of the initial stock option grant, subject to conditions set forth in the agreement. Also under the terms of the employment agreement, Mr. Moonves received an initial grant of RSUs having a grant date value of \$8,000,000 on February 23, 2010, and will receive on each anniversary of the initial RSU grant date through 2014 an RSU award with a grant-date value that is \$500,000 higher than the prior year's award. One half of each such RSU award will be subject to time-based vesting only and the remaining half will be subject to time-based and performance-based vesting. For the RSUs subject to performance-based vesting, the performance goal will be established by the Compensation Committee based on the Company's budgeted free cash flow for the calendar year of the grant. Pursuant to the terms of his employment agreement, the PRSUs are payable at 0% to 120% of the target number of shares depending on the degree of achievement against the pre-established performance goal. The Compensation Committee may make additional awards to Mr. Moonves in future years.

Mr. Moonves' employment agreement contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, and protecting confidential information and the Company's ownership of work product and requiring cooperation in litigation, as well as other covenants, during Mr. Moonves' employment and for specified periods after the termination of employment.

Pursuant to his employment agreement, Mr. Moonves reports to the Board and to Mr. Redstone, and Mr. Moonves is nominated annually for election to the Board and agrees to serve as a member of the Board for each period for which he is so elected. Under the employment agreement, Mr. Moonves performs services in New York as well as in Los Angeles. Accordingly, the Company provides Mr. Moonves with a tax neutralization payment with respect to any net incremental New York state and local taxes and fees he incurs as a result of his providing services in New York, with such amount to be reviewed and validated by the Compensation Committee. In addition, he is provided with \$16 million of life insurance during the employment term, up to a maximum annual cost of \$150,000 per year.

Joseph R. Ianniello

On July 20, 2009, the Company entered into an employment agreement with Mr. Ianniello, which superseded his prior employment agreement with the Company and provides for his employment as the Executive Vice President and Chief Financial Officer of CBS Corporation through July 19, 2013. The agreement provides for an annual base salary of \$1.5 million, which is subject to annual review and increase at the discretion of the Compensation Committee, and an annual target bonus equal to 200% of his annual salary as in effect on November 1st of such year. Mr. Ianniello is also eligible to receive

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annual grants of long-term compensation, as determined by the Company's Compensation Committee, based on a target value of \$3 million. The agreement also contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, protecting the Company's confidential information and its ownership of work product and requiring cooperation in litigation, as well as other covenants, during his employment and for specified periods after the termination of employment. Mr. Ianniello's employment agreement was amended and restated as of February 3, 2011 to provide for enhanced severance payments and benefits in the event his employment is terminated by the Company without cause or by him for good reason, in either case in connection with specified corporate events.

Louis J. Briskman

Effective October 1, 2011, the Company entered into a new employment agreement with Mr. Briskman, which superseded his prior employment agreement with the Company and provides for his continued employment as the Executive Vice President and General Counsel of CBS Corporation through December 31, 2013. The agreement provides for an annual base salary of \$1,300,000, which may be reviewed and increased at the discretion of the Compensation Committee. Under the new agreement, Mr. Briskman's annual target bonus is 200% of his base salary as in effect on November 1st of such year, and Mr. Briskman is eligible to receive annual grants of long-term compensation, as determined by the Company's Compensation Committee, based on a target value of \$3 million, commencing in 2012.

Mr. Briskman's employment agreement contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, protecting the Company's confidential information and its ownership of work product and requiring cooperation in litigation, as well as other covenants, during his employment and for specified periods after the termination of employment. The agreement also provides for enhanced severance payments and benefits in the event his employment is terminated by the Company without cause or by him for good reason, in either case in connection with specified corporate events. Mr. Briskman's employment agreement provides that he will continue to receive supplemental pension payments pursuant to an agreement dated March 2, 1999, as amended on May 3, 2000, with the former CBS Corporation. See the footnotes and narrative accompanying the Pension Benefits in 2011 tables for information on his supplemental pension payments.

Anthony G. Ambrosio

Effective June 7, 2010, the Company entered into an employment agreement with Mr. Ambrosio, which superseded his prior employment agreement with the Company and provides for his continued employment as the Executive Vice President, Human Resources and Administration of CBS Corporation through June 6, 2013. The agreement provides for an annual base salary of \$750,000, which may be reviewed and increased at the discretion of the Compensation Committee, and an annual target bonus equal to 85% of his salary as in effect on November 1st of such year. Mr. Ambrosio is also eligible to receive annual grants of long-term compensation, as determined by the Company's Compensation Committee, based on a target value of \$1.5 million. The agreement also contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, protecting the Company's confidential information and its ownership of work product and requiring cooperation in litigation, as well as other covenants, during his employment and for specified periods after the termination of employment. Mr. Ambrosio's employment agreement was amended and restated as of February 3, 2011 to provide for enhanced severance payments and benefits in the event his employment is terminated by the Company without cause or by him for good reason, in either case in connection with specified corporate events.

Section 409A Amendments

The employment agreements for all of the named executive officers are compliant with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended.

Table of Contents**Grants of Plan-Based Awards During 2011**

The following table sets forth information concerning grants of equity awards under the Company's long-term incentive programs to the named executive officers in fiscal year 2011. Awards consisted of RSUs, PSUs, and nonqualified stock options.

Name	Grant Date	Committee Action Date (1)	Estimated Possible Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/Sh)(2)	Grant Date Fair Value of Stock and Option Awards (\$)(3)
			Threshold (#)	Target (#)	Maximum (#)				
Sumner M. Redstone	1/1/2011	2/22/2007	39,145	156,577	469,731			5,506,813	
	3/1/2011	2/23/2011					395,256	23.19	2,999,203
Leslie Moonves	2/23/2011	2/18/2010	156,250	195,312	234,375			4,249,989	
	2/23/2011	2/18/2010				195,312		4,249,989	
Joseph R. Ianniello	3/1/2011	2/23/2011					3,600,000	23.19	27,316,800
	2/23/2011	2/23/2011	33,088	41,360	49,632	41,360		899,994	
Louis J. Briskman	2/23/2011	2/23/2011	33,088	41,360	49,632		158,102	23.19	1,199,678
	2/23/2011	2/23/2011				41,360		899,994	
Anthony G. Ambrosio	3/1/2011	2/23/2011					158,102	23.19	1,199,678
	2/23/2011	2/23/2011	16,544	20,680	24,816	20,680		449,997	
	2/23/2011	2/23/2011						449,997	
	3/1/2011	2/23/2011					79,051	23.19	599,839

- (1) With respect to Mr. Redstone's January 1, 2011 grant, the "Committee Action Date" refers to the date on which the Compensation Committee approved the terms of the employment agreement that provides for the grant. With respect to Mr. Moonves' performance-based and time-based RSU grants, the "Committee Action Date" refers to the date on which the Compensation Committee approved the terms of the employment agreement that provides for the grants. With respect to Mr. Moonves' stock option grant, the "Committee Action Date" refers to the date on which the Compensation Committee approved the grant to Mr. Moonves of 3,600,000 stock options (which included 3,311,198 stock options calculated in accordance with his employment agreement, which was previously approved by the Compensation Committee on February 18, 2010). With respect to Messrs. Ianniello, Briskman and Ambrosio, the "Committee Action Date" refers to the date on which the Compensation Committee approved annual grants under the LTMIP for 2011, which were delivered in the form of a combination of stock options with a March 1, 2011 grant date and performance-based and time-based RSUs with a February 23, 2011 grant date.
- (2) The exercise price of the options is the closing price of the Company's Class B Common Stock on the date of grant.
- (3) Amounts reflect the fair value on the date of grant, calculated in accordance with FASB ASC Topic 718, of RSUs, PSUs and stock option awards reported in the table.

Description of Plan-Based Awards

Equity awards reported in the Grants of Plan-Based Awards During 2011 table were granted to the named executive officers under the Company's long-term incentive programs.

RSUs For the awards granted under the LTMIP, the number of RSUs awarded is determined by dividing the value to be delivered by the closing price of a share of the Company's Class B Common Stock on the NYSE on the date of grant. Except for Mr. Moonves' annual RSU grants, vesting for RSUs occurs in equal annual installments over four years, contingent on continued employment. Mr. Moonves' annual RSU grants vest (i) with respect to the time-based portion of his awards, in equal annual installments over three years, and (ii) with respect to the performance-based portion of his awards, on the later of (a) the first anniversary of the grant date and (b) the date on which the

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Committee certifies the achievement of performance conditions for the applicable calendar year. Some RSU awards are subject to performance conditions ("PRSUs"), as described under "Compensation Discussion and Analysis Long-Term Incentive Programs Performance Goals for LTMIP Awards PRSUs."

Stock Options The number of stock options awarded is determined by using a Black-Scholes valuation methodology in accordance with FASB ASC Topic 718 employing the same methodologies and assumptions that are applied for purposes of the Company's financial accounting statements (as reviewed by the Compensation Committee's independent consultant). Stock options have an exercise price not less than the closing price of a share of the Company's Class B Common Stock on the NYSE on the grant date and generally have an eight-year term. Vesting for stock options generally occurs in equal annual installments over four years, contingent on continued employment.

PSUs PSUs are notional units of measurement and represent the right to receive a number of shares of the Company's Class B Common Stock determined on the basis of the total stockholder return ("TSR") of the Company's Class B Common Stock relative to the TSR of the common stock of companies comprising the Standard & Poor's 500 Composite Index (with limited exceptions) (the "reference group") over a defined measurement period and, under certain circumstances, determined on the basis of achievement of a pre-determined performance threshold (see "Compensation Discussion and Analysis Long-Term Incentive Programs Performance Goals for LTMIP Awards PSUs" for a description of this threshold). For 2011, only Mr. Redstone received PSUs, in accordance with the terms of his employment agreement. The target shares for the 2011 PSU grant were determined on the basis of the average closing price of a share of the Company's Class B Common Stock on the NYSE for the 10 trading days prior to the date of grant. Payout under the PSUs range from zero to a maximum of 300% of the target number of shares of the Company's Class B Common Stock for the award. The 2011 PSU grant is subject to a three-year measurement period running from January 1, 2011 through December 31, 2013. The number of shares to be delivered under the 2011 PSU grant is determined in the manner described under "Compensation Discussion and Analysis Long-Term Incentive Programs Performance Goals for LTMIP Awards PSUs."

For other terms of these awards relating to performance goals and grant dates, see "Compensation Discussion and Analysis Long-Term Incentive Programs Performance Goals for LTMIP Awards" and " Grant Date of Awards."

Table of Contents**Outstanding Equity Awards at Fiscal Year-End 2011**

The following table sets forth for each named executive officer information concerning the outstanding equity awards at December 31, 2011, which included unexercised and vested stock options, unexercised and unvested stock options, unvested RSUs and PSUs, and unearned and unvested PSUs. The market values in this table were calculated using the closing price of a share of the Company's Class B Common Stock on December 31, 2011, which was \$27.14.

Name	Grant Date	Option Awards				Stock Awards			
		Number of Securities Underlying Unexercised Options Exercisable (#)(1)	Number of Securities Underlying Unexercised Options Unexercisable (#)(1)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(2)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: # of Unearned Shares, Units or Other Rights That Have Not Vested (#)(2)(3)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)
Sumner M. Redstone	3/16/2007	620,604		30.21	3/16/2015				
	2/28/2008	525,700	175,234	23.96	2/28/2016				
	9/22/2008	333,750	111,250	15.39	9/22/2016				
	2/24/2009	867,052	867,052	5.20	2/24/2017				
	3/1/2010	151,209	453,629	13.43	3/1/2018				
	3/1/2011		395,256	23.19	3/1/2019				
	1/1/2008					162,312	4,405,148		
	1/1/2009					1,123,340	30,487,448		
	1/1/2010							606,229	16,453,055
	1/1/2011							452,821	12,289,562
Leslie Moonves	10/19/2007	5,000,000		28.70	10/19/2015				
	4/2/2009		433,526	5.20	2/24/2017				
	10/16/2009	600,000	1,200,000	13.09	10/16/2017				
	3/1/2010		2,250,000	13.43	3/1/2018				
	3/1/2011		3,600,000	23.19	3/1/2019				
	2/23/2010					204,813	5,558,625		
	2/23/2011					429,687	11,661,705		

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Joseph R. Ianniello	5/25/2006	28,111		26.30	5/25/2014		
	9/6/2006	4,247		28.30	9/6/2014		
	3/6/2007	50,506		30.94	3/6/2015		
	2/28/2008	52,570	17,524	23.96	2/28/2016		
	2/24/2009	2	219,509	5.20	2/24/2017		
	3/1/2010	54,435	163,307	13.43	3/1/2018		
	3/1/2011		158,102	23.19	3/1/2019		
	2/28/2008					4,848	131,575
	2/28/2008					626	16,990
	2/24/2009					31,298	849,428
	2/23/2010					102,650	2,785,921
	2/23/2011					90,992	2,469,523
Louis J. Briskman	5/25/2006	149,925		26.30	5/25/2014		
	3/6/2007	202,020		30.94	3/6/2015		
	2/28/2008	175,233	58,411	23.96	2/28/2016		
	9/23/2008	265,957		14.85	9/23/2016		
	2/24/2009	293,086	606,936	5.20	2/24/2017		
	3/1/2010	60,483	181,452	13.43	3/1/2018		
	3/1/2011		158,102	23.19	3/1/2019		
	2/28/2008					16,160	438,582
	2/28/2008					2,086	56,614
	2/24/2009					86,538	2,348,641
	2/23/2010					114,055	3,095,453
	2/23/2011					90,992	2,469,523

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Name	Grant Date	Option Awards				Stock Awards			Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested
		Number of Securities Underlying Unexercised Options Exercisable (#)(1)	Number of Securities Underlying Unexercised Options Unexercisable (#)(1)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(2)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Unearned Shares, Units or Other Rights That Have Not Vested (#)(2)(3)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)
Anthony G. Ambrosio	5/25/2006	35,442		26.30	5/25/2014				
	3/6/2007	101,010		30.94	3/6/2015				
	2/28/2008	105,139	35,047	23.96	2/28/2016				
	2/24/2009	15,176	242,775	5.20	2/24/2017				
	3/1/2010	30,241	90,726	13.43	3/1/2018				
	3/1/2011		79,051	23.19	3/1/2019				
	2/28/2008					9,696	263,149		
	2/28/2008					1,252	33,979		
	2/24/2009					34,615	939,451		
	4/1/2009					201	5,455		
	2/23/2010					57,029	1,547,767		
	4/1/2010					647	17,560		
	2/23/2011					45,496	1,234,761		

(1) Each option award grant identified in the above table vests as follows: 25% vesting on each of the first four anniversaries of the date of grant, except with respect to (i) the 10/19/07 grant, of which 25% vested on each of October 1, 2008 and the first two anniversaries thereof and 25% vested on September 30, 2011, (ii) the 9/23/08 grant, of which 33¹/₃% vested on each of the first two anniversaries of the date of grant and the final 33¹/₃% vested on September 30, 2011 and (iii) the 3/1/11 grant to Mr. Moonves, of which the final 25% installment vests on February 22, 2015. During 2011, Mr. Ianniello transferred, pursuant to a domestic relations order, 365,295 stock options. These transferred stock options are not reflected in the above table.

(2) Set forth below is a schedule of the vesting related to each grant date for the stock awards identified in the above table:

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Grant Date	Stock Awards Vesting Schedule	Type
1/1/2008	0-300% with respect to the second half of the award vests subject to the satisfaction of performance conditions applicable to PSU grants awarded to other senior executives in 2008 for the three-year measurement period ending December 31, 2011. See also paragraph below this chart.	PSU
2/28/2008	0-200% of the second half of the award vests subject to the satisfaction of performance conditions for the three-year measurement period ending December 31, 2011. See also paragraph below this chart.	PSU
2/28/2008	Approximately 42% vested on each of the first and second anniversaries of the date of grant, approximately 8% vested on the third anniversary of the date of grant, and approximately 8% vests on the fourth anniversary of the date of grant. Vesting for each award was subject to the satisfaction of performance conditions for 2008.	RSU
1/1/2009	0-300% of the award vests subject to the satisfaction of performance conditions for the three-year measurement period ending December 31, 2011. See also paragraph below this chart.	PSU
2/24/2009	25% vested on each of the first two anniversaries of the date of grant, and 25% will vest on each of the third and fourth anniversaries of the date of grant. Vesting for each award was subject to the satisfaction of performance conditions for 2009.	RSU
4/1/2009	33 ¹ / ₃ % vested on each of the first two anniversaries of the date of grant, and 33 ¹ / ₃ % vests on the third anniversary of the date of grant.	RSU
1/1/2010	0-300% of the award vests subject to the satisfaction of performance conditions for the three-year measurement period ending December 31, 2012.	PSU

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Grant Date	Stock Awards Vesting Schedule	Type
2/23/2010	25% vested on the first anniversary of the date of grant, and 25% will vest on each of the second, third and fourth anniversaries of the date of grant, except with respect to Mr. Moonves' award, 33 ¹ / ₃ % of which vested on the first anniversary of the date of grant and 33 ¹ / ₃ % of which will vest on each of the second and third anniversaries of the date of grant. One half of each initial award was subject to the satisfaction of performance conditions for 2010.	RSU
4/1/2010	33 ¹ / ₃ % vested on the first anniversary of the date of grant, and 33 ¹ / ₃ % vests on each of the second and third anniversaries of the date of grant.	RSU
1/1/2011	0-300% of the award vests subject to the satisfaction of performance conditions for the three-year measurement period ending December 31, 2013.	PSU
2/23/2011	25% vests on the first anniversary of the date of grant and 25% will vest on the next three anniversaries of the date of grant, except with respect to Mr. Moonves' award. For Mr. Moonves, one half of his award vests upon the later of the first anniversary of the date of grant and the date on which the Compensation Committee certifies the achievement of performance conditions, and with respect to the other half of his award, 33 ¹ / ₃ % vests on the first anniversary of the date of grant and 33 ¹ / ₃ % will vest on each of the next two anniversaries of the date of grant. One half of each initial award was subject to the satisfaction of performance conditions for 2011. See also paragraph below this chart.	RSU

For RSUs with a grant date of 2/23/11, amounts in these columns, with respect to the portion of each award that is subject to performance conditions, reflect actual achievement of the maximum level of the applicable performance conditions for calendar year 2011. These RSUs vest after 12/31/11, in accordance with the vesting schedule set forth in the chart above. For PSUs with a grant date of 1/1/08, 2/28/08 and 1/1/09, amounts in these columns reflect actual achievement for the 1/1/09-12/31/11 measurement period resulting in the payment of 287.2%, 193.6% and 287.2%, respectively, of the target number of shares, which payment occurred in 2012 following certification of such achievement. During 2011, Mr. Ianniello transferred, pursuant to a domestic relations order, 27,949 stock awards. These transferred stock awards are not reflected in the above table.

- (3) For PSUs with a grant date of 1/1/10 and 1/1/11, amounts in these columns reflect achievement assuming truncated two-year and one-year measurement periods, respectively, ending 12/31/11, (rather than the actual 1/1/10-12/31/12 and 1/1/11-12/31/13 measurement periods, respectively), which would result in the payment of 282.4% and 289.2%, respectively, of the target number of shares.

Option Exercises and Stock Vested During 2011

The following table sets forth information concerning each exercise of stock options and the vesting of RSUs and PSUs during 2011 for each of the named executive officers.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#) (1)	Value Realized on Vesting (\$ (2)
Sumner M. Redstone			89,870	1,955,571
Leslie Moonves	1,783,526 (3)	24,228,874	1,259,315	27,402,694
Joseph R. Ianniello	219,507 (3)	4,688,825	69,422	1,528,176
Louis J. Briskman	274,965 (4)	5,401,985	124,650	2,709,052
Anthony G. Ambrosio	207,398 (3)	4,082,978	46,488	1,031,175

- (1) Represents RSUs and PSUs that vested during 2011. The net shares delivered upon the vesting of RSUs and PSUs to each of the named executive officers after withholding for applicable taxes were as follows: Mr. Redstone, 47,630 shares; Mr. Moonves, 667,435 shares; Mr. Ianniello, 34,381 shares; Mr. Briskman, 64,277 shares; and Mr. Ambrosio, 24,996 shares.

- (2)

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Represents the number of RSUs and PSUs that vested during 2011, multiplied by the closing price of the Company's Class B Common Stock on the NYSE on the applicable vesting date.

- (3) Represents stock options that were exercised during 2011 pursuant to the executive's 10b5-1 plan.
- (4) Represents stock options that were exercised during 2011, a majority of which were exercised pursuant to the executive's 10b5-1 plan.

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The following tables set forth information concerning each qualified and nonqualified defined benefit pension plan that provides payments in connection with retirement with respect to each of the named executive officers. The first table sets forth information with respect to pension plans pursuant to which named executive officers were accruing benefits as of December 31, 2011, and the second table sets forth information with respect to pension plans pursuant to which named executive officers had an accumulated benefit but were not accruing benefits as of December 31, 2011.

Pension plans pursuant to which named executive officers were accruing benefits as of December 31, 2011:

Name	Plan Name	Present Value		
		Number of Years of Credited Service (#) (1)	Accumulated Benefit (\$) (2)	Payments During Last Fiscal Year (\$) (3)
Sumner M. Redstone	Qualified CBS Retirement Plan (CRP)	8.7	62,359	6,224 (3)
	Nonqualified CBS Retirement Excess Pension Plan	8.7	104,402	
Leslie Moonves (4)	Qualified CBS Retirement Plan (CRP)	7.5	286,283	
	Nonqualified CBS Retirement Excess Pension Plan	7.5	2,061,381	
Joseph R. Ianniello	Qualified CBS Retirement Plan (CRP)	8.0	122,120	
	Nonqualified CBS Retirement Excess Pension Plan	8.0	299,808	
Louis J. Briskman (4)	Qualified CBS Retirement Plan (CRP)	6.3	250,339	
	Nonqualified CBS Retirement Excess Pension Plan	6.3	589,284	
Anthony G. Ambrosio	Qualified CBS Retirement Plan (CRP)	6.0	104,754	
	Nonqualified CBS Retirement Excess Pension Plan	6.0	288,795	

- (1) The years of credited service under the plans identified in the table above differ from the years of actual service with respect to Messrs. Redstone, Moonves, Ianniello, Briskman and Ambrosio, who have been employed by the Company since 1996, 1995, 1997, 1975 and 1985, respectively. Their respective credited service for benefit accruals began in the following years: Mr. Redstone, 2003; Messrs. Moonves and Ianniello, 2004; Mr. Briskman, 2005; and Mr. Ambrosio, 2006. Prior to their participation in these plans, Messrs. Moonves, Ianniello, Briskman, and Ambrosio participated in the pension plans identified in the table set forth below.
- (2) The present value of each named executive officer's accumulated benefit at December 31, 2011 in these plans was calculated assuming commencement of benefits at age 65 (except with respect to Mr. Redstone) using a discount rate of 4.90% and mortality rates in accordance with the RP2000 Sex distinct mortality table with a six-year projection using the Scale AA sex distinct table. Since Mr. Redstone is above the plan's normal retirement age, the present value calculations assume immediate commencement.
- (3) Mr. Redstone receives certain minimum required payments from the CRP on a monthly basis.
- (4)

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Messrs. Moonves and Briskman are eligible for early retirement, since they are at least 55 years of age and have provided at least 10 years of eligibility service, but have not yet reached 65, the normal retirement age. See the description of the CRP below for information about the effect of early retirement.

Table of Contents**Pension plans pursuant to which named executive officers had an accumulated benefit but were not accruing benefits as of December 31, 2011:**

Name	Benefit Accrual Status	Plan Name	Number of Years Credited Service (#)(1)	Present Value of Accumulated Benefit (\$)(2)	Payments During Last Fiscal Year (\$)
Sumner M. Redstone	N/A	N/A	N/A	N/A	N/A
Leslie Moonves (3)	Frozen Benefit	Qualified Cash Balance Component of CBS Combined Pension Plan (CCPP)	9.0	149,789	
	Frozen Benefit	Nonqualified CBS Supplemental Executive Retirement Plan (SERP)	9.0	1,744,077	
	Frozen Benefit	Nonqualified CBS Bonus Supplemental Executive Retirement Plan	3.8	474,244	
Joseph R. Ianniello	Frozen Benefit	Qualified Cash Balance Component of CCPP	6.3	46,023	
	Frozen Benefit	Nonqualified SERP	6.3	5,568	
Louis J. Briskman (3)(4)	Frozen Benefit; In Pay Status	Qualified Group W Component of CCPP	27.7	107,088	8,962
	Frozen Benefit; In Pay Status	Nonqualified Westinghouse Executive Pension Plan (WEPP)	26.5	1,898,924	158,921
	Frozen Benefit; In Pay Status	Nonqualified Executive Supplemental Pension Arrangement	28.5	6,228,349	521,249
Anthony G. Ambrosio	Frozen Benefit	Qualified Cash Balance Component of CCPP	25.5	206,696	
	Frozen Benefit	Nonqualified SERP	25.5	58,489	
	Frozen Benefit	Nonqualified CBS Bonus SERP	14.1	30,240	

(1) The years of credited service under the plans identified in the table above differ from the years of actual service with respect to Messrs. Moonves, Ianniello, Briskman and Ambrosio, who have been employed by the Company since 1995, 1997, 1975 and 1985, respectively. With respect to Messrs. Moonves, Ianniello, and Ambrosio, their respective years of credited service under these plans reflect actual service through the date on which these plans froze their respective benefit accruals, as follows: CCPP and SERP for Messrs. Moonves and Ianniello, 2004; CCPP and SERP for Mr. Ambrosio, 2010; CBS Bonus Supplemental Executive Retirement Plan for Messrs. Moonves and Ambrosio, 1999. Mr. Briskman has been receiving benefits under the CCPP since 2002, and the WEPP and his supplemental pension arrangement since 2004; his years of credited service under these plans reflect actual service and additional credited service in accordance with the provisions of the plans.

(2)

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The present value of each named executive officer's accumulated benefit at December 31, 2011 in these plans was calculated assuming commencement of benefits at age 65 (except for Mr. Briskman, see footnote (4) below), a discount rate of 4.90% and mortality rates in accordance with the UP94 Sex male mortality table, with a one-year setback for males and a four-year setback for females.

- (3) Messrs. Moonves and Briskman are eligible for early retirement, since they are at least 55 years of age and have provided at least 10 years of vesting service, but have not yet reached 65, the normal retirement age. See the description of the CCPP below for information about the effect of early retirement.
- (4) Mr. Briskman's benefits are valued using an immediate single life factor, rather than assuming commencement at age 65, since he is currently receiving benefits. His active participation in these plans ended on December 31, 2001, following his departure from a CBS subsidiary of Former Viacom, and he began receiving benefits under the CCPP in 2002 and the WEPP and supplemental pension arrangement in 2004. Mr. Briskman returned to the Company on September 6, 2005, whereupon he received credit in the CBS Retirement Plan and CBS Retirement Excess Pension Plan for his service with the former CBS Corporation prior to September 6, 2005 for purposes of eligibility and vesting, but not for benefit accrual.

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Description of Pension Benefits

The Company currently maintains several qualified and nonqualified defined benefit plans as a result of various mergers, acquisitions and divestitures involving the Company and its various businesses, as well as changes implemented by the Company and its predecessors in retirement programs. Most of these plans, including all of the plans identified below, are closed to new participants and operate only for employees who are grandfathered into these plans. The Company's practice is generally not to grant additional years of benefit accrual service under the pension plans. The normal retirement age for all Company-sponsored pension plans is 65. See the two immediately preceding tables for the named executive officers' participation in these plans.

Pension plans pursuant to which named executive officers were accruing benefits as of December 31, 2011:

CBS Retirement Plan (CRP)

All of the named executive officers participate in the CRP, a tax-qualified defined benefit plan. Participation in the CRP begins on the later of the date an eligible employee attains age 21 or completes one year of eligibility service. The plan has been frozen to new participants since July 2010. Employees are fully vested in their accrued benefit upon completion of five full years of vesting service. The Company pays the entire cost of the benefits provided by the CRP. Eligible compensation for purposes of qualified plans is limited by federal law; for 2011, the limit was \$250,000 (the "Annual Limit").

For each year of credited service up to a maximum of 30 years, the benefit formula for calculating an age 65 accrued benefit under the CRP is 1.25% of the participant's final average compensation up to the Social Security covered compensation amount, plus 1.75% of the participant's final average compensation above the Social Security covered compensation amount. Final average compensation includes eligible salary, commissions, overtime and short-term incentive awards. If an employee who participates in the CRP reaches age 55 with 10 years of eligibility service, he or she is considered eligible for an early retirement benefit. The reductions for retiring early are 6% per year for each year that the benefit begins between ages 65 and 60, plus 4% per year for each year that the benefit begins between ages 60 and 55. The normal forms of payment for a married or single participant are a 50% joint and survivor annuity or single life annuity, respectively. All optional forms of payment under the CRP are actuarially equivalent to the normal forms of payment.

CBS Retirement Excess Pension Plan (CREPP)

The Company maintains an unfunded nonqualified defined benefit plan to provide benefits to employees who are participants in the CRP and whose annual base salary and commissions exceed the Annual Limit. The benefits under the CREPP are calculated using the CRP formula and eligible compensation in excess of the Annual Limit. Early retirement reduction factors are identical to those of the CRP. The maximum amount of total annual compensation that may be taken into account under the CRP and the CREPP is \$750,000, except with respect to Messrs. Redstone and Moonves. For Mr. Redstone, who is also eligible to participate in the Viacom pension and excess pension plans, the amount of compensation that can be taken into account is \$375,000. Pursuant to the terms of Mr. Moonves' employment agreement, the amount of compensation that can be taken into account for him equals the amount of his base salary. Employees are fully vested in their accrued CREPP benefit upon completion of five full years of vesting service. The normal forms of payment for a married or single participant are a 50% joint and survivor annuity or single life annuity, respectively. All optional forms of payment under the CREPP are actuarially equivalent to the normal form of payment.

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Pension plans pursuant to which named executive officers had an accumulated benefit but were not accruing benefits as of December 31, 2011:

CBS Combined Pension Plan (CCPP)

The Company maintains the CCPP, a tax-qualified defined benefit plan for eligible employees who satisfy age and service requirements. Through the end of 2011, the CCPP contained five separate components and has been frozen to new participants since March 31, 1999. Messrs. Moonves, Ianniello and Ambrosio have frozen benefits in the Cash Balance Component, and Mr. Briskman has accumulated benefits in payment status under the Group W Component. For all of the components, employees are fully vested in their accrued benefit upon completion of five years of vesting service. The Company pays the cost of the benefits provided by the CCPP. Eligible compensation for purposes of the CCPP is limited to the Annual Limit. Early retirement reductions differ in each of these components of the CCPP; however, early retirement eligibility is defined as age 55 with 10 years of vesting service while actively employed for each component.

Cash Balance Component: The cash balance benefit is expressed in the form of a hypothetical account balance. Benefits accrue monthly at a rate generally between 2%-12% of eligible compensation; the rate may increase with service. Eligible compensation is generally base salary. Interest credits are applied monthly to the prior month's balance, with a minimum of 5%. The normal forms of payment for a married or single participant are a 50% joint and survivor annuity or single life annuity, respectively; however, a lump sum payment option is available for this benefit. All optional forms of payment under the Cash Balance Component are actuarially equivalent to the normal forms of benefit. There is no separate eligibility for early retirement as benefits are eligible for commencement upon termination from employment at any age.

Group W Component: The participant receives a monthly pension equal to the greater of \$31 for each year of participation or $\frac{1}{12}$ of 2% of annual pensionable wages for each year of participation. Pensionable wages include base pay, certain overtime pay and 50% of short-term incentive awards. While early retirement reduction provisions vary, as applied to the named executive officers hired prior to 1995 with less than 30 years of vesting service, the plan requires a reduction of $\frac{1}{3}$ of 1% for each month the retirement date precedes age 65 (4% per year) down to age 60, with additional reductions using an IRS-approved mortality table and an annual interest rate of 7% for commencement prior to age 60. The normal forms of payment for a married or single participant are a 50% joint and survivor annuity or single life annuity, respectively; however, a lump sum payment option is available for this benefit. All optional forms of payment under the Group W Component are actuarially equivalent to the normal forms of benefit.

CBS Supplemental Executive Retirement Plan (SERP)

The Company maintains the SERP, an unfunded nonqualified defined benefit plan, for eligible employees who participate in the CCPP whose annual base salary exceeds the Annual Limit. The benefits under the SERP applicable to the named executive officers are calculated using the Cash Balance Component formula generally using base salary in excess of the Annual Limit. The normal form of payment is a single life annuity. All optional forms of payment under the SERP are actuarially equivalent to the normal form of payment.

CBS Bonus Supplemental Executive Retirement Plan (Bonus SERP)

The Company established the Bonus SERP, an unfunded nonqualified defined benefit plan, to provide benefits based on short-term incentive awards to certain employees who are participants in the CCPP. This plan has been frozen to new participants since March 31, 1999, at which time all benefits vested. The benefit is based on 50% of the average of a participant's highest five consecutive short-term incentive awards for the last 10 years, multiplied by 1.7% times credited service up to a maximum of 35. Early retirement reduction factors are identical to those of the applicable CCPP

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component. The normal form of payment is a single life annuity. All optional forms of payment under the Bonus SERP are actuarially equivalent to the normal form of payment.

Westinghouse Executive Pension Plan (WEPP)

The WEPP is an unfunded nonqualified defined benefit plan, which provides benefits based upon an executive's final average compensation which are offset by benefits payable under the CCPP. This plan has been closed to new participants since March 31, 1999, at which time all benefits vested. The WEPP normal retirement formula is as follows: the sum of the participant's average monthly base salary and average monthly short-term incentive awards is multiplied by the product of the participant's executive service times 1.47%. The early retirement reduction factors for the WEPP are identical to those in the Group W Component of the CCPP. The normal form of payment is a single life annuity. All optional forms of payment under the WEPP are actuarially equivalent to the normal form of payment.

Executive Supplemental Pension Arrangement

Pursuant to an agreement dated March 2, 1999, as amended on May 3, 2000, Mr. Briskman received monthly supplemental pension payments during 2011 under an unfunded nonqualified defined benefit arrangement. Mr. Briskman's payments under this arrangement are paid in the form of a single life annuity and are offset by benefits payable under the Group W Component of the CCPP and the WEPP. These payments are based on the WEPP benefit formula using certain assumptions with respect to final average compensation, average monthly base salary, average monthly short-term incentive awards and executive service, as set forth in the agreement. Early retirement reductions did not apply to this arrangement.

Nonqualified Deferred Compensation in 2011

The following table sets forth information concerning nonqualified deferred compensation.

Name	Plan Name	Executive Contributions in Last FY \$(1)	Registrant Contributions in Last FY \$(2)	Aggregate Earnings in Last FY \$(3)	Aggregate Withdrawals/Distributions (\$)	Aggregate Balance at Last FYE (\$)
Sumner M. Redstone	Deferred salary plans	0	0	5,047(4)	0	100,101
	Deferred bonus plans	0	0	0	0	0
Leslie Moonves	Deferred salary plans	508,500	21,604	461,684	0	16,013,387
	Deferred bonus plans	0	0	44,742	0	1,788,027
Joseph R. Ianniello	Deferred salary plans	62,750	17,675	44,239	0	457,146
	Deferred bonus plans	0	0	0	0	0
Louis J. Briskman	Deferred salary plans	126,500	21,000	65,505	0	832,040
	Deferred bonus plans	0	0	50,098	(173,780)(5)	232,575
Anthony G. Ambrosio	Deferred salary plans	94,269	22,256	73,307	0	557,934
	Deferred bonus plans	0	0	0	0	0

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- (1) Executive contributions pursuant to deferred salary and bonus plans are included in the "Salary" and "Bonus" columns, respectively, in the Summary Compensation Table for Fiscal Year 2011.
- (2) Amounts reported are included in the "All Other Compensation" column of the Summary Compensation Table for Fiscal Year 2011.
- (3) Amounts reflect earnings or losses on all amounts deferred in 2011 and prior years in nonqualified plans. No portion of these amounts is included in the Summary Compensation Table for Fiscal Year 2011, as none of these plans or arrangements provide for above-market or preferential earnings, except with respect to Mr. Redstone, as noted in footnote (6) to the Summary Compensation Table for Fiscal Year 2011.
- (4) Amount reflects earnings on amounts deferred under the Excess 401(k) Plan. On March 16, 2007, the \$10,334,370 balance of Mr. Redstone's deferred salary compensation account, which was fully vested, was converted to unvested SOEs of equal value that have an exercise price of \$30.21 (which was the closing price of the Company's Class B Common Stock on that date) and an eight-year term, and that vested in equal installments over four years. The Company considers the SOEs as having no intrinsic value because their exercise price exceeded the closing price of a

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share of the Company's Class B Common Stock on December 31, 2011 (which was \$27.14). See "Employment Agreements - Sumner M. Redstone" for further information on the SOEs.

(5)

Mr. Briskman is currently receiving a distribution of amounts he deferred under the CBS Deferred Incentive Compensation Program prior to his departure from the Company in 2002.

Description of Nonqualified Deferred Compensation

Set forth below is information with respect to each plan under which deferrals of compensation are reflected in the table above.

Deferred Salary Plans

CBS Excess 401(k) Plan for Designated Senior Executives (Excess 401(k) Plan)

The Company maintains supplemental 401(k) plans, including the Excess 401(k) Plan, an unfunded nonqualified deferred compensation plan intended to provide benefits to employees who are eligible to participate in the CBS 401(k) Plan and whose annual base salary exceeds the Annual Limit. A participant can defer between 1% and 15% of his or her eligible compensation through payroll deductions on a pre-tax or Roth 401(k) basis. Eligible compensation generally includes base pay or salary, including pre-tax contributions to the CBS 401(k) Plan and the Company's group health plan, flexible spending accounts and contributions to the commuter reimbursement account plan, plus overtime, commissions, hazard pay and shift differential pay. For 2011, the Company matched Excess 401(k) Plan contributions based on the rate of matching contributions under the CBS 401(k) Plan (60% for January 2011 and thereafter 70% of the amount deferred up to the first 5% of eligible compensation on pre-tax and Roth 401(k) contributions), and Company contributions are fully vested after five years of service. Matching contributions made by the Company to the CBS 401(k) Plan and the Excess 401(k) Plan together will not be made with respect to compensation in excess of \$750,000. For Mr. Redstone, who is eligible to participate in the Viacom 401(k) and 401(k) excess plans, the amount of compensation that can be taken into account for Company matching amounts is limited to \$375,000.

Deferred amounts are reflected in phantom accounts and are credited with earnings and/or losses as if the deferred amounts were actually invested in accordance with the participant's investment elections under the CBS 401(k) Plan. The Company's matching contributions, which are made in shares of the Company's Class B Common Stock, are also reflected in phantom accounts. The CBS 401(k) Plan offers 19 investment options in which Excess 401(k) Plan balances may be notionally invested, and participants may change or reallocate investment directions on any business day on which the NYSE is open. The vested portion of a participant's Excess 401(k) Plan account is distributed in cash after termination of employment in accordance with the participant's distribution election, either in a lump sum or in installments. All of the named executive officers actively participate in the Excess 401(k) Plan, except for Mr. Redstone, although he does maintain a balance in the Excess 401(k) Plan.

CBS Supplementary Employee Investment Fund (SEIF)

The SEIF was established to provide benefits to employees who were eligible to participate in the former CBS Corporation's qualified defined contribution plan and whose annual base salary exceeded the Annual Limit during the applicable years. This nonqualified deferred compensation plan, which is funded using a rabbi trust, was closed to new participants as of 1998 and ceased permitting new contributions effective as of January 1, 2002. Participants were permitted to contribute 1% to 12.5% of their eligible compensation, which was matched by the former CBS Corporation. Eligible compensation generally included base pay or salary and excluded bonus payments, overtime compensation, deferred compensation and additional compensation. The SEIF offers six investment options for employee contribution amounts. Company matching contributions are reflected in a phantom account consisting of the Company's Class B Common Stock. Payouts under the SEIF are made in accordance with the participant's distribution election, either in a lump sum payment or installment payments. Mr. Moonves has a balance in this plan.

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CBS Deferred Compensation Arrangements

The Company previously required certain senior executives to defer specified amounts of their base salary compensation, as determined by their respective employment contracts. Deferred amounts are held in phantom accounts and are credited with earnings and/or losses as if the deferred amounts were actually invested in accordance with the participant's investment elections under the CBS 401(k) Plan. These arrangements are not funded. Distributions are made in accordance with the individual's respective employment contract. Mr. Moonves has a deferred compensation balance in connection with these arrangements due to deferral requirements from a prior employment contract with the Company.

Deferred Bonus Plans

CBS Bonus Deferral Plan for Designated Senior Executives (BDP)

The Company maintains bonus deferral plans, including the BDP, an unfunded nonqualified deferred compensation plan intended to provide benefits to employees who are eligible to participate in the CBS 401(k) Plan and whose annual base salary exceeds the Annual Limit. Participants can defer between 1% and 15% of their short-term incentive plan bonus to the BDP on a pre-tax basis. Deferred amounts in the BDP are held in phantom accounts and are credited with earnings and/or losses as if the deferred amounts were actually invested in accordance with the participant's investment elections under the CBS 401(k) Plan. Amounts deferred under the BDP are distributed in cash after termination of employment in accordance with the participant's distribution election, either in a lump sum or installments. None of the named executive officers made elections to defer bonus amounts earned in 2011. Mr. Moonves is the only named executive officer who maintains a balance in this plan.

CBS Deferred Incentive Compensation Program (ICP)

Under the ICP, eligible participants were permitted to defer up to 100% of their performance awards, including bonuses. No new contributions have been made to this nonqualified deferred compensation program, which is funded using a rabbi trust, since 2001. Prior to January 1, 1998, deferred amounts were treated as if invested in debentures with a face value of \$100. Debentures were deemed convertible into a certain number of shares of the Company's common stock. At the time a deferred installment is paid, the employee receives the greater value of (i) the cash amount equal to the face value of the debentures due for such installment, plus cash equal to accrued interest on the deferred amount at a 10-year U.S. Treasury bond rate, and (ii) shares of common stock equal to the number of shares into which the debentures due for such installment are convertible, plus cash equal to accrued interest on the deferred amount at a 10-year U.S. Treasury bond rate. The Company may choose to pay the entire value in cash, in shares of the Company's Class B Common Stock or in a combination of stock and cash. Amounts are paid either in a lump sum or installments following termination of service, as elected by the participant. Mr. Briskman has a balance in the ICP and is currently receiving installment distributions under the ICP.

For amounts deferred after January 1, 1998, eligible employees could elect to defer up to 100% of their annual incentive award. Amounts deferred are credited with interest based on the one-year U.S. Treasury bill rate (or such other rate as determined by the Compensation Committee), reset every January. Deferred amounts are paid either (i) in a lump sum in any future year not later than the year of normal retirement or (ii) in a lump sum or annual installments after termination of employment.

Deferrals Under the Company's Long-Term Management Incentive Program

The Compensation Committee may permit deferral of any awards granted pursuant to the LTMIP. These arrangements are not funded. Executives were given the opportunity to defer settlement of RSUs granted in 2011, but no executives elected to defer settlement of such awards. Should an executive elect to defer settlement of his or her RSUs, such deferred RSUs would accrue dividend equivalents in the event the Company pays a regular cash dividend on the Company's Class B Common Stock and the dividend equivalents would convert annually into additional deferred RSUs. Dividend equivalents would accrue on the deferred RSUs (including the RSUs annually converted from dividend equivalents) until the RSUs are settled, at which time the dividend equivalents (including those converted annually from dividend equivalents) would become payable in shares of the Company's Class B Common Stock.

Table of Contents**Potential Payments upon Termination**

During 2011, all of the named executive officers had employment agreements providing for separation payments upon certain types of termination of employment. The tables below set forth estimated potential payments that would be made to a named executive officer if his employment had terminated as of December 31, 2011. In determining the benefits payable upon certain terminations of employment, the Company has assumed in all cases that the executive has complied and continues to comply with all of the restrictive and other covenants included in his employment agreement and has not become employed by a new employer in those cases where the employment agreement requires mitigation by the executive.

The following tables reflect incremental payments and benefits that would be owed by the Company to the executive beyond what the named executive officer had earned, and which were no longer subject to vesting conditions, as of December 31, 2011, and do not reflect benefits that are provided pursuant to plans or arrangements that do not discriminate in favor of executive officers and are available generally to all salaried employees, such as amounts accrued under the CBS 401(k) and 401(k) excess plans, accumulated and vested benefits under the Company's pension plans, disability benefits and accrued vacation pay. Payments made to a named executive officer would be made subject to any applicable requirements of Section 409A of the Code. In the case of Messrs. Moonves, Ianniello, Briskman and Ambrosio, receipt of the payments and benefits shown below upon a termination without Cause or for Good Reason is conditioned on the named executive officer's execution of a release in favor of the Company.

	Continuation of Salary	Annual Bonus Continuation	Incremental Pension Benefit	Continuation of Medical, Dental and Life Insurance	Vesting of Equity Awards
	\$(1)	\$(2)	(\$)	\$(3)	\$(4)(5)
Sumner M. Redstone (6)					
Termination for Cause	0	0	0	0	0
Voluntary termination	0	0	0	0	0
Without Cause termination	0	0	0	0	57,605,360
Death	0	0	0	0	57,605,360
Disability	0	0	0	0	57,605,360
Leslie Moonves					
Termination for Cause	0	0	0	0	0
Voluntary termination without Good Reason	0	0	0	0	0
Without Cause termination	10,500,000	54,500,000	3,979,475	478,039	88,659,390
Good Reason termination	10,500,000	54,500,000	3,979,475	478,039	88,659,390
Death	0	0	0	0	88,659,390
Disability	0	0	0	413,532	88,659,390
Joseph R. Ianniello					
Termination for Cause	0	0	0	0	0
Voluntary termination without Good Reason	0	0	0	0	0
Without Cause termination	3,000,000	6,000,000	0	33,206	13,857,057
Good Reason termination	3,000,000	6,000,000	0	33,206	12,310,044
Death	0	0	0	0	13,857,057
Disability	0	0	0	0	13,857,057

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	Continuation of Salary	Annual Bonus Continuation	Incremental Pension Benefit	Continuation of Medical, Dental and Life Insurance	Vesting of Equity Awards
	\$(1)	\$(2)	(\$)	\$(3)	\$(4)(5)
Louis J. Briskman					
Termination for Cause	0	0	0	0	0
Voluntary termination without Good Reason	0	0	0	0	0
Without Cause termination	1,950,000	3,900,000	0	3,931	24,584,364
Good Reason termination	1,950,000	3,900,000	0	3,931	24,584,364
Death	0	0	0	0	24,584,364
Disability	0	0	0	0	24,584,364
Anthony G. Ambrosio					
Termination for Cause	0	0	0	0	0
Voluntary termination without Good Reason	0	0	0	0	0
Without Cause termination	1,125,000	956,250	0	33,875	9,068,927
Good Reason termination	1,125,000	956,250	0	33,875	9,068,927
Death	0	0	0	0	10,773,011
Disability	0	0	0	0	10,773,011

- (1) Amounts reflect, with respect to Mr. Moonves, three times his annual base salary; with respect to Mr. Ianniello, the continuation of his base salary for a period of 24 months, in this instance, January 1, 2012 through December 31, 2013; and with respect to each of Messrs. Briskman and Ambrosio, the continuation of his base salary for a period of 18 months, in this instance, January 1, 2012 through June 30, 2013.
- (2) For terminations without "Cause" or for "Good Reason": for Mr. Moonves, amounts reflect the payment of three times the average of the last three completed calendar year bonuses, with his target bonus included for 2011; for Mr. Ianniello, amounts reflect the payment of 24 months' worth of his target bonus; for Mr. Briskman, amounts reflect the payment of 18 months' worth of bonus, which is based on the greater of his target bonus and the average of the bonuses paid for the two calendar years preceding the calendar year of his termination; and for Mr. Ambrosio, amounts reflect 18 months' worth of target bonus. With respect to a December 31, 2011 termination date, bonuses for the period January 1, 2011 through December 31, 2011 (as determined by the Compensation Committee, which would have been earned by the named executive officers as set forth in the Summary Compensation Table) are not included as "Annual Bonus Continuation." Target bonus amounts for the named executive officers were as follows for 2011: Mr. Redstone, \$5,000,000; Mr. Moonves, \$12,000,000; Mr. Ianniello, \$3,000,000; Mr. Briskman, \$2,600,000; and Mr. Ambrosio, \$637,500.
- (3) The amounts shown for Messrs. Moonves, Ianniello and Ambrosio reflect the Company's cost of providing continued health insurance benefits and life insurance coverage as provided in their employment agreements. Upon termination, Mr. Briskman will be entitled to receive, independent of his employment agreement, continued medical benefits previously earned under the CBS retiree medical program. The amount shown for Mr. Briskman reflects the Company cost of providing continued life insurance coverage as provided in his employment agreement.
- (4) The calculation of the value associated with the acceleration or continuation (as the case may be) of the vesting of equity grants, in the case of stock awards, was based on the closing price of the Company's Class B Common Stock on December 31, 2011, which was \$27.14, and, in the case of options, was based on the difference between such closing price and the exercise price of the option. For the PRSUs awarded on February 23, 2011 to the named executive officers (other than Mr. Redstone), because the Compensation Committee in February 2012 certified that the Company's performance exceeded the performance goals for these grants by more than 120%, the amounts shown reflect acceleration of all or a portion, as applicable, of 120% of the target award as of December 31, 2011.

In the case of Mr. Redstone, the number of shares to be delivered in settlement of his 2010 and 2011 PSUs under these post-termination scenarios would be determined in accordance with the award schedule discussed in "Compensation Discussion and Analysis Long-Term Incentive Programs Performance Goals for LTMIP Awards PSUs" based on a three-year performance period ending December 31, 2011, as required by the terms of his employment agreement. Under these post-termination scenarios, Mr. Redstone would be entitled to settlement of 287.2% of his target 2010 and 2011 PSU awards.

See the Outstanding Equity Awards at Fiscal Year-End 2011 table and accompanying footnotes for more information about the equity awards included in the above calculation.

- (5) In the case of Messrs. Redstone, Moonves and Briskman, the amounts included with respect to a termination of employment due to "Death" or "Disability" reflect the accelerated vesting of outstanding equity awards in accordance with the provisions

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of each named executive officer's employment agreement. In September 2011, the Compensation Committee provided for accelerated vesting of equity awards (other than PSUs) then outstanding upon an employee's termination of employment due to death or permanent disability, and the amounts shown for Messrs. Ianniello and Ambrosio reflect accelerated vesting pursuant to this program.

(6)

Mr. Redstone's employment contract does not include a "Good Reason" clause.

The following table reflects payments and benefits that are additional to those set forth in the preceding table that would be owed by the Company to Messrs. Ianniello, Briskman and Ambrosio if their employment was terminated by the Company without Cause, or if they terminated their employment with Good Reason, on December 31, 2011, within twenty-four months following the occurrence of a "Corporate Event" (as defined below).

	Continuation of Salary (\$)(1)	Annual Bonus Continuation (\$)(2)	Incremental Pension Benefit (\$)	Continuation of Medical, Dental and Life Insurance (\$)(3)	Outplacement Services (\$)(4)	Vesting of Equity Awards (\$)(5)
Joseph R. Ianniello						
Without Cause termination	1,500,000	3,600,000	0	16,603	18,000	0
Good Reason termination	1,500,000	3,600,000	0	16,603	18,000	1,547,013
Louis J. Briskman						
Without Cause termination	1,950,000	2,490,000	0	1,966	18,000	0
Good Reason termination	1,950,000	2,490,000	0	1,966	18,000	0
Anthony G. Ambrosio						
Without Cause termination	1,125,000	1,418,750	0	34,034	18,000	1,704,085
Good Reason termination	1,125,000	1,418,750	0	34,034	18,000	1,704,085

(1)

Amounts reflect, with respect to Mr. Ianniello, the continuation of his base salary for an additional 12 months, and with respect to each of Messrs. Briskman and Ambrosio, the continuation of his base salary for an additional 18 months.

(2)

Amounts reflect the payment of 36 months' worth of bonus, which is based on the average of the bonuses paid for the three calendar years preceding the calendar year of termination, less the amount shown in the preceding table.

(3)

The amounts shown for Messrs. Ianniello and Ambrosio reflect the Company's cost of providing continued health insurance benefits and life insurance coverage as provided in their employment agreements, in the case of Mr. Ianniello, for an additional 12 months, and in the case of Mr. Ambrosio, for an additional 18 months. Upon termination, Mr. Briskman will be entitled to receive, independent of his employment agreement, continued medical benefits previously earned under the CBS retiree medical program. The amount shown for Mr. Briskman reflects the Company cost of providing continued life insurance coverage as provided in his employment agreement for an additional 12 months.

(4)

The amounts shown for Messrs. Ianniello, Briskman and Ambrosio reflect the Company's cost of providing outplacement services for a maximum period of 12 months following termination of employment.

(5)

The calculation of the value associated with the acceleration or continuation (as the case may be) of the vesting of equity grants, in the case of stock awards, was based on the closing price of the Company's Class B Common Stock on December 31, 2011, which was \$27.14, and, in the case of options, was based on the difference between such closing price and the exercise price of the option.

None of the named executive officers' employment agreements provide for post-termination payments and benefits solely in the event of a change-in-control, and, in the case of Mr. Moonves, the amount of payments to which he is entitled upon termination is not affected by

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whether the termination occurs before or after a change-in-control. Mr. Moonves' agreement provides for a "gross-up" in the event any payment or benefit owed to him under the agreement is subject to the excise tax imposed by Section 4999 of the Code. If the Company experienced a change-in-control on December 31, 2011, and Mr. Moonves was terminated on that date and such termination was determined to be contingent on the change-in-control, certain of Mr. Moonves' payments and benefits may trigger an excise tax imposed under Section 4999 of the Code. In connection with a termination

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"Without Cause" or for "Good Reason," the Company would owe Mr. Moonves, as a tax gross-up in respect of the excise tax, an amount equal to approximately 37.5% of the total present value of the payments and benefits he would receive in connection with such termination that are taken into account for purposes of determining the amount of the excise tax.

The employment agreements of each of Messrs. Ianniello, Briskman and Ambrosio provide for a "gross-up" if the executive's employment is terminated "Without Cause" or for "Good Reason" within 24 months following the occurrence of a "Corporate Event" and any payment or benefit owed to him under the agreement is subject to the excise tax imposed by Section 4999 of the Code, but only if the aggregate amount of such payments and benefits exceeds a specified percentage of the safe harbor amount. If the aggregate amount of payments and benefits owed does not exceed the specified percentage, the payments and benefits would be reduced to avoid imposition of the excise tax. In connection with such termination "Without Cause" or for "Good Reason" on December 31, 2011, which occurred within 24 months following the occurrence of a "Corporate Event," and if the specified percentage were exceeded, the Company would owe Messrs. Ianniello, Briskman and Ambrosio as a tax gross-up in respect of the excise tax, an amount equal to approximately 47.0%, 39.0% and 43.7%, respectively, of the total present value of the payments and benefits each would receive in connection with such termination that are taken into account for purposes of determining the amount of the excise tax.

Termination for Cause or Voluntary Termination Without Good Reason

Each named executive officer's employment agreement includes a definition of "Cause" (as discussed below) for which the executive's employment may be terminated by the Company. The named executive officers will receive no incremental payments and benefits under their respective employment agreements in the event of a termination by the Company for "Cause" or a named executive officer's voluntary termination without "Good Reason" (also discussed below).

Termination Without "Cause" by the Company or for "Good Reason" by the Named Executive Officer

Each named executive officer will receive termination payments and benefits if the Company terminates his employment without "Cause" or, except for Mr. Redstone, if the named executive officer terminates employment with the Company for "Good Reason" pursuant to his employment agreement. Mr. Redstone's employment agreement does not include any provision on resignation for "Good Reason."

If a termination without "Cause" or for "Good Reason" had occurred as of December 31, 2011, then, in addition to compensation the named executive officer would have earned as of the termination date and benefits generally available to all salaried employees (such as amounts accrued under the CBS 401(k) plans, accumulated and vested benefits under the Company's nonqualified deferred compensation and pension plans, disability benefits and accrued vacation pay):

Mr. Redstone would have received accelerated vesting of certain equity awards (for a termination without "Cause");

Mr. Moonves would have received (i) a cash severance amount equal to three times the sum of his salary at the time of termination and the average of the annual bonuses payable with respect to the last three completed calendar years in which he served as President and Chief Executive Officer of the Company; (ii) Company-paid medical and dental benefits for up to 36 months following termination; (iii) Company-paid life insurance until the end of the original employment term; (iv) accelerated vesting of outstanding equity awards; (v) up to three years of additional age and service credit under certain nonqualified supplemental retirement plans; (vi) certain incidental costs for office space and secretarial support; and (vii) interest on amounts delayed pursuant to Section 409A of the Code;

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Mr. Ianniello would have received (i) a cash severance amount equal to two times the sum of his salary and target bonus in effect at the time of his termination; (ii) Company-paid medical and dental benefits for up to 24 months; (iii) Company-paid life insurance for 24 months; and (iv)(a) in the case of a termination without "Cause," accelerated vesting of all unvested stock options and RSUs, and (b) in the case of a termination for "Good Reason," accelerated vesting of the remainder of all unvested stock option and RSU grants that are at least 25% vested on the termination date and, with respect to any unvested stock option and RSU grants that are not at least 25% vested on the termination date, accelerated vesting of the unvested stock options and RSUs that would have vested during the 24-month period following his termination of employment;

Mr. Briskman would have received (i) a cash severance amount equal to 18 months of his annual salary; (ii) an additional cash severance amount equal to 18 months of the greater of his target bonus or the average of the annual bonuses payable with respect to the two calendar years preceding the calendar year of termination; (iii) Company-paid medical and dental benefits for up to 18 months; (iv) Company-paid life insurance until the end of the employment term; (v) accelerated vesting of all stock options that would have vested during the 18-month period following his termination of employment; (vi) continued vesting of all other stock options in accordance with their established vesting schedules; and (vii) accelerated vesting of all RSUs and other equity awards; and

Mr. Ambrosio would have received (i) a cash severance amount equal to 18 months of his annual salary; (ii) an additional cash severance amount equal to 18 months of his target bonus; (iii) Company-paid medical and dental benefits for up to 18 months; (iv) Company-paid life insurance until the end of the employment term; and (v) accelerated vesting of all unvested stock options, restricted shares and RSUs that would have vested during the 18-month period following his termination of employment.

The employment agreements for Messrs. Moonves and Ianniello require that the cash severance amount be paid 50% in a lump sum within a specified period following the termination date and 50% over the 36-month or 24-month severance period, respectively. The employment agreements for Messrs. Briskman and Ambrosio require that salary continuation be paid over the 18-month severance period and that bonus continuation be paid in accordance with the Company's standard practice for the payment of bonuses.

Named executive officers who receive benefits upon termination without "Cause" or for "Good Reason" may be subject to mitigation obligations under the terms of the employment agreement and are subject to certain restrictive covenants relating to non-competition, solicitation of Company employees, protection of the Company's confidential information and its ownership of work product and cooperation in litigation.

Definition of Termination for "Cause":

A termination for "Cause" for Mr. Redstone would have been: dishonesty; conviction of embezzlement, fraud or other conduct which would constitute a felony; willful unauthorized disclosure of confidential information; failure, neglect of or refusal to substantially perform the duties of his employment; or any other act or omission which is a material breach of the Company's policies regarding employment practices or the applicable federal, state and local laws prohibiting discrimination or which is materially injurious to the financial condition or business reputation of the Company or any subsidiary thereof. With respect to equity awards granted to Mr. Redstone after 2009, a termination for "Cause" for Mr. Redstone would also have been: failure to comply with the written policies of the Company, including its Business Conduct Statement; willful failure to cooperate with a bona fide internal investigation or an

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investigation by regulatory or law enforcement authorities, whether or not related to his employment with the Company, after being instructed to cooperate; willful destruction or failure to preserve documents or other material known to be relevant to such an investigation; or the willful inducement of others to engage in any of the conduct described in this sentence or the preceding sentence.

A termination for "Cause" for Mr. Moonves would have been: engaging or participating in intentional acts of material fraud against the Company; willful misfeasance having a material adverse effect on the Company (except in the event of his incapacity); conviction of a felony; willful unauthorized disclosure of trade secrets or other confidential material information of the Company; resignation without "Good Reason" other than for death or incapacity; willful and material violation of any Company policy that is generally applicable to all employees or officers of the Company, including, but not limited to, policies concerning insider trading or sexual harassment, the Supplemental Code of Ethics for Senior Financial Officers, and the Company's Business Conduct Statement; willful failure to cooperate fully with a bona fide Company internal investigation or an investigation of the Company by regulatory or law enforcement authorities, whether or not related to his employment with the Company, after being instructed by the Board to cooperate, or willful destruction of or knowing and intentional failure to preserve documents of other material known by him to be relevant to any such investigation; or willful and material breach of the provisions of his employment contract.

A termination for "Cause" for Mr. Ianniello would have been: embezzlement, fraud or other conduct which would constitute a felony or a misdemeanor involving fraud or perjury; willful unauthorized disclosure of confidential information; failure to obey a material lawful directive that is appropriate to his position from the Chief Executive Officer, the Executive Chairman and Founder, or the Board of Directors (or any committee thereof); failure to comply with the Company's written policies, including the Company's Business Conduct Statement; material breach of his employment agreement; failure (except in the event of disability) or refusal to substantially perform material obligations under his employment agreement; willful failure to cooperate with a bona fide internal investigation or investigation by regulatory or law enforcement authorities or the destruction or failure to preserve documents or other material reasonably likely to be relevant to such an investigation, or the inducement of others to fail to cooperate or to destroy or fail to produce documents or other material; or conduct which is considered an offense involving moral turpitude under federal, state or local laws, or which might bring him to public disrepute, scandal or ridicule or reflect unfavorably upon any of the Company's businesses or those who conduct business with the Company and its affiliated entities.

A termination for "Cause" for Mr. Briskman would have been: embezzlement, fraud or other conduct which constitutes a felony or a misdemeanor involving fraud or perjury; willful unauthorized disclosure of confidential information; failure to obey a material lawful directive that is appropriate to his position from an executive in his reporting line; failure to comply with the written policies of the Company, including its Business Conduct Statement; material breach of the employment agreement; failure or refusal to substantially perform his material obligations under the employment contract; willful failure to cooperate with a bona fide internal investigation or investigation by regulatory or law enforcement authorities or the destruction or failure to preserve documents or other materials, or the inducement of others not to cooperate or to destroy or fail to preserve documents; or conduct that is considered an offense involving moral turpitude under applicable law or which might reflect unfavorably upon any of the Company's businesses or those who conduct business with the Company and its affiliated entities.

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A termination for "Cause" for Mr. Ambrosio would have been: embezzlement, fraud or other conduct which would constitute a felony or a misdemeanor involving fraud or perjury; willful unauthorized disclosure of confidential information; failure to obey a material lawful directive that is appropriate to his position from an executive in his reporting line; failure to comply with the written policies of the Company, including its Business Conduct Statement; material breach of his employment agreement; failure (except in the event of disability) or refusal to substantially perform his material obligations under the employment agreement; willful failure to cooperate with a bona fide internal investigation or investigation by regulatory or law enforcement authorities or the destruction or failure to preserve documents or other material reasonably likely to be relevant to such an investigation, or the inducement of others to fail to cooperate or to destroy or fail to produce documents or other material; or conduct which is considered an offense involving moral turpitude under federal, state or local laws, or which might bring him to public disrepute, scandal or ridicule or reflect unfavorably upon any of the Company's businesses or those who conduct business with the Company and its affiliated entities.

Definition of "Good Reason" Termination: Mr. Redstone's employment agreement does not include any provision on resignation for "Good Reason." A "Good Reason" termination for Mr. Moonves would have been based on the following circumstances: his removal or any failure to reelect him as President and Chief Executive Officer of the Company; his failure to be elected or reelected to the Board at any annual meeting of stockholders of the Company at which his term as director is scheduled to expire; the assignment by the Company of duties inconsistent with the usual and customary duties associated with a chief executive officer of a publicly traded company comparable to the Company; the diminution or withdrawal of a meaningful portion of his authority or responsibilities; a reduction in his salary, target bonus or other compensation levels as the same may be increased from time to time during the employment term; the Compensation Committee's establishing Company-wide performance goal(s) that fail to satisfy the incentive goal parameters set forth in his employment agreement; payment of a bonus that is less than the Company-wide performance bonus portion payable in accordance with the terms set forth in his agreement; breach by the Company relating to tax payments in respect of his services to be performed in New York City; the Company's requiring him to be based anywhere other than the New York or Los Angeles metropolitan area, except for required travel on the Company's business; any other material breach by the Company of its material obligations under the employment contract; or termination by him of his employment, during the 30-day period following the 12-month anniversary of the date on which there occurs a "material event" described in (x) below or after the 90-day period following the date on which there occurs a "material event" described in (y) below, in either case based on his good faith determination that the occurrence of the material event has adversely and materially affected his ability to perform his CEO duties effectively, provided, however, that in the case of a material event described in (y) below, he shall provide written notice to the Chair of the Compensation Committee not later than the date he provides written notice of termination explaining the rationale for why such a material event adversely affects his ability to perform his CEO duties. A "material event" shall have occurred (x) on the date on which a majority of the independent directors of the Board ceases to consist of (1) those individuals who, immediately prior to the date on which Mr. Redstone ceases to hold the position of Executive Chairman and Founder, constitute the independent directors of the Board (the "Original Independent Directors") and (2) those successor independent directors who are elected or appointed to the Board, either by a vote of the Board or by action of the Company's stockholders pursuant to a recommendation by the Board, as a result of the death or voluntary retirement or resignation of an Original Independent Director (or any such successor), including a voluntary determination by such Original Independent Director (or such successor) not to stand for reelection; or (y) upon the appointment of a non-Executive Chairman other than Mr. Redstone or himself.

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For the other named executive officers, "Good Reason" generally would have been triggered by the following: (i) a material reduction in (A) position, titles, offices, reporting relationships, authorities, duties or responsibilities ("Duties") from those in effect immediately prior to such reduction or (B) base salary or target compensation in effect immediately prior to such reduction; (ii) the assignment of duties or responsibilities that are materially inconsistent with his current Duties or that materially impair his ability to function in his role with the Company as of a specified date; (iii) the material breach by the Company of any of its obligations under the agreement; (iv) with respect to each of Messrs. Briskman and Ambrosio, the relocation of his position outside of the New York metropolitan area to any metropolitan area other than Los Angeles; or (v) with respect to Mr. Ianniello, a material reduction in his after-tax income which results from the performance of services in California for the Company. For the avoidance of doubt, a material reduction described in clause (i)(A) above is deemed to have occurred if (x) he ceases to be the most senior executive responsible for his area of expertise at the Company (or if the Company has a public parent company, at the public parent company) or (y) neither the Company nor its ultimate parent company (if any) is a public company.

Termination Without "Cause" by the Company or for "Good Reason" by the Named Executive Officer Following the Occurrence of a Corporate Event

Each of Messrs. Ianniello, Briskman and Ambrosio will receive termination payments and benefits if the Company terminates his employment without Cause or if he terminates employment with the Company for Good Reason, in either case within 24 months following the occurrence of a "Corporate Event." If a termination without Cause or for Good Reason during the 24-month period following the occurrence of a "Corporate Event" occurs, then, in addition to the payments and benefits previously described in connection with a termination of employment by the Company without Cause or a termination of employment by the named executive officer for Good Reason, each of Messrs. Ianniello, Briskman and Ambrosio would receive the following payments and benefits: (i) the continuation of base salary for an additional 12 months, in the case of Mr. Ianniello, or for an additional 18 months, in the case of Messrs. Briskman and Ambrosio; (ii) a prorated target bonus for the calendar year of termination; (iii) an amount generally equal to an additional 12 months of bonus, in the case of Mr. Ianniello, or 18 months of bonus, in the case of Messrs. Briskman and Ianniello; (iv) Company-paid medical and dental benefits for an additional 12 months, in the case of Mr. Ianniello, or for an additional 18 months, in the case of Messrs. Briskman and Ambrosio; (v) Company-paid life insurance for 36 months (instead of 24 months, in the case of Mr. Ambrosio, or for the remainder of the term, for Messrs. Briskman and Ambrosio); (vi) accelerated vesting of stock options, RSUs and other equity awards to the extent vesting of such awards would not be accelerated upon a termination without Cause or for Good Reason occurring other than during the 24-month period following the occurrence of a Corporate Event; and (vii) outplacement services for up to 12 months.

A "Corporate Event" generally is defined as the occurrence of (i) a merger, consolidation or reorganization of the Company, subject to certain exceptions, (ii) the sale or disposition of all or substantially all of the assets of the Company, (iii) the acquisition of stock by any person or group representing more than 20% of the voting power of the Company, subject to certain exceptions, or (iv) a majority of the independent directors of the Company's Board of Directors ceasing to consist of the independent directors as of January 1, 2011 and their successor independent directors. The full definition of "Corporate Event" is set forth in the employment agreement of each of Messrs. Ianniello, Briskman and Ambrosio.

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Termination Due to Disability

If Mr. Redstone were to be terminated during the employment term as a result of his disability, the Company would pay salary earned through the date of his termination and the vesting of certain equity awards would be accelerated. If Mr. Moonves were to be terminated during the employment term as a result of his disability, the Company would pay salary earned through the date of his termination, a prorated target bonus for the year in which the termination occurs, Company-paid life insurance coverage for the remainder of the term of his agreement, and accelerated vesting of outstanding equity awards. If Messrs. Ianniello, Briskman and Ambrosio were to be terminated during the employment term as a result of their disability, the Company would pay salary earned through the date of disability, a prorated bonus for the calendar year in which disability occurs (which the executive would have earned), a prorated target bonus for the period during which they receive short-term disability benefits under the Company's short-term disability program, and accelerated vesting of outstanding equity awards.

Termination Due to Death

If a named executive officer were to die during the employment term while actively employed, the Company would pay salary earned through the date of death and a prorated bonus for the calendar year in which death occurs, which the executive would have earned. If a named executive officer were to die while employed, his estate or beneficiary would receive accelerated vesting of outstanding equity awards. No additional payments or benefits would be due under their respective contracts.

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The following table sets forth certain information as of December 31, 2011, concerning shares of the Company's Class B Common Stock authorized for issuance under (i) equity compensation plans approved by the Company's stockholders and (ii) equity compensation plans assumed by the Company in mergers with publicly traded companies pursuant to which awards were made by the Company after completion of the mergers. None of the shares of the Company's Class A Common Stock are authorized for issuance under the Company's equity compensation plans.

Plan Category(1)	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (2)	57,886,931 (4)	\$18.12	40,190,466 (5)
Equity compensation plans not approved by security holders (3)	749,390	\$37.41	0
Total	58,636,321	\$18.37	40,190,466

- (1) This table does not include plans assumed by the Company pursuant to mergers with publicly traded companies if no awards were made under such plans after completion of the mergers. For this reason, this table does not include options for 362,849 shares in the aggregate, all of which were assumed in the mergers and remain outstanding as of December 31, 2011. The weighted-average exercise price of these options as of December 31, 2011 was \$23.05.
- (2) Equity compensation plans approved by the Company's security holders include the following: the Company's 2000 and 2004 Long-Term Management Incentive Plans, the Company's 2009 Long-Term Incentive Plan, the Company's 2000 Stock Option Plan for Outside Directors and the Company's 2005 RSU Plan for Outside Directors.
- (3) Equity compensation plans not approved by the Company's security holders (but approved by the shareholders of predecessor or affiliate companies) that were assumed by the Company pursuant to mergers with publicly traded companies and pursuant to which additional awards, reflected in column (a) in the table, were made after the applicable dates of such mergers, include the following: the CBS Corporation 1993 Long-Term Incentive Plan (the "CBS 1993 LTIP") and the Infinity Broadcasting Corporation 1998 Long-Term Incentive Plan (the "Infinity 1998 LTIP").
- (4) This amount includes 866,475 shares underlying PSUs granted under the Company's 2004 Long-Term Management Incentive Plan and 2009 Long-Term Incentive Plan, which number of shares assumes that target performance levels would be attained. If, however, maximum performance levels were attained (and 2,551,847 shares were issued as a result), the amount shown would be increased by 1,685,372 shares (and the amount shown in column (c) would be reduced by an equal number of shares).
- (5) This amount includes 16,667,902 shares of the Company's Class B Common Stock available for future awards other than options and stock appreciation rights under the Company's 2009 Long-Term Incentive Plan and 1,186,695 shares of the Company's Class B Common Stock

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available for future awards under the Company's 2000 Stock Option Plan for Outside Directors and 2005 RSU Plan for Outside Directors.

Below are descriptions of equity compensation plans not approved by the Company's security holders, but approved by the shareholders of predecessor or affiliate companies, and under which awards were made after the dates of the mergers by the Company with publicly traded companies, as applicable (see footnote (3) above).

CBS 1993 LTIP and Infinity 1998 LTIP

The Company assumed the CBS 1993 LTIP and the Infinity 1998 LTIP in connection with mergers with publicly traded companies. Stock options issued under the CBS 1993 LTIP and the Infinity 1998 LTIP prior to the respective mergers, none of which remain outstanding, were converted into the Company's options with the number of options and the related exercise prices adjusted pursuant to the terms of the relevant mergers.

The CBS 1993 LTIP and the Infinity 1998 LTIP provided for grants of non-statutory stock options, incentive stock options, stock appreciation rights and limited stock appreciation rights, performance awards and restricted stock. Stock options were the only awards issued under the CBS 1993 LTIP and the Infinity 1998 LTIP that were assumed by the Company at the time of the respective mergers.

Prior to the mergers, stock options were awarded by the other public companies to their management and employees under the CBS 1993 LTIP and the Infinity 1998 LTIP. Option grants pursuant to the "Fund the Future" program, a broad-based program pursuant to which employees receive stock options, were also made under these plans. After the mergers, the Company awarded stock options in 2002 under the CBS 1993 LTIP and the Infinity 1998 LTIP pursuant to the "Fund the Future" program to certain employees of the Company. No awards have been made under the CBS 1993 LTIP and the Infinity 1998 LTIP since 2002, and no additional awards can be made under these plans.

The exercise price of stock options issued under the CBS 1993 LTIP and the Infinity 1998 LTIP could not be less than the fair market value on the date of grant. The management stock options granted under the CBS 1993 LTIP and the Infinity 1998 LTIP generally vested over a one- to four-year period and a one- to three-year period, respectively, and vested options could be exercised at any time until the 10-year expiration date subject to provisions regarding termination of employment.

Stock options granted under the CBS 1993 LTIP and the Infinity 1998 LTIP pursuant to the "Fund the Future" program were subject to a three-year holding period as well as a vesting schedule that was related to years of service. Generally, vested options granted under this program could be exercised once the three-year holding period was satisfied but not beyond the 10-year expiration date, subject to provisions regarding termination of employment.

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OTHER MATTERS

In an effort to reduce the amount of paper mailed to stockholders' homes and to help lower the Company's printing and postage costs, stockholders who receive printed copies of the Company's proxy materials can elect to receive future copies of these documents electronically instead of by mail. We highly recommend that you consider electronic delivery of these documents. If you are interested in participating in this electronic delivery program, you should visit <http://enroll.icsdelivery.com/cbs> or select the "Sign up for Electronic Delivery" link on the "Investors My Shareowner Account Annual Meeting Materials" page of the Company's website at www.cbscorporation.com. You can always change your mind and resume receiving copies of these documents by mail by revisiting one of these websites and selecting "change/cancel existing enrollment form."

2013 ANNUAL MEETING OF STOCKHOLDERS

Stockholder proposals may be submitted for inclusion in the Company's proxy statement relating to the 2013 Annual Meeting of Stockholders after the 2012 Annual Meeting but must be received no later than December 14, 2012 at the Company's principal executive offices at 51 West 52nd Street, New York, NY 10019, Attention: Angeline C. Straka, Secretary.

The Company's Bylaws require advance written notice from any stockholder seeking to present any business or proposal, not for inclusion in next year's proxy statement but directly at the 2013 Annual Meeting, including nominations of persons for election to the Company's Board of Directors, which notice must be received at the Company's principal executive offices no earlier than the close of business on the 120th day, nor later than the close of business on the 90th day, prior to the first anniversary of the date of the immediately preceding annual meeting. Based upon the anniversary date of the 2012 Annual Meeting as currently scheduled, a stockholder must send advance written notice of such nominations or other business or proposals such that the notice is received at the Company's principal executive offices at 51 West 52nd Street, New York, NY 10019, Attention: Angeline C. Straka, Secretary, no earlier than the close of business on January 24, 2013, and no later than the close of business on February 23, 2013.

By order of the Board of Directors,

Angeline C. Straka
Secretary

A copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2011, including financial statements in the Form 10-K and schedules thereto, in lieu of a separate annual report, has been provided on CBS Corporation's website at www.cbscorporation.com and a printed copy has been sent to stockholders of record on March 30, 2012 who have requested that a copy be sent, along with this proxy statement. If you have requested, but have not received, a printed copy of the Form 10-K, the Company will provide a copy without charge (a reasonable fee will be charged for exhibits) upon receipt of a written request sent to Angeline C. Straka, Secretary, CBS Corporation, 51 West 52nd Street, New York, NY 10019.

CBS CORPORATION AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures

Adjusted operating income (loss) before depreciation and amortization ("Adjusted OIBDA") and adjusted diluted earnings per share ("Adjusted Diluted EPS")

The Company defines Adjusted OIBDA as net earnings (loss) from continuing operations adjusted to exclude the following line items presented in its Consolidated Statements of Operations: Equity in earnings (loss) of investee companies, net of tax; Provision for income taxes; Other items, net; Loss on early extinguishment of debt; Interest income; Interest expense; and Depreciation and amortization; and *before* restructuring charges and the settlement of certain disputes regarding previously disposed businesses. The Company defines Adjusted Diluted EPS as diluted earnings per share before restructuring charges, the settlement of certain disputes regarding previously disposed businesses and gains/losses from dispositions, all of which are net of tax, as well as certain tax items. Adjusted OIBDA and Adjusted Diluted EPS are not measures of performance calculated in accordance with accounting principles generally accepted in the United States ("GAAP").

The Company uses Adjusted OIBDA, Adjusted OIBDA margin and Adjusted Diluted EPS, among other things, to evaluate the Company's operating performance. These measures are among the primary measures used by management for planning and forecasting of future periods and are also important indicators of the Company's operational strength and performance of its business. In addition, the Company uses Adjusted OIBDA, among other things, to value prospective acquisitions and provide a link between the Company's profitability and operating cash flow. The Company believes the presentation of these measures is relevant and useful for investors because they allow investors to view performance in a manner similar to the methods used by the Company's management, help improve their ability to understand the Company's operating performance and make it easier to compare the Company's results with other companies that have different financing and capital structures or tax rates. In addition, these measures are among the primary measures used externally by the Company's investors, analysts and peers in its industry for purposes of valuation and comparing the operating performance of the Company to other companies in its industry.

Since Adjusted OIBDA and Adjusted Diluted EPS are not measures of performance calculated in accordance with GAAP, they should not be considered in isolation of, or as a substitute for, net earnings (loss) from continuing operations or diluted earnings per share, as applicable, as indicators of operating performance. Adjusted OIBDA and Adjusted Diluted EPS, as the Company calculates them, may not be comparable to similarly titled measures employed by other companies. In addition, Adjusted OIBDA does not necessarily represent funds available for discretionary use, and is not necessarily a measure of the Company's ability to fund its cash needs. As Adjusted OIBDA and Adjusted Diluted EPS exclude certain financial information compared with net earnings from continuing operations, the most directly comparable GAAP financial measure in the case of Adjusted OIBDA, or diluted earnings per share, the most directly comparable GAAP financial measure in the case of Adjusted Diluted EPS, users of this financial information should consider the types of events and transactions which are excluded.

The following tables present reconciliations of Adjusted OIBDA to net earnings from continuing operations, the most directly comparable amount reported under GAAP, and of Adjusted Diluted EPS to diluted earnings per share, the most directly comparable amount reported under GAAP, for the twelve months ended December 31, 2011 and 2010.

Table of Contents**CBS CORPORATION AND SUBSIDIARIES****Reconciliation of Non-GAAP Measures****(In millions; except for per share data)**

	Twelve Months Ended December 31, 2011					Increase: 2011 Adjusted vs. 2010 Adjusted
	2011 Reported	Restructuring Charges (a)	Other Discrete Items	Tax Items	2011 Adjusted	
Revenues	\$ 14,245	\$	\$	\$	\$ 14,245	
OIBDA	3,077	46			3,123	32%
OIBDA margin (b)	22%				22%	
Depreciation and amortization	(548)				(548)	
Operating income	2,529	46			2,575	
Operating income margin (b)	18%				18%	
Interest expense	(436)				(436)	
Interest income	7				7	
Other items, net	(17)				(17)	
Earnings before income taxes	2,083	46			2,129	
Provision for income taxes	(755)	(18)			(773)	
Equity in loss of investee companies, net of tax	(37)				(37)	
Net earnings from continuing operations	\$ 1,291	\$ 28	\$	\$	\$ 1,319	
Diluted EPS from continuing operations	\$ 1.90	\$.04	\$	\$	\$ 1.94	75%
Diluted weighted average number of common shares outstanding	681				681	

	Twelve Months Ended December 31, 2010				
	2010 Reported	Restructuring Charges (c)	Other Discrete Items (d)	Tax Items (e)	2010 Adjusted
Revenues	\$ 14,060	\$	\$	\$	\$ 14,060
OIBDA	2,379	81	(90)		2,370
OIBDA margin (b)	17%				17%
Depreciation and amortization	(563)				(563)
Operating income	1,816	81	(90)		1,807
Operating income margin (b)	13%				13%
Interest expense	(529)				(529)
Interest income	6				6
Loss on early extinguishment of debt	(81)		81		
Other items, net	10		(8)		2
Earnings before income taxes	1,222	81	(17)		1,286
Provision for income taxes	(463)	(32)	9	8	(478)
Equity in loss of investee companies, net of tax	(35)				(35)
Net earnings from continuing operations	\$ 724	\$ 49	\$ (8)	\$ 8	\$ 773
Diluted EPS from continuing operations	\$ 1.04	\$.07	\$ (.01)	\$.01	\$ 1.11
Diluted weighted average number of common shares outstanding	694				694

(a)

Restructuring charges at the Company's Entertainment, Publishing and Outdoor reportable segments primarily associated with the relocation and closure of certain business activities and other exit costs.

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- (b) OIBDA margin and operating income margin are defined as OIBDA, adjusted OIBDA, operating income, or adjusted operating income divided by revenues.
- (c) Restructuring charges at the Company's Entertainment, Cable Networks, Publishing, Local Broadcasting and Outdoor reportable segments primarily reflecting severance costs associated with the elimination of positions, contract terminations and costs associated with exiting an operating facility.
- (d) Reflects a settlement of \$90 million from the favorable resolution of certain disputes regarding the Company's previously disposed businesses, a pre-tax loss on early extinguishment of debt of \$81 million and a gain of \$8 million on the divestiture of the Company's television station in Norfolk, Virginia.
- (e) Comprising a \$62 million reduction of deferred tax assets associated with the 2010 Patient Protection and Affordable Care Act, partially offset by a \$26 million reversal of previously established deferred tax liabilities and a \$28 million tax benefit from the settlements of income tax audits.

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CBS CORPORATION AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures

Free Cash Flow Before Contributions to Qualified Pension Plans

The Company defines free cash flow before contributions to qualified pension plans as the Company's net cash flow provided by operating activities less capital expenditures and before contributions to qualified pension plans. The Company's calculation of free cash flow includes capital expenditures since investment in capital expenditures is a use of cash that is directly related to the Company's operations. The Company considers free cash flow before contributions to qualified pension plans as such contributions are primarily discretionary and the Company considers its decision to increase or decrease these contributions a financing decision, the resultant effect of which is not indicative of the underlying performance of the Company. In addition, contributions to qualified pension plans can vary significantly from year to year thereby affecting comparability. Free cash flow before contributions to the qualified pension plans is not a measure calculated in accordance with GAAP. The Company's net cash flow provided by operating activities is the most directly comparable GAAP financial measure.

Management believes free cash flow before contributions to qualified pension plans provides investors with an important perspective on the cash available to the Company to service debt, make strategic acquisitions and investments, maintain its capital assets, satisfy its tax obligations and fund ongoing operations and working capital needs. As a result, free cash flow before contributions to qualified pension plans is a significant measure of the Company's ability to generate long-term value. It is useful for investors to know whether this ability is being enhanced or degraded as a result of the Company's operating performance. The Company believes the presentation of free cash flow before contributions to qualified pension plans is relevant and useful for investors because it allows investors to evaluate the cash generated from the Company's underlying operations in a manner similar to the method used by management. Free cash flow before contributions to qualified pension plans is a primary measure used externally by the Company's investors, analysts and peers in its industry for purposes of valuation and comparing the operating performance of the Company to other companies in its industry.

As free cash flow before contributions to qualified pension plans is not a measure calculated in accordance with GAAP, free cash flow before contributions to qualified pension plans should not be considered in isolation of, or as a substitute for, either net cash flow provided by operating activities as a measure of liquidity or net earnings as a measure of operating performance. Free cash flow before contributions to qualified pension plans, as calculated by the Company, may not be comparable to a similarly titled measure employed by other companies. In addition, free cash flow before contributions to qualified pension plans as a measure of liquidity has certain limitations, and does not necessarily represent funds available for discretionary use and is not necessarily a measure of the Company's ability to fund its cash needs. When comparing free cash flow before contributions to qualified pension plans to net cash flow provided by operating activities, the most directly comparable GAAP financial measure, users of this financial information should consider the types of events and transactions which are not reflected in free cash flow before contributions to qualified pension plans.

The following table presents a reconciliation of the Company's net cash flow provided by operating activities, the most directly comparable GAAP financial measure, to free cash flow before contributions to qualified pension plans for the twelve months ended December 31, 2011 and 2010:

	(In millions)		
	Twelve Months Ended		
	December 31,		
	2011	2010	Increase
Net cash flow provided by operating activities	\$ 1,749	\$ 1,735	
Capital expenditures	(265)	(284)	
Free cash flow	1,484	1,451	
Contributions to qualified pension plans, net of tax benefit	253	103	
Free cash flow before contributions to qualified pension plans	\$ 1,737	\$ 1,554	12%
Free cash flow conversion percentage (a)		56%	

(a)

The free cash flow conversion percentage is defined as free cash flow before contributions to qualified pension plans of \$1,737 divided by Adjusted OIBDA of \$3,123.

The following table presents a summary of the Company's cash flows for the twelve months ended December 31, 2011 and 2010:

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(In millions)
Twelve Months Ended
December 31,
2011 2010

Net cash flow provided by operating activities	\$ 1,749	\$ 1,735
Net cash flow used for investing activities	\$ (389)	\$ (368)
Net cash flow used for financing activities	\$ (1,180)	\$ (1,604)

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