LEXINGTON REALTY TRUST
Form S-8
July 15, 2011
As filed with the Securities and Exchange Commission on July 15, 2011

Registration No. 333-

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

FORM S-8
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933
LEXINGTON REALTY TRUST
(Exact name of Company as specified in its charter)

Maryland	13-3717318
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One Penn Plaza, Suite 4015
New York, NY 10019-4015
(Address of principal executive offices)
Lexington Realty Trust
2011 Equity-Based Award Plan
(Full title of the plan)
T. Wilson Eglin
President and Chief Executive Officer
One Penn Plaza, Suite 4015
New York, NY 10119-4015
(212) 692-7200
(Name, address, including zip code, and telephone number, including area code, of agent for service):

Copies to:
Joseph S. Bonventre, Esq.
General Counsel
Lexington Realty Trust
One Penn Plaza, Suite 4015
New York, NY 10119-4015
(212) 692-7200

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of “large accelerated filer”, “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.(Check one):
Large accelerated filer Accelerated filer ¨
Non-accelerated filer ¨ (Do not check if a smaller reporting company) Smaller reporting company ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered (2)	Proposed Maximum Offering Price Per Share (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Shares of beneficial interest classified as common stock, par value $0.0001 per share	9,150,675 shares (3)	$9.10	$83,271,142.50	$9,667.78

(1) Estimated pursuant to Rule 457(c) under the Securities Act of 1933 (the “Securities Act”) solely for the purpose of calculating the registration fee based upon the average of the high and low reported sale prices of the Common Shares on The New York Stock Exchange on July 12, 2011. The registration fee of $9,667.78 is offset by $2,363.63 of registration fees with respect to 4,150,675 unsold shares of beneficial interest classified as common stock registered under the Registration Statement on Form S-8 (Registration No. 333- 150958) of Lexington Realty Trust filed with the Securities and Exchange Commission on May 16, 2008 (the “2008 Registration Statement”). As a result, $7,304.15 is being paid herewith.
(2) Pursuant to Rule 416 under the Securities Act of 1933, this Registration Statement also covers such number of additional securities as may be issued to prevent dilution from stock splits, stock dividends or similar transactions.
(3) Represents 5,000,000 shares of beneficial interest classified as common stock reserved for issuance under the 2011 Equity-Based Award Plan and 4,150,675 shares of beneficial interest classified as common stock reserved for issuance under the 2007 Equity-Based Award Plan which have not been issued and which have been or will be deregistered pursuant to a post-effective amendment to such 2008 Registration Statement filed on the date hereof.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The documents containing the information specified in Part I of this Registration Statement on Form S-8 will be sent or given to participants of the Lexington Realty Trust 2011 Equity-Based Award Plan as specified by Rule 428(b)(1) under the Securities Act of 1933 (the “Securities Act”). In accordance with the Note to Part I of Form S-8, such documents are not required to be, and are not being, filed with the Securities and Exchange Commission (the “Commission”) either as part of this Registration Statement or as a prospectus or prospectus supplement pursuant to Rule 424 under the Securities Act. These documents and the documents incorporated by reference in this registration statement pursuant to Item 3 of Part II of Form S-8, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation By Reference.

The following documents are hereby incorporated by reference:

1. The Company's Annual Report on Form 10-K for the year ended December 31, 2010, as filed with the Commission on February 28, 2011;
2. The Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, as filed with the Commission on May 9, 2011;
3. The Company's Current Reports on Form 8-K and Form 8-K/A filed with the Commission on January 6, 2011, February 2, 2011, April 25, 2011, April 27, 2011, May 19, 2011, May 24, 2011, and June 22, 2011;
4. The Company's Definitive Proxy Statement and Definitive Additional Materials filed with the Commission on April 6, 2011; and
5. The "Description of Common Shares" contained in the Company's Registration Statement on Form S-3 (Registration No. 333-157858), filed with the Commission on September 1, 2009.

In addition, all documents subsequently filed by the Company with the Commission pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934 (as amended, the "Exchange Act") on or after the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the date of filing of such documents with the Commission.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

The Company is a real estate investment trust, or REIT, incorporated under the laws of the Commonwealth of Maryland. The Maryland REIT Law and Section 2-418 of the Maryland General Corporation Law generally permit indemnification of any trustee or officer made a party to any proceedings by reason of service as a trustee or officer unless it is established that (i) the act or omission of such person was material to the matter giving rise to the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty; (ii) such person actually received an improper personal benefit in money, property or services; or (iii) in the case of any criminal proceeding, such person had reasonable cause to believe that the act or omission was unlawful. The indemnity may include judgments, penalties, fines, settlements and reasonable expenses actually incurred by the trustee or officer in connection with the proceeding, but if the proceeding is one by or in the right of the company, indemnification is not permitted with respect to any proceeding in which the trustee or officer has been adjudged to be liable to the company, or if the proceeding is one charging improper personal benefit to the trustee or officer, whether or not involving action in the trustee's or officer's official capacity, indemnification of the trustee or officer is not permitted if the trustee or officer was adjudged to be liable on the basis that personal benefit was improperly received. The termination of any proceeding by conviction or upon a plea of nolo contendere or its equivalent, or any entry of an order of probation prior to judgment, creates a rebuttable presumption that the trustee or officer did not meet the requisite standard of conduct required for permitted indemnification. The termination of any proceeding by judgment, order or settlement, however, does not create a presumption that the trustee or officer failed to meet the requisite standard of conduct for permitted indemnification.

Pursuant to the Company's declaration of trust, the Company's trustees and officers are, and will be, indemnified against certain liabilities. The Company's declaration of trust requires the Company to indemnify its trustees and officers to the fullest extent permitted by the laws of Maryland. The Company's declaration of trust also provides that, to the fullest extent permitted under Maryland law, the Company's trustees and officers will not be personally liable to the Company or its shareholders for money damages.

The foregoing reference is necessarily subject to the complete text of the Company's declaration of trust and the statutes referred to above and is qualified in its entirety by reference thereto.

The Company has also entered into indemnification agreements with certain officers and trustees for the purpose of indemnifying such persons from certain claims and actions in their capacities as such.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

4.1	Lexington Realty Trust 2011 Equity-Based Award Plan. †
5.1	Opinion of Venable LLP regarding the legality of the securities being registered hereunder. †
23.1	Consent of Venable LLP (included in Exhibit 5.1). †
23.2	Consent of KPMG LLP. †
23.3	Consent of PricewaterhouseCoopers LLP. †
23.4	Consent of KPMG LLP. †
24.1	Power of Attorney (included on the Signature Page). †

† Filed herewith

Item 9. Undertakings

(a) The undersigned Company hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Company pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Company hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Company's annual report pursuant to section 13(a) or section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Company certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on July 15, 2011.

LEXINGTON REALTY TRUST

By:_/s/ T. Wilson Eglin__________
Name: T. Wilson Eglin
Title: Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below authorizes T. Wilson Eglin and Patrick Carroll, and each of them, each of whom may act without joinder of the other, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities to execute in the name of each such person who is then an officer or trustee of Lexington Realty Trust, and to file any amendments (including post effective amendments) to this Registration Statement and any registration statement for the same offering filed pursuant to Rule 462 under the Securities Act, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the date indicated:

Signature	Title	Date
/s/ E. Robert Roskind E. Robert Roskind	Chairman	July 15, 2011
/s/ T. Wilson Eglin T. Wilson Eglin	Chief Executive Officer, President and Trustee	July 15, 2011

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/s/ Richard J. Rouse		
Richard J. Rouse	Vice Chairman and Chief Investment Officer	July 15, 2011
/s/ Patrick Carroll		
Patrick Carroll	Chief Financial Officer, Executive Vice President and Treasurer	July 15, 2011
/s/ Paul R. Wood		
Paul R. Wood	Vice President, Chief Tax Compliance Officer and Secretary	July 15, 2011
/s/ Clifford Broser		
Clifford Broser	Trustee	July 15, 2011
/s/ Harold First		
Harold First	Trustee	July 15, 2011
/s/ Richard S. Frary		
Richard S. Frary	Trustee	July 15, 2011
/s/ James Grosfeld		
James Grosfeld	Trustee	July 15, 2011
/s/ Kevin W. Lynch		
Kevin W. Lynch	Trustee	July 15, 2011

INDEX TO EXHIBITS

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† Filed herewith

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Entertainment (CBS Television Network, CBS Television Studios, CBS Studios International, CBS Television Distribution, Network Ten, CBS Interactive and CBS Films)

Three Months Ended June 30, 2018 and 2017

	Three Months Ended June 30,						
				Increase/(Decrease)			
Entertainment	2018		2017		$	%	
Revenues	$2,365		$2,184		$ 181	8	%
Segment Operating Income	$356		$351		$ 5	1	%
Segment Operating Income as a % of revenues	15	%	16	%			
Restructuring charges	$6		$—		$ 6	n/m	

Depreciation and amortization	$31	$27	$ 4	15 %
Capital expenditures	$20	$24	$ (4)	(17)%

n/m - not meaningful

For the three months ended June 30, 2018, the 8% increase in revenues was led by 38% growth in affiliate and subscription fee revenues, driven by higher station affiliation fees and revenues from digital initiatives, including CBS All Access and virtual MVPDs. Advertising revenues increased 3% reflecting the acquisition of Network Ten in the fourth quarter of 2017 and 1% growth in underlying CBS Network advertising, partially offset by the absence of the National Semifinals and National Championship games of the NCAA Tournament, which the CBS Television Network broadcast in the second quarter of 2017. These games are broadcast by the CBS Television Network every other year through 2032 under the current rights agreement with the NCAA and Turner. Content licensing and distribution revenues grew 4%, benefiting from additional series produced for third-party services.

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Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)
(Tabular dollars in millions, except per share amounts)

Entertainment revenues also included higher revenues from distribution arrangements, with an offsetting increase to operating expenses, as a result of the adoption of a new revenue recognition standard in the first quarter of 2018. (See Note 12 to the consolidated financial statements.)

For the three months ended June 30, 2018, operating income increased 1%, driven by the higher revenues, partially offset by an increased investment in content and digital initiatives. Restructuring charges for the three months ended June 30, 2018 primarily reflected severance costs and costs associated with exiting contractual obligations.

Six Months Ended June 30, 2018 and 2017

	Six Months Ended June 30,			
			Increase/(Decrease)	
Entertainment	2018	2017	$	%
Revenues	$5,081	$4,531	$ 550	12 %
Segment Operating Income	$848	$754	$ 94	12 %
Segment Operating Income as a % of revenues	17 %	17 %		
Restructuring charges	$6	$—	$ 6	n/m
Depreciation and amortization	$61	$56	$ 5	9 %
Capital expenditures	$37	$38	$ (1)	(3)%

n/m - not meaningful

For the six months ended June 30, 2018, the 12% increase in revenues mainly reflected 38% growth in affiliate and subscription fee revenues, primarily as a result of higher station affiliation fees and growth from digital initiatives including CBS All Access and virtual MVPDs. Also contributing to the revenue increase was 8% growth in advertising revenues, driven by the acquisition of Network Ten in the fourth quarter of 2017, partially offset by the absence of the National Semifinals and National Championship games of the NCAA Tournament. Content licensing and distribution revenues increased 9%, driven by growth from the international licensing of new series and the start of the license periods for previously signed renewals of contracts for library programming. Entertainment revenues also included higher revenues from distribution arrangements, with an offsetting increase to operating expenses, as a result of the adoption of a new revenue recognition standard in the first quarter of 2018. (See Note 12 to the consolidated financial statements.)

For the six months ended June 30, 2018, operating income increased 12% as a result of higher revenues, partially offset by an increased investment in content.

Cable Networks (Showtime Networks, CBS Sports Network and Smithsonian Networks)

Three Months Ended June 30, 2018 and 2017

	Three Months Ended June 30,			
			Increase/(Decrease)	
Cable Networks	2018	2017	$	%
Revenues	$591	$571	$ 20	4 %
Segment Operating Income	$256	$255	$ 1	— %
Segment Operating Income as a % of revenues	43 %	45 %		
Depreciation and amortization	$5	$6	$ (1)	(17)%
Capital expenditures	$3	$4	$ (1)	(25)%

For the three months ended June 30, 2018, the 4% increase in revenues was driven by growth from the Showtime digital streaming subscription offering. As of June 30, 2018, subscriptions totaled approximately 25

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Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)
(Tabular dollars in millions, except per share amounts)

million for Showtime, the Company's premium television network, and the Showtime digital streaming subscription offering combined, 51 million for CBS Sports Network and 32 million for Smithsonian Networks.

For the three months ended June 30, 2018, operating income increased $1 million from the same prior-year period, as the higher revenues were offset by an increased investment in programming, which was driven by a higher number of original series airing on Showtime during the second quarter of 2018, including the limited series Patrick Melrose.

Six Months Ended June 30, 2018 and 2017

	Six Months Ended June 30,			
			Increase/(Decrease)	
Cable Networks	2018	2017	$	%
Revenues	$1,200	$1,114	$ 86	8 %
Segment Operating Income	$486	$505	$ (19)	(4)%
Segment Operating Income as a % of revenues	41 %	45 %		
Depreciation and amortization	$11	$12	$ (1)	(8)%
Capital expenditures	$7	$7	$ —	— %

For the six months ended June 30, 2018, the 8% increase in revenues was driven by growth from the Showtime digital streaming subscription offering and the start of the license periods for previously signed renewals of contracts for Showtime original series.

For the six months ended June 30, 2018, the 4% decrease in operating income was driven by an increased investment in programming, mainly from additional original series premieres, including The Chi, Our Cartoon President and Patrick Melrose, on Showtime during the first half of 2018.

Publishing (Simon & Schuster)

Three Months Ended June 30, 2018 and 2017

	Three Months Ended June 30,			
			Increase/(Decrease)	
Publishing	2018	2017	$	%
Revenues	$207	$206	$ 1	— %
Segment Operating Income	$31	$29	$ 2	7 %
Segment Operating Income as a % of revenues	15 %	14 %		
Restructuring charges	$1	$—	$ 1	n/m
Depreciation and amortization	$2	$2	$ —	— %
Capital expenditures	$1	$—	$ 1	n/m

n/m - not meaningful

For the three months ended June 30, 2018, revenues increased $1 million from the same prior-year period. Bestselling titles in the second quarter of 2018 included The Outsider by Stephen King and The Restless Wave by John McCain and Mark Salter.

For the three months ended June 30, 2018, the 7% increase in operating income was driven by the higher revenues and lower production costs.

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Management’s Discussion and Analysis of
Results of Operations and Financial Condition (Continued)
(Tabular dollars in millions, except per share amounts)

Six Months Ended June 30, 2018 and 2017

	Six Months Ended June 30,		Increase/(Decrease)	
Publishing	2018	2017	$	%
Revenues	$367	$367	$ —	— %
Segment Operating Income	$47	$44	$ 3	7 %
Segment Operating Income as a % of revenues	13 %	12 %		
Restructuring charges	$1	$—	$ 1	n/m
Depreciation and amortization	$3	$3	$ —	— %
Capital expenditures	$2	$1	$ 1	100 %

n/m - not meaningful

For the six months ended June 30, 2018, revenues were comparable with the same prior-year period.

For the six months ended June 30, 2018, the 7% increase in operating income reflects lower production costs.

Local Media (CBS Television Stations and CBS Local Digital Media)

Three Months Ended June 30, 2018 and 2017

	Three Months Ended June 30,		Increase/(Decrease)	
Local Media	2018	2017	$	%
Revenues	$420	$412	$ 8	2 %
Segment Operating Income	$128	$128	$ —	— %
Segment Operating Income as a % of revenues	30 %	31 %		
Restructuring charges	$11	$—	$ 11	n/m
Depreciation and amortization	$11	$12	$ (1)	(8)%
Capital expenditures	$5	$7	$ (2)	(29)%

n/m - not meaningful

For the three months ended June 30, 2018, the 2% increase in revenues reflects higher retransmission revenues, which were partially offset by the absence of the National Semifinals and National Championship games of the NCAA Tournament, which were broadcast by CBS in the second quarter of 2017.

For the three months ended June 30, 2018, operating income was comparable with the same prior-year period as a result of the mix of revenues. Restructuring charges for the three months ended June 30, 2018 primarily reflected severance costs and costs associated with exiting contractual obligations.

In the second half of 2018, advertising revenues are expected to benefit from increased political advertising sales associated with the U.S. midterm elections.

Management’s Discussion and Analysis of
Results of Operations and Financial Condition (Continued)
(Tabular dollars in millions, except per share amounts)

Six Months Ended June 30, 2018 and 2017

	Six Months Ended June 30,			
			Increase/(Decrease)	
Local Media	2018	2017	$	%
Revenues	$835	$821	$ 14	2 %
Segment Operating Income	$246	$252	$ (6)	(2)%
Segment Operating Income as a % of revenues	29 %	31 %		
Restructuring charges	$11	$—	$ 11	n/m
Depreciation and amortization	$22	$23	$ (1)	(4)%
Capital expenditures	$9	$12	$ (3)	(25)%

n/m - not meaningful

For the six months ended June 30, 2018, the 2% increase in revenues was driven by higher retransmission revenues, partially offset by lower advertising revenues, including from the absence of the National Semifinals and National Championship games of the NCAA Tournament.

For the six months ended June 30, 2018, the 2% decrease in operating income primarily reflects the mix of revenues.

Corporate

Three Months Ended June 30, 2018 and 2017

	Three Months Ended June 30,			
			Increase/(Decrease)	
Corporate	2018	2017	$	%
Segment Operating Loss	$(77)	$(73)	$ (4)	(5)%
Restructuring charges	$7	$—	$ 7	n/m
Depreciation and amortization	$7	$9	$ (2)	(22)%
Capital expenditures	$3	$6	$ (3)	(50)%

n/m - not meaningful

Corporate expenses include general corporate overhead, unallocated shared company expenses, and intercompany eliminations. For the three months ended June 30, 2018, corporate expenses increased $4 million. Restructuring charges for the three months ended June 30, 2018 primarily reflected severance and other related costs.

Six Months Ended June 30, 2018 and 2017

	Six Months Ended June 30,			
			Increase/(Decrease)	
Corporate	2018	2017	$	%
Segment Operating Loss	$(152)	$(139)	$ (13)	(9)%
Restructuring charges	$7	$—	$ 7	n/m
Depreciation and amortization	$15	$17	$ (2)	(12)%
Capital expenditures	$7	$10	$ (3)	(30)%

n/m - not meaningful

For the six months ended June 30, 2018, corporate expenses increased 9%, driven by higher employee-related costs.

Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)
(Tabular dollars in millions, except per share amounts)

Financial Position
The balance sheet at June 30, 2018 is presented under ASC 606 while December 31, 2017 is presented under previous accounting guidance. See Note 12 to the consolidated financial statements for the amount by which each balance sheet line item at June 30, 2018 was impacted by the adoption of ASC 606.

	At June 30, 2018	At December 31, 2017	Increase/(Decrease) $	%
Current Assets:				
Cash and cash equivalents	$252	$ 285	$ (33)	(12)%
Receivables, net [(a)]	3,597	3,697	(100)	(3)
Programming and other inventory	1,876	1,828	48	3
Prepaid income taxes [(b)]	—	78	(78)	(100)
All other current assets [(c)]	323	385	(62)	(16)
Total current assets	$6,048	$ 6,273	$ (225)	(4)%

(a) The decrease is primarily due to seasonality, partially offset by the reclassification of the sales returns reserve to "Other current liabilities" as a result of the adoption of ASC 606.
(b) The decrease reflects the timing of income tax payments.
(c) The decrease is primarily due to the timing of deposits for acquired programming.

	At June 30, 2018	At December 31, 2017	Increase/(Decrease) $	%
Other assets [(a)]	$2,327	$2,852	$ (525)	(18)%

(a) The decrease primarily reflects lower noncurrent receivables as a result of the adoption of ASC 606.

	At June 30, 2018	At December 31, 2017	Increase/(Decrease) $	%
Current Liabilities:				
Accounts payable [(a)]	$138	$ 231	$ (93)	(40)%
Accrued compensation [(a)]	225	343	(118)	(34)
Participants' share and royalties payable[(a)]	1,071	986	85	9
Program rights	369	373	(4)	(1)
Income taxes payable [(b)]	129	—	129	n/m
Commercial paper	370	679	(309)	(46)
All other current liabilities [(c)]	1,482	1,360	122	9
Total current liabilities	$3,784	$ 3,972	$ (188)	(5)%

n/m - not meaningful
(a) The increase (decrease) reflects the timing of payments.
(b) The increase reflects the timing of income tax payments.
(c) The increase primarily reflects the reclassification of the sales returns reserve to "Other current liabilities" as a result of the adoption of ASC 606.

	At June 30, 2018	At December 31, 2017	Increase/(Decrease) $	%
Other liabilities [(a)]	$3,227	$ 3,621	$ (394)	(11)%

(a) The decrease primarily reflects lower participation and residual liabilities as a result of the adoption of ASC 606.

Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)
(Tabular dollars in millions, except per share amounts)

Cash Flows
The changes in cash and cash equivalents were as follows:

	Six Months Ended June 30,		
	2018	2017	Increase/(Decrease)
Net cash flow provided by (used for) operating activities from:			
Continuing operations	$1,045	$909	$ 136
Discontinued operations	(2)	29	(31)
Net cash flow provided by operating activities	1,043	938	105
Net cash flow used for investing activities from:			
Continuing operations	(160)	(139)	(21)
Discontinued operations	(23)	(13)	(10)
Net cash flow used for investing activities	(183)	(152)	(31)
Net cash flow used for financing activities	(893)	(1,229)	336
Net decrease in cash and cash equivalents	$(33)	$(443)	$ 410

Operating Activities. For the six months ended June 30, 2018, the increase in cash provided by operating activities from continuing operations was driven by lower cash payments for income taxes, which was partially offset by an increased investment in content, including a higher number of series produced for distribution on multiple platforms. Cash paid for income taxes decreased to $31 million for the six months ended June 30, 2018 from $272 million for the same prior-year period, primarily due to changes in federal tax law.

Investing Activities

	Six Months Ended June 30,	
	2018	2017
Investments in and advances to investee companies [(a)]	$(71)	$(65)
Capital expenditures	(62)	(68)
Acquisitions	(29)	(21)
Other investing activities	2	15
Net cash flow used for investing activities from continuing operations	(160)	(139)
Net cash flow used for investing activities from discontinued operations	(23)	(13)
Net cash flow used for investing activities	$(183)	$(152)

(a) Mainly includes the Company's investment in The CW as well as its other domestic and international television joint ventures.

Financing Activities

	Six Months Ended June 30,	
	2018	2017
Repayments of short-term debt borrowings, net	$ (309)	$ (187)
Repurchase of CBS Corp. Class B Common Stock	(394)	(845)
Dividends	(140)	(151)
	(58)	(89)

Payment of payroll taxes in lieu of issuing shares for stock-based compensation		
Proceeds from exercise of stock options	22	39
All other financing activities, net	(14)	4
Net cash flow used for financing activities	$ (893)	$ (1,229)

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Management's Discussion and Analysis of
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(Tabular dollars in millions, except per share amounts)

Free Cash Flow

Free cash flow is a non-GAAP financial measure. Free cash flow reflects the Company's net cash flow provided by (used for) operating activities before operating cash flow from discontinued operations and discretionary contributions to prefund the Company's pension plans, and less capital expenditures. The Company's calculation of free cash flow includes capital expenditures because investment in capital expenditures is a use of cash that is directly related to the Company's operations. Free cash flow excludes discretionary contributions to prefund the Company's pension plans because management assesses the Company's ability to generate operating cash flows without considering the impact from discretionary pension contributions, and decisions regarding the timing of pension plan funding are not dependent on the level of operating cash flows generated during the period. The Company's net cash flow provided by (used for) operating activities is the most directly comparable GAAP financial measure.

Management believes free cash flow 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 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 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 is one of several components of incentive compensation targets for certain management personnel. In addition, free cash flow is a primary measure used externally by the Company's investors, analysts and industry peers for purposes of valuation and comparison of the Company's operating performance to other companies in its industry.

As free cash flow is not a measure calculated in accordance with GAAP, free cash flow should not be considered in isolation of, or as a substitute for, either net cash flow provided by (used for) operating activities as a measure of liquidity or net earnings (loss) as a measure of operating performance. Free cash flow, as the Company calculates it, may not be comparable to similarly titled measures employed by other companies. In addition, free cash flow as a measure of liquidity has certain limitations, 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 to net cash flow provided by (used for) operating activities, the most directly comparable GAAP financial measure, users of this financial information should consider the types of events and transactions that are not reflected in free cash flow.

The following table presents a reconciliation of the Company's net cash flow provided by operating activities to free cash flow.

	Six Months Ended June 30,	
	2018	2017
Net cash flow provided by operating activities	$1,043	$938
Capital expenditures	(62)	(68)
Less:		
Discretionary pension plan contributions, net of tax	—	(64)
Operating cash flow from discontinued operations	(2)	29
Free cash flow	$983	$905

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Management's Discussion and Analysis of
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Repurchase of Company Stock, Cash Dividends and Contingent Stock Dividend
During the second quarter of 2018, the Company repurchased 3.8 million shares of its Class B Common Stock under its share repurchase program for $200 million, at an average cost of $52.17 per share. During the six months ended June 30, 2018, the Company repurchased 7.6 million shares of its Class B Common Stock for $400 million, at an average cost of $52.42, leaving $2.66 billion of authorization at June 30, 2018.

During the second quarter of 2018, the Company declared a quarterly cash dividend of $.18 on its Class A and Class B Common Stock, resulting in total dividends of $69 million, which were paid on July 1, 2018.
On May 17, 2018, the Company's Board of Directors declared a pro rata dividend of 0.5687 of a share of the Company's voting Class A Common Stock for each share of the Company's Class A Common Stock and non-voting Class B Common Stock to stockholders of record as of the close of business on the record date, contingent on Delaware court approval. The record date for the dividend would be 10 days after such Delaware court approval or on the next business day after the 10-day period. If the dividend is issued, shares outstanding and EPS for prior periods would be adjusted to reflect the issuance of additional shares resulting from the dividend. The dividend, if issued, would dilute NAI's voting interest from approximately 79.7% at June 30, 2018 to approximately 20%. The dividend would not dilute the economic interests of any of the Company's stockholders. See "Legal Matters" for a description of legal proceedings in the Delaware Court of Chancery.
Capital Structure
The following table sets forth the Company's debt.

	At June 30, 2018	At December 31, 2017
Commercial paper	$370	$ 679
Senior debt (2.30% – 7.875% due 2019 – 2045)[(a)]	9,430	9,426
Obligations under capital leases	50	57
Total debt	9,850	10,162
Less commercial paper	370	679
Less current portion of long-term debt	16	19
Total long-term debt, net of current portion	$9,464	$ 9,464

(a) At June 30, 2018 and December 31, 2017, the senior debt balances included (i) a net unamortized discount of $61 million and $65 million, respectively, (ii) unamortized deferred financing costs of $45 million and $47 million, respectively, and (iii) a decrease in the carrying value of the debt relating to previously settled fair value hedges of $4 million and $3 million, respectively. The face value of the Company's senior debt was $9.54 billion at both June 30, 2018 and December 31, 2017.

Commercial Paper
The Company had outstanding commercial paper borrowings under its $2.5 billion commercial paper program of $370 million and $679 million at June 30, 2018 and December 31, 2017, respectively, each with maturities of less than 90 days. The weighted average interest rate for these borrowings was 2.42% at June 30, 2018 and 1.88% at December 31, 2017.

Credit Facility
At June 30, 2018, the Company had a $2.5 billion revolving credit facility (the "Credit Facility") which expires in June 2021. The Credit Facility requires the Company to maintain a maximum Consolidated Leverage Ratio of 4.5x

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Management's Discussion and Analysis of
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at the end of each quarter as further described in the Credit Facility. At June 30, 2018, the Company's Consolidated Leverage Ratio was approximately 3.0x.

The Consolidated Leverage Ratio is the ratio of the Company's indebtedness from continuing operations, adjusted to exclude certain capital lease obligations, at the end of a quarter, to the Company's Consolidated EBITDA for the trailing four consecutive quarters. Consolidated EBITDA is defined in the Credit Facility as operating income plus interest income and before depreciation, amortization and certain other noncash items.

The Credit Facility is used for general corporate purposes. At June 30, 2018, the Company had no borrowings outstanding under the Credit Facility and the remaining availability under the Credit Facility, net of outstanding letters of credit, was $2.49 billion.

Liquidity and Capital Resources
The Company continually projects anticipated cash requirements for its operating, investing and financing needs as well as cash flows generated from operating activities available to meet these needs. The Company's operating needs include, among other items, commitments for sports programming rights, television and film programming, talent contracts, operating leases, interest payments, and pension funding obligations. The Company's investing and financing spending includes capital expenditures, share repurchases, dividends and principal payments on its outstanding indebtedness. The Company believes that its operating cash flows; cash and cash equivalents; borrowing capacity under the Credit Facility, which had $2.49 billion of remaining availability at June 30, 2018; and access to capital markets are sufficient to fund its operating, investing and financing requirements for the next twelve months.

The Company's funding for short-term and long-term obligations will come primarily from cash flows from operating activities. Any additional cash funding requirements are financed with short-term borrowings, including commercial paper, and long-term debt. To the extent that commercial paper is not available to the Company, the existing Credit Facility provides sufficient capacity to satisfy short-term borrowing needs. The Company routinely assesses its capital structure and opportunistically enters into transactions to lower its interest expense, which could result in a charge from the early extinguishment of debt.

The Company's long-term debt obligations due over the next five years of $2.40 billion are expected to be funded by cash generated from operating activities and the Company's ability to refinance its debt.

Legal Matters
General. On an ongoing basis, the Company vigorously defends itself in numerous lawsuits and proceedings and responds to various investigations and inquiries from federal, state, local and international authorities (collectively, "litigation''). Litigation may be brought against the Company without merit, is inherently uncertain and always difficult to predict. However, based on its understanding and evaluation of the relevant facts and circumstances, the Company believes that the below-described legal matters and other litigation to which it is a party are not likely, in the aggregate, to have a material adverse effect on its results of operations, financial position or cash flows, other than with respect to In re CBS Corporation Litigation, Consol. C.A. No. 2018-0342-AGB (Del. Ch.) described below, the potential impact of which cannot be ascertained at this time. Under the Separation Agreement between the Company and Viacom Inc., the Company and Viacom Inc. have agreed to defend and indemnify the other in certain litigation in which the Company and/or Viacom Inc. is named.

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Litigation Involving the Company and Its Controlling Stockholder, National Amusements, Inc., Among Others, in the Delaware Court of Chancery. On May 14, 2018, the Company and certain of the Company's independent directors filed a lawsuit in the Delaware Court of Chancery against NAI, Ms. Shari Redstone, Mr. Sumner M. Redstone, NAI Entertainment Holdings LLC ("NAIEH") and the Sumner M. Redstone National Amusements Trust (the "SMR Trust"). The verified complaint alleged, among other things, that NAI, Mr. Sumner M. Redstone and Ms. Shari Redstone had breached their fiduciary duties to the Company's stockholders by abusing their control to threaten the independent corporate governance of the Company, and NAIEH and the SMR Trust had aided and abetted those breaches of fiduciary duty.

On May 16, 2018, each of NAI and NAIEH delivered to the Company a written consent purporting to immediately effect certain amendments (the "Purported Bylaw Amendments") to the Company's amended and restated bylaws (the "Bylaws"). The Purported Bylaw Amendments, if valid and upon becoming effective, would (1) change the vote required and otherwise restrict the ability of the Company's Board of Directors to declare and pay any dividend upon the capital stock of the Company, (2) change the vote required and otherwise restrict the ability of the Company's Board of Directors to adopt, amend, alter, change or repeal any provisions of the Bylaws and (3) modify, in certain respects, the Company's existing Bylaw provision providing that the Court of Chancery of the State of Delaware is the exclusive jurisdiction for certain types of corporate litigation. On May 17, 2018, the Court denied the Company's motion for a temporary restraining order against NAI, Mr. Sumner M. Redstone, Ms. Shari Redstone, NAIEH and the SMR Trust. Also on May 17, 2018, the Company's Board of Directors declared a pro rata dividend of 0.5687 of a share of the Company's voting Class A Common Stock for each share of the Company's Class A Common Stock and non-voting Class B Common Stock to stockholders of record as of the close of business on the record date, contingent on Delaware court approval (the "May 2018 Stock Dividend").

On May 23, 2018, the Company and certain of the Company's independent directors filed an amended verified complaint in the above matter. The amended verified complaint alleges, among other things, that NAI, NAIEH, Mr. Sumner M. Redstone, Ms. Shari Redstone and the SMR Trust form a controlling stockholder group and have breached their fiduciary duties to the Company's stockholders by abusing their control to threaten the independent corporate governance of the Company and that the Purported Bylaw Amendments are invalid or were ineffective as of May 17, 2018. The amended verified complaint seeks a declaration that the May 2018 Stock Dividend is valid and permissible, a declaration that the Purported Bylaw Amendments are invalid or were ineffective as of May 17, 2018 and an injunction against any action by NAI, Mr. Sumner M. Redstone, Ms. Shari Redstone, NAIEH or the SMR Trust to interfere with the composition of the Company's Board of Directors or to modify the Company's governance documents before the issuance of any shares pursuant to the May 2018 Stock Dividend.

On May 29, 2018, NAI, NAIEH and Ms. Shari Redstone filed a lawsuit in the Delaware Court of Chancery against certain of the Company's directors. NAI's verified complaint, as amended on June 25, 2018, alleges, among other things, that the May 2018 Stock Dividend violates the Company's bylaws and certificate of incorporation, and that the directors named as defendants had breached their fiduciary duties in approving the May 2018 Stock Dividend. The amended verified complaint seeks a declaration that the Purported Bylaw Amendments are valid, a declaration that the May 2018 Stock Dividend is invalid, an injunction against issuance and payment of the May 2018 Stock Dividend and any action by the defendants to carry out the May 2018 Stock Dividend, and other relief. On July 27, 2018, NAI filed a further amendment to its amended verified complaint. That amendment, effective as of filing, is due to become public on August 3, 2018.

On June 7, 2018, the Court consolidated the aforementioned respective lawsuits filed by the Company and certain of the Company's independent directors and by NAI, NAIEH and Ms. Shari Redstone under the consolidated action captioned In re CBS Corporation Litigation, Consol. C.A. No. 2018-0342-AGB (Del. Ch.). On June 11, 2018, the Delaware Court of Chancery entered a scheduling order calling for a trial of the consolidated action taking place on October 3-5 and 8-9, 2018.

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On May 31, 2018, Westmoreland County Employees' Retirement System ("Westmoreland"), a purported beneficial owner of the Company's Class B Common Stock, filed a class action complaint in the Delaware Court of Chancery against NAI, NAIEH, Mr. David R. Andelman, Mr. Robert N. Klieger and Ms. Shari Redstone, alleging breaches of contractual obligations, implied obligations and fiduciary duties to the Company's Class B Common Stock holders in connection with the Purported Bylaw Amendments and interference with the issuance by the Company's Board of Directors of the May 2018 Stock Dividend. Westmoreland's complaint seeks a declaratory judgment that the Company's certificate of incorporation authorizes the May 2018 Stock Dividend, that Westmoreland and the class are entitled to the May 2018 Stock Dividend, that the Purported Bylaw Amendments are invalid and other relief. On June 6, 2018, Westmoreland filed a motion to consolidate its lawsuit with the aforementioned actions filed by the Company and certain of its independent directors and by NAI, NAIEH and Ms. Shari Redstone. On June 11, 2018, NAI, NAIEH and Ms. Shari Redstone opposed that motion and simultaneously filed a motion to stay the lawsuit filed by Westmoreland in favor of the pending consolidated action captioned In re CBS Corporation Litigation described above. On June 20, 2018, the Delaware Court of Chancery denied both motions, but directed the Westmoreland lawsuit to proceed on the same timetable as, and to be coordinated with respect to discovery and trial with, the aforementioned consolidated action.
Claims Related to Former Businesses: Asbestos.   The Company is a defendant in lawsuits claiming various personal injuries related to asbestos and other materials, which allegedly occurred as a result of exposure caused by various products manufactured by Westinghouse, a predecessor, generally prior to the early 1970s. Westinghouse was neither a producer nor a manufacturer of asbestos. The Company is typically named as one of a large number of defendants in both state and federal cases. In the majority of asbestos lawsuits, the plaintiffs have not identified which of the Company's products is the basis of a claim. Claims against the Company in which a product has been identified principally relate to exposures allegedly caused by asbestos-containing insulating material in turbines sold for power-generation, industrial and marine use.

Claims are frequently filed and/or settled in groups, which may make the amount and timing of settlements, and the number of pending claims, subject to significant fluctuation from period to period. The Company does not report as pending those claims on inactive, stayed, deferred or similar dockets which some jurisdictions have established for claimants who allege minimal or no impairment. As of June 30, 2018, the Company had pending approximately 31,750 asbestos claims, as compared with approximately 31,660 as of December 31, 2017 and 33,240 as of June 30, 2017. During the second quarter of 2018, the Company received approximately 860 new claims and closed or moved to an inactive docket approximately 710 claims. The Company reports claims as closed when it becomes aware that a dismissal order has been entered by a court or when the Company has reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. The Company's total costs for the years 2017 and 2016 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately $57 million and $48 million, respectively. The Company's costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

Filings include claims for individuals suffering from mesothelioma, a rare cancer, the risk of which is allegedly increased by exposure to asbestos; lung cancer, a cancer which may be caused by various factors, one of which is alleged to be asbestos exposure; other cancers, and conditions that are substantially less serious, including claims brought on behalf of individuals who are asymptomatic as to an allegedly asbestos-related disease. The predominant number of pending claims against the Company are non-cancer claims. The Company believes that its reserves and insurance are adequate to cover its asbestos liabilities. This belief is based upon many factors and assumptions, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims. While the

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number of asbestos claims filed against the Company has remained generally flat in recent years, it is difficult to predict future asbestos liabilities, as events and circumstances may occur including, among others, the number and types of claims and average cost to resolve such claims, which could affect the Company's estimate of its asbestos liabilities.

Other. The Company from time to time receives claims from federal and state environmental regulatory agencies and other entities asserting that it is or may be liable for environmental cleanup costs and related damages principally relating to historical and predecessor operations of the Company. In addition, the Company from time to time receives personal injury claims including toxic tort and product liability claims (other than asbestos) arising from historical operations of the Company and its predecessors.

Related Parties

See Note 5 to the consolidated financial statements.

Recent Pronouncements and Adoption of New Accounting Standards

See Note 1 to the consolidated financial statements.

Critical Accounting Policies

See Item 7, Management's Discussion and Analysis of Results of Operations and Financial Condition in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, for a discussion of the Company's critical accounting policies.

Cautionary Statement Concerning Forward-Looking Statements

This quarterly report on Form 10-Q, including "Item 2 - Management's Discussion and Analysis of Results of Operations and Financial Condition," contains both historical and forward looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward looking statements within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934. These forward looking statements are not based on historical facts, but rather reflect the Company's current expectations concerning future results and events. These forward-looking statements generally can be identified by the use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will," "may," " "estimate" or other similar words or phrases. Similarly, statements that describe the Company's objectives, plans or goals are or may be forward looking statements. These forward looking statements involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause the actual results, performance or achievements of the Company to be different from any future results, performance or achievements expressed or implied by these statements. These risks, uncertainties and other factors include, among others: changes in the public acceptance of the Company's content; advertising market conditions generally; changes in technology and its effect on competition in the Company's markets; changes in the federal communications laws and regulations; the impact of piracy on the Company's products; the impact of consolidation in the market for the Company's content; the impact of negotiations or the loss of affiliation agreements or retransmission agreements; the impact of union activity, including possible strikes or work stoppages or the Company's inability to negotiate favorable terms for contract renewals; other domestic and global economic, business, competitive and/or other regulatory factors affecting the Company's businesses generally; and other factors described in the Company's filings made under the securities laws, including, among others, those set forth under "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2017 and in our Quarterly Reports on Form 10-Q, and in the Company's recent Current Reports on Form 8-K. There may be additional risks, uncertainties and factors that the Company does not currently view as material or that are

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not necessarily known. The forward looking statements included in this document are made only as of the date of this document and the Company does not undertake any obligation to publicly update any forward looking statements to reflect subsequent events or circumstances.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes to market risk since reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

Item 4. Controls and Procedures.

The Company's chief executive officer and chief operating officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended) were effective, based on the evaluation of these controls and procedures required by Rule 13a-15(b) or 15d-15(b) of the Securities Exchange Act of 1934, as amended.

No change in the Company's internal control over financial reporting occurred during the Company's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

The information set forth in Note 14 to the consolidated financial statements appearing in Item 1 of Part I of this report under the caption "Litigation Involving the Company and Its Controlling Stockholder, National Amusements, Inc., Among Others, in the Delaware Court of Chancery" is incorporated herein by reference.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Company Purchases of Equity Securities

In November 2010, the Company announced that its Board of Directors approved a program to repurchase $1.5 billion of the Company's common stock in open market purchases or other types of transactions (including accelerated stock repurchases or privately negotiated transactions). Since then, various increases totaling $16.4 billion have been approved and announced, including most recently, an increase to the share repurchase program to a total availability of $6.0 billion on July 28, 2016. Below is a summary of CBS Corp.'s purchases of its Class B Common Stock during the three months ended June 30, 2018 under this publicly announced share repurchase program.

(in millions, except per share amounts)	Total Number of Shares Purchased	Average Price Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Remaining Authorization
April 1, 2018 - April 30, 2018	1.3	$ 51.12	1.3	$ 2,792
May 1, 2018 - May 31, 2018	1.3	$ 51.48	1.3	$ 2,723
June 1, 2018 - June 30, 2018	1.2	$ 54.03	1.2	$ 2,657
Total	3.8	$ 52.17	3.8	$ 2,657

Item 5. Other Information.

On August 1, 2018, the Company's Board of Directors unanimously approved the retention of two law firms to conduct an investigation of the allegations in recent press reports about the Company's Chairman and Chief Executive Officer, CBS News and cultural issues at all levels of the Company. To help facilitate the investigation, a Special Committee of Board members has been formed comprised of Bruce S. Gordon, Linda Griego and Robert N. Klieger.

In addition, the Board appointed Bruce S. Gordon to serve as Lead Independent Director of the Company's Board of Directors.

Item 6. Exhibits.

Exhibit No.		Description of Document
(3)		Articles of Incorporation and Bylaws
	(b)	Amended and Restated Bylaws of CBS Corporation, as purportedly amended as of May 16, 2018 (filed herewith).**
(4)		Instruments defining the rights of security holders, including indentures
	(a)	Amended and Restated Senior Indenture dated as of November 3, 2008 ("2008 Indenture") between CBS Corporation, CBS Operations Inc., and The Bank of New York Mellon, as senior trustee (incorporated by reference to Exhibit 4.1 to the Registration Statement on Form S-3 of CBS Corporation filed November 3, 2008 (Registration No. 333-154962) (File No. 001-09553)).
	(b)	First Supplemental Indenture to 2008 Indenture dated as of April 5, 2010 between CBS Corporation, CBS Operations Inc., and Deutsche Bank Trust Company Americas, as senior trustee (incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K of CBS Corporation filed April 5, 2010 (File No. 001-09553)).
		The other instruments defining the rights of holders of the long-term debt securities of CBS Corporation and its subsidiaries are omitted pursuant to section (b)(4)(iii)(A) of Item 601 of Regulation S-K. CBS Corporation hereby agrees to furnish copies of these instruments to the Securities and Exchange Commission upon request.
(12)		Statement Regarding Computation of Ratios (filed herewith)
(31)		Rule 13a-14(a)/15d-14(a) Certifications
	(a)	Certification of the Chief Executive Officer of CBS Corporation pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (filed herewith).
	(b)	Certification of the Chief Operating Officer of CBS Corporation pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (filed herewith).
(32)		Section 1350 Certifications
	(a)	Certification of the Chief Executive Officer of CBS Corporation furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (furnished herewith).
	(b)	Certification of the Chief Operating Officer of CBS Corporation furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (furnished herewith).
(101)		Interactive Data File
		101. INS XBRL Instance Document.
		101. SCH XBRL Taxonomy Extension Schema.
		101. CAL XBRL Taxonomy Extension Calculation Linkbase.
		101. DEF XBRL Taxonomy Extension Definition Linkbase.
		101. LAB XBRL Taxonomy Extension Label Linkbase.
		101. PRE XBRL Taxonomy Extension Presentation Linkbase.

** As described in Note 14 to the consolidated financial statements appearing in Item 1 of Part I of this report under "Legal Matters", the Company is challenging the validity and effectiveness of the purported May 16, 2018 bylaw amendments in litigation in the Delaware Court of Chancery captioned In re CBS Corporation Litigation, Consol. C.A. No. 2018-0342-AGB (Del. Ch.).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CBS CORPORATION
(Registrant)

Date: August 2, 2018 /s/ Joseph R. Ianniello
Joseph R. Ianniello
Chief Operating Officer

Date: August 2, 2018 /s/ Lawrence Liding
Lawrence Liding
Executive Vice President, Controller and
Chief Accounting Officer

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