

CBS CORP
Form 10-Q
May 07, 2015

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended March 31, 2015

OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-09553

CBS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

04-2949533

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

51 W. 52nd Street, New York, New York

10019

(Address of principal executive offices)

(Zip Code)

(212) 975-4321

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Number of shares of common stock outstanding at May 4, 2015:

Class A Common Stock, par value \$.001 per share—37,826,904

Class B Common Stock, par value \$.001 per share—454,315,931

CBS CORPORATION
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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

CBS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited; in millions, except per share amounts)

	Three Months Ended March 31,	
	2015	2014
Revenues	\$3,500	\$3,570
Expenses:		
Operating	2,142	2,121
Selling, general and administrative	588	587
Depreciation and amortization	68	71
Total expenses	2,798	2,779
Operating income	702	791
Interest expense	(93)	(93)
Interest income	5	3
Other items, net	(4)	5
Earnings from continuing operations before income taxes and equity in loss of investee companies	610	706
Provision for income taxes	(203)	(234)
Equity in loss of investee companies, net of tax	(13)	(10)
Net earnings from continuing operations	394	462
Net earnings from discontinued operations, net of tax (Note 3)	—	6
Net earnings	\$394	\$468
Basic net earnings per common share:		
Net earnings from continuing operations	\$.79	\$.79
Net earnings from discontinued operations	\$—	\$.01
Net earnings	\$.79	\$.80
Diluted net earnings per common share:		
Net earnings from continuing operations	\$.78	\$.77
Net earnings from discontinued operations	\$—	\$.01
Net earnings	\$.78	\$.78
Weighted average number of common shares outstanding:		
Basic	498	585
Diluted	506	600
Dividends per common share	\$.15	\$.12
See notes to consolidated financial statements.		

CBS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; in millions)

	Three Months Ended, March 31,	
	2015	2014
Net earnings	\$394	\$468
Other comprehensive income from continuing operations, net of tax:		
Cumulative translation adjustments	(4)	(6)
Amortization of net actuarial loss	9	7
Changes in fair value of cash flow hedges	1	—
Other comprehensive income from continuing operations, net of tax	6	1
Other comprehensive income from discontinued operations, net of tax	—	1
Total other comprehensive income, net of tax	6	2
Total comprehensive income	\$400	\$470
See notes to consolidated financial statements.		

CBS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions, except per share amounts)

	At March 31, 2015	At December 31, 2014
ASSETS		
Current Assets:		
Cash and cash equivalents	\$331	\$428
Receivables, less allowances of \$54 (2015) and \$50 (2014)	3,295	3,459
Programming and other inventory (Note 4)	764	922
Deferred income tax assets, net	111	104
Prepaid income taxes	79	161
Prepaid expenses	136	129
Other current assets	504	386
Total current assets	5,220	