

Viacom Inc.
Form 10-Q
April 25, 2018

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, 2018

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 001-32686

VIACOM INC.
(Exact name of registrant as specified in its charter)
DELAWARE 20-3515052
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)

1515 Broadway
New York, NY 10036
(212) 258-6000
(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)

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 (§232.405 of this chapter) during the preceding 12 months (or 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

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Exchange Act. "

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

Class of Stock	Shares Outstanding as of April 13, 2018
Class A common stock, par value \$0.001 per share	49,431,181
Class B common stock, par value \$0.001 per share	352,973,760

Table of ContentsVIACOM INC.
INDEX TO FORM 10-Q

	Page
<u>PART I—FINANCIAL INFORMATION</u>	
<u>Item 1. Consolidated Financial Statements (Unaudited)</u>	
<u>Consolidated Statements of Earnings for the quarter</u> and six months ended March 31, 2018 and 2017	<u>1</u>
<u>Consolidated Statements of Comprehensive Income for the quarter</u> and six months ended March 31, 2018 and 2017	<u>2</u>
<u>Consolidated Balance Sheets as of</u> March 31, 2018 and September 30, 2017	<u>3</u>
<u>Consolidated Statements of Cash Flows for the six months ended</u> March 31, 2018 and 2017	<u>4</u>
<u>Notes to Consolidated Financial Statements</u>	<u>5</u>
<u>Item 2. Management’s Discussion and Analysis of Results of Operations and Financial Condition</u>	<u>16</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>27</u>
<u>Item 4. Controls and Procedures</u>	<u>27</u>
<u>PART II—OTHER INFORMATION</u>	
<u>Item 1. Legal Proceedings</u>	<u>28</u>
<u>Item 1A. Risk Factors</u>	<u>28</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>28</u>
<u>Item 3. Defaults Upon Senior Securities</u>	<u>28</u>
<u>Item 4. Mine Safety Disclosures</u>	<u>28</u>
<u>Item 5. Other Information</u>	<u>28</u>
<u>Item 6. Exhibits</u>	<u>29</u>

Table of Contents

PART I – FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements.

VIACOM INC.

CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

(in millions, except per share amounts)	Quarter Ended		Six Months	
	March 31,		March 31,	
	2018	2017	2018	2017
Revenues	\$3,148	\$3,256	\$6,221	\$6,580
Expenses:				
Operating	1,681	1,944	3,244	3,763
Selling, general and administrative	771	748	1,511	1,449
Depreciation and amortization	55	58	108	114
Restructuring and related costs	185	174	185	216
Total expenses	2,692	2,924	5,048	5,542
Operating income	456	332	1,173	1,038
Interest expense, net	(143)	(158)	(290)	(314)
Equity in net earnings of investee companies	2	18	3	31
Other items, net	(28)	(38)	(6)	(35)
Earnings from continuing operations before provision for income taxes	287	154	880	720
Provision for income taxes	(23)	(26)	(65)	(184)
Net earnings from continuing operations	264	128	815	536
Discontinued operations, net of tax	10	—	12	—
Net earnings (Viacom and noncontrolling interests)	274	128	827	536
Net earnings attributable to noncontrolling interests	(8)	(7)	(24)	(19)
Net earnings attributable to Viacom	\$266	\$121	\$803	\$517
Amounts attributable to Viacom:				
Net earnings from continuing operations	\$256	\$121	\$791	\$517
Discontinued operations, net of tax	10	—	12	—
Net earnings attributable to Viacom	\$266	\$121	\$803	\$517
Basic earnings per share attributable to Viacom:				
Continuing operations	\$0.64	\$0.30	\$1.97	\$1.30
Discontinued operations	0.02	—	0.03	—
Net earnings	\$0.66	\$0.30	\$2.00	\$1.30
Diluted earnings per share attributable to Viacom:				
Continuing operations	\$0.64	\$0.30	\$1.96	\$1.30