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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2011

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 x 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 x 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 x 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 x

Class of Stock	**Shares Outstanding as of July 15, 2011**
Class A Common stock, par value $0.001 per share	51,407,399
Class B Common stock, par value $0.001 per share	523,189,304

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VIACOM INC.

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PART I FINANCIAL INFORMATION

Item 1. ***Financial Statements.***

VIACOM INC.

CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

	Quarter Ended June 30,		Nine Months Ended June 30,	
(in millions, except per share amounts)	**2011**	**2010**	**2011**	**2010**
Revenues	**$ 3,766**	$ 3,275	**$ 10,861**	$ 10,026
Expenses:				
Operating	**1,945**	1,710	**5,683**	5,179
Selling, general and administrative	**761**	674	**2,180**	2,040
Depreciation and amortization	**65**	75	**203**	236
Restructuring	**14**	-	**14**	-
Asset impairment	**-**	-	**-**	60
Total expenses	**2,785**	2,459	**8,080**	7,515
Operating income	**981**	816	**2,781**	2,511
Interest expense, net	**(104)**	(104)	**(310)**	(322)
Equity in net earnings (losses) of investee companies	**12**	(24)	**51**	(72)
Loss on extinguishment of debt	**-**	-	**(87)**	-
Other items, net	**10**	(3)	**3**	(3)
Earnings from continuing operations before provision for income taxes	**899**	685	**2,438**	2,114
Provision for income taxes	**(310)**	(247)	**(838)**	(728)
Net earnings from continuing operations	**589**	438	**1,600**	1,386
Discontinued operations, net of tax	**-**	(12)	**(10)**	(52)
Net earnings (Viacom and noncontrolling interests)	**589**	426	**1,590**	1,334
Net (earnings) losses attributable to noncontrolling interests	**(15)**	(6)	**(30)**	25
Net earnings attributable to Viacom	**$ 574**	$ 420	**$ 1,560**	$ 1,359
Amounts attributable to Viacom:				
Net earnings from continuing operations	**$ 574**	$ 432	**$ 1,570**	$ 1,411
Discontinued operations, net of tax	**-**	(12)	**(10)**	(52)
Net earnings attributable to Viacom	**$ 574**	$ 420	**$ 1,560**	$ 1,359
Basic earnings per share attributable to Viacom:				
Continuing operations	**$ 0.99**	$ 0.71	**$ 2.65**	$ 2.32
Discontinued operations	**$ -**	$ (0.02)	**$ (0.02)**	$ (0.08)
Net earnings	**$ 0.99**	$ 0.69	**$ 2.63**	$ 2.24
Diluted earnings per share attributable to Viacom:				
Continuing operations	**$ 0.97**	$ 0.71	**$ 2.62**	$ 2.31
Discontinued operations	**$ -**	$ (0.02)	**$ (0.02)**	$ (0.08)
Net earnings	**$ 0.97**	$ 0.69	**$ 2.60**	$ 2.23

Weighted average number of common shares outstanding:				
Basic	**582.7**	607.9	**593.5**	607.6
Diluted	**591.6**	611.3	**600.2**	610.1
Dividends declared per share of Class A and Class B common stock	**$ 0.25**	$ 0.15	**$ 0.55**	$ 0.15

See accompanying notes to the Consolidated Financial Statements

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VIACOM INC.

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(in millions, except par value)	June 30, 2011	September 30, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 955**	$ 837
Receivables, net	**2,726**	2,417
Inventory, net	**803**	861
Deferred tax assets, net	**68**	77
Prepaid and other assets	**329**	281
Assets held for sale	**-**	76
Total current assets	**4,881**	4,549
Property and equipment, net	**1,040**	1,102
Inventory, net	**4,076**	4,145
Goodwill	**11,075**	11,035
Intangibles, net	**420**	467
Deferred tax assets, net	**-**	156
Other assets	**818**	568
Assets held for sale	**-**	74
Total assets	**$ 22,310**	$ 22,096
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	**$ 315**	$ 210
Accrued expenses	**1,153**	1,000
Participants share and residuals	**1,099**	1,059
Program rights obligations	**422**	390
Deferred revenue	**217**	256
Current portion of debt	**26**	31
Other liabilities	**348**	435
Liabilities held for sale	**-**	117
Total current liabilities	**3,580**	3,498
Noncurrent portion of debt	**6,928**	6,721
Participants share and residuals	**501**	453
Program rights obligations	**579**	691
Deferred tax liabilities, net	**99**	-
Other liabilities	**1,317**	1,343
Redeemable noncontrolling interest	**152**	131
Commitments and contingencies (Note 9)		
Viacom stockholders equity:		
Class A Common stock, par value $0.001, 375.0 authorized; 51.4 and 52.0 outstanding, respectively	**-**	-
Class B Common stock, par value $0.001, 5,000.0 authorized; 525.3 and 556.5 outstanding, respectively	**1**	1
Additional paid-in capital	**8,531**	8,346

Treasury stock, 187.5 and 151.5 common shares held in treasury, respectively	**(7,325)**	(5,725)
Retained earnings	**7,985**	6,775
Accumulated other comprehensive loss	**(29)**	(114)
Total Viacom stockholders equity	**9,163**	9,283
Noncontrolling interests	**(9)**	(24)
Total equity	**9,154**	9,259
Total liabilities and equity	**$ 22,310**	$ 22,096

See accompanying notes to the Consolidated Financial Statements

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VIACOM INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(in millions)	Nine Months Ended June 30, 2011	Nine Months Ended June 30, 2010
OPERATING ACTIVITIES		
Net earnings (Viacom and noncontrolling interests)	**$ 1,590**	$ 1,334
Discontinued operations, net of tax	**10**	52
Net earnings from continuing operations	**1,600**	1,386
Reconciling items:		
Depreciation and amortization	**203**	236
Asset impairment	**-**	60
Feature film and program amortization	**3,325**	3,216
Equity-based compensation	**93**	77
Equity in net (income) losses and distributions from investee companies	**(43)**	86
Deferred income taxes	**269**	(133)
Decrease in securitization program	**-**	(775)
Operating assets and liabilities, net of acquisitions:		
Receivables	**(323)**	60
Inventory, program rights and participations	**(3,177)**	(2,921)
Accounts payable and other current liabilities	**(13)**	(168)
Other, net	**(78)**	(49)
Discontinued operations, net	**(20)**	127
Cash provided by operations	**1,836**	1,202
INVESTING ACTIVITIES		
Acquisitions and investments	**(58)**	(101)
Capital expenditures	**(77)**	(111)
Discontinued operations, net	**-**	(1)
Net cash flow used in investing activities	**(135)**	(213)
FINANCING ACTIVITIES		
Borrowings	**982**	698
Debt repayments	**(776)**	(976)
Commercial paper	**-**	(206)
Purchase of treasury stock	**(1,561)**	-
Dividends paid	**(272)**	-
Excess tax benefits on equity-based compensation awards	**12**	-
Exercise of stock options	**109**	-
Other, net	**(92)**	(68)
Net cash flow used in financing activities	**(1,598)**	(552)
Effect of exchange rate changes on cash and cash equivalents	**15**	(9)
Net change in cash and cash equivalents	**118**	428

Cash and cash equivalents at beginning of period	**837**	249
Cash and cash equivalents at end of period	**$ 955**	$ 677

See accompanying notes to the Consolidated Financial Statements

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VIACOM INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY AND COMPREHENSIVE INCOME

(Unaudited)

(in millions)	Common Stock Outstanding (shares)	Common Stock/APIC	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Viacom Stockholders Equity	Noncontrolling Interests	Total Equity
March 31, 2011	588.1	$ 8,435	$ (6,625)	$ 7,579	$ (36)	$ 9,353	$ (20)	$9,333
Net earnings				**574**		**574**	**15**	**589**
Translation adjustments					**12**	**12**	**1**	**13**
Defined benefit pension plans					**2**	**2**	**-**	**2**
Other					**(7)**	**(7)**	**-**	**(7)**
Comprehensive income						**581**	**16**	**597**
Noncontrolling interests				**(21)**		**(21)**	**(5)**	**(26)**
Dividends declared				**(147)**		**(147)**	**-**	**(147)**
Purchases of treasury stock	**(14.2)**		**(700)**			**(700)**	**-**	**(700)**
Exercise of stock options and share issuances	**2.8**	**83**				**83**	**-**	**83**
Equity-based compensation and other		**14**				**14**	**-**	**14**
June 30, 2011	**576.7**	**$ 8,532**	**$ (7,325)**	**$ 7,985**	**$ (29)**	**$ 9,163**	**$ (9)**	**$9,154**

(in millions)	Common Stock Outstanding (shares)	Common Stock/APIC	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Viacom Stockholders Equity	Noncontrolling Interests	Total Equity
March 31, 2010	607.7	$ 8,306	$ (5,725)	$ 6,323	$ (28)	$ 8,876	$ (26)	$ 8,850
Net earnings				420		420	6	426
Translation adjustments					(70)	(70)	(1)	(71)
Other				(1)	(4)	(5)	-	(5)
Comprehensive income						345	5	350
Noncontrolling interests						-	(3)	(3)
Dividends declared				(92)		(92)	-	(92)
Equity-based compensation and other	0.7	10				10	-	10
June 30, 2010	608.4	$ 8,316	$ (5,725)	$ 6,650	$ (102)	$ 9,139	$ (24)	$ 9,115

See accompanying notes to the Consolidated Financial Statements

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VIACOM INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY AND COMPREHENSIVE INCOME

(Unaudited)

(in millions)	Common Stock Outstanding (shares)	Common Stock/APIC	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Viacom Stockholders Equity	Noncontrolling Interests	Total Equity
September 30, 2010	608.5	$ 8,347	$ (5,725)	$ 6,775	$ (114)	$ 9,283	$ (24)	$ 9,259
Net earnings				**1,560**		**1,560**	**30**	**1,590**
Translation adjustments					**93**	**93**	**3**	**96**
Defined benefit pension plans					**5**	**5**	**-**	**5**
Other					**(13)**	**(13)**	**-**	**(13)**
Comprehensive income						**1,645**	**33**	**1,678**
Noncontrolling interests				**(21)**		**(21)**	**(18)**	**(39)**
Dividends declared				**(329)**		**(329)**	**-**	**(329)**
Purchases of treasury stock	**(36.0)**		**(1,600)**			**(1,600)**	**-**	**(1,600)**
Exercise of stock options and share issuances	**4.2**	**117**				**117**	**-**	**117**
Equity-based compensation and other		**68**				**68**	**-**	**68**
June 30, 2011	**576.7**	**$ 8,532**	**$ (7,325)**	**$ 7,985**	**$ (29)**	**$ 9,163**	**$ (9)**	**$ 9,154**

(in millions)	Common Stock Outstanding (shares)	Common Stock/APIC	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Viacom Stockholders Equity	Noncontrolling Interests	Total Equity
September 30, 2009	607.4	$ 8,257	$ (5,725)	$ 5,408	$ 89	$ 8,029	$ 15	$ 8,044
Net earnings				1,359		1,359	(25)	1,334
Translation adjustments					(129)	(129)	(3)	(132)
Defined benefit pension plans					(61)	(61)	-	(61)
Other				(1)	(1)	(2)	-	(2)
Comprehensive income						1,167	(28)	1,139
Adoption of accounting for consolidation of variable interest entities as of January 1, 2010				(28)		(28)	(12)	(40)
Noncontrolling interests		(4)		4		-	1	1
Dividends declared				(92)		(92)	-	(92)
Equity-based compensation and other	1.0	63				63	-	63
June 30, 2010	608.4	$ 8,316	$ (5,725)	$ 6,650	$ (102)	$ 9,139	$ (24)	$ 9,115

See accompanying notes to the Consolidated Financial Statements

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VIACOM INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business

Viacom Inc. including its consolidated subsidiaries (Viacom or the Company) is a leading global entertainment content company, engaging audiences on television, motion picture, Internet and mobile platforms through many of the world s best known entertainment brands. Viacom operates through two reporting segments: *Media Networks*, which includes MTV Networks (MTVN) and BET Networks (BETN); and *Filmed Entertainment*. The *Media Networks* segment provides entertainment content for consumers in key demographics attractive to advertisers, content distributors and retailers. The *Filmed Entertainment* segment produces, finances and distributes motion pictures and other entertainment content under the Paramount Pictures, Paramount Vantage, MTV Films and Nickelodeon Movies brands. It also acquires films for distribution and has distribution relationships with third parties.

Basis of Presentation

Unaudited Interim Financial Statements

The accompanying unaudited consolidated quarterly financial statements have been prepared on a basis consistent with generally accepted accounting principles in the United States (GAAP) for interim financial information and pursuant to the rules of the Securities and Exchange Commission (SEC). In the opinion of management, the accompanying unaudited financial statements reflect all adjustments, consisting of only normal and recurring adjustments, necessary for a fair presentation of the results of operations, financial position and cash flows for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results expected for the fiscal year ending September 30, 2011 (fiscal year 2011) or any future period. These statements should be read in conjunction with the Company s Form 10-K for the nine month transition period ended September 30, 2010, as filed with the SEC on November 12, 2010 (the 2010 Form 10-K).

Use of Estimates

Preparing financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities as of the dates presented and the reported amounts of revenues and expenses during the reporting periods presented. Significant estimates inherent in the preparation of the accompanying Consolidated Financial Statements include estimates of film ultimate revenues, product returns, allowances for doubtful accounts, potential outcome of uncertain tax positions, fair value of acquired assets and liabilities, fair value of equity-based compensation and pension benefit assumptions. Estimates are based on past experience and other considerations reasonable under the circumstances. Actual results may differ from these estimates.

Reclassification

Certain amounts have been reclassified to conform to the fiscal year 2011 presentation.

NOTE 2. EARNINGS PER SHARE

Basic earnings per common share excludes potentially dilutive securities and is computed by dividing *Net earnings attributable to Viacom* by the weighted average number of common shares outstanding during the period. The determination of diluted earnings per common share includes the potential dilutive effect of equity-based compensation awards based upon the application of the treasury stock method. Anti-dilutive common shares are excluded from the calculation of diluted earnings per common share.

VIACOM INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table sets forth the computation of the common shares outstanding used in determining basic and diluted earnings per common share and anti-dilutive shares:

Common Shares Outstanding and Anti-dilutive Common Shares (in millions)	**Quarter Ended June 30, 2011**	**Quarter Ended June 30, 2010**	**Nine Months Ended June 30, 2011**	**Nine Months Ended June 30, 2010**
Weighted average common shares outstanding, basic	**582.7**	607.9	**593.5**	607.6
Dilutive effect of equity-based compensation awards	**8.9**	3.4	**6.7**	2.5
Weighted average common shares outstanding, diluted	**591.6**	611.3	**600.2**	610.1
Anti-dilutive common shares	**11.8**	37.4	**19.0**	37.3

NOTE 3. INVENTORY

Inventory (in millions)	**June 30, 2011**	**September 30, 2010**
Film inventory:		
Released, net of amortization	**$ 1,116**	$ 900
Completed, not yet released	**64**	83
In process and other	**407**	652
Total film inventory, net of amortization	**1,587**	1,635
Original programming:		
Released, net of amortization	**1,160**	1,033
Completed, not yet released	**6**	5
In process and other	**450**	475
Total original programming, net of amortization	**1,616**	1,513
Acquired program rights, net of amortization	**1,546**	1,708
Merchandise and other inventory, net of allowance of $81 and $73	**130**	150
Total inventory, net	**4,879**	5,006
Less current portion	**(803)**	(861)
Total inventory - noncurrent, net	**$ 4,076**	$ 4,145

NOTE 4. DEBT

Debt (in millions)	**June 30, 2011**	**September 30, 2010**
Senior notes and debentures:		
Senior notes due April 2011, 5.750%	**$ -**	$ 193
Senior notes due September 2014, 4.375%	**597**	597
Senior notes due September 2015, 4.250%	**250**	250
Senior notes due April 2016, 6.250%	**916**	1,496
Senior notes due April 2017, 3.500%	**496**	-
Senior notes due October 2017, 6.125%	**498**	497
Senior notes due September 2019, 5.625%	**553**	554
Senior notes due March 2021, 4.500%	**492**	-
Senior debentures due April 2036, 6.875%	**1,736**	1,735
Senior debentures due October 2037, 6.750%	**248**	248
Senior notes due December 2055, 6.850%	**750**	750
Capital lease and other obligations	**418**	432
Total debt	**6,954**	6,752
Less current portion	**(26)**	(31)
Total noncurrent portion	**$ 6,928**	$ 6,721

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VIACOM INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In the second quarter of 2011, we issued a total of $1.0 billion of senior notes with maturities of six and ten years. In February 2011, we issued $500 million aggregate principal amount of 4.5% Senior Notes due 2021 at a price equal to 98.320% of the principal amount. In March 2011, we issued $500 million aggregate principal amount of 3.5% Senior Notes due 2017 at a price equal to 99.139% of the principal amount.

We used the net proceeds from the February 2011 offering of $488 million to conduct a cash tender offer to repurchase a portion of the $1.5 billion aggregate principal of our 6.25% Senior Notes due 2016 at a weighted-average purchase price of $1,153.50 per $1,000 of principal. Our repurchase of $582 million of principal pursuant to the tender offer resulted in a pre-tax extinguishment loss of $87 million.

During the quarter, we paid off at maturity the remaining $193 million of our 5.75% Senior Notes due April 30, 2011.

At June 30, 2011, the total unamortized net discount related to the senior notes and debentures was $32 million. The fair value of the Company s senior notes and debentures exceeded the carrying value by $672 million at June 30, 2011. The valuation of the Company s publicly traded debt is based on quoted prices in active markets.

At June 30, 2011, there were no amounts outstanding under the Company s $2.0 billion revolving facility due October 2013 or commercial paper program. The credit facility has one principal financial covenant that requires the Company s interest coverage for the most recent four consecutive fiscal quarters to be at least 3.0x, which the Company met at June 30, 2011.

NOTE 5. FINANCIAL INSTRUMENTS

At June 30, 2011, the Company s financial assets and liabilities reflected in the Consolidated Financial Statements at fair value consist of marketable securities and derivatives. Fair value for marketable securities is determined utilizing a market approach based on quoted market prices in active markets at period end. Fair value for derivatives is determined utilizing a market-based approach. The following table summarizes the valuation of the Company s financial assets and liabilities at June 30, 2011 and September 30, 2010:

Financial Asset (Liability) (in millions)	**Total**	**Quoted Prices In Active Markets for Identical Assets Level 1**	**Significant Other Observable Inputs Level 2**	**Significant Unobservable Inputs Level 3**
June 30, 2011				
Marketable securities	**$ 80**	**$ 80**	**$ -**	**$ -**
Derivatives	**(7)**	**-**	**(7)**	**-**
Total	**$ 73**	**$ 80**	**$ (7)**	**$ -**
September 30, 2010				
Marketable securities	$ 78	$ 78	$ -	$ -
Derivatives	1	-	1	-
Total	$ 79	$ 78	$ 1	$ -

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VIACOM INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6. PENSION

The Company s defined pension plans principally consist of both funded and unfunded noncontributory plans covering the majority of domestic employees and retirees. Net periodic benefit costs for the Company under its defined benefit pension plans consist of the following:

Net Periodic Benefit Costs (in millions)	**Quarter Ended June 30,** 2011	2010	**Nine Months Ended June 30,** 2011	2010
Service cost	**$ 7**	$ 7	**$ 21**	$ 18
Interest cost	**11**	10	**33**	30
Expected return on plan assets	**(9)**	(8)	**(27)**	(22)
Amortization of unrecognized prior service cost	**-**	-	**-**	1
Recognized actuarial loss	**3**	2	**9**	6
Net periodic benefit costs	**$ 12**	$ 11	**$ 36**	$ 33

NOTE 7. EQUITY-BASED COMPENSATION

During the quarter ended June 30, 2011, the Company granted 3.1 million stock options and 1.1 million restricted share units with a grant date fair value of $11.44 and $49.95, respectively.

NOTE 8. RELATED PARTY TRANSACTIONS

National Amusements, Inc. (NAI), directly and through a wholly-owned subsidiary, is the controlling stockholder of both Viacom and CBS Corporation (CBS). Sumner M. Redstone, the Chairman, Chief Executive Officer and controlling shareholder of NAI, is the Executive Chairman of the Board and Founder of both Viacom and CBS. In addition, Shari Redstone, who is Sumner Redstone s daughter, is the President of NAI, and the Vice Chair of the Board of both Viacom and CBS. George Abrams, one of the Company s directors, serves on the boards of both NAI and Viacom, and Frederic Salerno, another of the Company s directors, serves on the boards of both Viacom and CBS. Philippe Dauman, the Company s President and Chief Executive Officer, also serves on the boards of both NAI and Viacom. Transactions between Viacom and related parties are overseen by the Company s Governance and Nominating Committee.

Viacom and NAI Related Party Transactions

NAI licenses films in the ordinary course of business for its motion picture theaters from all major studios, including Paramount. During the nine months ended June 30, 2011 and 2010, Paramount earned revenues from NAI in connection with these licenses in the aggregate amounts of approximately $20 million and $17 million, respectively.

Viacom and CBS Corporation Related Party Transactions

In the ordinary course of business, the Company is involved in transactions with CBS and its various businesses that result in the recognition of revenues and expenses by Viacom. Transactions with CBS are settled in cash.

Paramount earns revenues and recognizes expenses associated with the distribution of certain television products into the home entertainment market on behalf of CBS. Under the terms of the agreement, Paramount is entitled to retain a fee based on a percentage of gross receipts and is generally responsible for all out-of-pocket costs, which are recoupable together with any advance amounts paid. Paramount made advance payments of $50 million and $100 million to CBS in the quarters ended March 31, 2011 and 2010, respectively. Paramount also earns revenues from CBS through leasing of studio space and licensing of certain film products. Additionally, the *Media Networks* segment recognizes advertising revenues from CBS.

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VIACOM INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The *Media Networks* segment purchases television programming from CBS. The cost of such purchases is initially recorded as acquired program rights inventory and amortized over the estimated period that revenues will be generated. Both of the Company s segments recognize advertising expenses related to the placement of advertisements with CBS.

The following table summarizes the transactions with CBS as included in the Company s Consolidated Financial Statements:

CBS Related Party Transactions (in millions)	**Quarter Ended June 30, 2011**	**Quarter Ended June 30, 2010**	**Nine Months Ended June 30, 2011**	**Nine Months Ended June 30, 2010**
Consolidated Statements of Earnings				
Revenues	**$ 54**	$ 66	**$ 241**	$ 281
Operating expenses	**$ 87**	$ 93	**$ 313**	$ 346
			June 30, 2011	**September 30, 2010**
Consolidated Balance Sheets				
Accounts receivable			**$ 5**	$ 9
Other assets			**1**	1
Total due from CBS			**$ 6**	$ 10
Accounts payable			**$ 3**	$ 4
Participants share and residuals, current			**143**	227
Program rights obligations, current			**76**	100
Program rights obligations, noncurrent			**209**	263
Other liabilities			**37**	39
Total due to CBS			**$ 468**	$ 633

Other Related Party Transactions

In the ordinary course of business, the Company is involved in related party transactions with equity investees, principally related to investments in unconsolidated variable interest entities (VIEs) as more fully described in Note 11. These related party transactions primarily relate to the provision of advertising services, licensing of film and programming content, distribution of films and provision of certain administrative support services for which the impact on the Company s Consolidated Financial Statements is as follows:

Other Related Party Transactions (in millions)	**Quarter Ended June 30, 2011**	**Quarter Ended June 30, 2010**	**Nine Months Ended June 30, 2011**	**Nine Months Ended June 30, 2010**

Consolidated Statements of Earnings				
Revenues	**$ 49**	$ 72	**$ 135**	$ 222
Operating expenses	**$ 17**	$ 26	**$ 48**	$ 98
Selling, general and administrative	**$ (4)**	$ (8)	**$ (12)**	$ (8)

	June 30, 2011	**September 30, 2010**
Consolidated Balance Sheets		
Accounts receivable	**$ 86**	$ 88
Other assets	**3**	9
Total due from other related parties	**$ 89**	$ 97
Accounts payable	**$ 28**	$ 26
Other liabilities	**16**	29
Total due to other related parties	**$ 44**	$ 55

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VIACOM INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

All other related party transactions are not material to the periods presented.

NOTE 9. COMMITMENTS AND CONTINGENCIES

As more fully described in Notes 3 and 14 of the 2010 Form 10-K, the Company s commitments primarily consist of programming and talent commitments, operating lease arrangements, purchase obligations for goods and services and future funding commitments related to equity investees. These arrangements result from the Company s normal course of business and represent obligations that may be payable over several years.

The Company is also subject to a redeemable put option, payable in a foreign currency, with respect to an international subsidiary. The put option expires in January 2016, and is classified as *Redeemable noncontrolling interest* in the Consolidated Balance Sheets.

Contingencies

The Company has certain indemnification obligations with respect to leases associated with the previously discontinued operations of Famous Players and Blockbuster Inc. (Blockbuster). In addition, Viacom has certain indemnities provided by the acquirer of Famous Players and by Blockbuster. At June 30, 2011, these lease commitments, substantially all of which relate to Famous Players, amounted to approximately $650 million. The amount of lease commitments varies over time depending on expiration or termination of individual underlying leases, or of the related indemnification obligation, and foreign exchange rates, among other things. The Company may also have exposure for certain other expenses related to the leases, such as property taxes and common area maintenance. The Company has recorded a liability of approximately $200 million with respect to such obligations. Based on the Company s consideration of financial information available to it, the lessees historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees business models, the Company believes its accrual is sufficient to meet any future obligations.

Legal Matters

Litigation is inherently uncertain and always difficult to predict. However, based on the Company s understanding and evaluation of the relevant facts and circumstances, the Company believes that the legal matters described below and other litigation to which the Company 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.

In March 2007, the Company filed a complaint in the United States District Court for the Southern District of New York against Google Inc. (Google) and its wholly-owned subsidiary YouTube, alleging that Google and YouTube violated and continue to violate the Company s copyrights. The Company is seeking both damages and injunctive relief. In March 2010, the Company and Google filed motions for summary judgment, and in June 2010, Google s motion was granted. The District Court decision has been appealed to the U.S. Court of Appeals for the Second Circuit and the appeal has been fully briefed. The Company believes it has a meritorious appeal.

In September 2007, Brantley, et al. v. NBC Universal, Inc., et al., was filed in the United States District Court for the Central District of California against the Company and several other program content providers on behalf of a purported nationwide class of cable and satellite subscribers. The plaintiffs also sued several major cable and satellite program distributors. Plaintiffs allege that separate contracts between the program providers and the cable and satellite operator defendants providing for the sale of programming in specific tiers each unreasonably restrain trade in a variety of markets in violation of the Sherman Act. In June 2011, the Court of Appeals for the Ninth Circuit affirmed the District Court s decision dismissing, with prejudice, the plaintiff s third amended complaint. The plaintiffs have filed a petition for a rehearing of the case by the full Court of Appeals. The Company believes the plaintiffs position in this litigation is without merit and intends to continue to vigorously defend this lawsuit.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company s 2006 acquisition agreement with Harmonix Music Systems, Inc. (Harmonix), a developer of music-based games, including the *Rock Band* franchise, provided that to the extent financial results exceeded specific contractual targets against a defined gross profit metric for the calendar years 2007 and 2008, former Harmonix shareholders would be eligible for incremental earn-out payments. In 2008, the Company paid $150 million, subject to adjustment, under this earn-out agreement related to 2007 performance. The Company believes that it is entitled to a refund of a substantial portion of amounts previously paid, but the final amount of the earn-out has not yet been determined and is subject to a private dispute resolution process. In December 2010, a representative of the selling shareholders filed a lawsuit in the Court of Chancery for the State of Delaware alleging that the Company breached its obligations under the acquisition agreement in a manner that could impact the earn-out calculation and made certain other claims. In January 2011, the Company filed a motion to dismiss or stay the lawsuit. In March 2011, plaintiffs filed an amended complaint, and in May 2011, the Company filed a renewed motion to dismiss. The Company believes the plaintiffs position in these proceedings is without merit and intends to vigorously defend this lawsuit.

NOTE 10. DISCONTINUED OPERATIONS

Discontinued operations for all periods presented principally relates to Harmonix. In December 2010, the Company completed the sale of Harmonix. Included in the pre-tax loss from discontinued operations for the nine months ended June 30, 2011 is a $12 million loss from operations for the period through the date of sale and a $14 million loss on disposal.

Discontinued Operations (in millions)	**Quarter Ended June 30, 2010**	**Nine Months Ended June 30, 2011**	**Nine Months Ended June 30, 2010**
Revenues from discontinued operations	$ 26	**$ 49**	$ 159
Pre-tax loss from discontinued operations	$ (19)	**$ (24)**	$ (84)
Income tax provision	7	**14**	32
Net loss from discontinued operations	$ (12)	**$ (10)**	$ (52)

For tax purposes, the disposal generated a tax benefit of approximately $115 million, of which approximately $45 million is expected to be realized as a cash refund of taxes previously paid on capital gains and the remaining $70 million benefit will be available to offset qualifying future cash taxes.

NOTE 11. SUPPLEMENTAL CASH FLOW AND OTHER INFORMATION

Supplemental Cash Flow Information (in millions)	**Quarter Ended June 30, 2011**	**Quarter Ended June 30, 2010**	**Nine Months Ended June 30, 2011**	**Nine Months Ended June 30, 2010**
Cash paid for interest	**$ 136**	$ 155	**$ 355**	$ 374
Cash paid for income taxes	**$ 379**	$ 306	**$ 612**	$ 776

Redeemable Noncontrolling Interest (in millions)	**Quarter Ended June 30,** **2011**	 **2010**	**Nine Months Ended June 30,** **2011**	 **2010**
Beginning balance	**$ 132**	$ 154	**$ 131**	$ 170
Net earnings	**2**	1	**9**	8
Distributions	**(1)**	(3)	**(11)**	(9)
Translation adjustment	**(2)**	(4)	**2**	(17)
Redemption value adjustment	**21**	1	**21**	(3)
Ending balance	**$ 152**	$ 149	**$ 152**	$ 149

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VIACOM INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Investments in Variable Interest Entities

Unconsolidated Variable Interest Entities

At June 30, 2011 and September 30, 2010, the Company s aggregate investment carrying value in unconsolidated VIEs was $142 million and $98 million, respectively. The impact of the Company s unconsolidated VIEs on its Consolidated Financial Statements, including related party transactions, is further described in Note 8.

Consolidated Variable Interest Entities

At June 30, 2011 and September 30, 2010, there were $25 million and $27 million of assets and $85 million and $84 million of liabilities, respectively, included within the Company s Consolidated Balance Sheets in respect of MTV Tr3s investment interest in a Hispanic-oriented television broadcaster. The operating results of this consolidated VIE for the nine months ended June 30, 2010 included a $60 million non-cash impairment charge related to certain broadcast licenses held by the entity. The impact to *Net earnings attributable to Viacom* in the nine months ended June 30, 2010 was a reduction of $19 million, with the remaining $41 million allocated to the noncontrolling interest. Except for the impairment charge, the entity s revenues, expenses and operating income for the quarter and nine months ended June 30, 2011 and 2010 were not significant to the Company.

Accounts Receivable

At June 30, 2011, there were $402 million of noncurrent trade receivables in the *Filmed Entertainment* segment included within *Other assets* in the Company s Consolidated Balance Sheet principally related to long-term television license arrangements and amounts due from MVL Productions LLC, a subsidiary of The Walt Disney Company, in connection with the sale of distribution rights. Such amounts are due in accordance with the underlying terms of the respective agreements and are principally from investment grade companies with which the Company has historically done business under similar terms, for which credit loss allowances are generally not considered necessary.

During the quarter ended December 31, 2009, activity under our former accounts receivable securitization programs consisted of $433 million of proceeds from the sale of receivables and $1.109 billion of cash remitted to the facility, including $3 million of cash paid for interest. There were no amounts outstanding under the programs at December 31, 2009 and no activity during the quarters ended March 31, 2010 and June 30, 2010.

Restructuring

During the quarter ended June 30, 2011, the *Media Networks* segment incurred employee separation costs, including accelerated vesting of certain equity-based compensation awards, of $14 million, which is included within *Restructuring* in our Consolidated Statement of Earnings.

NOTE 12. REPORTING SEGMENTS

The following tables set forth the Company s financial performance by reporting segment. The Company s reporting segments have been determined in accordance with the Company s internal management structure. The Company manages its operations through two reporting segments: (i) *Media Networks* and (ii) *Filmed Entertainment*. Typical intersegment transactions include the purchase of advertising by the *Filmed Entertainment* segment on *Media Networks* properties and the purchase of *Filmed Entertainment s* feature films exhibition rights by *Media Networks*. The elimination of such intercompany transactions in the Consolidated Financial Statements is included within eliminations in the table below.

The Company s measure of segment performance is adjusted operating income (loss). Adjusted operating income (loss) is defined as operating income (loss), less equity-based compensation and certain other items identified as affecting comparability, including restructuring charges and asset impairment, when applicable.

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VIACOM INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Revenues by Segment (in millions)	**Quarter Ended June 30, 2011**	**Quarter Ended June 30, 2010**	**Nine Months Ended June 30, 2011**	**Nine Months Ended June 30, 2010**
Media Networks	**$ 2,391**	$ 2,065	**$ 6,853**	$ 6,203
Filmed Entertainment	**1,407**	1,245	**4,130**	3,922
Eliminations	**(32)**	(35)	**(122)**	(99)
Total revenues	**$ 3,766**	$ 3,275	**$ 10,861**	$ 10,026

Adjusted Operating Income (in millions)	**Quarter Ended June 30, 2011**	**Quarter Ended June 30, 2010**	**Nine Months Ended June 30, 2011**	**Nine Months Ended June 30, 2010**
Media Networks	**$ 1,033**	$ 811	**$ 2,890**	$ 2,508
Filmed Entertainment	**49**	69	**156**	288
Corporate expenses	**(58)**	(45)	**(160)**	(148)
Equity-based compensation	**(30)**	(20)	**(93)**	(77)
Eliminations	**1**	1	**2**	-
Restructuring	**(14)**	-	**(14)**	-
Asset impairment	**-**	-	**-**	(60)
Operating income	**981**	816	**2,781**	2,511
Interest expense, net	**(104)**	(104)	**(310)**	(322)
Equity in net earnings (losses) of investee companies	**12**	(24)	**51**	(72)
Loss on extinguishment of debt	**-**	-	**(87)**	-
Other items, net	**10**	(3)	**3**	(3)
Earnings from continuing operations before provision for income taxes	**$ 899**	$ 685	**$ 2,438**	$ 2,114

Total Assets (in millions)	**June 30, 2011**	**September 30, 2010**
Media Networks	**$ 16,251**	$ 15,911
Filmed Entertainment	**5,596**	5,343
Corporate/Eliminations	**463**	842

Total assets	**$ 22,310**	$ 22,096

Revenues by Component (in millions)	**Quarter Ended June 30, 2011**	**2010**	**Nine Months Ended June 30, 2011**	**2010**
Advertising	**$ 1,275**	$ 1,122	**$ 3,744**	$ 3,384
Feature film	**1,335**	1,199	**3,810**	3,705
Affiliate fees	**971**	815	**2,636**	2,339
Ancillary	**217**	174	**793**	697
Eliminations	**(32)**	(35)	**(122)**	(99)
Total revenues by component	**$ 3,766**	$ 3,275	**$ 10,861**	$ 10,026

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Item 2. ***Management s Discussion and Analysis of Results of Operations and Financial Condition*****.**

Management s discussion and analysis of results of operations and financial condition is provided as a supplement to and should be read in conjunction with the unaudited consolidated financial statements and related notes to enhance the understanding of our results of operations, financial condition and cash flows. Additional context can also be found in our Form 10-K for the nine month transition period ended September 30, 2010, as filed with the Securities and Exchange Commission (SEC) on November 12, 2010 (the 2010 Form 10-K). References in this document to Viacom, Company, we, us and our mean Viacom Inc. and our consolidated subsidiaries through which our various businesses are conducted, unless the context requires otherwise. Certain amounts have been reclassified to conform to the 2011 presentation.

Significant components of management s discussion and analysis of results of operations and financial condition include:

Overview. The overview section provides a summary of Viacom s business.

Consolidated Results of Operations. The consolidated results of operations section provides an analysis of our results on a consolidated basis for the quarter and nine months ended June 30, 2011 compared to the quarter and nine months ended June 30, 2010.

Segment Results of Operations. The segment results of operations section provides an analysis of our results on a reportable operating segment basis for the quarter and nine months ended June 30, 2011 compared to the quarter and nine months ended June 30, 2010.

Liquidity and Capital Resources. The liquidity and capital resources section provides a discussion of our cash flows for the nine months ended June 30, 2011 compared to the nine months ended June 30, 2010 and an update on our indebtedness.

OVERVIEW

Viacom is a leading global entertainment content company that connects with audiences through compelling content across television, motion picture, online and mobile platforms in more than 160 countries and territories. With approximately 170 media networks reaching more than 600 million global subscribers, Viacom s leading brands include MTV®, VH1®, CMT®, Logo®, BET®, CENTRIC®, Nickelodeon®, Nick Jr.®, TeenNick , Nicktoons®, Nick at Nite , COMEDY CENTRAL®, TV Land®, Spike TV® and Tr3s®. Paramount Pictures® is a major global producer and distributor of filmed entertainment. Viacom operates a large portfolio of branded digital media experiences, including many of the world s most popular properties for entertainment, community and casual online gaming.

We manage our operations through two reporting segments: *Media Networks* and *Filmed Entertainment.* Our measure of segment performance is adjusted operating income (loss). Adjusted operating income (loss) is defined as operating income (loss), less equity-based compensation and certain other items identified as affecting comparability, including restructuring charges and asset impairment, when applicable.

We use consolidated adjusted operating income, adjusted net earnings from continuing operations attributable to Viacom and adjusted diluted earnings per share (EPS) from continuing operations, as applicable, among other measures, to evaluate our actual operating performance and for planning and forecasting of future periods. We believe that the adjusted results provide relevant and useful information for investors because they clarify our actual operating performance, make it easier to compare Viacom s results with those of other companies and allow investors to review performance in the same way as our management. Since these are not measures of performance calculated in accordance with generally accepted accounting principles (GAAP), they should not be considered in isolation of, or as a substitute for, operating income, net earnings from continuing operations attributable to Viacom and diluted EPS as indicators of operating performance, and they may not be comparable

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Management s Discussion and Analysis

Of Results of Operations and Financial Condition

(Continued)

to similarly titled measures employed by other companies. For a reconciliation of our adjusted measures and discussion of the items affecting comparability, refer to the section entitled *Factors Affecting Comparability* .

In December 2010, we completed the sale of Harmonix Music Systems, Inc. (Harmonix), a developer of music-based games, including the *Rock Band* franchise. Accordingly, the results of operations of Harmonix are presented as discontinued operations in all periods presented.

CONSOLIDATED RESULTS OF OPERATIONS

Our consolidated results of operations are presented below for the quarter and nine months ended June 30, 2011 and 2010.

Consolidated Results of Operations (in millions, except per share amounts)	**Quarter Ended June 30, 2011**	**2010**	**Better/(Worse) $**	**%**	**Nine Months Ended June 30, 2011**	**2010**	**Better/(Worse) $**	**%**
Revenues	**$ 3,766**	$ 3,275	$ 491	15%	**$ 10,861**	$ 10,026	$ 835	8%
Operating income	**981**	816	165	20	**2,781**	2,511	270	11
Adjusted operating income	**995**	816	179	22	**2,795**	2,571	224	9
Net earnings from continuing operations attributable to Viacom	**574**	432	142	33	**1,570**	1,411	159	11
Adjusted net earnings from continuing operations attributable to Viacom	**583**	432	151	35	**1,633**	1,380	253	18
Diluted EPS from continuing operations	**0.97**	0.71	0.26	37	**2.62**	2.31	0.31	13
Adjusted diluted EPS from continuing operations	**$ 0.99**	$ 0.71	$ 0.28	39%	**$ 2.72**	$ 2.26	$ 0.46	20%

Revenues

Worldwide revenues increased $491 million, or 15%, to $3.766 billion in the quarter ended June 30, 2011 driven by increases in both *Media Networks* and *Filmed Entertainment* revenues. The increase of $326 million in *Media Networks* revenues reflects higher affiliate fees and advertising revenues. The increase of $162 million in *Filmed Entertainment* revenues reflects higher television license fees and home entertainment revenues, partially offset by lower theatrical revenues.

Worldwide revenues increased $835 million, or 8%, to $10.861 billion in the nine months ended June 30, 2011 driven by increases in both *Media Networks* and *Filmed Entertainment* revenues. The increase of $650 million in *Media Networks* revenues reflects higher advertising revenues and affiliate fees. The increase of $208 million in *Filmed Entertainment s* revenues reflects higher theatrical and ancillary revenues, partially offset by lower home entertainment revenues.

Operating Income

Adjusted operating income increased $179 million, or 22%, to $995 million in the quarter ended June 30, 2011. *Media Networks* adjusted operating income increased $222 million, principally reflecting the increased revenues, partially offset by increased expenses. *Filmed Entertainment* contributed a partially offsetting decrease of $20 million, principally reflecting the timing and mix of theatrical releases, partially offset by higher income from home entertainment and television license fee revenues. Corporate expenses and equity-based compensation increased $13 million and $10 million, respectively, principally reflecting an increase in incentive compensation costs driven by improved operating results and stock performance. Adjusted results for the quarter ended June 30, 2011 exclude the impact of a restructuring charge. Including the impact of the restructuring charge, operating income increased $165 million, or 20%, in the quarter ended June 30, 2011.

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Adjusted operating income increased $224 million, or 9%, to $2.795 billion in the nine months ended June 30, 2011. *Media Networks* adjusted operating income increased $382 million, principally reflecting the increased revenues, partially offset by increased expenses. *Filmed Entertainment* contributed a partially offsetting decrease of $132 million, principally reflecting the lower home entertainment revenues. Adjusted results for the nine months ended June 30, 2011 exclude the impact of the current year restructuring charge, while the adjusted results for the nine months ended June 30, 2010 exclude the impact of asset impairment. Including the impact of the current year restructuring charge and prior year asset impairment, operating income increased $270 million, or 11%, in the nine months ended June 30, 2011.

See the section entitled *Factors Affecting Comparability* for a reconciliation of our adjusted measures to our reported results.

Net Earnings from Continuing Operations Attributable to Viacom

Adjusted net earnings from continuing operations attributable to Viacom increased $151 million and $253 million in the quarter and nine months ended June 30, 2011, respectively, principally due to the increase in tax-affected adjusted operating income described above and higher equity income principally due to EPIX generating equity income this year as compared with losses in the prior year. Our effective income tax rate was 34.5% in the quarter and nine months ended June 30, 2011, as compared with 36.1% in the quarter and 35.8% in the nine months ended June 30, 2010, excluding the impact of discrete items. The reduction in this year s effective rate is principally due to a change in international mix of income. Adjusted diluted EPS from continuing operations increased $0.28 per diluted share to $0.99 for the quarter and $0.46 per diluted share to $2.72 for the nine months.

Including the impact of the current year restructuring charge and loss on extinguishment of debt, and prior year asset impairment and discrete tax benefits, net earnings from continuing operations attributable to Viacom increased $142 million in the quarter and $159 million in the nine months ended June 30, 2011. Diluted EPS from continuing operations increased $0.26 per diluted share for the quarter and $0.31 per diluted share for the nine months. See the section entitled *Factors Affecting Comparability* for a reconciliation of our adjusted measures to our reported results.

Discontinued Operations, Net of Tax

The loss from discontinued operations for the nine months ended June 30, 2011 principally reflects a loss on the disposal of Harmonix and the Harmonix operating loss for the period through the date of sale, partially offset by the related tax benefit. The prior year comparable periods principally reflect the operating loss related to Harmonix.

SEGMENT RESULTS OF OPERATIONS

Transactions between reportable segments are accounted for as third-party arrangements for the purposes of presenting reporting segment results of operations. Typical intersegment transactions include the purchase of advertising by the *Filmed Entertainment* segment on *Media Networks* properties and the purchase of *Filmed Entertainment s* feature films exhibition rights by *Media Networks*.

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Management s Discussion and Analysis

Of Results of Operations and Financial Condition

(Continued)

Media Networks

(in millions)	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	Better/(Worse) $	Better/(Worse) %	Nine Months Ended June 30, 2011	Nine Months Ended June 30, 2010	Better/(Worse) $	Better/(Worse) %
Revenues by Component								
Advertising	**$ 1,275**	$ 1,122	$ 153	14%	**$ 3,744**	$ 3,384	$ 360	11%
Affiliate fees	**971**	815	156	19	**2,636**	2,339	297	13
Ancillary	**145**	128	17	13	**473**	480	(7)	(1)
Total revenues by component	**$ 2,391**	$ 2,065	$ 326	16%	**$ 6,853**	$ 6,203	$ 650	10%
Expenses								
Operating	**$ 765**	$ 719	$ (46)	(6)%	**$ 2,258**	$ 2,102	$ (156)	(7)%
Selling, general and administrative	**551**	485	(66)	(14)	**1,571**	1,440	(131)	(9)
Depreciation and amortization	**42**	50	8	16	**134**	153	19	12
Total expenses	**$ 1,358**	$ 1,254	$ (104)	(8)%	**$ 3,963**	$ 3,695	$ (268)	(7)%
Adjusted operating income	**$ 1,033**	$ 811	$ 222	27%	**$ 2,890**	$ 2,508	$ 382	15%

Revenues

Our *Media Networks* segment generates revenues principally in three categories: (i) the sale of advertising time related to our content, (ii) affiliate fees from cable television operators, direct-to-home satellite operators, mobile networks and other content distributors and (iii) ancillary revenues, which include home entertainment sales of our programming, television syndication and the licensing of our brands and properties for consumer products.

Worldwide revenues increased $326 million, or 16%, to $2.391 billion in the quarter, and $650 million, or 10%, to $6.853 billion in the nine months ended June 30, 2011, driven by increases in advertising revenues and affiliate fees. Domestic revenues were $2.036 billion in the quarter, an increase of $250 million, or 14%, and $5.787 billion in the nine months ended June 30, 2011, an increase of $568 million, or 11%. International revenues were $355 million in the quarter, an increase of $76 million, or 27%, and $1.066 billion in the nine months ended June 30, 2011, an increase of $82 million, or 8%. Foreign exchange had a 10-percentage point and 2-percentage point favorable impact on international revenues in the quarter and nine months ended June 30, 2011, respectively.

Advertising

Worldwide advertising revenues increased $153 million, or 14%, to $1.275 billion in the quarter, and $360 million, or 11%, to $3.744 billion in the nine months ended June 30, 2011. Domestic advertising revenues increased 12% in the quarter and 11% in the nine months, reflecting the strength of last year s upfront and this year s scatter markets. International advertising revenues increased 30% and 9%, respectively. Foreign exchange had a 12-percentage point and 2-percentage point favorable impact on international revenues in the quarter and nine months ended June 30, 2011, respectively. Domestic and international revenue growth also benefitted from integrated marketing events in the quarter.

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Affiliate Fees

Worldwide affiliate fees increased $156 million, or 19%, to $971 million in the quarter, and $297 million, or 13%, to $2.636 billion in the nine months ended June 30, 2011. Domestic affiliate revenues increased 20% in the quarter and 13% in the nine months, reflecting rate increases and subscriber growth. Domestic revenues also benefitted from the availability of certain programming related to digital distribution arrangements. Excluding the impact of digital distribution arrangements, domestic affiliate revenue growth was in the high-single digits. International affiliate revenues increased 16% in the quarter and 9% in the nine months. Foreign exchange had a 9-percentage point and 3-percentage point favorable impact on international revenues in the quarter and nine months ended June 30, 2011, respectively.

Ancillary

Worldwide ancillary revenues increased $17 million, or 13%, to $145 million in the quarter, and decreased $7 million, or 1%, to $473 million in the nine months ended June 30, 2011. International revenues increased principally reflecting higher consumer products revenues, while domestic revenues decreased reflecting lower home entertainment revenues.

Expenses

Media Networks segment expenses consist of operating expenses, selling, general and administrative (SG&A) expenses and depreciation and amortization. Operating expenses comprise costs related to original and acquired programming, including programming amortization, expenses associated with the manufacturing and distribution of home entertainment products, and consumer products licensing and participation fees. SG&A expenses consist primarily of employee compensation, marketing, research and professional service fees and facility and occupancy costs. Depreciation and amortization expenses reflect depreciation of fixed assets, including transponders financed under capital leases, and amortization of finite-lived intangible assets.

Total expenses increased $104 million, or 8%, to $1.358 billion in the quarter, and $268 million, or 7%, to $3.963 billion in the nine months ended June 30, 2011, driven by increases in programming and SG&A costs.

Operating

Operating expenses increased $46 million, or 6%, to $765 million in the quarter, and $156 million, or 7%, to $2.258 billion in the nine months ended June 30, 2011. Production and programming expenses increased $43 million, or 7%, in the quarter, and $154 million, or 8%, in the nine months, principally reflecting expenses associated with our continuing investment in programming. Distribution and other expenses were essentially flat in both periods.

Selling, General and Administrative

SG&A increased $66 million, or 14%, to $551 million in the quarter, and $131 million, or 9%, to $1.571 billion in the nine months ended June 30, 2011, reflecting higher advertising and promotional expenses related to marketing original programming, as well as higher accrued incentive compensation costs associated with the improved operating performance.

Adjusted Operating Income

Adjusted operating income increased $222 million, or 27%, to $1.033 billion in the quarter, and $382 million, or 15%, to $2.890 billion in the nine months ended June 30, 2011, principally reflecting the higher advertising and affiliate revenues, partially offset by our continuing investment in programming and the higher SG&A costs.

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Management s Discussion and Analysis

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Filmed Entertainment

(in millions)	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	Better/(Worse) $	Better/(Worse) %	Nine Months Ended June 30, 2011	Nine Months Ended June 30, 2010	Better/(Worse) $	Better/(Worse) %
Revenues by Component								
Theatrical	**$ 588**	$ 644	$ (56)	(9)%	**$ 1,405**	$ 1,004	$ 401	40%
Home entertainment	**331**	248	83	33	**1,379**	1,690	(311)	(18)
Television license fees	**416**	307	109	36	**1,026**	1,011	15	1
Ancillary	**72**	46	26	57	**320**	217	103	47
Total revenues by component	**$ 1,407**	$ 1,245	$ 162	13%	**$ 4,130**	$ 3,922	$ 208	5%
Expenses								
Operating	**$ 1,214**	$ 1,027	$ (187)	(18)%	**$ 3,549**	$ 3,176	$ (373)	(12)%
Selling, general and administrative	**122**	125	3	2	**359**	381	22	6
Depreciation & amortization	**22**	24	2	8	**66**	77	11	14
Total expenses	**$ 1,358**	$ 1,176	$ (182)	(15)%	**$ 3,974**	$ 3,634	$ (340)	(9)%
Adjusted Operating Income	**$ 49**	$ 69	$ (20)	(29)%	**$ 156**	$ 288	$ (132)	(46)%

Revenues

Our *Filmed Entertainment* segment generates revenues worldwide principally from: (i) the theatrical release and/or distribution of motion pictures, (ii) home entertainment, which includes sales of DVDs, Blu-ray and other products relating to the motion pictures we release theatrically, as well as certain other programming, including content we distribute on behalf of third parties and (iii) license fees paid worldwide by third parties for exhibition rights during the various other distribution windows and through digital media outlets. The *Filmed Entertainment* segment also generates ancillary revenues from providing production services to third parties, primarily at Paramount s studio lot, consumer products licensing, game distribution and distribution of its content on digital platforms.

Worldwide revenues increased $162 million, or 13%, to $1.407 billion in the quarter ended June 30, 2011 driven by higher television license fees and home entertainment revenues, partially offset by lower theatrical revenues. Domestic revenues were $664 million, an increase of $35 million, or 6%. International revenues were $743 million, an increase of $127 million, or 21%, with an 8-percentage point favorable impact from foreign exchange.

Worldwide revenues increased $208 million, or 5%, to $4.130 billion in the nine months ended June 30, 2011 driven by higher theatrical revenues and an increase in ancillary revenues reflecting the sale of substantially all of the worldwide distribution rights to *The Avengers* and *Iron Man 3* to MVL Productions LLC (Marvel), a subsidiary of The Walt Disney Company, partially offset by lower home entertainment revenues. Domestic revenues were $2.120 billion, an increase of $52 million, or 3%. International revenues were $2.010 billion, an increase of

$156 million, or 8%, with a 3-percentage point favorable impact from foreign exchange.

Theatrical

Worldwide theatrical revenues decreased $56 million, or 9%, to $588 million in the quarter ended June 30, 2011, principally reflecting the timing of releases. We released four films during the quarter, DreamWorks Animation s *Kung Fu Panda 2*, Marvel s *Thor*, *Super 8* and *Transformers: Dark of the Moon*. *Transformers: Dark of the Moon* was released in the last week of the quarter and will contribute a significant portion of its theatrical revenues to our fourth quarter. In the comparable period of 2010, we released two films, Marvel s *Iron Man 2*

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Management s Discussion and Analysis

Of Results of Operations and Financial Condition

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and DreamWorks Animation s *Shrek Forever After*, and the quarter also benefited from strong carryover revenues related to DreamWorks Animation s *How to Train Your Dragon*, which was released in the last week of March 2010. Domestic theatrical revenues decreased 22%, while international theatrical revenues increased 6%. Foreign exchange had a 10-percentage point favorable impact on international theatrical revenues.

Worldwide theatrical revenues increased $401 million, or 40%, to $1.405 billion in the nine months ended June 30, 2011, principally driven by the strength and number of our current year releases. During the nine months ended June 30, 2011, we released fourteen films, including *Kung Fu Panda 2, Thor*, DreamWorks Animation s *Megamind, True Grit, Rango, Jackass 3D, Paranormal Activity 2, Super 8* and *Transformers: Dark of the Moon*. In the comparable period of 2010, we released nine films. Domestic and international theatrical revenues increased 28% and 55%, respectively. Foreign exchange had a 7-percentage point favorable impact on international theatrical revenues.

Home Entertainment

Worldwide home entertainment revenues increased $83 million, or 33%, to $331 million in the quarter ended June 30, 2011, principally reflecting the strength and number of our current quarter releases, as well as carryover revenues from titles released earlier in the fiscal year. During the quarter, we released four titles, including *True Grit*, *Justin Bieber: Never Say Never* and *No Strings Attached,* as compared to three titles in the prior year quarter. Domestic and international home entertainment revenues increased 47% and 20%, respectively, with a 11-percentage point favorable impact from foreign exchange on international home entertainment revenues.

Worldwide home entertainment revenues decreased $311 million, or 18%, to $1.379 billion in the nine months ended June 30, 2011. Current year releases included *How to Train Your Dragon*, *Shrek Forever After*, *Megamind, The Last Airbender* and *True Grit.* The decrease in revenues principally reflects the difficult comparison against the release of our strong 2009 summer tentpole titles *Transformers: Revenge of the Fallen*, *Star Trek* and *G.I. Joe: The Rise of Cobra*. Also contributing to the decline were lower revenues from catalog sales. The industry is experiencing softness in the DVD market, which has impacted sales of library product. Domestic and international home entertainment revenues decreased 20% and 16%, respectively, with a 1-percentage point favorable impact from foreign exchange on international home entertainment revenues.

Television License Fees

Worldwide television license fees increased $109 million, or 36%, to $416 million in the quarter, and $15 million, or 1%, to $1.026 billion in the nine months ended June 30, 2011, driven by the number and mix of available titles. The increase in the quarter principally reflects higher pay TV fees, as well as higher syndication and network television fees. The increase in the nine months principally reflects higher network television and syndication fees, partially offset by lower pay TV fees.

Ancillary

Ancillary revenues increased $26 million, or 57%, to $72 million in the quarter, principally reflecting higher digital revenues. Ancillary revenues increased $103 million, or 47%, to $320 million, in the nine months ended June 30, 2011, driven by the sale of the distribution rights to *The Avengers* and *Iron Man 3* to Marvel.

Expenses

Filmed Entertainment segment expenses consist of operating expenses, SG&A expenses and depreciation and amortization expenses. Operating expenses principally include the amortization of production costs of our released feature films (including participations accrued under our third-party distribution arrangements), print and advertising expenses and other distribution costs. SG&A expenses include employee compensation, facility and occupancy costs, professional service fees and other overhead costs. Depreciation and amortization expense includes depreciation of fixed assets and amortization of finite-lived intangible assets.

Management s Discussion and Analysis

Of Results of Operations and Financial Condition

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Total expenses increased $182 million, or 15%, to $1.358 billion in the quarter, and $340 million, or 9%, to $3.974 billion in the nine months ended June 30, 2011, principally due to the increase in operating expenses.

Operating

Operating expenses increased $187 million, or 18%, to $1.214 billion in the quarter ended June 30, 2011. Distribution and other costs, principally print and advertising expenses, increased $95 million, or 20%, principally due to the number and mix of theatrical and home entertainment releases. Film costs increased $92 million, or 17%, primarily reflecting higher participation costs, including third party distribution arrangements, and increased amortization of film costs reflecting this quarter s releases.

Operating expenses increased $373 million, or 12%, to $3.549 billion in the nine months ended June 30, 2011. Distribution and other costs, principally print and advertising expenses, increased $413 million, or 30%, due to the increase in number of theatrical releases. Film costs decreased $40 million, or 2%, primarily reflecting lower amortization of film costs due to the mix of home entertainment releases, partially offset by higher participation costs associated with third party distribution arrangements.

Selling, General and Administrative

SG&A decreased $3 million, or 2%, to $122 million in the quarter, and $22 million, or 6%, to $359 million in the nine months ended June 30, 2011 principally reflecting the timing of accrued incentive compensation costs.

Adjusted Operating Income

Adjusted operating income decreased $20 million to $49 million in the quarter ended June 30, 2011, reflecting the timing and mix of theatrical releases, partially offset by higher income from home entertainment and television license fee revenues. Adjusted operating income decreased $132 million to $156 million in the nine months ended June 30, 2011, principally reflecting the lower home entertainment revenues, partially offset by the benefit of the sale of the distribution rights to *The Avengers* and *Iron Man 3* to Marvel.

Factors Affecting Comparability

The consolidated financial statements for the quarter and nine months ended June 30, 2011 and 2010 reflect our results of operations, financial position and cash flows reported in accordance with U.S. generally accepted accounting principles. These results were affected by certain items identified as affecting comparability.

The following tables reconcile our results for the quarter and nine months ended June 30, 2011 and the nine months ended June 30, 2010 to adjusted results. There were no adjustments to our results for the quarter ended June 30, 2010.

(in millions, except per share amounts)	Quarter Ended June 30, 2011			
	Operating Income	Pre-tax Earnings from Continuing Operations*	Net Earnings from Continuing Operations Attributable to Viacom**	Diluted EPS from Continuing Operations

Reported results	$ 981	$ 899	$ 574	$ 0.97
Factors Affecting Comparability:				
Restructuring	14	14	9	0.02
Adjusted results	$ 995	$ 913	$ 583	$ 0.99

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(in millions, except per share amounts)	Nine Months Ended June 30, 2011			
	Operating Income	**Pre-tax Earnings from Continuing Operations***	**Net Earnings from Continuing Operations Attributable to Viacom****	**Diluted EPS from Continuing Operations**
Reported results	$ 2,781	$ 2,438	$ 1,570	$ 2.62
Factors Affecting Comparability:				
Restructuring	14	14	9	0.01
Extinguishment of debt	-	87	54	0.09
Adjusted results	$ 2,795	$ 2,539	$ 1,633	$ 2.72

(in millions, except per share amounts)	Nine Months Ended June 30, 2010			
	Operating Income	**Pre-tax Earnings from Continuing Operations***	**Net Earnings from Continuing Operations Attributable to Viacom****	**Diluted EPS from Continuing Operations**
Reported results	$ 2,511	$ 2,114	$ 1,411	$ 2.31
Factors Affecting Comparability:				
Asset impairment	60	60	19	0.03
Discrete tax benefits	-	-	(50)	(0.08)
Adjusted results	$ 2,571	$ 2,174	$ 1,380	$ 2.26

* Pre-tax earnings from continuing operations represent earnings before provision for income taxes.

** The tax impact has been calculated using the rates applicable to the adjustments presented.

Restructuring

During the quarter ended June 30, 2011, the *Media Networks* segment incurred employee separation costs, including accelerated vesting of certain equity-based compensation awards, of $14 million, which is included within *Restructuring* in our Consolidated Statement of Earnings.

Extinguishment of Debt

In the quarter ended March 31, 2011, we conducted a cash tender offer to repurchase a portion of the $1.5 billion aggregate principal of our 6.25% Senior Notes due 2016. Our repurchase of $582 million of principal at a purchase price of $1,153.50 per $1,000 pursuant to the tender offer resulted in a pre-tax extinguishment loss of $87 million in the quarter ended March 31, 2011.

Asset Impairment

In the quarter ended December 31, 2009, we recorded a $60 million non-cash impairment charge in the *Media Networks* segment related to certain broadcast licenses held by a 32%-owned consolidated entity. The impact to *Net earnings attributable to Viacom* was a reduction of $19 million, with the remaining $41 million allocated to the noncontrolling interest.

Discrete Tax Items

Our effective income tax rate was 34.5%, excluding the impact of the loss on extinguishment of debt, in the nine months ended June 30, 2011. The discrete impact of the loss was 0.1 incremental percentage points of tax benefit, which reconciles to the reported effective rate of 34.4%.

In the nine months ended June 30, 2010, our effective income tax rate was 35.8%, excluding the impact of discrete items. Discrete tax benefits of $50 million, taken together with the impact of asset impairment, contributed 1.4 percentage points of tax benefit, which reconciles to the reported effective rate of 34.4%. The discrete taxes were principally due to reserve releases resulting from effectively settled audits.

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Management s Discussion and Analysis

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LIQUIDITY AND CAPITAL RESOURCES

Sources and Uses of Cash

Our primary source of liquidity is cash provided through the operations of our businesses. Our cash flows from operations, together with our $2.0 billion revolving credit facility, provide us with sufficient resources to fund our anticipated ongoing cash requirements.

Our principal uses of cash in operations include the creation of new programming and film content, acquisitions of third-party content, and interest and tax payments. We also use cash for ongoing investments in our businesses, capital expenditures, acquisitions of businesses, quarterly cash dividends and discretionary share repurchases under our $4.0 billion stock repurchase program, as deemed appropriate.

Cash Flows

Cash and cash equivalents increased by $118 million in the nine months ended June 30, 2011.

Operating Activities

Cash provided by operations was $1.836 billion for the nine months ended June 30, 2011, an increase of $634 million compared with the same period in 2010. The increase principally reflects the comparison against a $775 million reduction in securitized receivables in 2010, lower income tax payments and higher revenues, partially offset by higher expenses, including increased production spending and higher participation payments associated with third party distribution arrangements at the *Filmed Entertainment* segment, as well as the payment of the premium on our debt extinguishment. In addition, cash used in discontinued operations was $20 million in fiscal 2011 as compared with cash provided by discontinued operations of $127 million in the prior year, principally due to the timing of product launches and nine months of activity in the prior year as compared with three months in the current year.

Investing Activities

Cash used in investing activities was $135 million for the nine months ended June 30, 2011, compared with $213 million in the same period in 2010. The decrease is due to lower spending on acquisitions and investments and capital expenditures. In fiscal 2011, cash used in investing activities included $58 million related to acquisitions and investments principally reflecting an investment in a European television programmer. In the prior year, cash used in investing activities included $101 million related to acquisitions and investments principally related to the acquisition of Teenage Mutant Ninja Turtles and investment in EPIX.

Financing Activities

Cash used in financing activities was $1.598 billion for the nine months ended June 30, 2011 compared with $552 million in the same period in 2010. The net outflow was primarily driven by share repurchases and dividends. During the nine months ended June 30, 2011, we repurchased 36.0 million shares for an aggregate purchase price of $1.600 billion, of which $1.561 billion of repurchases had settled as of June 30, 2011, and paid $272 million in dividends. From July 1, 2011 through August 4, 2011, we repurchased an additional 4.4 million shares for an aggregate purchase price of $224 million. The net impact of our issuance of $1.0 billion of senior notes, repurchase of $582 million principal amount of our 6.25% Senior Notes due 2016 and repayment of the remaining $193 million principal amount of our 5.75% Senior Notes due on April 30, 2011 contributed a partially offsetting inflow. In the prior year, cash used in financing activities was driven by the repayment of long-term debt and commercial paper borrowings.

In May 2011, we increased our quarterly dividend to $0.25 per share of Class A and B common stock from $0.15 per share beginning with the dividend payable on July 1, 2011.

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Management s Discussion and Analysis

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Capital Resources

Capital Structure and Debt

At June 30, 2011, total debt was $6.954 billion, an increase of $202 million from $6.752 billion at September 30, 2010. During the second quarter, we took advantage of favorable market conditions to lengthen the maturities and reduce the weighted-average borrowing cost of our public debt. In February 2011, we issued $500 million aggregate principal amount of 4.5% Senior Notes due 2021 and used the net proceeds to repurchase $582 million principal amount of our 6.25% Senior Notes due 2016. In March 2011, we issued $500 million aggregate principal amount of 3.5% Senior Notes due 2017. We used the net proceeds from this offering for general corporate purposes, including the repayment of the remaining $193 million principal amount of our 5.75% Senior Notes due on April 30, 2011 and the repurchase of shares under our stock repurchase program.

There were no amounts outstanding under our $2.0 billion revolving credit facility or commercial paper program at June 30, 2011. The credit facility has one principal financial covenant that requires our interest coverage for the most recent four consecutive fiscal quarters to be at least 3.0x, which we met at June 30, 2011.

OTHER MATTERS

Related Party Transactions

In the ordinary course of business we enter into transactions with related parties, including National Amusements, Inc., CBS Corporation, their respective subsidiaries and affiliates, and companies which we account for under the equity method of accounting. For additional information, see Note 8 to the Consolidated Financial Statements.

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 that are not statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements reflect our current expectations concerning future results, objectives, plans and goals, and involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause actual results, performance or achievements to differ. These risks, uncertainties and other factors include, among others: the public acceptance of our programs, motion pictures and other entertainment content on the various platforms on which they are distributed; technological developments and their effect in our markets and on consumer behavior; the impact of piracy; competition for audiences and distribution; fluctuations in our results due to the timing, mix and availability of our motion pictures; economic conditions generally, and in advertising and retail markets in particular; changes in the Federal communications laws and regulations; other domestic and global economic, business, competitive and/or regulatory factors affecting our businesses generally; and other factors described in our news releases and filings with the Securities and Exchange Commission, including our 2010 Form 10-K and reports on Form 10-Q and Form 8-K. The forward-looking statements included in this document are made only as of the date of this document, and we do not have any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

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Item 3. ***Quantitative and Qualitative Disclosures about Market Risk.***

We are exposed to the impact of interest rate changes, foreign currency fluctuations and changes in the market value of investments. In the ordinary course of business, we may employ established and prudent policies and procedures to manage our exposure principally to changes in interest rates and foreign exchange risks. The objective of such policies and procedures is to manage exposure to market risks in order to minimize the impact on earnings and cash flows. We do not enter into financial instrument transactions for speculative purposes.

Item 4. ***Controls and Procedures.***

Our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended (Exchange Act)) were effective, based on the evaluation of these controls and procedures required by Rule 13a-15(b) or 15d-15(b) of the Exchange Act.

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2011 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II OTHER INFORMATION

Item 1. ***Legal Proceedings.***

Since our 2010 Form 10-K, there have been no material developments in the material legal proceedings in which we are involved, except as set forth in Note 9 to the Consolidated Financial Statements included elsewhere in this report.

Item 1A. ***Risk Factors.***

A wide range of risks may affect our business and financial results, now and in the future. We consider the risks described in our 2010 Form 10-K to be the most significant. There may be other currently unknown or unpredictable economic, business, competitive, regulatory or other factors that could have material adverse effects on our future results.

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

The following table provides information about our purchases of Viacom Class B common stock during the quarter ended June 30, 2011 under the $4.0 billion stock repurchase program that we announced on June 9, 2010:

Open Market Purchases	**Total Number of Shares Purchased** *(thousands)*	**Average Price Paid per Share** *(dollars)*	**Approximate Dollar Value of Shares that May Yet Be Purchased Under Program** *(millions)*
Month ended April 30, 2011	3,764	$47.83	$2,920
Month ended May 31, 2011	4,991	$50.49	$2,668
Month ended June 30, 2011	5,487	$48.84	$2,400

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Item 6. ***Exhibits.***

Exhibit No.	Description of Exhibit
10.1*	Form of Stock Option/RSU Confirmation Sheet under the Viacom Inc. 2006 Long-Term Management Incentive Plan, as amended and restated effective January 1, 2011 (the 2011 LTMIP).
10.2*	Form of Terms and Conditions to the Stock Option Certificate under the 2011 LTMIP.
10.3*	Form of Terms and Conditions to the Restricted Share Units Certificate under the 2011 LTMIP.
10.4*	Form of Terms and Conditions to the Performance Share Units under the 2011 LTMIP.
31.1*	Certification of the Chief Executive Officer of Viacom Inc. pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer of Viacom Inc. pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of the Chief Executive Officer of Viacom Inc. furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of the Chief Financial Officer of Viacom Inc. furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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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.

* Filed herewith.
** Furnished herewith.

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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.

VIACOM INC.

Date: August 5, 2011	By:	/s/ JAMES W. BARGE
		James W. Barge *Executive Vice President, Chief Financial Officer*
Date: August 5, 2011	By:	/s/ KATHERINE GILL-CHAREST
		Katherine Gill-Charest *Senior Vice President, Controller* *(Chief Accounting Officer)*

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