

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

SCHEDULE TO
(Rule 13e-4)

Tender Offer Statement Under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934
(Amendment No. 4)

CBS CORPORATION
(Name of Subject Company)

CBS CORPORATION
(Names of Filing Persons (Offeror and Issuer))

Certain Options to Purchase Class B Common Stock, Par Value \$0.001 Per Share
(Title of Class of Securities)

124857202
(CUSIP Number of Class of Securities)

Louis J. Briskman
Executive Vice President and General Counsel
CBS Corporation
51 West 52nd Street
New York, New York 10019
(212) 975-4321

(Name, Address and Telephone Number of Persons Authorized to Receive Notices
and Communications on Behalf of filing persons)

Copy to:
Linda E. Rappaport, Esq.
Shearman & Sterling LLP
599 Lexington Avenue
New York, New York 10022
(212) 848-4000

Copy to:
Christa A. D'Alimonte, Esq.
Shearman & Sterling LLP
599 Lexington Avenue
New York, New York 10022
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CALCULATION OF FILING FEE

Transaction Valuation*	Amount of Filing Fee
\$400,691,855.00	\$80,138.37

* Calculated solely for the purposes of determining the filing fee. This amount assumes that options to purchase 95,698,884 shares of Class B Common Stock of CBS Corporation having an aggregate value of \$400,691,855 will be exchanged pursuant to this offer. The aggregate value of such options was calculated using the Black-Scholes option pricing model. The amount of the filing fee, calculated in accordance with Rule 0-11(b) of the Securities and Exchange Act of 1934, as amended, equals 1/50th of one percent of the value of the transaction.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$80,138.37 Filing Party: CBS Corporation
Form or Registration No.: Schedule TO Date Filed: May 3, 2006

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
 issuer tender offer subject to Rule 13e-4.
 going-private transaction subject to Rule 13e-3.
 amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

This Amendment No. 4 amends and supplements the Tender Offer Statement on Schedule TO filed with the Securities and Exchange Commission (the "SEC") on May 3, 2006, as amended by Amendment No. 1 thereto filed with the SEC on May 5, 2006, Amendment No. 2 thereto filed with the SEC on May 9, 2006 and Amendment No. 3 thereto filed with the SEC on May 11, 2006 (the Tender Offer Statement on Schedule TO as so amended, the "Schedule TO"), by CBS Corporation, a Delaware corporation (the "Company"). The Schedule TO relates to the offer by the Company to eligible employees of the Company, as defined in the Offer to Exchange, dated May 3, 2006, which is attached to the Schedule TO as Exhibit (a)(1) (the "Offer to Exchange"), to tender their currently outstanding options to purchase shares of Class B Common Stock of the Company that were issued prior to January 1, 2006 in exchange for restricted shares (for eligible employees who are subject to United States income tax) or restricted share units (for other eligible employees). The restricted shares and restricted share units will be granted upon the terms and subject to the conditions described in the Offer to Exchange.

Item 12. Material to be Filed as Exhibits.

Item 12 of Schedule TO is hereby amended by adding the following thereto:

- (a)(21) Workshop Materials for CBS Voluntary Exchange Offer (International Version), May 2006, including Slides, Speaker Notes and Appendices.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

CBS CORPORATION

By: /s/ Louis J. Briskman
 Name: Louis J. Briskman
 Title: Executive Vice President
 and General Counsel

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EXHIBIT INDEX

<u>Exhibit No.</u>	
(a)(1)	Offer to Exchange, dated May 3, 2006.*
(a)(2)	Letter of Transmittal.*
(a)(3)	Form of Withdrawal Letter (incorporated by reference to Schedule E of the Offer to Exchange which is attached hereto as Exhibit (a)(1)).*
(a)(4)	Cover Letter to Offer to Exchange, dated May 3, 2006.*
(a)(5)	Letter to Employees Holding Options, dated April 6, 2006, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on April 6, 2006 and incorporated herein by reference.
(a)(6)	Letter to U.S. Employees Holding Options, dated April 27, 2006, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on April 27, 2006 and incorporated herein by reference.
(a)(7)	Letter to International Employees Holding Options, dated April 27, 2006, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on April 27, 2006 and incorporated herein by reference.
(a)(8)	Letter to All Employees Holding Options, dated April 27, 2006, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on May 1, 2006 and incorporated by reference herein.
(a)(9)	Voluntary Exchange Offer Workshop Schedule, dated April 27, 2006, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on May 1, 2006 and incorporated herein by reference.
(a)(10)	Letter to CBS Radio Employees Holding Options, dated April 28, 2006, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on May 1, 2006 and incorporated herein by reference.
(a)(11)	Participant Statement Letter, dated May 2, 2006, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on May 2, 2006 and incorporated herein by reference.
(a)(12)	Guide to Reading the Participant Statement, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on May 2, 2006 and incorporated herein by reference.
(a)(13)	Form of Participant Statement, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on May 2, 2006 and incorporated herein by reference.
(a)(14)	Letter to Employees Holding Options, dated May 2, 2006, previously filed with the SEC on the Tender Offer Statement filed on Schedule TO-C, on May 2, 2006 and incorporated herein by reference.
(a)(15)	CBS's Annual Report of Form 10-K for the fiscal year ended December 31, 2005 (File No. 001-09553), previously filed with the SEC on March 16, 2006 and incorporated herein by reference.
(a)(16)	CBS's Proxy Statement for the 2006 Annual Meeting of Stockholders (file No. 001-09553) previously filed with the SEC on April 14, 2006 and incorporated herein by reference.
(a)(17)	Workshop Materials for CBS Voluntary Exchange Offer, May 2006, including Slides, Speaker Notes and Appendices.**
(a)(18)	Telephone Script distributed to VEO Information Line representatives.***

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<u>Exhibit No.</u>	
(a)(19)	Voluntary Exchange Offer Frequently Asked Questions, dated May 11, 2006.†
(a)(20)	Letter to Employees Holding Options, dated May 11, 2006.†
(a)(21)	Workshop Materials for CBS Voluntary Exchange Offer (International Version), May 2006, including Slides, Speaker Notes and Appendices.
(d)(1)	CBS's 2004 Long-Term Management Incentive Plan (as amended and restated as of December 31, 2005) incorporated by reference to the Annual Report on Form 10-K of CBS for the fiscal year ended December 31, 2005 (File No. 001-09553), previously filed with the SEC on March 16, 2006.
(d)(2)	CBS's 2004 Long-Term Management Incentive Plan (as amended and restated through May 25, 2006) incorporated by reference to CBS's Proxy Statement, filed with the SEC on April 14, 2006 (File No. 001-09553).
(d)(3)	Former Viacom 2000 Long-Term Management Incentive Plan (as amended and restated through

January 31, 2001) (incorporated by reference to Exhibit 10(d) to the Annual Report on Form 10-K of Former Viacom for the fiscal year ended December 31, 2001) (File No. 001-09553) (as amended effective October 10, 2002 by the Amendment to Former Viacom Stock Option Plans) (incorporated by reference to Exhibit 10(bb) to the Annual Report on Form 10-K of Former Viacom for the fiscal year ended December 31, 2002) (File No. 001-09553) previously filed on March 27, 2003.

- (d)(4) Former Viacom 1997 Long-Term Management Incentive Plan (as amended and restated through May 25, 2000) (incorporated by reference to Exhibit B to Former Viacom's Proxy Statement dated June 5, 2000) (as amended effective October 10, 2002 by the Amendment to Former Viacom Stock Option Plans) (incorporated by reference to Exhibit 10(bb) to the Annual Report on Form 10-K of Former Viacom for the fiscal year ended December 31, 2002) (File No. 001-09553) previously filed on March 27, 2003.
- (d)(5) Former Viacom 1994 Long-Term Management Incentive Plan (as amended and restated through November 1, 1996) (incorporated by reference to Exhibit 10(b) to the Annual Report on Form 10-K of Former Viacom for the fiscal year ended December 31, 1996) (File No. 001-09553) (as amended effective October 10, 2002 by the Amendment to Former Viacom Stock Option Plans) (incorporated by reference to Exhibit 10(bb) to the Annual Report on Form 10-K of Former Viacom for the fiscal year ended December 31, 2002) (File No. 001-09553) previously filed on March 27, 2003.
- (d)(6) CBS Corporation 1993 Long-Term Incentive Plan (as amended as of July 28, 1999) (incorporated by reference to Exhibit 10.16 to the Quarterly Report of Form 10-Q of Infinity Broadcasting Corporation for the quarter ended September 30, 1999) (File No. 001-14599) previously filed November 15, 1999.
- (d)(7) CBS Corporation 1991 Long-Term Incentive Plan (as amended as of July 28, 1999) (incorporated by reference to Exhibit 10.15 to the Quarterly Report of Form 10-Q of Infinity Broadcasting Corporation for the quarter ended September 30, 1999) (File No. 001-14599) previously filed November 15, 1999.
- (d)(8) Infinity Broadcasting Corporation 1999 Long-Term Incentive Plan (incorporated by reference to Exhibit 4.5 to Form S-8 filed by Former Viacom on February 21, 2001 (Registration No. 333-55346)).
- (d)(9) Infinity Broadcasting Corporation 1998 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.16 to Form 10-K filed by Infinity Broadcasting Corporation for the year ended December 31, 1999 (File No. 1-14599)).

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**Exhibit
No.**

- (d)(10) Amended and Restated Infinity Broadcasting Corporation Stock Option Plan (incorporated by reference to Exhibit 4.4 to CBS Corporation's Registration Statement on Post-Effective Amendment No. 1 on Form S-8 to Form S-4 by CBS Corporation on January 2, 1997 (Registration No. 333-13219)).
- (d)(11) King World 1996 Amended and Restated Stock Option and Restricted Stock Purchase Plan (incorporated by reference to Exhibit 10.11 to the Annual Report on Form 10-K of King World Productions, Inc. for the fiscal year ended August 31, 1997 (File No. 001-09244)).
- (d)(12) King World Salesforce Bonus Plan (incorporated by reference to Exhibit 10.2 to King World Production, Inc.'s Registration Statement on Form S-8 filed by King World Productions, Inc. on April 22, 1997 (Registration No. 333-11363)).
- (d)(13) King World Productions, Inc. Stock Option Agreements with Oprah Winfrey and Jeffrey D. Jacobs dated as of September 15, 1997 (incorporated by reference to Exhibits 99.9 and 99.10 to the Schedule 13D, Amendment No. 2, filed by Oprah Winfrey and Jeffrey D. Jacobs, with respect to King World Productions, Inc. on October 27, 1997 (File No. 005-35700)).
- (d)(14) King World Productions, Inc. Stock Option Agreements with Oprah Winfrey, Jeffrey D. Jacobs, Timothy Bennett, Dianne Hudson and Douglas Pattison dated as of September 16, 1998 (incorporated by reference to Exhibits 4.9, 4.10, 4.11, 4.12, and 4.13 to Form S-8 by Viacom Inc. on August 20, 2003 (Registration No. 333-108105)).
- (d)(15) Outdoor Systems, Inc. 1996 Omnibus Plan (incorporated by reference to Exhibit 99.3 to Form S-8 filed by Outdoor Systems, Inc. on October 23, 1997 (Registration No. 333-38589)).
- (d)(16) Form of Award Certificate for Restricted Shares (incorporated herein by reference to Schedule C of the Offer to Exchange which is attached hereto as Exhibit (a)(1)).
- (d)(17) Form of Award Certificate Restricted Share Units (incorporated herein by reference to Schedule D of the Offer to Exchange which is attached hereto as Exhibit (a)(1)).
- (d)(18) Form of Award Certificate for Restricted Shares for Certain Executive Officers.*
- (d)(19) Ernst & Young Disclosure Letter to Participants.*

* Previously filed with the Securities and Exchange Commission on the Tender Offer Statement on Schedule TO filed by CBS on May 3, 2006.

** Previously filed with the Securities and Exchange Commission on the Tender Offer Statement (Amendment No. 1) on Schedule TO filed by CBS on May 5, 2006.

*** Previously filed with the Securities and Exchange Commission on the Tender Offer Statement (Amendment No. 2) on Schedule TO filed by CBS on May 9, 2006

† Previously filed with the Securities and Exchange Commission on the Tender Offer Statement (Amendment No. 3) on Schedule TO filed by CBS on May 11, 2006.

CBS Voluntary Exchange Offer Program

May 2006



CBS Disclosure Statement

CBS Corporation (“CBS”) has commenced the Voluntary Exchange Offer to which this communication pertains. Holders of CBS stock options are strongly advised to read the Offer to Exchange on Schedule TO (Tender Offer) and the other documents related to the Voluntary Exchange Offer filed with the Securities and Exchange Commission because they contain important information. Holders of CBS stock options may obtain copies of these documents for free at the Securities and Exchange Commission website at www.sec.gov or from CBS's Human Resources department.



What Are We Going to Discuss?

- Review exchange offer provisions
- Review the election resources
- Overview of stock options
- Overview of Restricted Share Units (“RSUs”)
- Comparison of options & RSUs
- Conversion & value of stock options & RSUs
- Election considerations
- Next steps



What Are We NOT Going to Discuss?

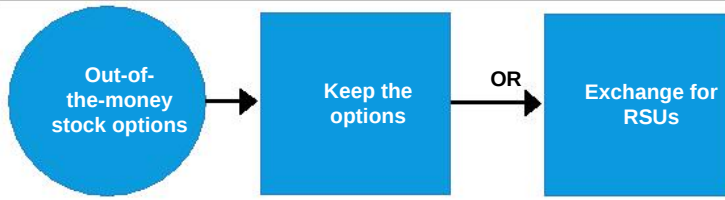
- **Why is CBS providing the Voluntary Exchange Offer?**
 - Refer to CBS Communications
- **Your personal situation**
 - Call the CBS VEO Information Line
- **Fund the Future or other stock programs**



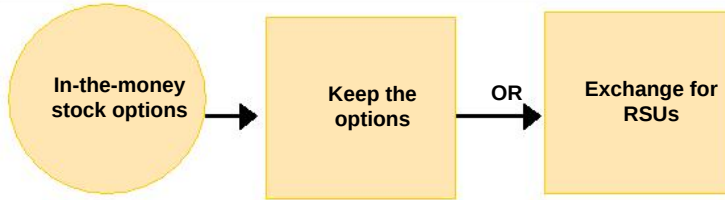
Voluntary Exchange Offer

Election Deadline: May 31, 2006 at Midnight EDT

Category #1



Category #2

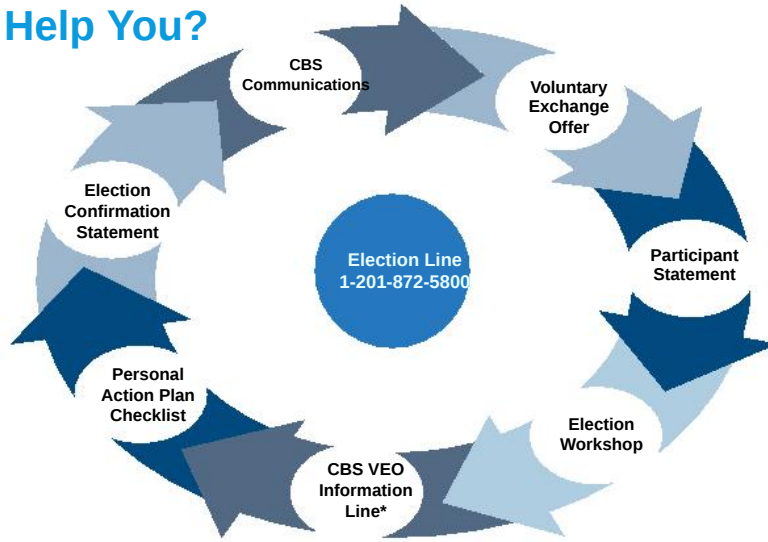


Voluntary Exchange Offer

- Election applies to ALL options in each category:
 - Out-of-the-money options
 - In-the-money options
- Each category has a separate election
- Election can be withdrawn until the deadline
 - **May 31, 2006 at Midnight Eastern Daylight Time**
- Default - If no election is made, you will keep your current options



What Resources Are Available To Help You?



*if calling from a U.S. location, please use 1-800-259-3638



CBS VEO Information Line

Personal Education

1-201-872-5800

- Objective information on election factors
- Review and analyze your own personal numbers with a representative
- Available 9am – 8pm EDT Monday – Friday through May 31, 2006
- Personal education available until **8pm EDT** on May 31, 2006
- **Call early!**

Election

1-201-872-5800

- Call to make or withdraw your election
- Available 9am – 8pm EDT Monday – Friday through May 31, 2006
- **Extended hours** until Midnight EDT on May 31 **only** to make your election (*education availability ends at 8pm EDT*)
- **Don't wait until the last minute!**



Personal Action Plan

ACTION ITEMS	WHEN
<input checked="" type="checkbox"/> Read CBS Communications	ASAP
<input checked="" type="checkbox"/> Read Voluntary Exchange Offer	ASAP
<input checked="" type="checkbox"/> Make your election soon	Beginning May 3
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	





Overview of Stock Options

What is a Stock Option?

- Each stock option represents:
 - a right to buy
 - one full share of CBS Corporation Class B Common Stock
 - at a specified price
 - for a set period of time
- Options can only be exercised:
 - after they become exercisable, and
 - before the options expire



What Are Some Key Stock Option Terms To Know?

	Date of Grant	Exercisable	Date of Exercise	Expiration Date
What Happens?	Company gives you option to buy stock	"Waiting period" is over. You now can exercise the option.	You exercise the option--you buy the stock.	You forfeit your right to exercise the option.
What Is Your Cost?	Nothing	Nothing	Option Price + Taxes	Nothing, but lost opportunity



What Other Terms Should I Know?

- Out-of-the-money stock options
 - Stock option with a negative “spread”
- In-the-money stock options
 - Stock option with a positive “spread”

How Does a Stock Option Work? (when the stock price *decreases*)

\$30
Grant Date

**CBS Corporation Class B
Common Stock price**

\$25
Exercise Date



Nothing worth buying. Your stock option is “out-of-the-money”.

How Does a Stock Option Work? (when the stock price *increases*)

\$30
Grant
Date

CBS Corporation Class B
Common Stock price

\$35
Exercise
Date



You can buy \$35 stock for \$30. Your stock option is “in-the-money”.

How Do Stock Options Provide Value?

	Today	\$10 Decrease in Stock Price	\$10 Increase in Stock Price
Grant price	\$ 30	\$ 30	\$ 30
Current stock price	\$ 25	\$ 15	\$ 35
Spread per option	\$ 0	\$ 0	\$ 5
Spread for 100 option shares *	\$ 0	\$ 0	\$500
	"Out of The Money"	"Out of The Money"	"In the Money"

A \$10 (33%) decrease keeps these options out-of-the-money, but a \$10 (33%) increase in the stock price increases the spread by \$500.



*Spread before taxes



Sample Participant Statement

Optionee Grants Out-of-the-Money						
Grant Date	Grant Expiration	Grant Type	Grant Price	Options Exercisable	Options Unexercisable	Options Eligible for Exchange
02/24/1999	02/24/2009	NQ	\$34.4030	3,769	0	3,769
04/01/1999	03/31/2009	NQ	\$35.5652	106	0	106
01/25/2000	01/24/2010	NQ	\$45.9230	3,769	0	3,769
04/03/2000	04/01/2010	NQ	\$42.9860	87	0	87
01/31/2001	01/31/2011	NQ	\$43.3473	5,654	0	5,654
04/02/2001	04/01/2011	NQ	\$33.8965	114	0	114
01/30/2002	01/30/2012	NQ	\$31.0184	5,730	0	5,730
04/01/2002	03/30/2012	NQ	\$37.4067	106	0	106
01/29/2003	01/29/2013	NQ	\$30.8849	636	0	636
04/01/2003	03/28/2013	NQ	\$29.6913	142	0	142
01/28/2004	01/28/2014	NQ	\$31.7173	318	0	318
04/01/2004	03/31/2014	NQ	\$30.6337	0	207	207
					Exercisable: 207 on 4/1/07	
01/26/2005	01/26/2013	NQ	\$29.3537	424	849	1,273
					Exercisable: 424 on 1/26/07	
					Exercisable: 425 on 1/26/08	
04/01/2005	03/31/2015	NQ	\$27.3826	0	255	255
					Exercisable: 255 on 4/1/08	
Total				20,855	1,311	22,166



Personal Action Plan

ACTION ITEMS	WHEN
<input checked="" type="checkbox"/> Review your existing stock option grant details	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	



Overview of Restricted Share Units ("RSUs")

What is an RSU?

- Each RSU represents the right to receive a full share of CBS Corporation Class B Common Stock, subject to vesting rules
 - Dividend equivalents accrue and are paid in cash upon vesting
- Grant date:
 - June 1, 2006 (business day following expiration of Voluntary Exchange Offer)
- RSUs vest:
 - 50% on June 1, 2008 (second anniversary of grant date)
 - 50% on June 1, 2009 (third anniversary of grant date)
- Generally, RSUs are forfeited if your employment ends during the restriction period



What Are Some Key RSU Terms To Know?

	Date of Grant	Vesting	Date of Sale
What Happens?	Company gives you an RSU	"Waiting period" is over. You receive a share of CBS Corporation Class B Common Stock	You sell your share of CBS Corporation Class B Common Stock
What Is Your Cost?	Varies	Full market value of the share is taxable	Gain since vesting date is taxable



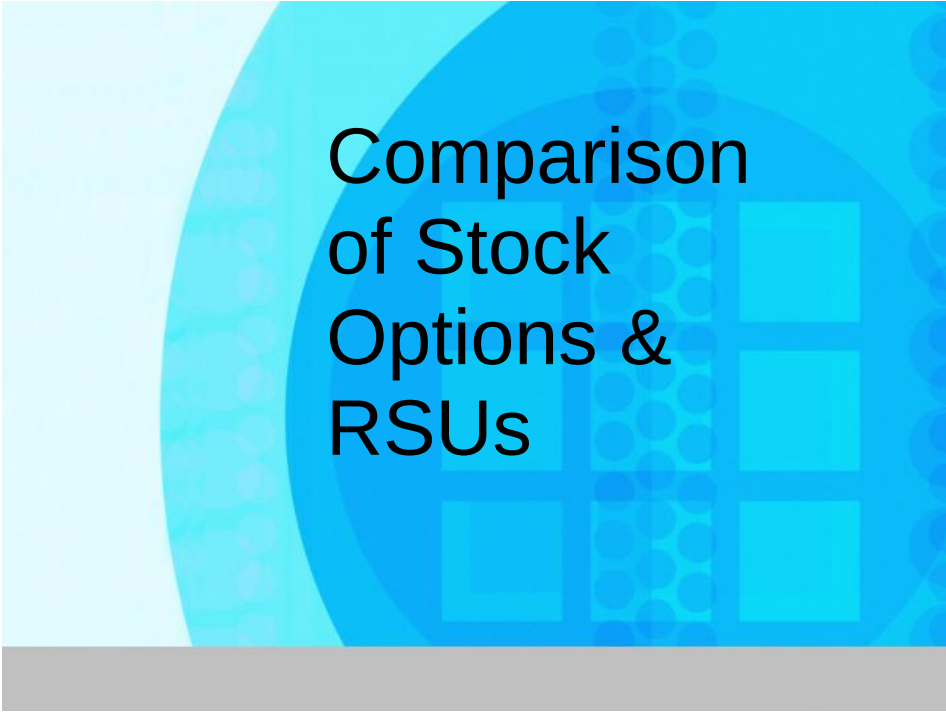
How Do RSUs Provide Value?

	Today	\$10 Decrease in Stock Price	\$10 Increase in Stock Price
RSU price	\$ 25	\$ 15	\$ 35
Current stock price	\$ 25	\$ 15	\$ 35
Value per RSU	\$ 25	\$ 15	\$ 35
Value for 14 RSUs*	\$350	\$210	\$490

A \$10 (33%) decrease drops the value of these RSUs by \$140 (33%), but a \$10 (33%) increase in the stock price increased value by \$140 (33%).



**Value shown is before taxes and does not include accrued dividend equivalents*



Comparison of Stock Options & RSUs

Comparison of Stock Options and RSUs

	Stock Options	RSUs
Timing	May exercise anytime upon becoming exercisable & until expiration, if CBS Corporation Class B Common Stock price is above grant price.	Receive full rights to shares after vesting period of 2 or 3 years.
Cash outlay	Exercise options by paying the grant price, taxes and fees using cash or "cashless" method.	Varies by country.
Stock Ownership	Yes, but only to the extent shares are held after exercise.	Yes, but only after you receive shares at vesting.
Dividends (if CBS pays dividends)	No dividends unless shares are held after exercise.	Dividend equivalents accrued and paid in cash upon vesting.



Comparison of Stock Options and RSUs

	Stock Options	RSUs
What if I leave the Company?	Exercise deadline may be accelerated, but varies by grant	Unvested RSUs generally forfeit immediately.
Factors Affecting Value	Stock price appreciation above grant price.	Stock price is greater than zero. Continued service.
Change in control	Varies by grant.	No specific provisions.



Comparison of Stock Options and RSUs

	Stock Options	RSUs
Tax Impact	Spread is taxed as ordinary income at exercise*	Varies by country.
Tax Withholding	<ul style="list-style-type: none">• Tax due at exercise.*• Typically shares are used to cover tax (using the cashless exercise method).	Varies by country.



** Applies to Non-Qualified stock options*



Conversion & Value of Stock Options & RSUs

How are RSUs Determined?

- Voluntary Exchange Offer:
 - Stock options can be voluntarily exchanged for RSUs
 - The number of RSUs you receive is based on a value equal to 75% of the “attributed value” of your exchanged stock options
- Stock option “attributed value” based on:
 - Black-Scholes model

How are RSUs Determined?

The reference price for RSUs is based on the average of the closing prices of CBS Corporation Class B Common Stock on the New York Stock Exchange for the 5 consecutive trading days ending on the 5th trading day preceding the start of the exchange offer.

April 20	\$24.53
April 21	\$24.81
April 24	\$24.81
April 25	\$25.37
April 26	\$25.15
Total	\$124.67
Reference Price (5 day average)	\$24.9340



How is Attributed Value Determined: Black-Scholes

- A measure of the value of stock options
- Based on several factors, including:
 - Volatility of the stock
 - Risk-free rate of return
 - Price of the stock
 - Exercise time remaining on the option

How are RSUs Determined?

Example

Current Grant:

100 Stock Options	X	\$30 Grant Price - \$25 Current Price	=	\$0 Spread
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Step 1:

100 Options Eligible for Exchange	X	\$4.70 Black-Scholes Value	=	\$470 Total Value Eligible for Exchange
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Step 2:

\$470 Eligible for Exchange	X	75% Exchange Value	=	\$352.50 Total Value Post- Exchange
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Step 3:

\$352.50 Total Value Post- Exchange	÷	\$24.9340 Reference Price	=	14 RSUs
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Sample Participant Statement

Options Eligible for Exchange	Black-Scholes Value	Total Value Eligible for Exchange	Exchange Rate	Total Value Post Exchange	Average Market Price	Number of RSUs*
3,769	1.56\$	5,879.64	0.75	\$ 4,409.73	\$ 24.65	178
106	1.43\$	151.58	0.75	\$ 113.69	\$ 24.65	4
3,769	0.72\$	2,713.68	0.75	\$ 2,035.26	\$ 24.65	82
87	0.99\$	86.13	0.75	\$ 64.60	\$ 24.65	2
5,654	1.32\$	7,463.28	0.75	\$ 5,597.46	\$ 24.65	227
114	2.90\$	330.60	0.75	\$ 247.95	\$ 24.65	10
5,730	4.54\$	26,014.20	0.75	\$ 19,510.65	\$ 24.65	791
106	2.55\$	270.30	0.75	\$ 202.73	\$ 24.65	8
636	4.37\$	2,779.32	0.75	\$ 2,084.49	\$ 24.65	84
142	4.70\$	667.40	0.75	\$ 500.55	\$ 24.65	20
318	1.56\$	496.08	0.75	\$ 372.06	\$ 24.65	15
207	4.85\$	1,003.95	0.75	\$ 752.96	\$ 24.65	30
1,273	4.72\$	6,008.56	0.75	\$ 4,506.42	\$ 24.65	182
255	5.91\$	1,507.05	0.75	\$ 1,130.29	\$ 24.65	45
22,166		\$55,371.77		\$ 41,528.83		1,678



Personal Action Plan



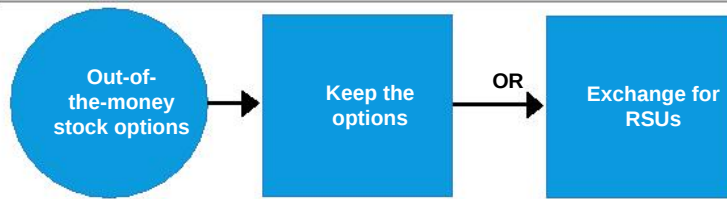
ACTION ITEMS	WHEN
<input checked="" type="checkbox"/> See RSU section of statement	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	



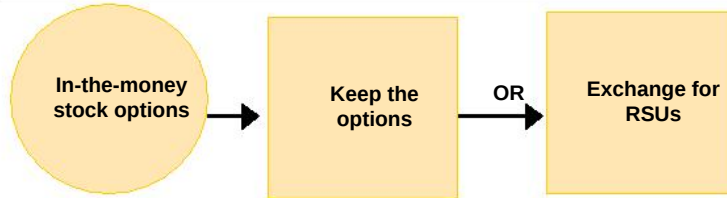
Voluntary Exchange Offer

Election Deadline: May 31, 2006 at Midnight EDT

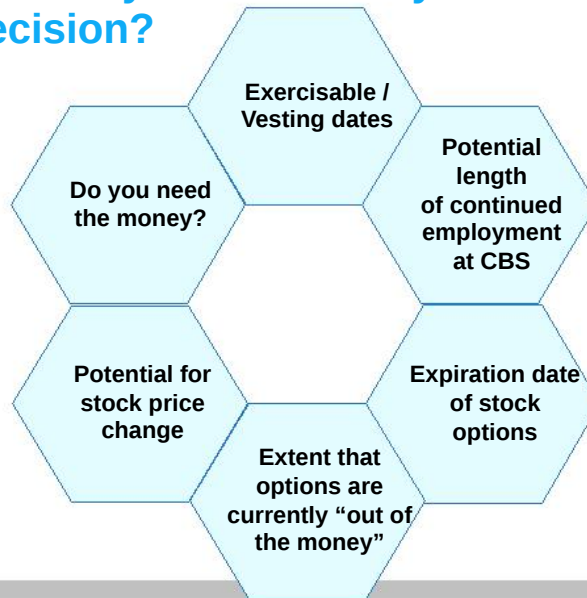
Category #1



Category #2



What Key Variables May Affect Your Decision?



What Key Variables May Affect Your Decision?

Decision Variable	Impact on Stock Options	Impact on RSUs
Exercisable / Vesting dates	Cannot exercise in-the-money options until they are exercisable.	Will you work long enough to meet the new 2 & 3 year vesting requirements?
Potential length of continued employment	<ul style="list-style-type: none"> • Will you remain at CBS long enough for options to vest? • Will you work long enough for out-of-the-money options to become in-the-money? Consider: <ul style="list-style-type: none"> • How long do you want to work at CBS? • How long will CBS have a position for you? 	Will you remain at CBS long enough to meet the new 2 & 3 year vesting requirements? Consider: <ul style="list-style-type: none"> • How long do you want to work at CBS? • How long will CBS have a position for you?



What Key Variables May Affect Your Decision?

Decision Variable	Impact on Stock Options	Impact on RSUs
Expiration date of stock options	Will the share price increase enough for options to move in-the-money before expiration?	N/A – No expiration; receive shares of CBS Corporation Class B Common Stock after vesting requirements met
Extent that options are currently out-of-the-money	How much does the stock price need to increase in order for your options to move in-the-money?	N/A - Value of RSU equals CBS Corporation Class B Common Stock price



What Key Variables May Affect Your Decision?

Decision Variable	Impact on Stock Options	Impact on RSUs
Potential for stock price change	<ul style="list-style-type: none">• Will the share price increase enough for options to move in-the-money before expiration?• How much value will a stock price increase add to options that are already in-the-money?	Value of RSU equals CBS Corporation Class B Common Stock price
Do you need the money?	Stock options carry more risk but offer more potential reward	RSUs carry less risk but also less potential reward

How Do Stock Options & RSUs Compare when the Stock Price Decreases \$10?

	Option today	Option after decrease	RSU today	RSU after decrease
Grant price	\$ 30	\$ 30	N/A	N/A
Stock price	\$ 25	\$ 15	\$ 25	\$ 15
Value per stock option or RSU	\$0	\$0	\$ 25	\$ 15
Value of 100 exercisable options*	\$0	\$0		
Value of 14 vested RSUs**			\$350	\$210



*Value is before taxes

** Value is before taxes and does not include accrued dividend equivalents

How Do Stock Options & RSUs Compare when the Stock Price Increases \$10?

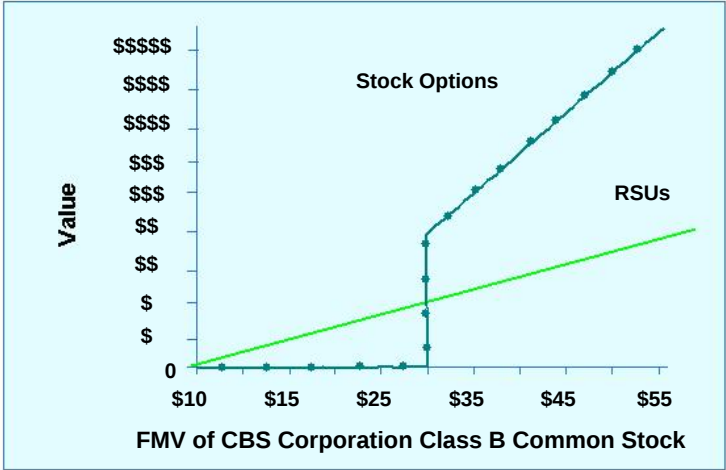
	Option today	Option after increase	RSU today	RSU after increase
Grant price	\$ 30	\$ 30	N/A	N/A
Stock price	\$ 25	\$ 35	\$ 25	\$ 35
Value per stock option or RSU	\$0	\$5	\$ 25	\$ 35
Value of 100 exercisable options*	\$0	\$500		
Value of 14 vested RSUs**			\$350	\$490



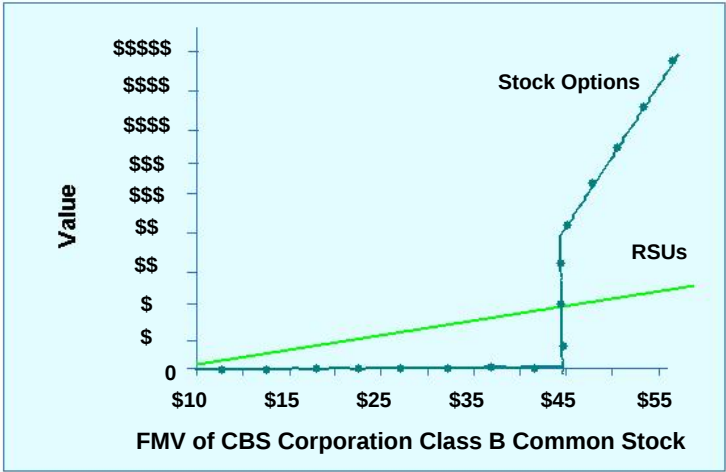
*Value is before taxes

** Value is before taxes and does not include accrued dividend equivalents

Comparing Value



Comparing Value



Election Process for Exchange

Making Your Election:

- Call 1-201-872-5800
- Indicate your election or withdrawal
- Confirmation statement will be sent within two business days via e-mail international mail with *each* election or withdrawal
- Review confirmation statement
- Call if you find errors



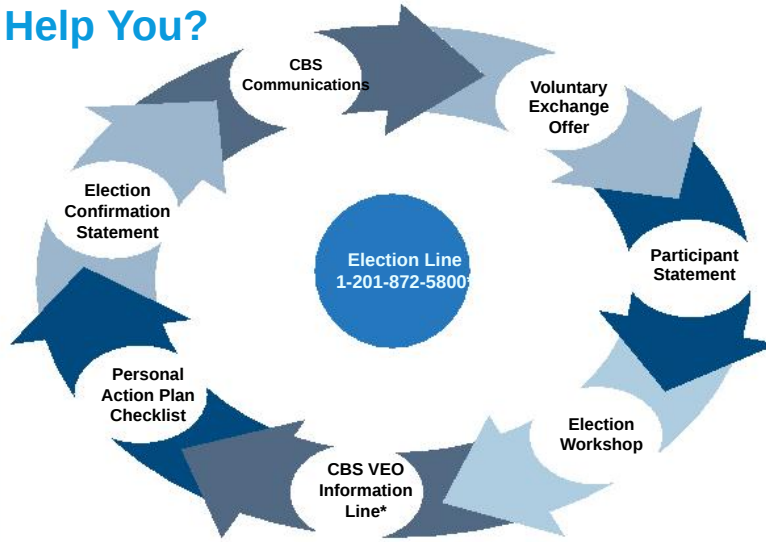
Election Process for Exchange

Other Election Provisions:

- Election deadline May 31, 2006 at Midnight EDT
- You can withdraw your election(s) during the election period. The last election(s) made as of the deadline will stand.
- No action required to keep options – default is to keep options



What Resources Are Available To Help You?



*if calling from a U.S. location, please use 1-800-259-3638



Personal Action Plan

ACTION ITEMS	WHEN
<input checked="" type="checkbox"/> Review your Participant Statement	
<input checked="" type="checkbox"/> Review the Offer to Exchange document provided to you by CBS at the commencement of the offer for a complete description of the terms and conditions of the Voluntary Exchange Offer	
<input checked="" type="checkbox"/> Review your other Voluntary Exchange Offer communications from CBS	
<input checked="" type="checkbox"/> Call the CBS VEO Information Line for personal education	
<input checked="" type="checkbox"/> Check your Confirmation Statement if you made an election	
<input checked="" type="checkbox"/>	



Questions?



CBS Voluntary Exchange Offer Program

May 2006



Speaker Notes
(International Version)

CBS
Voluntary Exchange Offer
May 2006

When You Get to the Room

- On a flip chart sheet, write:

Good Morning / Good Afternoon
(Your Name)
Ernst & Young LLP

About the Speaker Notes

In the speaker notes that follow:

Major Points- covers the objective of the slide and the critical points you **MUST** get across in the workshop.

Action Items- provides action items you need to periodically review during the workshop. You will note action items on certain color slides.

Slide 0 – CBS Voluntary Exchange Offer Title Slide

Major Points:

- Welcome & Introduction
- CBS Corporation has engaged Ernst & Young to help you understand the Voluntary Exchange Offer. Specifically, we're going to review with you today:
 - What you now have
 - What is available to you
 - What choice(s) you have
 - How to make your decision
- You may have printed a manual, which includes copies of today's slides, an evaluation form, and several appendix items. These are yours to keep, make notes on and refer back to after you leave this workshop.

Presentation Notes

- **Do NOT refer to CBS Corporation as "They". Refer as either "CBS" or "the Company."**
- Hold up each piece of information the participants have in front of them as you are talking about it – Participant Statement, Workshop Manual, etc.
- (Teleconferences – participants may or may not have printed out the workshop manuals in advance – available online)
- Ask participants to tear out the Post-Workshop Evaluation form and complete it at the end of the workshop.
- Tell participants that you will collect the surveys at the end of the workshop.

Script

Good morning! My name is: _____ and I am with Ernst & Young. Ernst & Young is a professional services firm. I work in the Personal Financial Services group of Ernst & Young. We specialize in providing group and personal education to employees to help make informed decisions and take action to improve your financial well-being.

Ernst & Young doesn't sell any investment or insurance products. Our objective here is to educate you about CBS's Voluntary Exchange Offer program. Our goal is to increase your understanding of the Voluntary Exchange Offer. We will review how stock options and Restricted Share Units ("RSUs") work, and compare both. By the end of the hour, we hope that you will understand what to think about in making your decision about whether to participate in the Voluntary Exchange Offer.

Before we get started: a few housekeeping matters

- Today's session will last 1 hour.
- Feel free to ask questions during the program, but we will also discuss a resource you can call to ask additional questions after today.
- We will not take a break during the workshop, but if you need to leave the room during the session, don't hesitate to do so.
- Restrooms are (location)

Please take notes during the workshop, using your workshop manual if you have a printout with you.

Any questions before we get started?

Major Points:

- Today's program is designed to provide education on stock options, RSUs and the Voluntary Exchange Offer. Please make sure you review all of the official communications and the Offer to Exchange materials you have already received from CBS as referred to in this Disclosure Statement.
- Today's workshop and the other services Ernst & Young is providing you are for your education only in connection with the Voluntary Exchange Offer. Our services do not include tax advice or broader financial planning. You should consult your own tax adviser or financial planner for specific advice.

Slide 2 – What Are We Going to Discuss?

Major Points:

- Review the Agenda items:
- Why are we here today? We will look first at the decisions you are being asked to make as part of the Voluntary Exchange Offer
- We will review the resources that CBS is providing you in connection with the Voluntary Exchange Offer.
- We will also review some basics about stock options you now have and RSUs that you may elect to receive in exchange for your stock options as part of this Voluntary Exchange Offer.
- Once we get the basics down, we will compare stock options and RSUs side-by-side, including their similarities and differences.
- We will also look at how the conversion is calculated if you choose to exchange your stock options for RSUs.
- We will also look at some examples showing how stock options and RSUs change in value as the CBS Corporation Class B Common Stock price fluctuates up or down.
- Finally, we'll focus directly on the election, looking at the key considerations that may affect your decisions and the next steps when you leave this workshop.

Transition:

Slide 3 – What Are We NOT Going to Discuss?

We are not here today to discuss why CBS is providing you with this Voluntary Exchange Offer. You should refer to the Offer to Exchange document and other communications you have received from CBS that explain this. Our focus today is to help you understand what you now have and decide whether to voluntarily elect this exchange. The choice is yours.

We are also not here today to tell you what you should do. Everyone's situation is different. If you have personal questions about your own situation, we will talk about a confidential telephone resource that CBS is providing for you through Ernst & Young. This is where you can ask any questions you have about your own situation, including specific questions about how the exchange may be taxed in your country.

Again, our focus is on the Voluntary Exchange Offer today, and not on Fund the Future or other benefit programs.

Major Points:

- Here are the Voluntary Exchange Offer elections available to you.
- The first decision relates to all of your out-of-the-money stock options (more on that term later). You can keep all of your out-of-the-money stock options or exchange all of them for RSUs.
- You also have a choice with your in-the-money stock options. You can keep all of your in-the-money stock options or exchange all of them for RSUs.
- You can decide to exchange both categories of options for RSUs, you can decide to exchange only one category of options for RSUs or you can decide not to exchange either category of options.
- You cannot, however, exchange only some of the options in either category for RSUs. In other words, for each category – out-of-the-money and in-the-money – you must either exchange all of the options in that category or none of the options in that category.
- The election to exchange options must be made by Midnight EDT on Wednesday, May 31, 2006.

Slide 5 – Voluntary Exchange Offer

Major Points:

- Note again, your election applies to ALL of your out-of-the-money options, and ALL of your in-the-money options, but you can choose to exchange one group and not the other group.
- You must make your election by Midnight EDT on Wednesday, May 31, 2006, but you ONLY have to make an election if you wish to make an exchange.
- The default – if no election is made – is that you retain your existing stock options.

Finally, you can change your mind and withdraw your election at any time through Midnight EDT on May 31, 2006. Whatever election is on file as of that time and date will be binding.

Major Points:

- You should have received several communications about the Voluntary Exchange Offer, including an April 6 letter from Leslie Moonves and an announcement to global employees on April 27 from Tony Ambrosio.
- You should carefully review all of the communications and information provided to you relating to the Voluntary Exchange Offer, including the Offer to Exchange materials which contain a complete description of the terms and conditions of the offer. The Offer to Exchange materials were sent to you at the commencement of the Voluntary Exchange Offer on May 3.
- A participant statement was mailed to your home around May 3. We'll review a sample statement together today. Your statement shows you a snapshot of all your in-the-money and out-of-the-money stock options that are *eligible* for this exchange. If you have not received this statement, please call the CBS VEO Information Line, which we'll be discussing in a moment.
- You also have today's workshop to learn more about the Voluntary Exchange Offer. If you have a copy of the workshop manual (or printed one online), follow along and take notes during the workshop today.
- To discuss your own personal situation, you can also call the toll-free CBS VEO Information Line for education. The same phone number is used to answer any questions you have about the Voluntary Exchange Offer and to make your election to exchange, if that's what you decide to do.
- We'll also talk in a moment about your own Personal Action Plan.
- The last step is making your election, if you choose to exchange your options. When you make an election, you will receive an e-mail (if you have a valid CBS domain e-mail address on file) or a letter via US Mail confirming the election decision. If you wish to withdraw an election, you will also receive confirmation.
- Only the LAST election or withdrawal on file as of Midnight EDT on Wednesday, May 31 will count.
- Everyone will receive a confirmation after the May 31, 2006 deadline.

Major Points:

- The CBS VEO Information Line is available for two purposes in May.
- First, you can call to get objective education about the election, and to discuss the factors that might affect your own decision. The Ernst & Young planners are objective and your discussions will remain confidential. You can call by yourself, or you can call with another person, as long as you are on the call with that person.
- The CBS VEO Information Line is available for education Monday through Friday from 9am – 8pm EDT through May 31, 2006.
- Second, you can call this same number to make or withdraw your election to exchange your options. The hours and dates are the same for making your election, with one key exception: Your election can be made up until Midnight EDT on Wednesday, May 31, although education ends at 8pm on that day. As long as you call by Midnight EDT on Wednesday, May 31 and remain 'in the queue' until your call is answered, we will take your election.
- You can also tender your election via fax or e-mail. Review your Voluntary Exchange Offer for details.
- We strongly encourage you to call the CBS VEO Information Line early in the election period rather than waiting until the last minute!!! Note that May 31 is just after the Memorial Day Weekend. Also, there are 13,000 of you – including your U.S. colleagues – and fewer than 13,000 of our planners, so please call early. You can always change your mind through Midnight EDT May 31. And remember, you DON'T need to call if you plan to keep all of your stock options.

Slide 8 – Personal Action Plan

Major Points:

- Go to the Appendix of your Manual, or use a blank piece of paper, and start a list of all Action Steps you need to take soon.
- This includes:
 - Deciding whether to make your election
 - Reviewing all CBS communications, including the Offer to Exchange itself.

TIME ELAPSED: 10 MINUTES

Major Points:

- Let's focus first on the basics of how stock options work. Stock options are what you now have.

Major Points:

- Each stock option you have represents your *right to buy* a full share of CBS Corporation Class B Common Stock at a specified price.
- In other words, you can "lock in" a price up front for the stock and buy it at a later time at that same price.
- You can only exercise an option and actually buy the share of stock if you meet the vesting and any holding requirements that apply to the option.
- You also can only exercise an option before it expires.

Major Points:

- Every option has four key dates. Remember that your specific circumstances may be different depending on your country and other qualifying factors.
- The first key date is when your options are granted to you. This is simply when you are first given the option. At this point, generally there is no cost to you.
- After some waiting period, you will meet the vesting requirements and any holding requirements, if applicable. On this second key date, generally there is still no cost to you. Since the waiting period is over, you are now able to exercise the option at your choosing.
- The third key date is when you exercise the option. This means that you are actually buying the stock. At this point, you have to pay for the stock, and you will owe taxes on the “spread,” which we will define in a moment.
- Note – there may be ways to buy the stock even if you don't have cash available. You may be able to use the “cashless” method to exercise the option and buy the stock. When you exercise an option using this method, you immediately sell enough shares to pay for the exercise and the taxes due. You then may be able to keep the remaining net cash or a portion of the shares after paying these costs out of the proceeds from the shares sold.
- Finally, if you choose to not exercise the option by the option's expiration date, the option is forfeited. At this point, there is not cost to you, except the lost opportunity to buy the stock.

Slide 12 – What Other Terms Should I Know?

Major Points:

- What other terms do you need to know?
- When we talk about “out-of-the-money” stock options, we mean those that currently don’t have any value, because the current CBS Corporation Class B Common Stock price is equal to or lower than the grant price. In other words, these options have a negative “spread.” You may have heard these options also referred to as out-of-the-money or “underwater.”
- “In-the-money” options are those where you can buy the CBS Corporation Class B Common Stock today at a price that is lower than the current CBS Corporation Class B Common Stock price. In other words, these options have a positive “spread.” You may have heard these options referred to as in-the-money or “above water.”

Major Points:

- Let's look at some examples of how a stock option works.
- In the first example, you have a stock option that gives you the right to buy one share of CBS Corporation Class B Common Stock at the price of \$30. In other words, you can exercise this option once it vests and pay \$30 for a share of CBS Corporation Class B Common Stock.
- If the current stock price is only \$25, this option means you can buy a \$25 share of CBS Corporation Class B Common Stock for \$30. This option has no current intrinsic value (*even though it may have a value based on a valuation method such as Black-Scholes*) and is considered 'out-of-the-money,' since it has a negative spread of \$5. In other words, it's not worth paying \$30 for a share of stock worth only \$25.
- So the "spread" is just the difference between the exercise price and the current stock price.

Slide 14 – How Does A Stock Option Work? (when the stock price increases)

Major Points:

- Now let's take a look at a different example.
 - In this example, you again have a stock option that gives you the right to buy one share of CBS Corporation Class B Common Stock at the price of \$30.
 - If the CBS Corporation Class B Common Stock price is currently \$35, you can buy a share of the stock for \$30. The intrinsic value – or "spread" – is \$5 per option. This option is in-the-money.
-

Slide 15 – How Do Stock Options Provide Value?

Major Points:

- Let's continue with these two examples.
 - If, when the stock option is granted, the grant price is the same as the current CBS Corporation Class B Common stock price, then the option has no intrinsic value.
 - If the CBS Corporation Class B Common stock price falls 33% - \$10 here – the option still has zero intrinsic value.
 - If the CBS Corporation Class B Common stock price rises, however, the option does have intrinsic value. Here, let's say you were given 100 options at \$30 a share. If the stock price goes up to \$35 -- a \$10 (or 33%) increase in the stock price -- then your 100 options have an increase in intrinsic value of \$500. The net increase will be less, however, due to taxes. We don't have time today to go into taxes and how they differ for each country, so please be sure to review Section 14 of the CBS Voluntary Exchange Offer for details on tax consequences specific to your country. You can also call the CBS VEO Information Line to review this information.
-

Major Points:

- Let's now take a look at your Participant Statement. If you brought your statement with you, you can use your own statement to follow along. If you don't have your own statement with you, you can use this sample.
- Your Participant Statement will show all of your in-the-money and out-of-the-money stock options that are eligible for the Voluntary Exchange Offer, whether they are currently vested or exercisable or not. The determination of whether your stock options are in-the-money or out-of-the-money is based on the Reference Price, and remains constant (as shown on your Participant Statement) throughout the Offer period.
- Let's go over each column of the statement.
- The first column shows the date you were given the grant by CBS.
- The second column shows when each option grant expires.
- The third column shows the type of grant.
- The fourth column shows the grant price for each stock option grant you have.
- The fifth column shows the number of options you were granted that are Exercisable.
- The sixth column shows the number of options you were granted that are Unexercisable.
- The seventh column shows the number of options that are eligible for the Voluntary Exchange Offer.
- If you have any questions about your own Participant Statement, please call the CBS VEO Information Line to discuss it. Our planners will also have a copy of your statement, so that they can review your numbers with you.

Major Points:

- Remember to continue filling out your Personal Action Plan. If you don't have your own Participant Statement with you now, be sure to review your own numbers soon.

TIME ELAPSED: 20 MINUTES

Major Points:

- Now let's talk about the basics of how RSUs work.

Major Points:

- An RSU represents the right to receive one full share of CBS Corporation Class B Common Stock. It is subject to some restrictions, such as vesting requirements.
- In the meantime, if CBS Corporation Class B Common Stock pays a dividend equivalent, you accrue that dividend equivalent. When the shares vest, the accrued dividend equivalents will be paid out to you in cash, and will be taxable.
- The grant date of your RSUs through this exchange offer will be June 1 2006. Vesting will occur on the 2nd and 3rd anniversary dates of the grant. This means:
 - 50% of the RSUs will vest on June 1, 2008, and
 - 50% or the balance will vest on June 1, 2009
 - If your employment with CBS ends before your RSUs vest, then you will forfeit them.
- Note that, even if the options you exchanged for RSUs had already vested, you will still need to wait through this new vesting requirement before you can transfer, sell or otherwise dispose of the RSUs. In other words, even if you had some vested options that you exchanged for RSUs, if you were to leave CBS before June 1, 2008, then you would forfeit all RSUs received as part of this Voluntary Exchange Offer.

Major Points:

- There are three key dates with RSUs.
- First, if you elect to exchange your options, you will receive RSUs on the date of grant. At this point, there may be taxes due, depending on your country and other qualifying factors, such as the intrinsic value of the options exchanged and the date the option was granted.
- The next key date is the vesting date. When you reach each of the two vesting dates, you will receive CBS Corporation Class B Common Stock which you will own, free of any restrictions on transferability. The full market value of the CBS Corporation Class B Common Stock, plus any accrued dividend equivalents paid to you in cash during the vesting period, will be taxable to you. Please be aware that if you are a Canadian taxpayer exchanging out-of-the-money options for RSUs, your RSUs will be doubled taxed – both when the exchange occurs and when the RSUs vest.
- The last key date is the date you sell the shares. Whenever you sell the shares, there will be tax due. Again, for more information on taxes in your country, please review Section 14 of the CBS Voluntary Exchange Offer or call the CBS VEO Information Line.

Major Points:

- Let's look at a similar example for RSUs to see how they provide value. We'll use the same numbers as before.
- In this example, the RSU value on the date of grant is \$25 and you have 14 RSUs. Unlike a stock option, the value of RSUs is not based on a 'spread,' but rather on the actual current price of CBS Corporation Class B Common stock. If the price of CBS Corporation Class B Common Stock goes down by \$10 (33%), your RSU's fair value goes down by \$10, which in this example is to \$15. Since you have 14 RSUs in this example, the total fair value of your RSUs went from \$350 to \$210, which is a decrease of \$140. If the price of CBS Corporation Class B Common Stock goes up by \$10 (33%), each RSU's fair value goes up by \$10, which in this example is \$35. Since you have 14 RSUs in this example, the total fair value of your RSUs went from \$350 to \$490, which is an increase of \$140. (Here again, the fair values shown are before taxes, and do not include accrued dividends.)
- As long as CBS stock has some "price" above zero, RSUs have a fair value.
- Remember, the fair value these RSUs provide is subject to the vesting rules. Before meeting the vesting requirements, you cannot transfer, sell or otherwise dispose of the shares.

Before we move on, do you have any questions on either stock options or RSUs?

TIME ELAPSED: 30 MINUTES

Major Points:

- Let's now look at stock options and RSUs side by side.

Major Points:

- Let's now look at stock options and RSUs side by side.
 - First, let's look at timing comparisons
 - Both have vesting periods that must be met, although you may have already met vesting requirements if you stay in options. With options, you may exercise them as soon as you meet vesting and any holding requirements, but they have no intrinsic value unless the price of CBS Corporation Class B Common Stock goes above the option price. With RSUs, none will vest before June 1, 2008. Half will vest on June 1, 2008 and the other half on June 1, 2009.
- Next, let's look at cash outlay:
 - Both stock options and RSUs have a cost at some point, but you may be able to use some of the shares to pay the costs. With stock options, you have the cashless exercise method. With RSUs, CBS will generally withhold some shares to pay the taxes due, so you can receive shares with no outlay of cash. Please be aware that if you are a Canadian or Australian taxpayer, CBS will not withhold taxes due. You are required to pay any income taxes when due.
- Let's look next at stock ownership:
 - With a stock option, until you exercise it, an option is only the right to BUY a share for the grant price. In comparison, a RSU represents the right to RECEIVE a share of stock, subject to the vesting rules. In addition, stock options have expiration dates. With RSUs, once you vest, you can hold the stock you receive for as long as you wish. You need not exercise or sell the shares, even after you leave employment with CBS. So with both stock options and RSUs, I have the opportunity to get shares, and become a shareholder.
- What about dividends?
 - You do not participate in dividends with stock options, until you exercise them, acquire the stock and hold it. With RSUs, you accrue dividend equivalents, which are paid out in cash and taxable after vesting requirements are met.
 - The impact of dividend equivalents represents a difference between stock options and RSUs.

Major Points:

Here are some more comparison points.

- What if you leave the Company?
 - With stock options, the exercise deadline may be accelerated, but this may vary with each option grant. With RSUs, if you leave CBS or its majority-owned subsidiaries before the shares vest, then you forfeit the RSUs.
 - And remember, leaving the Company may be for almost any reason: quit, retire, layoffs, business is sold or other voluntary or involuntary reasons.
 - What factors affecting the value of both?
 - The value of stock options is affected by appreciation in the price of CBS Corporation Class B Common Stock above the grant price of the option. With RSUs, they always represent the right to receive some value, as long as the price of CBS Corporation Class B common stock is above zero.
 - Change in Control
 - The impact of a change in control on your stock options varies by the specific grant. Some grants have specified provisions while others do not. There are no specific provisions for the impact of a change in control for RSUs.
-

Major Points:

Here are two last points of comparison:

- Tax Impact
- With stock options, the spread is taxed as ordinary income on the date you exercise the option. With RSUs, generally the full market value of the shares is taxed as ordinary income on the date the shares vest. However, as we discussed before, this varies by country. Any gain thereafter when the shares are sold is also taxed.
- Tax Withholding
- Finally, tax on the stock option spread or the RSU's value is due when you exercise your option. Stock options generally can be exercised using the cashless method, where some shares are immediately sold to cover the tax due. With RSUs, tax payments are typically made from shares sold as well. Remember, if you are a Canadian or an Australian taxpayer, CBS will not withhold taxes and you are responsible for paying all taxes due.

TIME ELAPSED: 35 MINUTES

Major Points:

- Let's now spend some time looking at the numbers – how are your options and RSUs valued, and how does the exchange work?
- This may be the most difficult section of the workshop, but may be the most interesting too if you like to see the details of your numbers.

Slide 27 – How Are RSUs Determined?

Major Points:

- We're now coming to one of the most difficult parts of this workshop. How was your number of RSUs calculated?
- Under the Voluntary Exchange Offer, you can exchange stock options for RSUs.
- Because stock options are a right to buy a share of CBS Corporation Class B Common Stock at a fixed price anytime over a number of years, even options that are currently out of the money have some potential value. This potential value is known as "attributed value".
- CBS's Compensation Committee of the Board of Directors has determined that the appropriate conversion of exchanged stock options to RSUs is 75% of this attributed value.

This attributed value is based on a Black-Scholes model, which is a standard method to value stock options.

Major Points:

- The reference price for the RSUs for the Voluntary Exchange Offer is based on the 5-day average of the closing prices of CBS Corporation Class B Common Stock on the New York Stock Exchange on the 5 consecutive trading days ending with the fifth trading day preceding the start of the exchange offer.
- Since the Voluntary Exchange Offer commenced on May 3, the fifth trading day prior was April 26. The 5 trading days used to calculate the reference price for the RSUs was April 20, 21, 24, 25 and 26. Take the closing price each day, add it up, divide by 5 – The resulting 5-day average price of CBS Corporation Class B Common Stock is \$24.9340. This is the reference price for the RSUs in the Voluntary Exchange Offer. Once the reference price is fixed, it does not change during the offer period.

Major Points:

- Because your stock options give you the ability to buy shares for a fixed period of time, those options have some theoretical value. Black-Scholes is a commonly used model to determine a ratio of the value of stock options to the value of stock, based on several factors, including:
- Volatility of the stock
- Risk-free rate of interest
- Price of the stock
- Time remaining to exercise the option
- Because Black-Scholes takes into account length of time left in a grant, you will see a different Black-Scholes value for each grant.

Major Points:

- Consider this example where a stock option grant of 100 stock options that are currently out-of-the-money is exchanged for RSUs.
- In the first step, 100 shares are multiplied by the Black-Scholes value shown on your Participant Statement. This equals the total dollar value eligible for exchange. Remember, the Black-Scholes value may be different for each grant. The result of this calculation is the "attributed value" of your stock options.
- The pre-determined exchange rate of 75% is then applied to this value, for a total of \$352.50.
- Finally, this value is divided by the reference price of CBS Corporation Class B Common Stock - \$24.934 - to determine the number of RSUs you are eligible to receive.
- **Note, in this case, the stock option grant that currently had no intrinsic value because it is out-of-the-money is exchanged for RSUs with a value of \$350 (14 shares subject to vesting requirements).**

Major Points:

- Now let's return to the rest of our sample Participant Statement
- The seventh column shows the number of options that are eligible for the Voluntary Exchange Offer.
- The eighth column marked "Black-Scholes Value" shows the value of each option.
- The ninth column shows the total value of the options that are eligible for the Voluntary Exchange Offer.
- The tenth column shows the 0.75 exchange rate used to convert your options to RSUs.
- The eleventh column shows the total value of your stock options should you exchange them for RSUs.
- The twelfth column shows the reference price used to value the RSUs.
- The final column shows how many RSUs you will receive in exchange for your options, if you decide to participate in the Voluntary Exchange Offer.

Major Points:

- Now that we have reviewed the remaining section of your Participant Statement showing the RSU calculation, be sure to write down an Action Item to review your own numbers closely.

TIME ELAPSED: 45 MINUTES

Major Points:

- At this point, let's pause for a moment and review the choices you have to make.
- You have potentially two decisions to make by Wednesday, May 31, 2006 at Midnight EDT.
- For your out-of-the-money stock options, you can choose to keep all of these options or exchange all of them for the number of RSUs shown on your statement.
- To the extent you have in-the-money stock options, you can choose to keep all of these options or exchange all of them for the number of RSUs shown on your statement.

Slide 34 – What Key Variables Will Affect Your Decision?

Major Points:

- There are six key variables that may affect your decision to keep your stock options or exchange them for RSUs
 - The primary variables are:
 - Vesting dates
 - The potential length of your continued employment with CBS or its majority-owned subsidiaries
 - The expiration date of your stock options
 - The extent that your stock options are out-of-the-money. In other words, how much of a price increase will it take for these options to move in-the-money?
 - And the potential for the price of CBS Corporation Class B Common Stock to change
 - Your need for the money short- and long-term
-

Major Points:

- Let's look at each of these key variables.
 - Exercisable / Vesting Dates –
 - The question to ask here is: will I be employed at CBS or its majority-owned subsidiaries long enough to meet vesting rules? You cannot exercise stock options until you meet the vesting and holding requirements. You cannot transfer, sell or otherwise dispose of RSUs, or receive accrued dividends thereon, until you meet the 2- and 3-year vesting requirements.
 - Remember that, if you exchange stock options for RSUs, you will have new vesting requirements that must be met, regardless of whether your stock options have already vested.
 - Potential length of continued employment -
 - If you think you will be with CBS for at least 2 years, the RSUs will provide some value. If you have out-of-the-money stock options, you'll need to ask whether you'll be with CBS long enough for the CBS Corporation Class B Common Stock price to increase enough to put the options in-the-money, but before they expire. Keep in mind that asking how long you'll be at CBS really involves asking two different questions. First, how long do you think you will want to work at CBS or its majority-owned subsidiaries? This question involves thinking about your own career plans. Second, how long will CBS have a position for you? This question involves thinking about the future business plans of CBS.
-

Major Points:

- The next key variable is the expiration dates of your stock options –
 - Stock options need to be in-the-money before they expire in order to provide you with any intrinsic value.
 - RSUs do not expire; rather you automatically receive shares outright without any restriction on transferability after the RSUs vest in 2 and 3 years.
 - The next key variable is the extent that your stock options are out of the money –
 - The further your option is out-of-the-money, the higher the CBS Corporation Class B Common stock price must rise to achieve any potential value. A key question to ask is: how much will the CBS Corporation Class B Common Stock price have to increase in order for your stock options to move in the money?
 - (The CBS VEO Information Line can help you understand these factors. They can help you determine how much the CBS Corporation Class B Common Stock price needs to rise before either the stock options or RSUs become more valuable than the alternative.)
 - This factor doesn't apply to RSUs (there is no concept of out-of-the-money with RSUs). As long as CBS Corporation Class B Common stock has a price greater than zero, then the RSUs have value.
-

Major Points:

- The next key variable is the potential for stock price change
 - This variable is very important, and directly affects the value of both stock options and RSUs.
 - The price of CBS Corporation Class B Common Stock directly affects whether and to what extent your stock options are out-of-the-money or in-the-money.
 - The price of CBS Corporation Class B Common Stock directly affects the current value of RSUs.
 - Finally, Do You Need the Money?
 - Stock options provide more potential risk as well as potential reward.
 - RSUs provide less potential risk as well as potential reward.
 - This can be seen in the following numerical example -
-

Slide 38 – How Do Stock Options & RSUs Compare When the Stock Price Decreases \$10?

Major Points:

- Let's summarize this comparison with a side-by-side example of the stock options and RSUs as the CBS Corporation Class B Common Stock price fluctuations.
- Here we have 100 exercisable stock options with a grant price of \$30 and a CBS Corporation Class B Common Stock price of \$25. The spread is \$0, so the intrinsic value of the options is \$0. If the CBS Corporation Class B Common Stock price drops \$5, the value of the stock options remains at zero.
- Our 14 RSUs are valued at the current CBS Corporation Class B Common Stock price - \$25 today. This gives a current value of \$350. A \$10 CBS Corporation Class B Common Stock price drop reduces those RSU values by \$10, down to a total value of \$210.
- So, even though the spread in the stock options is \$0, there is still value in the RSUs.

Major Points:

- Here we have 100 exercisable stock options with a grant price of \$25 and a CBS Corporation Class B Common Stock price of \$25. The spread is \$0, so the intrinsic value of the options is \$0. If the CBS Corporation Class B Common Stock price rises \$10, the intrinsic value of the stock options increases to a total of \$500.
- Our 14 RSUs are valued at the current CBS Corporation Class B Common Stock price - \$25 today. This gives a current value of \$350. A \$10 CBS Corporation Class B Common Stock price increase increases those RSU values by \$10, up to a total value of \$490.
- As you can see, the stock options come with both more risk and potential reward, based on swings in the CBS Corporation Class B Common Stock price. As the CBS Corporation Class B Common Stock price continues to rise, the intrinsic value of the stock options will rise faster than the value of the RSUs.
- The RSUs, however, generally provide at least some value, only dropping to zero if the CBS Corporation Class B Common Stock price drops all the way to zero as well (or if the RSUs are forfeited prior to vesting).

Major Points:

- Let's look graphically at a stock option grant that is currently just slightly out-of-the-money. When it passes the grant price of \$25, it immediately has intrinsic value, and that intrinsic value, or spread, rises as the CBS Corporation Class B Common stock price goes up.
- At the same time, RSUs have value anytime the CBS Corporation Class B Common stock price has a value above zero, but the rise in value is not as steep.

Transition:

- What does this growth look like if the grant has a grant price of \$35, \$40 or \$45?

Major Points:

- In this example with a higher grant price, the spread of the stock option grant remains at zero longer, but when the grant price is surpassed, the value of the stock option rises more steeply in comparison to the RSU.

TIME ELAPSED: 55 MINUTES

Major Points:

These are the steps involved in making an election to participate in the Voluntary Exchange Offer:

- Call 1-201-872-5800
- Indicate your election or revocation
- Confirmation statement will be sent within 48 hours via e-mail or international mail with *each* election or revocation
- Review confirmation statement
- Call if you find errors

Slide 43 – Election Process for Exchange

Other election provisions:

- Election deadline May 31, 2006 at Midnight EDT
- You can withdraw your election(s) at any time during the election period. The last election(s) made as of the election deadline will stand.
- No action required to keep options – default is to keep options

Major Points:

- Here's one final reminder of the process –
- You have already received several communications from CBS, including your personal Participant Statement.
- You have learned more about the Voluntary Exchange Offer in today's workshop and may now be closer to making a decision.
- To discuss your personal situation further call the CBS VEO Information Line at 1-201-872-5800. You may also call the same number if and when you are ready to make your Voluntary Exchange Offer election.

Major Points:

- Finally, please complete your own personal action plan.
- And before you leave please complete the evaluation form for this workshop and I'll collect it from you.

Slide 46 – Questions?

If you have any further questions, please call the CBS VEO Information Line at 1-201-872-5800.

- And don't forget: if you decide to exchange your stock options for RSUs, we encourage you not to wait until the last minute to make your election.
- Thank You.

APPENDICES

**CBS
Voluntary Exchange Offer**

Description	Appendix
Personal Action Plan	A
CBS VEO Information Line Information	B
Instructions for Accessing Your Smith Barney Account	C
Notice to Participants	D
Post-Workshop Evaluation	E

Legal Notice

CBS Corporation ("CBS") has commenced the Voluntary Exchange Offer to which this communication pertains. Holders of CBS stock options are strongly advised to read the Offer to Exchange on Schedule TO (Tender Offer) and the other documents related to the Voluntary Exchange Offer filed with the Securities and Exchange Commission because they contain important information. Holders of CBS stock options may obtain copies of these documents for free at the Securities and Exchange Commission website at www.sec.gov or from CBS's Human Resources department.

PERSONAL ACTION PLAN

Call 1-201-872-5800 for information regarding the Voluntary Exchange Offer and related financial concepts, and to record your election. If you are calling from the U.S., you can call 1-800-259-3638.

Exchange Offer Action Steps

<u>Complete</u>	<u>Priority</u>	<u>Action Step</u>
<input type="checkbox"/>	_____	_____
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<input type="checkbox"/>	_____	_____
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CBS VEO INFORMATION LINE

Call 1-201-872-5800 for information regarding the Voluntary Exchange Offer and related financial concepts, and to record your election. If you are calling from the U.S., you can call 1-800-259-3638.

The CBS VEO Information Line from Ernst & Young is open from 9:00am to 8:00pm EDT, Monday through Friday, (except holidays) and will be available beginning on April 27, 2006 and through the offer period. On the last day of the offer, information services will end at 8pm, but elections will be accepted until midnight EDT.

On the last day of the offer, if you call the CBS VEO Information Line at or before Midnight EDT, you may be placed on hold for an extended period of time; however, *do not terminate your call until you talk with an Ernst & Young representative*. No new calls will be answered after Midnight EDT on the last day of the Voluntary Exchange Offer, but if you are on hold at such time, you still will be able to tender your eligible options when a representative picks up your call.

You can be assured that the information you receive is appropriate for your needs because Ernst & Young's representatives are objective and independent.

When you call the CBS VEO Information Line you should expect:

- ✓ Phones that are answered promptly by experienced representatives who will assist you with your CBS Voluntary Exchange Offer needs. If you are prompted to leave a message, a representative will return your call as soon as possible.
- ✓ Representatives who are knowledgeable about the CBS Voluntary Exchange Offer
- ✓ An up-to-date record of prior interactions so that you are not starting each call from scratch
- ✓ The ability to ask for the same representative each time you call the CBS VEO Information Line

What topics can you discuss with the CBS VEO Information Line?

- ✓ Answers to questions regarding the Voluntary Exchange Offer
- ✓ Model the decision between stock options and restricted share units with the CBS VEO Information Line counselors
- ✓ Key election considerations

INSTRUCTIONS FOR ACCESSING YOUR SMITH BARNEY ACCOUNT

Recently you received information about the Voluntary Exchange Offer (VEO), an offer that will give eligible employees the opportunity to exchange their eligible options for restricted shares, or restricted share units (RSUs) in the case of employees who are not U.S. taxpayers, in the new CBS Corporation. To view your stock option history or exercise stock options online, you will need a registered and activated Smith Barney account. Smith Barney' website, at www.benefitaccess.com, is the source for all employee stock option grant information and documentation. To view your grant history you may use the website or speak with a Smith Barney Customer Service Representative by calling (877) 203-7047 toll-free or (212) 615-7081 from a non-U.S. location.

If you have not yet registered for a Smith Barney account:

- Go to www.benefitaccess.com
- Click on the **Registration** tab
- Enter the Company Stock Symbol: **CBS**
- Enter your **Social Security Number** and the **first three letters of your first name**

You will receive two separate mailings at your address of record within 10 business days that are needed to activate your account. The first is a Welcome Kit that contains a Temporary Internet User Name, Trading PIN, and information about and instructions to use the website. The second mailing is a Temporary Internet Password. **It takes 10 business days to receive the information you need to activate your account online.**

If you have already registered for an account and received your Welcome Kit, to activate your account online:

- Go to www.benefitaccess.com
- Click on the **First Time Users** tab
- Enter your User Name and Password and click on **Logon to Benefit Access**
- Follow the logon instructions

If you have forgotten your user name and password:

- Go to www.benefitaccess.com
- Click on the **Forgot User Name/Password** tab
- Choose **Stock Options** and click Continue
- Enter the Company Stock Symbol: **CBS**
- Step 1: Enter your **Social Security Number** and the **first three letters of your first name**
- Step 2: Choose the **logon information you have forgotten** and click Continue
- Follow screen instructions

If you have any questions about establishing or maintaining a Smith Barney account or would like to **exercise a stock option via the phone**, please call the Smith Barney Customer Service department at (877) 203-7047 or (212) 615-7081.

NOTICE TO PARTICIPANTS

Dear Participant:

Ernst & Young LLP has been engaged to provide to you information regarding the CBS Voluntary Exchange Offer (VEO) and related financial education topics. We expect that you will find Ernst & Young's services to be valuable, but we think it is also important that you understand the scope of these services.

General Financial Education Considerations

Here are points to understand regarding your participation in the VEO and E&Y's related financial education topics:

- The financial education topics may include historical and other financial information which are not guarantees or even necessarily an indication of future results.
- The VEO related materials you receive will not change or affect your rights under your company benefit plans. In all cases, the company's plans govern.
- As you consider your financial future, you may need to make assumptions about future financial trends (such as inflation and rates of return), laws and regulations, and apply these to your particular circumstances. Your results can be significantly affected by even small changes in your assumptions, your individual circumstances or laws and regulations, as well as the extent to which your assumptions ultimately vary from actual financial conditions.
- Information regarding the VEO and related financial education topics provide only some of the resources for assisting you in making your decisions to participate in the VEO. Such information does not provide accounting, tax or legal advice and does not involve recommendation of any securities, investments or elections.
- You need to decide on your own whether to consult with a financial advisor or other professional regarding your personal circumstances. If you do, please be aware, you may incur additional costs.
- In providing VEO related information, Ernst & Young may help you understand the VEO. However, you are responsible for making and acting on your own decisions. Ernst & Young cannot provide you with all information that may be relevant nor can any materials provided address every possible scenario in connection with such decisions.
- Neither Ernst & Young nor your employer will make any financial planning decisions for you or assume any responsibility for any decisions you make.
- Certain risks relating to CBS Corporation are set forth in its news releases and filings with the Securities and Exchange Commission including, without limitation, its Form 10-K for the year ended December 31, 2005.

Privacy of Information Provided to Ernst & Young

In the event Ernst & Young collects nonpublic personal information about you from you or other sources authorized by you, Ernst & Young will not disclose such information to third parties, except as may be requested by CBS, as permitted by law or as otherwise authorized by you. Ernst & Young maintains physical, electronic, and procedural safeguards to guard your nonpublic personal information and is also subject to a confidentiality agreement with CBS Corporation.

Further Considerations

The services and information which may be provided by Ernst & Young only apply to the specific facts and circumstances presented. Ernst & Young assumes no responsibility to keep you apprised of developments in tax law. You may disclose the information and services provided to any and all persons, without limitation. However, such persons may not rely upon such services and information.

To the extent Ernst & Young provides any investment advisory services (as defined by Federal securities laws) to you, any such services will be performed under the supervision of Ernst & Young Investment

Advisers LLP (EYIA), an affiliate of Ernst & Young. EYIA is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. A copy of EYIA's Form ADV Part 2, or a document containing substantially similar information, can be obtained at no cost by sending a written request to:

National IAS Compliance Officer
c/o Ernst & Young Investment Advisers LLP
1280 Wall Street West, 3rd Floor
PO Box 645
Lyndhurst, NJ 07071

EYIA is organized as a limited liability partnership under Delaware law. Should there be any changes in that partnership during the time that Ernst & Young is providing the information, Ernst & Young will notify you.

All services are provided "as is," and there are no warranties of any kind or nature, whether express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose or use. In addition, neither Ernst & Young nor its affiliates nor any of their partners, officers, directors or employees shall be liable to you for any services performed or omitted or for any errors of judgment, or for consequential, incidental, indirect, punitive or special damages in connection with providing the services described above. Federal securities laws impose liabilities under certain circumstances on certain persons, even those who act in good faith, and therefore nothing in this notice constitutes a waiver or limitation of any rights that you may have under these laws.

If you should have any kind of claim or dispute with Ernst & Young as a result of this program, these will be resolved in accordance with Ernst & Young's Alternative Dispute Resolution Procedures ("Procedures") in effect on the date of this notice. You may receive a copy of the Procedures by requesting them from the Compliance Officer of Ernst & Young, at the address listed above.

* * * * *

If, after considering the issues discussed above, you do not want to participate in financial education services, you have no obligation to participate.

POST-WORKSHOP EVALUATION

**CBS
Voluntary Exchange Offer
Post-Workshop Evaluation**

1. Please fill in the information for each of the following.
When printing, please use CAPITAL letters.

Your Workshop Date / /

Workshop Leader's Last Name

Your Work Location City State

2. Please indicate your response to the following statements by darkening the appropriate circle.

a. Overall, the workshop gave me information that helped me understand:

- Stock Options
- Restricted Shares
- The Voluntary Exchange Offer
- How to make my election
- Where to go for assistance

Disagree					Agree
1	2	3	4	5	
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

b. I would recommend this workshop to a friend or co-worker.

Disagree					Agree
1	2	3	4	5	
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

c. I plan to call the CBS VEO Information Line after the workshop to help make a decision.

Disagree					Agree
1	2	3	4	5	
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. Please evaluate the instructor on the following by darkening the appropriate circle.

	Disagree			Agree	
	1	2	3	4	5
a. Spoke in easy to understand language	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Answered questions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. Held my interest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. Effectively explained the CBS VEO and the CBS VEO Information Line resource.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. Cared that I understood the information presented	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4. What were the best features of the workshop?

5. What features of the workshop would you change?

6. What additional information would you like to see in the workshop?

7. Please provide other comments or suggestions.
