September Quarter 2017
Trending Schedules

TRENDING SCHEDULES

All information included in these schedules has been derived from information contained in our 2017 Annual Report on Form 10-K, our reports on Form 10-Q and the accompanying earnings presentations for each respective period.

The financial information contained in these schedules includes measures in accordance with accounting principles generally accepted in the United States of America ("GAAP") and non-GAAP measures. Non-GAAP measures, including consolidated operating free cash flow, free cash flow and adjusted results that exclude the impact of certain items identified as affecting comparability, are relevant and useful information for investors because they clarify our actual operating performance, make it easier to compare our 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 GAAP, they should not be considered in isolation of, or as a substitute for, net cash provided by operating activities, operating income, earnings from continuing operations before provision for income taxes, provision for income taxes, net earnings from continuing operations attributable to Viacom and diluted EPS from continuing operations as indicators of operating performance, and they may not be comparable to similarly titled measures employed by other companies.

Schedule 1

TRENDING SCHEDULES

Summarized Reported Results (GAAP)
(in millions, except per share amounts, unaudited)

	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/14	3/31/15	6/30/15	9/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	9/30/16	12/31/16	3/31/17	6/30/17	9/30/17	9/30/17
Media Networks	$ 2,654	$ 2,452	$ 2,597	$ 2,787	$ 10,490	$ 2,565	$ 2,381	$ 2,513	$ 2,483	$ 9,942	$ 2,589	$ 2,394	$ 2,560	$ 2,553	$ 10,096
Filmed Entertainment	720	659	479	1,025	2,883	612	655	621	774	2,662	758	895	847	789	3,289
Eliminations	(30)	(33)	(18)	(24)	(105)	(23)	(35)	(27)	(31)	(116)	(23)	(33)	(43)	(23)	(122)
Revenues	$ 3,344	$ 3,078	$ 3,058	$ 3,788	$ 13,268	$ 3,154	$ 3,001	$ 3,107	$ 3,226	$ 12,488	$ 3,324	$ 3,256	$ 3,364	$ 3,319	$ 13,263
Expenses	(2,304)	(2,174)	(1,897)	(2,650)	(9,025)	(2,234)	(2,333)	(2,264)	(2,609)	(9,440)	(2,504)	(2,572)	(2,498)	(2,669)	(10,243)
Depreciation and amortization	(55)	(57)	(56)	(54)	(222)	(55)	(56)	(55)	(55)	(221)	(56)	(58)	(53)	(56)	(223)
Equity-based compensation	(26)	(25)	(21)	(29)	(101)	(26)	(26)	(19)	(24)	(95)	(16)	(14)	(8)	(16)	(54)
Restructuring and programming charges	-	(784)	-	-	(784)	-	-	-	(206)	(206)	(42)	(280)	(59)	-	(381)
Gain on asset sale	-	-	-	-	-	-	-	-	-	-	-	-	-	127	127
Loss on pension settlement	(24)	-	-	-	(24)	-	-	-	-	-	-	-	-	-	-
Operating income	$ 935	$ 38	$ 1,084	$ 1,055	$ 3,112	$ 839	$ 586	$ 769	$ 332	$ 2,526	$ 706	$ 332	$ 746	$ 705	$ 2,489
Amounts attributable to Viacom:															
Net earnings/(loss) from continuing operations	$ 500	$ (53)	$ 591	$ 884	$ 1,922	$ 449	$ 303	$ 432	$ 252	$ 1,436	$ 396	$ 121	$ 680	$ 674	$ 1,871
Discontinued operations, net of tax	-	-	-	-	-	-	-	-	2	2	-	-	3	-	3
Net earnings/(loss) attributable to Viacom	$ 500	$ (53)	$ 591	$ 884	$ 1,922	$ 449	$ 303	$ 432	$ 254	$ 1,438	$ 396	$ 121	$ 683	$ 674	$ 1,874
Diluted earnings/(loss) per share attributable to Viacom:															
Continuing operations	$ 1.20	$ (0.13)	$ 1.47	$ 2.21	$ 4.73	$ 1.13	$ 0.76	$ 1.09	$ 0.63	$ 3.61	$ 1.00	$ 0.30	$ 1.69	$ 1.67	$ 4.67
Discontinued operations	-	-	-	-	-	-	-	-	0.01	-	-	-	0.01	-	0.01
Net earnings/(loss)	$ 1.20	$ (0.13)	$ 1.47	$ 2.21	$ 4.73	$ 1.13	$ 0.76	$ 1.09	$ 0.64	$ 3.61	$ 1.00	$ 0.30	$ 1.70	$ 1.67	$ 4.68
Weighted average number of common shares outstanding:															
Basic	410.6	402.5	397.5	398.0	402.2	396.6	396.1	396.5	396.9	396.5	397.0	398.2	402.0	402.4	399.9
Diluted	416.1	402.5	401.2	399.9	406.0	398.4	397.4	398.0	398.3	398.0	397.9	399.5	402.6	402.4	400.6

Schedule 2

TRENDING SCHEDULES

Summarized Adjusted Results (Non-GAAP)
(in millions, except per share amounts, unaudited)

	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/14	3/31/15	6/30/15	9/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	9/30/16	12/31/16	3/31/17	6/30/17	9/30/17	**9/30/17**
Media Networks	$ 2,654	$ 2,452	$ 2,597	$ 2,787	$ 10,490	$ 2,565	$ 2,381	$ 2,513	$ 2,483	$ 9,942	$ 2,589	$ 2,394	$ 2,560	**$ 2,553**	**$ 10,096**
Filmed Entertainment	720	659	479	1,025	2,883	612	655	621	774	2,662	758	895	847	**789**	**3,289**
Eliminations	(30)	(33)	(18)	(24)	(105)	(23)	(35)	(27)	(31)	(116)	(23)	(33)	(43)	**(23)**	**(122)**
Revenues	$ 3,344	$ 3,078	$ 3,058	$ 3,788	$ 13,268	$ 3,154	$ 3,001	$ 3,107	$ 3,226	$ 12,488	$ 3,324	$ 3,256	$ 3,364	**$ 3,319**	**$ 13,263**
Expenses	(2,304)	(2,174)	(1,897)	(2,650)	(9,025)	(2,234)	(2,333)	(2,264)	(2,609)	(9,440)	(2,504)	(2,572)	(2,498)	**(2,669)**	**(10,243)**
Depreciation and amortization	(55)	(57)	(56)	(54)	(222)	(55)	(56)	(55)	(55)	(221)	(56)	(58)	(53)	**(56)**	**(223)**
Equity-based compensation	(26)	(25)	(21)	(29)	(101)	(26)	(26)	(19)	(24)	(95)	(16)	(14)	(8)	**(16)**	**(54)**
Adjusted operating income (1)	$ 959	$ 822	$ 1,084	$ 1,055	$ 3,920	$ 839	$ 586	$ 769	$ 538	$ 2,732	$ 748	$ 612	$ 805	**$ 578**	**$ 2,743**
Adjusted net earnings from continuing operations attributable to Viacom (1)	$ 538	$ 467	$ 591	$ 614	$ 2,210	$ 470	$ 303	$ 419	$ 273	$ 1,465	$ 413	$ 317	$ 471	**$ 310**	**$ 1,511**
Adjusted diluted EPS from continuing operations (1)	$ 1.29	$ 1.16	$ 1.47	$ 1.54	$ 5.44	$ 1.18	$ 0.76	$ 1.05	$ 0.69	$ 3.68	$ 1.04	$ 0.79	$ 1.17	**$ 0.77**	**$ 3.77**
Weighted average number of common shares outstanding:															
Basic	410.6	402.5	397.5	398.0	402.2	396.6	396.1	396.5	396.9	396.5	397.0	398.2	402.0	**402.4**	**399.9**
Diluted	416.1	402.5	401.2	399.9	406.0	398.4	397.4	398.0	398.3	398.0	397.9	399.5	402.6	**402.4**	**400.6**

1) See Schedules 5 and 6 for reconciliations of reported (GAAP) to adjusted (Non-GAAP) results.

TRENDING SCHEDULES

Media Networks Financial Results
(in millions, unaudited)

	Quarter Ended 12/31/14	Quarter Ended 3/31/15	Quarter Ended 6/30/15	Quarter Ended 9/30/15	12 Months Ended 9/30/15
Advertising	$ 1,367	$ 1,172	$ 1,223	$ 1,245	$ 5,007
Affiliate	1,132	1,146	1,244	1,386	4,908
Ancillary	155	134	130	156	575
Total revenues	$ 2,654	$ 2,452	$ 2,597	$ 2,787	$ 10,490
Expenses	(1,509)	(1,508)	(1,441)	(1,727)	(6,185)
Depreciation and amortization	(41)	(41)	(42)	(38)	(162)
Adjusted operating income	$ 1,104	$ 903	$ 1,114	$ 1,022	$ 4,143
Equity-based compensation	(10)	(11)	(5)	(8)	(34)
Gain on asset sale	-	-	-	-	-
Restructuring and programming charges	-	(671)	-	-	(671)
Operating income	$ 1,094	$ 221	$ 1,109	$ 1,014	$ 3,438

	Quarter Ended 12/31/15	Quarter Ended 3/31/16	Quarter Ended 6/30/16	Quarter Ended 9/30/16	12 Months Ended 9/30/16
Advertising	$ 1,320	$ 1,123	$ 1,216	$ 1,150	$ 4,809
Affiliate	1,119	1,129	1,148	1,160	4,556
Ancillary	126	129	149	173	577
Total revenues	$ 2,565	$ 2,381	$ 2,513	$ 2,483	$ 9,942
Expenses	(1,467)	(1,534)	(1,600)	(1,691)	(6,292)
Depreciation and amortization	(41)	(42)	(41)	(42)	(166)
Adjusted operating income	$ 1,057	$ 805	$ 872	$ 750	$ 3,484
Equity-based compensation	(9)	(9)	(4)	(9)	(31)
Gain on asset sale	-	-	-	-	-
Restructuring and programming charges	-	-	-	-	-
Operating income	$ 1,048	$ 796	$ 868	$ 741	$ 3,453

	Quarter Ended 12/31/16	Quarter Ended 3/31/17	Quarter Ended 6/30/17	Quarter Ended **9/30/17**	**12 Months Ended 9/30/17**
Advertising	$ 1,294	$ 1,109	$ 1,235	**$ 1,224**	**$ 4,862**
Affiliate	1,144	1,156	1,190	**1,148**	**4,638**
Ancillary	151	129	135	**181**	**596**
Total revenues	$ 2,589	$ 2,394	$ 2,560	**$ 2,553**	**$ 10,096**
Expenses	(1,559)	(1,601)	(1,648)	**(1,816)**	**(6,624)**
Depreciation and amortization	(43)	(46)	(42)	**(44)**	**(175)**
Adjusted operating income	$ 987	$ 747	$ 870	**$ 693**	**$ 3,297**
Equity-based compensation	(8)	(8)	(4)	**(8)**	**(28)**
Gain on asset sale	-	-	-	**127**	**127**
Restructuring and programming charges	(33)	(221)	(23)	**-**	**(277)**
Operating income	$ 946	$ 518	$ 843	**$ 812**	**$ 3,119**

TRENDING SCHEDULES

Filmed Entertainment Financial Results
(in millions, unaudited)

	Quarter Ended 12/31/14	3/31/15	6/30/15	9/30/15	12 Months Ended 9/30/15	Quarter Ended 12/31/15	3/31/16	6/30/16	9/30/16	12 Months Ended 9/30/16	Quarter Ended 12/31/16	3/31/17	6/30/17	**9/30/17**	**12 Months Ended 9/30/17**
Theatrical	$ 169	$ 205	$ 20	$ 447	$ 841	$ 94	$ 217	$ 91	$ 203	$ 605	$ 192	$ 238	$ 263	**$ 115**	**$ 808**
Home entertainment	316	194	199	162	871	239	153	192	199	783	243	198	218	**190**	**849**
Licensing	189	206	214	371	980	237	240	297	326	1,100	245	347	300	**423**	**1,315**
Ancillary	46	54	46	45	191	42	45	41	46	174	78	112	66	**61**	**317**
Total revenues	$ 720	$ 659	$ 479	$ 1,025	$ 2,883	$ 612	$ 655	$ 621	$ 774	$ 2,662	$ 758	$ 895	$ 847	**$ 789**	**$ 3,289**
Expenses	(767)	(645)	(418)	(889)	(2,719)	(745)	(778)	(635)	(899)	(3,057)	(926)	(950)	(828)	**(821)**	**(3,525)**
Depreciation and amortization	(13)	(13)	(13)	(14)	(53)	(13)	(13)	(12)	(12)	(50)	(12)	(11)	(10)	**(11)**	**(44)**
Adjusted operating income/(loss)	$ (60)	$ 1	$ 48	$ 122	$ 111	$ (146)	$ (136)	$ (26)	$ (137)	$ (445)	$ (180)	$ (66)	$ 9	**$ (43)**	**$ (280)**
Equity-based compensation	(4)	(3)	(2)	(4)	(13)	(3)	(4)	(1)	(4)	(12)	(3)	(1)	-	**(4)**	**(8)**
Restructuring and programming charges	-	(101)	-	-	(101)	-	-	-	-	-	(1)	(47)	(36)	**-**	**(84)**
Operating income/(loss)	$ (64)	$ (103)	$ 46	$ 118	$ (3)	$ (149)	$ (140)	$ (27)	$ (141)	$ (457)	$ (184)	$ (114)	$ (27)	**$ (47)**	**$ (372)**

Schedule 5

TRENDING SCHEDULES

Reconciliation of Adjusted Operating Income (Non-GAAP)
(in millions, unaudited)

VIACOM

	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/14	3/31/15	6/30/15	9/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	9/30/16	12/31/16	3/31/17	6/30/17	**9/30/17**	**9/30/17**
Media Networks	$ 1,104	$ 903	$ 1,114	$ 1,022	$ 4,143	$ 1,057	$ 805	$ 872	$ 750	$ 3,484	$ 987	$ 747	$ 870	**$ 693**	**$ 3,297**
Filmed Entertainment	(60)	1	48	122	111	(146)	(136)	(26)	(137)	(445)	(180)	(66)	9	**(43)**	**(280)**
Corporate expenses	(61)	(57)	(58)	(59)	(235)	(50)	(53)	(60)	(50)	(213)	(50)	(55)	(58)	**(58)**	**(221)**
Equity-based compensation	(26)	(25)	(21)	(29)	(101)	(26)	(26)	(19)	(24)	(95)	(16)	(14)	(8)	**(16)**	**(54)**
Eliminations	2	-	1	(1)	2	4	(4)	2	(1)	1	7	-	(8)	**2**	**1**
Adjusted operating income	$ 959	$ 822	$ 1,084	$ 1,055	$ 3,920	$ 839	$ 586	$ 769	$ 538	$ 2,732	$ 748	$ 612	$ 805	**$ 578**	**$ 2,743**
Restructuring and programming charges [1]	-	(784)	-	-	(784)	-	-	-	(206)	(206)	(42)	(280)	(59)	**-**	**(381)**
Gain on asset sale [1]	-	-	-	-	-	-	-	-	-	-	-	-	-	**127**	**127**
Loss on pension settlement [1]	(24)	-	-	-	(24)	-	-	-	-	-	-	-	-	**-**	**-**
Operating income	$ 935	$ 38	$ 1,084	$ 1,055	$ 3,112	$ 839	$ 586	$ 769	$ 332	$ 2,526	$ 706	$ 332	$ 746	**$ 705**	**$ 2,489**

1) See Schedule 7 for a description of factors affecting comparability of operating income.

Schedule 6

TRENDING SCHEDULES

Reconciliation of Adjusted Net Earnings and Diluted EPS (Non-GAAP)
(in millions, except per share amounts, unaudited)

	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				**12 Months Ended**
	12/31/14	3/31/15	6/30/15	9/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	9/30/16	12/31/16	3/31/17	6/30/17	**9/30/17**	**9/30/17**
Net earnings/(loss) attributable to Viacom:															
Reported net earnings/(loss) from continuing operations	$ 500	$ (53)	$ 591	$ 884	$ 1,922	$ 449	$ 303	$ 432	$ 252	$ 1,436	$ 396	$ 121	$ 680	**$ 674**	**$ 1,871**
Impact of adjustments on net earnings/(loss) from continuing operations [1]	38	520	-	(270)	288	21	-	(13)	21	29	17	196	(209)	(364)	**(360)**
Adjusted net earnings from continuing operations	$ 538	$ 467	$ 591	$ 614	$ 2,210	$ 470	$ 303	$ 419	$ 273	$ 1,465	$ 413	$ 317	$ 471	**$ 310**	**$ 1,511**
Per share information attributable to Viacom:															
Reported diluted earnings/(loss) per share from continuing operations	$ 1.20	$ (0.13)	$ 1.47	$ 2.21	$ 4.73	$ 1.13	$ 0.76	$ 1.09	$ 0.63	$ 3.61	$ 1.00	$ 0.30	$ 1.69	**$ 1.67**	**$ 4.67**
Impact of adjustments on diluted earnings/(loss) per share from continuing operations [1]	0.09	1.29	-	(0.67)	0.71	0.05	-	(0.04)	0.06	0.07	0.04	0.49	(0.52)	(0.90)	**(0.90)**
Adjusted diluted EPS from continuing operations	$ 1.29	$ 1.16	$ 1.47	$ 1.54	$ 5.44	$ 1.18	$ 0.76	$ 1.05	$ 0.69	$ 3.68	$ 1.04	$ 0.79	$ 1.17	**$ 0.77**	**$ 3.77**
Weighted average number of common shares outstanding:															
Basic	410.6	402.5	397.5	398.0	402.2	396.6	396.1	396.5	396.9	396.5	397.0	398.2	402.0	**402.4**	**399.9**
Diluted	416.1	402.5	401.2	399.9	406.0	398.4	397.4	398.0	398.3	398.0	397.9	399.5	402.6	**402.4**	**400.6**

1) See Schedule 7 for a description of factors affecting comparability of net earnings and diluted EPS.

Schedule 7

TRENDING SCHEDULES

Factors Affecting Comparability

(in millions, except per share amounts, unaudited)

	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/14	3/31/15	6/30/15	9/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	9/30/16	12/31/16	3/31/17	6/30/17	**9/30/17**	**9/30/17**
Restructuring and programming charges [1]	$ -	$ 784	$ -	$ -	$ 784	$ -	$ -	$ -	$ 206	$ 206	$ 42	$ 280	$ 59	**$ -**	**$ 381**
Gain on asset sale [2]	-	-	-	-	-	-	-	-	-	-	-	-	-	**(127)**	**(127)**
Loss on pension settlement [3]	24	-	-	-	24	-	-	-	-	-	-	-	-	**-**	**-**
Impact of adjustments on operating income	$ 24	$ 784	$ -	$ -	$ 808	$ -	$ -	$ -	$ 206	$ 206	$ 42	$ 280	$ 59	**$ (127)**	**$ 254**
Gain/(loss) on extinguishment of debt [4]	-	-	-	18	18	-	-	-	-	-	6	30	(16)	**-**	**20**
Gain on sale of EPIX [5]	-	-	-	-	-	-	-	-	-	-	-	-	(285)	**-**	**(285)**
Investment impairment [6]	-	-	-	-	-	-	-	-	-	-	-	-	10	**-**	**10**
Impact of adjustments on earnings from continuing operations before provision for income taxes	$ 24	$ 784	$ -	$ 18	$ 826	$ -	$ -	$ -	$ 206	$ 206	$ 48	$ 310	$ (232)	**$ (127)**	**$ (1)**
Income tax impact of above items [7]	(9)	(264)	-	(7)	(280)	-	-	-	(75)	(75)	(16)	(110)	76	**20**	**(30)**
Discrete tax expense/(benefit) [8]	23	-	-	(281)	(258)	21	-	(13)	(110)	(102)	(15)	(4)	(53)	**(268)**	**(340)**
Impact of adjustments on provision for income taxes	$ 14	$ (264)	$ -	$ (288)	$ (538)	$ 21	$ -	$ (13)	$ (185)	$ (177)	$ (31)	$ (114)	$ 23	**$ (248)**	**$ (370)**
Noncontrolling interest impact on above items [2]	-	-	-	-	-	-	-	-	-	-	-	-	-	**11**	**11**
Impact of adjustments on net earnings/(loss) from continuing operations attributable to Viacom	$ 38	$ 520	$ -	$ (270)	$ 288	$ 21	$ -	$ (13)	$ 21	$ 29	$ 17	$ 196	$ (209)	**$ (364)**	**$ (360)**
Impact of adjustments on diluted EPS from continuing operations	$ 0.09	$ 1.29	$ -	$ (0.67)	$ 0.71	$ 0.05	$ -	$ (0.04)	$ 0.06	$ 0.07	$ 0.04	$ 0.49	$ (0.52)	**$ (0.90)**	**$ (0.90)**
Weighted average number of diluted shares outstanding	416.1	402.5	401.2	399.9	406.0	398.4	397.4	398.0	398.3	398.0	397.9	399.5	402.6	**402.4**	**400.6**

1) In fiscal 2017, we recognized pre-tax restructuring and programming charges resulting from the execution of our flagship brand strategy and strategic initiatives at Paramount. The charges included severance charges of $42 million, $156 million and $14 million in the first through third fiscal quarters, respectively, a non-cash intangible asset impairment charge of $18 million in the second fiscal quarter resulting from the decision to abandon an international trade name, programming charges of $106 million and $38 million in the second and third fiscal quarters, respectively, associated with management's decision to cease use of certain original and acquired programming and other exit costs of $7 million in the third fiscal quarter. The pre-tax charge of $206 million in the quarter ended September 30, 2016 reflected restructuring costs in connection with the separation of certain senior executives. The pre-tax charge of $784 million in the quarter ended March 31, 2015 reflected $578 million of programming charges and a $206 million restructuring charge associated with workforce reductions.

2) In 2017, a consolidated entity completed the sale of broadcast spectrum in connection with the FCC's broadcast spectrum auction. The sale resulted in a pre-tax gain of $127 million, with $11 million attributable to the noncontrolling interest.

3) The pre-tax non-cash charge of $24 million was driven by the settlement of pension benefits of certain participants of our funded pension plan in the quarter ended December 31, 2014.

4) We redeemed senior notes and debentures totaling $3.3 billion in fiscal 2017. As a result of these transactions, we recognized a pre-tax extinguishment loss of $6 million and $30 million in the first and second fiscal quarters, respectively, and a gain of $16 million in the third fiscal quarter. The pre-tax charge of $18 million in the quarter ended September 30, 2015 reflected a debt extinguishment loss on the redemption of $550 million of the total $918 million outstanding of our 6.250% Senior Notes due April 2016.

5) During the quarter ended June 30, 2017, we completed the sale of our 49.76% interest in EPIX, resulting in a gain of $285 million.

6) During the quarter ended June 30, 2017, we recognized an impairment loss to write-down a cost method investment.

7) The tax impact has been calculated by applying the tax rates applicable to the adjustments presented.

8) Includes the net discrete tax expense or benefit related to certain events, such as the recognition of foreign tax credits, a change in tax law, tax accounting method change, reversal of valuation allowance or release of reserves that occurred in the respective period.

Schedule 8

TRENDING SCHEDULES

Free Cash Flow (Non-GAAP)

(in millions, unaudited)

	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/14	3/31/15	6/30/15	9/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	9/30/16	12/31/16	3/31/17	6/30/17	**9/30/17**	**9/30/17**
Net cash provided by/(used in) operating activities	$ 56	$ 624	$ 400	$ 1,233	$ 2,313	$ (126)	$ 410	$ 116	$ 971	$ 1,371	$ 159	$ 246	$ 248	**$ 1,018**	**$ 1,671**
Capital expenditures	(34)	(30)	(26)	(52)	(142)	(26)	(28)	(26)	(92)	(172)	(52)	(43)	(44)	**(56)**	**(195)**
Excess tax benefits [1]	35	4	6	(2)	43	-	-	-	-	-	-	-	1	**-**	**1**
Free cash flow	$ 57	$ 598	$ 380	$ 1,179	$ 2,214	$ (152)	$ 382	$ 90	$ 879	$ 1,199	$ 107	$ 203	$ 205	**$ 962**	**$ 1,477**
Debt retirement premium [2]	-	-	-	18	18	-	-	-	-	-	6	27	-	**-**	**33**
Operating free cash flow	$ 57	$ 598	$ 380	$ 1,197	$ 2,232	$ (152)	$ 382	$ 90	$ 879	$ 1,199	$ 113	$ 230	$ 205	**$ 962**	**$ 1,510**
Debt	$ 13,688	$ 13,157	$ 13,083	$ 12,285	$ 12,285	$ 12,567	$ 12,529	$ 12,365	$ 11,913	$ 11,913	$ 12,300	$ 12,189	$ 11,173	**$ 11,119**	**$ 11,119**
Cash and cash equivalents	1,185	306	421	506	506	327	480	192	379	379	443	671	425	**1,389**	**1,389**
Net debt	$ 12,503	$ 12,851	$ 12,662	$ 11,779	$ 11,779	$ 12,240	$ 12,049	$ 12,173	$ 11,534	$ 11,534	$ 11,857	$ 11,518	$ 10,748	**$ 9,730**	**$ 9,730**

1) Excess tax benefits from equity-based compensation awards, which are included within financing activities in the statement of cash flows.

2) Operating free cash flow excludes a cash premium of $27 million in the quarter ended March 31, 2017, $6 million in the quarter ended December 31, 2016 and $18 million in the quarter ended September 30, 2015 in connection with the redemption of debt.