SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14D-1
TENDER OFFER STATEMENT
(AMENDMENT NO. 22)
PURSUANT TO SECTION 14(D)(1) OF THE
SECURITIES EXCHANGE ACT OF 1934 AND
SCHEDULE 13D
(AMENDMENT NO. 23)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

PARAMOUNT COMMUNICATIONS INC.
(Name of Subject Company)

VIACOM INC.
NATIONAL AMUSEMENTS, INC.
SUMNER M. REDSTONE
BLOCKBUSTER ENTERTAINMENT CORPORATION
(Bidder)

COMMON STOCK, $1.00 PAR VALUE
(Title of Class of Securities)

699216 10 7
(CUSIP Number of Class of Securities)

PHILIPPE P. DAUMAN, ESQ.
VIACOM INC.
1515 BROADWAY
NEW YORK, NEW YORK 10036
TELEPHONE: (212) 258-6000
(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications on Behalf of Bidder)

COPIES TO:

STEPHEN R. VOLK, ESQ.
SHEARMAN & STERLING
599 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022
TEL.: (212) 848-4000

ROGER S. AARON, ESQ.
SKADDEN, ARPS, SLATE,
MEAGHER & FLOM
919 THIRD AVENUE
NEW YORK, NEW YORK 10022
TEL.: (212) 735-3000

This Amendment No. 22 to the Tender Offer Statement on Schedule 14D-1 and Amendment No. 23 to Schedule 13D (the "Statement") relates to the offer by Viacom Inc., a Delaware corporation ("Purchaser"), to purchase shares of Common Stock, par value $1.00 per share (the "Shares"), of Paramount Communications Inc., a Delaware corporation (the "Company"), at a price of $105 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in Purchaser's Offer to Purchase dated October 25, 1993 (the "Offer to Purchase"), a copy of which was attached as Exhibit (a)(1) to Amendment No. 1, filed with the Securities and Exchange Commission (the "Commission") on October 26, 1993, to the Tender Offer Statement on Schedule 14D-1 filed with the Commission on October 25, 1993 (the "Schedule 14D-1"), as supplemented by the Supplement thereto dated November 8, 1993 (the "First Supplement") and the Second Supplement thereto dated January 7, 1994 (the "Second Supplement") and in the related Letters of Transmittal.

Capitalized terms used but not defined herein have the meanings assigned to such terms in the Offer to Purchase, the First Supplement, the Second Supplement and the Schedule 14D-1.

ITEM 10. ADDITIONAL INFORMATION.

Item 10(f) is hereby amended and supplemented as follows:

On January 10, 1994, Purchaser issued a press release regarding, in part, the Offer. A copy of such press release is filed as Exhibit (a)(50) to the Schedule 14D-1 and is incorporated herein by reference.

Filed as Exhibit (a)(51) to the Schedule 14D-1 is a revised Form of Second Supplement to Offer to Purchase, dated January 7, 1994, which reflects certain changes to the Form of Second Supplement previously filed as an Exhibit to the Schedule 14D-1.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

Item 11 is hereby amended and supplemented to add the following Exhibits:

99(a)(50)	Press Release issued by Purchaser on January 10, 1994
99(a)(51)	Revised Form of Second Supplement to Offer to Purchase, dated January 7, 1994

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.

January 11, 1994

VIACOM INC.

By /s/ PHILIPPE P. DAUMAN
.....

Philippe P. Dauman
Senior Vice President, General
Counsel and Secretary

*
.....

Sumner M. Redstone,
Individually

NATIONAL AMUSEMENTS, INC.

By *
.....

Sumner M. Redstone
Chairman, Chief Executive
Officer and President

*By /s/ PHILIPPE P. DAUMAN
.....

Philippe P. Dauman
Attorney-in-Fact under Powers
of Attorney filed as Exhibit (a)(36)
to the Schedule 14D-1

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.

January 11, 1994

BLOCKBUSTER ENTERTAINMENT CORPORATION

By /s/ STEVEN R. BERRARD
.....

Steven R. Berrard
President and
Chief Operating Officer

EXHIBIT INDEX

EXHIBIT NO.		PAGE IN SEQUENTIAL NUMBERING SYSTEM
99(a)(50)	Press Release issued by Purchaser on January 10, 1994	
99(a)(51)	Revised Form of Second Supplement to Offer to Purchase, dated January 7, 1994	

SUMNER M. REDSTONE -- VIACOM SPEECH

New York, New York, January 10, 1994 -- Attached is a statement that will be made today by Sumner M. Redstone, Chairman of the Board of Viacom Inc. at the Smith Barney Shearson Media Conference being held at the La Quinta Hotel in Palm Springs, California.

# # #

Contact: Viacom Inc.
Raymond A. Boyce
212/258-6530

Edelman
Elliot Sloane
212/704-8126

PREPARED FOR DELIVERY

SUMNER M. REDSTONE
JANUARY 10, 1994

It is not easy to know where to begin; so dramatic, indeed, awesome, are the events of recent hours. Perhaps I should state at the outset that I have tremendous confidence in what we have done if for no other reason than that the decisions that were disclosed in recent days have had the unqualified support of the entire Viacom management team. And I trust them! And I respectfully submit that they warrant your trust in view of their proven track record of past success.

The merger of Blockbuster Entertainment into Viacom at a value of $8.4 billion creates a gigantic new presence in the global entertainment industry. With more than 4,000 video stores, Blockbuster is the largest retailer of home video product in the world. In addition, Blockbuster owns 511 music stores, including 20 megastores, and will soon be the number one distributor of music products in the world. Blockbuster at the same time is a leading producer and distributor of filmed entertainment, with more than 20,000 hours of movies and television series through its investment in Spelling Entertainment and Republic Pictures.

And finally, Blockbuster brings to Viacom's enormous portfolio of assets its own unique mix of distribution and marketing skills, thus creating a new global force in the creation and distribution of entertainment. Whatever the technological future, Blockbuster is a vibrant participant in the global media revolution.

As for Wayne Huizenga and Steve Berrard, they are legends among their peers. They share with our management an obsessive commitment to excellence and an unparalleled record of managing diversified global assets and businesses. What we at Viacom, and what Wayne and Steve and their colleagues at Blockbuster have accomplished, is a tribute to what talented management teams can bring to the assets of our companies.

Think about just a few aspects of this dynamic combination. The enormous cash flows from Blockbuster and Viacom make more realizable the enormous global opportunities which each confronts, and indeed, moderate possible fluctuations in earnings from Paramount Studio.

Access to Blockbuster's 40 million person consumer database presents vast distribution advantages, particularly in new businesses where Blockbuster, for example, can double the sales of Viacom's new media interactive products. In addition, Blockbuster's retail operations will be greatly enhanced by the addition of Viacom's programming franchises which include MTV, Nickelodeon and Showtime. In fact, Blockbuster's retail operations can provide Viacom the basis for quickly fulfilling its goal to enter the worldwide retailing business.

-more-

Together, Blockbuster and Viacom will be the largest customer of Hollywood and record companies, with obvious advantages in price, promotion and otherwise. And, with Viacom's film and television library of 8,500 titles, Blockbuster and Viacom together will control nearly 30,000 hours of movies and television series.

In short, Viacom's and Blockbuster's tremendous record of global

expansion and brand development are joined in this new exciting global enterprise.

As for Paramount, our enthusiasm for that combination remains unabated. From the beginning, Viacom's strategic rationale for acquiring Paramount was the creation of a global entertainment powerhouse with a premiere array of complementary worldwide assets across a wide variety of entertainment and communications businesses. That objective is enhanced with the Blockbuster Entertainment merger. With the addition of Paramount's extensive library of nearly 7,000 titles, the combined companies will own nearly 40,000 programming titles. Blockbuster's vast customer database will provide an invaluable resource -- indeed, a unique resource -- for tapping consumer preferences about movies, television, video games and music. In short, a Viacom/Blockbuster/Paramount combination will be a powerful force in virtually every aspect of the media and entertainment world -- from production in all media to distribution in all media.

In the course of achieving the monumental objective of bringing these three companies together, I personally -- as have others -- suffered much personal pain, but realizing this dream makes it worth it. All of you know, as so I, that we pay a price for achieving what is worthwhile.

And now for our Paramount bid. Our bid is not coercive. Our bid is not cynical. Our bid is rational. The cash component of our bid is clearly superior to that of QVC. Throughout the past several weeks, QVC has emphasized the cash component of its bid, which is now inferior to ours. We added to the cash component of our bid without compromising our balance sheet, with less leverage and without dilution of our share value.

Cash is king! And the reason for this, as you all understand, is that cash is the only thing you can measure with certainty. Last Friday, for example, at the very end of the day, our shares fell while QVC's rose. This happened for no other reason than the word got out that we were going to make a new bid. On the other hand, one day not long ago, in about three minutes our shares rose in value by about $5.00 a share before trading stopped. The reason was that it appeared that QVC had a final merger agreement with Paramount. In short, these shares have been deal-driven when, in fact, they should be value-driven. Blockbuster recognized the emphasis on value when it paid $55.00 per share for its $1.25 billion investment in Viacom. What Paramount stockholders should be asking themselves is where, six months from now, QVC/Paramount stock would trade as opposed to where Viacom/Paramount, indeed Viacom/Paramount/Blockbuster stock would trade.

Long ago, many of you heard me say that I would not do a mega-deal for glory or because I thought that bigger was necessarily better. I stated that I would only do a mega-deal if it was rational and economically sound. That was my commitment to Viacom, to myself and to my fellow shareholders. That commitment is cast in stone.

And now, just a word or two about that little company called Viacom. You saw us take Viacom in just a few short years from an LBO to one of the fastest growing global media companies in the world. In the United States, in Europe, from Hong Kong to Moscow, from Berlin to Beirut, in Europe itself, where MTV distribution now exceeds MTV distribution in the United States, from South America and soon to South Africa, and across all our businesses from our new media business to Showtime to the migration of all our basic services beyond the limits of the United States, including MTV and soon Nickelodeon in Asia, things are jumping at Viacom today like never before.

And it will not stop!

# # #

SECOND SUPPLEMENT TO THE OFFER TO PURCHASE DATED OCTOBER 25, 1993

VIACOM INC.
HAS INCREASED THE PRICE OF ITS OFFER TO PURCHASE FOR CASH
61,607,894 SHARES OF COMMON STOCK
OF

PARAMOUNT COMMUNICATIONS INC.
TO
$105 NET PER SHARE

THE OFFER HAS BEEN EXTENDED. THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, JANUARY 21, 1994, UNLESS THE OFFER IS FURTHER EXTENDED.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, 61,607,894 SHARES, OR SUCH GREATER NUMBER OF SHARES AS EQUALS 50.1% OF THE SHARES OUTSTANDING PLUS THE SHARES ISSUABLE UPON THE EXERCISE OF THE THEN EXERCISABLE STOCK OPTIONS AS OF THE EXPIRATION OF THE OFFER, BEING VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE EXPIRATION OF THE OFFER. THE OFFER IS ALSO SUBJECT TO OTHER TERMS AND CONDITIONS. SEE SECTION 5 OF THIS SECOND SUPPLEMENT.

IMPORTANT

ANY STOCKHOLDER DESIRING TO TENDER ALL OR ANY PORTION OF SUCH STOCKHOLDER'S SHARES OF COMMON STOCK, PAR VALUE $1.00 PER SHARE (THE "SHARES"), OF PARAMOUNT COMMUNICATIONS INC. SHOULD EITHER (1) COMPLETE AND SIGN THE (YELLOW) LETTER OF TRANSMITTAL WHICH ACCOMPANIED THE OFFER TO PURCHASE DATED OCTOBER 25, 1993 (THE "OFFER TO PURCHASE"), THE (GREEN) LETTER OF TRANSMITTAL WHICH ACCOMPANIED THE SUPPLEMENT TO THE OFFER TO PURCHASE DATED NOVEMBER 8, 1993 (THE "FIRST SUPPLEMENT") OR THE REVISED (ORANGE) LETTER OF TRANSMITTAL WHICH ACCOMPANIES THIS SECOND SUPPLEMENT TO THE OFFER TO PURCHASE (THE "SECOND SUPPLEMENT"; ALL SUCH LETTERS OF TRANSMITTAL REFERRED TO COLLECTIVELY AS THE "LETTERS OF TRANSMITTAL") (OR A FACSIMILE THEREOF) IN ACCORDANCE WITH THE INSTRUCTIONS IN THE LETTERS OF TRANSMITTAL AND MAIL OR DELIVER ONE OF THE LETTERS OF TRANSMITTAL (OR SUCH FACSIMILE) TOGETHER WITH THE CERTIFICATE(S) EVIDENCING TENDERED SHARES, AND ANY OTHER REQUIRED DOCUMENTS, TO THE DEPOSITARY OR TENDER SUCH SHARES PURSUANT TO THE PROCEDURE FOR BOOK-ENTRY TRANSFER SET FORTH IN SECTION 3 OF THE OFFER TO PURCHASE OR (2) REQUEST SUCH STOCKHOLDER'S BROKER, DEALER, COMMERCIAL BANK, TRUST COMPANY OR OTHER NOMINEE TO EFFECT THE TRANSACTION FOR SUCH STOCKHOLDER. ANY STOCKHOLDER WHOSE SHARES ARE REGISTERED IN THE NAME OF A BROKER, DEALER, COMMERCIAL BANK, TRUST COMPANY OR OTHER NOMINEE MUST CONTACT SUCH BROKER, DEALER, COMMERCIAL BANK, TRUST COMPANY OR OTHER NOMINEE IF SUCH STOCKHOLDER DESIRES TO TENDER SUCH SHARES.

A stockholder who desires to tender Shares and whose certificates evidencing such Shares are not immediately available, or who cannot comply with the procedure for book-entry transfer on a timely basis, may tender such Shares by following the procedure for guaranteed delivery set forth in Section 3 of the Offer to Purchase.

Questions or requests for assistance may be directed to the Information Agent or to the Dealer Manager at their respective addresses and telephone numbers set forth on the back cover of this Second Supplement. Additional copies of the Offer to Purchase, the First Supplement, this Second Supplement, the revised (Orange) Letter of Transmittal and the revised (Yellow) Notice of Guaranteed Delivery may also be obtained from the Information Agent or from brokers, dealers, commercial banks or trust companies.

The Dealer Manager for the Offer is:
SMITH BARNEY SHEARSON INC.

January 7, 1994

To the Holders of Common Stock of
PARAMOUNT COMMUNICATIONS INC.:

INTRODUCTION

The following information amends and supplements the Offer to Purchase dated October 25, 1993 (the "Offer to Purchase") and the Supplement thereto dated November 8, 1993 (the "First Supplement") of Viacom Inc., a Delaware corporation ("Purchaser"). Pursuant to this Second Supplement, Purchaser is now offering to purchase 61,607,894 shares of Common Stock, par value $1.00 per share (the "Shares"), of Paramount Communications Inc., a Delaware corporation (the "Company"), or such greater number of Shares as equals 50.1% of the Shares

outstanding plus the Shares issuable upon the exercise of the then exercisable stock options as of the Expiration Date (as defined below), at a price of $105 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase, as amended and supplemented by the First Supplement and this Second Supplement (together with the First Supplement, the "Supplements"), and in the related Letters of Transmittal (which together constitute the "Offer").

Except as otherwise set forth in this Second Supplement, the terms and conditions previously set forth in the Offer to Purchase and the First Supplement remain applicable in all respects to the Offer, and this Second Supplement should be read in conjunction with the Offer to Purchase and the First Supplement. Unless the context requires otherwise, terms not defined herein have the meanings ascribed to them in the Offer to Purchase and the First Supplement.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, 61,607,894 SHARES, OR SUCH GREATER NUMBER OF SHARES AS EQUALS 50.1% OF THE SHARES OUTSTANDING PLUS THE SHARES ISSUABLE UPON THE EXERCISE OF THE THEN EXERCISABLE STOCK OPTIONS AS OF THE EXPIRATION DATE, BEING VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE EXPIRATION DATE (THE "MINIMUM CONDITION"). THE OFFER IS ALSO SUBJECT TO OTHER TERMS AND CONDITIONS. SEE SECTION 5 OF THIS SECOND SUPPLEMENT, WHICH SETS FORTH IN FULL THE CONDITIONS OF THE OFFER.

In the event the Offer is consummated, Purchaser intends to effectuate a second-step merger pursuant to which each Share that is issued and outstanding prior to the Effective Time (as defined below) of such merger would be converted into the right to receive (i) .93065 shares of Class B Common Stock, par value $.01 per share, of Purchaser (the "Viacom Class B Common Stock") and (ii) .30408 shares of a new series of cumulative convertible exchangeable preferred stock, par value $.01 per share, of Purchaser (the "Viacom Merger Preferred Stock") (collectively, the "Merger Consideration"). The Viacom Merger Preferred Stock will bear dividends at a rate of 5% per annum, will be convertible into Viacom Class B Common Stock at a conversion price of $70, will have a liquidation preference of $50 per share, will be redeemable by Purchaser at declining redemption premiums after the fifth anniversary of the Effective Time, and will be exchangeable at the option of Purchaser into Purchaser's 5% Convertible Subordinated Debentures after the third anniversary of the Effective Time.

The Offer was initially made pursuant to an Amended and Restated Agreement and Plan of Merger dated as of October 24, 1993 (the "October 24 Merger Agreement"), as amended on November 6, 1993 (as so amended, the "Merger Agreement"), between Purchaser and the Company. The October 24 Merger Agreement amended and restated in its entirety an Agreement and Plan of Merger dated as of September 12, 1993 between Purchaser and the Company. On December 22, 1993, the Company terminated the Merger Agreement pursuant to a notice of termination. Also on December 22, 1993, the Company and Purchaser entered into an Exemption Agreement (the "Exemption Agreement") which provides, among other things, that in the event that (1) the Company's Board of Directors intends to recommend to the stockholders of the Company the acceptance of the Offer or (2) such number of Shares that would satisfy the Minimum Condition shall have been validly tendered and not withdrawn in the Offer at the Expiration Date and, as of such Expiration Date, Purchaser has waived all conditions to the Offer (other than the Rights Condition, the Supermajority Condition, the Section 203 Condition and the Injunction Condition (each as defined in Section 5 of this Second Supplement) and the Minimum Condition) then Purchaser shall promptly execute and deliver to the Company the Form of Merger Agreement (the "Form of Merger Agreement") annexed to the Exemption Agreement (with representations and warranties dated as of the date of execution of such Form of Merger Agreement, unless otherwise specified therein, and with such other changes as may be necessary to reflect the terms of the Offer as it then exists, changes in the consideration offered under the executed Form of Merger Agreement and changes related thereto) and the Company will execute such Form of Merger Agreement (with representations and warranties dated as of the date of execution

of such Form of Merger Agreement, unless otherwise specified therein) within one business day of receipt thereof.

Under the terms of the Exemption Agreement, the Company has agreed that upon delivery by Purchaser of a Completion Certificate (as defined below), it will take all necessary action to amend the Rights Agreement to make it inapplicable, except under certain circumstances, to the Offer and to take all appropriate action so that the restrictions on business combinations in (i) Article XI of the Company's Certificate of Incorporation and (ii) Section 203 of the General Corporation Law of the State of Delaware ("Delaware Law") will not apply to the consummation of the Offer. See Section 4 of this Second Supplement.

The Form of Merger Agreement provides, among other things, that as soon as practicable after the purchase of Shares pursuant to the Offer, the approval of the Merger (as defined below) by the stockholders of Purchaser and the Company and the satisfaction of the other conditions set forth in the Form of Merger Agreement and described in this Offer to Purchase, the Company will be merged with and into Purchaser (the "Merger") in accordance with the relevant provisions of Delaware Law. In such event, following consummation of the Merger, Purchaser will continue as the surviving corporation (the "Surviving Corporation").

Alternatively, if Shearman & Sterling, counsel to Purchaser, is unable to deliver an opinion, in form and substance reasonably satisfactory to Purchaser, that the Merger will qualify as a reorganization under section 368(a) of the Internal Revenue Code of 1986, as amended, Purchaser may elect to cause the Merger to be effected by causing a wholly owned subsidiary of Purchaser to merge with and into the Company in accordance with Delaware Law. In such event, the separate corporate existence of such subsidiary will cease, and the Company will continue as the Surviving Corporation as a wholly owned subsidiary of Purchaser.

Based on the terms of the Offer and the proposed terms of the Form of Merger Agreement, it is anticipated that Shearman & Sterling will be unable to deliver the opinion referred to in the immediately preceding paragraph, and thus that Purchaser will elect to change the form of the Merger. As a result, exchanges of Shares pursuant to the Offer or the Merger will be taxable transactions to stockholders of the Company for Federal income tax purposes. See Section 6 of this Second Supplement.

Purchaser intends to provide in the executed Form of Merger Agreement that at the effective time of the Merger (the "Effective Time"), in the event the Offer has already been consummated, each Share that is issued and outstanding immediately prior to the Effective Time (other than Shares held in the treasury of the Company or owned by Purchaser or any direct or indirect wholly owned subsidiary of Purchaser or of the Company) will be converted into the right to receive the Merger Consideration.

On January 7, 1994, Purchaser and Blockbuster Entertainment Corporation, a Delaware corporation ("Blockbuster"), entered into an Agreement and Plan of Merger (the "Blockbuster Merger Agreement") pursuant to which Blockbuster will be merged with and into Purchaser (the "Blockbuster Merger"), with Purchaser as the surviving corporation (the "Blockbuster Merger Surviving Corporation"). See Sections 9 and 10 of this Second Supplement for certain information regarding Blockbuster and a description of the Blockbuster Merger Agreement.

In connection with the Blockbuster Merger, an aggregate of approximately 19.8 million shares of Viacom Class A Common Stock and 149.9 million shares of Viacom Class B Common Stock and VCRs (as defined below) representing a maximum of approximately 34.2 million additional shares of Viacom Class B Common Stock would be issuable in the Blockbuster Merger. In addition, an aggregate of approximately 1.5 million additional shares of Viacom Class A Common Stock and 11.3 million additional shares of Viacom Class B Common Stock, and VCRs representing a maximum of approximately 2.6 million additional shares of Viacom Class B Common Stock would be issuable in connection with the possible exercise of stock options and Warrants.

Procedures for tendering Shares are set forth in Section 3 of the Offer to Purchase. Tendering stockholders may use either the original (Yellow) Letter of Transmittal and the original (Blue) Notice of Guaranteed Delivery previously circulated with the Offer to Purchase, the (Green) Letter of Transmittal and the (Pink) Notice of Guaranteed Delivery circulated with the First Supplement or the revised (Orange) Letter of Transmittal and the revised (Yellow) Notice of Guaranteed Delivery circulated with this Second Supplement. While the original Letter of Transmittal circulated with the Offer to Purchase refers to the Offer to Purchase, and the Letter of Transmittal circulated with the First Supplement refers to the Offer to Purchase and the First Supplement, stockholders using such documents to tender Shares will nevertheless receive $105 per Share for each Share validly tendered and not withdrawn and accepted for payment pursuant to the Offer, subject to the conditions of the Offer. Stockholders who have previously validly tendered

and not withdrawn Shares pursuant to the Offer are not required to take any further action in order to receive, subject to the conditions of the Offer, the increased tender price of $105 per Share, if the Shares are accepted for payment and paid for by Purchaser pursuant to the Offer, except as may be required by the guaranteed delivery procedure if such procedure was utilized. See Section 1 of this Second Supplement.

THE OFFER TO PURCHASE, THE FIRST SUPPLEMENT AND THIS SECOND SUPPLEMENT CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.

1. AMENDED TERMS OF THE OFFER; EXPIRATION DATE. The Offer is being made for 61,607,894 Shares, or such greater number of Shares as equals 50.1% of the Shares outstanding plus the Shares issuable upon the exercise of the then exercisable stock options as of the Expiration Date. The price per Share to be paid pursuant to the Offer has been increased from $85.00 per Share to $105 per Share, net to the seller in cash. All stockholders whose Shares are validly tendered and not withdrawn and accepted for payment pursuant to the Offer (including Shares tendered prior to the date of this Second Supplement) will receive the increased price.

This Second Supplement, the revised (Orange) Letter of Transmittal and other relevant materials will be mailed to record holders of Shares whose names appear on the Company's stockholder list and will be furnished, for subsequent transmittal to beneficial owners of Shares, to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing.

2. PRICE RANGE OF SHARES; DIVIDENDS. The discussion set forth in Section 6 of the Offer to Purchase and Section 2 of the First Supplement is hereby amended and supplemented as follows:

According to published financial sources, the Company has paid no cash dividends on the Shares since the date of the Offer to Purchase.

The high and low sales prices per Share on the New York Stock Exchange (the "NYSE") as reported by the Dow Jones News Service for the fiscal quarter ended October 31, 1993 were $81.00 and $51.00, respectively, and the high and low sales prices per Share for the current fiscal quarter through January 6, 1994, were $83 1/2 and $73 1/2, respectively. On January 6, 1994, the last full trading day prior to the announcement of the increase in the price per Share to be paid pursuant to the Offer, the closing price per Share as reported on the NYSE was $78 1/2.

STOCKHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION FOR THE SHARES.

3. FINANCING OF THE OFFER AND THE MERGER. The discussion set forth in Section 9 of the Offer to Purchase and Section 3 of the First Supplement is hereby amended and supplemented as follows:

The total amount of funds required by Purchaser to consummate the Offer and the Merger and to pay related fees and expenses is estimated to be approximately $6.6 billion.

Purchaser has obtained $600 million of such funds from the issuance and sale of 24 million shares of Purchaser's Series A Cumulative Convertible Preferred Stock to Blockbuster. Purchaser has obtained $1.2 billion of such funds from the issuance and sale of 24 million shares of Purchaser's Series B Cumulative Convertible Preferred Stock to NYNEX Corporation ("NYNEX"). Purchaser will obtain the remaining $4.8 billion of such funds from the bank credit facility described below, from the sale of Viacom Class B Common Stock to Blockbuster pursuant to the Blockbuster Subscription Agreement described below or from other sources.

Bank Financing. On November 19, 1993, Purchaser entered into a definitive credit agreement (as amended by an amendment dated January 4, 1994, the "Credit Agreement") pursuant to which the banks parties thereto (the "Lenders") agreed to lend to Purchaser up to $4.8 billion (the "Bank Facility"), comprised of a $3.7 billion senior unsecured 364-day revolving credit facility (the "Revolving Facility") and a $1.1 billion term loan (the "Term Loan Facility"). The Lenders made the following commitments to the Revolving Facility: Morgan Guaranty Trust Company of New York, Citibank, N.A. and The Bank of New York (the "Managing Agents"), $318,965,517.24 each; Bank of America National Trust and Savings Association, The First National Bank of Boston, Bank of Montreal, The Chase Manhattan Bank (National Association), Canadian Imperial Bank of Commerce and Societe Generale, $159,482,758.62 each; Credit Suisse, The Fuji Bank, Limited, Credit Lyonnais, Cayman Island Branch, The First National Bank of Chicago, The Industrial Bank of Japan, Ltd., Mellon Bank, N.A., The Mitsubishi Bank, Ltd., Royal Bank of Canada, Shawmut Bank Connecticut, N.A., Nippon

Credit Bank, Ltd., Los Angeles Agency, Sanwa Bank, Ltd. and Banque Paribas, $127,586,206.90 each; and National Westminster Bank USA, National Westminster Bank, PLC, Union Bank and The Bank of Tokyo Trust Company, $63,793,103.45 each. Purchaser has terminated the Term Loan Facility in connection with obtaining the funds from NYNEX referred to above.

The Credit Agreement provides that up to the full amount of the Revolving Facility may be borrowed, prepaid and reborrowed until 364 days after execution and delivery of the Credit Agreement, at which time all amounts outstanding under the Revolving Facility will become due and payable.

Purchaser may elect to borrow under the Bank Facility at either the Base Rate or the Eurodollar Rate (each as defined below). The "Base Rate" would be the higher of (i) Citibank, N.A.'s Base Rate and (ii) the Federal Funds Rate plus 1/2 of 1%. The "Eurodollar Rate" would be the London Interbank Offered Rate plus (i) 0.6875%, until Purchaser's long-term debt is rated by Standard & Poor's Corporation ("S&P") or Moody's Investors Service, Inc. ("Moody's"), and (ii) thereafter, a variable rate ranging from 0.2500% to 0.8750% dependent on the senior unsecured long-term debt ratings assigned to Purchaser. The Eurodollar Rate would be available for one, two, three or six month borrowings. Interest on Base Rate borrowings would be payable quarterly in arrears. Interest on Eurodollar Rate borrowings would be payable in arrears (i) at the end of each applicable interest period and (ii) in the case of a period longer than three months, every three months.

The Credit Agreement provides that Purchaser will pay each of the Lenders a facility fee on such Lender's commitment in effect, from time to time (whether or not utilized), from the execution and delivery of the Credit Agreement until the termination of the Bank Facility, payable quarterly in arrears, at the rate of (i) 0.3125% per annum, until Purchaser's senior unsecured long-term debt is rated by S&P or Moody's, and (ii) thereafter, a variable rate ranging from 0.1000% to 0.3750% dependent on the senior unsecured long-term debt ratings assigned to Purchaser. The Credit Agreement provides that the obligations of each Lender to make advances under the Bank Facility will be subject to the satisfaction or waiver of the following conditions: (i) Purchaser shall have acquired at least 50.1% of the Shares outstanding plus the Shares issuable upon the exercise of the then exercisable stock options, as of the expiration of the Offer; (ii) all regulatory approvals required for the consummation of the Offer and the Merger shall have been obtained and be in effect (and all applicable waiting periods relating thereto shall have expired), except (a) approval of the Proxy Statement by the Securities and Exchange Commission and (b) approval of the Long Form Application by the FCC; provided that no approval obtained to consummate the Offer or that would be required from the FCC to consummate the Merger would require the divestiture of the Shares, and provided that Purchaser covenants to refrain from taking any action under the Voting Trust Agreement that would result in the sale of the Shares and to take all actions with respect to transfer applications before the FCC to assure that the Shares will not be required to be sold by order of the FCC; (iii) certain representations and warranties shall be true in all material respects as of the time of borrowing; (iv) Purchaser shall be in compliance with the financial covenants contained in the Credit Agreement; (v) there having been no material adverse change since September 30, 1993 (except as publicly disclosed prior to October 26, 1993 or as disclosed as of November 19, 1993 in the Merger Agreement) in the business, financial condition, operations or properties of Purchaser, the Company and their respective subsidiaries considered on a pro forma basis taken as a whole; (vi) no default or event of default under the Credit Agreement shall have occurred and be continuing at the time of borrowing; (vii) no material litigation shall be pending or threatened against Purchaser or a subsidiary in which there is a reasonable probability of adverse decision which could have a material adverse effect; (viii) the Merger Agreement, as amended, shall be in full force and effect; and (ix) the Lenders shall have received certificates, opinions of counsel and other documents satisfactory to the Lenders.

Under the Credit Agreement, Purchaser has agreed to pay to the Lenders fees customary for commitments of the type described herein as well as certain out-of-pocket expenses of the Managing Agents arising in connection with the preparation, execution and delivery of the Credit Agreement and the syndication of the Bank Facility. In addition, Purchaser has agreed to indemnify each of the Lenders and certain related persons against certain liabilities.

The foregoing is a summary of the Credit Agreement and is qualified in its entirety by reference to the Credit Agreement, a copy of which is filed as an Exhibit to the Schedule 14D-1.

Purchaser anticipates that the indebtedness incurred through borrowings under the Bank Facility will be repaid from a variety of sources, which may include, but may not be limited to, funds generated internally by Purchaser and its subsidiaries (including, following the Merger, funds generated by the Company), bank refinancing, and the public or private sale of debt or equity securities. No decision has been made concerning the method Purchaser will employ to repay such indebtedness. Such decision will be made based on Purchaser's review from time to time of the advisability of particular actions, as well as on prevailing interest rates and financial and other economic conditions and such other factors as Purchaser may deem appropriate.

Equity Financing. On January 7, 1994, Purchaser and Blockbuster entered into a subscription agreement (the "Blockbuster Subscription Agreement") pursuant to which Blockbuster has agreed to subscribe for and purchase from Purchaser, and Purchaser has agreed to issue and sell to Blockbuster, 22,727,273 shares of Viacom Class B Common Stock for an aggregate purchase price of approximately $1,250,000,000, representing a purchase price of $55 per share.

The obligation of each of Purchaser and Blockbuster to consummate such purchase and sale is subject to (i) the other party having performed in all material respects all of its obligations under the Blockbuster Subscription Agreement and the accuracy in all material respects of the representations and warranties made by such other party in the Blockbuster Subscription Agreement, (ii) there being no judgment, injunction, order or decree which materially restricts, prevents or prohibits the consummation of such purchase and sale, (iii) the receipt of satisfactory legal opinions and (iv) Purchaser having accepted for payment 50.1% of the Shares pursuant to the Offer.

Purchaser has agreed that it will not make any material change in the aggregate amount or forms of consideration to be paid in, or in any other material terms and conditions of, the Offer and the Merger, without the prior consent of Blockbuster, which consent shall not be unreasonably withheld.

Pursuant to the Blockbuster Subscription Agreement, Purchaser has granted Blockbuster customary registration rights with respect to the shares of Viacom Class B Common Stock purchased thereunder.

The Blockbuster Subscription Agreement requires each party to indemnify the other and its affiliates, officers, directors, employees, agents, successors and assigns for liabilities, losses, damages, claims, costs and expenses, interest, awards, judgments and penalties arising out of or resulting from a breach of any of such party's representations, warranties or covenants contained therein.

In the event the Blockbuster Merger Agreement is terminated (other than by Purchaser as a result of a breach of a representation, warranty, covenant or agreement of Blockbuster contained therein), the Blockbuster Subscription Agreement grants to Blockbuster certain rights in the event that Viacom Class B Common Stock trades at levels below $55 per share during the one year period after such termination. In the event that the highest average trading price of the Viacom Class B Common Stock during any consecutive 30 trading day period prior to the first anniversary of such termination of the Blockbuster Merger Agreement is below $55 per share, Blockbuster shall be entitled to satisfaction by Purchaser of a make-whole amount. Such make-whole amount may not exceed a maximum amount equal to the sum of one half the number of shares of Viacom Class B Common Stock purchased by Blockbuster under the Blockbuster Subscription Agreement multiplied by the amount of such highest average trading price deficiency not in excess of $4.40 and one half the number of such shares of Viacom Class B Common Stock multiplied by the amount of such highest average trading price deficiency not in excess of $19.80, resulting in a maximum potential make-whole amount of $275 million.

Under the Blockbuster Subscription Agreement, Purchaser is entitled to satisfy its obligation with respect to any such make-whole amount, at Purchaser's option, either through the payment to

Blockbuster of cash or marketable equity or debt securities of Purchaser, or a combination thereof, with an aggregate value equal to the make-whole amount or, if the Merger has occurred, through the sale to Blockbuster of the theme parks currently owned and operated by the Company (the "Parks Business").

In the event that Purchaser were to elect to fulfill its obligation to satisfy the make-whole amount through the sale of the Parks Business to Blockbuster, the purchase price would be $750 million, subject to adjustment for certain capital expenditures, payable through delivery to Purchaser of shares of Viacom Class B Common Stock valued at $55 per share. If the Parks Business were so purchased by Blockbuster, the Blockbuster Subscription Agreement provides that Blockbuster would grant an option to Purchaser, exercisable for a period of two years after the date of grant, to purchase a 50% equity interest in the Parks Business at a purchase price of $375 million, subject to adjustment for certain capital expenditures, payable in cash.

The foregoing is a summary of the Blockbuster Subscription Agreement and is qualified in its entirety by reference to the Blockbuster Subscription Agreement, a copy of which is filed as an Exhibit to the Schedule 14D-1.

4. BACKGROUND OF THE OFFER SINCE NOVEMBER 8, 1993; CONTACTS WITH THE COMPANY; THE EXEMPTION AGREEMENT AND THE FORM OF MERGER AGREEMENT. The discussion set forth in Section 10 of the Offer to Purchase and Section 4 of the First Supplement is hereby amended and supplemented as follows:

On November 24, 1993, the Delaware Court of Chancery issued a Preliminary Injunction Order (the "Preliminary Injunction Order") in connection with the Delaware litigation commenced by QVC Network, Inc. ("QVC") and certain stockholders of the Company pursuant to which:

(1) The Company was preliminarily enjoined absent further order of the Chancery Court from amending the Rights Agreement or taking any other action under the Rights Agreement to, among other things, facilitate the Offer or second-step Merger.

(2) The Company and Purchaser were enjoined from (i) taking any action to exercise, cash out, enforce, effectuate or consummate any term or provision of the Stock Option Agreement or (ii) causing the Company or its subsidiaries or affiliates to pay money, transfer assets or issue securities of the Company to Purchaser or any of its affiliates or subsidiaries other than in the ordinary course of business or pursuant to the termination fee provided for in Section 8.05 of the Merger Agreement.

(3) QVC's motion to enjoin payment of the termination fee provided for in Section 8.05 of the Merger Agreement was denied.

The grant of the injunction was appealed by Purchaser and the Company to the Supreme Court of the State of Delaware.

On December 9, 1993, the Delaware Supreme Court issued an order (the "Order") pursuant to which the Court, among other things, (1) affirmed the Preliminary Injunction Order and (2) remanded the proceeding to the Delaware Chancery Court for proceedings consistent with the Order.

On December 20, 1993, in accordance with bidding procedures established by the Paramount Board, Purchaser delivered to the Company's financial advisor its revised proposal for the acquisition of the Company.

On December 22, 1993, Purchaser and the Company entered into the Exemption Agreement, with the Form of Merger Agreement attached thereto, setting forth certain procedures to govern the Offer and which is described below. Also on December 22, 1993, the Company terminated the Merger Agreement and entered into an Agreement and Plan of Merger with QVC (the "QVC Merger

Agreement"). The QVC Merger Agreement contains procedures applicable to the QVC Offer which are substantially identical to the terms of the Exemption Agreement applicable to the Offer. In addition, the QVC Merger Agreement contains as an Exhibit thereto a form of exemption agreement containing terms substantially identical to the Exemption Agreement, which QVC has agreed to enter into in the event that the QVC Merger Agreement is terminated.

The Exemption Agreement. The following is a summary of certain provisions of the Exemption Agreement, a copy of which (together with the Form of Merger Agreement attached as Exhibit A thereto) was previously filed as an Exhibit to the Schedule 14D-1 and is incorporated herein by reference. The following summary is qualified in its entirety by reference to the Exemption Agreement filed as an Exhibit to the Schedule 14D-1.

Agreements of the Company. Under the terms of the Exemption Agreement, the Company has agreed that, upon delivery by Purchaser of the Completion Certificate (as defined below), it shall take all necessary action to amend the Rights Agreement so that the consummation of the Offer on the terms permitted under the Exemption Agreement and as contemplated by the Form of Merger Agreement will not cause (i) the Rights issued pursuant to the Rights Agreement to become exercisable under the Rights Agreement, (ii) Purchaser or any subsidiary of Purchaser to be deemed an "Acquiring Person" (as defined in the Rights Agreement), or (iii) the "Stock Acquisition Date" (as defined in the Rights Agreement) to occur upon such consummation; provided, however, that the Company will not be required to make such amendments to the Rights Agreement if (A) Purchaser has not performed or complied in all material respects with all agreements and covenants required by the Exemption Agreement to be performed or complied with by it on or prior to the consummation of the Offer or (B) the Company obtains and there is in force from the Delaware Court of Chancery an order declaring that the making of such amendments to the Rights Agreement would be contrary to the fiduciary duties of the Paramount Board. Notwithstanding the foregoing, in no event will the Company's Board of Directors make an amendment of the Rights Agreement in favor of QVC or any other person without making such amendments in favor of Purchaser; provided that the Company will not be obligated to make such amendments for Purchaser if Purchaser has become obligated to terminate the Offer pursuant to the provisions of the Exemption Agreement as set forth in "Termination of the Offer" below.

The Company has agreed under the terms of the Exemption Agreement that it will take all appropriate actions so that the restrictions on business combinations contained in (i) Article XI of the Company's Certificate of Incorporation and (ii) Section 203 of Delaware Law will not apply to the consummation of the Offer; provided, however, that such action will not be effective if the Company is not required to amend the Rights Agreement as contemplated in the immediately preceding paragraph.

Agreements Regarding Terms of the Offer. Purchaser has also agreed under the Exemption Agreement (i) that so long as QVC is bound by substantially identical restrictions made for the benefit of the Company, not to amend the Offer in order to (A) increase by less than $60 million the aggregate cash consideration to be paid pursuant to the Offer or (B) increase the number of Shares for which tenders are sought by less than 2% of the outstanding Shares; (ii) not to extend the Expiration Date, except for extensions pursuant to certain provisions of the Exemption Agreement, and except (x) as a result of failure to satisfy a condition at the Expiration Date or (y) for any such extension required by federal securities law; (iii) that no extension of the Expiration Date permitted under the Exemption Agreement shall be for a period of less than three business days; and (iv) that the Expiration Date shall not be extended for any reason beyond 12:00 midnight on February 14, 1994, subject to certain provisions of the Exemption Agreement or as required by federal securities law to the extent that the extension arises due to an event other than a change in the terms of the Offer (the "Final Expiration Date"). Purchaser has agreed that it will not increase the per share consideration offered in the Offer or otherwise amend the Offer primarily to extend the expiration date of the QVC Offer.

Purchaser has agreed that, without the prior written consent of the Company, no change in the terms of the Offer shall be made which (i) decreases the aggregate cash consideration payable in the Offer or changes the form of consideration payable in the Offer (except to the extent QVC has made such changes or has been granted benefits by the Company that diminish the value of the Company to Purchaser); (ii) reduces the number of Shares to be purchased in the Offer below 50.1% of the outstanding Shares on a fully diluted basis (as defined below); provided, however, that the number of Shares sought in the Offer can be decreased to not less than 50.1% of the outstanding Shares on a fully diluted basis so long as the aggregate cash consideration payable in the Offer is not decreased; or (iii) waives the Minimum Condition (which under no circumstances may be less than 50.1% of the outstanding Shares on a fully diluted basis). Subject to the provisions of the Exemption Agreement, Purchaser, prior to being obligated to execute a merger agreement by the terms of the Exemption Agreement, has in the Exemption Agreement expressly reserved the right to terminate the Offer pursuant to its terms or to increase the price per Share or the number of Shares for which tenders are sought in the Offer. The term "fully diluted" as used in the Exemption Agreement means giving effect to the Shares then outstanding plus the Shares issuable upon the exercise of the then exercisable options.

In order to cause the Offer and the QVC Offer to remain on the same time schedule, Purchaser has agreed that if QVC remains subject to the QVC Merger Agreement or remains subject to the form of exemption agreement attached thereto, in either case containing terms substantially identical to the Exemption Agreement for the benefit of the Company (the "Exemption Procedures"), and (i) extends the expiration date of the QVC Offer (such expiration date, as extended from time to time, being the "QVC Expiration Date") in accordance with the Exemption Procedures, then the Expiration Date shall be extended (as soon as practicable, but not later than one business day following the announcement of the extension of the QVC Expiration Date) by Purchaser to the QVC Expiration Date, or (ii) if upon notification to the Company by Purchaser and QVC of the results of their respective offers (which notification will be required to be delivered by Purchaser and QVC no later than promptly following the expiration of their respective offers), the Company has notified Purchaser and QVC (which notification shall be required to be delivered by the Company promptly) that a number of Shares that would satisfy the Minimum Condition or the minimum condition defined in the QVC Offer (which under no circumstances may be less than 50.1% of the outstanding Shares on a fully diluted basis) (the "QVC Minimum Condition") have not been validly tendered (and not withdrawn) pursuant to the Offer or the QVC Offer, respectively, at the Expiration Date (or a number of Shares that would satisfy the Minimum Condition and the QVC Minimum Condition have been validly tendered and not withdrawn pursuant to both the Offer and the QVC Offer at the Expiration Date), then Purchaser will extend the Expiration Date for a period of ten business days. Purchaser will be subject to the obligations set forth above in this paragraph and the obligations set forth in "Termination of the Offer" for so long as QVC is subject to the Exemption Procedures; provided, however, that Purchaser will not be subject to such obligations in the event that QVC has not performed or complied in all material respects with the Exemption Procedures.

Recommendation of the Offer. Under the terms of the Exemption Agreement, if, at any time, the Paramount Board recommends acceptance of the Offer by the Company's stockholders, or informs Purchaser that the Paramount Board intends to recommend acceptance of the Offer, then Purchaser will promptly execute and deliver an executed Form of Merger Agreement (with representations and warranties dated as of the date of execution of such Form of Merger Agreement, unless otherwise specified therein and with such other changes as may be necessary to reflect the terms of the Offer as it then exists, changes in the consideration offered under the Form of Merger Agreement and changes related thereto) as soon as practicable, but in no event more than one business day thereafter, which Form of Merger Agreement will be executed by the Company (with representations and warranties dated as of the date of such executed Form of Merger Agreement, unless otherwise specified therein) within one business day of receipt thereof.

Receipt of Common Stock by Purchaser. In the event that a number of Shares that would satisfy the Minimum Condition shall have been validly tendered and not withdrawn in the Offer at the Expiration Date and, as of such Expiration Date, Purchaser has waived all conditions to the Offer (other than the Minimum Condition and the Rights Condition, the Supermajority Condition, the Section 203 Condition and the Injunction Condition), then Purchaser has agreed (i) to extend the Expiration Date to a date ten business days from the then scheduled Expiration Date, provided that such extension shall be for a period of five business days in the event that the QVC Offer has been terminated prior to the foregoing Expiration Date and (ii) promptly to deliver an executed Form of Merger Agreement (with representations and warranties dated as of the date of delivery to the Company of such executed Form of Merger Agreement, unless otherwise specified therein and with such other changes as may be necessary to reflect the terms of the Offer as it then exists, changes in the consideration offered under the Form of Merger Agreement and changes related thereto), as soon as practicable, but in no event more than one business day after the date of such waiver, which Form of Merger Agreement will be executed by the Company within one business day of receipt thereof (with representations and warranties dated as of the date of such executed Form of Merger Agreement, unless otherwise specified therein).

Completion Certificate. At such time as Purchaser has fulfilled the terms set forth in the immediately preceding paragraph, Purchaser will deliver to the Paramount Board a certificate (the "Completion Certificate"), executed by an authorized officer of Purchaser, certifying that all such terms have been fulfilled.

Termination of the Offer. Under the terms of the Exemption Agreement, Purchaser has agreed to terminate the Offer at such time as Purchaser has been notified pursuant to a certificate executed by an authorized officer of the Company that: (i) a number of Shares that would satisfy the QVC Minimum Condition shall have been validly tendered to the QVC Offer and not withdrawn at the QVC Expiration Date; (ii) all conditions to the QVC Offer, except the QVC Minimum Condition and the conditions relating to the Rights Agreement, Article XI of the Company's Certificate of Incorporation, Section 203 of Delaware Law and governmental or judicial injunction, each as set forth therein, shall have been waived; and (iii) a completion certificate from QVC shall have been delivered to the Company; provided, however, that Purchaser shall not be required to terminate the Offer in the event that QVC has not performed or complied in all material respects with the Exemption Procedures.

Termination of Exemption Agreement. The Exemption Agreement terminates at the earliest of (i) 9:00 A.M. on the first business day following the Final Expiration Date, (ii) the execution and delivery by both Purchaser and the Company of a Form of Merger Agreement, (iii) the delivery of notice by either party to the Exemption Agreement in the event the other party materially breaches any agreement or representation under the Exemption Agreement or (iv) such time as Purchaser shall have terminated the Offer in accordance with the terms thereof.

Form of Merger Agreement. The Form of Merger Agreement is substantially similar in form and substance to the Merger Agreement, except for the provisions summarized below. The following summary is qualified in its entirety by reference to the Form of Merger Agreement previously filed as Exhibit A to the Exemption Agreement filed as an Exhibit to the Schedule 14D-1.

(a) All references to the Stock Option Agreement and the $100 million termination fee in the Merger Agreement have been eliminated in the Form of Merger Agreement; provided, however, that each of the Company and Purchaser has agreed that nothing contained in the Form of Merger Agreement will constitute a waiver of any rights, claims or defenses of Purchaser or the Company created by or arising under the Merger Agreement or the Stock Option Agreement, as amended, all of which rights, claims and defenses are expressly reserved.

(b) The provision contained in the Merger Agreement, which prohibited the Company and Purchaser, and their respective subsidiaries and affiliates, under certain specified circumstances, from (i) facilitating any inquiries or the making of any proposal that constitutes or may be reasonably expected to lead to a Competing Transaction (as defined below), (ii) entering into, maintaining or continuing discussions or negotiations with any person or entity in furtherance of such inquiries or to obtain a Competing Transaction, (iii) agreeing to or endorsing any Competing Transaction or (iv) permitting any of their officers, directors, employees or other representatives to take any such action, has been eliminated in the Form of Merger Agreement.

(c) Conditions to the obligations of each party to consummate the Merger contained in the Merger Agreement, which relate to the receipt of certain approvals from the FCC and other third parties, have been eliminated in the Form of Merger Agreement.

(d) In the Form of Merger Agreement, June 30, 1994 is the date on which either the Company or Purchaser may terminate such agreement if the Merger shall not have occurred. The corresponding date in the Merger Agreement was March 31, 1994.

(e) In the Form of Merger Agreement, Purchaser has the right to terminate such agreement if: (i) the Paramount Board withdraws, modifies or changes its recommendation of such agreement, the Merger or the Offer in a manner adverse to Purchaser or resolves to do any of the foregoing; provided that a statement by the Paramount Board that it is neutral or unable to take a position with respect to the Offer after the commencement or amendment of a tender offer by a third party will not be deemed to constitute a withdrawal, modification or change of its recommendation of such agreement if the Solicitation/Recommendation Statement on Schedule 14D-9 relating to such third party tender offer recommends rejection of such tender offer and the Paramount Board reconfirms its recommendation of the Offer on the date of the filing thereof; (ii) the Paramount Board recommends to the stockholders of the Company a Competing Transaction; (iii) Purchaser has not consummated the Offer and a tender offer or exchange offer for 30% or more of the outstanding shares of capital stock of the Company is commenced, and the Paramount Board recommends that the stockholders of the Company tender their shares in such tender or exchange offer; or (iv) Purchaser has not consummated the Offer and any person acquires beneficial ownership, or the right to acquire beneficial ownership of, or any "group" (as such term is defined under Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder) has been formed which beneficially owns, or has the right to acquire "beneficial ownership" (as defined in the Rights Agreement) of, more than 30% of the then outstanding shares of capital stock of the Company.

(f) In the Form of Merger Agreement, the Company has the right to terminate such agreement if, due to an occurrence or circumstance that would result in a failure to satisfy any of the conditions of the Offer, (i) Purchaser has failed to amend the Offer as provided in Section 2.1 of such agreement within ten business days following the date thereof or (ii) the Offer expires without the purchase of Shares thereunder.

(g) In the Form of Merger Agreement, the term "Competing Transaction" means any of the following involving the Company or any of the Company's subsidiaries: (i) any merger, consolidation, share exchange, business combination, or other similar transaction; (ii) any disposition of 30% or more of the assets of the Company and the Company's subsidiaries, taken as a whole in a single transaction or series of transactions; (iii) any tender offer or exchange offer for 30% or more of the outstanding shares of capital stock of the Company or the filing of a registration statement under the Securities Act in connection therewith; (iv) any person having acquired beneficial ownership of, or any "group" (as such term is defined under Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder) having been formed which beneficially owns, or has the right to acquire beneficial ownership of, 30% or more of the then outstanding shares of capital stock of the Company; or (v) any

public announcement of a proposal, plan or intention to do any of the foregoing or any agreement to engage in any of the foregoing.

(h) In the Form of Merger Agreement, if either the Company or Purchaser terminates such agreement and if Purchaser continues the Offer, the Exemption Agreement will again become effective.

(i) The Form of Merger Agreement provides that from and after the Effective Time and until the tenth anniversary of the Effective Time, Purchaser will not enter into any agreement with any stockholder (the "Majority Stockholder") who beneficially owns more than 50% of the then outstanding securities entitled to vote at a meeting of the stockholders of Purchaser that would constitute a Rule 13e-3 (as such rule is in effect on the date of the execution of the Form of Merger Agreement) transaction under the Exchange Act with respect to any class of common stock of Purchaser (any such transaction being a "Going Private Transaction") unless Purchaser provides in any agreement pursuant to which such Going Private Transaction will be effected that, as a condition to the consummation of such Going Private Transaction, (a) the holders of a majority of the shares of each class of common stock subject to such Going Private Transaction and not beneficially owned by the Majority Stockholder that are voted and present (whether in person or by proxy) at the meeting of stockholders called to vote on such Going Private Transaction will have voted in favor thereof and (b) a special committee (the "Special Committee") of the Board of Directors of Purchaser comprised solely of the independent directors of Purchaser will have (i) approved the terms and conditions of the Going Private Transaction and will have recommended that the stockholders vote in favor thereof and (ii) received from its financial advisor a written opinion addressed to the Special Committee, for inclusion in the proxy statement to be delivered to the stockholders, and dated the date thereof, substantially to the effect that the consideration to be received by the stockholders (other than the Majority Stockholder) in the Going Private Transaction is fair to them from a financial point of view.

(j) Pursuant to the Form of Merger Agreement, if requested by Purchaser, the Company will, subject to Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder, promptly following the acceptance for payment of the Shares, and from time to time thereafter, take all actions necessary to cause a majority of directors of the Company (and of members of each committee of the Paramount Board) and of each subsidiary of the Company to be designated by Purchaser (whether, at the request of Purchaser, by means of increasing the size of the Paramount Board or seeking the resignation of directors and causing Purchaser's designees to be elected); provided that prior to receipt by Purchaser of approval by the FCC of the Long Form Application, the Company will take all actions necessary to elect Purchaser's voting trustee to the Paramount Board.

(k) The Form of Merger Agreement contains procedures applicable to the terms of the Offer which are substantially identical to the terms of the Exemption Agreement applicable to the Offer.

5. CONDITIONS TO THE OFFER. The conditions to the Offer are hereby amended and restated in their entirety as follows:

Notwithstanding any other provision of the Offer, Purchaser will not be required to accept for payment or pay for any Shares tendered pursuant to the Offer, and may terminate or amend the Offer and may postpone the acceptance for payment of and payment for Shares tendered, if (i) the Minimum Condition shall not have been satisfied, (ii) the Paramount Board shall not have amended the Rights Agreement to make the Rights inapplicable to the Offer and the Merger or the Rights shall otherwise be applicable to the Offer and the Merger (the "Rights Condition"), (iii) the Paramount Board shall not have taken all necessary actions so as to make the restrictions on business combinations contained in the supermajority voting requirement of Article XI of the Company's Certificate of Incorporation inapplicable to the Offer and the Merger (the "Supermajority Condition"), (iv) the Paramount Board shall not have taken all necessary actions so as to make the restrictions on business combinations contained in Section 203 of Delaware Law inapplicable to Purchaser in connection with the Offer and the Merger

(the "Section 203 Condition") or (v) at any time on or after the date of this Agreement, and prior to the acceptance for payment of Shares, any of the following conditions shall not exist:

(a) No governmental entity or federal or state court of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, injunction or other order (whether temporary, preliminary or permanent) which is in effect and which materially restricts, prevents or prohibits consummation of the Offer, the Merger or any transaction contemplated by the executed Form of Merger Agreement (if then in existence); provided that Purchaser shall have used all reasonable efforts to have any such order, decree or injunction vacated or reversed (the "Injunction Condition");

(b) Each of the representations and warranties of the Company contained in the Form of Merger Agreement (as if such agreement had been duly executed by the Company) shall be true and correct, except (i) for changes specifically permitted by the Form of Merger Agreement and (ii) that those representations and warranties which address matters only as of a particular date shall remain true and correct as of such date, except in any case for such failures to be true and correct which would not, individually or in the aggregate, have a material adverse effect on the Company;

(c) The Company shall have performed or complied in all material respects with all agreements and covenants required by the Form of Merger Agreement (as if such agreement had been duly executed by the Company) to be performed or complied with by it;

(d) Since December 22, 1993, there shall have been no change, occurrence or circumstance in the business, results of operations or financial condition of the Company or any of its subsidiaries having or reasonably likely to have, individually or in the aggregate, a material adverse effect on the business, results of operations or financial condition of the Company and its subsidiaries, taken as a whole; or

(e) Purchaser and the Company shall not have agreed that Purchaser shall terminate the Offer or postpone the acceptance for payment of or payment for Shares thereunder;

and, in the reasonable judgment of Purchaser in any such case, and regardless of the circumstances (including any action or inaction by Purchaser or any of its affiliates) giving rise to any such condition, it is inadvisable to proceed with such acceptance for payment or payment.

The foregoing conditions are for the sole benefit of Purchaser and may be asserted by Purchaser regardless of the circumstances giving rise to any such condition or may be waived by Purchaser in whole or in part at any time and from time to time in its sole discretion. The failure by Purchaser at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and other circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right that may be asserted at any time and from time to time.

6. CERTAIN FEDERAL INCOME TAX AND OTHER TAX CONSEQUENCES. The discussion set forth in Section 5 of the Offer to Purchase is hereby amended and supplemented in its entirety as follows:

The following summary, based upon current law, is a general discussion of certain Federal income tax consequences of the Offer and the Merger to Purchaser, the Company and stockholders of the Company. This summary is based upon the Code, applicable Treasury regulations thereunder and administrative rulings and judicial authority as of the date hereof. All of the foregoing are subject to change, and any such change could affect the continuing validity of this summary. This summary applies to stockholders of the Company who hold their Shares as capital assets. This summary does not discuss all aspects of Federal income taxation that may be relevant to a particular stockholder of the Company in light of such stockholder's specific circumstances or to certain types of stockholders subject to special treatment under the Federal income tax laws (for example, foreign persons, dealers in securities, banks, insurance companies, tax-exempt organizations and stockholders who acquired Shares pursuant to the exercise of options or otherwise as compensation or through a tax-qualified retirement plan), and it does not discuss any aspect of state, local, foreign or other tax laws. No ruling has been (or will be) sought from the Internal Revenue Service as to the anticipated tax consequences of the Offer or the Merger.

Tax Consequences of the Offer and the Merger. If Shearman & Sterling, counsel to Purchaser, is unable to deliver an opinion that the Merger will qualify as a reorganization under section 368(a) of the Code, the Form of Merger Agreement permits Purchaser to elect to cause a wholly owned subsidiary to merge with and into the Company in the Merger. Based on the terms of the Offer and the proposed terms of the Form of Merger Agreement, it is anticipated that Shearman & Sterling will be unable to deliver such an opinion and that Purchaser will therefore elect to change the form of the Merger. The election by Purchaser to change the form of the Merger will, under applicable tax laws, prevent the Company from having to recognize substantial taxable gain as a result of the Merger's failing to qualify as a reorganization.

Exchanges of Shares pursuant to the Offer or the Merger will be taxable transactions for Federal income tax purposes. A stockholder of the Company who exchanges Shares for cash in the Offer or for shares of Viacom Class B Common Stock and Viacom Merger Preferred Stock in the Merger will recognize capital gain or loss for Federal income tax purposes equal to the difference between such stockholder's basis in the Shares so exchanged and the amount of cash and/or the fair market value of the shares of Viacom Class B Common Stock and Viacom Merger Preferred Stock received by such stockholder. Stockholders of the Company should note that, in such circumstances, a stockholder who does not receive any cash, but instead receives only shares of Viacom Class B Common Stock and Viacom Merger Preferred Stock in the Merger nevertheless will recognize taxable gain or loss. Such gain or loss will be long-term capital gain or loss if, at the time of the Offer or the Merger, the Shares then exchanged had been held for more than one year. Under current law, long-term capital gains of individuals are, under certain circumstances, taxed at lower rates than items of ordinary income (including short-term capital gains).

Such stockholder of the Company will have a tax basis in the shares of Viacom Class B Common Stock and Viacom Merger Preferred Stock received equal to the fair market values of such shares on the date of the Merger. The holding period of such stockholder of the Company in the Viacom Class B Common Stock and Viacom Merger Preferred Stock received will begin on the day following the date of the Merger.

No gain or loss will be recognized by Purchaser or the Company as a result of the Offer and the Merger.

Backup Withholding. To prevent "backup withholding" of Federal income tax on payments of cash to a stockholder of the Company who exchanges Shares for cash in the Offer, a stockholder of the Company must, unless an exception applies under the applicable law and regulations, provide the payor

of such cash with such stockholder's correct taxpayer identification number ("TIN") on a Substitute Form W-9 and certify under penalties of perjury that such number is correct and that such stockholder is not subject to backup withholding. A Substitute Form W-9 is included in the Letter of Transmittal. If the correct TIN and certifications are not provided, a $50 penalty may be imposed on a stockholder of the Company by the Internal Revenue Service, and cash received by such stockholder in exchange for Shares in the Offer may be subject to backup withholding of 31%.

THE FEDERAL INCOME TAX CONSEQUENCES SET FORTH ABOVE ARE BASED UPON PRESENT LAW, ARE FOR GENERAL INFORMATION ONLY AND DO NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX EFFECTS WHICH MAY APPLY TO A STOCKHOLDER OF THE COMPANY. THE TAX EFFECTS AS APPLICABLE TO A PARTICULAR STOCKHOLDER OF THE COMPANY MAY BE DIFFERENT FROM THE TAX EFFECTS AS APPLICABLE TO OTHER STOCKHOLDERS OF THE COMPANY, INCLUDING THE APPLICATION AND EFFECT OF STATE, LOCAL AND OTHER TAX LAWS, AND THUS, STOCKHOLDERS OF THE COMPANY ARE URGED TO CONSULT THEIR OWN TAX ADVISORS.

Real Estate Transfer Taxes

The New York State Real Property Transfer Gains Tax, the New York State Real Estate Transfer Tax, and the New York City Real Property Transfer Tax (collectively, the "Real Estate Transfer Taxes") are imposed on the transfer or acquisition, directly or indirectly, of controlling interests in an entity which owns interests in real property located in New York State or New York City, as the case may be. The Offer and the Merger will result in the taxable transfer of controlling interests in entities which own New York State or New York City real property for purposes of the Real Estate Transfer Taxes. Although any Real Estate Transfer Taxes could be imposed directly on the stockholders of the Company, Purchaser and the Company will complete and file any necessary tax returns, and Purchaser will pay all Real Estate Transfer Taxes that are imposed as a result of the Offer and the Merger. Upon receipt of the consideration for either the Offer or the Merger, each stockholder of the Company will be deemed to have agreed to be bound by the Real Estate Transfer Tax returns filed by Purchaser and the Company.

7. PURPOSE OF THE OFFER; PLANS FOR THE COMPANY AFTER THE OFFER AND THE MERGER. The discussion set forth in Section 11 of the Offer to Purchase is hereby amended and supplemented as follows:

Purchaser is actively preparing plans for the combination of Purchaser, the Company and Blockbuster and their respective businesses and management. Purchaser intends to integrate the businesses of Purchaser, Blockbuster and the Company in order to achieve efficiencies and to create value based upon the complementary businesses and brands of the combined companies. Purchaser has no present intention of disposing of any significant assets of Purchaser, Blockbuster or the Company following consummation of the Offer.

8. CERTAIN LEGAL MATTERS AND REGULATORY APPROVALS. The discussion set forth in Section 15 of the Offer to Purchase and Section 5 of the First Supplement is hereby amended and supplemented as follows:

Delaware Litigation. On December 14, 1993, the plaintiffs in In re Paramount Communications Inc. Shareholders Litigation, Consolidated Civ. Action No. 13117, made a motion for the entry of an order modifying the preliminary injunction granted by the Delaware Chancery Court on November 24, 1993, to enjoin the termination fee payable to Purchaser pursuant to the Merger Agreement.

Federal Antitrust Litigation. On November 9, 1993, Purchaser amended its complaint in federal court in Viacom International Inc. v. Tele-Communications, Inc., et al., Case No. 93 Civ. 6658, by

adding Comcast Corporation as an additional defendant and incorporating claims of additional anticompetitive activities by the defendants.

FCC Approval. On November 23, 1993, the FCC approved Purchaser's STA Application to acquire Shares pursuant the Offer, thereby satisfying the FCC Condition to consummation of the Offer.

9. CERTAIN INFORMATION CONCERNING PURCHASER. The discussion set forth in Section 8 of the Offer to Purchase is hereby amended and supplemented as follows:

General. On November 18, 1993, William C. Ferguson was elected to the Board of Directors of Purchaser. The current business address and present principal positions, offices or employments and business addresses thereof for the past five years of Mr. Ferguson are as follows:

Chairman of the Board and Chief Executive Officer of NYNEX at 335 Madison Avenue, New York, New York 10017 since October 1989; Vice Chairman of the Board of NYNEX from 1987 to 1989 and President and Chief Executive Officer from June to September 1989; Director of NYNEX since 1987; Director of General Re Corporation and CPC International, Inc.

Financial Information. On November 12, 1993, Purchaser filed with the Commission its Quarterly Report on Form 10-Q for the quarter ended September 30, 1993 (the "September 30 10-Q"). Set forth below are certain selected consolidated financial data relating to Purchaser and its subsidiaries for the quarter ended September 30, 1993, which have been excerpted or derived from the unaudited financial statements contained in the September 30 10-Q. More comprehensive financial information for such quarter is included in the September 30 10-Q, and the following financial data is qualified in its entirety by reference to the September 30 10-Q, including the financial information and related notes contained therein. The September 30 10-Q may be inspected and copies may be obtained from the offices of the Commission in the same manner as set forth with respect to information about the Company in Section 7 of the Offer to Purchase.

VIACOM INC.
SELECTED CONSOLIDATED FINANCIAL DATA
(UNAUDITED; IN MILLIONS, EXCEPT PER SHARE DATA)

	NINE MONTHS ENDED SEPTEMBER 30,	
	1993	1992
Results of Operations Data:		
Revenues	$ 1,474.6	$ 1,353.1
Earnings from operations	306.9	280.3
Earnings before extraordinary items and cumulative effect of change in accounting principle	143.2	54.4
Net earnings	144.6	37.3
Earnings per common share:		
Earnings before extraordinary items and cumulative effect of change in accounting principle	1.19	.45
Extraordinary items	(.07)	(.14)
Cumulative effect of change in accounting principle	.08	--
Net earnings	1.20	.31

	AT SEPTEMBER 30, 1993
Balance Sheet Data:	
Total assets	$ 4,625.6
Long term debt	2,359.1
Stockholders' equity	908.7

THE BLOCKBUSTER MERGER AGREEMENT

The following is a summary of the Blockbuster Merger Agreement, a copy of which is filed as an Exhibit to the Schedule 14D-1. Such summary is qualified in its entirety by reference to the Blockbuster Merger Agreement.

The Blockbuster Merger. The Blockbuster Merger Agreement provides that, upon the terms and subject to the conditions thereof, at the effective time of the Blockbuster Merger (the "Blockbuster Merger Effective Time"), Blockbuster will be merged with and into Purchaser in accordance with Delaware Law. As a result of the Blockbuster Merger, the separate corporate existence of Blockbuster will cease and Purchaser will continue as the Blockbuster Merger Surviving Corporation.

At the Blockbuster Merger Effective Time, each issued and then outstanding share of common stock, par value $1.00 per share, of Blockbuster (the "Blockbuster Shares") (other than any Blockbuster Shares held in the treasury of Blockbuster, or owned by Purchaser or any direct or indirect wholly owned subsidiary of Purchaser or of Blockbuster and any dissenting shares (if applicable)) shall be converted automatically into the right to receive (x) .08 of one share of Viacom Class A Common Stock, (y) .60615 of one share of Viacom Class B Common Stock and (z) up to an additional .13829 of one share of Viacom Class B Common Stock, with such amount to be determined in accordance with, and the right to receive such shares to be evidenced by, one variable common right (a "VCR") issued by Purchaser having the principal terms described in Annex A to the Blockbuster Merger Agreement (collectively, the "Blockbuster Merger Consideration").

In addition, employee stock options and warrants outstanding at the Blockbuster Merger Effective Time will become exercisable thereafter for the Blockbuster Merger Consideration. Pursuant to the terms of the Blockbuster stock option plans, the vesting of employee stock options will be accelerated in connection with the Blockbuster Merger.

As of December 31, 1993, there were 247,487,375 Blockbuster Shares outstanding. In addition, there were 18,564,443 Blockbuster Shares subject to outstanding stock options and warrants. Based thereon, an aggregate of approximately 19.8 million shares of Viacom Class A Common Stock and 149.9 million shares of Viacom Class B Common Stock, and VCRs representing a maximum of approximately 34.2 million additional shares of Viacom Class B Common Stock would be issuable in the Blockbuster Merger. In addition, an aggregate of approximately 1.5 million additional shares of Viacom Class A Common Stock and 11.3 million additional shares of Viacom Class B Common Stock, and VCRs representing a maximum of approximately 2.6 million additional shares of Viacom Class B Common Stock would be issuable in connection with the possible exercise of stock options and warrants.

The Blockbuster Merger Agreement provides that, at the Blockbuster Merger Effective Time, the Restated Certificate of Incorporation and the By-Laws of Purchaser, as in effect immediately prior to the Blockbuster Merger Effective Time, will be the Certificate of Incorporation and the By-Laws of the Blockbuster Merger Surviving Corporation.

Agreements of Purchaser and Blockbuster. The Blockbuster Merger Agreement contains various customary covenants and agreements of the parties thereto, including agreements as to the calling of meetings of the respective stockholders of Purchaser and Blockbuster, the making of certain filings under the federal securities laws with respect to such stockholders' meetings and the transactions contemplated by the Blockbuster Merger Agreement, and the operation of the parties' respective businesses prior to the Blockbuster Merger Effective Time. In addition, pursuant to the Blockbuster Merger Agreement, until the tenth anniversary of the Blockbuster Merger Effective Time Purchaser is subject to substantially the same restrictions on Going Private Transactions as are contained in the Form of Merger Agreement.

Representations and Warranties. The Blockbuster Merger Agreement contains various customary representations and warranties of the parties thereto.

Conditions to the Blockbuster Merger. The obligations of Purchaser and Blockbuster to consummate the Blockbuster Merger are subject to the satisfaction or, where legally permissible, waiver of various conditions, including: (i) the effectiveness of the registration statement to be filed with the Commission with respect to the shares of Purchaser Common Stock to be issued to the stockholders of Blockbuster pursuant to the Blockbuster Merger and the absence of any stop order suspending the effectiveness thereof and any proceedings for that purpose initiated by the Commission; (ii) the approval of the Blockbuster Merger Agreement and the Blockbuster Merger by the requisite vote of the stockholders of Blockbuster and the approval of the Blockbuster Merger and the Blockbuster Merger Agreement and certain amendments to Viacom's Certificate of Incorporation by the requisite number of holders of Viacom Class A Common Stock; (iii) no governmental entity or court of competent jurisdiction having enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, injunction or other order (whether temporary, preliminary or permanent) which is in effect and which materially restricts, prevents or prohibits consummation of the Blockbuster Merger or any transaction contemplated by the Blockbuster Merger Agreement; provided, however, that the parties have agreed to use their reasonable best efforts to cause any such decree, judgment, injunction or other order to be vacated or lifted; (iv) the expiration or termination of the applicable waiting period under the HSR Act; and (v) and receipt of governmental approvals.

The obligations of Purchaser to effect the Blockbuster Merger and the transactions contemplated by the Blockbuster Merger Agreement are also subject to the following conditions: (i) representations and warranties of Blockbuster remaining true and correct, except as would not have a material adverse effect on Blockbuster; (ii) Blockbuster having performed or complied in all material respects with all agreements and covenants required by the Blockbuster Merger Agreement to be performed or complied with by it on or prior to the Blockbuster Merger Effective Time; and (iii) Purchaser having received the opinion of Shearman & Sterling to the effect that the Blockbuster Merger will be treated for federal income tax purposes as a reorganization qualifying under the provisions of section 368(a) of the Code.

The obligations of Blockbuster to effect the Blockbuster Merger and the other transactions contemplated by the Blockbuster Merger Agreement are also subject to the following conditions: (i) the representations and warranties of Purchaser remaining true and correct, except as would not have a material adverse effect on Purchaser; (ii) Purchaser having performed or complied in all material respects with all agreements and covenants required by the Blockbuster Merger Agreement to be performed or complied with by it on or prior to the Blockbuster Merger Effective Time; (iii) Blockbuster having received the opinion of Skadden, Arps, Slate, Meagher & Flom to the effect that the Blockbuster Merger will be treated for federal income tax purposes as a reorganization qualifying under the provisions of section 368(a) of the Code; and (iv) Purchaser having filed with the Secretary of State of the State of Delaware a certificate of amendment to Purchaser's Restated Certificate of Incorporation pursuant to which the amendments required by the Blockbuster Merger Agreement became effective.

Termination; Fees. The Blockbuster Merger Agreement contains customary provisions relating to the termination of the Blockbuster Merger Agreement and provides that, under certain limited circumstances, upon such termination, Blockbuster will pay Purchaser's out of pocket expenses incurred in connection with the transaction up to a maximum of $50,000,000.

Certain Other Agreements. Certain stockholders of Blockbuster have granted to Purchaser options to purchase the shares of common stock of Blockbuster owned by such stockholders in certain circumstances in the event the Blockbuster Merger Agreement is terminated. In addition, such stockholders and certain additional stockholders have granted to Purchaser proxies to vote the Blockbuster Shares owned by such stockholders in favor of the Blockbuster Merger and against any competing business combination proposal.

NAI, the controlling stockholder of Purchaser, has agreed to vote the shares of Viacom Class A Common Stock owned by it in favor of the Blockbuster Merger and against any competing business combination proposal. The shares of Viacom Class A Common Stock owned by NAI constitute a majority of the shares of Viacom Common Stock entitled to vote on the Blockbuster Merger. Accordingly, approval of the Blockbuster Merger by the stockholders of Purchaser is assured.

10. CERTAIN INFORMATION CONCERNING BLOCKBUSTER.

General. Blockbuster is a Delaware corporation. Its principal offices are located at One Blockbuster Plaza, Fort Lauderdale, Florida 33301-1860.

Blockbuster is an international entertainment company with businesses operating in the home video, music retailing and filmed entertainment industries. Blockbuster also has investments in other entertainment businesses.

Blockbuster owns, operates and franchises Blockbuster Video videocassette rental and sales Superstores. As of December 31, 1993, there were 3,593 video stores operating in Blockbuster's system, of which 2,698 were Blockbuster-owned and 895 were franchise-owned. Blockbuster-owned video stores at December 31, 1993 included 775 stores operating under the "Ritz" trade name in the United Kingdom and Austria, and 160 recently acquired video stores under various trade names including "Video Towne" and "Movies at Home in the United States."

Blockbuster has been engaged in the music retailing business since November 1992, when it acquired Sound Warehouse, Inc. and Show Industries, Inc.. Currently Blockbuster is one of the largest specialty retailers of prerecorded music in the United States, with 511 stores operating throughout the country as of December 31, 1993. In December 1992, Blockbuster entered into an international joint venture with Virgin Retail Group Limited to develop music "Megastores" in Continental Europe, Australia and the United States. The joint venture currently owns interests in and operates 20 "Megastores." Blockbuster-owned domestic music stores at December 31, 1993 include 270 recently acquired music stores operating under various trade names including "Record Bar," "Tracks," "Turtles" and "Rhythm and Views."

In April 1993, Blockbuster expanded into the production, programming and distribution areas of the filmed entertainment industry through the acquisition of a majority of the common stock of Spelling Entertainment Group Inc. ("Spelling Entertainment"). The operations of Spelling Entertainment encompass a broad range of businesses in the filmed entertainment industry, supported by an extensive library of television series, feature films, television movies, mini-series and specials. At November 5, 1993, Blockbuster owned 45,658,640 shares, or approximately 70.5%, of Spelling Entertainment's outstanding common stock.

Blockbuster owns 2,550,000 shares, and warrants to acquire an additional 810,000 shares, of the common stock of Republic Pictures Corporation ("Republic Pictures"). At October 19, 1993, Blockbuster's investment in Republic Pictures represented approximately 39% of Republic Pictures' outstanding common stock, including shares subject to such warrants. Republic Pictures is engaged in the development and production of television programming and the distribution of this programming and its extensive library of feature films, television movies, mini-series and specials.

On December 8, 1993, Spelling Entertainment and Republic Pictures entered into an agreement and plan of merger pursuant to which a wholly owned subsidiary of Spelling Entertainment would merge with Republic Pictures, and, as a result of such merger, Republic Pictures is expected to become a wholly owned subsidiary of Spelling Entertainment.

The name, citizenship, business address, principal occupation or employment, and five-year employment history for each of the directors and executive officers of Blockbuster and certain other information are set forth in Schedule I to this Second Supplement, which amends and supplements the Schedule I which was included in the Offer to Purchase.

Financial Information. The summary financial data presented below has been derived from the consolidated financial statements of Blockbuster which have been audited by independent certified public accountants. In August 1993, Blockbuster consolidated with WJB Video Limited Partnership and certain of its related entities. This transaction was accounted for under the pooling of interests method of accounting and, accordingly, Blockbuster's financial

statements have been restated for all

periods as if the companies had operated as one entity since inception. The following Selected Consolidated Financial Data should be read in conjunction with "Management Discussion and Analysis of Financial Condition and Results of Operations", Blockbuster's Consolidated Financial Statements and Notes thereto and other financial information contained in Blockbuster's Current Report on Form 8-K dated October 22, 1993 for the year ended December 31, 1992 and from the unaudited financial statements contained in Blockbuster's Quarterly Report on Form 10-Q for the quarter ended September 30, 1993, in each case filed by Blockbuster with the Commission. Such reports and other documents may be inspected and copies may be obtained from the offices of the Commission in the same manner as set forth with respect to information about the Company in Section 7 of the Offer to Purchase.

BLOCKBUSTER ENTERTAINMENT CORPORATION
SELECTED CONSOLIDATED FINANCIAL DATA
(IN MILLIONS, EXCEPT PER SHARE DATA)

	YEAR ENDED DECEMBER 31,			NINE MONTHS ENDED SEPTEMBER 30,	
	1992	1991	1990	1993	1992
				(UNAUDITED)	
RESULTS OF OPERATIONS DATA:					
Revenue	$ 1,315.8	$ 961.6	$ 699.7	$ 1,503.3	$ 879.1
Operating income	242.9	161.1	122.1	286.0	163.2
Net income	148.3	89.1	65.9	162.4	100.6
Net income attributable to common stock	148.3	89.1	65.9	162.4	100.6
Net income per common and common equivalent share	.77	.51	.39	.76	.53
Net income per common and common equivalent share assuming full dilution	.76	.51	.39	.76	.53

	AT DECEMBER 31,			AT SEPTEMBER 30,
	1992	1991	1990	1993
				(UNAUDITED)
BALANCE SHEET DATA:				
Total assets	$ 1,540.7	$ 893.3	$ 702.1	$ 2,426.1
Long-term debt	356.6	193.7	220.3	438.5
Stockholders' equity	787.3	480.5	319.4	1,336.0
Book value per common share	3.98	2.84	2.04	6.01

Except as set forth in this Second Supplement: (i) neither Blockbuster nor, to the knowledge of Blockbuster, any of the persons listed in Schedule I hereto or any associate or majority-owned subsidiary of Blockbuster or any of the persons so listed beneficially owns or has a right to acquire any Shares or any other equity securities of the Company; (ii) neither Blockbuster, nor, to the knowledge of Blockbuster, any of the persons or entities referred to in clause (i) above or any of their executive officers, directors or subsidiaries has effected any transaction in the Shares or any other equity securities of the Company during the past 60 days; (iii) neither Blockbuster nor, to the knowledge of Blockbuster, any of the persons listed in Schedule I hereto, has any contract, arrangement, understanding or relationship with any other person with respect to any securities of the Company, including, but not limited to, the transfer or voting thereof, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or the giving or withholding of proxies, consents or authorizations; (iv) since May 1, 1990, there have been no transactions which would require reporting under the rules and regulations of the Commission between Blockbuster or any of its subsidiaries or, to the knowledge of Blockbuster, any of the persons listed in Schedule I hereto, on the one hand, and the

Company or any of its executive officers, directors or affiliates, on the other hand; and (v) since May 1, 1990, there have been no contacts, negotiations or transactions between Blockbuster or any of its subsidiaries or, to the knowledge of Blockbuster, any of the persons listed in Schedule I hereto, on the one hand, and the Company or its subsidiaries or affiliates, on the other hand, concerning a merger, consolidation or acquisition, tender offer or other acquisition of securities, an election of directors or a sale or other transfer of a material amount of assets of the Company.

11. MISCELLANEOUS. Purchaser has filed with the Commission amendments to the Schedule 14D-1 pursuant to Rule 14d-3 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, furnishing certain additional information with respect to the Offer, and may file further amendments thereto. The Schedule 14D-1 and any amendments thereto, including exhibits, may be inspected at, and copies may be obtained from, the same places and in the same manner as set forth in Section 7 of the Offer to Purchase (except that they will not be available at the regional offices of the Commission).

VIACOM INC.

January 7, 1994

SCHEDULE I

DIRECTORS AND EXECUTIVE OFFICERS OF BLOCKBUSTER

The following table sets forth the name, current business address and present principal occupation or employment, and material occupations, positions, offices or employments and business addresses thereof for the past five years of each director and executive officer of Blockbuster. Unless otherwise indicated, the current business address of each person is One Blockbuster Plaza, Fort Lauderdale, Florida 33301-1860. Each such person is a citizen of the United States of America, except for Ramon Martin-Busutil who is a citizen of France. Unless otherwise indicated, each occupation set forth opposite an individual's name refers to employment with Blockbuster. Directors are indicated by an asterisk.

NAME	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND CURRENT BUSINESS ADDRESS; MATERIAL POSITIONS HELD DURING THE PAST FIVE YEARS AND BUSINESS ADDRESSES THEREOF
H. Wayne Huizenga*.....	Chairman, Chief Executive Officer and Director of Blockbuster since 1987; Chairman of Huizenga Holdings, Inc. since 1984, One Blockbuster Plaza, Fort Lauderdale, Florida; Director of Republic Pictures Corporation since 1993, 12636 Beatrice Street, Los Angeles, California; Chairman of the Board of Spelling since 1993, One Blockbuster Plaza, Fort Lauderdale, Florida; Director of Viacom since 1993; Director of Discovery Zone Inc. since 1993, 205 N. Michigan Avenue, Chicago, Illinois.
A. Clinton Allen, III*.....	Director of Blockbuster since 1986; Chairman and Chief Executive Officer of A.C. Allen & Company since 1988, 1280 Massachusetts Avenue, Cambridge, Massachusetts; Director and Vice Chairman of Psychemedics Corporation since 1989, 1280 Massachusetts Ave., Cambridge, MA, and the DeWolfe Companies, Inc., 271 Lincoln, Lexington, MA, since 1991.
Steven R. Berrard*.....	Director of Blockbuster since 1989; Vice Chairman since 1989; President and Chief Operating Officer since 1993; Treasurer and Senior Vice President of Blockbuster from 1987 to 1989; Chief Financial Officer of Blockbuster from 1989 to 1992; Director of Republic Pictures Corporation since 1993; President, Chief Executive Officer and Director of Spelling since 1993.
John W. Croghan*.....	Director of Blockbuster since 1987; Director of Lindsay Manufacturing Company since 1989, East Highway 91, Lindsay, NE; Director of the Morgan Stanley Emerging Markets Fund since 1991, 1251 Avenue of the Americas, NY, NY; Chairman of Lincoln Capital Management Company since 1989, 200 South Wacker Drive, Chicago, Illinois.
Donald F. Flynn*.....	Director of Blockbuster since 1987; Chairman and Chief Executive Officer of Flynn Enterprises, Inc. since 1992, 205 N. Michigan Avenue, Chicago, IL; Chief Executive Officer of Discovery Zone L.P. since 1992, 205 N. Michigan Ave., Chicago, IL; Chairman and Chief Operating Officer of Discovery Zone, Inc. since 1993; Director of Waste Management, Inc., 3003 Butterfield Road, Oakbrook, IL, since 1981, Chemical Waste Management, Inc., 3003 Butterfield Road, Oakbrook, IL, since 1986, Waste Management International, plc., 3003 Butterfield Road, Oakbrook, IL, since 1992, Wheelabrator Technologies, Inc., Liberty Lane, Hampton, NH, since 1988, Psychemedics Corporation, 1280 Massachusetts Ave., Cambridge, MA, since 1987 and H20
George D. Johnson, Jr.*.....	Director and President - Consumer Division of Blockbuster since 1993; managing general partner of WJB Video Limited Partnership, Spartanburg, South Carolina, which prior to its consolidation with Blockbuster in August 1993 was Blockbuster's largest franchise owner; counsel to the law firm of Johnson, Smith, Hibbard & Wildman, Spartanburg, South Carolina, 1967-1987; currently a director of Duke Power Company, Charlotte, NC.

NAME	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND CURRENT BUSINESS ADDRESS; MATERIAL POSITIONS HELD DURING THE PAST FIVE YEARS AND BUSINESS ADDRESSES THEREOF
	Plus Inc., 676 N. Michigan Ave., Chicago, IL, since 1993; held various positions, including Vice President and Chief Financial Officer, between 1970 and 1990 with Waste Management, Inc.
John J. Melk*.....	Director of Blockbuster since 1993; Chairman and Chief Executive Officer of H2O Plus Inc. since 1988, 676 N. Michigan Avenue, Chicago, Illinois; Director of Psychemedics Corporation since 1991, 1280 Massachusetts Ave., Cambridge, MA; Director and Vice Chairman of Blockbuster from 1987 to 1989; Director of Discovery Zone, Inc. since 1993.
J. Ronald Castell.....	Senior Vice President of Programming and Communications since 1991; Senior Vice President of Programming and Merchandising from 1989 to 1991; Vice President of Marketing and Merchandising at Erol's Inc. until 1989, 6621 Electronic Drive, Springfield, Virginia.
Albert J. Detz.....	Vice President and Corporate Controller since 1992; Assistant Corporate Controller from 1991 to 1992; held various finance related positions with Encore Computer Corporation until 1991, including Vice President and Corporate Controller, 6901 W. Sunrise Blvd., Plantation, Florida.
Gregory K. Fairbanks.....	Senior Vice President and Chief Financial Officer since 1992 and Treasurer since 1993; Executive Vice President and Chief Financial Officer of Waste Management International plc. from 1980 to 1992.
Robert A. Guerin.....	Senior Vice President of Domestic Franchising since 1992; Senior Vice President of Administration and Development for Blockbuster from 1989 to 1991; Vice President from 1988 to 1989.
James L. Hilmer.....	Senior Vice President and Chief Marketing Officer since 1993; Director, Division President and Managing Partner of Whittle Communications L.P. from 1984 to 1992, 333 Main Avenue, Knoxville, Tennessee.
Ramon Martin-Busutil.....	President--International Division since 1992; held various positions with Cadbury-Schweppes from 1981 to 1992, including President of Cadbury Beverages Europe, 6 High Ridge Park, Stamford, Connecticut.
Gerald W.B. Weber.....	Senior Vice President of Operations since 1991; Vice President of Operations from 1990 to 1991; Zone Vice President 1989-1990; Regional Manager from 1988 to 1989.

Facsimiles of Letters of Transmittal will be accepted. The Letter of Transmittal and certificates evidencing Shares and any other required documents should be sent or delivered by each stockholder or his broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below.

FIRST CHICAGO TRUST COMPANY OF NEW YORK

By Mail:	By Facsimile:	By Hand or Overnight Courier:
P.O. Box 2562 Mail Suite 4660 Jersey City, New Jersey 07303-2562	(201) 222-4720 or (201) 222-4721 Confirm by Telephone: (201) 222-4707	14 Wall Street, 8th Floor Suite 4680 New York, New York 10005

Questions or requests for assistance may be directed to the Information Agent or the Dealer Manager at their respective addresses and telephone numbers listed below. Additional copies of the Offer to Purchase, this Second Supplement, the revised (Orange) Letter of Transmittal and the revised (Yellow) Notice of Guaranteed Delivery may be obtained from the Information Agent. A stockholder may also contact brokers, dealers, commercial banks or trust companies for assistance concerning the Offer.

The Information Agent for the Offer is:

GEORGESON & COMPANY INC. [LOGO]

Wall Street Plaza
New York, New York 10005
(212) 509-6240 (collect)

Bankers and Brokers call
(212) 440-9800

Call Toll Free: 1-800-223-2064

The Dealer Manager for the Offer is:
SMITH BARNEY SHEARSON INC.
1345 Avenue of the Americas
48th Floor
New York, NY 10105
(212) 698-8455