TimeWarner

NEWS

For Immediate Release:

TIME WARNER INC. REAFFIRMS 2016 FULL-YEAR BUSINESS OUTLOOK

NEW YORK, May 4, 2016 – Time Warner Inc. (NYSE:TWX) today reaffirmed its 2016 full-year business outlook. The Company continues to expect its 2016 full-year Adjusted Diluted Income per Common Share from Continuing Operations ("Adjusted EPS") to be in the range of $5.30 to $5.40.

The outlook above does not include the impact of any future merger or unplanned restructuring and severance charges, the impact from future sales and acquisitions of operating assets or the impact of taxes on the above items that may occur from time to time due to management decisions and changing business circumstances. The Company is currently unable to forecast precisely the timing and/or magnitude of any such events and resulting impacts.

Use of Adjusted EPS Measure

Adjusted EPS is Diluted Income per Common Share from Continuing Operations attributable to Time Warner Inc. common shareholders with the following items excluded from Income from Continuing Operations attributable to Time Warner Inc. common shareholders: noncash impairments of goodwill, intangible and fixed assets and investments; gains and losses on operating assets (other than deferred gains on sale-leasebacks), liabilities and investments; gains and losses recognized in connection with pension and other postretirement benefit plan curtailments or settlements; external costs related to mergers, acquisitions, investments or dispositions, as well as contingent consideration related to such transactions, to the extent such costs are expensed; amounts related to securities litigation and government investigations; the foreign currency losses during the three months ended March 31, 2015 related to the translation of net monetary assets denominated in Venezuelan currency resulting from the Company's change to the Simadi exchange rate during the quarter ended March 31, 2015; and amounts attributable to businesses classified as discontinued operations; as well as the impact of taxes and noncontrolling interests on the above items and the Company's share of the above items with respect to equity method investments. The Company utilizes Adjusted EPS, among other measures, to evaluate the performance of its businesses both on an absolute basis and relative to its peers and the broader market. Many investors also use an adjusted EPS measure as a common basis for comparing the performance of different companies. Some limitations of Adjusted EPS, however, are that it does not reflect certain charges that affect the operating results of the Company's businesses and that it involves judgment as to whether items affect fundamental operating performance. Also, a general limitation of Adjusted EPS is that it is not prepared in accordance with U.S. generally accepted accounting principles and may not be comparable to similarly titled measures of other companies due to differences in methods of calculation and excluded items.

Adjusted EPS should be considered in addition to, not as a substitute for, the Company's Diluted Income per Common Share from Continuing Operations and other measures of financial performance reported in accordance with U.S. generally accepted accounting principles.

About Time Warner Inc.

Time Warner Inc., a global leader in media and entertainment with businesses in television networks and film and TV entertainment, uses its industry-leading operating scale and brands to create, package and deliver high-quality content worldwide on a multi-platform basis.

Caution Concerning Forward-Looking Statements

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological, strategic and/or regulatory factors and other factors affecting the operation of Time Warner's businesses and any future merger or unplanned restructuring charges, future sales and acquisitions of operating assets and investments, or the impact of taxes on the above items, that may occur from time to time due to management decisions and changing business circumstances. More detailed information about these factors may be found in filings by Time Warner with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. Time Warner is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

Information on Earnings Release & Conference Call

In a separate release issued today, Time Warner Inc. reported the financial results for its first quarter ended March 31, 2016.

The Company's conference call can be heard live at 8:30 am ET on Wednesday, May 4, 2016. To listen to the call, visit www.timewarner.com/investors.

Contacts:

Corporate Communications
Keith Cocozza (212) 484-7482

Investor Relations
Michael Kopelman (212) 484-8920
Michael Senno (212) 484-8950

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TIME WARNER INC.
RECONCILIATION OF GUIDANCE
(Unaudited)

		Year Ended December 31, 2015	Reconciliation of 2016 Guidance
Reconciliation of Adjusted Diluted Income per Common Share from Continuing Operations to Diluted Income per Common Share from Continuing Operations			
Adjusted EPS[1]	$	4.75	Expect to be in the range of $5.30 to $5.40 per share.
Asset impairments		(0.03)	Unable to estimate.
Gains (losses) on operating assets, net		-	Unable to estimate beyond the $0.10 - $0.12 expected to be recognized for the period April 1, 2016 through June 30, 2016.[2]
Venezuelan foreign currency loss		(0.03)	Not applicable.
Other operating income items		(0.01)	Unable to estimate beyond the ($0.02) recognized for the period January 1, 2016 through March 31, 2016.
Gains and losses on investments		(0.04)	Unable to estimate beyond the ($0.01) recognized for the period January 1, 2016 through March 31, 2016 and the $0.11 - $0.13 expected to be recognized for the period April 1, 2016 through June 30, 2016.[3]
Other items		(0.13)	Unable to estimate beyond the ($0.18) - ($0.20) expected to be recognized for the period April 1, 2016 through June 30, 2016.[3]
Tax impact on above items		0.07	Unable to estimate.[2][3]
Diluted Income per Common Share from Continuing Operations	$	4.58	Unable to estimate.

[1] Adjusted EPS is Diluted Income per Common Share from Continuing Operations attributable to Time Warner Inc. common shareholders with the following items excluded from Income from Continuing Operations attributable to Time Warner Inc. common shareholders: noncash impairments of goodwill, intangible and fixed assets and investments; gains and losses on operating assets (other than deferred gains on sale-leasebacks), liabilities and investments; gains and losses recognized in connection with pension and other postretirement benefit plan curtailments or settlements; external costs related to mergers, acquisitions, investments or dispositions, as well as contingent consideration related to such transactions, to the extent such costs are expensed; amounts related to securities litigation and government investigations; the foreign currency losses during the three months ended March 31, 2015 related to the translation of net monetary assets denominated in Venezuelan currency resulting from the Company's change to the Simadi exchange rate during the quarter ended March 31, 2015; and amounts attributable to businesses classified as discontinued operations; as well as the impact of taxes and noncontrolling interests on the above items and the Company's share of the above items with respect to equity method investments.

[2] In April 2016, Warner Bros. sold its Flixster business to Fandango Media, LLC (“Fandango”), a subsidiary of NBCUniversal Media LLC, in exchange for a 25% interest in Fandango. Warner Bros. expects to record a pre-tax gain of approximately $90 million in the quarter ended June 30, 2016 based on the carrying value of the net assets transferred to Fandango. The Company is unable to estimate the tax impact on this transaction.

[3] In April 2016, Central European Media Enterprises Ltd. (“CME”), repaid all the senior secured notes due 2017 of CME and the term loan Time Warner provided CME in 2014, and Time Warner received approximately $485 million in connection with such repayment. The Company expects to record a pretax gain of approximately $95 million in the quarter ended June 30, 2016 based on the difference between the Company’s carrying value and the net proceeds it received in April 2016. Additionally, when recognizing CME’s results for the quarter ended June 30, 2016 under the equity method of accounting, the Company expects to record a pretax charge of approximately $150 million in connection with these transactions and related transactions in which Time Warner has guaranteed the obligations of CME. The Company is unable to estimate the tax impact on these transactions.