

**For Immediate Release:**

## **TIME WARNER INC. INCREASES 2016 FULL-YEAR BUSINESS OUTLOOK**

**NEW YORK, August 3, 2016** – Time Warner Inc. (NYSE:TWX) today increased its 2016 full-year business outlook. The Company now expects its 2016 full-year Adjusted Diluted Income per Common Share from Continuing Operations (“Adjusted EPS”) to be in the range of \$5.35 to \$5.45.

The outlook for 2016 Adjusted EPS does not include the impact of any future merger or unplanned restructuring and severance charges, the impact from future sales or acquisitions of operating assets or the impact of taxes on such items. These items may occur from time to time due to management decisions and changing business circumstances, and the impact of such items would be included in both Adjusted EPS (other than gains or losses from operating assets and any related tax effect) and Diluted Income per Common Share from Continuing Operations attributable to Time Warner Inc. common shareholders (“EPS”), which is the most directly comparable GAAP measure to Adjusted EPS. The Company is currently unable to forecast precisely the timing and/or magnitude of any such events and resulting impacts on EPS and Adjusted EPS.

### **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 (including extinguishments of debt) and investments, in each case including associated costs of the transaction; 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 (including restructuring and severance costs associated with 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 EPS and other measures of financial performance reported in accordance with U.S. generally accepted accounting principles.

A reconciliation of the Company’s expected 2016 Adjusted EPS to its expected 2016 EPS, to the extent practicable, is included with this release. The reconciliation does not include the expected 2016 EPS because the company is unable to forecast the timing and/or magnitude of some items that are included in

EPS but excluded from Adjusted EPS, but it is likely there will be additional amounts during the remainder of 2016.

**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 second quarter ended June 30, 2016.*

*The Company’s conference call can be heard live at 8:30 am ET on Wednesday, August 3, 2016. To listen to the call, visit [www.timewarner.com/investors](http://www.timewarner.com/investors).*

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**TIME WARNER INC.**  
**RECONCILIATION OF GUIDANCE**  
**(Unaudited)**

	Year Ended December 31, 2015	Reconciliation of 2016 Guidance
<b>Reconciliation of Adjusted Diluted Income per Common Share from Continuing Operations to Diluted Income per Common Share from Continuing Operations</b>		
<b>Adjusted EPS<sup>(1)</sup></b>	\$ 4.75	Expect to be in the range of \$5.35 to \$5.45 per share.
Asset impairments	(0.03)	Unable to estimate beyond the (\$0.01) recognized for the period January 1, 2016 through June 30, 2016. <sup>(2)</sup>
Gains (losses) on operating assets, net	-	Unable to estimate beyond the \$0.11 recognized for the period January 1, 2016 through June 30, 2016. <sup>(2)</sup>
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 June 30, 2016. <sup>(2)</sup>
Gains and losses on investments	(0.04)	Unable to estimate beyond the \$0.05 recognized for the period January 1, 2016 through June 30, 2016. <sup>(2)</sup>
Other items	(0.13)	Unable to estimate beyond the (\$0.18) recognized for the period January 1, 2016 through June 30, 2016. <sup>(2)</sup>
Tax impact on above items	<u>0.07</u>	Unable to estimate beyond the (\$0.07) recognized for the period January 1, 2016 through June 30, 2016. <sup>(2)</sup>
<b>Diluted Income per Common Share from Continuing Operations</b>	<u>\$ 4.58</u>	Unable to estimate <sup>(2)</sup>

<sup>(1)</sup> 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 (including extinguishments of debt) and investments, in each case including associated costs of the transaction; 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 (including restructuring and severance costs associated with 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.

<sup>(2)</sup> Because of the nature of the items, the Company is unable to estimate the amounts of any adjustments for the items excluded from Income from Continuing Operations attributable to Time Warner Inc. common shareholders for the period after June 30, 2016 due to its inability to forecast if or when any such items will occur. Based on the occurrence of small amounts of these items for the six months ended June 30, 2016, it is likely that additional amounts will occur during the second half of 2016.