February 1, 2018

TIME WARNER INC.
2017 TRENDING SCHEDULES
BASIS OF PRESENTATION

NOTE: These materials are dated as of the date originally issued and may now be out of date.

The trending schedules summarize financial information to facilitate your review and understanding of the Company's operating results. Regulation G adopted by the Securities and Exchange Commission sets forth rules regarding the disclosure of non-GAAP financial measures, as defined in that Regulation. The Company uses non-GAAP financial measures to evaluate the performance of its businesses, and the trending schedules disclose these non-GAAP financial measures in accordance with the requirements of the Regulation.

On October 22, 2016, the Company entered into an Agreement and Plan of Merger with AT&T Inc. ("AT&T"), West Merger Sub, Inc., and West Merger Sub II, LLC, pursuant to which the Company will be acquired by AT&T for a combination of $53.75 and shares of AT&T stock. At the time of entry into the merger agreement, the value of the merger consideration was $107.50 per share of Time Warner common stock and the value will vary, subject to a collar, prior to the closing of the transaction. The boards of both companies unanimously approved the merger agreement, and Time Warner's shareholders voted to adopt the merger agreement at a special meeting of shareholders on February 15, 2017. On November 20, 2017, the United States Department of Justice (the "DOJ") filed a lawsuit in the United States District Court for the District of Columbia (the "Court") under a federal antitrust statute to enjoin the merger. The Court has set March 19, 2018 as the start date for the trial. Time Warner intends to vigorously contest the action. Time Warner and AT&T have agreed to extend the termination date of the Merger Agreement to April 22, 2018, and each has agreed to waive, until June 21, 2018, its right to terminate the Merger Agreement if the merger is not completed by April 22, 2018.

Time Warner utilizes Adjusted Operating Income (Loss), Adjusted Operating Income margin and Adjusted EPS, among other measures, to evaluate the performance of its businesses. These measures are considered important indicators of the operational strength of the Company's businesses. Some limitations of Adjusted Operating Income (Loss), Adjusted Operating Income margin and Adjusted EPS are that they do not reflect certain charges that affect the operating results of the Company's businesses and they involve judgment as to whether items affect fundamental operating performance.

Adjusted Operating Income (Loss) is Operating Income (Loss) excluding the impact of: noncash impairments of goodwill, intangible and fixed assets; gains and losses on operating assets (other than deferred gains on sale-leasebacks); gains and losses recognized in connection with pension and other postretirement benefit plan curtailments or settlements; external costs related to mergers, acquisitions 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; and the foreign currency loss 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. Adjusted Operating Income margin is defined as Adjusted Operating Income divided by Revenues.

Beginning with periods ending on or after October 1, 2016, Adjusted Operating Income (Loss) is defined as Operating Income (Loss) excluding the impact of: noncash impairments of goodwill, intangible and fixed assets; gains and losses on operating assets (other than deferred gains on sale-leasebacks); gains and losses recognized in connection with pension and other postretirement benefit plan curtailments or settlements; costs related to the pending acquisition by AT&T (including retention, restructuring and severance costs associated with the transaction); external costs related to mergers, acquisitions 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; and the foreign currency loss 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.

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 loss 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. Adjusted EPS is considered an important indicator of the operational strength of the Company's businesses as this measure eliminates amounts that do not reflect the fundamental performance of the Company's businesses. 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.

Beginning with periods ending on or after October 1, 2016, 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; costs related to the pending acquisition by AT&T (including retention, restructuring and severance costs associated with the transaction); 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 loss 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.

Net Debt is the sum of Long-term debt and Debt due within one year, minus Cash and equivalents. Adjusted OIBDA is defined as Adjusted Operating Income (Loss) before Depreciation and Amortization and is calculated as Adjusted Operating Income (Loss) plus depreciation and amortization. The Company uses Net Debt and Adjusted OIBDA in determining its Leverage Ratio. Leverage Ratio is defined as Net Debt divided by Adjusted OIBDA for the trailing four quarters. The Company believes that Net Debt and the Leverage Ratio provide useful information to management, investors, rating agencies and others in evaluating the Company's liquidity, creditworthiness (both individually and relative to other companies) and capital structure. As part of its capital allocation strategy, the Company has selected a target Leverage Ratio that it concluded helps optimize its capital structure while balancing both shareholders' and creditors' interests.

For periods ending on or before December 31, 2016, Free Cash Flow has been defined as Cash Provided by Operations from Continuing Operations plus payments related to securities litigation and government investigations (net of any insurance recoveries), external costs related to mergers, acquisitions, investments or dispositions (including restructuring and severance costs associated with dispositions), to the extent such costs are expensed, contingent consideration payments made in connection with acquisitions, and excess tax benefits from equity instruments, less capital expenditures, principal payments on capital leases and partnership distributions, if any.

On January 1, 2017, the Company adopted, on a prospective basis, new accounting guidance that requires excess tax benefits from equity instruments to be classified as a cash flow from operating activities in the Consolidated Statement of Cash Flows. Previously, excess tax benefits from equity instruments were classified as a cash flow from financing activities and amounts related to such excess tax benefits were added in the calculation of Free Cash Flow. Because of the Company's adoption of the new accounting guidance, such adjustment is no longer necessary. Therefore, beginning with periods ending on or after January 1, 2017, Free Cash Flow is defined as Cash Provided by Operations from Continuing Operations plus payments related to securities litigation and government investigations (net of any insurance recoveries), external costs related to mergers, acquisitions, investments or dispositions (including restructuring and severance costs associated with dispositions), to the extent such costs are expensed, and contingent consideration payments made in connection with acquisitions, less capital expenditures, principal payments on capital leases and partnership distributions, if any.

The Company uses Free Cash Flow to evaluate the performance and liquidity of its businesses and considers Free Cash Flow when making decisions regarding strategic investments, dividends and share repurchases. The Company believes Free Cash Flow provides useful information to investors because it is an important indicator of the Company's liquidity, including its ability to reduce net debt, make strategic investments, pay dividends to common shareholders and repurchase stock.

A general limitation of these non-GAAP financial measures is that they are 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 Operating Income (Loss), Adjusted EPS, Net Debt, Leverage Ratio and Free Cash Flow should be considered in addition to, not as a substitute for, the Company's Operating Income (Loss), Diluted Income per Common Share from Continuing Operations, Long-term debt, Debt due within one year and various cash flow measures (e.g., Cash Provided by Operations from Continuing Operations), as well as other measures of financial performance and liquidity reported in accordance with U.S. generally accepted accounting principles.

TIME WARNER INC.
2017 TRENDING SCHEDULES
BUSINESS SEGMENT RESULTS & CONSOLIDATED STATEMENT OF OPERATIONS
(In millions, except per share amounts; Unaudited)

	Three Months Ended				Year Ended
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	12/31/2015
Revenues:					
Turner	$ 2,710	$ 2,827	$ 2,398	$ 2,661	$ 10,596
Home Box Office	1,398	1,438	1,367	1,412	5,615
Warner Bros.	3,199	3,298	3,190	3,305	12,992
Intersegment eliminations	(180)	(215)	(391)	(299)	(1,085)
Total revenues	$ 7,127	$ 7,348	$ 6,564	$ 7,079	$ 28,118
Operating income:					
Turner	$ 1,108	$ 1,130	$ 1,072	$ 777	$ 4,087
Home Box Office	458	508	519	393	1,878
Warner Bros.	324	341	385	366	1,416
Corporate	(104)	(89)	(64)	(110)	(367)
Intersegment eliminations	-	(31)	(78)	(40)	(149)
Operating income	1,786	1,859	1,834	1,386	6,865
Interest expense, net	(294)	(286)	(294)	(289)	(1,163)
Other income (loss), net	(117)	(125)	(54)	40	(256)
Income from continuing operations before income taxes	1,375	1,448	1,486	1,137	5,446
Income tax benefit (provision)	(442)	(477)	(452)	(280)	(1,651)
Income from continuing operations	933	971	1,034	857	3,795
Discontinued operations, net of tax	37	-	-	-	37
Net income	$ 970	$ 971	$ 1,034	$ 857	$ 3,832
Less: Net loss attributable to noncontrolling interests	-	-	1	-	1
Net income attributable to Time Warner Inc. shareholders	$ 970	$ 971	$ 1,035	$ 857	$ 3,833
Amounts attributable to Time Warner Inc. shareholders:					
Income from continuing operations	$ 933	$ 971	$ 1,035	$ 857	$ 3,796
Discontinued operations, net of tax	37	-	-	-	37
Net income	$ 970	$ 971	$ 1,035	$ 857	$ 3,833
Per share information attributable to Time Warner Inc. common shareholders:					
Basic income per common share from continuing operations	$ 1.12	$ 1.18	$ 1.27	$ 1.07	$ 4.64
Basic net income per common share	$ 1.17	$ 1.18	$ 1.27	$ 1.07	$ 4.69
Diluted income per common share from continuing operations	$ 1.10	$ 1.16	$ 1.26	$ 1.06	$ 4.58
Diluted net income per common share	$ 1.15	$ 1.16	$ 1.26	$ 1.06	$ 4.62
Average basic common shares outstanding	829.4	821.6	810.2	798.3	814.9
Average diluted common shares outstanding	845.9	836.3	824.1	811.7	829.5

	Three Months Ended				Year Ended
	3/31/2016	6/30/2016	9/30/2016	12/31/2016	12/31/2016
Revenues:					
Turner	$ 2,906	$ 3,010	$ 2,610	$ 2,838	$ 11,364
Home Box Office	1,506	1,467	1,426	1,491	5,890
Warner Bros.	3,109	2,658	3,402	3,868	13,037
Intersegment eliminations	(213)	(183)	(271)	(306)	(973)
Total revenues	$ 7,308	$ 6,952	$ 7,167	$ 7,891	$ 29,318
Operating income:					
Turner	$ 1,239	$ 1,130	$ 1,162	$ 841	$ 4,372
Home Box Office	477	481	530	429	1,917
Warner Bros.	424	308	428	574	1,734
Corporate	(140)	(95)	(95)	(168)	(498)
Intersegment eliminations	(4)	22	(11)	15	22
Operating income	1,996	1,846	2,014	1,691	7,547
Interest expense, net	(284)	(292)	(298)	(287)	(1,161)
Other income (loss), net	(40)	(131)	(27)	(993)	(1,191)
Income from continuing operations before income taxes	1,672	1,423	1,689	411	5,195
Income tax benefit (provision)	(498)	(472)	(217)	(94)	(1,281)
Income from continuing operations	1,174	951	1,472	317	3,914
Discontinued operations, net of tax	40	-	(5)	(24)	11
Net income	$ 1,214	$ 951	$ 1,467	$ 293	$ 3,925
Less: Net loss attributable to noncontrolling interests	-	1	-	-	1
Net income attributable to Time Warner Inc. shareholders	$ 1,214	$ 952	$ 1,467	$ 293	$ 3,926
Amounts attributable to Time Warner Inc. shareholders:					
Income from continuing operations	$ 1,174	$ 952	$ 1,472	$ 317	$ 3,915
Discontinued operations, net of tax	40	-	(5)	(24)	11
Net income	$ 1,214	$ 952	$ 1,467	$ 293	$ 3,926
Per share information attributable to Time Warner Inc. common shareholders:					
Basic income per common share from continuing operations	$ 1.48	$ 1.21	$ 1.89	$ 0.41	$ 5.00
Basic net income per common share	$ 1.53	$ 1.21	$ 1.89	$ 0.37	$ 5.01
Diluted income per common share from continuing operations	$ 1.46	$ 1.20	$ 1.87	$ 0.40	$ 4.94
Diluted net income per common share	$ 1.51	$ 1.20	$ 1.86	$ 0.37	$ 4.96
Average basic common shares outstanding	790.7	784.5	776.2	771.6	780.8
Average diluted common shares outstanding	802.3	795.4	787.5	783.7	792.3

	Three Months Ended				Year Ended
	3/31/2017	6/30/2017	9/30/2017	12/31/2017	12/31/2017
Revenues:					
Turner	$ 3,088	$ 3,102	$ 2,768	$ 3,123	$ 12,081
Home Box Office	1,568	1,476	1,605	1,680	6,329
Warner Bros.	3,365	2,988	3,460	4,053	13,866
Intersegment eliminations	(286)	(236)	(238)	(245)	(1,005)
Total revenues	$ 7,735	$ 7,330	$ 7,595	$ 8,611	$ 31,271
Operating income:					
Turner	$ 1,170	$ 1,050	$ 1,243	$ 1,026	$ 4,489
Home Box Office	583	531	552	486	2,152
Warner Bros.	488	223	538	512	1,761
Corporate	(114)	(128)	(92)	(96)	(430)
Intersegment eliminations	(51)	16	4	(21)	(52)
Operating income	2,076	1,692	2,245	1,907	7,920
Interest expense, net	(259)	(249)	(254)	(243)	(1,005)
Other income (loss), net	76	71	(70)	(1,047)	(970)
Income from continuing operations before income taxes	1,893	1,514	1,921	617	5,945
Income tax benefit (provision)	(470)	(452)	(550)	771	(701)
Income from continuing operations	1,423	1,062	1,371	1,388	5,244
Discontinued operations, net of tax	-	-	-	-	-
Net income	$ 1,423	$ 1,062	$ 1,371	$ 1,388	$ 5,244
Less: Net loss attributable to noncontrolling interests	1	-	1	1	3
Net income attributable to Time Warner Inc. shareholders	$ 1,424	$ 1,062	$ 1,372	$ 1,389	$ 5,247
Amounts attributable to Time Warner Inc. shareholders:					
Income from continuing operations	$ 1,424	$ 1,062	$ 1,372	$ 1,389	$ 5,247
Discontinued operations, net of tax	-	-	-	-	-
Net income	$ 1,424	$ 1,062	$ 1,372	$ 1,389	$ 5,247
Per share information attributable to Time Warner Inc. common shareholders:					
Basic income per common share from continuing operations	$ 1.84	$ 1.37	$ 1.76	$ 1.78	$ 6.73
Basic net income per common share	$ 1.84	$ 1.37	$ 1.76	$ 1.78	$ 6.73
Diluted income per common share from continuing operations	$ 1.80	$ 1.34	$ 1.73	$ 1.75	$ 6.64
Diluted net income per common share	$ 1.80	$ 1.34	$ 1.73	$ 1.75	$ 6.64
Average basic common shares outstanding	773.6	775.8	778.0	778.9	776.6
Average diluted common shares outstanding	789.3	790.0	791.7	791.6	790.7

TIME WARNER INC.
2017 TRENDING SCHEDULES
REVENUES
(In millions; Unaudited)

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended				Year Ended
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	12/31/2017
Turner															
Subscription	$ 1,347	$ 1,343	$ 1,317	$ 1,299	$ 5,306	$ 1,490	$ 1,485	$ 1,480	$ 1,481	$ 5,936	$ 1,665	$ 1,672	$ 1,666	$ 1,685	$ 6,688
Advertising	1,179	1,272	980	1,206	4,637	1,235	1,345	996	1,187	4,763	1,213	1,265	963	1,213	4,654
Content and other	184	212	101	156	653	181	180	134	170	665	210	165	139	225	739
Total	$ 2,710	$ 2,827	$ 2,398	$ 2,661	$ 10,596	$ 2,906	$ 3,010	$ 2,610	$ 2,838	$ 11,364	$ 3,088	$ 3,102	$ 2,768	$ 3,123	$ 12,081
Home Box Office															
Subscription	$ 1,179	$ 1,181	$ 1,200	$ 1,188	$ 4,748	$ 1,236	$ 1,253	$ 1,262	$ 1,252	$ 5,003	$ 1,302	$ 1,357	$ 1,418	$ 1,458	$ 5,535
Content and other	219	257	167	224	867	270	214	164	239	887	266	119	187	222	794
Total	$ 1,398	$ 1,438	$ 1,367	$ 1,412	$ 5,615	$ 1,506	$ 1,467	$ 1,426	$ 1,491	$ 5,890	$ 1,568	$ 1,476	$ 1,605	$ 1,680	$ 6,329
Warner Bros.															
Theatrical product	$ 1,465	$ 1,263	$ 1,108	$ 1,307	$ 5,143	$ 1,234	$ 1,087	$ 1,605	$ 1,686	$ 5,612	$ 1,377	$ 1,351	$ 1,697	$ 1,613	$ 6,038
Television product	1,348	1,308	1,460	1,519	5,635	1,425	1,203	1,430	1,761	5,819	1,675	1,151	1,308	1,758	5,892
Games and other	386	727	622	479	2,214	450	368	367	421	1,606	313	486	455	682	1,936
Total	$ 3,199	$ 3,298	$ 3,190	$ 3,305	$ 12,992	$ 3,109	$ 2,658	$ 3,402	$ 3,868	$ 13,037	$ 3,365	$ 2,988	$ 3,460	$ 4,053	$ 13,866
Intersegment eliminations	(180)	(215)	(391)	(299)	(1,085)	(213)	(183)	(271)	(306)	(973)	(286)	(236)	(238)	(245)	(1,005)
Time Warner															
Subscription	$ 2,554	$ 2,548	$ 2,537	$ 2,514	$ 10,153	$ 2,745	$ 2,754	$ 2,763	$ 2,752	$ 11,014	$ 2,988	$ 3,050	$ 3,105	$ 3,165	$ 12,308
Advertising	1,162	1,245	966	1,196	4,569	1,224	1,318	982	1,172	4,696	1,209	1,262	964	1,220	4,655
Content	3,258	3,398	2,923	3,192	12,771	3,179	2,700	3,268	3,788	12,935	3,380	2,843	3,355	4,017	13,595
Other	153	157	138	177	625	160	180	154	179	673	158	175	171	209	713
Time Warner	$ 7,127	$ 7,348	$ 6,564	$ 7,079	$ 28,118	$ 7,308	$ 6,952	$ 7,167	$ 7,891	$ 29,318	$ 7,735	$ 7,330	$ 7,595	$ 8,611	$ 31,271

TIME WARNER INC.
2017 TRENDING SCHEDULES
RECONCILIATION OF ADJUSTED OPERATING INCOME (LOSS) TO OPERATING INCOME (LOSS) AND RECONCILIATION OF ADJUSTED OPERATING INCOME MARGIN TO OPERATING INCOME MARGIN
(In millions; Unaudited)

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended				Year Ended
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	12/31/2017
Turner															
Adjusted Operating Income	$ 1,128	$ 1,130	$ 1,071	$ 781	$ 4,110	$ 1,239	$ 1,133	$ 1,203	$ 851	$ 4,426	$ 1,187	$ 1,030	$ 1,267	$ 1,022	$ 4,506
Asset impairments	-	-	(1)	(2)	(3)	-	-	(25)	(3)	(28)	-	-	(5)	(4)	(9)
Gain (loss) on operating assets, net	(3)	1	2	-	-	-	(2)	(13)	1	(14)	6	49	13	(2)	66
Venezuelan foreign currency loss(1)	(17)	-	-	-	(17)	-	-	-	-	-	-	-	-	-	-
Costs related to the AT&T merger	-	-	-	-	-	-	-	-	(5)	(5)	(22)	(29)	(32)	10	(73)
Other(2)	-	(1)	-	(2)	(3)	-	(1)	(3)	(3)	(7)	(1)	-	-	-	(1)
Operating Income	$ 1,108	$ 1,130	$ 1,072	$ 777	$ 4,087	$ 1,239	$ 1,130	$ 1,162	$ 841	$ 4,372	$ 1,170	$ 1,050	$ 1,243	$ 1,026	$ 4,489
Home Box Office															
Adjusted Operating Income	$ 458	$ 508	$ 519	$ 393	$ 1,878	$ 486	$ 481	$ 530	$ 431	$ 1,928	$ 595	$ 546	$ 565	$ 483	$ 2,189
Asset impairments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain (loss) on operating assets, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Costs related to the AT&T merger	-	-	-	-	-	-	-	-	(2)	(2)	(12)	(15)	(13)	3	(37)
Other(2)	-	-	-	-	-	(9)	-	-	-	(9)	-	-	-	-	-
Operating Income	$ 458	$ 508	$ 519	$ 393	$ 1,878	$ 477	$ 481	$ 530	$ 429	$ 1,917	$ 583	$ 531	$ 552	$ 486	$ 2,152
Warner Bros.															
Adjusted Operating Income	$ 330	$ 344	$ 388	$ 373	$ 1,435	$ 426	$ 217	$ 433	$ 586	$ 1,662	$ 510	$ 261	$ 576	$ 514	$ 1,861
Asset impairments	-	-	(1)	(6)	(7)	(1)	-	(5)	(3)	(9)	(1)	(1)	(4)	(1)	(7)
Gain (loss) on operating assets, net	-	(1)	-	-	(1)	-	91	1	-	92	1	-	-	-	1
Venezuelan foreign currency loss(1)	(5)	-	-	-	(5)	-	-	-	-	-	-	-	-	-	-
Costs related to the AT&T merger	-	-	-	-	-	-	-	-	(7)	(7)	(22)	(27)	(29)	-	(78)
Other(2)	(1)	(2)	(2)	(1)	(6)	(1)	-	(1)	(2)	(4)	-	(10)	(5)	(1)	(16)
Operating Income	$ 324	$ 341	$ 385	$ 366	$ 1,416	$ 424	$ 308	$ 428	$ 574	$ 1,734	$ 488	$ 223	$ 538	$ 512	$ 1,761
Corporate															
Adjusted Operating Loss	$ (102)	$ (89)	$ (58)	$ (102)	$ (351)	$ (135)	$ (93)	$ (85)	$ (124)	$ (437)	$ (88)	$ (98)	$ (73)	$ (80)	$ (339)
Asset impairments	(1)	-	(5)	(9)	(15)	(2)	(2)	-	(2)	(6)	-	-	-	-	-
Gain (loss) on operating assets, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Costs related to the AT&T merger	-	-	-	-	-	-	-	-	(28)	(28)	(26)	(30)	(19)	(16)	(91)
Other(2)	(1)	-	(1)	1	(1)	(3)	-	(10)	(14)	(27)	-	-	-	-	-
Operating Income (Loss)	$ (104)	$ (89)	$ (64)	$ (110)	$ (367)	$ (140)	$ (95)	$ (95)	$ (168)	$ (498)	$ (114)	$ (128)	$ (92)	$ (96)	$ (430)
Intersegment eliminations															
Operating Income (Loss)	$ -	$ (31)	$ (78)	$ (40)	$ (149)	$ (4)	$ 22	$ (11)	$ 15	$ 22	$ (51)	$ 16	$ 4	$ (21)	$ (52)
Time Warner															
Adjusted Operating Income	$ 1,814	$ 1,862	$ 1,842	$ 1,405	$ 6,923	$ 2,012	$ 1,760	$ 2,070	$ 1,759	$ 7,601	$ 2,153	$ 1,755	$ 2,339	$ 1,918	$ 8,165
Asset impairments	(1)	-	(7)	(17)	(25)	(3)	(2)	(30)	(8)	(43)	(1)	(1)	(9)	(5)	(16)
Gain (loss) on operating assets, net	(3)	-	2	-	(1)	-	89	(12)	1	78	7	49	13	(2)	67
Venezuelan foreign currency loss(1)	(22)	-	-	-	(22)	-	-	-	-	-	-	-	-	-	-
Costs related to the AT&T merger	-	-	-	-	-	-	-	-	(42)	(42)	(82)	(101)	(93)	(3)	(279)
Other(2)	(2)	(3)	(3)	(2)	(10)	(13)	(1)	(14)	(19)	(47)	(1)	(10)	(5)	(1)	(17)
Operating Income	$ 1,786	$ 1,859	$ 1,834	$ 1,386	$ 6,865	$ 1,996	$ 1,846	$ 2,014	$ 1,691	$ 7,547	$ 2,076	$ 1,692	$ 2,245	$ 1,907	$ 7,920
Margin(3)															
Adjusted Operating Income	25.5%	25.3%	28.1%	19.8%	24.6%	27.5%	25.3%	28.9%	22.3%	25.9%	27.8%	23.9%	30.8%	22.3%	26.1%
Asset impairments	0.0%	0.0%	-0.1%	-0.2%	-0.1%	0.0%	0.0%	-0.4%	-0.1%	-0.2%	0.0%	0.0%	-0.1%	-0.1%	0.0%
Gain (loss) on operating assets, net	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	-0.2%	0.0%	0.3%	0.1%	0.7%	0.2%	0.0%	0.2%
Venezuelan foreign currency loss(1)	-0.3%	0.0%	0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Costs related to the AT&T merger	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.5%	-0.1%	-1.1%	-1.4%	-1.2%	-0.1%	-0.9%
Other(2)	0.0%	0.0%	-0.1%	0.0%	0.0%	-0.2%	0.0%	-0.2%	-0.3%	-0.2%	0.0%	-0.1%	-0.1%	0.0%	-0.1%
Operating Income	25.1%	25.3%	27.9%	19.6%	24.4%	27.3%	26.6%	28.1%	21.4%	25.7%	26.8%	23.1%	29.6%	22.1%	25.3%

(1) Venezuelan foreign currency loss 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.
(2) Other includes gains and losses recognized in connection with pension and other postretirement benefit plan curtailments or settlements; external costs related to mergers, acquisitions or dispositions (including restructuring and severance costs associated with dispositions); and amounts related to securities litigation and government investigations.
(3) Adjusted Operating Income margin is defined as Adjusted Operating Income divided by Revenues. Operating Income margin is defined as Operating Income divided by Revenues.

TIME WARNER INC.
2017 TRENDING SCHEDULES
SUMMARY OF ITEMS AFFECTING COMPARABILITY,
RECONCILIATION OF ADJUSTED EPS TO DILUTED INCOME PER COMMON SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO TIME WARNER INC. COMMON SHAREHOLDERS
(In millions, except per share amounts; Unaudited)

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended				Year Ended
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	12/31/2017
ITEMS AFFECTING COMPARABILITY															
Asset impairments:															
Turner	$ -	$ -	$ (1)	$ (2)	$ (3)	$ -	$ -	$ (25)	$ (3)	$ (28)	$ -	$ -	$ (5)	$ (4)	$ (9)
Home Box Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Warner Bros.	-	-	(1)	(6)	(7)	(1)	-	(5)	(3)	(9)	(1)	(1)	(4)	(1)	(7)
Corporate	(1)	-	(5)	(9)	(15)	(2)	(2)	-	(2)	(6)	-	-	-	-	-
Total asset impairments	(1)	-	(7)	(17)	(25)	(3)	(2)	(30)	(8)	(43)	(1)	(1)	(9)	(5)	(16)
Gain (loss) on operating assets, net:															
Turner	(3)	1	2	-	-	-	(2)	(13)	1	(14)	6	49	13	(2)	66
Home Box Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Warner Bros.	-	(1)	-	-	(1)	-	91	1	-	92	1	-	-	-	1
Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total gain (loss) on operating assets, net	(3)	-	2	-	(1)	-	89	(12)	1	78	7	49	13	(2)	67
Venezuelan foreign currency loss[(1)]:															
Turner	(17)	-	-	-	(17)	-	-	-	-	-	-	-	-	-	-
Warner Bros.	(5)	-	-	-	(5)	-	-	-	-	-	-	-	-	-	-
Total Venezuelan foreign currency loss	(22)	-	-	-	(22)	-	-	-	-	-	-	-	-	-	-
Costs related to the AT&T merger:															
Turner	-	-	-	-	-	-	-	-	(5)	(5)	(22)	(29)	(32)	10	(73)
Home Box Office	-	-	-	-	-	-	-	-	(2)	(2)	(12)	(15)	(13)	3	(37)
Warner Bros.	-	-	-	-	-	-	-	-	(7)	(7)	(22)	(27)	(29)	-	(78)
Corporate	-	-	-	-	-	-	-	-	(28)	(28)	(26)	(30)	(19)	(16)	(91)
Total costs related to the AT&T merger	-	-	-	-	-	-	-	-	(42)	(42)	(82)	(101)	(93)	(3)	(279)
Other operating income items[(2)]:															
Turner	-	(1)	-	(2)	(3)	-	(1)	(3)	(3)	(7)	(1)	-	-	-	(1)
Home Box Office	-	-	-	-	-	(9)	-	-	-	(9)	-	-	-	-	-
Warner Bros.	(1)	(2)	(2)	(1)	(6)	(1)	-	(1)	(2)	(4)	-	(10)	(5)	(1)	(16)
Corporate	(1)	-	(1)	1	(1)	(3)	-	(10)	(14)	(27)	-	-	-	-	-
Total other operating income items	(2)	(3)	(3)	(2)	(10)	(13)	(1)	(14)	(19)	(47)	(1)	(10)	(5)	(1)	(17)
Gains (losses) on investments:															
Gain on CME	-	-	-	-	-	-	95	-	-	95	-	-	-	-	-
Sale of interest in Omni Atlanta hotel joint venture	-	-	-	-	-	-	-	-	-	-	99	-	-	-	99
Fair value adjustments	(56)	(49)	(5)	47	(63)	(19)	(43)	18	24	(20)	54	91	5	59	209
Gains (losses) on other investments	(3)	23	20	(8)	32	8	(5)	39	31	73	6	5	(5)	(14)	(8)
Total gains (losses) on investments	(59)	(26)	15	39	(31)	(11)	47	57	55	148	159	96	-	45	300
Other:															
Amounts related to the separation or disposition of former Time Warner segments	(6)	(3)	(6)	(2)	(17)	(4)	(5)	(8)	(2)	(19)	(4)	(2)	(4)	(4)	(14)
Premiums paid and costs incurred on debt redemption	-	(51)	(21)	-	(72)	-	-	-	(1,008)	(1,008)	-	-	-	(1,087)	(1,087)
Items affecting comparability relating to equity method investments[(3)]	(2)	(19)	17	(23)	(27)	9	(149)	1	3	(136)	(1)	1	1	(5)	(4)
Total other	(8)	(73)	(10)	(25)	(116)	5	(154)	(7)	(1,007)	(1,163)	(5)	(1)	(3)	(1,096)	(1,105)
Total of above items affecting comparability	(95)	(102)	(3)	(5)	(205)	(22)	(21)	(6)	(1,020)	(1,069)	77	32	(97)	(1,062)	(1,050)
Income tax impact of above items affecting comparability	18	28	9	2	57	4	(57)	35	361	343	39	(24)	30	344	389
Impact of items affecting comparability on income from continuing operations attributable to Time Warner Inc. shareholders	$ (77)	$ (74)	$ 6	$ (3)	$ (148)	$ (18)	$ (78)	$ 29	$ (659)	$ (726)	$ 116	$ 8	$ (67)	$ (718)	$ (661)
Amounts attributable to Time Warner Inc. shareholders:															
Income from continuing operations	$ 933	$ 971	$ 1,035	$ 857	$ 3,796	$ 1,174	$ 952	$ 1,472	$ 317	$ 3,915	$ 1,424	$ 1,062	$ 1,372	$ 1,389	$ 5,247
Less Impact of items affecting comparability on income from continuing operations	(77)	(74)	6	(3)	(148)	(18)	(78)	29	(659)	(726)	116	8	(67)	(718)	(661)
Adjusted income from continuing operations	$ 1,010	$ 1,045	$ 1,029	$ 860	$ 3,944	$ 1,192	$ 1,030	$ 1,443	$ 976	$ 4,641	$ 1,308	$ 1,054	$ 1,439	$ 2,107	$ 5,908
Per share information attributable to Time Warner Inc. common shareholders:															
Diluted income per common share from continuing operations	$ 1.10	$ 1.16	$ 1.26	$ 1.06	$ 4.58	$ 1.46	$ 1.20	$ 1.87	$ 0.40	$ 4.94	$ 1.80	$ 1.34	$ 1.73	$ 1.75	$ 6.64
Less Impact of items affecting comparability on diluted income per common share from continuing operations	(0.09)	(0.09)	0.01	-	(0.17)	(0.03)	(0.09)	0.04	(0.85)	(0.92)	0.14	0.01	(0.09)	(0.91)	(0.83)
Adjusted EPS	$ 1.19	$ 1.25	$ 1.25	$ 1.06	$ 4.75	$ 1.49	$ 1.29	$ 1.83	$ 1.25	$ 5.86	$ 1.66	$ 1.33	$ 1.82	$ 2.66	$ 7.47
Average diluted common shares outstanding	845.9	836.3	824.1	811.7	829.5	802.3	795.4	787.5	783.7	792.3	789.3	790.0	791.7	791.6	790.7

(1) Venezuelan foreign currency loss 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.
(2) Other operating income items includes gains and losses recognized in connection with pension and other postretirement benefit plan curtailments or settlements; external costs related to mergers, acquisitions or dispositions (including restructuring and severance costs associated with dispositions); and amounts related to securities litigation and government investigations.
(3) Items affecting comparability relating to equity method investments includes Time Warner's share of noncash impairments, noncash losses on extinguishment of debt, losses related to discontinued operations, investment gains and expenses related to government investigations recorded by an equity method investee.

TIME WARNER INC.
2017 TRENDING SCHEDULES
RESTRUCTURING AND SEVERANCE COSTS & RECONCILIATION OF ADJUSTED OPERATING INCOME (LOSS) TO ADJUSTED OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION
(In millions; Unaudited)

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended				Year Ended
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	12/31/2017
Restructuring and severance costs															
Turner	$ (8)	$ (10)	$ (5)	$ (35)	$ (58)	$ (1)	$ (6)	$ (8)	$ (46)	$ (61)	$ (2)	$ (5)	$ (1)	$ (51)	$ (59)
Home Box Office	(1)	(4)	-	5	-	(4)	(37)	-	(8)	(49)	(2)	(3)	(1)	(7)	(13)
Warner Bros.	(3)	1	(1)	2	(1)	(1)	(4)	(1)	2	(4)	(9)	-	1	(38)	(46)
Corporate	-	3	(3)	(1)	(1)	1	(1)	(2)	(1)	(3)	1	-	(2)	(1)	(2)
Total restructuring and severance costs	$ (12)	$ (10)	$ (9)	$ (29)	$ (60)	$ (5)	$ (48)	$ (11)	$ (53)	$ (117)	$ (12)	$ (8)	$ (3)	$ (97)	$ (120)
Reconciliation of Adjusted Operating Income (Loss) to Adjusted Operating Income (Loss) Before Depreciation and Amortization (Adjusted OIBDA)															
Turner															
Adjusted Operating Income (See Schedule 3)	$ 1,128	$ 1,130	$ 1,071	$ 781	$ 4,110	$ 1,239	$ 1,133	$ 1,203	$ 851	$ 4,426	$ 1,187	$ 1,030	$ 1,267	$ 1,022	$ 4,506
Depreciation	48	48	47	50	193	47	48	48	48	191	50	51	50	51	202
Amortization	4	4	4	4	16	4	5	4	4	17	4	5	4	4	17
Adjusted OIBDA	$ 1,180	$ 1,182	$ 1,122	$ 835	$ 4,319	$ 1,290	$ 1,186	$ 1,255	$ 903	$ 4,634	$ 1,241	$ 1,086	$ 1,321	$ 1,077	$ 4,725
Home Box Office															
Adjusted Operating Income (See Schedule 3)	$ 458	$ 508	$ 519	$ 393	$ 1,878	$ 486	$ 481	$ 530	$ 431	$ 1,928	$ 595	$ 546	$ 565	$ 483	$ 2,189
Depreciation	21	18	18	24	81	18	20	17	19	74	19	20	22	26	87
Amortization	4	3	4	3	14	4	3	4	3	14	4	3	4	3	14
Adjusted OIBDA	$ 483	$ 529	$ 541	$ 420	$ 1,973	$ 508	$ 504	$ 551	$ 453	$ 2,016	$ 618	$ 569	$ 591	$ 512	$ 2,290
Warner Bros.															
Adjusted Operating Income (See Schedule 3)	$ 330	$ 344	$ 388	$ 373	$ 1,435	$ 426	$ 217	$ 433	$ 586	$ 1,662	$ 510	$ 261	$ 576	$ 514	$ 1,861
Depreciation	49	49	49	50	197	48	48	46	46	188	44	45	45	45	179
Amortization	40	36	39	44	159	40	39	40	40	159	37	38	37	54	166
Adjusted OIBDA	$ 419	$ 429	$ 476	$ 467	$ 1,791	$ 514	$ 304	$ 519	$ 672	$ 2,009	$ 591	$ 344	$ 658	$ 613	$ 2,206
Corporate															
Adjusted Operating Loss (See Schedule 3)	$ (102)	$ (89)	$ (58)	$ (102)	$ (351)	$ (135)	$ (93)	$ (85)	$ (124)	$ (437)	$ (88)	$ (98)	$ (73)	$ (80)	$ (339)
Depreciation	4	6	6	5	21	6	6	7	7	26	7	7	7	8	29
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted OIBDA	$ (98)	$ (83)	$ (52)	$ (97)	$ (330)	$ (129)	$ (87)	$ (78)	$ (117)	$ (411)	$ (81)	$ (91)	$ (66)	$ (72)	$ (310)
Intersegment eliminations															
Adjusted Operating Income (Loss) (See Schedule 3)	$ -	$ (31)	$ (78)	$ (40)	$ (149)	$ (4)	$ 22	$ (11)	$ 15	$ 22	$ (51)	$ 16	$ 4	$ (21)	$ (52)
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted OIBDA	$ -	$ (31)	$ (78)	$ (40)	$ (149)	$ (4)	$ 22	$ (11)	$ 15	$ 22	$ (51)	$ 16	$ 4	$ (21)	$ (52)
Time Warner															
Adjusted Operating Income (See Schedule 3)	$ 1,814	$ 1,862	$ 1,842	$ 1,405	$ 6,923	$ 2,012	$ 1,760	$ 2,070	$ 1,759	$ 7,601	$ 2,153	$ 1,755	$ 2,339	$ 1,918	$ 8,165
Depreciation	122	121	120	129	492	119	122	118	120	479	120	123	124	130	497
Amortization	48	43	47	51	189	48	47	48	47	190	45	46	45	61	197
Adjusted OIBDA	$ 1,984	$ 2,026	$ 2,009	$ 1,585	$ 7,604	$ 2,179	$ 1,929	$ 2,236	$ 1,926	$ 8,270	$ 2,318	$ 1,924	$ 2,508	$ 2,109	$ 8,859

TIME WARNER INC.
2017 TRENDING SCHEDULES
RECONCILIATION OF FREE CASH FLOW TO CASH PROVIDED BY OPERATIONS FROM CONTINUING OPERATIONS AND RECONCILIATIONS OF NET DEBT AND LEVERAGE RATIO
(In millions; Unaudited)

	Three Months Ended 3/31/2015	Three Months Ended 6/30/2015	Three Months Ended 9/30/2015	Three Months Ended 12/31/2015	Year Ended 12/31/2015
Free Cash Flow					
Cash provided by operations from continuing operations	$ 1,009	$ 791	$ 1,201	$ 850	$ 3,851
Add external costs related to mergers, acquisitions, investments or dispositions and contingent consideration payments	4	4	1	5	14
Add excess tax benefits from equity instruments	83	37	21	10	151
Less capital expenditures	(57)	(97)	(96)	(173)	(423)
Less principal payments on capital leases	(2)	(3)	(3)	(3)	(11)
Free Cash Flow	$ 1,037	$ 732	$ 1,124	$ 689	$ 3,582
Net Debt					
Long-term debt	$ 21,062	$ 22,162	$ 22,728	$ 23,594	$ 23,594
Debt due within one year	1,299	1,513	199	198	198
Total debt	22,361	23,675	22,927	23,792	23,792
Less: cash and equivalents	(2,260)	(3,122)	(1,774)	(2,155)	(2,155)
Net debt	$ 20,101	$ 20,553	$ 21,153	$ 21,637	$ 21,637
Leverage Ratio					
Net debt (see above)					
Adjusted OIBDA for the trailing four quarters (see Schedule 5)					
Leverage Ratio					

	Three Months Ended 3/31/2016	Three Months Ended 6/30/2016	Three Months Ended 9/30/2016	Three Months Ended 12/31/2016	Year Ended 12/31/2016
Free Cash Flow					
Cash provided by operations from continuing operations	$ 757	$ 1,216	$ 1,571	$ 1,139	$ 4,683
Add external costs related to mergers, acquisitions, investments or dispositions and contingent consideration payments	8	2	3	31	44
Add excess tax benefits from equity instruments	27	13	19	29	88
Less capital expenditures	(75)	(87)	(108)	(162)	(432)
Less principal payments on capital leases	(3)	(4)	(4)	(3)	(14)
Free Cash Flow	$ 714	$ 1,140	$ 1,481	$ 1,034	$ 4,369
Net Debt					
Long-term debt	$ 23,622	$ 24,418	$ 24,419	$ 22,392	$ 22,392
Debt due within one year	51	50	52	1,947	1,947
Total debt	23,673	24,468	24,471	24,339	24,339
Less: cash and equivalents	(1,540)	(2,496)	(2,308)	(1,539)	(1,539)
Net debt	$ 22,133	$ 21,972	$ 22,163	$ 22,800	$ 22,800
Leverage Ratio					
Net debt (see above)		$ 21,972	$ 22,163	$ 22,800	$ 22,800
Adjusted OIBDA for the trailing four quarters (see Schedule 5)		7,702	7,929	8,270	8,270
Leverage Ratio		2.9 x	2.8 x	2.8 x	2.8 x

	Three Months Ended 3/31/2017	Three Months Ended 6/30/2017	Three Months Ended 9/30/2017	Three Months Ended 12/31/2017	Year Ended 12/31/2017
Free Cash Flow					
Cash provided by operations from continuing operations	$ 1,466	$ 995	$ 1,497	$ 1,136	$ 5,094
Add external costs related to mergers, acquisitions, investments or dispositions and contingent consideration payments	5	8	10	25	48
Add excess tax benefits from equity instruments	-	-	-	-	-
Less capital expenditures	(98)	(104)	(160)	(294)	(656)
Less principal payments on capital leases	(3)	(8)	(21)	(7)	(39)
Free Cash Flow	$ 1,370	$ 891	$ 1,326	$ 860	$ 4,447
Net Debt					
Long-term debt	$ 22,402	$ 21,843	$ 21,898	$ 18,294	$ 18,294
Debt due within one year	808	1,155	1,157	5,450	5,450
Total debt	23,210	22,998	23,055	23,744	23,744
Less: cash and equivalents	(1,450)	(1,705)	(2,621)	(2,621)	(2,621)
Net debt	$ 21,760	$ 21,293	$ 20,434	$ 21,123	$ 21,123
Leverage Ratio					
Net debt (see above)	$ 21,760	$ 21,293	$ 20,434	$ 21,123	$ 21,123
Adjusted OIBDA for the trailing four quarters (see Schedule 5)	8,409	8,404	8,676	8,859	8,859
Leverage Ratio	2.6 x	2.5 x	2.4 x	2.4 x	2.4 x

TIME WARNER INC.
RECONCILIATION OF GUIDANCE
(Millions, Unaudited)

	Year Ended December 31, 2017	Reconciliation of 2018 Guidance
Reconciliation of Adjusted Operating Income to Operating Income		
Adjusted Operating Income	$ 8,165	Growth expected to be in the high-single digit range.[1]
Asset impairments	(16)	Unable to estimate.[2]
Gains (losses) on operating assets, net	67	Unable to estimate.[2]
Costs related to the AT&T Merger	(279)	Unable to estimate beyond the approximately ($190) million expected to be incurred for the period January 1, 2018 through December 31, 2018.[2] [3]
Other operating income items	(17)	Unable to estimate.[2]
Operating Income	$ 7,920	Unable to estimate.[1]

[1] Based on current exchange rates.

[2] Because of the nature of the items, the Company is unable to estimate the amounts of any adjustments for the items excluded from Operating Income for the period after December 31, 2017, other than the item noted in (3) below, 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 year ended December 31, 2017, it is likely that additional amounts will occur during the year ended December 31, 2018.

[3] In connection with entering into the Agreement and Plan of Merger with AT&T Inc., the Company awarded special retention restricted stock units ("Special Retention RSUs") and cash retention awards to certain employees. The Company expects to recognize approximately ($190) million of expenses for the period January 1, 2018 through December 31, 2018 principally related to such Special Retention RSUs and cash retention awards.