For Immediate Release:

TIME WARNER INC. REAFFIRMS 2018 FULL-YEAR BUSINESS OUTLOOK

NEW YORK, April 26, 2018 – Time Warner Inc. (NYSE:TWX) today reaffirmed its 2018 full-year business outlook. The Company continues to expect its 2018 full-year Adjusted Operating Income to increase in the high single-digits, based on current foreign exchange rates.

The outlook for 2018 Adjusted Operating Income 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 such items. These items may occur from time to time due to management decisions and changing business circumstances. The outlook also does not include the costs associated with the pending acquisition by AT&T Inc. (including retention and incentive, restructuring and severance costs associated with the transaction). The impact of such items would be included in Adjusted Operating Income (other than the costs associated with the AT&T transaction, gains and losses from operating assets and any related tax effect) and Operating Income, which is the most directly comparable GAAP measure to Adjusted Operating Income. The Company is currently unable to forecast precisely the timing and/or magnitude of any such events and their resulting impacts on Operating Income and Adjusted Operating Income.

OPERATING DRIVERS FOR FULL-YEAR AND SECOND QUARTER OF 2018

Turner

For the full year 2018, the Company continues to expect Turner's subscription revenues to increase in the mid single-digits compared to the prior year. Additionally, for the full year 2018, the Company continues to expect growth in Turner's programming costs and total expenses to moderate compared to 2017.

The Company expects subscription revenues in the second quarter of 2018 to grow at a similar rate as for the full year. Scatter pricing for advertising sales at Turner's domestic entertainment networks has increased high single- to low double-digits in the second quarter to date compared to the prior year's upfront. The Company anticipates flat to low single-digit growth for Turner's total advertising revenues in the second quarter of 2018 compared to the prior year quarter. For the second quarter, the Company expects Turner's total expense growth to be in the low double-digits compared to the prior year quarter, primarily due to higher sports costs, including costs related to Turner's rights to air NBA playoff games, and increased original programming expenses. As a result, Turner's Operating Income in the second quarter of 2018 is expected to decline modestly compared to the prior year quarter.

Home Box Office

The Company anticipates Home Box Office's subscription revenue growth rate in the second quarter of 2018 will be in the low double-digits relative to the prior year quarter. In addition, the Company expects Home Box Office's programming costs to increase in the high teens in the second quarter of 2018 relative to the prior year quarter, primarily reflecting the timing and mix of programming. The Company anticipates Home Box Office's revenue growth will more than offset expense growth and, as a result, expects its Operating Income to increase slightly in the second quarter of 2018 compared to the prior year quarter.

Warner Bros.

The Company expects Operating Income at Warner Bros. to increase at a rate well into the double-digits in the second quarter of 2018 compared to the prior year quarter primarily due to higher television licensing of both television and theatrical product.

Use of Adjusted Operating Income (Loss) Measure

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); costs related to the AT&T merger (including retention and incentive, 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; and amounts related to securities litigation and government investigations. The Company utilizes Adjusted Operating Income (Loss), among other measures, to evaluate the performance of its businesses. Some limitations of Adjusted Operating Income (Loss) are that it does not reflect certain charges that affect the operating results of the Company's businesses and it involves judgment as to whether items affect fundamental operating performance. Also, a general limitation of Adjusted Operating Income (Loss) 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 Operating Income (Loss) should be considered in addition to, not as a substitute for, the Company's Operating Income (Loss), as well as other measures of financial performance reported in accordance with U.S. generally accepted accounting principles.

A reconciliation of the Company's expected 2018 Adjusted Operating Income to its expected 2018 Operating Income, to the extent practicable, is included with this release. The reconciliation does not include the expected 2018 Operating Income because the Company is unable to forecast the timing and/or magnitude of some items that are included in Operating Income but excluded from Adjusted Operating Income, but it is likely there will be additional amounts during the remainder of 2018.

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, including the pending merger with AT&T Inc. 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
In a separate release issued today, Time Warner Inc. reported the financial results for its first quarter ended March 31, 2018.

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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	$ 8,183	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 beyond the ($23) million recognized for the period January 1, 2018 through March 31, 2018.[2]
Costs related to the AT&T merger	(279)	Unable to estimate beyond the ($146) million recognized for the period January 1, 2018 through March 30, 2018 and the approximately ($300) million expected to be incurred for the period April 1, 2018 through December 31, 2018.[2] [3]
Other operating income items	(17)	Unable to estimate.[2]
Operating Income	$ 7,938	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 March 30, 2018, 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 the pending merger with AT&T Inc., the Company awarded special retention restricted stock units ("Special Retention RSUs") to and implemented cash retention and incentive programs for certain employees. The Company expects to recognize approximately ($300) million of expenses for the period April 1, 2018 through December 31, 2018 principally related to such Special Retention RSUs and cash retention and incentive programs.