

**For Immediate Release:**

**Time Warner Inc. Announces Plan to Separate AOL**

May 28, 2009

**NEW YORK** – Time Warner Inc. (NYSE:TWX) today announced that its Board of Directors has authorized management to proceed with plans for the complete legal and structural separation of AOL from Time Warner. Following the proposed transaction, AOL would be an independent, publicly traded company.

Time Warner Chairman and Chief Executive Officer Jeff Bewkes said: “We believe that a separation will be the best outcome for both Time Warner and AOL. The separation will be another critical step in the reshaping of Time Warner that we started at the beginning of last year, enabling us to focus to an even greater degree on our core content businesses. The separation will also provide both companies with greater operational and strategic flexibility. We believe AOL will then have a better opportunity to achieve its full potential as a leading independent Internet company.”

After the proposed separation is complete, AOL will compete as a standalone company – focused on growing its Web brands and services, which currently reach more than 107 million domestic unique visitors a month, as well as its advertising business, which operates the leading online display network that reaches more than 91% of the domestic online audience. AOL will also continue to operate one of the largest Internet access subscription services in the U.S.

AOL Chairman and Chief Executive Officer Tim Armstrong said: “This will be a great opportunity for AOL, our employees and our partners. Becoming a standalone public company positions AOL to strengthen its core businesses, deliver new and innovative products and services, and enhance our strategic options. We play in a very competitive landscape and will be using our new status to retain and attract top talent. Although we have a tremendous amount of work to do, we have a global brand, a committed team of people, and a passion for the future of the Web.”

Today, Time Warner owns 95% of AOL, and Google holds the remaining 5%. As part of a prior arrangement, Time Warner expects to purchase Google’s 5% stake in AOL in the third quarter of 2009. After repurchasing this stake, Time Warner will own 100% of AOL. Accordingly, once the proposed separation is completed, Time Warner shareholders will own all of the outstanding interests in AOL.

The proposed transaction will be structured as tax-free to Time Warner stockholders. The transaction is contingent on the satisfaction of a number of conditions, including completion of the review process by the Securities and Exchange Commission of required filings under applicable securities regulations and the final approval of transaction terms by Time Warner’s Board of Directors. Time Warner aims to complete the proposed transaction around the end of the year.

### **Caution Concerning Forward-Looking Statements**

This document includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements about the plans, objectives, expectations and intentions of Time Warner, including the benefits of the proposed separation of AOL from Time Warner, and other statements that are not historical facts. These statements are based on the current expectations and beliefs of Time Warner's and AOL's management and are subject to uncertainty and changes in circumstances. Time Warner cautions readers that any forward-looking information is not a guarantee of future performance and that actual results may vary materially from those expressed or implied by the statements herein due to the conditions to the consummation of the proposed separation of AOL from Time Warner, and changes in economic, business, competitive, technological, strategic and/or regulatory factors, as well as other factors affecting the operation of the other businesses of Time Warner and of AOL. 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 in the sections entitled "Caution Concerning Forward-Looking Statements" and "Risk Factors" and its most recent Quarterly Report on Form 10-Q. Various factors could cause actual results to differ from those set forth in the forward-looking statements, including, without limitation, the risk that the anticipated benefits from the proposed separation may not be fully realized or may take longer to realize than expected. 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.

### **About AOL LLC**

AOL LLC is a global Web services company that operates some of the most popular Web destinations, offers a comprehensive suite of free software and services, runs one of the largest Internet access businesses in the U.S., and provides a full set of advertising solutions. A majority-owned subsidiary of Time Warner Inc., AOL LLC and its subsidiaries have operations in the U.S., Europe, Canada and Asia. Learn more at [AOL.com](http://AOL.com).

### **About Time Warner Inc.**

Time Warner Inc., a global leader in media and entertainment with businesses in television networks, filmed entertainment, publishing and interactive services, uses its industry-leading operating scale and brands to create, package and deliver high-quality content worldwide through multiple distribution platforms. For more information about Time Warner Inc., please visit [www.timewarner.com](http://www.timewarner.com).

### **Contacts:**

#### Corporate Communications

Edward Adler (212) 484-6630

Keith Coccozza (212) 484-7482

#### Investor Relations

Doug Shapiro (212) 484-8926

Michael Kopelman (212) 484-8920

#### AOL Corporate Communications

Tricia Primrose

(703) 265-2896