

**For Immediate Release:**

**Time Warner Inc. Updates 2008 Full-Year Business Outlook**

**NEW YORK, April 30, 2008** – Time Warner Inc. (NYSE:TWX) today updated its 2008 full-year business outlook.

Time Warner reaffirmed that it expects its 2008 full-year growth rate in Adjusted Operating Income before Depreciation and Amortization to be in the range of 7% to 9%, off a base of \$12.9 billion in 2007.

Time Warner revised its 2008 full-year outlook for Free Cash Flow. The Company now expects that its 2008 full-year Free Cash Flow will be at or above \$4.5 billion, reflecting an expected tax benefit due to the Economic Stimulus Act of 2008 and lower interest rates.

Time Warner continues to anticipate its 2008 full-year Earnings per Diluted Share from Continuing Operations will be in the range of \$1.07 to \$1.11.

The outlook above does not include the impact of any future merger or unidentified restructuring charges, sales and acquisitions of operating assets and investments, or the related impact of taxes that may occur from time to time due to management decisions and changing business circumstances. The outlook above also does not include the impact of any future noncash impairments of goodwill, intangible and fixed assets; amounts related to securities litigation and government investigations; or the related impact of taxes. The Company is currently unable to forecast precisely the timing and/or magnitude of any such amounts or events.

**Use of Operating Income before Depreciation and Amortization, Adjusted Operating Income before Depreciation and Amortization and Free Cash Flow**

The Company utilizes Operating Income before Depreciation and Amortization, among other measures, to evaluate the performance of its businesses. The Company also evaluates the performance of its businesses using Operating Income before Depreciation and Amortization excluding the impact of noncash impairments of goodwill, intangible and fixed assets, as well as gains and losses on asset sales, and amounts related to securities litigation and government investigations (referred to herein as Adjusted Operating Income before Depreciation and Amortization). Both Operating Income before Depreciation and Amortization and Adjusted Operating Income before Depreciation and Amortization are considered important indicators of the operational strength of the Company's businesses. Operating Income before Depreciation and Amortization eliminates the uneven effect across all business segments of considerable amounts of noncash depreciation of tangible assets and amortization of certain intangible assets that were primarily recognized in business combinations. A limitation of this measure, however, is that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues in the Company's businesses. Moreover, Adjusted Operating Income before Depreciation and Amortization does not reflect gains and losses on asset sales or amounts related to securities litigation and government investigations or any impairment charge related to goodwill, intangible assets and fixed assets. Management evaluates the investments in such tangible and intangible assets through other financial measures, such as capital expenditure budgets, investment spending levels and return on capital.

Free Cash Flow is Cash Provided by Operations (as defined by U.S. generally accepted accounting principles) plus payments related to securities litigation and government investigations (net of any insurance recoveries) and excess tax benefits from the exercise of stock options, less cash flow attributable to discontinued operations, capital expenditures and product development costs, principal payments on capital leases and partnership distributions, if any. The Company uses Free Cash Flow to evaluate its businesses and this measure is considered 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 limitation of this measure, however, is that it does not reflect payments made in connection with the securities litigation and government investigations, which reduce liquidity.

Operating Income before Depreciation and Amortization, Adjusted Operating Income before Depreciation and Amortization and Free Cash Flow should be considered in addition to, not as a substitute for, the Company's Operating Income, Net Income and various cash flow measures (e.g., Cash Provided by Operations), as well as other measures of financial performance and liquidity reported in accordance with U.S. generally accepted accounting principles.

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

Time Warner Inc. is a leading media and entertainment company, whose businesses include interactive services, cable systems, filmed entertainment, television networks and publishing.

### ***Information on Earnings Release and Conference Call***

*In a separate release issued today, Time Warner Inc. reported the financial results for its first quarter ended March 31, 2008.*

*The Company's conference call can be heard live at 10:30 am ET on Wednesday, April 30, 2008. To listen to the call, visit [www.timewarner.com/investors](http://www.timewarner.com/investors) or AOL Keyword: IR.*

### ***Information on Time Warner Cable's Press Releases and Conference Call***

*Time Warner Cable Inc. issued separate releases today regarding its financial results for the first quarter ended March 31, 2008 as well as its updated 2008 full-year business outlook.*

*Time Warner Cable's conference call can be heard live at 8:30 am ET on Wednesday, April 30, 2008. To listen to the call, visit [www.timewarnercable.com/investors](http://www.timewarnercable.com/investors) or AOL Keyword: TWC IR.*

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

This document includes certain 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, sales of business assets, and the potential impact of future decisions by management that may result in merger and restructuring charges, as well as the potential impact of any future impairment charges to goodwill or other intangible assets. More detailed information about these factors may be found in filings by Time Warner Inc. with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and Quarterly Report 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.

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**TIME WARNER INC.**  
**RECONCILIATION OF GUIDANCE**  
(In millions; Unaudited)

April 30, 2008

	Year Ended December 31, 2007	Reconciliation of 2008 Guidance
<b>Reconciliation of Adjusted Operating Income before Depreciation and Amortization to Operating Income:</b>		
<b>Adjusted Operating Income before Depreciation and Amortization <sup>(1)</sup></b>	\$ 12,879	7% to 9% growth
Depreciation and Amortization	(4,412)	Mid to high-single digits growth or greater
Impairment of goodwill, intangible and fixed assets	(36)	No material impairment expected
Gains and losses from asset sales	689	Unable to estimate
Amounts related to securities litigation and government investigations	<u>(171)</u>	Decrease in absolute dollar amount
<b>Operating Income</b>	<u><u>\$ 8,949</u></u>	Increase in absolute dollar amount
<b>Free Cash Flow <sup>(2)</sup></b>	\$ 4,953	At or above \$4.5 billion
Capital expenditures and product development costs plus principal payments on capital leases (all from continuing operations)	4,487	Increase in absolute dollar amount
Excess tax benefits from the exercise of stock options	(76)	Unable to estimate
Payments related to securities litigation and government investigations	<u>(912)</u>	Decrease in absolute dollar amount
Cash provided by continuing operations	8,452	Cash provided by continuing operations exceeding 75% of Operating Income
Cash provided by discontinued operations	<u>23</u>	Unable to estimate
<b>Cash Provided by Operations</b>	<u><u>\$ 8,475</u></u>	Cash Provided by Operations exceeding 75% of Operating Income

Notes:

(1) Adjusted Operating Income before Depreciation and Amortization excludes the impact of noncash impairments of goodwill, intangible and fixed assets, as well as gains and losses on asset sales and amounts related to securities litigation and government investigations.

(2) Free Cash Flow is defined as Cash Provided by Operations (as defined by U.S. generally accepted accounting principles) plus payments related to securities litigation and government investigations (net of any insurance recoveries) and excess tax benefits from the exercise of stock options, less cash flow attributable to discontinued operations, capital expenditures and product development costs, principal payments on capital leases and partnership distributions, if any.