

In fiscal year 2016, we incurred restructuring charges of \$501 million in connection with the 2016 restructuring plans, including severance expenses and other reorganization costs. The actions associated with these restructuring plans were completed as of June 30, 2017.

2017 Restructuring

In June 2017, management approved a sales and marketing restructuring plan. In fiscal year 2017, we recorded employee severance expenses of \$306 million primarily related to this sales and marketing restructuring plan. We do not expect to incur additional charges for this restructuring plan in subsequent years. The actions associated with this restructuring plan are expected to be completed by the end of fiscal year 2018.

Restructuring Summary

Restructuring charges associated with each of these plans were included in impairment, integration, and restructuring expenses on our consolidated income statements, and were reflected in Corporate and Other in our table of operating income (loss) by segment.

Changes in the restructuring liability were as follows:

(In millions)	Severance	Other ^(a)	Total
Balance, as of June 30, 2016	\$ 470	\$ 239	\$ 709
Restructuring charges	306	0	306
Cash paid	(367)	(101)	(468)
Other	(36)	(79)	(115)
Balance, as of June 30, 2017	<u>\$ 373</u>	<u>\$ 59</u>	<u>\$ 432</u>

(a) Primarily reflects activities associated with the consolidation of our facilities and manufacturing operations, including contract termination costs and asset write-downs.

NOTE 15 — UNEARNED REVENUE

Unearned revenue by segment was as follows:

(In millions)	2017	2016
June 30,		
Productivity and Business Processes	\$ 14,291	\$ 12,497
Intelligent Cloud	13,464	11,472
More Personal Computing	3,420	3,334
Corporate and Other	13,304	6,606
Total	<u>\$ 44,479</u>	<u>\$ 33,909</u>

Corporate and Other consists of the net revenue deferral from Windows 10. Revenue from Windows 10 is primarily recognized at the time of billing in the More Personal Computing segment, and the deferral and subsequent recognition of revenue is reflected in Corporate and Other.

NOTE 16 — COMMITMENTS

Construction and Operating Leases

We have committed \$1.1 billion for constructing new buildings, building improvements, and leasehold improvements as of June 30, 2017.