



UBS 32<sup>nd</sup> Annual Media Week Conference

December 7, 2004

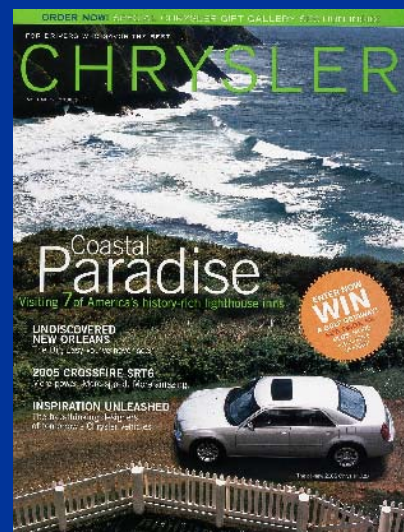
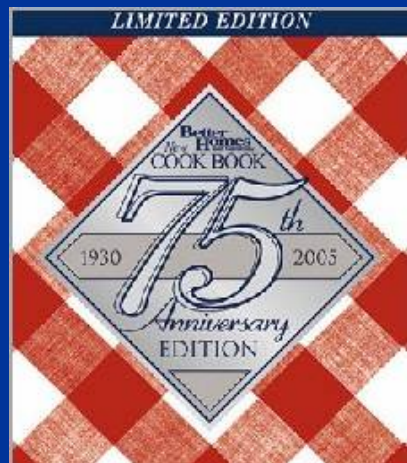
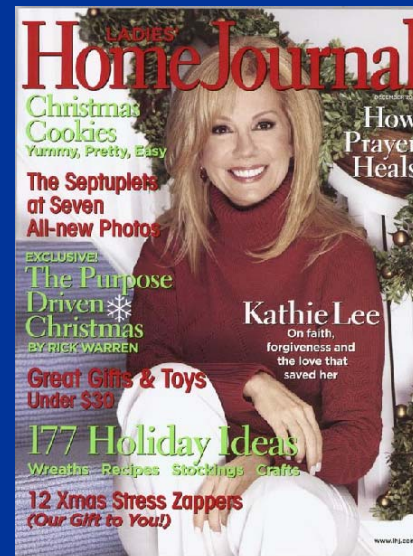
New York, NY

# Safe Harbor

This presentation and management's public commentary contain certain forward-looking statements that are subject to risks and uncertainties. These statements are based on management's current knowledge and estimates of factors affecting the Company's operations. Actual results may differ materially from those forward-looking statements.

Factors that could adversely affect future results include, but are not limited to: downturns in national and/or local economies; a softening of the domestic advertising market; world, national, or local events that could disrupt broadcast television; increased consolidation among major advertisers or other events depressing the level of advertising spending; the unexpected loss of one or more major clients; changes in consumer reading, purchase, order, and/or television viewing patterns; unanticipated increased in paper, postage, printing, or syndicated programming costs; changes in television network affiliation agreements; technological developments affecting the Company's industries; unexpected changes in interest rates; and any acquisitions and/or dispositions. The Company undertakes no obligation to update any forward-looking statement.

# Meredith Overview



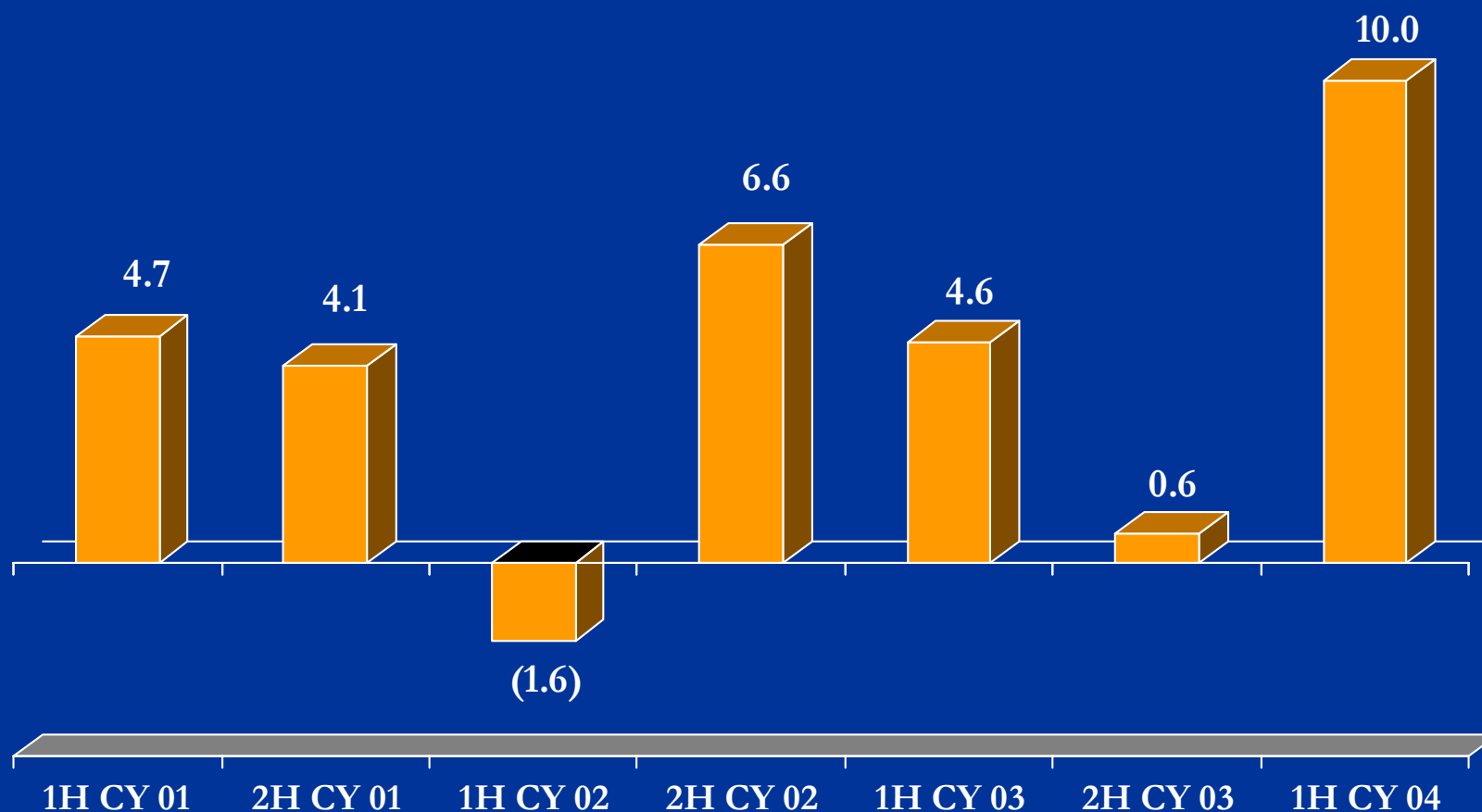
# Meredith Strategies

- Produce strong organic growth from existing businesses
- Pursue targeted acquisitions
- Grow shareholder value and return cash to shareholders

Produce Strong Organic Growth

# Broadcasting Revenue Growth

## MDP Relative Performance vs. Industry

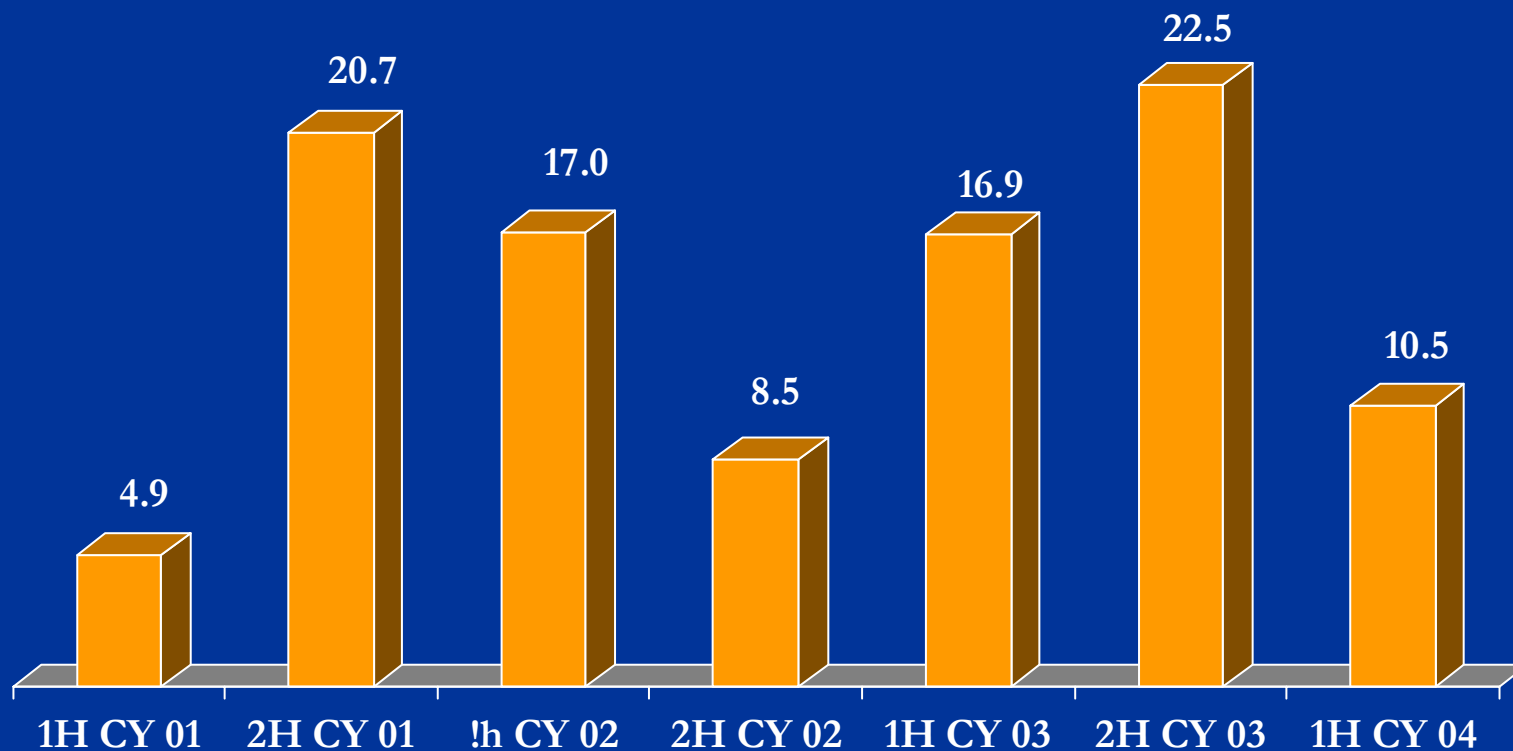


TVB spot revenue

Produce Strong Organic Growth

# Publishing Advertising Pages

## MDP Relative Performance vs. Industry



Publishers Information Bureau

Meredith 2H CY 02 through 2H CY 03 excludes *American Baby*

Produce Strong Organic Growth

# Strong EPS Growth

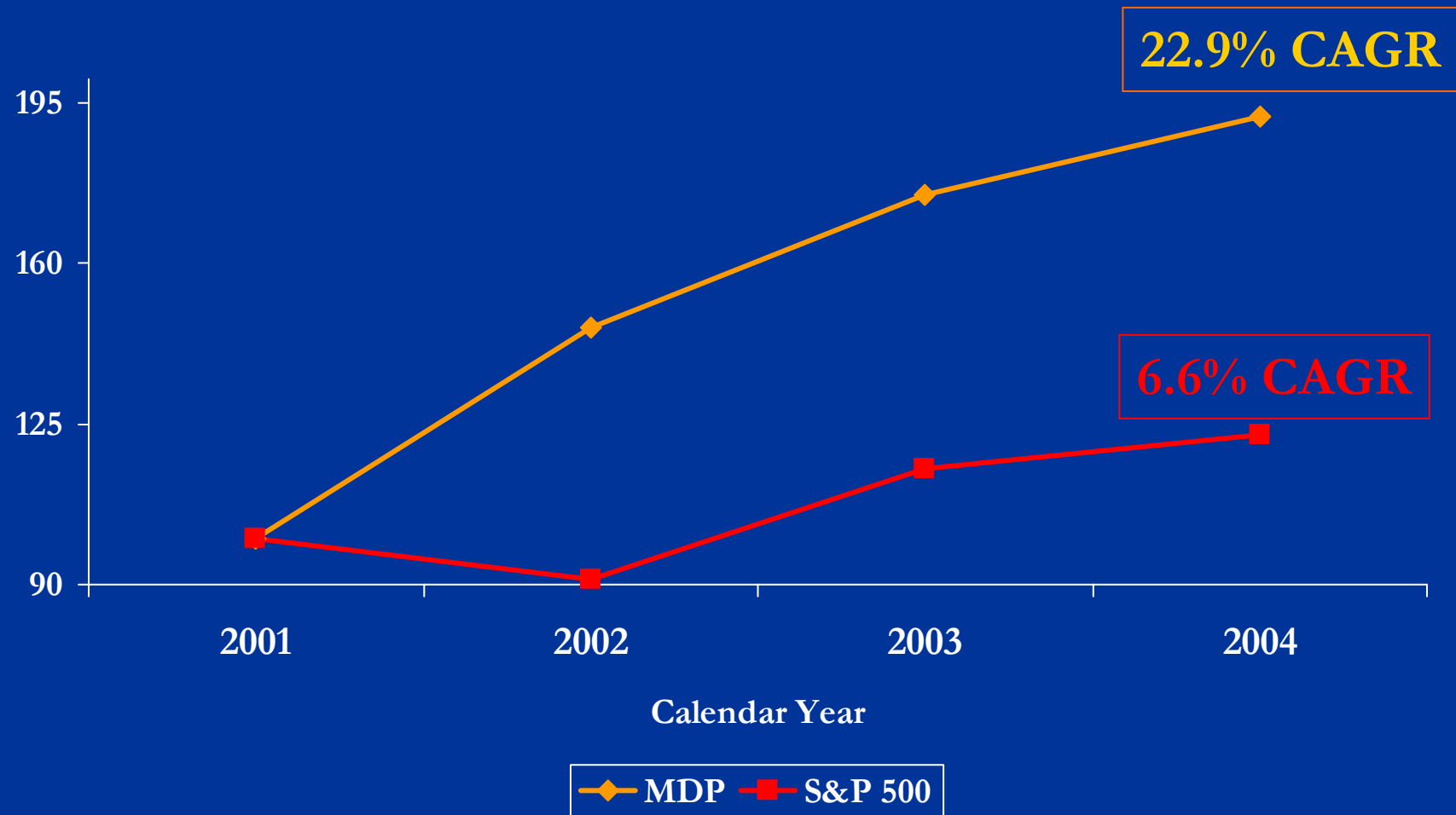


Diluted EPS before special items

E—estimate

Grow Shareholder Value

# Strong Stock Performance



Yahoo! Finance

Calendar year-end prices indexed to Sept. 21, 2001. 2004 as of Nov 26.



# Financial Targets

## ■ Business group margins

- Broadcasting—40% EBITDA
- Publishing—20% operating profit

## ■ EPS growth

- Mid-to-high teens in political years
- Low double digits in non-political years

# Key Operating Topics

- Revenue outlook

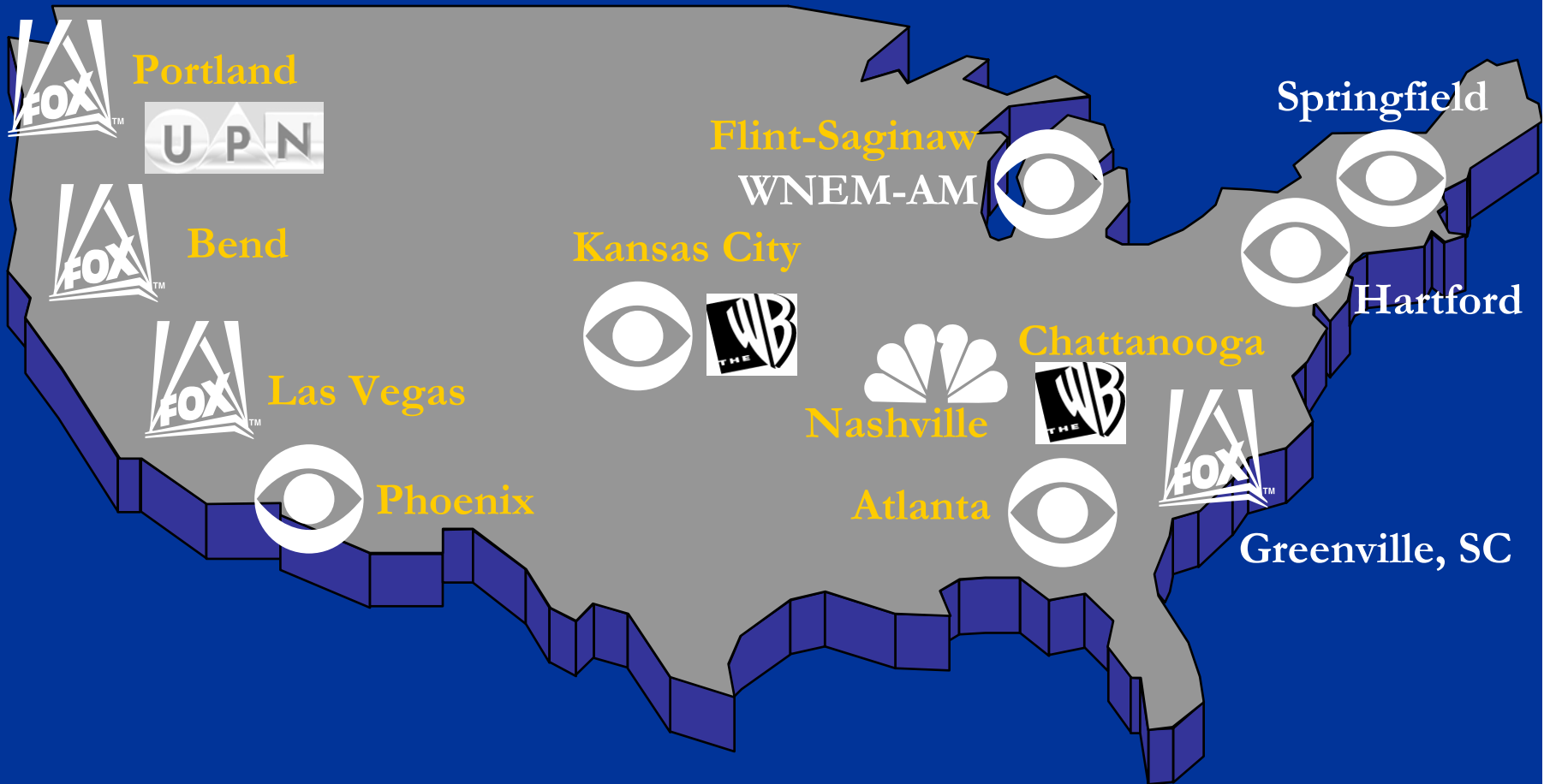
- Publishing
- Broadcasting

- Broadcasting

- Leadership
- Momentum



# Broadcasting Group

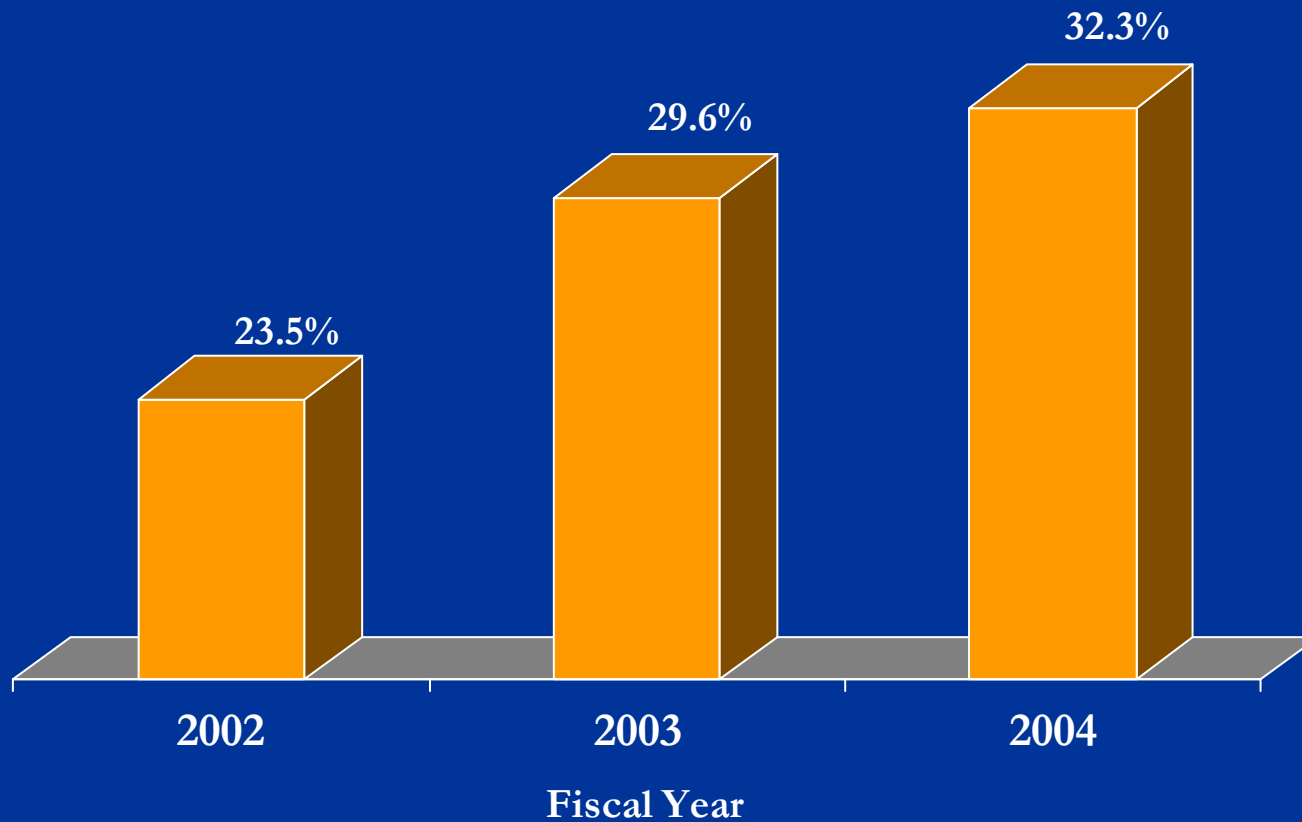


# Broadcasting Growth Strategies

- **Achieve full turnaround in current station group**
  - Increase EBITDA and value
  - Improve performance in key markets
  - Control costs
- **Add new revenue streams**
  - Cornerstone, Internet and local programs
  - Radio stations
- **Duopolize and cluster as feasible**
  - Pursue duopolies in existing markets
  - Expand and create new clusters
- **Acquire stations to increase reach**
  - Diversify affiliation and geographic mix
  - Target mid-size growing markets
  - Look for underperforming properties

Achieve Full Turnaround of Current Station Group

# Broadcasting EBITDA Margin



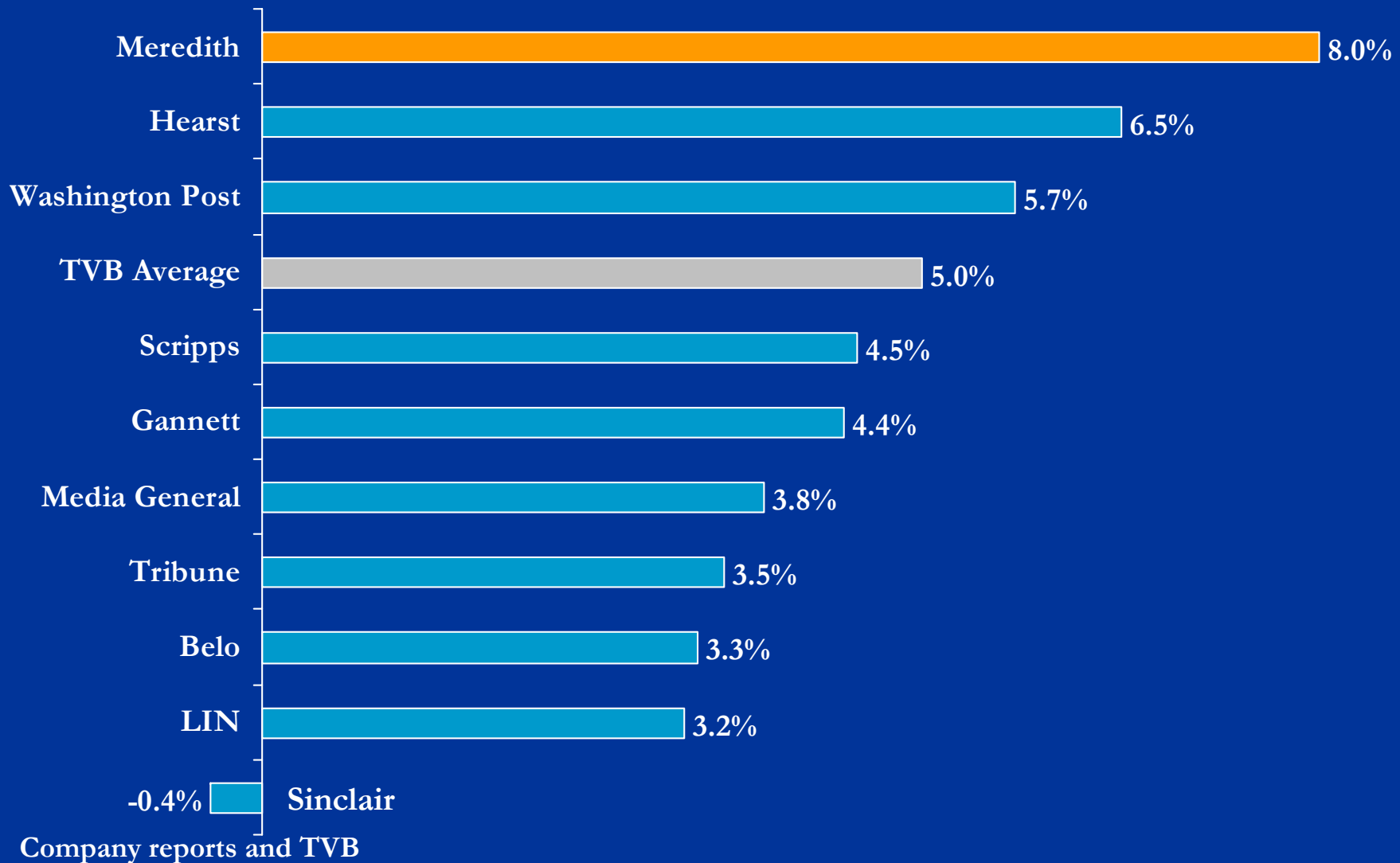
# Late News Share Improvement

<u>Market</u>	<u>Nov. 2001</u>	<u>Nov. 2004</u>	<u>Change</u>
Atlanta	6	7	+1
Phoenix	6	11	+5
Portland	9	11	+2
Hartford	16	17	+1
Nashville	19	18	(1)
Kansas City	16	19	+3
Greenville	6	6	--
Las Vegas	7	9	+2

Achieve Full Turnaround of Current Station Group

# Broadcasting Revenue Growth

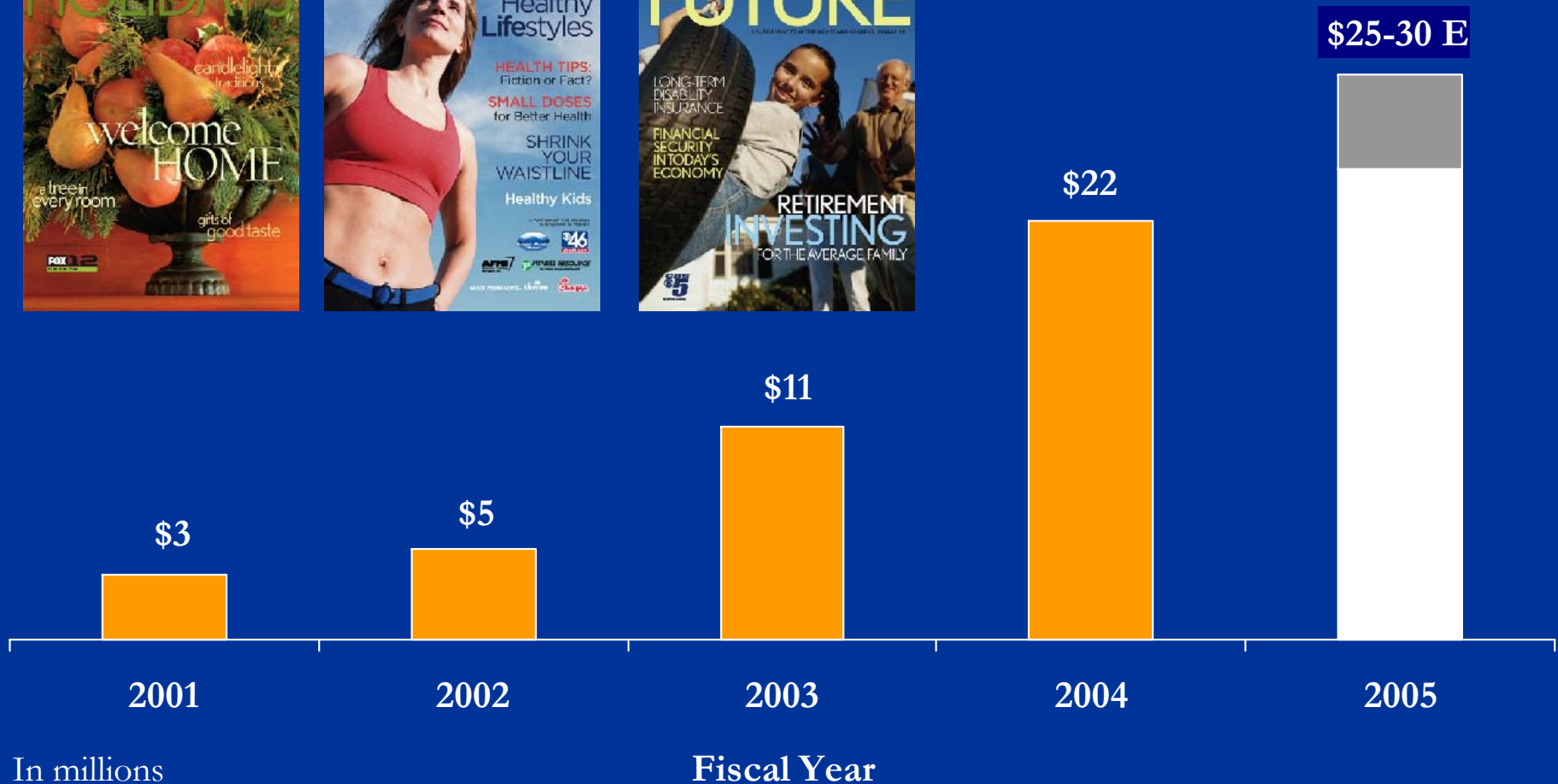
12 Months Ended Sept. 2004 v. 2003





Add New Revenue Streams

# Cornerstone and Local Programs



In millions  
E—estimate

Duopolize, Cluster and Increase Reach

# Kansas City Market

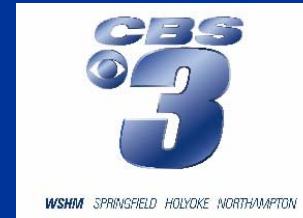
- Expand presence
- Serve advertisers
  - Younger WB audience
  - Powerful CBS viewers
- Expect—earnings neutral in year 1 and accretive thereafter



Duopolize, Cluster and Increase Reach

# Group Expansion Calendar 2004

- Springfield—WSHM-TV



- Chattanooga—WFLI-TV



- Kansas City—KSMO-TV

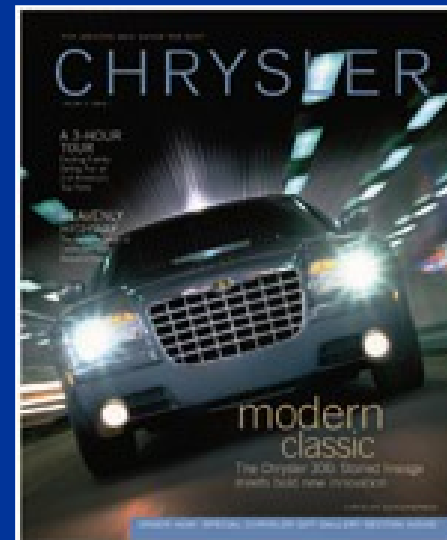
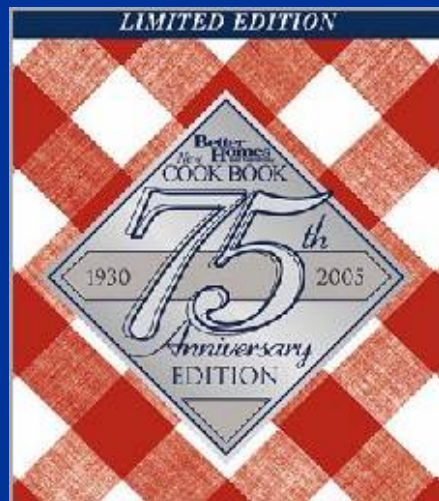
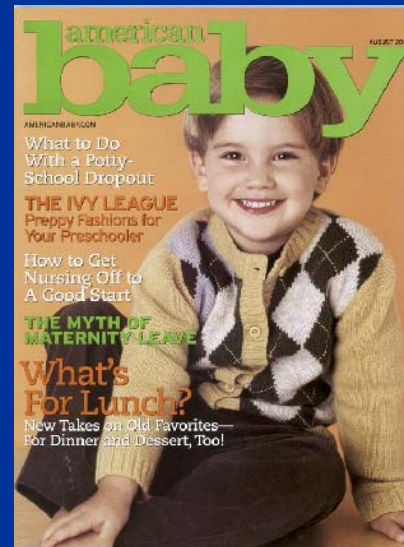
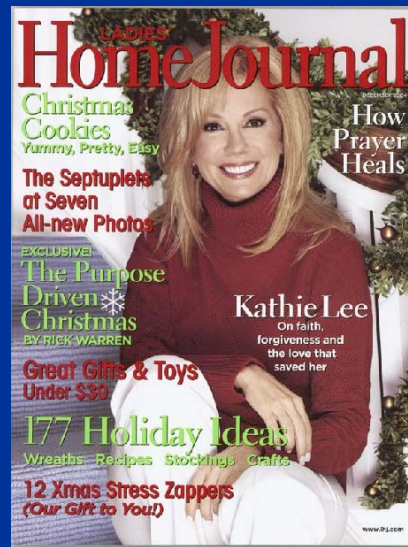


# Broadcasting Growth Strategies

- Achieve full turnaround in current station group
- Add new revenue streams
- Duopolize and cluster as feasible
- Acquire stations to increase reach



# Publishing



# Publishing Growth Strategies

## ■ Grow current businesses

- Increase market share and nets per page
- Expand advertising categories
- Increase rate base and frequency
- Grow circulation profitability

## ■ Broaden magazine portfolio

- Target younger women
- Strengthen foothold in Hispanic market

## ■ Expand brand franchises

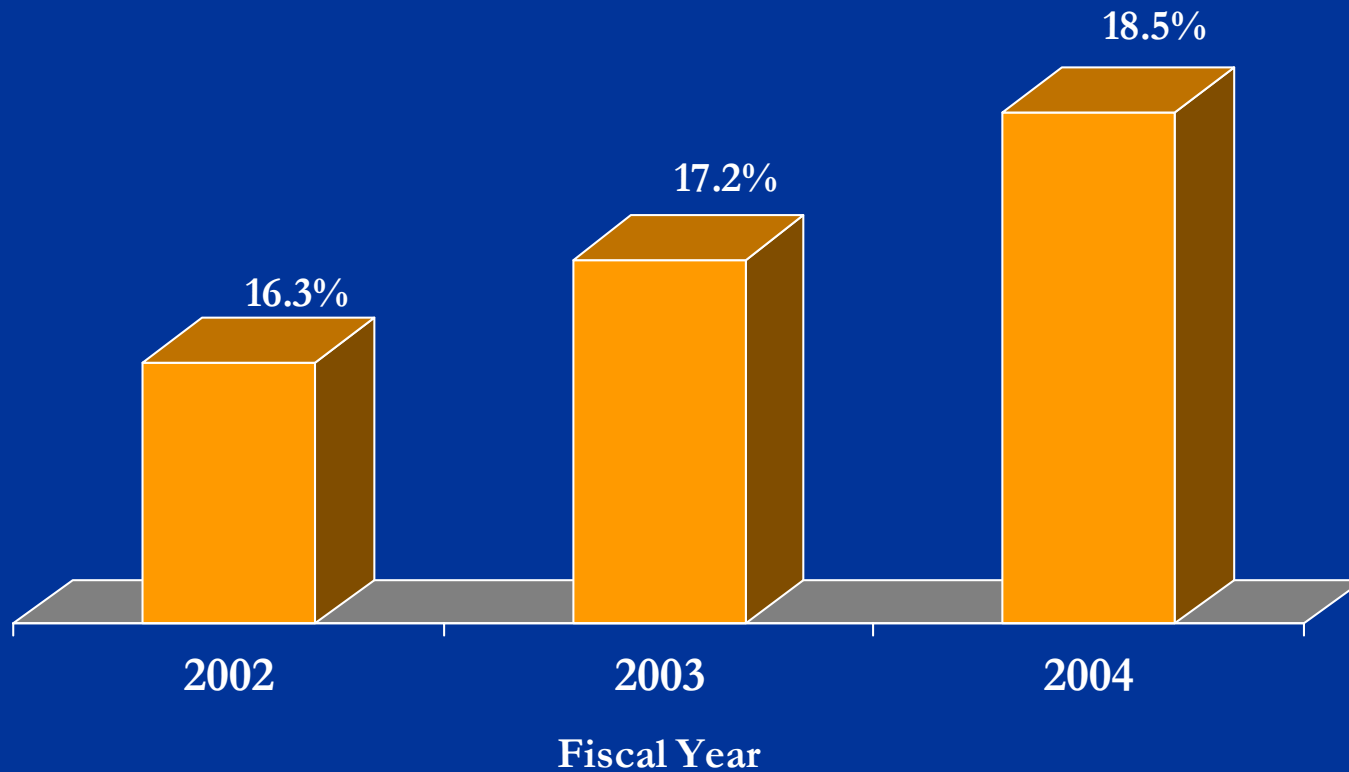
- Extend *Better Homes and Gardens*' reach
- Establish *American Baby* and *MORE* brands

## ■ Create new services and revenue streams

- Database services
- Consumer marketing
- Product sales

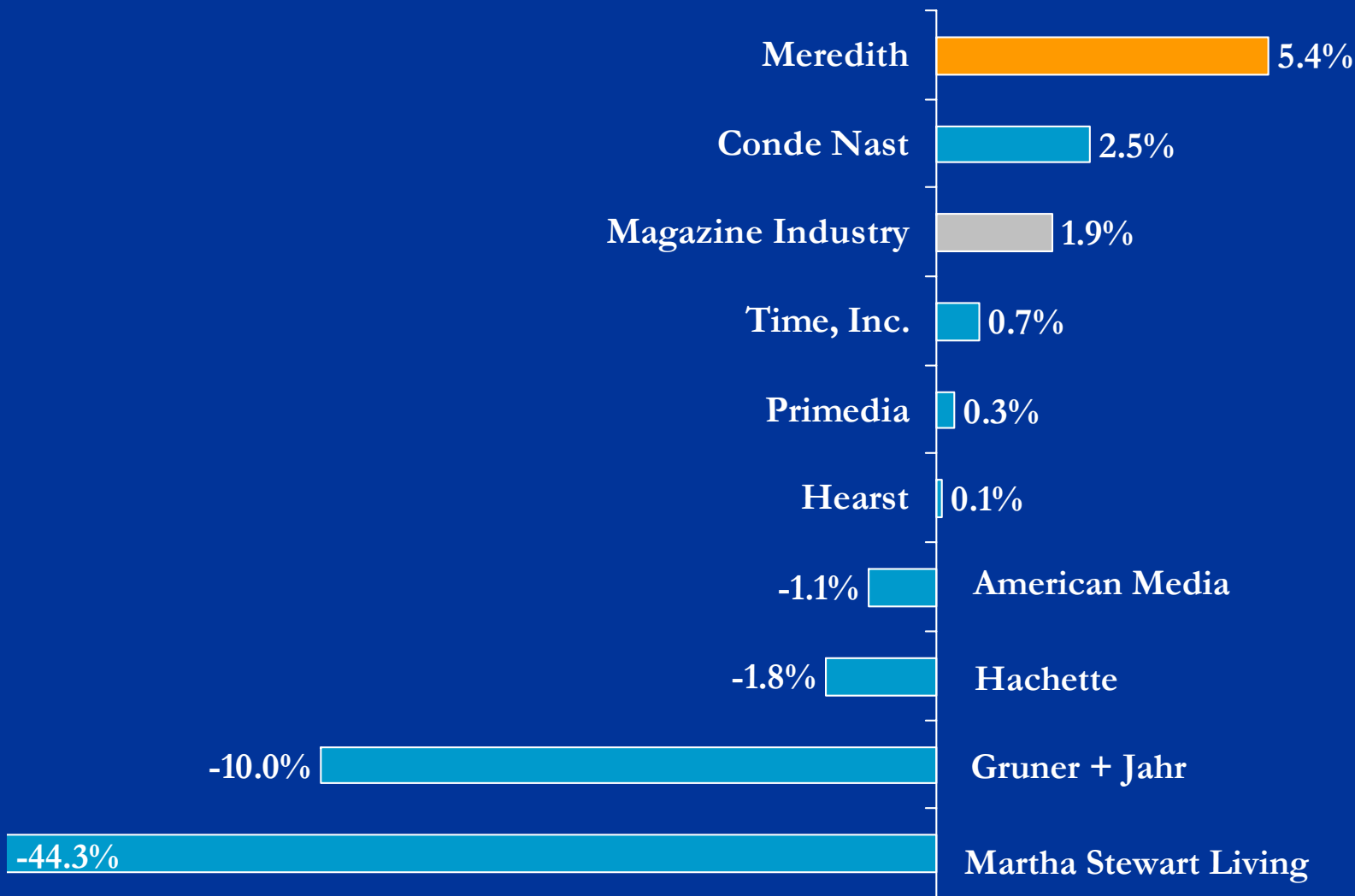
Grow Current Businesses

# Publishing Operating Profit Margin



Grow Current Businesses

# Publishing Advertising Pages

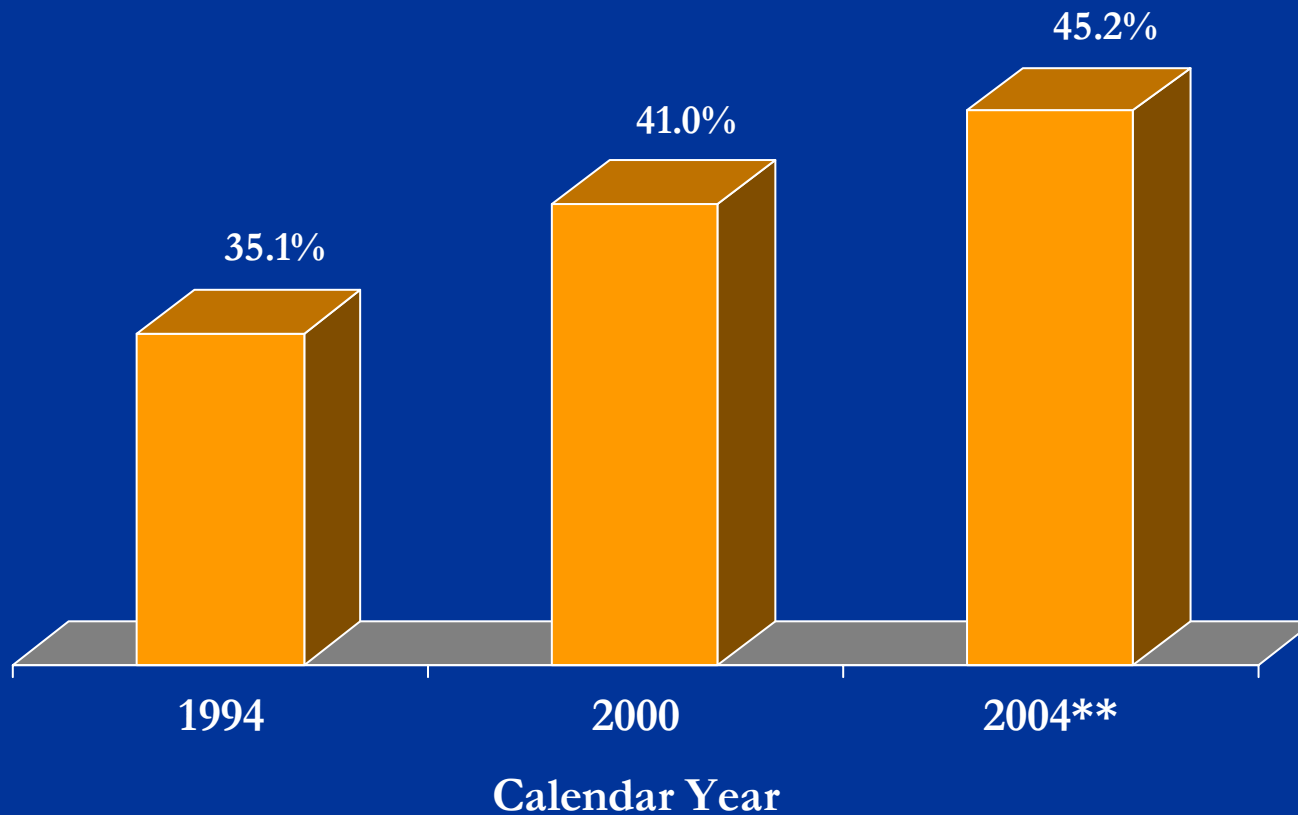


Publishers Information Bureau  
12 months ended Oct. 2004 vs. 2003



Grow Current Businesses

# *BHG* and *LHJ* Market Share Women's Service Field\*



PIB advertising revenues

\**BHG, LHJ, Family Circle, Good Housekeeping, Redbook* and *Woman's Day*

\*\*2004 is 10 months ended with October issues

# Advertising Categories

## Core Categories

■ Food	+8%
■ Home	+7%
■ DTC pharma	-13%
■ Cosmetics	+3%
■ Direct response	+4%

## Growth Categories

■ Retail	+51%
■ Travel	+2%
■ Auto	+10%
■ Business/Finance	+36%
■ Technology	+85%

Based on net revenues for 7 largest *titles-BHG, LHJ, CH, MORE, TH, MWL* and ABG.  
9 months calendar 2004 v. 2003

# Subscription Model

## Profit Drivers

- Higher direct mail response rates
  - Database
  - Marketing expertise/editorial sell
- Better source mix
  - Higher overall renewal rates
  - Responsive audience for advertising
- Longer-term offers
  - Higher upfront commitment from consumer
  - More time spent with magazines
  - Lower acquisitions costs

# Launches and Acquisitions

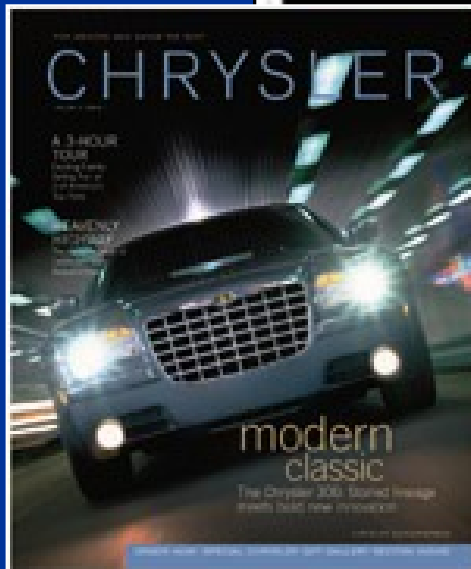
- *MORE*
- American Baby Group
- Younger women
- Hispanic market



# Integrated Marketing



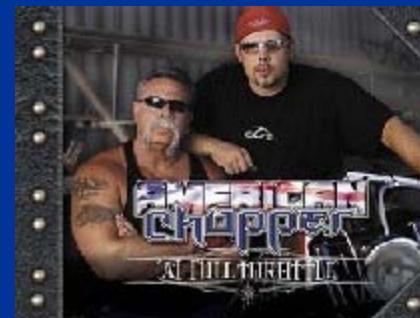
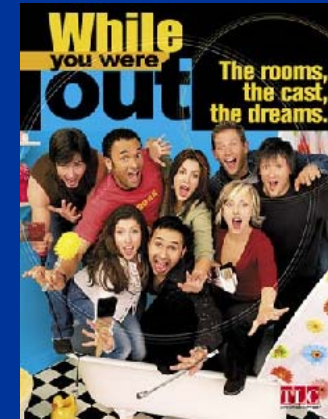
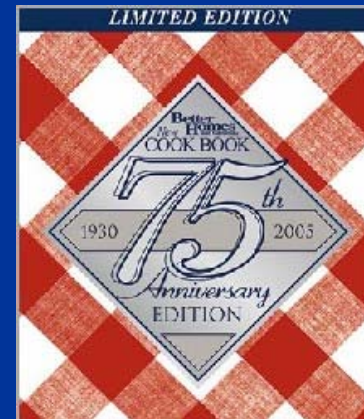
- FY 2003 and FY 2004
  - Strongest years in new business development
- FY 2005 and beyond
  - Retain existing relationships
  - Pursue new accounts
  - Leverage our database





# Books

- Strong FY 2005
- Meredith content
- Licensed content
  - Discovery Communications
  - Marvel Enterprises
  - DC Comics



# Publishing Growth Strategies

- Grow current businesses
- Broaden magazine portfolio
- Expand brand franchises
- Create new services and revenue streams

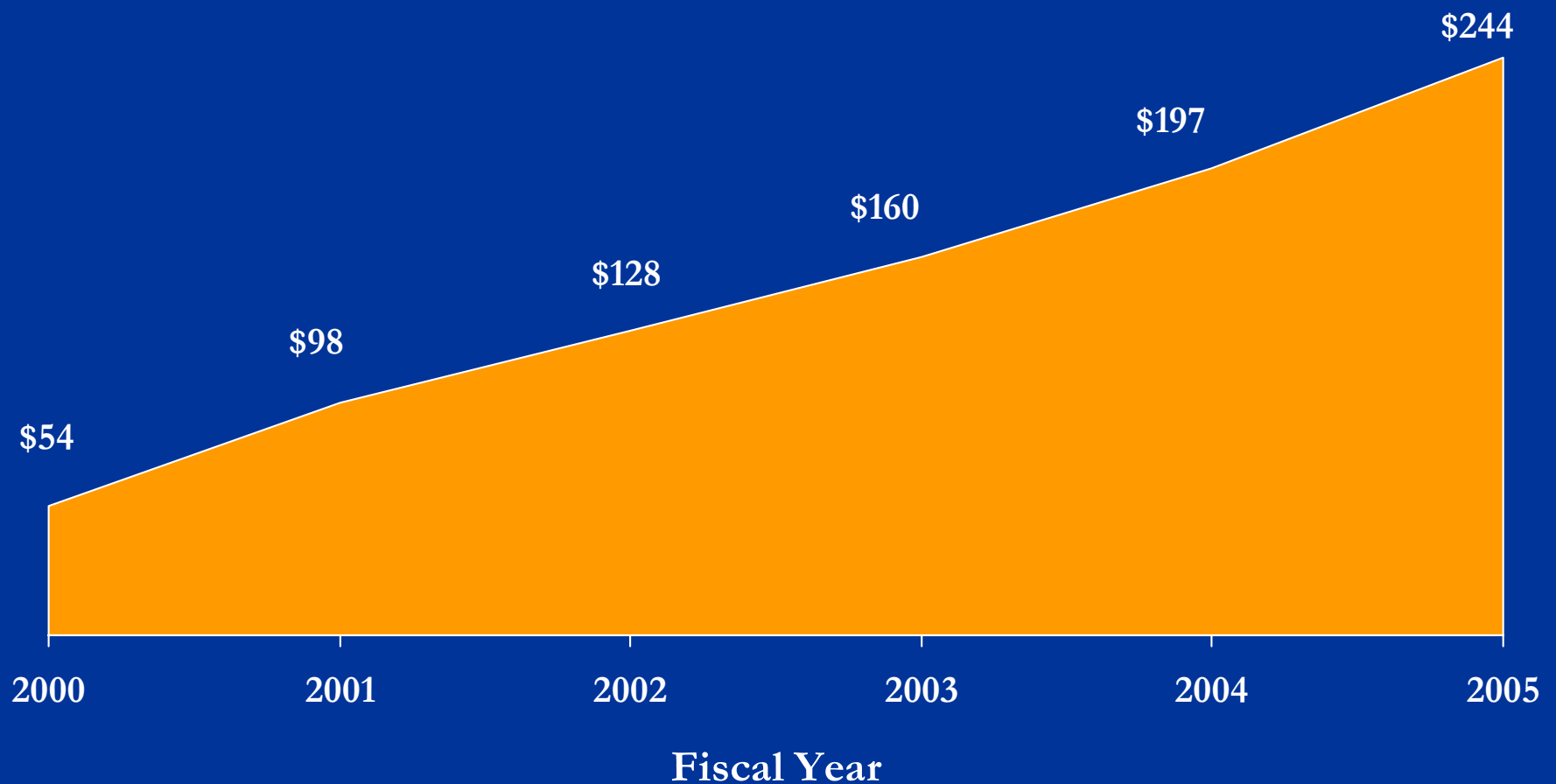
# Strong Financial Position

- \$300 million debt\*
- 1.2 debt to trailing 12 month EBITDA ratio\*
- Dry powder
  - \$150 million revolving bank facility
  - \$100 million asset-backed commercial paper
  - \$150 million accordion feature

\*Sept. 30, 2004



# Share Repurchases



Cumulative  
In millions

# Dividend Payments



Adjusted for stock splits

# Reiterate Outlook

- Q2 FY 2005—EPS up 40 to 45%
- FY 2005—\$2.63 is achievable

# Meredith Strategies

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