



**Citi Global Entertainment, Media &  
Telecommunications Conference  
Jan. 6-8, 2009**

**Meredith**  
CORPORATION

# 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. Statements in this presentation that are forward-looking include, but are not limited to, the statements regarding broadcast pacings, publishing advertising revenues, as well as any guidance related to the Company's financial performance.**

**Actual results may differ materially from those currently anticipated. 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 or insolvency of one or more major clients; the integration of acquired businesses; changes in consumer reading, purchasing and/or television viewing patterns; increases in paper, postage, printing, or syndicated programming costs; changes in television network affiliation agreements; technological developments affecting products or the methods of distribution; changes in government regulations affecting the Company's industries; unexpected changes in interest rates; and the consequences of any acquisitions and/or dispositions. The Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.**

# Agenda

---

- Strategic Overview
- How we will Grow
- Financial Overview

# Broad Media and Marketing Footprint

## National Brands

Revenues: \$1 billion



- 25 subscription titles
- 150 Newsstand titles

## Local Brands

Revenues: \$300 million



- 12 television stations
- 10% of U.S. households

## Online & Diversified

Revenues: \$300 million



- 40+ Web sites
- Broadband Video
- Integrated Marketing
- Brand Licensing

# Balanced Revenue Mix

**Advertising  
Revenues: 60%**

**Non-advertising  
Revenues: 40%**



## Industry Advertising Mix

---

	<b>2000</b>	<b>2007</b>	<b>2010 Forecast</b>
<b>Television</b>	<b>30%</b>	<b>34%</b>	<b>35%</b>
Newspapers	29%	24%	18%
Radio	11%	9.4%	8.0%
Yellow Pages	8.8%	7.5%	6.6%
<b>Consumer Magazines</b>	<b>6.8%</b>	<b>6.7%</b>	<b>6.0%</b>
Trade Magazines	5.9%	5.3%	5.7%
Pure-Play Internet	3.6%	8.6%	14%
Out of Home	2.8%	3.7%	4.8%
Other	2.0%	1.0%	2.1%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



# Powerful National Consumer Connection

## Readership in Millions

	1998	2008
Better Homes and Gardens	34	40
Special Interest Media	18	21
Ladies' Home Journal	16	13
Country Home	8	8
Other	6	9

**Subtotal                      82                      91**

Family Circle	22	21
Parents	12	16
American Baby	6	7
Fitness	6	6
More	NA	2

**Subtotal                      46                      52**

**TOTAL                      128                      143**

**+12%**

7

# Strong Subscription-Focused Circulation Model

---

- Direct Mail response rates strong
  - Both for renewals and new offers
- Progress on direct-to-publisher
  - Acquired titles now at 60%
- Growing online subscriptions
  - 3.3 million annually
- Strong profit contribution

	Rate Base	% of circulation from subscriptions
Better Homes and Gardens	7.6M	97%
Ladies' Home Journal	3.8M	94%
Family Circle	3.8M	80%
Parents	2.2M	98%
Fitness	1.5M	87%
More	1.2M	85%
Traditional Home	950,000	88%



## Growing Market Share at Newsstand

---

### July – December 2008 vs. July – December 2007

Women's Interest Titles	Current Market Share	Market Share Change (Percent)
Family Circle	24.7%	+2.7%
Better Homes and Gardens	5.0	+0.7
Ladies' Home Journal	4.8	–
More	3.7	+0.7
<b>Meredith total</b>	<b>38.2%</b>	<b>+4.1%</b>

<b>Rest of field</b>	<b>61.8%</b>	<b>(4.1)%</b>
----------------------	--------------	---------------

# Growing Local Consumer Connection

---

## Meredith Television Stations

	<b><u>CY03</u></b>	<b><u>CY08</u></b>
Market growth	10M HH	11M HH
News hours	240	380
Morning news viewership	330,000	420,000
Late news viewership	900,000	1 Million

# Broadcasting: Increase Market Share

---



#1 across all time periods



#1 in afternoon and evening news



#1 in morning and late news



#2 in late news (best performance ever)

## Other highlights

Morning news

Late news



+30%



+150%



+17%



+40%



+64%

# Growing Online and Video Portfolio

## National Brands



- 25 websites
- 12 million unique visitors
- 150 million page views
- 3.3 million online subscriptions

## Local Brands



- 18 websites
- 8 million unique visitors
- 35 million page views
- Mobile platforms

## Broadband



- 2 Broadband channels
- 2.3 million video clips
- Video on demand
- Custom production

# Agenda

---

- Strategic Overview
- How we will Grow
  - Increase market share
  - Grow new revenue streams
- Financial Overview

# Publishing: Increase Market Share

	Calendar 2001*	Calendar 2008*	7-Year Cumulative Industry Growth**
Food	12%	22%	+13%
Cosmetics	7%	11%	+1%
Pharmaceutical	7%	11%	+24%
Non-DTC	3%	5%	+23%
Retail	4%	5%	+13%
Home	24%	9%	-28%
Direct Response	17%	11%	-23%
Travel	5%	4%	-12%

\* Meredith data

\*\* TNS Media Intelligence, Jan.-Sept. 2001 & 2008

# Publishing: Increase Market Share

## Corporate Sales

### Commodity Sales Strategies

- Maximize salesforce efficiency
- Stress efficiency of portfolio:
  - Broad reach
  - Value
- Emphasize bundled programs

♀  
♀  
♀      \$  
**MORE + LESS = GREATER RESULTS**



**IN THIS ECONOMY,  
ARE YOUR MEDIA DOLLARS  
WORKING AS HARD AS YOU ARE?**

Probably not, if you're spending the bulk of your dollars with *Martha Stewart Living*, *Real Simple* and *The Oprah Magazine*. Our flagship brands deliver the same quality audience and trusted content for a lot less out of pocket and a lower CPM.

For a greater return on your media investment, contact Michael Brownstein, Sr. Vice President, at [michael@meredith.com](mailto:michael@meredith.com).



# Publishing: Increase Market Share



## Strategic Sales Strategies

- Access more clients directly
- Forge deeper senior-level ties
- Sell solutions, not only ad space
- Emphasize consumer insights

## Broadcasting: Increase Market Share

---

- Grow core advertising revenues
  - Special sales initiatives
  - Contests and incentives
- Emphasize proprietary and new programs
  - Cornerstones
  - Job Connections
  - Product Integration and Sponsorships
  - Better Health
  - Cool Schools



# Agenda

---

- Strategic Overview
- How we will Grow
  - Increase market share
  - Grow new revenue streams
- Financial Overview

# Grow New Revenue Streams

---

- Boost online presence and revenues
- Grow Meredith Integrated Marketing
- Expand brand licensing activities
- Build Hispanic Business
- Increase retransmission revenues
- Grow Meredith Video Solutions

## Grow New Revenue Streams

# Boost Online Presence and Grow Revenues

- Strengthen position in core categories
- Expand into growth areas
  - Social Networking
- Increase traffic and loyalty
  - Unique visitors up 13% YTD Calendar '08
- Aggressively grow revenue and profit



### Meet Our Bloggers

You'll laugh, sigh, and learn a little every day when you visit our knowledgeable bloggers of BHG.com. Let their unique points of view expand your world, one post at a time.



#### Inside the Edit Room

Gayle, editor-in-chief for *Better Homes and Gardens* magazine, invites you inside our room with the rest of the BHG editors. Find out how we're putting together future issues and discover ideas you can use now, and share a few of your own.

[Click here to read Gayle's blog](#)

# Growing Online and Video Portfolio

---



- Social network for women
- Focus on meals, meal planning
- On Mixing Bowl, she can:
  - Share and find recipes
  - Browse ratings and reviews
  - Join or start a group
  - Contribute to discussions
  - Find answers to her questions
  - Connect with other users

## Growing Online and Video Portfolio

---

- Online social community
- 3 million monthly unique visitors
  - 90% of users are women ages 25-48
- Allows Meredith to combine content, traffic and sales activities
- Minority investment
  - Option to buy company
- Meredith now in Top 5 of online women's networks





## Growing Meredith Integrated Marketing Capabilities

<b>FY05</b>	<b>Meredith Integrated Marketing</b>	Custom Publishing
<b>FY06</b>	<b>O'Grady Meyers</b>	Online CRM Strategy, Branding & Promotions
<b>FY07</b>	<b>Genex</b>	Web Site Design and Marketing
	<b>New Media Strategies</b>	Viral and Word of Mouth Marketing
<b>FY08</b>	<b>Directive</b>	Database Marketing
	<b>Big Communications</b>	Healthcare Marketing



## Grow New Revenue Streams

# Expand Brand Licensing Activities



## Expand Brand Licensing Activities

---

- Walmart

- Full line of Better Homes and Gardens home products
- Currently over 550 SKUs per store
- Planned expansion of home and gardening/outdoor living product lines in 2009



# Expand Brand Licensing Activities

---

## Better Homes and Gardens at Walmart

- Multi-year licensing agreement
- Meredith receives royalties with minimum guarantees
- Products designed with input from Meredith creative team
- Promotion
  - Walmart marketing support
    - In-store campaign
    - Media campaign (print and TV)
  - Meredith marketing support
    - In magazines and online
    - Cover wraps



Grow New Revenue Streams

# Expand Brand Licensing Activities

## Meredith International Editions





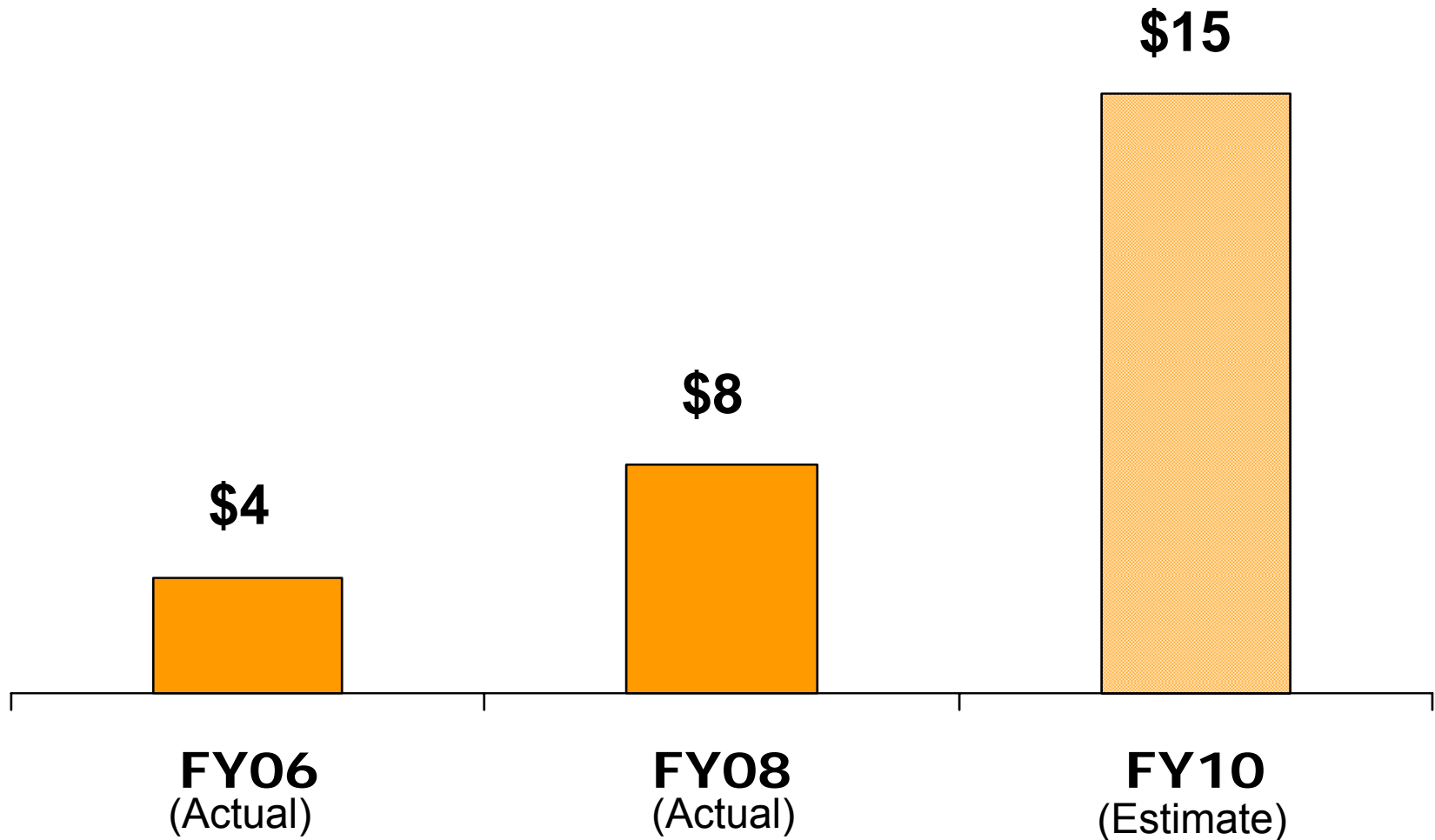
Grow New Revenue Streams

# Build Hispanic Business



## Increase TV Retransmission Revenues

---



\$ in millions



# Grow Meredith Video Solutions

- Broadcast television

- Local advertising
- Sponsorships
- Syndication

- Broadband video

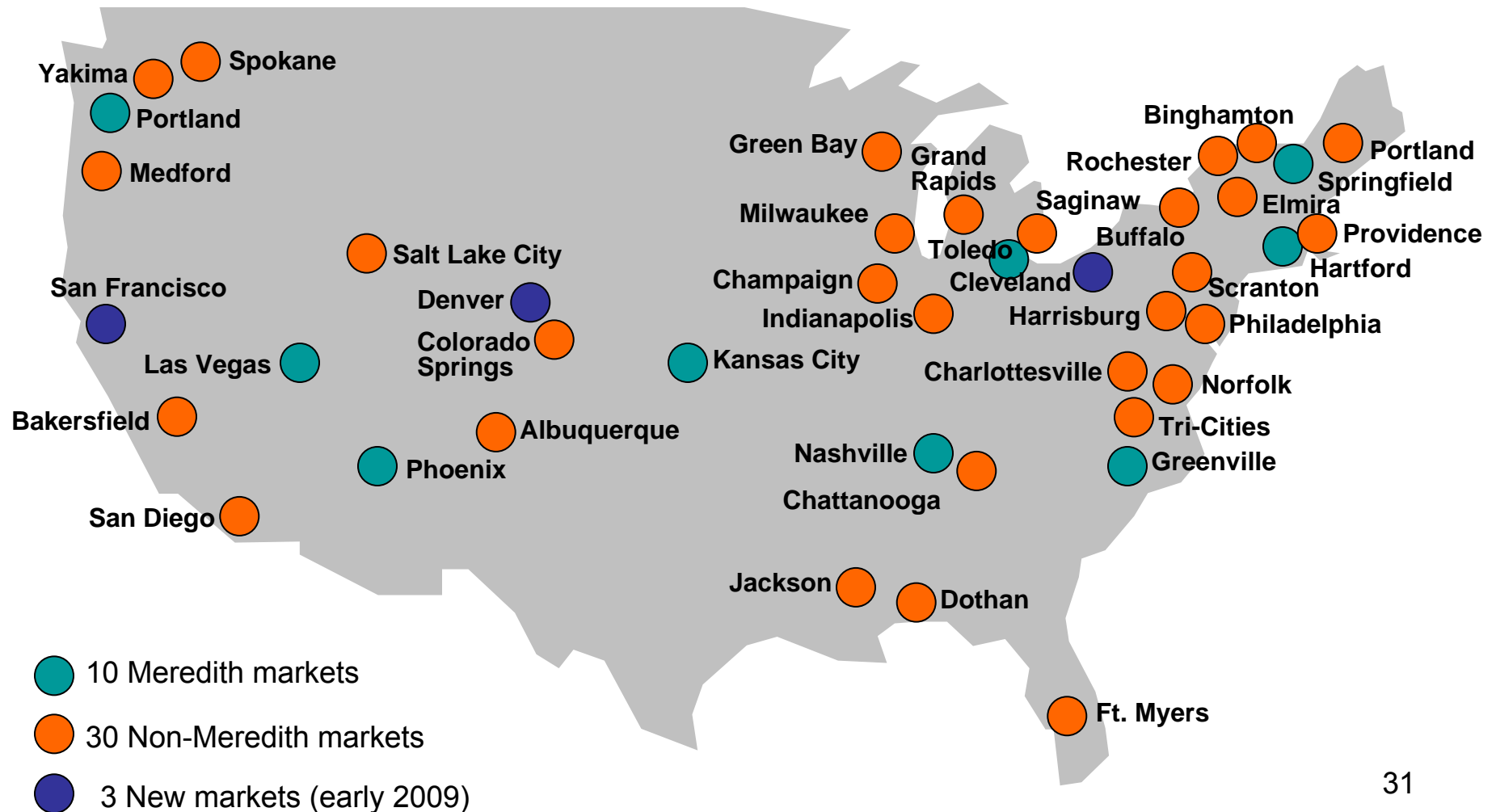
- Advertising spots
- Sponsorships
- Product placement

- Custom video production



# Grow Meredith Video Solutions

**“Better” syndicated show markets**



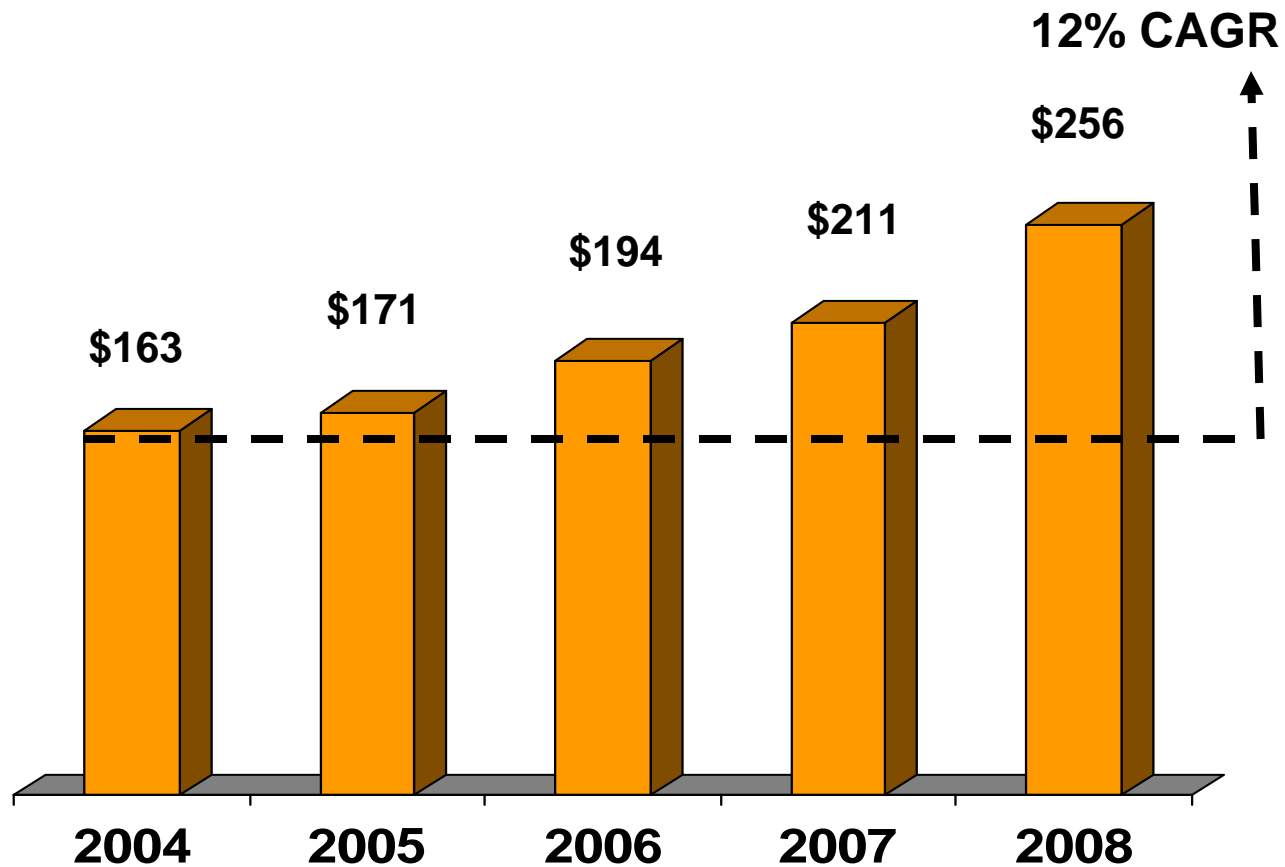
# Agenda

---

- Strategic overview
- How we will grow
- Financial overview

## Strong Operating Cash Flow

---



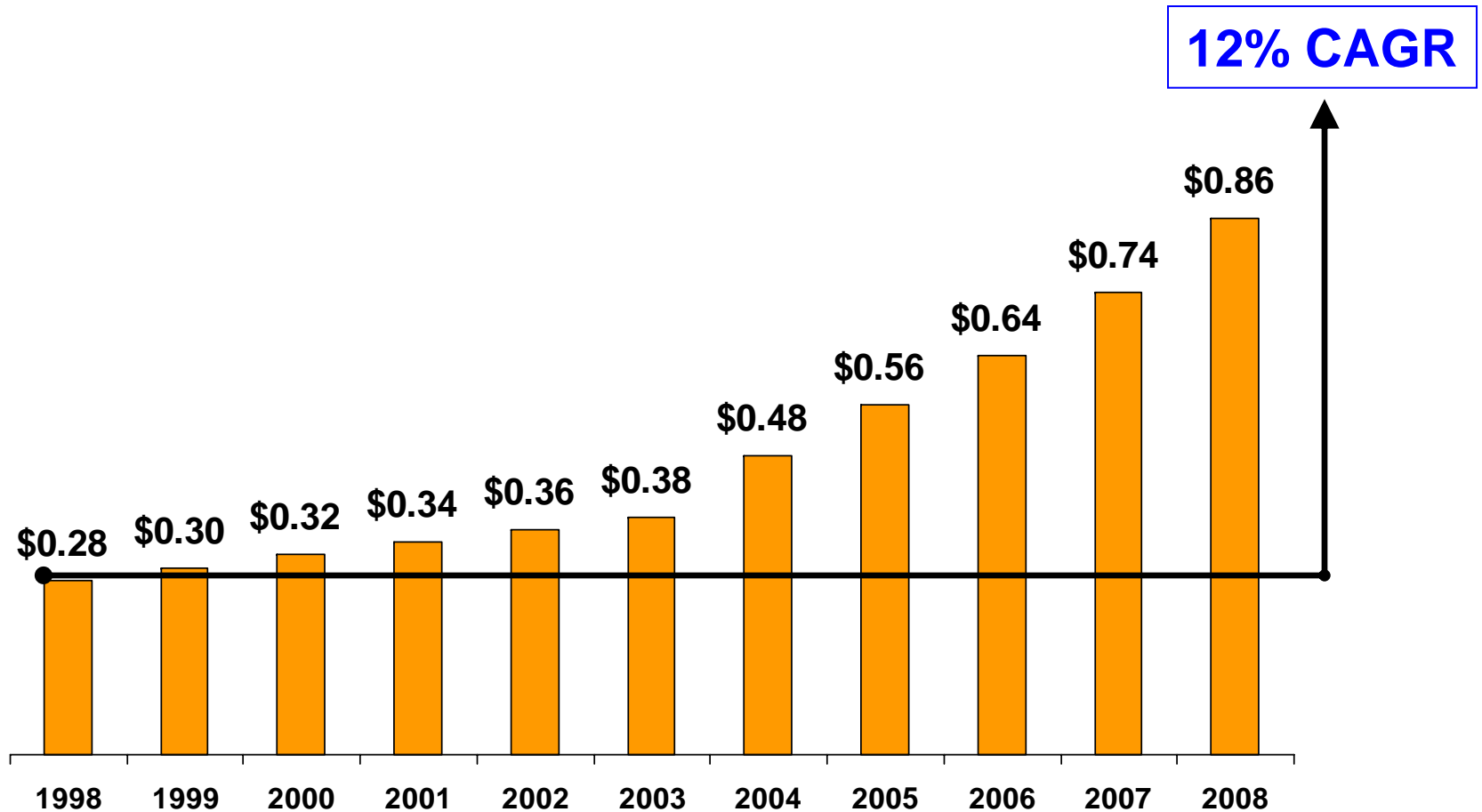
\$ in millions

## Cash Flow Fiscal 1999 through 2008

---

Operating Cash Flow	\$1,700
Net Debt	300
Stock Option Exercises	200
<b>Available Cash</b>	<b>\$2,200</b>
Acquisitions, Net of Dispositions	\$1,000
Share Repurchases	700
Capital Expenditures	300
Dividends	200
<b>Utilization of Cash</b>	<b>\$2,200</b>

# Calendar Year Dividends Per Share



## Conservative Capital Structure

---

- \$455 million total debt
- 4.5% cost of debt
- 1.6x debt to EBITDA



## Current Valuation Metrics

---

- Current dividend yield: 5.0%
- EPS multiple: 5.9x
- EBITDA multiple  
to market capitalization: 2.6x
- EBITDA multiple  
to total capitalization: 4.2x

# Summary

---

- Vibrant and profitable media assets and brands
- Growing online and video presence
- Comprehensive Integrated Marketing capabilities
- Growing brand licensing revenues
- Strong financial foundation