

MEREDITH CORPORATION
Third Quarter Fiscal 2007 Investor Conference Call
April 25, 2007

SUPPLEMENTAL DATA REGARDING NON-GAAP FINANCIAL MEASURES

Certain information contained in the Company's presentation is subject to Regulation G, which addresses the usage and disclosure of non-GAAP (generally accepted accounting principles) financial measures. Non-GAAP measures include core earnings, core earnings per share, earnings before interest, taxes, depreciation, and amortization (EBITDA), EBITDA margin, and total Company free cash flow (defined as net earnings plus depreciation, amortization, and non-cash special items less capital expenditures). The attached tables reconcile non-GAAP measures to GAAP results.

Rationale for Use of Non-GAAP Measures

Management uses and presents GAAP and non-GAAP results to evaluate and communicate the performance of the Company. Non-GAAP measures should not be construed as alternatives to GAAP measures. EBITDA and free cash flow are common supplemental measures of performance used by investors and financial analysts.

Management believes that EBITDA and free cash flow provide additional analytical tools to clarify the Company's results from core operations and delineate underlying trends. Meredith does not use EBITDA or free cash flow as a measure of liquidity or funds available for management's discretionary use because they include certain contractual and non-discretionary expenditures.

Core earnings and core earnings per share are supplemental non-GAAP financial measures that exclude one-time items that are not expected to recur and are not reflective of the Company's core business activities. While core earnings and core earnings per share are not a substitute for reported earnings results under GAAP, Management believes this information is useful as an aid in better understanding the Company's current performance, performance trends, and financial condition.

Interested parties may also access the Company's financial statements and reconciliation tables for prior earnings press releases, which are available on the Company's web site. Interested parties should go to www.meredith.com and click on Investor Relations.

Meredith Corporation and Subsidiaries
Consolidated Statements of Earnings (Unaudited)

Period Ended March 31,	Three Months			Nine Months		
	2007	2006	Change	2007	2006	Change
<i>(In thousands except per share data)</i>						
Revenues						
Advertising	\$ 244,374	\$ 227,843	7.3 %	\$ 740,435	\$ 693,214	6.8 %
Circulation	93,614	95,888	(2.4)%	260,207	278,468	(6.6)%
All other	71,845	71,193	0.9 %	211,009	199,490	5.8 %
Total revenues	409,833	394,924	3.8 %	1,211,651	1,171,172	3.5 %
Operating expenses						
Production, distribution, and editorial	167,364	157,908	6.0 %	503,213	499,062	0.8 %
Selling, general, and administrative	153,065	152,081	0.6 %	474,530	457,571	3.7 %
Depreciation and amortization	11,481	11,290	1.7 %	33,939	34,202	(0.8)%
Special items	12,706	-	0.0 %	12,706	-	0.0 %
Total operating expenses	344,616	321,279	7.3 %	1,024,388	990,835	3.4 %
Income from operations	65,217	73,645	(11.4)%	187,263	180,337	3.8 %
Interest income	502	412	21.8 %	1,172	779	50.4 %
Interest expense	(6,561)	(7,437)	(11.8)%	(21,333)	(23,361)	(8.7)%
Earnings before income taxes	59,158	66,620	(11.2)%	167,102	157,755	5.9 %
Income taxes	13,849	25,979	(46.7)%	56,270	61,524	(8.5)%
Net earnings	\$ 45,309	\$ 40,641	11.5 %	\$ 110,832	\$ 96,231	15.2 %
Basic earnings per share						
Basic earnings per share	\$ 0.94	\$ 0.82	14.6 %	\$ 2.31	\$ 1.95	18.5 %
Basic average shares outstanding	48,170	49,524	(2.7)%	48,024	49,361	(2.7)%
Diluted earnings per share						
Diluted earnings per share	\$ 0.92	\$ 0.80	15.0 %	\$ 2.26	\$ 1.90	18.9 %
Diluted average shares outstanding	49,300	50,852	(3.1)%	49,055	50,747	(3.3)%
Dividends paid per share	\$ 0.185	\$ 0.160	15.6 %	\$ 0.505	\$ 0.440	14.8 %

Meredith Corporation and Subsidiaries
Segment Information (Unaudited)

Period Ended March 31,	Three Months			Nine Months		
	2007	2006	Change	2007	2006	Change
<i>(In thousands)</i>						
Revenues						
Publishing	\$ 330,398	\$ 319,011	3.6 %	\$ 944,215	\$ 938,954	0.6 %
Broadcasting						
Non-political advertising	78,035	72,200	8.1 %	231,360	225,607	2.6 %
Political advertising	436	664	(34.3)%	33,041	828	NM
Other revenues	964	3,049	(68.4)%	3,035	5,783	(47.5)%
Total broadcasting	79,435	75,913	4.6 %	267,436	232,218	15.2 %
Total revenues	\$ 409,833	\$ 394,924	3.8 %	\$ 1,211,651	\$ 1,171,172	3.5 %
Operating profit						
Publishing	\$ 64,417	\$ 61,366	5.0 %	\$ 146,111	\$ 146,289	(0.1)%
Broadcasting	20,292	20,073	1.1 %	78,516	59,141	32.8 %
Unallocated corporate	(6,786)	(7,794)	12.9 %	(24,658)	(25,093)	1.7 %
Special items	(12,706)	-	-	(12,706)	-	-
Income from operations	\$ 65,217	\$ 73,645	(11.4)%	\$ 187,263	\$ 180,337	3.8 %
Depreciation and amortization						
Publishing	\$ 4,701	\$ 4,637	1.4 %	\$ 13,869	\$ 14,120	(1.8)%
Broadcasting	6,324	6,036	4.8 %	18,608	18,197	2.3 %
Unallocated corporate	456	617	(26.1)%	1,462	1,885	(22.4)%
Total depreciation and amortization	\$ 11,481	\$ 11,290	1.7 %	\$ 33,939	\$ 34,202	(0.8)%
EBITDA¹						
Publishing	\$ 69,118	\$ 66,003	4.7 %	\$ 159,980	\$ 160,409	(0.3)%
Broadcasting	26,616	26,109	1.9 %	97,124	77,338	25.6 %
Unallocated corporate	(6,330)	(7,177)	11.8 %	(23,196)	(23,208)	0.1 %
Total EBITDA¹	\$ 89,404	\$ 84,935	5.3 %	\$ 233,908	\$ 214,539	9.0 %

¹ EBITDA is earnings before interest, taxes, depreciation, and amortization and excludes special items.

NM - Not meaningful

Meredith Corporation and Subsidiaries
Condensed Consolidated Balance Sheets

	(Unaudited)	
	March 31,	June 30,
<i>(In thousands)</i>	2007	2006
Assets		
Current assets		
Cash and cash equivalents	\$ 50,759	\$ 30,713
Accounts receivable, net	270,841	239,368
Inventories	58,951	52,032
Current portion of subscription acquisition costs	78,647	79,565
Current portion of broadcast rights	16,045	12,498
Other current assets	14,991	17,344
Total current assets	490,234	431,520
Property, plant, and equipment	442,040	417,831
Less accumulated depreciation	(241,045)	(223,033)
Net property, plant, and equipment	200,995	194,798
Subscription acquisition costs	68,114	74,538
Broadcast rights	11,307	13,412
Other assets	80,921	81,218
Intangibles assets, net	796,193	806,264
Goodwill	459,766	438,925
Total assets	\$ 2,107,530	\$ 2,040,675
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion of long-term debt	\$ 100,000	\$ 50,000
Current portion of long-term broadcast rights payable	16,952	14,744
Accounts payable	76,621	79,892
Accrued expenses and other liabilities	151,812	118,972
Current portion of unearned subscription revenues	199,913	200,338
Total current liabilities	545,298	463,946
Long-term debt	400,000	515,000
Long-term broadcast rights payable	20,597	21,755
Unearned subscription revenues	173,547	169,494
Deferred income taxes	147,639	125,049
Other noncurrent liabilities	43,532	47,327
Total liabilities	1,330,613	1,342,571
Shareholders' equity		
Common stock	38,786	38,774
Class B stock	9,308	9,417
Additional paid-in capital	56,994	56,012
Retained earnings	678,332	599,413
Accumulated other comprehensive loss	(1,818)	(2,077)
Unearned compensation	(4,685)	(3,435)
Total shareholders' equity	776,917	698,104
Total liabilities and shareholders' equity	\$ 2,107,530	\$ 2,040,675

Meredith Corporation and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)

Nine Months Ended March 31,	2007	2006
<i>(In thousands)</i>		
Net cash provided by operating activities	\$ 170,450	\$ 116,545
Cash flows from investing activities		
Acquisitions of businesses	(15,456)	(359,465)
Additions to property, plant, and equipment	(29,014)	(20,829)
Proceeds from disposition of assets	-	2,500
Net cash used in investing activities	(44,470)	(377,794)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	115,000	490,000
Repayments of long-term debt	(180,000)	(220,000)
Purchases of Company stock	(48,372)	(47,233)
Proceeds from common stock issued	29,486	27,895
Dividends paid	(24,312)	(21,758)
Excess tax benefits from share-based payments	2,264	18,804
Other	-	(703)
Net cash provided by (used in) financing activities	(105,934)	247,005
Net increase (decrease) in cash and cash equivalents	20,046	(14,244)
Cash and cash equivalents at beginning of period	30,713	29,788
Cash and cash equivalents at end of period	\$ 50,759	\$ 15,544

Meredith Corporation and Subsidiaries
Supplemental Disclosures Regarding Non-GAAP Financial Measures

Table 1

CORE EARNINGS

Core earnings, which is reconciled to net earnings in the following tables, is defined as net earnings adjusted for certain one time items.

Period Ended March 31,	Three Months		Nine Months	
	2007	2006	2007	2006
<i>(In thousands)</i>				
Core earnings	\$ 43,621	\$ 40,641	\$ 109,144	\$ 96,231
Special items, net of tax ¹	(7,713)	-	(7,713)	-
Tax settlement ²	9,401	-	9,401	-
Net earnings	\$ 45,309	\$ 40,641	\$ 110,832	\$ 96,231

CORE EARNINGS PER SHARE

Core earnings per share, which is reconciled to diluted earnings per share in the following tables, is defined as diluted earnings per share adjusted for certain one time items.

Period Ended March 31,	Three Months		Nine Months	
	2007	2006	2007	2006
Core earnings per share	\$ 0.88	\$ 0.80	\$ 2.22	\$ 1.90
Special items, net of tax ¹	(0.15)	-	(0.15)	-
Tax settlement ²	0.19	-	0.19	-
Diluted earnings per share	\$ 0.92	\$ 0.80	\$ 2.26	\$ 1.90

¹ Special items consist of a restructuring charge of \$9.9 million (\$6.0 million after tax) and a non-cash impairment charge of \$2.8 million (\$1.7 million after tax). The restructuring charge includes the write-down of various assets of *Child* magazine of \$6.5 million and severance and benefit costs of \$3.4 million. The non-cash impairment charge reduced goodwill and other identifiable intangible assets of our broadcast station in Chattanooga, TN, to their fair value less cost to sell.

² An income tax benefit of \$9.4 million was recognized in the third quarter of fiscal 2007 related to the reversal of previously recorded taxes resulting from the resolution of a tax contingency related to a loss on the sale of stock in Craftways, a business sold in fiscal 2003. Recognition of the benefit was deferred until tax-related contingencies were resolved.

Meredith Corporation and Subsidiaries
Supplemental Disclosures Regarding Non-GAAP Financial Measures

Table 2

EBITDA

Consolidated EBITDA, which is reconciled to net earnings in the following tables, is defined as earnings before interest, taxes, depreciation, and amortization and does not include special items.

Segment EBITDA is a measure of segment earnings before depreciation and amortization.

Segment EBITDA margin is defined as segment EBITDA divided by segment revenues.

	Three Months Ended March 31, 2007				Nine Months Ended March 31, 2007			
	Publishing	Broadcasting	Unallocated Corporate	Total	Publishing	Broadcasting	Unallocated Corporate	Total
<i>(In thousands)</i>								
Revenues	\$ 330,398	\$ 79,435	\$ -	\$ 409,833	\$ 944,215	\$ 267,436	\$ -	\$ 1,211,651
Operating profit excluding special items	\$ 64,417	\$ 20,292	\$ (6,786)	\$ 77,923	\$ 146,111	\$ 78,516	\$ (24,658)	\$ 199,969
Depreciation and amortization	4,701	6,324	456	11,481	13,869	18,608	1,462	33,939
EBITDA	<u>\$ 69,118</u>	<u>\$ 26,616</u>	<u>\$ (6,330)</u>	89,404	<u>\$ 159,980</u>	<u>\$ 97,124</u>	<u>\$ (23,196)</u>	233,908
Less:								
Depreciation and amortization				(11,481)				(33,939)
Special items				(12,706)				(12,706)
Net interest expense				(6,059)				(20,161)
Income taxes				(13,849)				(56,270)
Net earnings				<u>\$ 45,309</u>				<u>\$ 110,832</u>
Segment EBITDA margin	20.9%	33.5%			16.9%	36.3%		

	Three Months Ended March 31, 2006				Nine Months Ended March 31, 2006			
	Publishing	Broadcasting	Unallocated Corporate	Total	Publishing	Broadcasting	Unallocated Corporate	Total
<i>(In thousands)</i>								
Revenues	\$ 319,011	\$ 75,913	\$ -	\$ 394,924	\$ 938,954	\$ 232,218	\$ -	\$ 1,171,172
Operating profit	\$ 61,366	\$ 20,073	\$ (7,794)	\$ 73,645	\$ 146,289	\$ 59,141	\$ (25,093)	\$ 180,337
Depreciation and amortization	4,637	6,036	617	11,290	14,120	18,197	1,885	34,202
EBITDA	<u>\$ 66,003</u>	<u>\$ 26,109</u>	<u>\$ (7,177)</u>	84,935	<u>\$ 160,409</u>	<u>\$ 77,338</u>	<u>\$ (23,208)</u>	214,539
Less:								
Depreciation and amortization				(11,290)				(34,202)
Net interest expense				(7,025)				(22,582)
Income taxes				(25,979)				(61,524)
Net earnings				<u>\$ 40,641</u>				<u>\$ 96,231</u>
Segment EBITDA margin	20.7%	34.4%			17.1%	33.3%		

FREE CASH FLOW

Free cash flow, which is reconciled to net earnings in the following tables, is defined as net earnings plus depreciation, amortization and non-cash special items less capital expenditures.

Period Ended March 31,	Three Months		Nine Months	
	2007	2006	2007	2006
<i>(In thousands)</i>				
Free cash flow	\$ 56,048	\$ 46,107	\$ 124,760	\$ 109,604
Depreciation and amortization	(11,481)	(11,290)	(33,939)	(34,202)
Non-cash special items	(9,003)	-	(9,003)	-
Capital expenditures	9,745	5,824	29,014	20,829
Net earnings	<u>\$ 45,309</u>	<u>\$ 40,641</u>	<u>\$ 110,832</u>	<u>\$ 96,231</u>