

**MEREDITH CORPORATION**  
**Fourth Quarter Fiscal 2007 Investor Conference Call**  
**July 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 from continuing operations before interest, taxes, depreciation, and amortization and does not include the Book Group restructuring charges (EBITDA), and total Company free cash flow (defined as earnings from continuing operations plus depreciation, amortization, and non-cash Book Group restructuring charges 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 certain 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.

Reconciliations of non-GAAP to GAAP measures are included in the attached tables. The attached consolidated financial statements and reconciliation tables will be made available on the Company's Web site, [www.meredith.com](http://www.meredith.com). Interested parties should go to [www.meredith.com](http://www.meredith.com) and click on Investor Relations.

**Meredith Corporation and Subsidiaries**  
**Consolidated Statements of Earnings (Unaudited)**

Period Ended June 30,	Three Months			Twelve Months		
	2007	2006	Change	2007	2006	Change
<i>(In thousands except per share data)</i>						
<b>Revenues</b>						
Advertising	\$ 259,260	\$ 253,905	2.1 %	\$ 981,953	\$ 925,936	6.0 %
Circulation	81,707	89,518	(8.7)%	335,706	360,121	(6.8)%
All other	87,503	76,065	15.0 %	298,326	275,408	8.3 %
Total revenues	428,470	419,488	2.1 %	1,615,985	1,561,465	3.5 %
<b>Operating expenses</b>						
Production, distribution, and editorial	169,407	168,581	0.5 %	662,197	656,142	0.9 %
Selling, general, and administrative	156,734	152,574	2.7 %	617,094	593,015	4.1 %
Depreciation and amortization	11,681	11,293	3.4 %	45,030	45,127	(0.2)%
Restructuring charges, Book Group	3,415	-	-	3,415	-	-
Total operating expenses	341,237	332,448	2.6 %	1,327,736	1,294,284	2.6 %
<b>Income from operations</b>	87,233	87,040	0.2 %	288,249	267,181	7.9 %
Interest income	414	208	99.0 %	1,586	987	60.7 %
Interest expense	(5,849)	(6,853)	(14.7)%	(27,182)	(30,214)	(10.0)%
Earnings from continuing operations before income taxes	81,798	80,395	1.7 %	262,653	237,954	10.4 %
Income taxes	32,148	31,354	2.5 %	93,823	92,802	1.1 %
<b>Earnings from continuing operations</b>	49,650	49,041	1.2 %	168,830	145,152	16.3 %
Income (loss) from discontinued operations, net of taxes	1,864	(480)	NM	(6,484)	(360)	NM
<b>Net earnings</b>	\$ 51,514	\$ 48,561	6.1 %	\$ 162,346	\$ 144,792	12.1 %
<b>Basic earnings per share</b>						
Earnings from continuing operations	\$ 1.03	\$ 1.00	3.0 %	\$ 3.51	\$ 2.95	19.0 %
Discontinued operations	0.04	(0.01)	NM	(0.13)	(0.01)	NM
<b>Basic earnings per share</b>	\$ 1.07	\$ 0.99	8.1 %	\$ 3.38	\$ 2.94	15.0 %
Basic average shares outstanding	48,120	49,146	(2.1)%	48,048	49,307	(2.6)%
<b>Diluted earnings per share</b>						
Earnings from continuing operations	\$ 1.01	\$ 0.98	3.1 %	\$ 3.44	\$ 2.87	19.8 %
Discontinued operations	0.04	(0.01)	NM	(0.13)	(0.01)	NM
<b>Diluted earnings per share</b>	\$ 1.05	\$ 0.97	8.2 %	\$ 3.31	\$ 2.86	15.6 %
Diluted average shares outstanding	49,259	50,202	(1.9)%	49,108	50,610	(3.0)%
Dividends paid per share	\$ 0.185	\$ 0.160	15.6 %	\$ 0.690	\$ 0.600	15.0 %

NM - Not meaningful

**Meredith Corporation and Subsidiaries**  
**Segment Information (Unaudited)**

Period Ended June 30,	Three Months			Twelve Months		
	2007	2006	Change	2007	2006	Change
<i>(In thousands)</i>						
<b>Revenues</b>						
Publishing	\$ 344,718	\$ 334,093	3.2 %	\$ 1,268,153	\$ 1,246,774	1.7 %
Broadcasting						
Non-political advertising	81,230	80,840	0.5 %	309,350	303,547	1.9 %
Political advertising	292	3,029	NM	33,216	3,856	NM
Other revenues	2,230	1,526	46.1 %	5,266	7,288	(27.7)%
Total broadcasting	83,752	85,395	(1.9)%	347,832	314,691	10.5 %
<b>Total revenues</b>	<b>\$ 428,470</b>	<b>\$ 419,488</b>	<b>2.1 %</b>	<b>\$ 1,615,985</b>	<b>\$ 1,561,465</b>	<b>3.5 %</b>
<b>Operating profits</b>						
Publishing	\$ 73,139	\$ 67,250	8.8 %	\$ 219,771	\$ 212,897	3.2 %
Broadcasting	27,762	29,258	(5.1)%	106,804	88,845	20.2 %
Unallocated corporate	(10,253)	(9,468)	(8.3)%	(34,911)	(34,561)	(1.0)%
Restructuring charges, Book Group	(3,415)	-	-	(3,415)	-	-
<b>Income from operations</b>	<b>\$ 87,233</b>	<b>\$ 87,040</b>	<b>0.2 %</b>	<b>\$ 288,249</b>	<b>\$ 267,181</b>	<b>7.9 %</b>
<b>Depreciation and amortization</b>						
Publishing	\$ 4,845	\$ 5,114	(5.3)%	\$ 18,714	\$ 19,234	(2.7)%
Broadcasting	6,153	5,868	4.9 %	24,171	23,697	2.0 %
Unallocated corporate	683	311	119.6 %	2,145	2,196	(2.3)%
<b>Total depreciation and amortization</b>	<b>\$ 11,681</b>	<b>\$ 11,293</b>	<b>3.4 %</b>	<b>\$ 45,030</b>	<b>\$ 45,127</b>	<b>(0.2)%</b>
<b>EBITDA<sup>1</sup></b>						
Publishing	\$ 77,984	\$ 72,364	7.8 %	\$ 238,485	\$ 232,131	2.7 %
Broadcasting	33,915	35,126	(3.4)%	130,975	112,542	16.4 %
Unallocated corporate	(9,570)	(9,157)	4.5 %	(32,766)	(32,365)	1.2 %
<b>Total EBITDA<sup>1</sup></b>	<b>\$ 102,329</b>	<b>\$ 98,333</b>	<b>4.1 %</b>	<b>\$ 336,694</b>	<b>\$ 312,308</b>	<b>7.8 %</b>

NM - Not meaningful

<sup>1</sup> EBITDA is earnings from continuing operations before interest, taxes, depreciation, and amortization and excludes Book Group restructuring charges.

**Meredith Corporation and Subsidiaries**  
**Condensed Consolidated Balance Sheets**

	(Unaudited)	
<i>(In thousands)</i>	June 30, 2007	June 30, 2006
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 39,220	\$ 30,713
Accounts receivable, net	267,419	239,368
Inventories	48,836	52,032
Current portion of subscription acquisition costs	70,553	79,565
Current portion of broadcast rights	11,307	12,498
Other current assets	15,305	17,344
<b>Total current assets</b>	<b>452,640</b>	<b>431,520</b>
Property, plant, and equipment	445,846	417,831
Less accumulated depreciation	(239,820)	(223,033)
Net property, plant, and equipment	206,026	194,798
Subscription acquisition costs	66,309	74,538
Broadcast rights	9,309	13,412
Other assets	101,178	81,218
Intangibles assets, net	794,996	806,264
Goodwill	459,493	438,925
<b>Total assets</b>	<b>\$ 2,089,951</b>	<b>\$ 2,040,675</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities</b>		
Current portion of long-term debt	\$ 100,000	\$ 50,000
Current portion of long-term broadcast rights payable	12,069	14,744
Accounts payable	78,156	79,892
Accrued expenses and other liabilities	105,359	118,972
Current portion of unearned subscription revenues	191,445	200,338
<b>Total current liabilities</b>	<b>487,029</b>	<b>463,946</b>
Long-term debt	375,000	515,000
Long-term broadcast rights payable	18,584	21,755
Unearned subscription revenues	167,873	169,494
Deferred income taxes	166,597	125,049
Other noncurrent liabilities	41,667	47,327
<b>Total liabilities</b>	<b>1,256,750</b>	<b>1,342,571</b>
<b>Shareholders' equity</b>		
Common stock	38,970	38,774
Class B stock	9,262	9,417
Additional paid-in capital	58,945	56,012
Retained earnings	727,628	599,413
Accumulated other comprehensive income (loss)	2,499	(2,077)
Unearned compensation	(4,103)	(3,435)
<b>Total shareholders' equity</b>	<b>833,201</b>	<b>698,104</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 2,089,951</b>	<b>\$ 2,040,675</b>

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

<b>Twelve Months Ended June 30,</b>	<b>2007</b>	<b>2006</b>
<i>(In thousands)</i>		
<b>Net cash provided by operating activities</b>	\$ 210,522	\$ 193,989
<b>Cash flows from investing activities</b>		
Acquisitions of businesses	(30,303)	(367,854)
Additions to property, plant, and equipment	(42,599)	(29,236)
Proceeds from disposition of assets	7,658	2,500
<b>Net cash used in investing activities</b>	(65,244)	(394,590)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of long-term debt	190,000	590,000
Repayments of long-term debt	(280,000)	(275,000)
Purchases of Company stock	(58,710)	(145,235)
Proceeds from common stock issued	41,673	52,106
Dividends paid	(33,248)	(29,578)
Excess tax benefits from share-based payments	3,514	9,937
Other	-	(704)
<b>Net cash provided by (used in) financing activities</b>	(136,771)	201,526
Net increase in cash and cash equivalents	8,507	925
Cash and cash equivalents at beginning of period	30,713	29,788
<b>Cash and cash equivalents at end of period</b>	\$ 39,220	\$ 30,713

**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 June 30,	Three Months		Twelve Months	
	2007	2006	2007	2006
<i>(In thousands)</i>				
Core earnings	\$ 51,723	\$ 49,041	\$ 161,502	\$ 145,152
Discontinued operations, net of tax	1,864	(480)	(6,484)	(360)
Restructuring charges, Book Group, net of tax <sup>1</sup>	(2,073)	-	(2,073)	-
Tax settlement <sup>2</sup>	-	-	9,401	-
Net earnings	\$ 51,514	\$ 48,561	\$ 162,346	\$ 144,792

**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 June 30,	Three Months		Twelve Months	
	2007	2006	2007	2006
Core earnings per share	\$ 1.05	\$ 0.98	\$ 3.29	\$ 2.87
Discontinued operations, net of tax	0.04	(0.01)	(0.13)	(0.01)
Restructuring charges, Book Group, net of tax <sup>1</sup>	(0.04)	-	(0.04)	-
Tax settlement <sup>2</sup>	-	-	0.19	-
Diluted earnings per share	\$ 1.05	\$ 0.97	\$ 3.31	\$ 2.86

<sup>1</sup> The Book Group restructuring charges total \$3.4 million (\$2.1 million after tax). The restructuring charges include the write-down of various assets of \$2.7 million and severance and benefit costs of \$0.7 million.

<sup>2</sup> An income tax benefit of \$9.4 million was recognized in the third quarter of fiscal 2007 for the reversal of previously recorded taxes. This resulted 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 earnings from continuing operations in the following tables, is defined as earnings from continuing operations before interest, taxes, depreciation, and amortization and does not include the Book Group restructuring charges.

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

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

	<b>Three Months Ended June 30, 2007</b>				<b>Year Ended June 30, 2007</b>			
	<b>Publishing</b>	<b>Broadcasting</b>	<b>Unallocated Corporate</b>	<b>Total</b>	<b>Publishing</b>	<b>Broadcasting</b>	<b>Unallocated Corporate</b>	<b>Total</b>
<i>(In thousands)</i>								
Revenues	\$ 344,718	\$ 83,752	\$ -	\$ 428,470	\$ 1,268,153	\$ 347,832	\$ -	\$ 1,615,985
Operating profit excluding restructuring charges, Book Group	\$ 73,139	\$ 27,762	\$ (10,253)	\$ 90,648	\$ 219,771	\$ 106,804	\$ (34,911)	\$ 291,664
Depreciation and amortization	4,845	6,153	683	11,681	18,714	24,171	2,145	45,030
EBITDA	<u>\$ 77,984</u>	<u>\$ 33,915</u>	<u>\$ (9,570)</u>	102,329	<u>\$ 238,485</u>	<u>\$ 130,975</u>	<u>\$ (32,766)</u>	336,694
Less:								
Depreciation and amortization				(11,681)				(45,030)
Restructuring charges, Book Group				(3,415)				(3,415)
Net interest expense				(5,435)				(25,596)
Income taxes				(32,148)				(93,823)
Earnings from continuing operations				<u>\$ 49,650</u>				<u>\$ 168,830</u>
Segment EBITDA margin	<u>22.6%</u>	<u>40.5%</u>			<u>18.8%</u>	<u>37.7%</u>		
<hr/>								
	<b>Three Months Ended June 30, 2006</b>				<b>Year Ended June 30, 2006</b>			
	<b>Publishing</b>	<b>Broadcasting</b>	<b>Unallocated Corporate</b>	<b>Total</b>	<b>Publishing</b>	<b>Broadcasting</b>	<b>Unallocated Corporate</b>	<b>Total</b>
<i>(In thousands)</i>								
Revenues	\$ 334,093	\$ 85,395	\$ -	\$ 419,488	\$ 1,246,774	\$ 314,691	\$ -	\$ 1,561,465
Operating profit	\$ 67,250	\$ 29,258	\$ (9,468)	\$ 87,040	\$ 212,897	\$ 88,845	\$ (34,561)	\$ 267,181
Depreciation and amortization	5,114	5,868	311	11,293	19,234	23,697	2,196	45,127
EBITDA	<u>\$ 72,364</u>	<u>\$ 35,126</u>	<u>\$ (9,157)</u>	98,333	<u>\$ 232,131</u>	<u>\$ 112,542</u>	<u>\$ (32,365)</u>	312,308
Less:								
Depreciation and amortization				(11,293)				(45,127)
Net interest expense				(6,645)				(29,227)
Income taxes				(31,354)				(92,802)
Earnings from continuing operations				<u>\$ 49,041</u>				<u>\$ 145,152</u>
Segment EBITDA margin	<u>21.7%</u>	<u>41.1%</u>			<u>18.6%</u>	<u>35.8%</u>		

**FREE CASH FLOW**

Free cash flow, which is reconciled to earnings from continuing operations in the following tables, is defined as earnings from continuing operations plus depreciation, amortization, and non-cash Book Group restructuring charges less capital expenditures.

<b>Period Ended June 30,</b>	<b>Three Months</b>		<b>Twelve Months</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
<i>(In thousands)</i>				
Free cash flow	\$ 50,431	\$ 51,927	\$ 173,946	\$ 161,043
Depreciation and amortization	(11,681)	(11,293)	(45,030)	(45,127)
Non-cash restructuring charges, Book Group	(2,685)	-	(2,685)	-
Capital expenditures	13,585	8,407	42,599	29,236
Earnings from continuing operations	<u>\$ 49,650</u>	<u>\$ 49,041</u>	<u>\$ 168,830</u>	<u>\$ 145,152</u>