

# Meredith Corporation Confirms Discussions With Time Warner

DES MOINES, Iowa, March 6, 2013 [/PRNewswire/](#) -- Meredith Corporation (**NYSE:MDP**; [www.meredith.com](http://www.meredith.com)) confirmed today that it held discussions with Time Warner, Inc. (**NYSE: TWX**; [www.timewarner.com](http://www.timewarner.com)) regarding a potential combination of Meredith's National Media Group with Time Inc.'s Lifestyle and Style & Entertainment brands. Earlier today, Time Warner announced that it is going to spin off its entire Time Inc. subsidiary into a separate publicly traded company.

Meredith Chairman and Chief Executive Officer Stephen M. Lacy said, "At Time Warner's initiation, we discussed combining our National Media Group with certain Time Inc. brands to create a new publicly traded company. There are natural synergies between our two portfolios; however, we respect Time Warner's decision and certainly remain open to continuing a dialogue on how our companies might work together on future opportunities."

Lacy continued, "Going forward, Meredith will continue to enhance shareholder value through ongoing execution of our successful Total Shareholder Return strategy and building on our company's strong momentum. We are in an excellent financial position given the significant free cash flow our businesses generate and our low debt level. We will continue to focus on initiatives designed to maximize the value of our attractive national and local media and marketing services assets, including strategic acquisitions."

Key elements of Meredith's Total Shareholder Return strategy include: (1) A current annual dividend of \$1.63 per share; (2) A \$100 million share repurchase program, and (3) Ongoing strategic investments to scale the business and increase shareholder value over time.

Since implementing its Total Shareholder Return strategy in October 2011, Meredith has increased its dividend 60 percent and repurchased 1.4 million shares, with \$62 million remaining under the current authorization. Meredith's dividend yield has averaged approximately 5 percent over this time period, and its Total Shareholder Return since implementation is over 60 percent, including dividend reinvestment.

Additionally, Meredith has been very active on the acquisition front. In 2012 alone, Meredith acquired Allrecipes.com, the world's leading digital media food brand; popular media brands EveryDay with Rachael Ray and FamilyFun; and the ShopNation e-commerce platform.

## **SAFE HARBOR**

This release contains 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 and its operations.

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, syndicated programming or other costs; changes in

television network affiliation agreements; technological developments affecting products or methods of distribution; changes in government regulations affecting the Company's industries; increases in interest rates; and the consequences of 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.

#### **ABOUT MEREDITH CORPORATION**

Meredith Corporation is the leading media and marketing company serving American women. Meredith reaches 100 million American women every month through multiple well-known national brands and local television brands in fast-growing markets. Meredith is the industry leader in creating content in key consumer interest areas such as home, family, food, health and wellness and self-development. Meredith uses multiple distribution platforms – including print, television, digital, mobile, tablets, and video – to give consumers content they desire and to deliver the messages of its advertising and marketing partners. Additionally, Meredith uses its many assets to create powerful custom marketing solutions for many of the nation's top brands and companies. Meredith Xcelerated Marketing has significantly added to its capabilities in recent years through the acquisition of cutting-edge companies in digital, mobile, social, healthcare, database, and international marketing.

A hallmark of Meredith's business model and financial profile is its ability to consistently generate substantial free cash flow by leveraging the strength of its multi-platform portfolio. Meredith is committed to increasing Total Shareholder Return through dividend payments, share repurchases and strategic business investments.

SOURCE Meredith Corporation

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