

MEREDITH CORPORATION STATEMENT ON ANNOUNCEMENT OF ABG-MAVEN LICENSING AGREEMENT

From the outset, Meredith Corporation's goal was to execute a complete and simple asset sale for Sports Illustrated, similar to the very attractive transactions Meredith previously negotiated or the sales of the Time and Fortune brands, respectively. The Sports Illustrated sales process took much longer than the sales of Time and Fortune, and in order to facilitate a closed sale of Sports Illustrated, Meredith agreed to operate the media assets of Sports Illustrated for a transition period for up to two years under a licensing agreement with ABG.

As a result of ABG's decision to license the Sports Illustrated media assets to a third party earlier than this two year period – which was ABG's right under the contract – Meredith's goal of a completed transaction is achieved. First, Meredith does not have to pay a licensing fee. Second, while very confident in its abilities as the industry leading media brand operator, Meredith can devote full resources and management attention to maximizing the profitability of the rest of its portfolio of leading media brands. Third, if requested by ABG, Meredith has the upside opportunity to provide certain transition and back office services (similar to those provided to the owners of Time and Fortune) at an attractive return to Meredith, assuming Meredith and ABG can reach a mutually satisfactory agreement on these matters.

Finally, Meredith would like to acknowledge the tremendous work by the Sports Illustrated employees under Meredith ownership. They are true professionals, and we wish them the best.
