Meredith Secures Rights To License Martha Stewart Living Magazine And Marthastewart.com

Meredith to also Assume Responsibility for Sales and Marketing of Martha Stewart Weddings Magazine and Marthastewartweddings.com

Martha Stewart Editorial Team Will Continue to Create Award-Winning Content

NEW YORK and DES MOINES, Iowa, Oct. 15, 2014 /**PRNewswire**/ -- Meredith Corporation **(NYSE:MDP; www.meredith.com)** today announced that it has entered into an agreement with Martha Stewart Living Omnimedia **(NYSE: MSO)** to acquire the rights to *Martha Stewart Living* and **www.marthastewart.com** pursuant to a 10-year licensing agreement.

Under the terms of the agreement, Meredith will lead sales and marketing, circulation, production, and other non-editorial functions of *Martha Stewart Living* and *Martha Stewart Weddings* magazines. Martha Stewart Living Omnimedia's (MSLO) editorial team will continue to create its highly regarded content. Additionally, Meredith will assume responsibility for the sales and marketing of **www.marthastewart.com** and **www.marthastewartweddings.com** and its related assets, including its vast video library.

The agreement, which applies to the United States and Canada, is effective November 1, 2014. Meredith will begin delivering editions starting with the February 2015 issue of *Martha Stewart Living* and the Winter 2014 special issue of *Martha Stewart's Real Weddings*. The agreement will not have a material effect on Meredith's fiscal 2015 second quarter financial performance, but will be accretive to Meredith's earnings for the second half of fiscal 2015 and in fiscal 2016. Meredith will provide more details on its fiscal 2015 first quarter earnings call on October 23, 2104.

"This is a winning arrangement for both companies and their respective shareholders, as well as advertising clients and consumers alike," said Meredith Chairman and CEO Stephen M. Lacy. "We will leverage Meredith's tremendous expertise and scale in the magazine and digital fields with the award-winning multi-platform content created by the Martha Stewart team. The change will be invisible to the consumer, and strengthen the Martha Stewart brand in the advertising marketplace."

Martha Stewart Living is published 10 times annually with a ratebase of 2 million. Its readership is over 10 million, including 1.75 million millennial women, according to Mediamark Research Institute. Martha Stewart's digital properties average 8 million monthly unique visitors and 60 million views, according to comScore. *Martha Stewart Weddings*, a quarterly publication, continues its position as the number one bridal magazine on newsstands.

Throughout the years, MSLO has been recognized by the industry for its award-winning content including multiple national magazine awards, 19 Emmys, 3 James Beard Awards, several Webby Awards and more.

"We are very excited to partner with a great company like Meredith, which has an excellent track record in advertising sales, operations and production of a library of some of our country's most popular magazines. Our editorial team can focus entirely on what we do best: the creation of inspirational, original, practical, useful, and trusted content for our superb publications and digital properties - content that continually enhances and improves consumers' lives," said MSLO Founder and Non-Executive Chairman, Martha Stewart.

Meredith will market *Martha Stewart Living*, *Martha Stewart Weddings* and the digital assets with its leading brands, including *Better Homes and Gardens, Parents, Allrecipes* and *Traditional Home*, according to Meredith National Media Group President Tom Harty. The agreement will enable Meredith to go to market with a reach of more than 100 million unduplicated American women, and a digital reach of more than 65 million unduplicated monthly unique visitors.

"*Martha Stewart Living* and *Martha Stewart Weddings* are outstanding brands with a very loyal audience, and we envision a number of great sales and marketing opportunities in conjunction with the Meredith media portfolio," Harty said. "We believe it will be very appealing to clients and agencies alike, and expose *Martha Stewart Living* and *Martha Stewart Weddings* to a wider consumer audience."

This is the latest in a series of acquisitions, launches and alliances for Meredith's National Media Group. In November 2013, Meredith launched the award-winning *Allrecipes* magazine, which followed the acquisition of allrecipes.com in March 2012. Also, Meredith has acquired the *Eating Well, Family Fun, Every Day with Rachael Ray, Parenting* and *Baby Talk* brands in the last three years. It will launch *Parents Latina*, an English-language magazine targeting millennial Hispanic moms, in spring 2015 with a ratebase of 700,000.

Additionally, Meredith's Local Media Group has completed or announced the acquisition of television stations in Phoenix, St. Louis, Mobile-Pensacola and Springfield (Mass.) in the last year.

"We are constantly looking for strategic acquisitions, partnerships and investment opportunities like these to expand our reach and create additional shareholder value," said Meredith Chief Development Officer John Zieser.

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. Statements in this release that are forward-looking include, but are not limited to, the Company's revenue and earnings per share outlook for second quarter and full year fiscal 2015.

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 or vendors; 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 (NYSE: MDP) has been committed to service journalism for more than 110 years. Today, Meredith uses multiple distribution platforms – including broadcast television, print, digital, mobile, tablets and video – to provide consumers with content they desire and to deliver the messages of its advertising and marketing partners.

Meredith's National Media Group is the leader in creating content across media platforms in key consumer interest areas such as food, home, parenthood and health through well-known brands such as Better Homes and Gardens, Parents and Allrecipes. Meredith features robust brand licensing activities, including over 3,000 SKUs of branded products at 4,000 Walmart stores across the U.S. Meredith Xcelerated Marketing is a leader at developing and delivering custom content and customer relationship marketing programs for many of the world's top brands, including Kraft, Lowe's and Chrysler.

Meredith's Local Media Group includes 15 owned or operated television stations reaching 10 percent of U.S. households. Meredith's portfolio is concentrated in large, fast-growing markets, with seven stations in the nation's Top 25 – including Atlanta, Phoenix and Portland – and 13 in Top 50 markets.

Meredith's balanced portfolio consistently generates substantial free cash flow, and the Company is committed to growing Total Shareholder Return through dividend payments, share repurchases and strategic business investments. Meredith's current annualized dividend of $1.73 per share yields approximately 4 percent. Meredith has paid a dividend for 67 straight years and increased it for 21 consecutive years.

About Martha Stewart Living Omnimedia

Martha Stewart Living Omnimedia, Inc. (NYSE: MSO) is a diversified media and merchandising company, inspiring and engaging consumers with unique lifestyle content and distinctive products. The Company reaches approximately 100 million consumers across all media platforms each month and has a growing retail presence in thousands of retail locations. MSLO's media brands, available across multiple platforms, include Martha Stewart Living and Martha Stewart Weddings; the Company also offers books and utility apps. MSLO's television and video programming includes the "Martha Stewart's Cooking School" and "Martha Bakes" series on PBS, in addition to made-for-the-web video and a vast library of how-to content available online. Martha Live, a radio show hosted by Martha Stewart, airs every weekday on SIRIUS XM Channel 109. MSLO also designs high-quality Martha Stewart products in a range of lifestyle categories available through select retailers, including The Home Depot, Macy's, jcpenney, Staples, PetSmart, Michaels and Jo-Ann Fabric & Craft Stores. The MSLO family of brands also includes Chef Emeril Lagasse's media and merchandising properties. Additional information about MSLO is available at **www.marthastewart.com**.

SOURCE Meredith Corporation

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