

MEREDITH CORP

FORM 10-K (Annual Report)

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Industry	Printing & Publishing
Sector	Services
Fiscal Year	06/30

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the fiscal year ended June 30, 1995

Commission file number 1-5128

Meredith Corporation

(Exact name of registrant as specified in its charter)

Iowa
(State or other jurisdiction of
incorporation or organization)

42-0410230
(I.R.S. Employer
Identification No.)

1716 Locust Street, Des Moines, Iowa
(Address of principal executive offices)

50309-3023
(ZIP Code)

Registrant's telephone number, including area code: 515 - 284-3000

Securities registered pursuant to Section 12 (b) of the Act:

Title of each class Name of each exchange on which registered
Common Stock, par value \$1 New York Stock Exchange

Securities registered pursuant to Section 12 (g) of the Act:

Title of class - Class B Stock, par value \$1

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

The registrant estimates the aggregate market value of voting stock held by non-affiliates of the registrant at July 31, 1995, was \$524,214,000 based upon the closing price on the New York Stock Exchange at that date.

Number of common shares outstanding at July 31, 1995:	20,582,556
Number of class B shares outstanding at July 31, 1995:	6,897,141

Total common and class B shares outstanding	27,479,697
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DOCUMENT INCORPORATED BY REFERENCE

Description of document	Part of the Form 10-K
----- Certain portions of the Registrant's Proxy Statement for the Annual Meeting of Stockholders to be held on November 13, 1995	----- Part III to the extent described therein.

PART I

Item 1. Business

General

Meredith Corporation (the "Company") was founded in Des Moines, Iowa, in 1902 by Edwin Thomas Meredith as an Iowa corporation. Since its start with Successful Farming magazine, the Company has expanded its operations, primarily in magazine publishing and television broadcasting, through internal growth and acquisitions.

Today, Meredith Corporation has four operating segments: Publishing, Broadcast- ing, Real Estate and Cable. The Publishing segment includes magazine and book publishing and brand licensing operations.

The Company's largest source of revenues is magazine and television advertising, which tends to be seasonal in nature. Second and fourth quarter advertising volumes are traditionally higher than the first and third quarters. Certain other revenues are also somewhat seasonal, such as real estate franchise fees which are generally highest during the spring and summer months.

Trademarks (e.g. Better Homes and Gardens, Ladies' Home Journal) are highly important to the Company's Publishing segment. Better Homes and Gardens and its familiar "house and trees" logo is important to the Real Estate and Cable segments. Local recognition of television station call letters is important in maintaining audience shares in the Broadcast segment. Name recognition and the public image of these trademarks are vital to both ongoing operations and the introduction of new businesses. Accordingly, the Company aggressively defends its trademarks.

The Company did not have any material expenses for research and development during any of the past three fiscal years.

There is no material effect on capital expenditures, earnings and the competitive position of the Company regarding compliance with federal, state and local provisions relating to the discharge of materials into the environment and to the protection of the environment.

As of June 30, 1995, the Company employed 2,400 persons (including 257 in cable operations).

Business Developments

KPHO-TV in Phoenix and WNEM-TV in Flint/Saginaw/Bay City joined the CBS network as affiliates in September 1994 and January 1995, respectively.

In January 1995, the Company acquired the assets of WSMV-TV, an NBC network affiliate in Nashville, Tenn., for \$159 million.

In March 1995, Meredith/New Heritage Strategic Partners, L.P., in which the Company has a 70 percent indirect ownership interest, sold the assets of a 24,000-subscriber cable television system in Bismarck/Mandan, N. D.

home garden magazine was launched in the third fiscal quarter with a circulation of 400,000. This bimonthly title is the Company's first subscription magazine devoted to the gardening enthusiast.

The Company reached an agreement in July 1995 to acquire the assets of WOGX-TV, a FOX affiliate in Ocala, Fla. Management believes the ownership of both WOFL-TV (the FOX affiliate in Orlando currently owned by the Company) and WOGX will strengthen the Company's position as FOX's leading affiliate serving central Florida television viewers. The acquisition is expected to be completed in calendar 1995, pending regulatory approval.

In July 1995, the Company announced an alliance with The Reader's Digest Association, Inc. granting Reader's Digest the rights to sell Meredith- trademarked products through its direct marketing channels. The agreement covers products (primarily books) created by either Meredith or Reader's Digest and includes access to Meredith's approximately 60 million-name consumer database. Management believes the Company's retail and book club operations will not be materially affected by the agreement.

Overview

Fiscal 1995 revenues for the Company were \$884,550,000, an increase of 11 percent over fiscal 1994 revenues of \$799,526,000. This increase was primarily due to higher advertising revenues in both the Magazine and Broadcasting operations. Higher advertising revenues in the Broadcasting segment were boosted by the inclusion of six months of operations of WSMV-TV in Nashville, acquired by the Company in January 1995.

Company operating profit in fiscal 1995 increased to \$75,708,000 from \$49,637,000 in fiscal 1994, an increase of over 50 percent. Increased operating profits in the Broadcasting and Magazine operations, fueled by the revenue gains, were primarily responsible.

The Company experienced a net loss in fiscal 1995 of \$6,315,000 due to the recognition of a non-cash charge for the cumulative effect of a change in accounting principle. (See Note 2 to the consolidated financial statements beginning on page F-28 of this Form 10-K.) In 1994, net earnings of the Company were \$27,154,000.

See Financial Information about Industry Segments beginning on page F-4 of this Form 10-K.

Description of Business

PUBLISHING

Years ended June 30 -----	1995 -----	1994 -----	1993 -----
			(in thousands)
Publishing revenues	\$683,331	\$622,953	\$599,084
Publishing operating profit	\$ 48,636	\$ 45,678	\$ 35,802

Publishing revenues increased substantially in fiscal 1995 primarily due to higher magazine advertising revenues. Operating profit increased six percent due to strong operating results in magazine publishing, partially offset by an increased operating loss in book publishing.

Magazine

Meredith Corporation currently publishes 18 subscription magazines that appeal primarily to consumers in the home and family market. Key advertising and circulation information for major subscription titles is as follows:

Title Frequency Rate Base Ad Pages

Better Homes and Gardens - Home service Fiscal 1995 Monthly 7,600,000 1,592 Fiscal 1994 Monthly 7,600,000 1,412

Ladies' Home Journal - Women's service Fiscal 1995 Monthly 5,000,000 1,482 Fiscal 1994 Monthly 5,000,000 1,392

Title -----	Frequency -----	Rate Base -----	Ad Pages -----
Country Home - Home decorating			
Fiscal 1995	Bi-monthly	1,000,000	531
Fiscal 1994	Bi-monthly	1,000,000	497

Country America - Country music & lifestyle Fiscal 1995 10x/year 1,000,000 599 Fiscal 1994 10x/year 1,000,000 640

Midwest Living - Regional travel & lifestyle Fiscal 1995 Bi-monthly 815,000 561 Fiscal 1994 Bi-monthly 800,000 545

Traditional Home - Home decorating
Fiscal 1995 Bi-monthly 725,000 474 Fiscal 1994 Bi-monthly 700,000 397

WOOD - Woodworking projects & techniques Fiscal 1995 9x/year 650,000 328 Fiscal 1994 9x/year 650,000 260

Successful Farming - Farm information Fiscal 1995 12x/year 485,000 641 Fiscal 1994 12x/year 485,000 600

home garden - Garden information/lifestyle Fiscal 1995 Bi-monthly 400,000 95 Fiscal 1994 N/A N/A N/A

Golf for Women - Golf instruction & information Fiscal 1995 Bi-monthly 325,000 322 Fiscal 1994 Bi-monthly 300,000 276

Crayola Kids - Kids' reading, crafts & games Fiscal 1995 Bi-monthly 300,000 96 Fiscal 1994 Bi-monthly 250,000 9

Rate base is the circulation guaranteed to advertisers.

Ad pages are as reported to Publisher's Information Bureau, Agricom, or if unreported, as calculated by the publisher using a similar methodology.

Country America, published by Country America Corporation, is jointly owned by Meredith Corporation (which owns 80 percent), TNN:The Nashville Network and Group W Satellite Communications.

Crayola Kids is published by Meredith Publishing Services under a license from Binney & Smith Properties, Inc., makers of Crayola crayons. It debuted in March 1994 and two issues were included in fiscal 1994 results.

April 1995 was the first issue of home garden magazine. Three issues were included in fiscal 1995 results.

Other subscription magazines published by the Company include Cross Stitch & Country Crafts, Weekend Woodworking Projects, Super Scrollsaw Patterns and four Better Homes and Gardens titles: Decorative Woodcrafts, Floral & Nature Crafts, American Patchwork & Quilting and Craft & Wear. All subscription titles, except Successful Farming and Super Scrollsaw Patterns, are also sold on newsstands. Successful Farming is available only by subscription to qualified farm families.

In addition, one of the largest contributors to revenues and operating profit of magazine publishing is a newsstand-only group of magazines, the Better Homes and Gardens Special Interest Publications. These titles are issued from one to four times annually. Nearly 40 different titles were published in fiscal 1995 in categories including decorating, do-it-yourself, home plans, gardening, holidays and food. Total annual advertising and circulation revenues of these publications exceed those of other Company-owned titles, except Better Homes and Gardens and Ladies' Home Journal.

Ladies' Home Journal published one edition of Parent's Digest and several one-time specialty issues in fiscal 1995, each sold primarily on newsstands. Country Home Country Gardens, published four times in fiscal 1995, is also sold primarily on newsstands.

Meredith Publishing Services ("MPS") provides custom publishing services to advertisers and external clients on both one-time and periodic bases. Current clients for ongoing periodicals include Sears, Roebuck & Company, Northwest Airlines and Andersen Windows. MPS operates California Tourism Publications, a wholly owned subsidiary of Meredith Corporation, and recently signed an agreement to produce travel publications for the California Board of Tourism. MPS also will publish a quarterly magazine for Home Depot and a series of brochures for Metropolitan Life Insurance Company. The creation and sale of premiums, typically for one-time promotional purposes, are also a significant source of revenues for MPS.

American Park Network, a wholly owned subsidiary, is the publisher of the country's largest collection of visitor guide magazines for national, state and wildlife parks. American Park Network published 18 editions of visitor guide

magazines in fiscal 1995. These guides are distributed each spring and primarily furnished free to park visitors. Midwest Living magazine co-published two single-state special issues in fiscal 1995 which were distributed free to selected subscribers and others.

Magazine operations also realize revenues from the sale of ancillary products.

The Company also has a 50 percent interest in a monthly Australian edition of Better Homes and Gardens magazine.

Magazine Advertising

Years ended June 30	1995	1994	1993
			(in thousands)
Magazine advertising revenues	\$276,312	\$236,814	\$234,359

Advertising revenues are generated primarily from sales to clients engaged in consumer advertising. Many of the Company's larger magazines offer advertisers different regional and demographic editions which contain the same basic editorial material but permit advertisers to concentrate their advertising in specific markets or to target specific audiences. Selective binding technology is also available to further target advertising audiences in some magazines. Meredith Custom Marketing specializes in advertising sales across titles and in more comprehensive integrated marketing programs which may involve resources from other operating segments.

Magazine Circulation

Years ended June 30	1995	1994	1993
			(in thousands)
Magazine circulation revenues	\$269,029	\$257,453	\$245,693

Subscription revenues, the largest source of circulation revenues, are generated through direct-mail solicitation, agencies, insert cards and other means. Newsstand sales are also important circulation revenue sources for most magazines. Newsstand sales include single copy sales at grocery stores, drug stores and other retail outlets. Magazine wholesalers have the right to receive credit for magazines returned to them by retailers.

Book ----	1995	1994	1993
Years ended June 30 -----	-----	-----	-----
			(in thousands)
Consumer book revenues	\$ 86,568	\$ 86,040	\$ 81,390

The Company publishes and markets a line of approximately 250 consumer home and family service books. These books are published primarily under the Better Homes and Gardens trademark. The books were sold through retail centers, direct mail, book clubs and other means. Approximately 70 new or revised titles were published during fiscal 1995. The Company also markets other publishers' books and related non-book products through its book club operations, including Better Homes and Gardens Crafts Club, Better Homes and Gardens Cook Book Club, and Country Homes and Gardens Book Club.

Books offered through retail centers, direct mail and book clubs are primarily sold on a fully returnable basis.

Other Publishing

The Company has licensed Multicom Publishing, Inc., in which it has a minority ownership interest, to develop and publish CD-ROM titles based on Meredith's home and family editorial products. The Company earns royalties on the sales of these titles. In addition, the Company is currently developing products for other emerging technologies such as online computer networks.

The Company has licensed Wal-Mart Stores, Inc. to operate Better Homes and Gardens Garden Centers in more than 2,100 stores nationwide. Royalties are paid to the Company for sales of licensed products offered exclusively in the Wal-Mart/ Better Homes and Gardens Garden Centers. The Company has entered into an agreement with Wal-Mart Stores, Inc. to license Floral & Nature Crafts in Wal-Mart stores beginning early in the 1996 calendar year.

Production and Delivery

The major raw materials essential to this segment are coated and uncoated publication paper and book-grade papers. Following several years of soft markets, the paper market began to tighten late in fiscal 1994 from increased demand resulting from a stronger economy. Tight market conditions continued during fiscal 1995, resulting in total paper price increases experienced by the Company of nearly 30 percent in the current fiscal year. While the Company has contractual agreements with major paper manufacturers to ensure adequate supplies of paper for current publishing requirements, further price increases are expected in fiscal 1996. In an effort to minimize the impact of price increases, changes in rate base levels, trim size and paper type and weight are being considered.

The Company has printing contracts for all of its magazine titles. Its two largest titles, Better Homes and Gardens and Ladies' Home Journal, are printed under long-term contracts with a major United States printer. All of the Company's published books are manufactured by outside printers with the Company usually supplying the paper. Book manufacturing contracts are generally on a title-by-title basis.

Postage is also a significant expense to this segment due to the large volume of promotion, magazine subscription and book mailings. A postal rate increase in January 1995 resulted in an annual increase of approximately 13 percent. The Publishing operations continually seek the most economical and effective methods for mail delivery. Accordingly, certain cost-saving measures, such as pre-sorting and drop-shipping to central postal centers, are utilized. Most book shipment and some magazine subscription invoices include a separate charge for postage and handling. The rates charged are adjusted periodically to partially offset increased postage and handling costs.

Most fulfillment services for the Company's publishing segment are provided by an unrelated third party under negotiated contract terms. Effective June 1995, national newsstand distribution services were reassigned to a new provider under a multi-year agreement.

Competition

Publishing is a highly competitive business. The Company's magazines, books, and related publishing products and services compete with other mass media and many other types of leisure-time activities. Overall competitive factors in this segment include price, editorial quality and customer service. Competition for advertising dollars in the Magazine Group is primarily based on advertising rates, reader response to advertisers' products and services and effectiveness of sales teams. Better Homes and Gardens and Ladies' Home Journal compete for readers and advertising dollars primarily in the women's service magazine category. Both are members of a group known as the "Seven Sisters," which also includes Family Circle, Good Housekeeping, McCall's, Redbook and Woman's Day magazines, all published by other companies.

BROADCASTING

Years ended June 30 -----	1995 -----	1994 -----	1993 -----
			(in thousands)
Broadcasting total revenues	\$125,650	\$103,150	\$105,167
Broadcasting advertising revenues	\$120,420	\$ 98,663	\$100,116
Broadcasting operating profit	\$ 41,883	\$ 19,189	\$ 16,541

Net revenues increased 22 percent and operating profits 118 percent in fiscal 1995. The acquisition of WSMV (a NBC network affiliate in Nashville) in January 1995, increased advertising revenues at all Company-owned stations and a prior-year write-down of film assets (related to the CBS affiliation in Phoenix) were the primary reasons for the improvements.

The following table lists selected information regarding the Company's television stations:

Station, Channel #, Market, Network Affiliation, Frequency	TV Homes in DMA	DMA National Market Rank	Expiration Date of FCC License	# of TV Stations in Market
KPHO-TV, Ch. 5 Phoenix, Ariz. (CBS) VHF	1,170,000	17	10- 1-1998	8 VHF 4 UHF
WOFL-TV, Ch. 35 Orlando, Fla. (FOX) UHF	998,000	22	2- 1-1997	3 VHF 8 UHF
KCTV, Ch. 5 Kansas City, Mo. (CBS) VHF	780,000	32	2- 1-1998	3 VHF 4 UHF
WSMV-TV, Ch. 4 Nashville, Tenn. (NBC) VHF	766,000	33	8- 1-1997	3 VHF 6 UHF
WNEM-TV, Ch. 5 Flint/Saginaw, Mich. (CBS) VHF	450,000	60	10- 1-1997	2 VHF 3 UHF
KVVU-TV, Ch. 5 Las Vegas, Nev. (FOX) VHF	400,000	66	10- 1-1998	4 VHF 3 UHF

VHF (very high frequency) stations transmit on channels 2 through 13; UHF (ultra high frequency) stations transmit on channels above 13. Technical factors and area topography determine the market served by a television station.

Designated Market Area ("DMA"), as defined by A. C. Nielsen Company ("Nielsen"), is an exclusive geographic area consisting of all counties in which local stations receive a preponderance of total viewing hours. The market rank is the Nielsen 1995-96 DMA rank based on estimated television households as reported by Nielsen Media Research.

The number of television broadcasting stations reported is from Investing in Television, '95 Market Report dated May 1995. Public television stations are not included.

KPHO became a CBS affiliate in September 1994. It was previously an independent station. WNEM became a CBS affiliate in January 1995. Previously, it was an NBC affiliate.

Operations

Advertising is the principal source of revenues for the Broadcasting segment. The stations sell commercial time to both local and national advertisers. Rates for national and local spot advertising are influenced by the market size and demographics, demand for advertising time and the ability of the station to attract audiences, as reflected in rating surveys. Most national advertising is sold through national advertising representative firms. Local advertising revenues are generated by sales staff at each station's location.

All of the Company's television broadcasting stations are network affiliates and as such receive programming and/or cash compensation from the national networks. In exchange, much of the advertising time during this programming is sold by the networks. Affiliation with a national network is an important influence on a station's revenues. The audience share drawn by a network's programming affects the rates at which advertising time is sold.

Competition

Meredith television stations compete directly for advertising dollars and programming in each of their markets with other television stations and cable television providers. Other mass media providers such as newspapers and radio stations also provide competition for market advertising dollars and for entertainment and news information. The entry of telephone companies in providing video programming in local markets has been facilitated by judicial and Congressional actions in the past year. Changes in legislation enabling television broadcast stations to more effectively compete in local markets is important, especially in light of the entry of possible strong, new competitors.

Regulation

Television broadcasting operations are subject to regulation by the Federal Communications Commission ("FCC") under the Communications Act of 1934, as amended ("Communications Act"). Under the Communications Act, the FCC performs many regulatory functions including granting of station licenses and determining regulations and policies which affect the ownership, operation, programming and employment practices of broadcast stations. The FCC must approve all television licenses and therefore compliance with FCC regulations is essential to the operation of this segment. Licenses are granted for maximum periods of five years and are renewable upon proper application for additional terms of up to five years. The Company is not aware of any reason why its television station licenses would not be renewed.

Currently, Congress is considering various amendments to the Communications Act. Possible revisions include changes in ownership limits (raising the U.S. television household coverage cap, eliminating the limit on the number of television stations under common ownership and allowing ownership of cable system-television station and/or two television stations in the same market), extending the length of FCC license terms for television stations and awarding second channels to local broadcasting stations for digital services. (The information given in this section is not intended to be a complete listing of all regulatory provisions currently in effect or proposed.)

Congressional legislation and FCC rules are subject to change and these groups may adopt regulations that could affect future operations and profitability of the Company's Broadcasting segment. The Company cannot predict what changes to current legislation will be adopted or determine, in advance, what impact any changes could have on its television broadcasting operations.

REAL ESTATE

Years ended June 30 -----	1995 -----	1994 -----	1993 -----
			(in thousands)
Real Estate revenues	\$ 24,429	\$ 21,813	\$ 21,034
Real Estate operating profit	\$ 2,298	\$ 1,914	\$ 1,220

Increased revenues and operating profit in the Company's Real Estate segment resulted primarily from increased franchise fees received from member firms.

Operations

The Better Homes and Gardens Real Estate Service is a national residential real estate marketing service which licenses the rights to exclusive territories to selected real estate firms. Members and affiliates (real estate companies affiliated with larger member firms) totaled 728 in the United States and 16 in Canada on June 30, 1995. The primary revenue sources of the Real Estate segment are franchise fees (based on a percentage of each member's gross commission income on residential housing sales) and the sale of marketing programs and materials to member firms.

Competition

The real estate business is highly competitive and customer service remains vital to the success of this segment. The Real Estate Service competes for members with other national real estate franchise networks primarily on the bases of benefits provided to the member and fees for membership.

CABLE

Years ended June 30 -----	1995 -----	1994 -----	1993 -----
			(in thousands)
Cable revenues	\$ 51,189	\$ 51,653	\$ 43,614
Cable operating profit*	\$ 3,006	\$ 3,761	\$ 5,044

*before interest expense and minority interests

Decreased revenues and operating profits in the Company's cable segment reflect the sale of the North Dakota system in March 1995.

The Company has a 70 percent indirect ownership interest in Meredith/New Heritage Strategic Partners, L.P. ("Strategic Partners") through its wholly owned subsidiary, Meredith Cable, Inc. (Continental Cablevision of Minnesota, Inc., a subsidiary of Continental Cablevision Inc., owns approximately 27 percent and New Heritage Associates the remaining 3 percent of Strategic Partners.) Strategic Partners owns and operates a cable television system with approximately 120,000 subscribers in the Minneapolis/St. Paul area. (Previously, Strategic Partners also owned a smaller system with 24,000 subscribers in Bismarck, North Dakota, which was sold in March 1995.) The principal source of revenues for the cable operations is monthly fees charged to subscribers for basic, tier and pay cable services. Revenues also are received for advertising, pay-per-view and other subscriber services.

Nonexclusive franchises granted by local authorities are essential to the operation of this segment. Franchise fees (generally five percent of operating revenues) are paid to local authorities. The franchise agreements typically specify the type of cable system that must be constructed and cover such matters as total channel capacity and access. Franchise agreements for Strategic Partners' systems extend from 1997 through 2006. Cable management believes that its Minnesota system is in compliance with the terms of the franchise agreements in each of the municipalities in which it offers cable television services.

Competition

The cable television systems compete with other media in their respective markets for viewers and advertising dollars on bases of price, programming quality and customer service. Changing technology may be expected to produce and/or encourage additional competing systems for the delivery of entertainment and information programming, including satellite dishes, direct broadcast satellite and wireless cable systems. With the current Congressional review of telecommunications legislation and recent judicial rulings, significant competition from telephone companies in providing local cable television services has and continues to be facilitated.

Regulation

Operations of cable television systems are subject to federal regulation. The Cable Communications Policy Act of 1984 ("1984 Act") established certain uniform national regulatory guidelines and gave the federal government exclusive jurisdiction over cable television. The 1984 Act, among other provisions, also established procedures and standards governing the franchising of cable systems.

The Cable Television Consumer Protection and Competition Act of 1992 ("1992 Act") amended the 1984 Act primarily to provide increased consumer protection and to promote increased competition in the cable television market. Effective September 1, 1993, the FCC required cable systems operating above a benchmark average to reduce rates from their September 30, 1992 level by approximately 10 percent. On May 15, 1994, additional rate regulations were enacted. Under these rules, regulated cable systems were required to reduce rates by an additional 7 percent from their September 1992 levels, but not below the applicable benchmark. These rate regulations have had a negative impact on the revenues and operating results of the cable segment.

In March 1995, the FCC announced that it would not enforce cross-ownership restrictions against certain telephone companies in light of several court decisions. The FCC has recommended to Congress that legislation be enacted to allow telephone companies to own and operate cable television systems. These events and others have led Congress to consider major amendments to telecommunications legislation (Communications Act of 1934) which could have a significant effect on the cable television industry. This legislation could lead to de-regulation of the cable industry by substantially reducing or eliminating the rate restrictions imposed by the 1992 Act. In addition, proposed legislation would open competition in local markets by permitting telephone companies to own cable television systems in their telephone service areas and by preempting barriers to cable operators offering telephone service. (The information given regarding regulatory provisions currently in effect or proposed is not intended to be a complete summary of such provisions.)

Congressional legislation and FCC rules are subject to change and these groups may adopt regulations that could affect future operations and profitability of the Company's Cable segment. The Company cannot predict what changes to current legislation will be adopted or determine, in advance, what impact any changes could have on the Company's continued investment and future operations of the Company's Cable segment.

The Company continues to consider its options in relation to its investment in cable television systems. Strategic Partners' cable television system in the Minneapolis/St. Paul area has been listed for sale; however, a formal plan of disposal has not yet been adopted.

Pursuant to General Instruction G(3), information regarding executive officers required by Item 401(b) of Regulation S-K is included in Part I of this report.

Executive Officers of the Registrant (as of September 1, 1995)

Name	Age	Title	Executive Officer Since
-----	---	-----	-----
E. T. Meredith III	62	Chairman of the Executive Committee of the Board	1968
Jack D. Rehm	62	Chairman of the Board and Chief Executive Officer	1980
William T. Kerr	54	President and Chief Operating Officer	1991
Christopher M. Little	54	President - Publishing Group	1994
Philip A. Jones	51	President - Broadcasting Group	1989
Allen L. Sabbag	51	President - Real Estate Group	1983
Larry D. Hartsook	52	Vice President - Finance	1991

Executive officers are elected to one-year terms of office each November. All present executive officers except Mr. Kerr and Mr. Little have been employed by the Company for at least five years. Mr. Kerr served as President - Magazine Group and Executive Vice President of the Company from September 1991 to June 1994. Prior to joining the Company, Mr. Kerr served as a vice president at The New York Times Company and president of its magazine group from 1984 to 1991. Mr. Little served as a vice president and publishing director of the Magazine Group from October 1992 to June 1994. Prior to joining Meredith, Mr. Little had been president of Cowles Magazines, Inc. since 1989. Mr. Meredith, Mr. Rehm and Mr. Kerr are directors of the Company.

Item 2. Properties

The following is a summary description of significant physical properties owned and leased by the Company and its subsidiaries. The description sets forth the location, approximate size of any building area, acreage of any land owned, expiration date of any lease, and principal activity carried on at the location. All facilities are in good condition and provide suitable and adequate space for the operations currently at each location. However, the Company has entered into a lease agreement to consolidate its three New York City offices into one location and also will begin construction of an office building adjacent to its Des Moines headquarters in fiscal 1996. Both moves are expected to increase operational efficiency.

Owned			

Location	Area (Square Feet)	Acreage	Principal Activity
-----	-----	-----	-----
Des Moines, Iowa	354,500	9.0	Publishing and corporate
Des Moines, Iowa	15,000	0.4	Real estate
Des Moines, Iowa	90,000	0.5	Real estate and publishing
Phoenix, Arizona	43,000	4.0	Broadcasting
Fairway, Kansas	58,000	3.2	Broadcasting
Saginaw, Michigan	60,700	0.5	Broadcasting
Orlando, Florida	38,000	5.0	Broadcasting
Henderson-Las Vegas, Nevada	31,700	3.5	Broadcasting
Nashville, Tennessee	55,000	11.2	Broadcasting

Leased

Location	Area (Square Feet)	Expires	Principal Activity
Des Moines, Iowa	47,400	6-30-96	Publishing
New York City, New York	59,600	12-31-95	Publishing and corporate
New York City, New York	40,400	3-15-96	Publishing
New York City, New York	17,000	12-31-95	Publishing
New York City, New York	105,100	12-31-11	Publishing and corporate
Chicago, Illinois	12,500	7-31-00	Publishing
Roseville, Minnesota	41,000	8-31-98	Cable

The Company or its subsidiaries lease sales office space in approximately 30 cities throughout the United States.

Item 3. Legal Proceedings

There are various legal proceedings pending against the Company arising from the ordinary course of business. In the opinion of management, any liability which could arise from any such proceedings would not have a material adverse affect on the consolidated results of operations or financial position of the Company.

Item 4. Submission of Matters to a Vote of Security Holders

No matters have been submitted to a vote of stockholders since the last annual meeting held on November 14, 1994.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The principal market for trading the Company's common stock is the New York Stock Exchange (trading symbol MDP). There is no separate public trading market for the Company's class B stock, which is convertible share-for-share at any time into common stock.

The range of trading prices for the Company's common stock and the dividends paid during the past two fiscal years are presented below. All information has been restated to reflect a two-for-one stock split in March 1995.

	High -----	Low -----	Dividends -----
Fiscal 1995			
Fourth Quarter	\$27	\$24 1/8	\$.10
Third Quarter	27	22 5/8	.10
Second Quarter	24 9/16	22 3/16	.09
First Quarter	24 9/16	21 1/4	.09
Fiscal 1994			
Fourth Quarter	\$22 1/8	\$20 13/16	\$.09
Third Quarter	22 13/16	19 3/8	.09
Second Quarter	21 3/4	18 1/16	.08
First Quarter	18 3/8	16 3/4	.08

Stock of the Company became publicly traded in 1946, and quarterly dividends have been paid continuously since 1947. It is anticipated that comparable dividends will continue to be paid in the future.

On August 31, 1995, there were approximately 2,000 holders of record of the Company's common stock and 1,500 holders of record of class B stock.

Item 6. Selected Financial Data

The information required by this Item is set forth on pages F-2 and F-3 of this Form 10-K and is incorporated herein by reference.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information required by this Item is set forth on pages F-6 through F-17 of this Form 10-K and is incorporated herein by reference.

Item 8. Financial Statements and Supplementary Data

The information required by this Item is set forth on pages F-18 through F-48 of this Form 10-K and is incorporated herein by reference.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

PART III**Item 10. Directors and Executive Officers of the Registrant**

The information required by this Item is set forth in Registrant's Proxy Statement for the Annual Meeting of Stockholders to be held on November 13, 1995, under the captions "Election of Directors" and "Section 16(a) Reporting Delinquencies" and in Part I of this Form 10-K on pages 16 and 17 under the caption "Executive Officers of the Registrant" and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by this Item is set forth in Registrant's Proxy Statement for the Annual Meeting of Stockholders to be held on November 13, 1995, under the captions "Compensation of Executive Officers" and "Retirement Programs and Employment Agreements" and in the last paragraph under the caption "Board Committees" and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information required by this Item is set forth in Registrant's Proxy Statement for the Annual Meeting of Stockholders to be held on November 13, 1995, under the caption "Security Ownership of Certain Beneficial Owners and Management" and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions

There are no reportable relationships or transactions.

PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

The following consolidated financial statements listed under (a) 1. and financial statement schedules listed under (a) 2. of the Company and its subsidiaries are filed as part of this report as set forth on the Index at page F-1.

(a) 1. Financial Statements:

Consolidated Statements of Earnings for the years ended June 30, 1995, 1994 and 1993 Consolidated Balance Sheets as of June 30, 1995 and 1994 Consolidated Statements of Stockholders' Equity for the years ended June 30, 1995, 1994 and 1993 Consolidated Statements of Cash Flows for the years ended June 30, 1995, 1994 and 1993 Notes to Consolidated Financial Statements Independent Auditors' Report

(a) 2. Financial Statement Schedules as of or for each of the three years ended June 30, 1995:

Schedule I - Condensed Financial Information Schedule II - Valuation and Qualifying Accounts

All other Schedules have been omitted for the reason that the items required by such schedules are not present in the consolidated financial statements, are covered in the consolidated financial statements or notes thereto, or are not significant in amount.

(a) 3. Exhibits. Certain of the exhibits to this Form 10-K are incorporated herein by reference, as specified: - (See index to attached exhibits on page E-1 of this Form 10-K.)

3.1 The Company's Restated Articles of Incorporation

3.2 The Restated Bylaws, effective July 1, 1995

4.1 Term Loan Agreement among Meredith Corporation, The Northern Trust Company, as agent, and a group of banks dated as of December 19, 1994, is incorporated herein by reference to Exhibit 4 to the Company's Current Report on Form 8-K/A-1 dated January 5, 1995.

4.2 Loan Agreement among Meredith/New Heritage Strategic Partners L.P., The Toronto Dominion Bank, as agent, and a group of banks, as amended, is incorporated herein by reference to Exhibit 4 to the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 1994 (the "Company's Form 10-Q dated December 31, 1994").

10.1 Nonqualified Stock Option Award Agreement between the Company and Jack D. Rehm effective August 10, 1994, is incorporated herein by reference to Exhibit 10a to the Company's Form 10-Q dated December 31, 1994.

10.2 Restricted Stock Agreement between the Company and Jack D. Rehm effective September 1, 1994, is incorporated herein by reference to Exhibit 10b to the Company's Form 10-Q dated December 31, 1994.

10.3 Nonqualified Stock Option Award Agreement between the Company and William T. Kerr effective August 10, 1994, is incorporated herein by reference to Exhibit 10c to the Company's Form 10-Q dated December 31, 1994.

10.4 Statement re: Nonqualified Stock Option Award Agreements between the Company and its executive officers is incorporated herein by reference to Exhibit 10d to the Company's Form 10-Q dated December 31, 1994.

10.5 Asset Purchase Agreement by and between Cook Inlet Television Partners, L.P. and Cook Inlet Television License Partners, L.P. and Meredith Corporation, dated as of August 19, 1994, is incorporated herein by reference to Exhibit 2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1994.

10.6 Meredith Corporation Deferred Compensation Plan, dated as of November 8, 1993, is incorporated herein by reference to Exhibit 10 to the Company's Quarterly Report on Form 10-Q for the quarter ending December 31, 1993.

10.7 Meredith Corporation 1993 Stock Option Plan for Non-Employee Directors is incorporated herein by reference to Exhibit A to the Proxy Statement for the Annual Meeting of Shareholders on November 8, 1993.

- 10.8 1992 Meredith Corporation Stock Incentive Plan Agreement between the Company and Jack D. Rehm effective August 12, 1992, is incorporated herein by reference to Exhibit 10a(1) to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1992 (the "Company's Form 10-Q dated September 30, 1992").
- 10.9 1992 Meredith Corporation Stock Incentive Plan Agreement between the Company and Jack D. Rehm effective August 12, 1992, is incorporated herein by reference to Exhibit 10a(2) to the Company's Form 10-Q dated September 30, 1992.
- 10.10 Restricted Stock Agreement between the Company and Jack D. Rehm, effective September 22, 1992, is incorporated herein by reference to Exhibit 10b(1) to the Company's Form 10-Q dated September 30, 1992.
- 10.11 Restricted Stock Agreement between the Company and Jack D. Rehm, effective September 22, 1992, is incorporated herein by reference to Exhibit 10b(2) to the Company's Form 10-Q dated September 30, 1992.
- 10.12 Stock Purchase Agreement dated as of February 11, 1992, regarding the purchase of North Central Cable Communications Corporation is incorporated herein by reference to Exhibit 2 to the Company's Current Report on Form 8-K dated September 1, 1992.
- 10.13 1992 Meredith Corporation Stock Incentive Plan effective August 12, 1992, is incorporated herein by reference to Exhibit 10b to the Company's Annual Report on Form 10-K for the year ended June 30, 1992.
- 10.14 Employment contract by and between Meredith Corporation and Jack D. Rehm as of July 1, 1992, is incorporated herein by reference to Exhibit 10c to the Company's Annual Report on Form 10-K for the year ended June 30, 1992.
- 10.15 Meredith/New Heritage Partnership Agreement is incorporated herein by reference to Exhibit 10a to the Company's Quarterly Report on Form 10-Q for the quarter ending September 30, 1991.
- 10.16 Employment Agreement between the Company and William T. Kerr is incorporated herein by reference to Exhibit 10b to the Company's Quarterly Report on Form 10-Q for the quarter ending September 30, 1991.

- 10.17 Meredith Corporation 1980 Long Term Incentive Plan as amended is incorporated herein by reference to Exhibit 10e to the Company's Annual Report on Form 10-K for the fiscal year ending June 30, 1991.
- 10.18 Meredith Corporation 1990 Restricted Stock Plan for Non-Employee Directors is incorporated herein by reference to Exhibit A to the Proxy Statement for the Annual Meeting of Shareholders on November 12, 1990.
- 10.19 Indemnification Agreement in the form entered into between the Company and its Officers and Directors is incorporated herein by reference to Exhibit 10 to the Company's Quarterly Report on Form 10-Q for the quarter ending December 31, 1988.
- 10.20 Second Amendment to Employment Contract between the Company and Robert A. Burnett, Retired Chairman of the Board of the Company (the "Employment Contract"). (The Employment Contract is incorporated herein by reference to Exhibit 10 to the Company's Annual Report on Form 10-K for the year ended June 30, 1988. First amendment to the Employment Contract, dated November 11, 1991, is incorporated herein by reference to Exhibit 10 to the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 1991.)
- 10.21 Meredith Corporation 1986 Restricted Stock Award Plan is incorporated herein by reference to Exhibit A to the Proxy Statement for the Annual Meeting of Shareholders on November 10, 1986.
- 10.22 Severance Agreement in the form entered into between the Company and its Officers is incorporated herein by reference to Exhibit 10 to the Company's Annual Report on Form 10-K for the fiscal year ending June 30, 1986.
- (11) Statement re Computation of Per Share Earnings
- (21) Subsidiaries of the Registrant
- (23) Consent of Independent Auditors
- (27) Financial Data Schedule

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the fourth quarter of the Company's fiscal year.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MEREDITH CORPORATION

/s/ Thomas L. Slaughter

*Thomas L. Slaughter, Vice President-
General Counsel and Secretary*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<i>/s/ Larry D. Hartsook</i> ----- <i>Larry D. Hartsook Vice President-Finance (Principal Accounting and Financial Officer)</i>	<i>/s/ Jack D. Rehm</i> ----- <i>Jack D. Rehm, Chairman, Chief Executive Officer and Director (Principal Executive Officer)</i>
<i>/s/ E. T. Meredith III</i> ----- <i>E. T. Meredith III Chairman of the Executive Committee and Director</i>	<i>/s/ William T. Kerr</i> ----- <i>William T. Kerr President, Chief Operating Officer and Director</i>
<i>/s/ Herbert M. Baum</i> ----- <i>Herbert M. Baum, Director</i>	<i>/s/ Robert A. Burnett</i> ----- <i>Robert A. Burnett, Director</i>
<i>/s/ Pierson M. Grieve</i> ----- <i>Pierson M. Grieve, Director</i>	<i>/s/ Frederick B. Henry</i> ----- <i>Frederick B. Henry, Director</i>
<i>/s/ Joel W. Johnson</i> ----- <i>Joel W. Johnson, Director</i>	<i>/s/ Robert E. Lee</i> ----- <i>Robert E. Lee, Director</i>
<i>/s/ Richard S. Levitt</i> ----- <i>Richard S. Levitt, Director</i>	<i>/s/ Nicholas L. Reding</i> ----- <i>Nicholas L. Reding, Director</i>
<i>/s/ Barbara S. Uehling</i> ----- <i>Barbara S. Uehling, Director</i>	

Each of the above signatures is affixed as of September 7, 1995.

Index to Consolidated Financial Statements, Financial Schedules and Other Financial Information

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Selected Financial Data
Meredith Corporation and Subsidiaries

Years Ended June 30	1995	1994	1993	1992	1991
----- (\$ in thousands, except per share)					
Results of operations					
Net revenues	\$884,550	\$799,526	\$768,848	\$706,662	\$730,911
	=====	=====	=====	=====	=====
Earnings from continuing operations	\$ 39,845	\$ 27,154	\$ 18,626	\$ 969	\$ 22,824
Discontinued operations (net of tax)	--	--	--	--	60,302
Cumulative effect of change in accounting principle (net of tax)	(46,160)	--	--	(7,300)	--
	-----	-----	-----	-----	-----
Net (loss) earnings	\$ (6,315)	\$27,154	\$18,626	(\$6,331)	\$83,126
	=====	=====	=====	=====	=====
Per share amounts					
Earnings from continuing operations	\$1.44	\$0.96	\$0.61	\$0.03	\$0.68
Discontinued operations (net of tax)	--	--	--	--	1.79
Cumulative effect of change in accounting principle (net of tax)	(1.67)	--	--	(0.23)	--
	-----	-----	-----	-----	-----
Net (loss) earnings	(\$0.23)	\$0.96	\$0.61	(\$0.20)	\$2.47
	=====	=====	=====	=====	=====
Dividends paid to stockholders	\$0.38	\$0.34	\$0.32	\$0.32	\$0.32
	=====	=====	=====	=====	=====
Financial position at June 30					
Total assets	\$882,300	\$864,467	\$900,768	\$780,127	\$768,152
	=====	=====	=====	=====	=====
Long-term obligations (including current portion)	\$193,338	\$148,801	\$150,368	\$ 55,505	\$ 24,910
	=====	=====	=====	=====	=====

General:

Significant acquisitions occurred in January 1995 with the purchase of WSMV and in September 1992 with the purchase of North Central cable television systems.

Per-share amounts are computed on weighted-average number of shares outstanding for the year.

The data have been adjusted to reflect a two-for-one stock split in March 1995.

Long-term obligations include film rental contracts, Company debt and, since 1993, non-recourse cable partnership bank debt.

Earnings (loss) from continuing operations (all per-share amounts are post-tax):

Fiscal 1995 includes interest income of \$8,554,000, or 17 cents per share, from the IRS for the settlement of the 1986 through 1990 tax years and a gain of \$3,501,000, or four cents per share, on disposition of the North Dakota cable television system.

Fiscal 1994 includes non-recurring items of \$5,584,000 for broadcasting film write-downs and \$1,800,000 for taxes on disposed properties, or a total of 14 cents per share and a gain of \$11,997,000, or 28 cents per share, on disposition of the Syracuse and Fresno television properties.

Fiscal 1992 includes non-recurring items of \$12,983,000 for restructuring costs and \$13,400,000 for book inventory write-downs and other items, or a total of 51 cents per share.

Fiscal 1991 includes gains on dispositions of Sail magazine and Information/ Fulfillment Services of \$9,677,000, or 17 cents per share.

Fiscal 1991 discontinued operations includes a post-tax gain on the disposition of printing operations of \$49,305,000 and income tax credits of \$8,280,000 on the 1990 dispositions of MMT Sales, Inc. and two owned real estate brokerages.

Changes in accounting principles:

Fiscal 1995 reflects the adoption of Practice Bulletin 13, "Direct-Response Advertising and Probable Future Benefits."

Fiscal 1992 reflects the adoption of SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions."

FINANCIAL INFORMATION ABOUT INDUSTRY SEGMENTS
Meredith Corporation and Subsidiaries

Years ended June 30	1995	1994	1993
----- (in thousands)			
Revenues			
Publishing	\$683,331	\$622,953	\$599,084
Broadcasting	125,650	103,150	105,167
Real Estate	24,429	21,813	21,034
Cable	51,189	51,653	43,614
Less: Inter-segment revenue	(49)	(43)	(51)
	-----	-----	-----
Total revenues	\$884,550	\$799,526	\$768,848
	=====	=====	=====
Operating profit			
Publishing	\$ 48,636	\$ 45,678	\$ 35,802
Broadcasting	41,883	19,189	16,541
Real Estate	2,298	1,914	1,220
Cable	3,006	3,761	5,044
Unallocated corporate expense	(20,115)	(20,905)	(17,698)
	-----	-----	-----
Total operating profit	75,708	49,637	40,909
Gain on dispositions	3,501	11,997	- -
Interest income	11,493	1,991	2,141
Interest expense	(15,073)	(11,624)	(9,925)
Minority interests	1,434	2,232	1,219
	-----	-----	-----
Earnings before income taxes and cumulative effect of change in accounting principle	\$ 77,063	\$ 54,233	\$ 34,344
	=====	=====	=====
Earnings (loss) before income taxes			
Publishing	\$ 48,636	\$ 45,678	\$ 35,802
Broadcasting	41,883	19,189	16,541
Real Estate	2,397	2,016	1,303
Cable	(5,207)	(5,169)	(2,726)
Unallocated corporate expense	(20,115)	(20,905)	(17,698)
	-----	-----	-----
Total	67,594	40,809	33,222
Gain on dispositions	3,501	11,997	- -
Interest income	10,814	1,733	1,789
Interest expense	(4,019)	(306)	(667)
Minority interests	(827)	- -	- -
	-----	-----	-----
Earnings before income taxes and cumulative effect of change in accounting principle	\$ 77,063	\$ 54,233	\$ 34,344
	=====	=====	=====

FINANCIAL INFORMATION ABOUT INDUSTRY SEGMENTS
Meredith Corporation and Subsidiaries

Years ended June 30	1995	1994	1993
	(in thousands)		
Identifiable assets			
Publishing	\$341,652	\$413,605	\$414,089
Broadcasting	261,643	94,010	131,311
Real Estate	11,479	10,057	9,050
Cable	226,613	275,249	279,724
Unallocated corporate	40,913	71,546	66,594
Total assets	\$882,300	\$864,467	\$900,768
Depreciation/amortization			
Publishing	\$ 10,192	\$ 10,418	\$ 9,477
Broadcasting	6,903	4,551	5,593
Real Estate	465	520	499
Cable	17,431	17,314	15,521
Unallocated corporate	1,457	1,453	1,303
Total depreciation/amortization	\$ 36,448	\$ 34,256	\$ 32,393
Capital expenditures			
Publishing	\$ 2,087	\$ 4,329	\$ 2,758
Broadcasting	8,465	2,808	1,856
Real Estate	158	552	171
Cable	11,459	11,530	8,001
Unallocated corporate	2,574	1,554	3,297
Total capital expenditures	\$ 24,743	\$ 20,773	\$ 16,083

See pages 3 through 16 of this Form 10-K for description of revenue sources.

See Management's Discussion and Analysis on pages F-6 through F-17 for discussion of significant factors affecting comparability.

Operating profit for industry segment reporting is net revenues less operating costs and does not include gain on dispositions, interest income and expense, minority interests or unallocated corporate expense, which is primarily corporate staff and miscellaneous expenses.

Earnings (loss) before income taxes for industry segment reporting is operating profit adjusted for interest income, interest expense and minority interests applicable to the segment. Adjustments to the Cable segment include minority interests of \$2,261,000 in fiscal 1995 (\$2,232,000 in fiscal 1994 and \$1,219,000 in fiscal 1993) and \$10,474,000 of net interest expense in fiscal 1995 (\$11,162,000 in fiscal 1994 and \$8,989,000 in fiscal 1993). The Real Estate segment also includes minor adjustments for interest income.

Identifiable assets include intangibles, fixed and all other assets identified with each segment. Unallocated corporate assets consist primarily of cash and cash items and miscellaneous assets not assignable to one of the segments.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Note: All per-share amounts are computed on a post-tax basis and reflect a two-for-one stock split in March 1995.

Results of Operations: Fiscal 1995 Compared with Fiscal 1994

A non-cash charge for the cumulative effect of a change in accounting principle caused the Company to record a net loss of \$6,315,000, or 23 cents per share, in fiscal 1995 compared to net earnings of \$27,154,000, or 96 cents per share, in fiscal 1994. Exclusive of the accounting change and the special items described later in detail, fiscal 1995 earnings would have been \$33,997,000, or \$1.23 per share, compared with \$22,944,000, or 82 cents per share, in fiscal 1994. The improvement was due primarily to increased operating profits in the Company's broadcasting and magazine businesses.

Revenues for fiscal 1995 increased 11 percent to \$884,550,000. The growth was due primarily to higher magazine and broadcasting advertising revenues. Increases in magazine circulation and custom publishing revenues also contributed. Fiscal 1995 included six months of revenues from WSMV while fiscal 1994 included six months of revenues from the Syracuse and Fresno television stations (sold in December 1993). Excluding these ownership differences, revenues increased 10 percent.

Income from operations was \$75,708,000 in fiscal 1995 compared to \$49,637,000 in fiscal 1994. The operating profit margin rose from 6.2 percent (7.1 percent excluding the non-recurring charge) in fiscal 1994 to 8.6 percent in the current year. Lower selling, general and administrative expenses as a percentage of revenues in the Publishing segment were the primary factor in the margin improvement.

Operating costs and expenses were \$808,842,000 in fiscal 1995 compared with \$742,505,000 (exclusive of the non-recurring charge) in the prior year. The increase reflects higher paper, manufacturing and delivery expenses for magazines (due to volume and price increases), increased magazine circulation expenses (including the current-year operating impact of the change in accounting principle) and higher payroll and related costs (due to additional staff in new operations and annual merit increases).

Fiscal 1995 earnings were affected by the following special items (all amounts are post-tax):

A charge of \$46,160,000 (\$1.67 per share) for the cumulative effect, as of July 1, 1994, of a change in accounting principle (Note 2).

Interest income of \$4,747,000 (17 cents per share) from the Internal Revenue Service ("IRS") (Note 3).

A gain of \$1,101,000 (4 cents per share) from the sale of the North Dakota cable television system in March 1995 (Note 9).

Fiscal 1994 earnings were affected by the following special items (all amounts are post-tax):

A gain of \$8,197,000 (28 cents per share) on the dispositions of the Syracuse and Fresno television properties in December 1993 (Note 9).

A non-recurring charge of \$3,987,000 (14 cents per share) for the write-down of film assets at the Phoenix television station and a reserve for taxes on disposed properties (Note 4).

Earnings before interest, taxes, depreciation and amortization ("EBITDA"), excluding gains on dispositions and non-recurring items, rose significantly to \$112,156,000 in fiscal 1995 from \$91,277,000 in fiscal 1994 due to the notable improvement in operating results.

Net interest expense (excluding IRS interest income) rose to \$12,134,000 in fiscal 1995 from \$9,633,000 in fiscal 1994 primarily due to debt incurred for the purchase of the Nashville television station in January 1995. The increase

was partially offset by lower cable interest expense as proceeds from the March 1995 sale of the North Dakota system were used to reduce the cable partnership's outstanding debt.

The Company's effective tax rate was 48.3 percent compared with 49.9 percent in fiscal 1994. The current-year provision benefited from increased operating earnings which lessened the effect of non-deductible items on the overall tax rate. The prior-year provision benefited from a favorable tax rate on the gain on disposition of two television stations, partially offset by the unfavorable impact of the federal corporate tax rate increase on the Company's deferred tax liabilities (Note 11).

Discussion of results by segment:

Publishing: Revenues in the Publishing segment increased 10 percent from fiscal 1994. Advertising revenues grew 17 percent primarily due to strong advertising page gains by most magazines. Better Homes and Gardens and Ladies' Home Journal, the Company's two largest circulation titles, reported ad page increases of 13 percent and 6 percent, respectively. Traditional Home, WOOD, Golf for Women and the Better Homes and Gardens Special Interest Publications all reported double-digit percentage gains in ad pages. Publishing segment circulation revenues increased 4 percent primarily due to higher revenues from new titles (including Crayola Kids, Better Homes and Gardens Floral & Nature Crafts and home garden) and increased volume of newsstand sales of the Better Homes and Gardens Special Interest Publications. Revenues in Meredith Publishing Services increased significantly from new business. Consumer book revenues increased slightly as higher sales volumes in retail marketing more than offset lower sales volumes in the direct-response operations.

Publishing segment operating profit increased 6 percent from the prior year despite the unfavorable effect the subscription accounting change had on operating results. Excluding that impact, publishing operating profit was up 18 percent, largely due to the strong performance of magazine operations, led by the Company's flagship title, Better Homes and Gardens magazine. Advertising revenue growth fueled the record operating profit performances of Better Homes and Gardens, Ladies' Home Journal, Traditional Home, WOOD, Successful Farming, Country Home and Midwest Living magazines and the Company's lineup of Better Homes and Gardens Special Interest Publications. Partially offsetting these improvements were increases in paper and postage costs, increased costs for new magazine start-ups and expansion in the custom publishing area. The increase in new title start-up costs primarily reflected costs associated with a new bimonthly gardening magazine, home garden, which was introduced in the Company's fiscal third quarter.

An increased operating loss was reported by book operations due to increased investment in the acquisition of new book club members and lower volumes and higher promotion costs in direct-response operations. Partially offsetting these declines was higher operating profit from retail marketing, due to increased sales volumes and lower product return rates. In July 1995, the Company announced an alliance with The Reader's Digest Association, Inc. whereby Reader's Digest will have the rights for direct-response marketing of Meredith-trademarked products. This alliance is expected to have a favorable effect on long-term direct-response operating results. Expenses related to the discontinuance of the Company's direct-response marketing efforts, including those related to staff reductions, are expected to be more than offset by payments anticipated from this alliance. Management believes the results of its book retail marketing and club operations will not be materially affected by the alliance.

A full year's operating results from the Company's licensing agreement with Wal-Mart Stores, Inc. are reflected in segment profits versus six months' results in fiscal 1994. Beginning in calendar 1996, the Company expects to realize revenues and operating profits from the licensing of Better Homes and Gardens Floral & Nature Crafts in Wal-Mart stores.

Paper and postage are significant and essential expenses in the Publishing segment. The Company's paper prices increased approximately 30 percent during fiscal 1995. The price increases reflect a tightening of the paper market due to strong demand and a relatively fixed level of supply. Paper prices increased another 9 percent on July 1, 1995. Further price increases expected in fiscal 1996 could have an adverse effect on segment operating profit. To minimize the effect of these increases, the Company will consider changes in paper types and weights, but only in cases where product quality will not be adversely affected. In addition, changes to magazine rate bases will be considered. A postal rate increase occurred in January 1995, raising the Company's postage costs by approximately 13 percent on an annualized basis.

Broadcasting: Broadcasting segment revenues increased 22 percent in fiscal 1995 including six months of revenues from newly acquired WSMV in Nashville. The prior year included six months of revenues from two television stations sold in December 1993. Revenues at the five comparable stations increased 18 percent due to strong local and national advertising revenues. Improved market demand for television advertising led to higher spot rates and increased ad revenues at all stations. KPHO, the Company's station in Phoenix, experienced the largest revenue increase, primarily due to its September 1994 affiliation with the CBS network.

Broadcasting segment operating profit increased 118 percent from the prior year. Excluding the non-recurring item from the prior year (a film write-down of \$5,584,000 at KPHO related to its CBS affiliation), operating profit

increased 69 percent. Increased ad revenues, lower programming expenses and the inclusion of WSMV operations for six months were the primary factors in the improvement. Operating profits at the five comparable stations, excluding the non-recurring item from the prior year, increased 48 percent as all stations reported significant improvements. As with revenues, KPHO reported the largest percentage improvement in operating profit. The decline in programming expense was due to increased use of first-run syndicated programming and the prior-year film write-down at KPHO. Fiscal 1994 operating profit included a favorable adjustment to accrued music license fees resulting from the broadcast industry's settlement with ASCAP/BMI (American Society of Composers, Authors & Publishers and Broadcast Music Industry).

Across the broadcast industry, local television stations continue to face increasing competition for viewers and advertisers. Nevertheless, management believes television broadcasting will continue to play an important media role in each station's community. The Company's fiscal 1995 acquisition of WSMV in Nashville demonstrates that belief. This acquisition, the pending acquisition of WOGX and the recent affiliation with CBS in Phoenix are expected to have favorable impacts on future revenues and operating profit of the Broadcasting segment.

Real Estate: Higher transaction fee revenues and increased product and publication sales volumes led to a 12 percent increase in Real Estate segment revenues in fiscal 1995. The increase in transaction fees, generated by members' sales volume, reflected continued strength in existing home sales and an increase in the number of member firms. Increased revenues also were the primary factor in a 20 percent operating profit increase for the segment.

Cable: On March 9, 1995, Meredith/New Heritage Strategic Partners, L.P. ("Strategic Partners") sold its cable television system in North Dakota, the smaller of two cable television properties, of which the Company indirectly owned approximately 70 percent. Revenues of the remaining cable television system in Minnesota increased four percent as subscriber growth more than offset the negative effects of federally-mandated subscriber rate rollbacks. After interest expense, the cable television operations experienced a net loss comparable to the prior-year loss. Operating profit declined due to the sale of the North Dakota system; however, this was offset by lower interest expense. Proceeds from the sale of the North Dakota system were used to reduce Strategic Partners' outstanding bank debt, as required by its loan agreement.

Results of Operations: Fiscal 1994 Compared with Fiscal 1993

Meredith Corporation net earnings for the year ended June 30, 1994, were \$27,154,000, or 96 cents per share, compared to net earnings of \$18,626,000, or 61 cents per share, in fiscal 1993.

Excluding the special items described below, fiscal 1994 earnings were \$22,944,000, or 82 cents per share, a 34 percent increase from the previous- year earnings per share. All operating segments except cable contributed to this increase. Six cents of the comparable per-share increase resulted from fewer shares outstanding due to shares repurchased by the Company.

Fiscal 1994 earnings were affected by the following special items (all amounts are post-tax):

A gain of \$8,197,000 (28 cents per share) on the December 1993 dispositions of the Syracuse and Fresno television properties (Note 9).

A non-recurring charge of \$3,987,000 (14 cents per share) for the write-down of film assets at KPHO in Phoenix and a reserve for taxes on disposed properties (Note 4).

The Company reported revenues in fiscal 1994 of \$799,526,000, a four percent increase from fiscal 1993 revenues of \$768,848,000. Factors contributing to the increase included higher magazine circulation revenues, an additional two months of revenue from the Minnesota cable television system (purchased in September 1992) and increased retail and direct-response book sales volumes.

Fiscal 1994 income from operations was \$49,637,000 compared with \$40,909,000 in fiscal 1993. The operating margin rose from 5.3 percent of net revenues to 6.2 percent in fiscal 1994, despite the negative effect of the non-recurring items. Excluding their effect, the operating margin was 7.1 percent, a 34 percent increase from the comparable fiscal 1993 margin.

Production, distribution and editorial expenses as a percentage of revenues declined from 42 percent in fiscal 1993 to 41 percent in fiscal 1994, mostly due to lower programming expenses at the television broadcasting stations.

Selling, general and administrative expenses also declined as a percentage of revenues, from 49 percent in fiscal 1993 to 48 percent in fiscal 1994. A favorable adjustment to accrued music license fees in the Broadcasting segment, based on an industry settlement with ASCAP/BMI, was the single biggest

factor. Other significant factors included lower promotion expenses in book operations and lower administrative expenses from the relocation of Craftways operations from California to Des Moines in fiscal 1993.

Discussion of results by segment:

Publishing: Revenues in magazine operations increased 4 percent from fiscal 1993. Magazine advertising revenues increased 4 percent, excluding the revenues of Metropolitan Home magazine sold in November 1992. Advertising revenues were down slightly at Better Homes and Gardens and Ladies' Home Journal magazines due to fewer ad pages. These declines were more than offset by increased ad revenues in most of the Company's other titles. Increases of more than 20 percent were reported by Traditional Home, Country America and Golf for Women magazines, and the American Park Network collection of visitor guides, primarily due to additional ad pages. These publications also reported higher net revenue per page.

Circulation revenues in magazine operations increased 7 percent from fiscal 1993. Higher newsstand sales volume of the Better Homes and Gardens Special Interest Publications was the largest factor in the increase. Newsstand sales of several new Ladies' Home Journal special issues and higher new title subscription revenues also contributed.

Magazine operating profit increased 12 percent over the previous year's performance. Increased ad revenues for many titles and improved newsstand sales and profits were the most significant factors in the improvement. Operating results for Better Homes and Gardens Special Interest Publications, Ladies' Home Journal (including special issues) and Traditional Home magazines benefited from increased newsstand profits. Increased advertising revenues contributed to the operating profit improvements of Country America, Traditional Home, Successful Farming, Country Home and American Park Network. Operating profit in fiscal 1993 was held down by a loss on Metropolitan Home magazine and by moving costs associated with relocating Craftways magazine operations to Des Moines.

Operating profit was down in the custom publishing area due to start-up costs associated with Crayola Kids and lower profit margins on periodical and premium sales. Better Homes and Gardens magazine reported a slight decline in operating profit due to fewer advertising pages.

Total book revenues were essentially unchanged from fiscal 1993. Consumer book revenues were up 6 percent due to increased sales volume in the retail marketing and direct-response operations, partially offset by lower sales

volume in the book clubs due to planned downsizing. This increase was offset by a decline in revenues in Craftways operations due to lower volumes.

Book operating results showed improvement from fiscal 1993. Increased operating profit in retail marketing reflected increased sales of both new and backlist titles including a major sale of gardening titles to Wal-Mart Stores, Inc. that coincided with the January 1994 opening of the Better Homes and Gardens Garden Centers. The book clubs reported improved results due to lower manufacturing, delivery and promotion expenses. Cost savings associated with the consolidation of Craftways editorial and marketing operations with book operations in Des Moines also contributed to improved results. Operating results in the direct-response area showed little change from fiscal 1993 as lower-than-expected response rates held down results.

Related to the Better Homes and Gardens Garden Centers, the Company began to realize revenues and operating profit from its licensing agreement with Wal-Mart Stores, Inc. in fiscal 1994.

Paper and postage are significant and essential expenses in the Publishing segment. Paper prices were relatively stable during fiscal 1994 due to soft market conditions and increased international competition. Postal rates also remained flat in fiscal 1994.

Broadcasting: Broadcasting segment revenues in fiscal 1994 declined slightly from the previous year due to the sale of two television stations in December 1993. Revenues at the five remaining television stations increased 8 percent from comparable previous-year revenues due to increases in local and national advertising revenues at virtually all of the stations. The growth primarily reflected increased market demand for advertising resulting in higher spot rates. KPHO in Phoenix reported the largest increase with double-digit percentage gains in both local and national advertising revenues. A stronger sales effort and an improving economy in the Phoenix market contributed to the increase.

Operating profit increased 16 percent in the Broadcasting segment despite a non-recurring charge of \$5,584,000 for the write-down of film assets at KPHO related to its CBS affiliation in September 1994. WNEM, an NBC affiliate serving the Flint/Saginaw, Mich., market, also announced plans to change affiliation to CBS during fiscal 1995.

Excluding the non-recurring charge, Broadcasting segment operating profit increased 50 percent from fiscal 1993. Advertising revenue increases at the five comparable stations, along with lower programming expenses and music license fees, resulted in the improvement. Programming costs were held down by a combination of cost-saving measures, including the purchase of more first-run programming. The favorable adjustment to accrued music license fees reflected the settlement between the broadcast industry and ASCAP/BMI. As with revenues, KPHO reported the most substantial improvement in operating results of the five stations, mainly due to the revenue increase and lower programming expense.

Real Estate: Revenues increased 4 percent in the Real Estate segment, while operating profit showed significant improvement from fiscal 1993. Transaction fees, revenues generated by member firms' sales volume, increased 9 percent due to continued strength in the residential housing market and record gross commission income of member firms. Revenues from the sale of ancillary products and services also increased, primarily due to higher volumes. A decline in joining fees partially offset other revenue increases. Improved operating profit in the segment reflected the revenue increases and lower administrative and bad debt expenses.

Cable Television: An 18 percent increase in fiscal 1994 revenues for the cable television operations reflected the timing of the Minnesota system acquisition on September 1, 1992. At June 30, 1994, the two cable television systems indirectly owned by the Company served a total of 133,000 subscribers. Subscriber counts increased 5 percent at the Minnesota system and 3 percent at the Bismarck system during fiscal 1994. Basic subscriber penetration rates also increased at both systems, as did the percentage of subscribers receiving pay services. However, average revenue per subscriber was down slightly due to the effect of government re-regulation of cable pricing in September 1993.

The decline in average revenue per subscriber, increased programming costs and expenses associated with rate re-regulation resulted in lower operating profit for the cable television systems. Increased amortization of acquisition expenses (associated with the purchase of the Minnesota system) and increased depreciation expense also contributed to the decline. Interest expense pertaining to the cable television segment increased due to timing of the Minnesota system acquisition and bank fees paid to buyout interest rate contracts. These factors led to an increased net loss for the cable segment in fiscal 1994.

Other: The increase in fiscal 1994 interest expense reflected two additional months of debt financing related to the timing of the Minnesota cable television system acquisition. Corporate non-operating expenses increased from fiscal 1993 due to a \$1.8 million reserve for taxes on disposed properties, a \$1.4 million write-down of a building to its estimated realizable value and reserves for certain corporate assets. The building write-down resulted from the decision to consolidate Des Moines employees in one location with the future construction of a new building next to the current Company headquarters.

In the third quarter of fiscal 1994, the Company received a favorable ruling regarding the Ladies' Home Journal tax case. The appeal period expired in the first quarter of fiscal 1995.

The effective tax rate for fiscal 1994 exceeded the previous year's rate due to the increase in the federal corporate tax rate enacted in August 1993. The effect of the increased corporate tax rate was to reduce fiscal 1994 earnings per share by seven cents. The Company's effective tax rate also increased due to the increased loss of the cable operations because most of the Company's share is non-deductible. These increases were partially offset by the favorable effect from the disposition of the television broadcasting stations.

Liquidity and Capital Resources

Cash and cash equivalents decreased by \$20,728,000 in fiscal 1995 compared to an increase in cash of \$19,388,000 in fiscal 1994. The difference was primarily due to the purchase of WSMV. Higher earnings (before the change in accounting principle which had no cash effect) led to the increase in cash provided by operations.

The decreases in subscription acquisition costs, deferred income taxes and retained earnings reflected the recognition of the cumulative effect of the change in accounting principle as of July 1, 1994. The increase in accounts receivable in fiscal 1995 was due to higher advertising receivables in magazine and broadcasting operations, the acquisition of WSMV and increased sales volume in custom publishing. Inventories and accounts payable increased due to higher quantities of paper on hand in anticipation of a July 1, 1995, price increase. Goodwill and other intangibles increased from the purchase of WSMV.

On January 5, 1995, Meredith Corporation purchased the assets of WSMV, a television station located in Nashville, Tenn., for \$159 million. The acquisition was financed by cash from short-term investments and lines of credit and a \$100 million term borrowing from a group of four banks led by The Northern Trust Company as agent. A payment of \$10 million was made in fiscal 1995 as required by the loan agreement. An additional \$10 million was pre-paid in August 1995. The loan agreement requires annual and/or semi-annual payments through December 31, 1998, the term loan maturity date. Operating cash flows of the Company are expected to provide adequate funds for debt and interest payments.

At June 30, 1994, Strategic Partners, the cable television subsidiary, owed \$138 million under a loan agreement with a group of ten banks. At September 30, 1994, Strategic Partners failed to meet certain financial ratios related to operating cash flow as required by its loan agreement. In light of Strategic Partners' efforts to sell its assets in part or in whole, the banks waived compliance with the relevant covenants, and their rights and remedies under the loan agreement as a result of the defaults, for the fiscal first quarter. On December 29, 1994, Strategic Partners and the banks amended their loan agreement. Significant amended terms and provisions related to the maturity date, repayment provisions, required financial tests and capital expenditure limits (Note 10). The required financial ratio tests, as amended, have since been met by Strategic Partners. Approximately \$44 million of debt outstanding was repaid upon the sale of the North Dakota system in March 1995. At June 30, 1995, \$91 million remains outstanding under Strategic Partners' loan agreement. All borrowings outstanding under the loan agreement are due on the earlier of March 31, 1996, or the date of the sale of Strategic Partners' cable television systems. Strategic Partners currently is exploring the sale of the Minnesota system. The lenders have indicated they would support a request to extend the maturity date. Based on Strategic Partners' intent and ability to amend the loan agreement to extend its maturity date if necessary, the debt has been classified as long-term. The debt outstanding under the loan agreement is non-recourse to the Company.

Strategic Partners is prohibited by its loan agreement from making dividend payments or any distributions to the partners except for specified payments not causing default and allowed under the loan agreement. The restricted net assets reflected in the Company's Consolidated Balance Sheet at June 30, 1995, totaled approximately \$88 million. These restrictions have not had, nor are they expected to have, any impact on the Company's ability to meet its cash obligations.

The Board of Directors approved a two-for-one stock split in the form of a share dividend payable to shareholders of record on March 1, 1995.

In fiscal 1995, \$3.8 million was spent for the repurchase of 168,000 shares of Company common stock. This compares with spending of \$46.9 million for 2,385,000 shares in the prior year. As of June 30, 1995, approximately 388,000 shares may be repurchased under an existing authorization by the Board of Directors. The status of the repurchase program is reviewed at each quarterly Board of Directors' meeting.

On January 30, 1995, the Board of Directors increased the quarterly dividend by 11 percent, or one cent per share, to 10 cents per share effective with the dividend payable on March 15, 1995. On an annual basis, this increase will result in the payment of approximately \$1 million in additional dividends, at the current number of shares outstanding. Dividends paid in fiscal 1995 were \$10,388,000 (38 cents per share) compared with \$9,677,000 (34 cents per share) in fiscal 1994.

Capital expenditures in fiscal 1995 increased by 19 percent over fiscal 1994 levels. The growth resulted from increased spending at the Company's television station in Phoenix to facilitate increased news programming and the upgrade of other equipment related to its CBS affiliation in September 1994. Other spending in fiscal 1995 included the purchase of equipment for the recently-acquired television station in Nashville, technical equipment for other television stations and continued investment in new and upgraded computer networks throughout Company operations. The Company entered into a lease agreement for new office space in New York City, which will allow consolidation of all New York City employees in one location and is expected to reduce future occupancy costs. This project will result in approximately \$11 million in capital expenditures in fiscal 1996. In addition, the Company plans to spend approximately \$36 million (exclusive of capitalized interest) in fiscal 1996 through 1998 for a new office building and related improvements in Des Moines. The Company has made no other material commitments for capital expenditures.

At this time, management expects that cash on hand and internally-generated cash flow will provide funds for capital expenditures, cash dividends, scheduled debt payments and other operational cash needs for foreseeable periods (excluding Strategic Partners' scheduled debt payments, which are expected to be funded by proceeds from the sale of its cable television systems, or refinanced if necessary). Short-term lines of credit will be used on an as-needed basis for working capital needs. At June 30, 1995, Meredith Corporation had three unused committed lines of credit totaling \$23 million. The Company does not expect the need for any long-term source of cash to meet working capital requirements.

Financial Statements and Supplementary Data

Consolidated Statements of Earnings Meredith Corporation and Subsidiaries

Years ended June 30	1995	1994	1993

(in thousands, except per share)			
Revenues (less returns and allowances):			
Advertising	\$396,732	\$335,477	\$334,475
Circulation	269,029	257,453	245,693
Consumer books	86,568	86,040	81,390
All other	132,221	120,556	107,290
	-----	-----	-----
Total revenues	884,550	799,526	768,848
	-----	-----	-----
Operating costs and expenses:			
Production, distribution & editorial	360,183	326,727	320,501
Selling, general and administrative	412,211	381,522	375,045
Depreciation and amortization	36,448	34,256	32,393
Non-recurring items	--	7,384	--
	-----	-----	-----
Total operating costs and expenses	808,842	749,889	727,939
	-----	-----	-----
Income from operations	75,708	49,637	40,909
Gain on dispositions	3,501	11,997	--
Interest income - IRS settlement	8,554	--	--
Interest income	2,939	1,991	2,141
Interest expense	(15,073)	(11,624)	(9,925)
Minority interests	1,434	2,232	1,219
	-----	-----	-----
Earnings before income taxes and cumulative effect of change in accounting principle	77,063	54,233	34,344
Income taxes	37,218	27,079	15,718
	-----	-----	-----
Earnings before cumulative effect of change in accounting principle	39,845	27,154	18,626
Cumulative effect of change in accounting principle (Note 2)	(46,160)	--	--
	-----	-----	-----
Net (loss) earnings	\$ (6,315)	\$ 27,154	\$ 18,626
	=====	=====	=====

Inventories	46,781	34,962
Supplies and prepayments	28,842	25,748
Subscription acquisition costs	65,604	111,567
	-----	-----
Total current assets	261,893	298,268
Property, plant and equipment (at cost)	252,626	231,158
Less accumulated depreciation	(120,862)	(106,503)
	-----	-----
Net property, plant and equipment	131,764	124,655
Deferred subscription acquisition costs	34,957	70,108
Other assets	25,456	28,436
Goodwill and other intangibles (at original cost less accumulated amortization of \$81,719,000 in 1995 and \$68,042,000 in 1994)	428,230	343,000
	-----	-----
Total assets	\$882,300	\$864,467
	=====	=====

See accompanying Notes to Consolidated Financial Statements.

Consolidated Balance Sheets - Continued Meredith Corporation and Subsidiaries

Liabilities and Stockholders' Equity	June 30	1995	1994

		(in thousands)	
Current liabilities:			
Current portion of long-term indebtedness		\$ 15,000	\$ 11,178
Accounts payable		59,771	42,667
Accruals:			
Taxes, including taxes on income		9,764	2,611
Compensation and benefits		23,674	27,322
Other		28,386	25,089
		-----	-----
Total accruals		61,824	55,022

Unearned subscription revenues	150,927	152,952
Deferred income taxes	360	18,560
	-----	-----
Total current liabilities	287,882	280,379
Long-term indebtedness	166,079	126,822
Unearned subscription revenues	96,381	95,407
Deferred income taxes	18,492	37,011
Other deferred items	36,356	29,084
	-----	-----
Total liabilities	605,190	568,703
	-----	-----
Minority interests	36,060	38,003
	-----	-----
Stockholders' equity:		
Series preferred stock, par value \$1 per share		
Authorized 5,000,000 shares; none issued	--	--
Common stock, par value \$1 per share		
Authorized 80,000,000 shares; issued and outstanding		
20,579,565 shares in 1995 (excluding 11,601,465		
shares held in treasury) and 10,119,165 shares in		
1994 (excluding 5,763,328 shares held in treasury)	20,580	10,119
Class B stock, par value \$1 per share, convertible		
to common stock		
Authorized 15,000,000; issued and outstanding		
6,905,062 shares in 1995 and 3,601,932		
shares in 1994	6,905	3,602
Additional paid-in capital	873	--
Retained earnings	216,485	246,917
Unearned compensation	(3,793)	(2,877)
	-----	-----
Total stockholders' equity	241,050	257,761
	-----	-----
Total liabilities and stockholders' equity	\$882,300	\$864,467
	=====	=====

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Stockholders' Equity

Meredith Corporation and Subsidiaries

Years ended June 30	1995	1994	1993
----- (in thousands) -----			
Series preferred stock	\$ --	\$ --	\$ --

Common stock:			
Beginning of year	10,119	11,130	11,911
Shares issued (acquired), net	31	(1,116)	(912)
Shares converted from class B stock	220	105	131
Two-for-one stock split	10,210	--	--

End of year	20,580	10,119	11,130

Class B stock:			
Beginning of year	3,602	3,704	3,830
Shares distributed	4	3	5
Shares converted to common stock	(220)	(105)	(131)
Two-for-one stock split	3,519	--	--

End of year	6,905	3,602	3,704

Additional paid-in capital:			
Beginning of year	--	--	--
Excess of cost over par value of shares acquired	(3,675)	(1,508)	(2,011)
Restricted stock awards, excess over par	4,548	1,508	2,011

End of year	873	--	--

Retained earnings:			
Beginning of year	246,917	272,090	287,729
Net (loss) earnings	(6,315)	27,154	18,626
Two-for-one stock split	(13,729)	--	--
Dividends paid - 38 cents per share (34 cents in 1994 and 32 cents in 1993)			
Common stock	(7,697)	(7,194)	(7,376)
Class B stock	(2,691)	(2,483)	(2,407)
Cost over par value of shares acquired	--	(42,650)	(24,482)

End of year	216,485	246,917	272,090

Unearned compensation:			
Beginning of year	(2,877)	(2,828)	(2,307)
Restricted stock awarded	(2,493)	(1,277)	(1,490)
Amortized to operations	1,577	1,228	969
	-----	-----	-----
End of year	(3,793)	(2,877)	(2,828)
	-----	-----	-----
Total stockholders' equity	\$241,050	\$257,761	\$284,096
	=====	=====	=====

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Cash Flows
Meredith Corporation and Subsidiaries

Years ended June 30	1995	1994	1993

	(in thousands)		
Cash flows from operating activities:			
Earnings before cumulative effect of change in accounting principle	\$ 39,845	\$ 27,154	\$ 18,626
Less cumulative effect of change in accounting principle	(46,160)	--	--
	-----	-----	-----
Net (loss) earnings	(6,315)	27,154	18,626
Adjustments to reconcile net (loss) earnings to net cash provided by operating activities:			
Depreciation and amortization	36,448	34,256	32,393
Amortization of film contract rights	18,133	22,274	26,908
Non-recurring items, net of taxes	--	3,987	--
Gain on dispositions, net of taxes	(1,101)	(8,197)	--
(Increase) decrease in receivables	(27,838)	(3,711)	565
(Increase) in inventories	(11,819)	(2,579)	(6,234)
(Increase) decrease in supplies and prepayments	(5,936)	(392)	1,855
Decrease in subscription acquisition costs	81,114	758	4,432
Increase (decrease) in accounts payable and accruals	22,030	(10,560)	(112)
(Decrease) in unearned subscription revenues	(1,051)	(2,304)	(3,514)
(Decrease) increase in deferred income taxes	(36,719)	3,717	4,936
Increase (decrease) in other deferred items	6,421	(529)	(9,469)
	-----	-----	-----
Net cash provided by operating activities	73,367	63,874	70,386
	-----	-----	-----

Cash flows from investing activities:			
Investment in cable partnership, less cash acquired	--	--	(32,740)
Redemption of marketable securities	16,189	9,244	20,448
Proceeds from dispositions	49,000	33,000	--
Payment for purchase of business	(159,000)	--	--
Additions to property, plant, and equipment	(24,743)	(20,773)	(16,083)
Decrease (increase) in other assets	5,861	(1,332)	(10,178)
	-----	-----	-----
Net cash (used) provided by investing activities	(112,693)	20,139	(38,553)
	-----	-----	-----
Cash flows from financing activities:			
Long-term indebtedness incurred	100,000	3,499	--
Long-term indebtedness retired	(56,921)	--	(4,164)
Payments for film rental contracts	(14,085)	(14,633)	(15,742)
Proceeds from common stock issued	3,751	3,048	3,093
Purchase of Company shares	(3,759)	(46,862)	(29,001)
Dividends paid	(10,388)	(9,677)	(9,783)
	-----	-----	-----
Net cash provided (used) by financing activities	18,598	(64,625)	(55,597)
	-----	-----	-----
Net (decrease) increase in cash and cash equivalents	(20,728)	19,388	(23,764)
Cash and cash equivalents at beginning of year	37,957	18,569	42,333
	-----	-----	-----
Cash and cash equivalents at end of year	\$ 17,229	\$ 37,957	\$ 18,569
	=====	=====	=====
Supplemental disclosures of cash flow information:			
Cash paid			
Interest	\$13,628	\$11,100	\$ 7,943
Income taxes	\$40,438	\$17,085	\$ 8,326
Non-cash transactions			
Film rental costs financed by contracts payable	\$15,543	\$ 9,567	\$14,104

Supplemental schedule of non-cash investing and financing activities:

- The Company received \$2 million of preferred stock in Granite Broadcasting Corporation from the sale of two television broadcasting stations in December 1993.

- North Central Cable was purchased in fiscal 1993 for approximately \$220 million by Strategic Partners, in which the Company has a 70 percent indirect ownership interest. Significant non-cash investing and financing activities reflected in the Consolidated Financial Statements for the fiscal year ended June 30, 1993, included (\$ in millions) the acquisition of intangible assets of (\$171) and net property, plant and equipment of (\$61) by incurring long- term debt of \$139, minority interest of \$42, contributing a portion of the North Dakota system of \$12 and assuming net liabilities of \$6.

See accompanying Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Meredith Corporation and Subsidiaries

1. Summary of Accounting Policies

a. Principles of consolidation

The consolidated financial statements include the accounts of Meredith Corporation and its majority-owned subsidiaries (the "Company"). All significant intercompany transactions have been eliminated. In fiscal 1995, the accounts of WSMV, a television broadcasting station in Nashville, are reflected in the Company's consolidated financial statements since the date of acquisition, January 5, 1995.

b. Cash and cash equivalents

All cash and short-term investments with original maturities of three months or less are considered cash and cash equivalents, since they are readily convertible to cash.

c. Marketable securities

Marketable securities were classified as available for sale. Prior to July 1, 1994, marketable securities were carried at net amortized cost. No marketable securities were owned at June 30, 1995. Proceeds from sales and maturities of securities were \$16,189,000. Realized gains and losses were not material. The costs used to compute realized gains and losses were determined by specific identification. Securities held at June 30, 1994, consisted of municipal bonds, commercial paper and other short-term investments.

d. Inventories

Inventories of paper are stated at cost, using the last-in, first-out (LIFO) method, which is not in excess of market value. All other inventories are stated at the lower of cost (first-in, first-out or average) or market.

e. Subscription acquisition costs

Subscription acquisition costs primarily represent direct-mail agency commissions. These costs are deferred and amortized over the related subscription term, typically one or two years.

f. Property, plant and equipment

Depreciation expense is provided primarily by the straight-line method over the estimated useful lives of the assets. Tax depreciation methods conform with statutory requirements and may differ from book methods. Costs of replacements and major improvements are capitalized; maintenance and repairs are charged to operations as incurred.

g. Broadcasting film contract rights

Film contract rights and the liabilities for future payments are recorded when programs become available for broadcast. These rights are valued at the lower of cost or estimated net realizable value and are charged to operations on an accelerated basis over the contract period. Amortization of these rights is included in production, distribution and editorial expenses.

h. Goodwill and other intangibles

Excess costs over values assigned to tangible assets of businesses acquired are being amortized by the straight-line method over periods not exceeding 40 years. These include goodwill, television network affiliations and government licenses. Non-competition agreements and programming rights purchased in conjunction with the Minnesota cable acquisition are being amortized using the straight-line method over periods of five years and eight years, respectively. Amortization of these programming rights is included in production, distribution and editorial costs. The values of goodwill and other intangibles have been determined by independent appraisals. The Company periodically evaluates the carrying value of intangibles (including goodwill) to determine if impairment has occurred. This evaluation primarily consists of comparison to estimated future undiscounted cash flows and long-term business strategies of the underlying business.

i. Revenues

Advertising revenues are recognized when the advertisements are published or aired. Revenues from magazine subscriptions are deferred and recognized proportionately as products are delivered to subscribers. Revenues from newsstand magazines and books are recognized at shipment, net of provisions for returns.

j. Computation of earnings (loss) per share

Earnings (loss) per share of common stock is computed by dividing the weighted- average number of shares of common stock, class B stock and common stock equivalents outstanding during each year into applicable earnings or loss. Common stock equivalents include dilutive stock options issued under Company stock option plans.

k. Other

On July 1, 1994, the Company adopted, on a prospective basis, Statement of Financial Accounting Standards ("SFAS") No. 115, "Accounting for Certain Investments in Debt and Equity Securities." This adoption did not have a material impact on the Company's fiscal 1995 financial statements.

In the first quarter of fiscal 1995, the Company adopted SFAS No. 119, "Disclosure About Derivative Financial Instruments and Fair Value of Financial Instruments" (Note 5).

On March 1, 1995, the Company effected a two-for-one stock split on common and class B stock outstanding. All share and per-share information in the Consolidated Financial Statements and Notes has accordingly been restated.

Certain prior-year financial information has been reclassified or restated to conform to the fiscal 1995 financial statement presentation.

2. Change in Accounting Policy for Subscription Acquisition Costs

In December 1993, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants issued Statement of Position ("SOP") 93-7, "Reporting on Advertising Costs." The Company adopted SOP 93-7 in fiscal 1994 and believed its policy of capitalizing most magazine subscription acquisition costs and recognizing expense pro rata with the delivery of magazines was materially in compliance with the requirements of SOP 93-7. The statement specifies that direct-response advertising costs should be capitalized if the direct-response advertising can be shown to both (1) result in specific sales and (2) result in probable future benefits (defined as probable future revenues in excess of future costs incurred to attain those revenues). The Company has two revenue streams related to the sale of magazine subscriptions: subscriber and advertising revenues. The Company believed both types of revenue were related to its direct-response advertising efforts.

In December 1994, the Financial Accounting Standards Board approved the issuance of Practice Bulletin 13, "Direct-Response Advertising and Probable Future Benefits." Practice Bulletin 13 interpreted SOP 93-7 to specify that only "primary revenues" (those revenues from sales to customers receiving and responding to direct-response advertising efforts) could be used in determining probable future revenues and benefits as defined by SOP 93-7. Therefore, in accordance with the requirements of Practice Bulletin 13, the Company now expenses most direct-response subscription acquisition costs as incurred since the primary revenue stream does not support the capitalization of those costs.

The effect of adopting Practice Bulletin 13 on fiscal 1995 earnings before the cumulative effect of the change in accounting principle was additional post-tax expense of \$3,071,000, or 11 cents per share. The effect on net earnings (including a non-cash, post-tax charge of \$46,160,000, or \$1.67 per share, for the cumulative effect as of July 1, 1994) was \$49,231,000, or \$1.78 per share. The cumulative effect of this change in accounting principle, as of July 1, 1994, on the Company's balance sheet was to reduce subscription acquisition costs by \$76.9 million, deferred income tax liabilities by \$30.7 million and retained earnings by \$46.2 million.

Total advertising expenses included in the Consolidated Statement of Earnings for fiscal 1995 were \$173,047,000 (including the cumulative effect of the accounting change). Deferred advertising costs included in the Consolidated Balance Sheet as of June 30, 1995, were not material.

Pro forma amounts (unaudited), assuming the new accounting principle was applied during all periods presented, follow with comparisons to actual results.

Years ended June 30 ----- (in thousands, except per share)	1995 -----	1994 -----	1993 -----
Earnings before cumulative effect of change in accounting principle:			
As reported	\$39,845	\$27,154	\$18,626
Pro forma	\$39,845	\$29,548	\$23,155
Net (loss) earnings:			
As reported	\$(6,315)	\$27,154	\$18,626
Pro forma	\$39,845	\$29,548	\$23,155
Earnings per share before cumulative effect of change in accounting principle:			
As reported	\$1.44	\$.96	\$.61
Pro forma	\$1.44	\$1.04	\$.76
Net (loss) earnings per share:			
As reported	\$ (.23)	\$.96	\$.61
Pro forma	\$1.44	\$1.04	\$.76

3. Internal Revenue Service ("IRS") Settlement

The Company recognized interest income in the first quarter of fiscal 1995 of \$8,554,000 (pre-tax) related to the settlement of its 1986 through 1990 income tax years. Federal income tax deficiency notices from the IRS related to those tax years were contested by the Company in United States Tax Court in fiscal 1993. These tax deficiency notices were primarily related to the Company's acquisition of Ladies' Home Journal magazine in January 1986. In March 1994, the Company received a favorable decision from the Tax Court. The appeal period available with respect to this decision expired on September 16, 1994. The Company also recognized a benefit of a \$9 million reduction in goodwill related to the Ladies' Home Journal acquisition. The benefit of this reduction is being realized over the remaining life of the goodwill.

4. Non-recurring Items

In the second quarter of fiscal 1994, a non-recurring pre-tax charge of \$4.8 million was recorded to establish a reserve for taxes on disposed properties. In the fourth quarter of fiscal 1994, \$3 million of this reserve was reversed based on the resolution of a reserved assessment at no tax cost to the Company. The Company believes the remaining reserve is sufficient to cover any potential liability related to these properties.

Also in the fiscal 1994 fourth quarter, a pre-tax charge of \$5,584,000 was recorded for the write-down of film assets at KPHO, the Phoenix television station, due to reaching an affiliation agreement with CBS effective September 1994.

5. Disclosures about the Fair Value of Financial Instruments

a. Marketable securities

There were no marketable securities held by the Company at June 30, 1995. At June 30, 1994, the fair value of marketable securities was approximately \$12,200,000 (net amortized cost of \$12,178,000). The fair value of marketable securities was determined based on quoted market prices, where available, or through a bond pricing matrix, using securities with similar yields and maturities.

b. Broadcasting film contracts rights

The Company has commitments for the purchase of broadcasting film contract rights. The fair value of commitments for currently-available film rights is the present value of future payments totaling approximately \$11,900,000 at June 30, 1995 (\$10,300,000 at June 30, 1994). Liabilities for film rights reflected in the Company's Consolidated Balance Sheets were \$12,259,000 at June 30, 1995 (\$10,801,000 at June 30, 1994). In addition, commitments for unavailable film rights had fair values of \$36,200,000 and \$17,500,000 at June 30, 1995 and 1994, respectively (Note 14).

c. Long-term indebtedness

At June 30, 1995, \$90 million of long-term debt on the Company's Consolidated Balance Sheet relates to the term loan incurred to purchase WSMV in January 1995. The carrying amounts of this debt and the related interest payable approximate fair values due to the short-term nature of the interest periods available under the term loan agreement.

The fair value of long-term debt incurred by Meredith/New Heritage Strategic Partners, L.P., ("Strategic Partners") was determined by discounting cash flows through maturity using rates currently available to the partnership for borrowing and swap agreements with similar terms and maturities. That value was approximately \$91,000,000 at June 30, 1995 (\$140,000,000 at June 30, 1994). Carrying values in the Consolidated Balance Sheets at June 30, 1995 and 1994, respectively, were \$91,079,000 and \$138,000,000.

d. Other

The carrying amounts reported on the Consolidated Balance Sheets at June 30, 1995 and 1994, for all other assets and liabilities (and all other liabilities not appearing on the Consolidated Balance Sheets per Note 14) subject to SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," approximate their respective fair values. Fair value estimates are made at a specific point in time based on relevant market and financial instrument information. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

6. Inventories

Inventories consist primarily of paper stock and books. Of net inventory values shown, approximate portions determined using the LIFO method were: 1995

- 55 percent, 1994 - 32 percent, 1993 - 42 percent and 1992 - 29 percent. The increase in raw materials in 1995 is related to the purchase of paper in the Publishing segment prior to a July 1, 1995, price increase.

June 30 -----	1995 -----	1994 -----	1993 -----	1992 -----
				(in thousands)
Raw materials.....	\$32,320	\$15,366	\$17,894	\$11,192
Work in process.....	13,801	13,132	11,793	10,762
Finished goods.....	13,059	15,086	11,978	13,117
	-----	-----	-----	-----
	59,180	43,584	41,665	35,071
Reserve for LIFO cost valuation...	(12,399)	(8,622)	(9,282)	(8,922)
	-----	-----	-----	-----
Inventories.....	\$46,781	\$34,962	\$32,383	\$26,149
	=====	=====	=====	=====

7. Property, Plant and Equipment

June 30 -----	1995 -----	1994 -----	1993 -----
			(in thousands)
Land and improvements	\$ 5,304	\$ 4,897	\$ 6,239
Buildings and improvements	51,082	49,038	53,473
Machinery and equipment.....	100,485	82,633	95,604
Cable distribution system	85,280	87,063	76,116
Leasehold improvements.....	4,514	4,517	4,741
Construction in progress.....	5,961	3,010	2,506
	-----	-----	-----
Total (at cost).....	252,626	231,158	238,679
Less accumulated depreciation.....	(120,862)	(106,503)	(107,792)
	-----	-----	-----
Net property, plant and equipment.....	\$131,764	\$124,655	\$130,887
	=====	=====	=====
Depreciation expense for the year.....	\$ 19,219	\$ 18,137	\$ 16,014
	=====	=====	=====

Depreciable Life

Buildings and improvements.....	5 to 45 years
Machinery and equipment.....	3 to 20 years
Cable distribution system.....	5 to 15 years
Leasehold improvements.....	4 to 15 years

8. Acquisitions

On January 5, 1995, the Company purchased substantially all of the assets of WSMV, an NBC network affiliated television station in Nashville, Tenn., from Cook Inlet Television Partners for \$159 million. Cash from short-term investments and lines of credit and a \$100 million term borrowing from a group of banks were used to purchase WSMV.

The acquisition of WSMV has been accounted for by the purchase method. The cost of this acquisition was allocated to assets and liabilities based on their fair market appraised values. Goodwill and other intangibles, related to the station's NBC affiliation and FCC license, were recognized as a result of the purchase.

The operating results of WSMV have been included in the Company's consolidated financial statements from the date of acquisition. Pro forma disclosure, as if the transaction occurred at the beginning of the Company's fiscal year, of unaudited results of operations for the years ended June 30, 1995 and 1994, is as follows:

Years ended June 30 ----- (in thousands, except per share)	1995 -----	1994 -----
Revenues	\$901,040 =====	\$825,869 =====
Earnings before cumulative effect of change in accounting principle	\$ 40,122	\$ 27,072
Cumulative effect of change in accounting principle	(46,160) -----	-- -----
Net (loss) earnings	\$ (6,038) =====	\$ 27,072 =====
Net (loss) earnings per share:		
Earnings before cumulative effect of change in accounting principle	\$ 1.45	\$.95
Cumulative effect of change in accounting principle	(1.67) -----	-- -----
Net (loss) earnings per share	\$ (.22) =====	\$.95 =====

The acquisition of North Central Cable Communications Corporation ("North Central"), a corporation operating cable television systems in the Minneapolis/St. Paul area, by Strategic Partners, a limited partnership between Meredith/New Heritage Partnership and Continental Cablevision of Minnesota, Inc., for approximately \$220 million occurred on September 1, 1992. Meredith Corporation has a 70 percent indirect ownership in Strategic Partners through its wholly owned subsidiary, Meredith Cable, Inc. A cable television system serving Bismarck/Mandan, N. D., and owned by Meredith/New Heritage Partnership was contributed to Strategic Partners at the time of the North Central acquisition. This reduced the Company's indirect ownership interest in the North Dakota system to 70 percent. Long-term debt of approximately \$139 million was incurred by Strategic Partners in connection with the acquisition of North Central.

The acquisition of North Central was accounted for by the purchase method. The acquisition cost was allocated to assets and liabilities based on their fair market appraised values. Recognition of goodwill and non-competition agreements as intangible assets resulted from this purchase.

The operating results of North Central have been included in the Company's consolidated financial statements from the date of acquisition. Pro forma operating results for the year ended June 30, 1993, had this acquisition occurred on July 1, 1992, are as follows: net revenues of \$775,814,000, net earnings of \$17,235,000 and net earnings per share of 56 cents.

9. Sale of Properties

On March 9, 1995, Strategic Partners sold the net assets of its Bismarck/ Mandan, N. D., cable television operations for a pre-tax gain of \$3,501,000 (\$1,101,000 post-tax).

On December 26, 1993, the Company sold the net assets of WTVH, a television station operating in Syracuse, N. Y., and the common stock of a Company subsidiary that owned KSEE, a television station operating in Fresno, Calif., for a pre-tax gain of \$11,997,000 (\$8,197,000 post-tax).

The Company sold Metropolitan Home magazine to Hachette Publications, Inc. in November 1992.

The gains/losses on these sales are included in net (loss) earnings for their respective year. If these sales had occurred on July 1 of the respective fiscal year, the impacts on the Company's consolidated revenues and net (loss) earnings would not have been significant.

10. Long-Term Indebtedness and Restricted Assets

Long-term debt consists of the following:

June 30 -----	1995 -----	1994 -----
	(in thousands)	
Loan agreement - Meredith Corporation	\$ 90,000	\$ ---
Loan agreement - Strategic Partners	91,079	138,000
	-----	-----
Total long-term debt	\$181,079	\$138,000
	=====	=====

In connection with the purchase of WSMV in January 1995, the Company entered into a term loan agreement for \$100 million with a group of banks. As of June 30, 1995, \$90 million was outstanding under this agreement. Interest is payable based on short-term Eurodollar and/or prime rates of interest, at the option of the Company. At June 30, 1995, the weighted-average rate of interest was 7.76 percent. This loan agreement contains certain covenants including cash flow coverage requirements. The Company was in compliance with these covenants at June 30, 1995. The term loan requires repayments through December 31, 1998, the final payment date. The aggregate annual maturities of the term loan in future fiscal years are: \$15 million in 1996, \$15 million in 1997, \$35 million in 1998 and \$25 million in 1999.

Long-term debt was incurred by Strategic Partners in connection with the purchase of North Central in September 1992. As of June 30, 1995, \$91 million was owed under a loan agreement Strategic Partners has with ten banks. On June 30, 1994, this loan converted to a term loan with a final maturity date of March 31, 2001. On December 29, 1994, Strategic Partners entered into an amendment of the loan agreement with the banks changing the maturity date, repayment provisions, required financial tests and capital expenditure limits. The maturity date was accelerated to the earlier of March 31, 1996, or the date of the sale of Strategic Partners' cable television systems. The requirement for regularly-scheduled quarterly payments was discontinued. Amended repayment provisions required that upon the earlier of June 30, 1995, or the sale of the cable television system in North Dakota, Strategic Partners pay the banks approximately \$44 million. On March 10, 1995, Strategic Partners paid the banks \$44.3 million from the proceeds received from the sale of its North Dakota systems on March 9, 1995. Strategic Partners met the required financial tests and capital expenditure limits at June 30, 1995.

Strategic Partners currently is exploring the sale of North Central and has entered into an agreement with a cable television broker for the purpose of identifying and seeking purchasers. Borrowings under the loan agreement at June 30, 1995, have been classified as long-term as the banks have indicated they would support a request to extend the current maturity date of March 31, 1996. Management of Strategic Partners intends and believes it will be able to execute an amendment to the loan agreement extending the maturity date of the loan if necessary, as in December 1994.

Borrowings under the loan agreement are secured by the assets of Strategic Partners totaling \$226 million at June 30, 1995. Interest is payable at prime, Eurodollar or certificate of deposit rates. At June 30, 1995, borrowings bore interest under interest rate swap agreements expiring on September 1, 1995:

\$80 million at 7.05 percent and \$10 million at 7.18 percent (before an applicable margin of 1.25 percent). The purpose of the swap agreements is to reduce interest rate risk on the debt outstanding; and thus were entered into for purposes other than trading. The swap agreements enable Strategic Partners to receive payment based on the six-month LIBOR interest rate, reset semi-annually, and make payments at the fixed interest rate of 7.06 percent (before the 1.25 percent margin). A payment of \$288,000 on September 1, 1995, remains related to the swap agreements. The value of that payment, as of June 30, 1995, approximates the market value. Therefore, Strategic Partners' management believes there is no market or significant credit risk associated with the swap agreements. The weighted-average rate of interest on the total debt outstanding at June 30, 1995, was 8.31 percent (including the 1.25 percent margin). This rate is being accrued and charged to interest expense over the term of the swap agreement.

The loan agreement has provisions which restrict additional debt and investments and prohibit payment of dividends or distributions except for specified payments under certain conditions not causing a default under the loan agreement. Restricted net assets of Strategic Partners included in the Company's Consolidated Balance Sheet at June 30, 1995, totaled \$88 million including \$5 million in cash.

At June 30, 1995, Meredith Corporation had unused committed lines of credit totaling \$23 million through June 30, 1998. Commitment fees paid were not material.

11. Income Taxes

On July 1, 1993, the Company adopted SFAS No. 109, "Accounting For Income Taxes." (The Company previously complied with the provisions of SFAS No. 96.) The effect of the adoption of SFAS No. 109 was not material to the financial statements. Financial statements for the periods prior to fiscal 1994, the year of adoption, have not been restated.

Per SFAS No. 109, deferred tax assets and liabilities are recognized for the temporary differences between financial reporting and tax bases of assets and liabilities using current tax laws and rates. Recognition of valuation allowances is required, if necessary, to reduce deferred tax assets to amounts that are likely to be realized based on management's judgment.

Income tax expense for the year ended June 30, 1995, was allocated as follows:

Year ended June 30 -----	1995 ----- (in thousands)
Earnings before income taxes and cumulative effect of change in accounting principle	\$37,218
Cumulative effect of change in accounting principle	(30,773) -----
Total	\$ 6,445 =====

Income tax expense attributable to earnings before income taxes and cumulative effect of change in accounting principle consists of:

Years ended June 30 -----	1995 -----	1994 -----	1993 -----
Continuing operations:			
Currently payable:			(in thousands)
Federal.....	\$34,909	\$20,368	\$ 8,577
State.....	8,255	3,431	2,205
	-----	-----	-----
	43,164	23,799	10,782
	-----	-----	-----
Deferred:			
Federal.....	\$(4,757)	\$ 2,650	\$ 3,978
State.....	(1,189)	630	958
	-----	-----	-----
	(5,946)	3,280	4,936
	-----	-----	-----
Total.....	\$37,218	\$27,079	\$15,718
	=====	=====	=====

The tax effects of temporary differences that gave rise to the deferred income tax assets and liabilities are as follows:

June 30 -----	1995 -----	1994 -----
Deferred tax assets:		(in thousands)
Allowances for doubtful accounts and return reserves	\$14,530	\$10,944
Compensation and benefits	13,463	13,444
Expenses deductible for taxes in different years than accrued	10,911	12,374
All other assets	2,463	699
	-----	-----
Total deferred tax assets	\$41,367	\$37,461
	-----	-----
Deferred tax liabilities:		
Subscription acquisition costs	\$29,133	\$61,977
Accumulated depreciation and amortization	13,569	12,730
Gains on sale of assets	9,318	8,484
Expenses deductible for taxes in different years than accrued	7,530	8,025
All other liabilities	669	1,816
	-----	-----
Total deferred tax liabilities	\$60,219	\$93,032
	-----	-----
Net deferred tax liability	\$18,852	\$55,571
	=====	=====

No valuation allowance has been recorded for deferred tax assets as management believes it is more likely than not those assets will be realized.

The differences between the effective tax rates and the basic U.S. federal income tax rate are as follows:

Years ended June 30 -----	1995 -----	1994 -----	1993 -----
Expected income tax (basic rate)	35.0%	35.0%	34.0%
Impact of basic rate increase.....	--	2.5	--
State income taxes, less federal income tax benefits.....	6.0	4.9	6.1
Goodwill amortization.....	2.3	3.2	5.2
Non-deductible equity loss - cable operations	2.6	3.5	2.9
Sale of television properties.....	--	(1.8)	--
Other.....	2.4	2.6	(2.4)
	-----	-----	-----
Effective income tax rate	48.3%	49.9%	45.8%
	=====	=====	=====

In connection with the fiscal 1994 sale of two television stations, the Federal Communications Commission granted the Company a tax certificate allowing the Company to defer income taxes resulting from the gain recognized on that sale over a future number of years. This deferral is accomplished through a reduction in the tax bases of certain assets acquired in the purchase of WSMV in Nashville in January 1995.

12. Pension and Postretirement Benefit Plans

Pension Plans

The Company has noncontributory pension plans covering substantially all employees. The Company's funding policy is to contribute annually the maximum amount that can be deducted for federal income tax purposes. Contributions are intended to provide not only benefits attributed to service to date but also for those expected to be earned in the future. Assets held in the plans are a mix of equity and debt securities. Benefits for non-bargained plans are determined based on length of service and compensation rates at retirement. For bargained plans, benefits are determined based on negotiated accruals.

Net periodic pension cost includes the following components:

Years ended June 30 -----	1995 -----	1994 -----	1993 -----
		(in thousands)	
Service cost - benefits earned during the period.....	\$3,035	\$3,033	\$2,988
Interest cost on projected benefit obligation.....	4,196	3,854	3,973
Actual return on assets.....	(3,730)	(3,749)	(5,883)
Net amortization and deferral.....	1,203	1,546	4,073
	-----	-----	-----
Net periodic pension cost.....	\$4,704	\$4,684	\$5,151
	=====	=====	=====

The following table sets forth the plans' funded status and amounts recognized in the Company's Consolidated Balance Sheets. Overfunded plans are those in which the fair value of plan assets exceeds the accumulated benefit obligation.

June 30	1995		1994	
	Over- funded Plans	Under- funded Plans	Over- funded Plans	Under- funded Plans
				(in thousands)
Actuarial present value of benefit obligations:				
Vested benefit obligation.....	\$(40,194)	\$(6,056)	\$(1,801)	\$(43,119)
	=====	=====	=====	=====
Accumulated benefit obligation...	\$(41,742)	\$(6,509)	\$(1,892)	\$(45,029)
	=====	=====	=====	=====
Projected benefit obligation.....	\$(46,641)	\$(9,756)	\$(1,892)	\$(53,720)
Plan assets at fair value.....	42,316	102	2,205	39,044
	-----	-----	-----	-----
Projected benefit obligation (in excess of) less than plan assets..	(4,325)	(9,654)	313	(14,676)
Unrecognized net (gain) loss.....	(550)	502	(87)	2,387
Unrecognized net obligation.....	854	2,171	(255)	3,656
Unrecognized prior service cost....	1,338	1,568	(2)	3,288
Adjustment required to recognize minimum liability.....	--	(1,506)	--	(1,533)
	-----	-----	-----	-----
Pension liability recognized in the balance sheet.....	\$(2,683)	\$(6,919)	\$ (31)	\$ (6,878)
	=====	=====	=====	=====

The weighted-average assumed discount rates used in determining the projected benefit obligation at June 30, 1995, were 8 percent before retirement and 6.25 percent after retirement. (At June 30, 1994, assumed discount rates were 7.5 percent before retirement and 6.25 percent after retirement.) The rate of increase used for future compensation levels at June 30, 1995 and 1994, was 6 percent. The weighted-average expected long-term rates of return on assets were 8.5 percent for both fiscal 1995 and 1994.

Postretirement Benefit Plans

The Company sponsors a defined health care plan and a defined life insurance plan which provide benefits to eligible retirees. The health plan is contributory with retiree contributions adjusted annually. A portion of the Company's contribution is a fixed dollar amount based on age and years of service at retirement. The health insurance plan contains the cost-sharing features of coinsurance and/or deductibles. The life plan is paid for by the Company. Benefits under both plans are based on eligible status for retirement and length of service. Substantially all of the Company's employees may become eligible for these benefits upon reaching age 55 and having worked for the Company at least 10 years.

Cash payments related to retiree health and life benefits were \$970,000 in fiscal 1995 (\$899,000 and \$1,185,000 in 1994 and 1993, respectively). The Company funds its postretirement benefits through a 401(h) account. All assets are held in equity securities.

A summary of the components of net periodic postretirement benefit costs follows:

Years ended June 30 -----	1995 -----	1994 -----	1993 -----
		(in thousands)	
Service cost - benefits earned during the period.....	\$ 340	\$ 610	\$ 538
Interest cost on projected benefit obligation.....	885	1,182	1,199
Actual return on assets.....	(76)	(3)	(5)
Net amortization and deferral.....	(152)	50	42
	-----	-----	-----
Net periodic postretirement benefit cost....	\$ 997	\$ 1,839	\$1,774
	=====	=====	=====

The following table sets forth the obligations recognized in the Company's Consolidated Balance Sheets regarding postretirement benefits and the plan's funded status:

June 30 -----	1995 -----	1994 -----
	(in thousands)	
Actuarial present value of benefit obligations:		
Retirees.....	\$ (7,457)	\$ (8,737)
Active employees.....	(3,989)	(7,921)
	-----	-----
Total.....	(11,446)	(16,658)
Plan assets at fair value.....	499	283
	-----	-----
Accumulated benefit obligation in excess of plan assets.....	(10,947)	(16,375)
Unrecognized prior service cost.....	(3,242)*	-
Unrecognized net loss	26	2,159
	-----	-----
Postretirement benefit liability recognized in the balance sheet.....	\$ (14,163)	\$ (14,216)
	=====	=====

*On January 1, 1994, the Company implemented a managed care health plan in Iowa resulting in a decrease in the actuarial present value of benefit obligations.

The weighted-average assumed discount rate used in determining the actuarial present value of postretirement benefits was 8 percent at June 30, 1995, and 7.5 percent in 1994. The weighted-average annual assumed rate of increase in the health care cost trend rate for employees under age 65 was 14 and 15 percent for fiscal years 1995 and 1994, respectively. It is expected to decrease by 1 percent annually to 6.5 percent in 2002 and remain at that level. For employees 65 and older, the assumed rate of increase was 11 and 12 percent for fiscal years 1995 and 1994, respectively. It is expected to decrease by 1 percent annually to 6.5 percent in 1999 and remain at that level. By increasing the trend rate by one percentage point each year, the accumulated postretirement benefit obligation for retiree health benefits would increase as of June 30, 1995 and 1994, by \$548,000 and \$1,069,000, respectively. The net periodic postretirement health care benefit cost would increase by \$78,000 and \$163,000 in fiscal 1995 and 1994, respectively. The weighted-average rate of compensation increase used to determine the accumulated benefit obligation for life insurance benefits was 6 percent at June 30, 1995 and 1994. The weighted- average expected long-term rate of return on plan assets was 8.5 percent for both fiscal 1995 and 1994.

13. Common Stock, Stock Awards and Stock Options

Under the Company's Savings and Investment Plan [401(k)], 91,289 common shares were issued during the year at market prices totaling \$2,178,000 (73,798 shares totaling \$1,436,000 in 1994 and 101,334 shares totaling \$1,343,000 in 1993). A total of 8,520,000 shares has been reserved for this plan, of which 7,962,577 were issued at June 30, 1995.

The Company has two plans under which eligible key employees may receive restricted stock awards and a restricted stock plan for non-employee directors. These plans have various restriction periods tied to employment, service and/or future specified financial goals. The market value of shares awarded under the plans is recorded and amortized over the restriction periods. Common shares awarded and annual expense under these plans are as follows:

Years ended June 30 -----	1995 ----	1994 ----	1993 ----
		(\$ in thousands)	
Number of restricted shares awarded...	100,472	67,586	133,634
Annual expense.....	\$1,577	\$1,228	\$969

Non-qualified stock options for shares of the Company's common stock also are granted to eligible key employees under the 1992 Meredith Corporation Stock Incentive Plan (the "Plan"). The Plan provides for granting of options at an option price per share equal to the market price per share of the Company's common stock on the date of the grant. Most options are subject to exercise vesting restrictions that lapse for one-third of each award granted on each of

the following three annual anniversary dates. For fiscal 1995, 320,000 of the options awarded to eligible key employees under the plan are subject to exercise vesting restrictions tied to attainment of future specified Company financial goals. Exercise rights for awarded options expire on the earlier of ten years after issuance or after the end of employment.

The Company also has a non-qualified stock option plan for non-employee directors, adopted in fiscal 1994. Each director is granted options for 2,000 shares of common stock annually. These options vest 40, 30 and 30 percent in each successive year. No options can be issued under this plan after July 31, 2003, and exercise rights expire on the earlier of ten years after issuance or after the end of each director's service.

As of June 30, 1995:

Options

Options(a) Options Vested Exercised(b) Options Award Awarded and Fiscal Fiscal Fiscal Fiscal Able to be Exercise

Date	Outstanding	1995	1994	1995	1994	Exercised	Price
8-12-92	393,700	131,800	132,800	(3,400)	(5,000)	256,200	\$13.22
8-12-92	150,000	50,000	50,000	-	-	100,000	\$16.53
8-10-93	276,200	94,200	-	(2,000)	-	92,200	\$17.06
11- 9-93	16,000	7,600	-	-	-	7,600	\$20.44
8-10-94	754,692	-	-	-	-	-	\$23.13
11-14-94	8,400	-	-	-	-	-	\$23.44
11-15-94	18,000	-	-	-	-	-	\$23.81
1-30-95	4,000	-	-	-	-	-	\$23.34
	-----	-----	-----	-----	-----	-----	

1,620,992 283,600 182,800 (5,400)(5,000) 456,000

(a) Net of 21,100 options forfeited.

(b) 5,400 shares were exercised in fiscal 1995 at market prices ranging from \$23.69 to \$25.97. 5,000 shares were exercised in fiscal 1994 at market prices ranging from \$17.06 to \$20.88.

The maximum number of shares reserved for use in all Company restricted stock and stock incentive plans totals approximately 3,550,000. The total number of restricted stock shares and stock options awarded under these plans at June 30, 1995, was 2,574,056.

The Company has two classes of common stock outstanding, common and class B. Holders of each class of common stock receive equal dividends per share. Class B stock, which has ten votes per share, is not transferable as class B stock except to family members of the holder or certain other related entities. At any time, class B stock is convertible share for share, into common stock with one vote per share. Class B stock transferred to persons or entities not

entitled to receive it as class B stock will automatically be converted and issued as common stock to the transferee.

From time to time, the Company's Board of Directors has authorized the repurchase of shares of the Company's common stock in the open market. During fiscal 1995, the Company repurchased 168,000 shares of common stock at a cost of \$3,759,000 (2,385,000 shares repurchased in fiscal 1994 for \$46,862,000 and 2,100,000 shares repurchased in fiscal 1993 for \$29,001,000).

14. Commitments and Contingent Liabilities

The Company occupies certain facilities and sales offices and uses certain equipment under lease agreements. Rental expense for such leases was \$7,885,000 in 1995; \$7,727,000 in 1994; and \$7,824,000 in 1993. Minimum rental commitments at June 30, 1995, under all noncancellable operating leases are payable as follows:

Years ended June 30	Land and Buildings	Machinery and Equipment	Total
			(in thousands)
1996.....	\$ 5,386	\$ 127	\$ 5,513
1997.....	1,943	93	2,036
1998.....	2,353	62	2,415
1999.....	3,073	30	3,103
2000.....	2,263	--	2,263
Later years.....	33,099	--	33,099
	-----	-----	-----
Total.....	\$48,117	\$ 312	\$48,429
	=====	=====	=====

The Company entered into a lease agreement in January 1995 for office space in New York City. This agreement is effective from January 1, 1996, through December 31, 2011, and will provide one consolidated New York office location instead of the three current locations. The Company plans to move into this office space during the second and third quarters of fiscal 1996.

In the normal course of business, leases that expire are generally renewed or replaced by leases on similar property.

Film rental contracts payable are noninterest-bearing, and the amounts due in future fiscal years are \$7,290,000 in 1996; \$3,834,000 in 1997; \$1,043,000 in 1998; and \$92,000 in 1999. The Company also is obligated to make payments under contracts for programs not currently available for use, and therefore not included in the consolidated financial statements, in the amount of \$40,704,000 at June 30, 1995 (\$19,006,000 at June 30, 1994). The portion of these payments due in succeeding years is \$9,480,000 in 1996; \$10,573,000 in 1997; \$8,907,000 in 1998; \$7,685,000 in 1999; and \$4,059,000 thereafter.

The purchase agreement related to the acquisition of North Central by Strategic Partners provides for contingent payments to the former owners if actual cash flows exceed certain targeted cash flows. There were no contingent payments owed for fiscal 1993 through 1995. None is expected to be paid in the near future (Note 10).

The Company has been advised by Strategic Partners that cable management believes it has complied in all material respects with the provisions of the Cable Television Consumer Protection and Competition Act of 1992 including rate-setting provisions. However, since Strategic Partners' rates for regulated services are subject to review, Strategic Partners may be subject to a customer refund liability. The amounts of refunds, if any, which could be payable by Strategic Partners in the event that rates are successfully challenged by franchising authorities are not currently estimable.

Strategic Partners has programming agreements with three cable commissions to provide local programming. These agreements require annual payments of approximately \$1 million (Note 16).

The Company is involved in certain litigation and claims arising in the normal course of business. In the opinion of management, liabilities, if any, arising from existing litigation and claims are not considered to be material in relation to the Company's financial position.

15. Industry Segment Information

See Financial Information about Industry Segments on page F-4 and F-5 of this Form 10-K for the fiscal year ended June 30, 1995.

16. Cable Franchise Agreements

The cable television operations have nonexclusive franchise agreements which expire from 1997 to 2006 with six cable commissions in the Minneapolis/St. Paul area. These agreements require the payment of fees, generally 5 percent of operating revenues. Additionally, certain franchise agreements require Strategic Partners to provide community television programming. Strategic Partners has entered into programming agreements with three cable television commissions in Minnesota to provide certain local community cable television programming. These agreements require annual payments of approximately \$1 million (generally adjusted annually by consumer price index-based escalator clauses) and are effective for the term of the franchise agreements and any renewals thereof. Cable management believes that its operations are materially in compliance with the terms of the franchise agreements in each of the municipalities in which it offers cable television services.

17. Selected Quarterly Financial Data (unaudited)

Year ended June 30, 1995	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
	(in thousands, except per share)				
Revenues.....	\$200,147	\$214,884	\$230,449	\$239,070	\$884,550
Income from operations...	\$ 13,587	\$ 18,944	\$ 21,160	\$ 22,017	\$ 75,708
Earnings before cumulative effect of change in accounting principle....	\$ 10,672	\$ 8,919	\$ 10,179	\$ 10,075	\$ 39,845
Cumulative effect of change in accounting principle.	(46,160)	--	--	--	(46,160)
Net (loss) earnings.....	\$(35,488)	\$ 8,919	\$ 10,179	\$ 10,075	\$ (6,315)
Net (loss) earnings per share: Earnings before cumulative effect of change in accounting principle....	\$.39	\$.32	\$.37	\$.36	\$ 1.44
Cumulative effect of change in accounting principle.	(1.67)	--	--	--	(1.67)
Net(loss)earnings per share	\$(1.28)	\$.32	\$.37	\$.36	\$ (.23)

Fiscal 1995

First quarter net results include a non-cash, post-tax charge for the cumulative effect of a change in accounting principle related to subscription acquisition costs (Note 2). Effects on income from operations and earnings and per-share earnings before cumulative effect of change in accounting principle by quarter are as follows:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
	(in thousands, except per share)				
Income from operations	\$ --	\$(2,743)	\$(2,186)	\$ (188)	\$(5,117)

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of Meredith Corporation:

We have audited the accompanying consolidated balance sheets of Meredith Corporation and subsidiaries as of June 30, 1995 and 1994, and the related consolidated statements of earnings, stockholders' equity and cash flows for each of the years in the three-year period ended June 30, 1995. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related financial statement schedules, as listed in Part IV, Item 14(a)2 herein. These consolidated financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Meredith Corporation and subsidiaries as of June 30, 1995 and 1994, and the results of their operations and their cash flows for each of the years in the three-year period ended June 30, 1995, in conformity with generally accepted accounting principles. Also, in our opinion, the related financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

As discussed in Note 2 to the consolidated financial statements, the Company changed its method of accounting for subscription acquisition costs in fiscal 1995 to adopt the provisions of Practice Bulletin 13, "Direct-Response Advertising and Probable Future Benefits."

KPMG Peat Marwick LLP
Des Moines, Iowa
August 2, 1995

REPORT OF MANAGEMENT

Meredith management is responsible for the integrity and objectivity of the financial information included in this report. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles appropriate in the circumstances. Accordingly, management has made informed judgments and estimates necessary to properly reflect current business activity.

To meet management's responsibility for financial reporting, internal control systems and accounting procedures are designed to provide reasonable assurance as to the reliability of financial records. In addition, the internal audit staff monitors and reports on compliance with Company policies, procedures and internal control systems.

The consolidated financial statements have been audited by independent auditors. In accordance with generally accepted auditing standards, the independent auditors obtained a sufficient understanding of the Company's internal control structure to plan their audit and determine the nature, timing and extent of tests to be performed. The Audit Committee of the Board of Directors meets with the independent auditors, management and internal auditors to review accounting, auditing and financial reporting matters. To ensure complete independence, the independent auditors have full and complete access to the Audit Committee, with or without the presence of management representatives.

Larry D. Hartsook
Vice President - Finance

Schedule I
MEREDITH CORPORATION
Condensed Financial Information of Registrant

Balance Sheets

Assets	June 30	1995	1994

			(in thousands)
Current assets:			
Cash and cash equivalents		\$ 10,413	\$ 30,758
Marketable securities		--	12,178
Net receivables		95,467	73,525
Inventories		45,698	33,908
Supplies and prepayments		28,113	25,229
Subscription acquisition costs		62,440	102,040
		-----	-----
Total current assets		242,131	277,638
		-----	-----
Property, plant and equipment (at cost)		162,916	140,776
Less accumulated depreciation		(100,929)	(91,813)
		-----	-----
Net property, plant and equipment		61,987	48,963
		-----	-----
Investment in unconsolidated subsidiaries (other than cable)		28,423	35,970
Investment in cable subsidiary		88,097	90,579
Deferred subscription acquisition costs		32,482	65,276
Other assets		25,486	26,114
Goodwill and other intangibles (at original cost less accumulated amortization)		245,453	110,641
		-----	-----
Total assets		\$724,059	\$655,181
		=====	=====

See disclosures regarding material contingencies and long-term obligations in Notes 10 and 14 to the Consolidated Financial Statements.

Balance Sheets continued

Liabilities and Stockholders' Equity	June 30	1995	1994
			(in thousands)
Current liabilities:			
Current portion of long-term indebtedness		\$ 15,000	\$ --
Accounts payable		53,684	38,867
Accrued taxes and expenses		56,404	49,015
Unearned subscription revenues		139,709	140,230
Deferred income taxes		140	16,455
Total current liabilities		264,937	244,567
Long-term indebtedness		75,000	--
Unearned subscription revenues		90,080	88,762
Deferred income taxes		17,946	36,191
Other deferred items		35,046	27,900
Total liabilities		483,009	397,420
Stockholders' equity:			
Series preferred stock, par value \$1 per share Authorized 5,000,000 shares; none issued		--	--
Common stock, par value \$1 per share Authorized 80,000,000 shares; issued and outstanding 20,579,565 shares in 1995 and 10,119,165 shares in 1994 (net of treasury shares, 11,601,465 in 1995 and 5,763,328 in 1994)		20,580	10,119
Class B stock, par value \$1 per share, convertible to common stock; authorized 15,000,000; issued and outstanding 6,905,062 shares in 1995 and 3,601,932 shares in 1994		6,905	3,602
Additional paid-in capital		873	--
Retained earnings		216,485	246,917
Unearned compensation		(3,793)	(2,877)
Total stockholders' equity		241,050	257,761
Commitments and contingent liabilities		--	--
Total liabilities and stockholders' equity		\$724,059	\$655,181
		=====	=====

See disclosures regarding material contingencies and long-term obligations in Notes 10 and 14 to the Consolidated Financial Statements.

MEREDITH CORPORATION

Condensed Financial Information of Registrant Statements of Earnings

Years ended June 30	1995	1994	1993
----- (in thousands, except per share)			
Revenues (less returns and allowances):			
Advertising	\$381,288	\$320,772	\$322,982
Circulation	247,301	232,506	217,645
Consumer books	84,889	86,040	81,390
All other	73,175	61,618	55,047
	-----	-----	-----
Total revenues	786,653	700,936	677,064
	-----	-----	-----
Operating costs and expenses:			
Production, distribution and editorial	329,252	297,543	294,194
Selling, general and administrative	368,453	338,585	328,661
Depreciation and amortization	15,340	13,208	13,100
Non-recurring items	--	7,384	-
	-----	-----	-----
Total operating costs and expenses	713,045	656,720	635,955
	-----	-----	-----
Income from operations	73,608	44,216	41,109
Gain on sale of broadcast stations	-	11,997	-
(Loss) from unconsolidated subsidiaries	(1,805)	(4,574)	(7,676)
Interest income - IRS settlement	8,554	--	--
Interest income	2,327	1,780	1,846
Interest expense	(3,974)	(267)	(618)
	-----	-----	-----
Earnings before income taxes and cumulative effect of change in accounting principle	78,710	53,152	34,661
Income taxes	38,865	25,998	16,035
	-----	-----	-----
Earnings before cumulative effect of change in accounting principle	39,845	27,154	18,626
Cumulative effect of change in accounting principle	(46,160)	-	-
	-----	-----	-----
Net (loss) earnings	\$ (6,315)	\$ 27,154	\$ 18,626
	=====	=====	=====

Net (loss) earnings per share of common stock:

Earnings before cumulative effect of change in accounting principle	\$1.44	\$.96	\$.61
Cumulative effect of change in accounting principle	(1.67)	-	-
	-----	-----	-----
Net (loss) earnings per share	\$ (.23)	\$.96	\$.61
	=====	=====	=====

Average shares outstanding 27,754 28,365 30,532

See Note 2 to the Consolidated Financial Statements for the pro forma effects of the change in accounting principle on selected statements of earnings items.

MEREDITH CORPORATION
Condensed Financial Information of Registrant

Statements of Cash Flows

Years ended June 30	1995	1994	1993
(in thousands)			
Cash flows from operating activities:			
Earnings before cumulative effect of change in accounting principle	\$ 39,845	\$ 27,154	\$ 18,626
Less cumulative effect of change in accounting principle	(46,160)	-	-
Net (loss) earnings	(6,315)	27,154	18,626
Adjustments to reconcile net (loss) earnings to net cash provided by operating activities:			
Depreciation and amortization	15,340	13,208	13,100
Amortization of film contract rights	18,133	22,274	26,908
Non-recurring items, net of taxes	-	3,987	-
Gain on sale of broadcast stations, net of taxes	-	(8,197)	-
(Increase) decrease in receivables	(21,942)	(5,173)	1,726
(Increase) in inventories	(11,790)	(2,663)	(7,791)
(Increase) decrease in supplies and prepayments	(5,726)	(384)	1,783
Decrease in subscription acquisition costs	72,394	508	4,231
Increase (decrease) in accounts payable and accruals	24,801	(8,596)	4,512
Increase (decrease) in unearned sub revenues	797	(568)	(3,104)
(Decrease) increase in deferred income taxes	(34,997)	3,069	4,499
Increase (decrease) in other deferred items	6,295	(433)	(10,749)
Net cash provided by operating activities	56,990	44,186	53,741
Cash flows from investing activities:			
Redemption of marketable securities	16,189	9,244	20,448
Proceeds from dispositions	-	33,000	-
Payment for purchase of business	(159,000)	-	-
Investment in unconsolidated subsidiaries	1,511	1,518	3,508
Investment in cable subsidiary	4,046	5,096	(32,740)
Additions to property, plant and equipment	(13,275)	(9,222)	(8,055)
Decrease (increase) in other assets	7,675	405	(11,476)
Net cash (used) provided by investing activities	(142,854)	40,041	(28,315)

Statements of Cash Flows continued

Cash flows from financing activities:

Long-term indebtedness incurred	100,000	-	-
Long-term indebtedness retired	(10,000)	-	-
Payments for film rental contracts	(14,085)	(14,633)	(15,742)
Proceeds from common stock issued	3,751	3,048	3,093
Purchase of Company shares	(3,759)	(46,862)	(29,001)
Dividends paid	(10,388)	(9,677)	(9,783)
	-----	-----	-----
Net cash provided (used) by financing activities	65,519	(68,124)	(51,433)
	-----	-----	-----
Net (decrease) increase in cash and cash equivalents	(20,345)	16,103	(26,007)
Cash and cash equivalents at beginning of year	30,758	14,655	40,662
	-----	-----	-----
Cash and cash equivalents at end of year	\$ 10,413	\$ 30,758	\$ 14,655
	=====	=====	=====

Supplemental schedule of non-cash investing and financing activities:

The Company received \$2 million of preferred stock in Granite Broadcasting Corporation from the sale of two television broadcasting stations in December 1993.

Per Note 10 to the Consolidated Financial Statements, North Central Cable was purchased in fiscal 1993 for approximately \$220 million by Strategic Partners, in which the Company has a 70 percent indirect ownership interest. Significant non-cash investing and financing activities reflected in the Consolidated Financial Statements for the fiscal year ended June 30, 1993, included (\$ in millions) the acquisition of intangible assets of (\$171) and net property, plant and equipment of (\$61) by incurring long-term debt of \$139, minority interest of \$42, contributing a portion of the North Dakota system of \$12 and assuming net liabilities of \$6.

Notes to Condensed Financial Information of Registrant:

1. Cash Dividends

The registrant received cash dividends from a consolidated subsidiary of \$1,000,000 in the fiscal year ended June 30, 1994. (No dividends were paid by this subsidiary in fiscal years 1995 or 1993.) In addition, cash dividends from an investee accounted for by the equity method of \$366,000, \$960,000 and \$348,000 were received in the fiscal years ended June 30, 1995, 1994 and 1993, respectively.

2. Long-Term Indebtedness

In connection with the purchase of WSMV in January 1995, the Company entered into a term loan agreement for \$100 million with a group of banks. As of June 30, 1995, \$90 million was outstanding under this agreement. Interest is payable based on short-term Eurodollar and/or prime rates of interest, at the option of the Company. At June 30, 1995, the weighted-average rate of interest was 7.76 percent. This loan agreement contains certain covenants including cash flow coverage requirements. The Company was in compliance with these covenants at June 30, 1995. The term loan requires repayments through December 31, 1998, the final payment date. The aggregate annual maturities of the term loan in future fiscal years are: \$15 million in 1996, \$15 million in 1997, \$35 million in 1998 and \$25 million in 1999.

Schedule II MEREDITH CORPORATION AND SUBSIDIARIES

Valuation and Qualifying Accounts
Years ended June 30, 1995, 1994 and 1993
(in thousands)

Year ended June 30, 1995		
Additions		
Balance at beginning	Charged to costs and other	Balance at end of

Description of period expenses accounts Deductions period

Those reserves which are deducted in the consolidated financial statements from Receivables:

Reserve for doubtful accounts	\$10,466	\$ 9,804	\$ 0	\$10,071*	\$10,199
Reserve for returns	7,003	26,417	0	26,309**	7,111
	\$17,469	\$36,221	\$ 0	\$36,380	\$17,310
	=====	=====	====	=====	=====

Year ended June 30, 1994

Additions					
Balance at beginning	Charged to costs	Charged to other	Charged	Charged	Balance at end of

Description of period expenses accounts Deductions period

Those reserves which are deducted in the consolidated financial statements from Receivables:

Reserve for doubtful accounts	\$10,055	\$11,740	\$ 0	\$11,329*	\$10,466
Reserve for returns	6,352	38,500	0	37,849**	7,003
	\$16,407	\$50,240	\$ 0	\$49,178	\$17,469
	=====	=====	====	=====	=====

Year ended June 30, 1993

Additions					
Balance at beginning	Charged to costs	Charged to other	Charged	Charged	Balance at end of

Description of period expenses accounts Deductions period

Those reserves which are deducted in the consolidated financial statements from Receivables:

Reserve for doubtful accounts	\$ 9,293	\$ 8,865	\$ 0	\$ 8,103*	\$10,055
Reserve for returns	6,678	24,970	0	25,296**	6,352
	\$15,971	\$33,835	\$ 0	\$33,399	\$16,407
	=====	=====	====	=====	=====

*Bad debts charged to reserve.

**Actual returns charged to reserve.

Index to Exhibits

Exhibit Number	Item
3.1	Restated Articles of Incorporation
3.2	Restated Bylaws
10.20	Second Amendment to Employment Contract
11	Statement re Computation of Per Share Earnings
21	Subsidiaries of the Registrant
23	Consent of Independent Auditors
27	Financial Data Schedule

Exhibit 3.1

**RESTATED ARTICLES OF INCORPORATION
OF
MEREDITH CORPORATION**

I

The name of the corporation is MEREDITH CORPORATION.

II

The corporation is organized for the purpose of engaging in any lawful business for which corporations may be organized under the Iowa Business Corporation Act.

III

A. Capitalization. The total number of shares of stock of all classes which the corporation shall have authority to issue is 21,000,000 shares, of which 1,000,000 shares shall be preferred stock, par value \$1.00 per share (hereinafter called "series preferred stock"), and 20,000,000 shares of which shall be common stock, par value \$1.00 per share (hereinafter called "common stock").

The designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the shares of each class are as follows:

1. The series preferred stock may be issued from time to time in one or more series, the shares of each series to have the voting powers, full or limited, and the designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof as are stated and expressed herein or in the resolution or resolutions providing for the issuance of the series, adopted by the board of directors as hereinafter provided.

2. Authority is hereby expressly granted to the board of directors of the corporation, subject to the provisions of this Article III and to the limitations prescribed by law, to authorize the issuance of one or more series of series preferred stock and with respect to each series to fix by resolution or resolutions providing for the issuance of the series the voting powers, full or limited, if any, of the shares of the series and the designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions

thereof. Each series shall consist of such number of shares as shall be stated and expressed in the resolution or resolutions providing for the issuance of the stock of the series together with such additional number of shares as the board of directors by resolution or resolutions may from time to time determine to issue as a part of the series. The board of directors may from time to time decrease the number of shares of any series of series preferred stock (but not below the number thereof then outstanding) by providing that any unissued shares previously assigned to the series shall no longer constitute part thereof and may assign the unissued shares to an existing or newly created series.

The authority of the board of directors with respect to each series shall include, but not be limited to, the determination or fixing of the following:

- (a) The designation of the series.
- (b) The dividend rate of the series, the conditions and dates upon which dividends shall be payable, the relation which the dividends shall bear to the dividends payable on any other class or classes of stock, and whether the dividends shall be cumulative or non-cumulative.
- (c) Whether the shares of the series shall be subject to redemption by the corporation and, if made subject to redemption, the times, prices and other terms and conditions of the redemption.
- (d) The rights of the holders of the shares of the series upon the dissolution of, or upon the distribution of assets of, the corporation, and the amount payable on the shares in the event of voluntary or involuntary liquidation.
- (e) The terms and amount of any sinking fund provided for the purchase or redemption of the shares of the series.
- (f) Whether or not the shares of the series shall be convertible into or exchangeable for shares of any other classes or of any other series of any class or classes of stock of the corporation and, if provision be made for conversion or exchange, the times, prices, rates, adjustments, and other terms and conditions of the conversion or exchange.
- (g) The extent, if any, to which the holders of the shares of the series shall be entitled to vote with respect to the election of directors or otherwise.

3. The holders of shares of each series of series preferred stock shall be entitled to receive, when and as declared by the board of directors, out of funds legally available for the payment of dividends, dividends at the rates fixed by the board of directors for such series, and no more, before any dividends, other than dividends payable in common stock, shall be declared and paid, or set apart for payment, on the common stock with respect to the same dividend period.
4. Whenever, at any time, dividends on the then outstanding series preferred stock as may be required with respect to any series outstanding shall have been paid or declared and set apart for payment and after complying with respect to any retirement or sinking fund or funds for any series of series preferred stock, the board of directors may, subject to the provisions of the resolution or resolutions creating any series of series preferred stock, declare and pay dividends on the common stock, and the holders of shares of preferred stock shall not be entitled to share therein.
5. The holders of shares of each series of series preferred stock shall be entitled upon liquidation or dissolution or upon the distribution of the assets of the corporation to such preferences as provided in the resolution or resolutions creating the series, and no more, before any distribution of the assets of the corporation shall be made to the holders of shares of common stock. Whenever the holders of shares of series preferred stock shall have been paid the full amounts to which they shall be entitled, the holders of shares of the common stock shall be entitled to share ratably in all the remaining assets of the corporation.
6. At all meetings of the stockholders of the corporation, the holders of shares of the common stock shall be entitled to one vote for each share of common stock held by them. Except as otherwise required by law and except for such voting powers with respect to the election of directors or other matters as may be stated in the resolution or resolutions of the board of directors providing for the issuance of any series of series preferred stock, the holders of the series shall have no voting power whatsoever.
7. No holder of any share of any class of stock of the corporation shall have any preemptive right to subscribe for or acquire additional shares of stock of any class of the corporation or warrants or options to purchase, or securities convertible into, shares of any class of stock of the corporation.

B. Restrictions on Ownership, Transfer and Voting. So long as the corporation or any of its subsidiaries is subject to any law of the United States or any state therein which restricts ownership or voting of capital stock by aliens (as defined by the bylaws), not more than one-fifth of the shares outstanding shall be owned of record or voted by or for the account of aliens or their representatives or affiliates. The board of directors may issue share certificates representing not more than one-fifth of the shares of the stock of the corporation at any time outstanding in special form which may be owned or held by aliens, such certificates to be known as "Foreign Share Certificates" and to be so marked, but under no circumstances shall the total amount of voting stock of any class represented by Foreign Share Certificates, plus the amount of voting stock of that class owned by or for the account of aliens and represented by certificates not so marked, exceed one-fifth of the aggregate number of outstanding shares of such class.

Shares of stock shall be transferable on the books of the corporation by the holder thereof, in person or by duly authorized attorney, upon the surrender of the certificate representing the shares to be transferred, properly endorsed; provided, however, that shares of stock other than shares represented by Foreign Share Certificates shall be transferable to aliens or any person holding for the account thereof only when the aggregate number of shares of stock owned by or for the account of aliens will not then be more than one-fifth of the number of shares of stock outstanding. The board of directors may direct that, before shares of stock shall be transferred on the books of the corporation, the corporation may require information as to whether the proposed transferee is an alien or will hold the stock for the account of an alien.

If the stock records of the corporation shall at any time disclose alien ownership of one-fifth or more of the voting stock of any class and it shall be found by the corporation that any certificate for shares marked "Domestic Share Certificate" is, in fact, held by or for the account of any alien, the holder of the shares represented by that certificate shall not be entitled to vote, to receive dividends or to have any other rights with respect to such shares, except the right to transfer the shares to a non-alien (as defined in the bylaws).

If the stock records of the corporation shall at any time disclose alien ownership of one-fifth or more of the voting stock of any class and a request is made by an alien to have shares registered in its name or for its account, the corporation shall be under no obligation to effect the transfer or to issue or reissue any stock certificates to or for the account of the alien. In addition, if a proposed transferee of any shares is an alien, and the transfer to such alien would result in alien ownership of one-fifth or more of the voting stock of any class, the corporation shall be under no obligation to

effect the transfer or to issue or reissue any stock certificates to or for the account of the alien. Further, if it is determined at any time that a transfer has resulted in alien ownership of one-fifth or more of the voting stock of any class, the holder of the shares which resulted in the alien ownership of one-fifth or more of the voting stock shall not be entitled to vote, to receive dividends or have any other rights with respect to such shares, except the right to transfer those shares to a non-alien.

Amendment or deletion of these provisions covering restrictions on ownership, transfer and voting shall require the affirmative vote of at least 80% of each class of outstanding shares of the corporation.

The board of directors shall establish rules, regulations and procedures to assure compliance with the enforcement of this Article III B.

IV

The number of directors of the corporation shall be fixed from time to time in the manner provided in the bylaws but shall not be fewer than three nor more than fifteen. The directors shall be divided into three classes: Class I, Class II, and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors. At the annual meeting of stockholders on November 14, 1983, Class I directors shall be elected for a one-year term, Class II directors for a two-year term and Class III for a three-year term. At each succeeding annual meeting of stockholders, beginning in 1984, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director. A director shall hold office until the annual meeting for the year in which his or her term expires and until a successor shall be elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office. Any vacancy occurring on the board of directors may be filled by a majority of the directors in office, although less than a quorum, or by a sole remaining director, and any vacancy on the board of directors that results from an increase in the number of directors may be filled by a majority of the board of directors in office. Any director elected to fill a vacancy shall have the same remaining term as that of his or her predecessor.

A director may be removed only for cause and by the affirmative vote of the holders of not less than 80 percent of the outstanding shares of voting

stock at a meeting of stockholders duly called for the consideration of such removal. Cause shall mean conviction of a felony or adjudication of liability for negligence or misconduct in the performance of a director's duty to the company.

The affirmative vote of the holders of not less than 80 percent of the outstanding shares of voting stock is required to amend this provision.

V

Notwithstanding any other provisions of the corporation's Restated Articles of Incorporation or bylaws (and notwithstanding the fact that some lesser percentage may be specified by law), any amendment of these Restated Articles of Incorporation which would permit the holders of stock of the corporation to amend, alter, change or repeal the bylaws or any part thereof, shall require the affirmative vote of holders of not less than 80 percent of the outstanding shares of voting stock of the corporation.

VI

No action required or permitted to be taken at any annual or special meeting of the stockholders of the corporation may be taken without a meeting and the power of stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

Any amendment or deletion of the provisions of this Article VI shall require the affirmative vote of the holders of not less than 80 percent of the outstanding shares of voting stock of the corporation.

VII

The affirmative vote of the holders of not less than 80 percent of the outstanding shares of "voting stock" (as hereinafter defined) of the corporation shall be required for the approval or authorization of any "business combination" (as hereinafter defined) of the corporation with any "substantial stockholder" (as hereinafter defined); provided, however, that the 80 percent voting requirement shall not be applicable if:

1. The "continuing directors" of the corporation (as hereinafter defined) by a two-thirds vote (a) have expressly approved in advance the acquisition of outstanding shares of voting stock of the corporation that caused the substantial stockholder to become a substantial stockholder or
(b) have approved the business combination prior to the substantial stockholder involved in the business combination having become a substantial stockholder;

2. The business combination is solely between the corporation and another corporation, 100 percent of the voting stock of which is owned directly or indirectly by the corporation; or

3. The business combination is a merger or consolidation and the cash or fair market value of the property, securities or other consideration to be received per share by holders of common stock of the corporation in the business combination is not less than the "fair price" (as hereinafter defined) of the common stock.

For the purposes of this Article VII:

1. The term "business combination" shall mean (a) any merger or consolidation of the corporation or a subsidiary with or into a substantial stockholder, (b) any sale, lease, exchange, transfer or other disposition, including without limitation a mortgage or any other security device, of all or any "substantial part" (as hereinafter defined) of the assets either of the corporation (including without limitation any voting securities of a subsidiary) or of a subsidiary, to the substantial stockholder, (c) any merger or consolidation of a substantial stockholder with or into the corporation or a subsidiary of the corporation, (d) any sale, lease, exchange, transfer or other disposition of all or any substantial part of the assets of the substantial stockholder to the corporation or a subsidiary of the corporation for consideration aggregating \$5,000,000 or more, (e) the issuance of any securities of the corporation or a subsidiary of the corporation to a substantial stockholder, (f) any reclassification or recapitalization (including any reverse stock split) of the corporation or any of its subsidiaries or a reorganization, in any case having the effect, directly or indirectly, of increasing the percentage interest of a substantial stockholder in any class of equity securities of the corporation or such subsidiary, and (g) any agreement, contract or other arrangement providing for any of the transactions described in this definition of business combination.

2. The term "substantial stockholder" shall mean and include any individual, corporation, partnership or other person or entity which, together with its "affiliates" and "associates" (as defined on September 1, 1983, in Rule 12b-2 under the Securities Exchange Act of 1934), "beneficially owns" (as defined on September 1, 1983, in Rule 13d-3 under the Securities Exchange Act of 1934) in the aggregate 20 percent or more of the outstanding voting stock of the corporation, and any affiliate or associate of any such individual, corporation, partnership or other person or entity.

3. The term "substantial part" shall mean assets having a "fair value" (as hereinafter defined) in excess of 10 percent of the fair market value of the total consolidated assets of the corporation in question as of the end of its most recent fiscal year ending prior to the time the determination is being made.

4. Without limitation, any shares of common stock of the corporation that any substantial stockholder has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, shall be deemed beneficially owned by the substantial stockholder.

5. For the purposes of this Article VII, the term "other consideration to be received" shall include, without limitation, common stock of the corporation retained by its existing public stockholders in the event of a business combination in which the corporation is the surviving corporation.

6. The term "voting stock" shall mean all outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors and each reference to a proportion of shares of voting stock shall refer to such proportion of the votes entitled to be cast by such shares.

7. The term "continuing director" shall mean one elected as a director at the 1983 annual stockholders' meeting or one elected or appointed prior to the time the substantial stockholder in question acquired such status, or one designated as a continuing director (prior to his or her initial election or appointment) by a majority of the whole board, but only if a majority of the whole board shall then consist of continuing directors, or if a majority of the whole board does not then consist of continuing directors, by a majority of the then continuing directors.

8. The term "fair price" shall mean not less than the greater of (a) the highest per share price paid by the substantial stockholder in acquiring any of its shares of stock of the corporation or (b) an amount which bears the same or greater percentage relationship to the market price of the common stock of the corporation immediately prior to the announcement of the business combination equal to the highest percentage relationship that any per share price theretofore paid by the substantial stockholder for any of its holdings of common stock of the corporation immediately prior to commencement of the acquisition of the corporation's common stock by the substantial stockholder.

9. The term "fair value" shall mean the fair market value thereof at any time 90 days prior to the date of the consummation of any transaction, which value and time shall be determined by a majority of the continuing directors who may, if they wish, be advised on such value by an investment banking firm selected by them. The fees of any such investment banking firm shall be paid by the corporation.

The provisions set forth at this Article VII herein may not be repealed or amended in any respect, unless such action is approved by the affirmative vote of the holders of not less than 80 percent of the outstanding shares of voting stock (as defined herein) of the corporation; provided, however, that this 80 percent vote requirement shall not apply if an amendment is recommended to stockholders by two-thirds of the whole board of directors when a majority of the members of the board of directors acting upon such matters are continuing directors.

VIII

By the adoption of these Restated Articles of Incorporation, Articles I through VII of the previously existing Restated Articles of Incorporation, as amended, are hereby repealed, and substituted therefor are these Articles I through VIII; these Restated Articles thus supersede the Restated Articles of Incorporation and all amendments thereto. These Restated Articles of Incorporation became effective upon their adoption by the shareholders on the 14th day of November, 1983.

MEREDITH CORPORATION

By: /s/ Gerald D. Thornton

Gerald D. Thornton
Vice President

By: /s/ Betty Campbell Madden

Betty Campbell Madden
Corporate Secretary

STATE OF IOWA)
) ss:
COUNTY OF POLK)

On this 14th day of November, A. D. 1983, before me, Lynelle D. Aller, a notary public in and for said county, personally appeared Gerald D. Thornton, to me personally known, who being by me duly sworn did say that he is a vice president of said corporation, that the seal affixed to said instrument is the seal of said corporation and that said Restated Articles of Incorporation were signed and sealed on behalf of the said corporation by authority of its board of directors and the said Gerald D. Thornton acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

/s/ Lynelle D. Aller

Lynelle D. Aller
Notary Public in and for the
State of Iowa

**ARTICLES OF AMENDMENT
TO THE
RESTATED ARTICLES OF INCORPORATION
OF
MEREDITH CORPORATION**

TO THE SECRETARY OF STATE OF THE STATE OF IOWA:

Pursuant to the provisions of Section 58 of the Iowa Business Corporation Act, Chapter 496A, Code of Iowa, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

I. The name of the corporation is Meredith Corporation. The effective date of its incorporation was the 9th day of August, 1905. Its original name was Meredith Publishing Company. On October 10, 1967, the corporate name was changed to Meredith Corporation. The most recent Restated Articles of Incorporation were filed November 14, 1983.

II. The following amendment to the Restated Articles of Incorporation was adopted by the shareholders of the corporation on November 12, 1984, in the manner prescribed by the Iowa Business Corporation Act:

RESOLVED that the first paragraph of Article III of the Restated Articles of Incorporation be and hereby is changed and amended to read as follows:

III. A. Capitalization. The total number of shares of stock of all classes which the corporation shall have authority to issue is 40,000,000 shares, of which 5,000,000 shares shall be preferred stock, par value \$1.00 per share (hereinafter called "series preferred stock"), and 35,000,000 shares of which shall be common stock, par value \$1.00 per share (hereinafter called "common stock").

III. The number of shares outstanding and entitled to vote at the time of such adoption was 9,427,155.

IV. The number of shares voted for the increase in the number of authorized shares of common stock was 7,659,954, the number of shares voted against was 453,977, and the number of votes abstaining was 21,743.

V. The number of shares voted for the increase in the number of authorized shares of series preferred stock was 6,661,069, the number of shares voted against was 1,088,991, and the number of votes abstaining was 114,190.

VI. No exchange, reclassification, or cancellation of issued shares is provided for in the amendment.

VII. Such amendment does not effect a change in the amount of stated capital.

Dated: November 14, 1984.

Meredith Corporation

By /s/ Gerald D. Thornton

Gerald D. Thornton
Its Vice President

By /s/ Betty Campbell Madden

Betty Campbell Madden
Its Secretary

STATE OF IOWA)
) ss.

COUNTY OF POLK)

On this 14th day of November, A.D., 1984, before me, Lynelle D. Kobe, a Notary Public in and for said County, personally appeared Gerald D. Thornton, to me personally known, who being by me duly sworn did say that he is vice president of said corporation, that the seal affixed to said instrument is the seal of said corporation and that said Articles of Amendment were signed and sealed on behalf of the said corporation by authority of its board of directors and the said Gerald D. Thornton and Betty Campbell Madden acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

/s/ Lynelle D. Kobe

Lynelle D. Kobe
Notary Public in and for the
State of Iowa

ARTICLES OF MERGER
OF
MEREDITH PUBLICATIONS, INC.
INTO
MEREDITH CORPORATION

Pursuant to the provisions of the Iowa Business Corporation Act, the undersigned hereby certifies:

FIRST: That the following Plan of Merger has been duly approved by the Board of Directors of the surviving corporation:

- (a) The name of the subsidiary corporation is Meredith Publications, Inc., and the name of the surviving corporation is Meredith Corporation.
- (b) The terms and conditions of the proposed merger are as follows:

All outstanding shares of the wholly-owned subsidiary will be cancelled upon effect of the merger.

SECOND: That the designation and number of outstanding shares of each class of the subsidiary corporation and the number of such shares of each class owned by the surviving corporation, are as follows:

<u>Name of Corporation</u>	<u>Number of Shares Outstanding</u>	<u>Designation of Class</u>	<u>Number of Shares Owned by Surviving Corporation</u>
Meredith Publications, Inc.	10,000	Common	10,000 (100%)

THIRD: That there are no holders of shares of the subsidiary corporation (Meredith Publications, Inc.) not owned by the surviving corporation (Meredith Corporation) and the surviving corporation waived the mailing of a copy of the plan of merger.

IN WITNESS WHEREOF, this Certificate has been signed this 24th day of June, 1986.

MEREDITH CORPORATION

By: /s/ Gerald D. Thornton

Gerald D. Thornton
Vice President-Administrative Services

By: /s/ Betty Campbell Madden

Betty Campbell Madden
Corporate Secretary

STATE OF IOWA)
) ss:
COUNTY OF POLK)

On this 24th day of June A.D., 1986, before me, Marna G. Ford, a Notary Public in and for said county, personally appeared Gerald D. Thornton, to me personally known, who being by me duly sworn did say that he is Vice President-Administrative Services of said corporation, that the seal affixed to said instrument is the seal of said corporation and that said Articles of Merger were signed and sealed on behalf of the said corporation by authority of its Board of Directors and the said Gerald D. Thornton acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

Notary Public in and for said county _____

**ARTICLES OF AMENDMENT
TO THE
RESTATED ARTICLES OF INCORPORATION
OF
MEREDITH CORPORATION**

To the Secretary of State
of the State of Iowa

Pursuant to the provisions of Section 496A.58 of the Iowa Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Restated Articles of Incorporation:

I. The name of the corporation is Meredith Corporation. The effective date of its incorporation was the 9th day of August, 1905. Its original name was Successful Farming Publishing Company.

II. The following amendment to the Restated Articles of Incorporation was adopted by the shareholders of the corporation on December 15, 1986 in the manner prescribed by the Iowa Business Corporation Act:

RESOLVED that Article IIIA of the Restated Articles of Incorporation of the corporation be amended to read as follows:

III.

A. Capitalization. The total number of shares of stock of all classes which the corporation shall have authority to issue is 65,000,000 shares, of which 5,000,000 shares shall be preferred stock, par value \$1.00 per share (hereinafter called "series preferred stock"), 50,000,000 shares of which shall be common stock, par value \$1.00 per share (hereinafter called "common stock") and 10,000,000 shares of which shall be class B common stock, par value \$1.00 per share (hereinafter called "class B stock").

The designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the shares of each class are as follows:

1. The powers, preferences and rights of the common stock and class B stock, and the qualifications, limitations or restrictions thereof, shall be in all respects identical, except as otherwise required by law or expressly provided in this Article IIIA.

2. (a) At each annual or special meeting of stockholders, each holder of common stock shall be entitled to one (1) vote in person or by proxy for each share of common stock standing in his name on the stock transfer records of the corporation and (except as provided in subparagraph (b) of this subdivision 2) each holder of class B stock shall be entitled to ten (10) votes in person or by proxy for each share of class B stock standing in his name on the stock transfer records of the corporation. Except as required pursuant to the Business Corporation Act of the State of Iowa, all actions submitted to a vote of stockholders shall be voted on by the holders of common stock and class B stock voting together as a single class.

(b) Notwithstanding subparagraph (a) of this subdivision 2, each holder of class B stock shall be entitled to only one (1) vote, in person or by proxy, for each share of class B stock standing in his name on the stock transfer records of the corporation with respect to the following matters:

(i) the removal of any director of the corporation pursuant to Article IV of these Restated Articles of Incorporation:

(ii) Any amendment to these Restated Articles of Incorporation which would permit the holders of stock of the corporation to amend, alter, change or repeal the bylaws or any part thereof, pursuant to Article V of these Restated Articles of Incorporation; and

(iii) Any repeal or amendment of Article IV or Article VI of these Restated Articles of Incorporation.

3. If and when dividends on the common stock and class B stock are declared payable from time to time by the board of directors from funds legally available therefor, whether payable in cash, in property or in shares of stock of the corporation, the holders of common stock and the holders of class B stock shall be entitled to share equally, share for share, in such dividends.

4. (a) The holder of each outstanding share of class B stock shall have the right at any time, or from time to time, at such holder's option to convert such share into one fully paid and non-assessable share of common stock, on and subject to the terms and conditions hereinafter set forth.

(b) In order to exercise the conversion privilege, the holder of any shares of class B stock to be converted shall present and surrender the certificate representing such shares during usual business hours at any office or agency of the corporation maintained for the transfer of class B stock and shall deliver a written notice of the election of the holder to convert the shares represented by such certificate or any portion thereof specified in such notice. Such notice shall also state the name or names (with address) in which

the certificate or certificates for shares of common stock which shall be issuable on such conversion shall be issued. If so required by the corporation, any certificate for shares surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the corporation, duly executed by the holder of such shares or his duly authorized representative. Except in the case of an automatic conversion pursuant to clause (i) of subparagraph (a) of subdivision 5, subparagraph (d) of subdivision 5 or subdivision 8, each conversion of shares of class B stock shall be deemed to have been effected on the date (the "conversion date") on which the certificate or certificates representing such shares shall have been surrendered and such notice and any required instruments of transfer shall have been received as aforesaid, and the person or persons in whose name or names any certificate or certificates for shares of common stock shall be issuable on such conversion shall be deemed to have become immediately prior to the close of business on the conversion date the holder or holders of record of the shares of common stock represented thereby.

(c) As promptly as practicable after the presentation and surrender for conversion, as herein provided, of any certificate for shares of class B stock, the corporation shall issue and deliver at such office or agency, to or upon the written order of the holder thereof, certificates for the number of shares of common stock issuable upon such conversion. In case any certificate for shares of class B stock shall be surrendered for conversion of a part only of the shares represented thereby, the corporation shall deliver at such office or agency, to or upon the written order of the holder thereof, a certificate or certificates for the number of shares of class B stock represented by such surrendered certificate, which are not being converted. The issuance of certificates for shares of common stock issuable upon the conversion of shares of class B stock shall be made without charge to the converting holder for any tax imposed on the corporation in respect of the issue thereof. The corporation shall not, however, be required to pay any tax which may be payable with respect to any transfer involved in the issue and delivery of any certificate in a name other than that of the holder of the shares being converted, and the corporation shall not be required to issue or deliver any such certificate unless and until the person requesting the issue thereof shall have paid to the corporation the amount of such tax or has established to the satisfaction of the corporation that such tax has been paid.

(d) Upon any conversion of shares of class B stock into shares of common stock pursuant hereto, no adjustment with respect to dividends shall be made; only those dividends shall be payable on the shares so converted as may be declared and may be payable to holders of record of shares of class B stock on a date prior to the conversion date with respect to the shares so converted; and only those dividends shall be payable on shares of common stock issued upon such conversion as may be declared and may be payable to holders of record of shares of common stock on or after such conversion date.

(e) All shares of class B stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding, and all rights with respect to such shares, including the rights, if any, to receive notices and to vote, shall thereupon cease and terminate, except only the right of the holders thereof, subject to the provisions of subparagraph (c) of this subdivision 4, to receive shares of common stock in exchange therefor. All shares of class B stock surrendered for conversion shall be cancelled and may not be reissued.

(f) Such number of shares of common stock as may from time to time be required for such purpose shall be reserved for issuance upon conversion of outstanding shares of class B stock.

5. (a) No person holding shares of class B stock (hereinafter called a "class B holder") may transfer, and the corporation shall not register the transfer of, such shares of class B stock, whether by sale, assignment, gift, bequest, appointment or otherwise, except to a Permitted Transferee of such class B holder, which term shall have the following meanings:

(i) In the case of a class B holder who is a natural person and the holder of record and beneficial owner of the shares of class B stock subject to said proposed transfer, "Permitted Transferee" means (A) the spouse of such class B holder, (B) a lineal descendant of a grandparent of such class B holder or a spouse of any such lineal descendant, (C) the trustee of a trust (including a voting trust) for the benefit of one or more class B holders, other lineal descendants of a grandparent of such class B holder, the spouse of such class B holder, the spouses of such other lineal descendants and an organization contributions to which are deductible for federal income, estate or gift tax purposes (hereinafter called a "Charitable Organization"), and for the benefit of no other person, provided that such trust may grant a general or special power of appointment to such class B holder, the spouse of such class B holder, any lineal descendant of such class B holder or the spouse of any such lineal descendant, and may permit trust assets to be used to pay taxes, legacies and other obligations of the trust or the estate of such class B holder payable by reason of the death of such class B holder and provided that such trust prohibits transfer of shares of class B common stock to persons other than Permitted Transferees, as defined in clause (ii) below, (D) the estate of such deceased class B holder, (E) a Charitable Organization established by such class B holder, such class B holder's spouse, a lineal descendant or a grandparent of such class B holder, or a spouse of any such lineal descendant, and (F) a corporation all the outstanding capital stock of which is owned by, or a partnership all the partners of which are, one or more of such class B holders, other lineal descendants of a grandparent of such class B holder or a spouse of any such lineal

descendant, and the spouse of such class B holder; provided that if any share of capital stock of such a corporation (or of any survivor or a merger or consolidation of such a corporation), or any partnership interest in such a partnership, is acquired by any person who is not within such class of persons, all shares of class B stock then held by such corporation or partnership, as the case may be, shall be deemed, without further action, to be automatically converted into shares of common stock, and stock certificates formerly representing such shares of class B common stock shall thereupon and thereafter be deemed to represent the like number of shares of common stock.

(ii) In the case of a class B holder holding the shares of class B stock subject to said proposed transfer as trustee pursuant to a trust other than a trust described in clause (iii) below, "Permitted Transferee" means (A) the person who established such trust and (B) a Permitted Transferee of such person determined pursuant to clause (i) above.

(iii) In the case of a class B holder holding the shares of class B stock subject to said proposed transfer as trustee pursuant to a trust which was irrevocable on the record date (or the initial distribution of shares of class B stock ("Record Date")), "Permitted Transferee" means any person to whom or for whose benefit principal may be distributed either during or at the end of the term of such trust whether by power of appointment or otherwise or any "Permitted Transferee" of such person determined pursuant to clause (i), (ii), (iv), (v) or (vi) hereof, as the case may be.

(iv) In the case of a class B holder who is the record (but not beneficial) owner of the shares of class B stock subject to said proposed transfer as nominee for the person who was the beneficial owner thereof on the Record Date, "Permitted Transferee" means such beneficial owner and a Permitted Transferee of such beneficial owner determined pursuant to clause (i), (ii), (ii), (v) or (vi) hereof, as the case may be.

(v) In the case of a class B holder which is a partnership and the holder of record and beneficial owner of the shares of class B stock subject to said proposed transfer, "Permitted Transferee" means any partner of such partnership or any "Permitted Transferee" of such partner determined pursuant to clause (i), (ii), (iii), (iv) or (vi) hereof, as the case may be.

(vi) In the case of a class B holder which is a corporation (other than a Charitable Organization described in subclause (E) of clause (i) above) and the holder of record and beneficial owner of the shares of class B stock subject to said proposed transfer, "Permitted Transferee"

means any stockholder of such corporation receiving shares of class B stock through a dividend or through a distribution made upon liquidation of such corporation and the survivor of a merger or consolidation of such corporation or any "Permitted Transferee" of such stockholder determined pursuant to clause (i), (ii), (iii), (iv) or (v) hereof, as the case may be.

(vii) In the case of a class B holder which is the estate of a deceased class B holder, or which is the estate of a bankrupt or insolvent class B holder, and provided such deceased, bankrupt or insolvent class B holder, as the case may be, was the record and beneficial owner of the shares of class B stock subject to said proposed transfer, "Permitted Transferee" means a Permitted Transferee of such deceased, bankrupt or insolvent class B holder as determined pursuant to clause (i), (v) or (vi) above, as the case may be.

(b) Notwithstanding anything to the contrary set forth herein, any class B holder may pledge such holder's shares of class B stock to a pledgee pursuant to a bona fide pledge of such shares as collateral security for indebtedness due to the pledgee, provided that such shares shall not be transferred to or registered in the name of the pledgee and shall remain subject to the provisions of this subdivision 5. In the event of foreclosure or other similar action by the pledgee, such pledged shares of class B stock may only be transferred to a Permitted Transferee of the pledgor or converted into shares of common stock, as the pledgee may elect.

(c) For purposes of this subdivision 5:

(i) the relationship of any person that is derived by or through legal adoption shall be considered a natural one.

(ii) Each joint owner of shares of class B stock shall be considered a "class B holder" of such shares.

(iii) A minor for whom shares of class B stock are held pursuant to a Uniform Gifts to Minors Act or similar law shall be considered a class B holder of such shares.

(iv) Unless otherwise specified, the term "person" means both natural persons and legal entities.

(d) Any purported transfer of shares of class B stock not permitted hereunder shall result, without further action, in the automatic conversion of the transferee's shares of class B stock into shares of common stock, effective on the date of such purported transfer. The corporation may, as a condition to

the transfer or the registration of transfer of shares of class B stock to a purported Permitted Transferee, require the furnishing of such affidavits or other proof as it deems necessary to establish that such transferee is a Permitted Transferee.

6. (a) Shares of class B stock shall be registered in the name(s) of the beneficial owner(s) thereof (as hereafter defined) and not in "street" or nominee" names; provided, however, certificates representing shares of class B stock issued as a stock dividend on the corporation's then outstanding common stock may be registered in the same name and manner as the certificates representing the shares of common stock with respect to which the shares of class B stock were issued. For the purposes of this subdivision 6, the term "beneficial owner(s)" of any shares of class B stock shall mean the person or persons who possess the power to dispose, or to direct the disposition, of such shares.

(b) The corporation shall note on the certificates representing the shares of class B stock that there are restrictions on transfer and registration of transfer imposed by subdivision 5 and this subdivision 6.

7. After the initial distribution of shares of class B stock, additional shares of class B stock shall be issued by the corporation only pursuant to the corporation's Incentive Stock Plan or Management Incentive Plan for which shares of class B stock are duly reserved for issuance as of the Record Date.

8. If at any time following the initial issuance of shares of class B stock the number of outstanding shares of class B stock as reflected on the stock transfer books of the corporation is less than 9% of the aggregate number of issued and outstanding shares of common stock and class B stock, then the outstanding shares of class B stock shall be deemed, without further action, to be automatically converted into shares of common stock, and stock certificates formerly representing outstanding shares of class B stock shall thereupon and thereafter be deemed to represent a like number of shares of common stock, and any outstanding right to receive class B stock shall automatically become the right to receive a like number of shares of common stock.

9. The common stock and class B stock are subject to all the powers, rights, privileges, preferences and priorities of the series preferred stock as may be stated herein and as shall be stated and expressed in any resolution or resolutions adopted by the board of directors pursuant to authority expressly granted to and vested in it by the provisions of this Article IIIA.

10. The series preferred stock may be issued from time to time in one or more series, the shares of each series to have the voting powers, full or limited, and the designations, preferences and relative, participating,

optional or other special rights, and qualifications, limitations or restrictions thereof as are stated and expressed herein or in the resolution or resolutions providing for the issuance of the series, adopted by the board of directors as hereinafter provided.

11. Authority is hereby expressly granted to the board of directors of the corporation, subject to the provisions of this Article IIIA and to the limitations prescribed by law, to authorize the issuance of one or more series of series preferred stock and with respect to each series to fix by resolution or resolutions providing for the issuance of the series the voting powers, full or limited, if any, of the shares of the series and the designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof. Each series shall consist of such number of shares as shall be stated and expressed in the resolution or resolutions providing for the issuance of the stock of the series together with such additional number of shares as the board of directors by resolution or resolutions may from time to time determine to issue as a part of the series. The board of directors may from time to time decrease the number of shares of any series of series preferred stock (but not below the number thereof then outstanding) by providing that any unissued shares previously assigned to the series shall no longer constitute a part thereof and may assign the unissued shares to an existing or newly created series.

The authority of the board of directors with respect to each series shall include, but not be limited to, the determination or fixing of the following:

- (a) The designation of the series.
- (b) The dividend rate of the series, the conditions and dates upon which dividends shall be payable, the relation which the dividends shall bear to the dividends payable on any other class or classes of stock, and whether the dividends shall be cumulative or non-cumulative.
- (c) Whether the shares of the series shall be subject to redemption by the corporation and, if made subject to redemption, the times, prices and other terms and conditions of the redemption.
- (d) The rights of the holders of the shares of the series upon the dissolution of, or upon the distribution of assets of, the corporation, and the amount payable on the shares in the event of voluntary or involuntary liquidation.
- (e) The terms and amount of any sinking fund provided for the purchase or redemption of the shares of the series.

(f) Whether or not the shares of the series shall be convertible into or exchangeable for shares of any other classes or of any other series of any class or classes of stock of the corporation and, if provision be made for conversion or exchange, the times, prices, rates, adjustments, and other terms and conditions of the conversion or exchange.

(g) The extent, if any, to which the holders of the shares of the series shall be entitled to vote with respect to the election of directors or otherwise.

12. The holders of shares of each series of series preferred stock shall be entitled to receive, when and as declared by the board of directors, out of funds legally available for the payment of dividends, dividends at the rates fixed by the board of directors for such series, and no more, before any dividends, other than dividends payable in common stock or class B common stock, shall be declared and paid, or set apart for payment, on the common stock or the class B common stock with respect to the same dividend period.

13. Whenever, at any time, dividends on the then outstanding series preferred stock as may be required with respect to any series outstanding shall have been paid or declared and set apart for payment and after complying with respect to any retirement or sinking fund or funds for any series of series preferred stock, the board of directors may, subject to the provisions of the resolution or resolutions creating any series of series preferred stock, declare and pay dividends on the common stock and the class B stock, and the holders of shares of preferred stock shall not be entitled to share therein.

14. The holders of shares of such series of series preferred stock shall be entitled upon liquidation or dissolution or upon the distribution of the assets of the corporation to such references as provided in the resolution or resolutions creating the series, and no more, before any distribution of the assets of the corporation shall be made to the holders of shares of common stock and class B stock. Whenever the holders of shares of series preferred stock shall have been paid the full amounts to which they shall be entitled, the holders of shares of the common stock and class B stock shall be entitled to share ratably in all the remaining assets of the corporation.

15. Except as otherwise required by law and except for such voting powers with respect to the election of directors or other matters as may be stated in the resolution or resolutions of the board of directors providing for the issuance of any series of series preferred stock, the holders of the series shall have no voting power whatsoever.

16. No holder of any share of any class of stock of the corporation shall have any preemptive right to subscribe for or acquire additional shares of stock of any class of the corporation or warrants or options to purchase, or securities convertible into, shares of any class of stock of the corporation.

17. No holder of any share of any class of stock of the corporation shall sell the vote pertaining to such share or issue a proxy to vote such share in consideration of any sum of money or anything of value.

III. The number of shares of the corporation outstanding at the time of such adoption was 9,572,834, all of which are of one class and all of which were entitled to vote on the aforesaid amendment.

IV. The number of outstanding shares which were voted for adoption of the aforesaid amendment is 5,886,702, the number of said shares which voted against the same is 1,832,526, and the number of said shares which abstained is 75,010.

V. The date on which the aforesaid amendment shall become effective is the date on which the Iowa Secretary of State issues a Certificate of Amendment.

Executed on December 15, 1986.

Meredith Corporation

By /s/ Robert A. Burnett

 Robert A. Burnett, President

By /s/ Betty Campbell Madden

 Betty Campbell Madden, Secretary

STATE OF IOWA)
) SS.:
COUNTY OF POLK)

On this 15th day of December, A.D., 1986, before me, a Notary Public in and for the State and County aforesaid, personally appeared Robert A. Burnett, to me personally known, who, being by me duly sworn, did say that he is the President of Meredith Corporation, the corporation which executed the foregoing instrument; that he signed said instrument upon behalf of said corporation; and that he acknowledged said instrument to be the voluntary act and deed of said corporation by it voluntarily executed and his signing to be his voluntary act and deed by him voluntarily signed.

IN WITNESS WHEREOF, I have placed my hand and seal on the date aforesaid.

 /s/ Marna G. Ford

 Marna G. Ford, Notary Public
Commission expires: May 15, 1989

STATEMENT OF CANCELLATION OF REACQUIRED SHARES
(OTHER THAN REDEEMABLE SHARES)

of
MEREDITH CORPORATION

TO THE SECRETARY OF STATE
OF THE STATE OF IOWA:

Pursuant to the provisions of Section 65 of the Iowa Business Corporation Act, Chapter 496A, Code of Iowa, the undersigned corporation submits the following statement of cancellation by resolution of its Board of Directors of shares of the corporation reacquired by it, other than redeemable shares redeemed or purchased:

1. The name of the Corporation is Meredith Corporation.
2. The effective date of incorporation was August 9, 1905.
3. A resolution was duly adopted by the Board of Directors on February 9, 1987, authorizing the cancellation of 239,114 shares, itemized as follows:

<u>Class</u>	<u>Series</u>	<u>Number of Shares</u>
Common	N/A	235,322

The amount of stated capital represented by the shares to be cancelled is 235,322 Dollars (\$235,322).

4. The aggregate number of issued shares, itemized by classes and series and par value, if any, after giving effect to such cancellation is 19,153,346, itemized as follows:

<u>Class</u>	<u>Series</u>	<u>Par Value</u>	<u>Number of Shares</u>
Common	N/A	\$1	10,255,942
Class B	N/A	\$1	8,897,404

5. The amount of the stated capital of the corporation, after giving effect to such cancellation, is \$19,153,346

Dated: February 10, 1987

MEREDITH CORPORATION

By: /s/ William H. Straw

William H. Straw,
Its Vice President-Finance

And /s/ Betty Campbell Madden

Betty Campbell Madden,
Its Secretary

STATE OF IOWA)
) ss.
COUNTY OF POLK)

On this 10th day of February, A.D. 1987, before me, Marna G. Ford, a Notary Public in and for said County, personally appeared William H. Straw and Betty Campbell Madden, to me personally known, who being by me duly sworn did say that he is vice president of said corporation and that she is secretary of said corporation and that said Statement of Cancellation was signed on behalf of the said corporation by authority of its board of directors and the said William H. Straw and Betty Campbell Madden acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

/s/ Marna G. Ford

Marna G. Ford
Notary Public in and for the
State of Iowa

**STATEMENT OF CHANGE OF REGISTERED AGENT
OF
MEREDITH CORPORATION**

TO THE SECRETARY OF STATE OF THE STATE OF IOWA:

Pursuant to the provisions of Section 12 of the Iowa Business Corporation Act, Chapter 496A, Code of Iowa, the undersigned corporation, organized under the laws of the State of Iowa, submits the following statement for the purpose of changing its registered office or its registered agent, or both, in the State of Iowa:

- I. The name of the corporation is Meredith Corporation.
- II. The address of its present registered office is 1716 Locust Street, Des Moines, in the County of Polk.
- III. The name of its present registered agent, Gerald D. Thornton.
- IV. The name of its successor registered agent, Thomas G. Fisher.
- V. The address of its registered office and the address of the business office of its registered agent as changed, will be identical.
- VI. Such change was authorized by resolution duly adopted by its Board of Directors.

Dated: May 18, 1987.

MEREDITH CORPORATION

/s/ Robert A. Burnett

By: *Robert A. Burnett*
Its: *President*

STATE OF IOWA)
) SS.
COUNTY OF POLK)

I, Robert A. Burnett, being first duly sworn on oath depose and state that I am the President of Meredith Corporation, and that I executed the foregoing instrument as President of the corporation, and that the statements contained therein are true.

Subscribed and sworn to before me this 18th day of May, A.D., 1987.

/s/ Karen L. Hayes

Karen L. Hayes
Notary Public in and
for the State of Iowa

ARTICLES OF MERGER
OF
SAIL PUBLICATIONS, INC.
INTO
MEREDITH CORPORATION

Pursuant to the provisions of Section 496A.72 of the Code of Iowa, Meredith Corporation, a corporation organized under the laws of the State of Iowa, and owning at least ninety per cent of the shares of Sail Publications, Inc., a corporation organized under the laws of the State of Massachusetts, hereby executes the following articles of merger:

FIRST: The following plan of merger was approved by resolution of the Board of Directors of Meredith Corporation adopted on May 13, 1987.

(a) The name of the subsidiary corporation is Sail Publications, Inc., and the name of the surviving corporation owning at least ninety per cent of its shares is Meredith Corporation.

(b) The terms and conditions of the proposed merger are as follows:

All outstanding shares of the wholly-owned subsidiary will be cancelled upon effect of the merger.

SECOND: The number of outstanding shares of each class of the subsidiary corporation and the number of shares of each class owned by the surviving corporation are as follows:

Class	No. of Shares Outstanding	No. of Shares Owned by Parent
Common	500	500 (100%)

THIRD: There are no holders of shares of the subsidiary corporation (Sail Publications, Inc.) not owned by the surviving corporation (Meredith Corporation) and the surviving corporation waived the mailing of a copy of the plan of merger.

Dated: June 9, 1987.

MEREDITH CORPORATION

By: /s/ Gerald D. Thornton

Gerald D. Thornton
Its Vice President-
Administrative Services

By: /s/ Betty Campbell Madden

Betty Campbell Madden,
Its Secretary

STATE OF IOWA)
) ss:
COUNTY OF POLK)

On this 9th day of June A.D., 1987, before me, Marna G. Ford, a Notary Public in and for said county, personally appeared Gerald D. Thornton, to me personally known, who being by me duly sworn did say that he is Vice President- Administrative Services of said corporation, an Iowa corporation, that the seal affixed to said instrument is the seal of said corporation and that said Articles of Merger were signed and sealed on behalf of the said corporation by authority of its Board of Directors and the said Gerald D. Thornton acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

/s/ Marna G. Ford

Marna G. Ford
Notary Public in and for said county

**ARTICLES OF AMENDMENT
TO THE
RESTATED ARTICLES OF INCORPORATION
OF
MEREDITH CORPORATION**

TO THE SECRETARY OF STATE OF THE STATE OF IOWA:

Pursuant to the provisions of Section 58 of the Iowa Business Corporation Act, Chapter 496A, Code of Iowa, the undersigned corporation adopts the following Articles of Amendment to its Restated Articles of Incorporation:

I. The name of the corporation is Meredith Corporation. The effective date of its incorporation was the 9th day of August, 1905. Its original name was Successful Farming Publishing Company.

II. The following amendment to the Restated Articles of Incorporation was adopted by the shareholders of the corporation on November 14, 1988, in the manner prescribed by the Iowa Business Corporation Act, providing for a new Article IX to be added to the Restated Articles of Incorporation to be and read as follows:

"IX

A director of the corporation shall not be personally liable to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its shareholders, (ii) for acts or omissions not in good faith or which involve the intentional misconduct or a knowing violation of the law, (iii) for any transaction from which the director derives an improper personal benefit, or (iv) under Section 496A.44 of the Iowa Business Corporation Act.

Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification."

III. The number of shares outstanding and entitled to vote at the time of such adoption was 19,307,579, consisting of 14,171,381 shares of common stock, each entitled to one vote and 5,136,198 shares of class B common stock, each entitled to ten votes, voting together as a class.

IV. The number of shares voting, and votes cast, for, against and abstaining on the proposal to amend the Restated Articles of Incorporation by adding Article IX were as follows:

	For	Against	Abstain
	---	-----	-----
Common - Shares	10,409,982	485,589	70,098
Votes	10,409,982	485,589	70,998
Class B - Shares	3,958,428	52,676	7,869
Votes	39,584,280	526,760	78,690
Total - Shares	14,368,410	538,265	77,967
Votes	49,994,262	1,012,349	148,788

Executed December , 1988.

MEREDITH CORPORATION

By /s/ Jack D. Rehm

Jack D. Rehm

Its President and Chief Operating Officer

By /s/ Thomas G. Fisher

Thomas G. Fisher
Its Secretary

STATE OF IOWA)
) ss.
COUNTY OF POLK)

On this 13th day of December, A.D., 1988, before me, Marna G. Ford, a Notary Public in and for said County, personally appeared Jack D. Rehm, to me personally known, who being by me duly sworn did say that he is Vice President of said corporation, that the seal affixed to said instrument is the seal of said corporation and that said Articles of Amendment were signed and sealed on behalf of said corporation by authority of its Board of Directors and the said Gerald D. Thornton and Thomas G. Fisher acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

/s/ Marna G. Ford

Marna G. Ford
Notary Public in and for the
State of Iowa

Commission expires May 15, 1989

**ARTICLES OF AMENDMENT
TO THE
RESTATED ARTICLES OF INCORPORATION
OF
MEREDITH CORPORATION**

To the Secretary of State of the State of Iowa

Pursuant to the provisions of Section 496A.58 of the Iowa Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Restated Articles of Incorporation:

I. The name of the corporation is Meredith Corporation. The effective date of its incorporation was the 9th day of August, 1905. Its original name was Successful Farming Publishing Company.

II. The following amendment to the Restated Articles of Incorporation was adopted by the shareholders of the corporation on November 14, 1994, in the manner prescribed by the Iowa Business Corporation Act:

RESOLVED, that the first unnumbered paragraph of Article III.A. of the Company's Restated Articles of Incorporation is amended in its entirety to read as follows:

A. Capitalization. The total number of shares of stock of all classes which the corporation shall have authority to issue is 100,000,000 shares, of which 5,000,000 shares shall be preferred, par value \$1.00 per share (hereinafter called "series preferred stock"), 80,000,000 shares of which shall be common stock, par value \$1.00 per share (hereinafter called "common stock") and 15,000,000 shares of which shall be class B common stock, par value \$1.00 per share (hereinafter called "class B stock").

RESOLVED FURTHER, Article III.A.3. of the Company's Restated Articles of Incorporation is amended in its entirety to read as follows:

If and when dividends on the common stock and class B stock are declared payable from time to time by the board of directors from funds legally available therefor, whether payable in cash, in property or in shares of stock of the corporation, the holders of common stock and the holders of class B stock shall be entitled to share equally, share for share, in such dividends, except that if a share dividend of common stock is declared on the common stock, an equal share

dividend of class B stock shall be declared on the class B stock, and if a share dividend of class B stock is declared on the class B stock, an equal share dividend of common stock shall be declared on the common stock. In no case may a share dividend of class B stock be paid on common stock, nor may a share dividend of common stock be paid on class B stock.

RESOLVED FURTHER, Article III.A.5.(c) of the Company's Restated Articles of Incorporation is amended in its entirety to add the following as (v):

(v) The term "grandparent" means an ancestor in any degree born after January 1, 1876.

RESOLVED FURTHER, Article III.A.7. of the Company's Restated Articles of Incorporation is amended in its entirety to read as follows:

Notwithstanding any other provision of these Restated Articles of Incorporation, the authorized shares of class B stock which may be issued after the date of this amendment to the Restated Articles of Incorporation may only be issued in the form of a share dividend on class B stock.

III. The number of shares of the corporation outstanding at the time of such adoption was 13,712,741, consisting of 10,149,073 shares of common stock, each entitled to one vote and 3,563,668 shares of class B common stock, each entitled to ten votes, voting together as a class.

IV. The number of shares voting, and votes cash, for, against, and abstaining on the proposal to amend the first unnumbered paragraph of Article

III.A., Article III.A.3. and Article III.A.7. of the Restated Articles of Incorporation to increase the authorized shares of class B stock solely for issuance as share dividends on class B stock, to increase the authorized shares of common stock and to modify provisions relating to the payment of share dividends were as follows:

	For	Against	Abstain
Common - Shares	3,970,846.0	3,644,885.0	26,348.0
Votes	3,970,846.0	3,644,885.0	26,348.0
Class B - Shares	3,122,699.7	22,623.8	6,917.8
Votes	31,226,997.0	226,238.0	69,178.0
Total Shares	7,093,545.7	3,667,508.8	33,265.8
Total Votes	35,197,843.0	3,871,123.0	95,526.0
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V. The number of shares voting, and votes cast, for, against, and abstaining on the proposal to amend Article III.A.5.(c) of the Restated Articles of Incorporation to broaden the class of "permitted transferees" of class B stock were as follows:

	For	Against	Abstain
Common - Shares	6,455,712.0	1,121,586.0	30,816.0
Votes	6,455,712.0	1,121,586.0	30,816.0
Class B - Shares	3,118,742.8	19,409.2	14,089.3
Votes	31,187,428.0	194,092.0	140,893.0
Total Shares	9,574,454.8	1,140,995.2	44,905.3
Total Votes	37,643,140.0	1,315,678.0	171,709.0
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Executed: December 12, 1994
MEREDITH CORPORATION

By /s/ William T. Kerr

 William T. Kerr
 President and
 Chief Operating Officer

By /s/ Thomas L. Slaughter

 Thomas L. Slaughter
 Its Secretary

STATE OF IOWA)
)ss:
 COUNTY OF POLK)

On this 12th day of December, A.D., 1994, before me, Teresa T. Rinker, a Notary Public in and for said County, personally appeared WILLIAM T. KERR and THOMAS L. SLAUGHTER, to me personally known, who being by me duly sworn, did say that they are the President & Chief Operating Officer and Corporate Secretary respectively of said corporation, that the seal affixed to said instrument is the seal of said corporation and that said Articles of Amendment were signed and sealed on behalf of said corporation by authority of its Board of Directors and that the said JACK D. REHM and THOMAS L. SLAUGHTER acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

Notary Public in and for the State of Iowa

ARTICLES OF MERGER
OF
MEREDITH VIDEO PUBLISHING CORPORATION
INTO
MEREDITH CORPORATION

Pursuant to the provisions of Section 496A.72 of the Code of Iowa, Meredith Corporation, a corporation organized under the laws of the State of Iowa, and owning at least ninety percent of the shares of Meredith Video Publishing Corporation, a corporation organized under the laws of the State of Iowa, hereby executes the following Articles of Merger:

FIRST: The following plan of merger was approved by resolution of the Board of Directors of Meredith Corporation adopted on May 10, 1995.

(a) The name of the subsidiary corporation is Meredith Video Publishing Corporation and the name of the surviving corporation owning at least ninety percent of its shares is Meredith Corporation.

(b) The terms and conditions of the proposed merger are as follows:

All outstanding shares of the wholly-owned subsidiary corporation will be canceled upon effect of the merger.

SECOND: The number of outstanding shares of each class of stock of the subsidiary corporation and the number of shares of each class of stock owned by the surviving corporation are as follows:

Class -----	No. of Shares Outstanding -----	No. of Shares Owned by Parent -----
Common	115,000	115,000

THIRD: There are no holders of shares of the subsidiary corporation (Meredith Video Publishing Corporation) not owned by the surviving corporation (Meredith Corporation) and the surviving corporation waived the mailing of a copy of the plan of merger.

Dated: May 16, 1995

MEREDITH CORPORATION

By: /s/ William T. Kerr

William T. Kerr
President & Chief Operating Officer

By: /s/ Thomas L. Slaughter

Thomas L. Slaughter
Its Secretary

STATE OF IOWA)
) SS:
COUNTY OF POLK)

On this 16th day of May, 1995, before me, Teresa T. Rinker, a Notary Public in and for said county, personally appeared WILLIAM T. KERR and THOMAS L. SLAUGHTER, to me personally known, who being by me duly sworn did say that they are the President and Chief Operating Officer and the Corporate Secretary respectively of Meredith Corporation, an Iowa corporation, that the seal affixed to said instrument is the seal of said corporation and that said Articles of Merger were signed and sealed on behalf of the said corporation by authority of its Board of Directors and the said WILLIAM T. KERR and THOMAS L. SLAUGHTER acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

Notary Public in and for the State of Iowa

Commission expires: October 1, 1997

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Exhibit 3.2

**BYLAWS
OF
MEREDITH CORPORATION**
Effective
July 1, 1995

ARTICLE I. OFFICES

The principal office of the corporation in the State of Iowa shall be located in the City of Des Moines, County of Polk, or as otherwise or more particularly identified in the most recently filed (at any time), annual report of the corporation on file with the Iowa Secretary of State.

ARTICLE II. SHAREHOLDERS

Section 1. ANNUAL MEETING. The annual meeting of the shareholders shall be held on the second Monday in the month of November in each year, at the hour of 10:00 A.M., at the principal office of the corporation or at such other place as is stated in the notice of the meeting, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

Section 2. SPECIAL MEETINGS. Special meetings of the shareholders, for any purpose or purposes, may be called by the Chairman of the Board, the President, the Secretary, or the Board of Directors. The holders of shares having not less than one-tenth of the voting power of the corporation may demand in writing stating the purpose or purposes, and signed, dated and delivered to the Secretary of the corporation, that a special meeting of the shareholders be held. The time, date and place of any such special meeting shall be determined by the Board of Directors or at its direction, by the Chairman.

Section 3. PLACE OF SHAREHOLDERS' MEETING. The Board of Directors may designate any place, either within or without the State of Iowa as the place of meeting for any annual meeting or for any special meeting of shareholders. If no designation is made the place of meeting shall be the principal office of the corporation in the State of Iowa.

Section 4. NOTICE OF MEETING. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not

less than ten days, nor more than sixty days before the date of the meeting, either personally or by mail, by or at the direction of the Chairman of the Board, the President, the Secretary, or the Board of Directors, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at the address as it appears on the stock transfer books of the corporation, with postage thereon prepaid.

Section 5. FIXING OF RECORD DATE. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors of the corporation may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than seventy days and, in case of a meeting of shareholders, not less than ten days prior to the date on which the particular action requiring such determination of shareholders is to be taken. If no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the day before the first date on which notice of the meeting is mailed or the day before the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. In order to determine the shareholders entitled to demand a special meeting, the record date shall be the sixtieth day preceding the date of receipt by the corporation of written demands sufficient to require the calling of such meeting, unless otherwise fixed by the Board of Directors. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof, unless the Board of Directors selects a new record date or unless a new record date is required by law.

Section 6. VOTING LISTS. After the record date for a meeting has been fixed, the officer or agent having charge of the stock transfer books for shares of the corporation shall make, at least ten days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting, or any adjournment thereof, arranged by voting group and within each voting group, in alphabetical order, with the address of and the number and class of shares held by each, which list, for a period beginning two business days after notice of the meeting was first given for which the list was prepared and continuing through the meeting, shall be kept on file at the principal office of the corporation or at the place identified in the meeting notice in the city where the meeting will be held. The list shall be subject to inspection by any shareholder at any time during usual business hours. Such

list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The list furnished to the corporation by its stock transfer agent shall be prima facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders.

Section 7. QUORUM. At any meeting of the shareholders, a majority of the votes entitled to be cast on the matter by a voting group constitutes a quorum of that voting group for action on that matter, unless the representation of a different number is required by law, and in that case, the representation of the number so required shall constitute a quorum. If a quorum shall fail to attend any meeting, the chairman of the meeting or a majority of the votes present may adjourn the meeting to another place, date or time. When a meeting is adjourned to another place, date or time, notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than one hundred twenty (120) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, notice of the place, date and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

Section 8. PROXIES. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by the shareholder's duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. No holder of any share of any class of stock of the corporation shall sell the vote pertaining to such share or issue a proxy to vote such share in consideration of any sum of money or anything of value.

Section 9. VOTING OF SHARES. Each outstanding share entitled to vote shall be entitled to vote as follows:

(a) At each annual or special meeting of shareholders, each holder of common stock shall be entitled to one [1] vote in person or by proxy for each share of common stock standing in the holder's name on the stock transfer records of the corporation, and (except as provided in subsection

[b] of this Section 9) each holder of class B stock shall be entitled to ten [10] votes in person or by proxy for each share of class B stock standing in the holder's name on the stock transfer records of the corporation. Except as required pursuant to the Business Corporation Act of the State of Iowa, all actions submitted to a vote of shareholders shall be voted on by the holders of common stock and class B stock voting together as a single class.

b) Notwithstanding subsection [a] of this Section 9, each holder of class B stock shall be entitled to only one [1] vote, in person or by proxy, for each share of class B stock standing in the holder's name on the stock transfer records of the corporation with respect to the following matters:

(i) The removal of any director of the corporation pursuant to Article IV of the Articles of Incorporation;

(ii) Any amendment to the Articles of Incorporation which would permit the holders of stock of the corporation to amend, alter, change or repeal the Bylaws or any part thereof, pursuant to Article V of the Articles of Incorporation; and

(iii) Any repeal or amendment of Article IV or Article VI of the Articles of Incorporation.

Section 10. VOTING OF SHARES BY CERTAIN HOLDERS. Shares standing in the name of another corporation may be voted by such officer, agent or proxy as the Bylaws of such corporation may prescribe, or, in the absence of such provision, as the board of directors of such corporation may determine.

Shares held by an administrator, executor, guardian or conservator may be voted, either in person or by proxy, without a transfer of such shares. Shares standing in the name of a trustee may be voted by the trustee, either in person or by proxy, but no trustee shall be entitled to vote shares so held without a transfer of such shares into the name of the trustee.

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

Neither treasury shares nor, absent special circumstances, shares held by another corporation if a majority of the shares entitled to vote for the election of directors of such other corporation is held by the corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time.

Section 11. VOTING BY BALLOT. Voting by shareholders on any question or in any election may be viva voce unless the presiding officer shall order or any shareholder shall demand that voting be by ballot.

ARTICLE III. BOARD OF DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the corporation shall be managed by its Board of Directors.

Section 2. NUMBER, TENURE AND QUALIFICATIONS. Within the limits set forth in Article IV of the Articles of Incorporation, the number of directors of the corporation shall be as fixed from time to time by resolution of the Board of Directors. The directors shall be divided into classes, and hold office for the terms as provided in Article IV of the Articles of Incorporation. Directors need not be residents of the State of Iowa or shareholders of the corporation.

Section 3. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Iowa, for the holding of additional regular meetings without other notice than such resolution.

Section 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the President, Secretary or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Iowa, as the place for holding any special meeting of the Board of Directors called by them.

Section 5. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least two days previously thereto by written notice delivered personally or mailed to each director at the director's business address, or by telephone, cable, telefax, wireless or telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 6. QUORUM. A majority of the number of directors fixed pursuant to Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 7. MANNER OF ACTING. Except as otherwise specified in these Bylaws, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. VACANCIES. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for a term which shall expire at the next election of directors by the shareholders. A director elected by the shareholders to fill a vacancy shall be elected for the unexpired term of the director last elected by the shareholders with respect to the position being filled. Any directorship to be filled by reason of any increase in the number of directors by not more than thirty percent (30%) of the number of directors last approved by the shareholders, may be filled by the Board of Directors for a term of office continuing only until the next election of directors by the shareholders.

Section 9. COMPENSATION. By resolution of the Board of Directors, those directors who are not at the time active employees of the corporation may be paid an annual retainer and a fixed sum for attendance at each meeting of the Board of Directors. All directors may be reimbursed for expenses incurred in connection with their services. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

Section 10. PRESUMPTION OF ASSENT. A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the director's dissent shall be entered in the minutes of the meeting or unless the director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 11. INFORMAL ACTION BY DIRECTORS. Any action required to be taken at a meeting of the directors, or any other action which may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof.

Section 12. EXECUTIVE COMMITTEE. An Executive Committee consisting of two or more members of the Board of Directors may be designated by the Board of Directors at the time of the annual meeting or at such other time as the Board of Directors may determine. The chairman of said committee shall be the person elected by the Board of Directors to the office of Chairman of the Executive Committee, and such officer shall be designated a member of said committee. If an Executive Committee is designated, it shall, during the intervals between the meetings of the Board of Directors and so far as it lawfully may, possess and exercise all of the authority of the Board of Directors in the management of the business of the corporation, in all cases in which specific directions shall not have been given by the Board of Directors, provided that notwithstanding the foregoing, the Executive Committee shall not have authority:

- (1) to authorize dividends or other distributions;
- (2) to approve or propose to shareholders actions or proposals required by the Iowa Business Corporation Act to be approved by shareholders;
- (3) to fill vacancies on the Board of Directors or any committee thereof;
- (4) to amend the Articles of Incorporation of the corporation;
- (5) to adopt, amend or repeal Bylaws;
- (6) to approve a plan of merger not requiring shareholder approval;
- (7) to authorize or approve the reacquisition of shares unless pursuant to a general formula or method specified by the Board of Directors;
- (8) to authorize or approve the issuance or sale of, or any contract for sale of shares, or determine the designation and relative rights, preferences and limitations of a class or series of shares; except that the Board of Directors may authorize a committee or senior officer to do so within limits specifically prescribed by the Board of Directors; or
- (9) to remove the Chairman of the Board, Chairman of the Executive Committee or the President, or to appoint any person to fill a vacancy in any such office.

Section 13. FINANCE COMMITTEE. A Finance Committee consisting of two or more members of the Board of Directors may be designated by the Board of Directors at the time of the annual meeting or at such time as the Board of Directors may determine. If a Finance Committee is designated, said committee's duties shall be to:

- (1) review corporate financial policies and procedures and make recommendations to the Board of Directors or the Executive Committee in regard thereto;
- (2) provide financial advice and counsel to management;
- (3) formulate dividend policy and make recommendations to the Board of Directors in regard thereto;
- (4) make provisions for the appointment of depositories of funds of the corporation and the specification of conditions of deposit and withdrawal of said funds;
- (5) review specific corporate financing plans and advise the Board of Directors or Executive Committee in regard thereto;
- (6) supervise corporate investment portfolios;
- (7) give consideration and approval or disapproval of capital expenditure requests by management within limits established by the Board of Directors;
- (8) review annual capital end operating budgets and advise the Board of Directors or Executive Committee regarding the financial implications thereof;
- (9) monitor the corporation's financial condition and standing in the financial and investment communities;
- (10) review and make recommendations to the Board of Directors concerning acquisitions and dispositions;
- (11) monitor the risk management activities of the corporation; and
- (12) consider any other matters concerning the corporation's financial structure, condition, financing plans and policies and make recommendations to the Board of Directors on such matters.

Section 14. COMPENSATION/NOMINATING COMMITTEE. A Compensation/Nominating Committee consisting of two or more members of the Board of Directors who are not aligned with the management of the corporation may be designated by the Board of Directors at the time of the annual meeting, or at such other time as the Board of Directors may determine. If a Compensation/Nominating Committee is designated, said committee's duties shall be to:

- (1) review and approve changes in corporate directors' and officers' salaries;
- (2) review and approve salary administration plans and changes therein which are recommended by management for adoption by the corporation or product divisions thereof;
- (3) annually review the corporation's salary administration programs and make changes therein as may be required;
- (4) approve prior to adoption any management incentive, bonus or stock plans, all agreements related thereto, and administer and supervise such plans as the language thereof may require;
- (5) review all employee benefit plans, including the levels and types of benefits provided thereunder, and propose amendments thereto for approval by the Board of Directors;
- (6) recommend to the Board of Directors the appointment of such management personnel or committees as it deems desirable for the administration, detailed study, or recommendation of possible changes in employee benefit plans;
- (7) act as a nominating committee to propose and recommend to the Board of Directors nominees for election or appointment as directors; and
- (8) engage in such additional review and assessment as it may deem necessary or appropriate to perform the foregoing duties.

Section 15. AUDIT COMMITTEE. An Audit Committee consisting of two or more members of the Board of Directors who are not aligned with the management of the corporation shall be designated by the Board of Directors at the time of the annual meeting, or at such other time as the board may determine. The duties of said committee shall be to:

- (1) review and recommend annually to the Board of Directors the engagement of independent public accountants to audit the books and records of the corporation and its subsidiaries;
- (2) meet prior to the start of any audit by the outside audit firm and review the scope of the audit to be performed;
- (3) meet prior to the publication of the annual report and review results of the audit by the outside audit firm for the year;

- (4) meet with and determine the responsibilities and scope of the internal audit department and review internal audit reports;
- (5) review the corporation's accounting principles and policies and internal accounting controls;
- (6) review the effect of changes in accounting principles or of other developments emanating from the profession, its standard board or any governmental authority;
- (7) carry on such other activities so as to give additional assurance regarding the financial information used by the Board of Directors in making decisions;
- (8) carry on such other activities so as to give additional assurance regarding the financial information distributed to outsiders; and
- (9) review the standards and policies of proper business conduct and practices for the corporation and its employees and monitor the implementation of, and the compliance with the standards and policies.

Section 16. PENSION COMMITTEE. A Pension Committee consisting of two or more members of the Board of Directors may be designated by the Board of Directors at the time of the annual meeting or at such time as the Board of Directors may determine. If a Pension Committee is designated, said committee's duties shall be to:

- (1) review the corporation's pension plans and propose amendments thereto for approval by the Board of Directors;
- (2) review the levels and types of benefits provided under the corporation's pension plans and other features thereof, including eligibility, vesting and the form of payment of benefits;
- (3) recommend to the Board of Directors investment policy and objectives for all employee pension funds, review the investment performance of such funds and recommend revision of the policy and objectives as may be required;
- (4) recommend to the Board of Directors the funding policies for all employee pension funds;
- (5) recommend to the Board of Directors the appointment of such management personnel or committees as it deems desirable for the administration, detailed study, or recommendation of possible changes in the corporation's pension plans; and

(6) engage in such additional review and assessment as it may deem necessary or appropriate to perform the bargaining duties.

Section 17. LEGAL AFFAIRS COMMITTEE. A Legal Affairs Committee consisting of two or more members of the Board of Directors may be designated by the Board of Directors at the time of the annual meeting, or such other time as the board may determine. If a Legal Affairs Committee is designated, said committee's duties shall be to:

1. review the structure, functions and personnel of the corporation's internal legal staff;
2. review the procedures established for the engagement of outside counsel and the monitoring of their activities;
3. meet with the general counsel of the corporation, and outside counsel engaged by the corporation, to review all significant threatened, pending and settled litigation involving the corporation; including the impact, or potential impact, of such matters upon the policies, planning, operations or finances of the corporation;
4. receive reports from the general counsel and outside counsel, as to changes in the law which have or could have an effect upon the corporation or its policies, planning, operations or finances, and assist in the development of strategies in response thereto; and
5. inquire into the existence, and encourage the development, of practices and procedures, including legal audits, which could benefit the corporation in avoiding litigation or other legal problems.

Section 18. COMMITTEE PROCEDURES. The chairman of each committee, other than the Executive Committee, shall be selected by the Board of Directors or by the Executive Committee. In the absence of the chairman of any committee, a temporary chairman may be appointed from among the members of the committee. Each committee shall keep minutes of the proceedings of its meetings which shall be submitted to the Board of Directors at the next meeting of the Board of Directors. A majority of members of any committee shall constitute a quorum for the transaction of business. Meetings of any committee shall be called upon the request of any member of the committee or the Chairman of the Board or the Secretary, and notice of such meetings shall in each instance be given to each member of the committee at least twenty-four hours before the meeting either orally or in writing. A fixed sum and expenses of attendance, if any, may be allowed and paid for attendance at each meeting of any committee, the amount of such sum to be designated by the Board of Directors. Each director serving on a committee shall hold such office until the annual meeting held next after such director's designation, or until such director's successor shall have been designated.

ARTICLE IV. OFFICERS

Section 1. NUMBER. The officers of the corporation shall be a Chairman of the Board, a Chairman of the Executive Committee, a President who, unless otherwise determined by the Board, shall be the Chief Executive Officer of the corporation, and the Chief Operating Officer of the corporation), one or more Group Presidents, one or more Executive Vice Presidents, one or more Senior Vice Presidents or one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and a Controller, and such other officers as the Board of Directors may from time to time designate by resolution, each of whom shall be elected by the Board of Directors. Any two or more offices may be held by the same person. In its discretion, the Board of Directors may delegate the powers or duties of any officer to any other officer or agents, notwithstanding any provision of these Bylaws, and the Board of Directors may leave unfilled for any such period as it may fix, any office except those of Chairman of the Board, President, Vice President-Finance and Secretary.

Section 2. ELECTION AND TERM OF OFFICE. The officers of the corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until such officer's successor shall have been duly elected or until death or until such officer shall resign or shall have been removed in the manner hereinafter provided.

Section 3. REMOVAL. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer or agent elected by the Board of Directors except the Chairman of the Board, Chairman of the Executive Committee and President, may be removed by the Executive Committee. Any officer or agent elected by the Board of Directors except the Chairman of the Board and the Chairman of the Executive Committee may be removed by the President.

Section 4. VACANCIES. A vacancy in the office of Chairman of the Board, Chairman of the Executive Committee or President because of death, resignation, removal, disqualification or otherwise, may be filled only by the Board of Directors for the unexpired portion of the term. A vacancy in any other office may be filled either by the Executive Committee or by the Chairman of the Board or, after consultation with the Chairman of the Board, by the President .

Section 5. CHAIRMAN OF THE BOARD. The Chairman of the Board shall be the Chief Executive Officer of the corporation and shall in general supervise and control all of the business, policies and affairs of the corporation and all other officers of the corporation. The Chairman of the Board shall preside at all meetings of the shareholders and of the Board of Directors and shall be a member of the Executive Committee. The Chairman of the Board shall perform such other duties as may be prescribed by the Board of Directors from time to time and shall have the general powers and duties usually vested in the Chief Executive Officer of a corporation.

Section 6. CHAIRMAN OF THE EXECUTIVE COMMITTEE. The Chairman of the Executive Committee shall be a member of that committee and preside at all of its meetings, and in the absence of the Chairman of the Board, shall preside at all meetings of the shareholders and the Board of Directors. The Chairman of the Executive Committee shall perform such other duties as from time to time may be assigned by the Board of Directors.

Section 7. PRESIDENT. The President shall be the Chief Operating Officer of the corporation and shall have the management of and exercise general supervision over its operating groups and all its Group Presidents. The President shall perform such other duties as may be prescribed by the Board of Directors or the Chairman of the Board from time to time and shall have the general powers and duties usually vested in the Chief Operating Officer of a corporation.

Section 8. GROUP PRESIDENTS. Each Group President, within the limitations placed by the policies adopted by the Board of Directors, or the Chairman of the Board, and or the President, shall be a corporate officer and shall be the Chief Operating Officer of the operating group assigned and shall in general supervise and control such business and affairs of the group and operations assigned thereto and perform such other duties as may be prescribed from time to time by the Board of Directors, the Chairman of the Board and the President.

Section 9. EXECUTIVE VICE PRESIDENTS, SENIOR VICE PRESIDENTS AND VICE PRESIDENTS. Each corporate Executive Vice President, Senior Vice President or Vice President shall perform such duties as may be assigned by the Board of Directors, or the Chairman of the Board or the President. An Executive Vice

President, Senior Vice President or Vice President may be assigned the operating authority for managing one or more operating units or service operations of the company as established by the Board of Directors. Upon assignment by the Board of Directors of operating authority for an operation or service unit, such Executive Vice President, Senior Vice President or Vice

President shall in general supervise and control all of the business and affairs of such operation or service unit, subject only to such supervision and direction as the Board of Directors, the Chairman of the Board or the President may provide. Each Executive Vice President, Senior Vice President and Vice President shall be authorized to sign contracts and other documents related to the corporation or to the operations under such officer's supervision and control.

Section 10. VICE PRESIDENT FINANCE. The Vice President-Finance shall be the principal and chief accounting and principal and chief finance officer of the corporation. In that capacity, the Vice President-Finance shall keep and maintain, or cause to be kept and maintained accurate, correct books and records of accounts of the properties and business transactions of the corporation, including accounts of the assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The Vice President-Finance shall deposit all monies and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors or by the Finance Committee appointed by the Board of Directors. The Vice President-Finance shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the Chairman of the Board, or President and or the Board of Directors, upon their request, an account of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors, or the Chairman of the Board or the President.

Section 11. THE SECRETARY. The Secretary shall: (a) keep the minutes of the shareholders, Board of Directors, and committees of the board meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) keep a register of the post office address of each shareholder which shall be furnished to the Secretary by such shareholder, unless such register is maintained by the transfer agent or registrar of the corporation; (e) have general charge of the stock transfer books of the corporation; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board of Directors, or the Chairman of the Board or the President.

Section 12. THE TREASURER. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the

corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VI of these Bylaws; (b) be responsible for filing all required tax returns, and (c) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the Board of Directors, or the Chairman of the Board, or the President or the Vice President-Finance.

Section 13. THE CONTROLLER. The Controller shall maintain adequate records showing the financial condition of the corporation and the results of its operations by established accounting periods, and see that adequate audits thereof are regularly and currently made. The Controller shall perform such other duties as from time to time may be assigned by the Board of Directors, or the Chairman of the Board, or the President or the Vice President-Finance.

Section 14. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The Assistant Secretaries, when authorized by the Board of Directors, may sign with the Chairman of the Board or the President or a Vice President certificates for shares of the corporation, the issuance of which shall have been authorized by a resolution of the Board of Directors. The Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Secretary, or by the Chairman of the Board, the President, or the Board of Directors. The Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Treasurer or by the Chairman of the Board, or the President, or the Board of Directors or the Vice President-Finance.

Section 15. OTHER ASSISTANT AND ACTING OFFICERS. The Board of Directors or the Chairman of the Board or, after consultation with the Chairman of the Board, the President shall have the power to appoint any person to act as assistant to any officer, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer so appointed by the Chairman of the Board, the Board of Directors or, after consultation with the Chairman of the Board, by the President, shall have the power to perform all the duties of the office to which the person is so appointed to be assistant, or as to which the person is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors.

Section 16. SALARIES. The salaries of the officers shall be fixed from time to time by the Board of Directors or by such committee or superior officer as may be designated by the Board of Directors, and no officer shall be prevented from receiving such salary by reason of also being a director of the corporation.

ARTICLE V. GROUPS AND STAFF

Section 1. ESTABLISHMENT OF GROUPS. The Board of Directors, the Chairman of the Board or, after consultation with the Chairman of the Board, the President, may cause the business to be divided into one or more groups, based upon product manufactured, geographical territory, character and type of operations, or upon such other basis as the Board of Directors, or the Chairman of the Board, or, after consultation with the Chairman of the Board, the President, may from time to time determine to be advisable. The groups shall operate under the authority and direction of a Group President and may operate under trade names approved for such purpose as may be authorized by the Board of Directors, or the Chairman of the Board, or the President.

Section 2. GROUP OFFICERS. The Group President of a group may appoint any number of group officers (who shall not, by virtue of such appointment, be corporate officers), and may remove any such group officer. Such officers shall have such authority as may from time to time be assigned by the Group President.

Section 3. STAFF OFFICERS. The Chairman of the Board or, after consultation with the Chairman of the Board, the President may appoint any number of staff officers (who shall not, by virtue of such appointment, be corporate officers), and may remove any such staff officer as the Chairman of the Board or, after consultation with the Chairman of the Board, the President, may deem appropriate from time to time. Such officers shall have such authority as may from time to time be assigned by the Chairman of the Board or the President.

ARTICLE VI. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. CONTRACTS. The Chairman of the Board, the Chairman of the Executive Committee or the President may at any time execute and deliver any deeds, mortgages or bonds which the Board of Directors has authorized to be executed and delivered and may at any time execute and deliver any lease, bid, application, note, guarantee, consent, election, notice or other contract, document or instrument as may be required in the ordinary course and scope of the business of the corporation or as may be specifically authorized by the Board of Directors. The Chairman of the Board or the President may in writing delegate the foregoing authority, and may delegate authority to redelegate such authority, to any other officer or officers, agent or agents, or other persons and the authority so delegated may be general or confined to specific instances. The Board of Directors may authorize any other officer or officers, agent or agents or other persons to execute and deliver any other contracts, documents or instruments and such authority may be general or confined to specific instances.

Section 2. LOANS. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. EVIDENCES OF INDEBTEDNESS. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. DEPOSITS. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors or the Finance Committee, or committees or officers to whom the Board of Directors or the Finance Committee have delegated such authority may select.

ARTICLE VII. CERTIFICATES FOR SHARES AND THEIR TRANSFER

Section 1. CERTIFICATES FOR SHARES. Certificates for shares of capital stock of the corporation shall be in such form as shall be determined by the Board of Directors. They shall be issued in consecutive order and shall be numbered in the order of their issue and shall be signed by the Chairman of the Board or the President or a Vice President and the Secretary or an Assistant Secretary, provided, however, that if any stock certificate is countersigned by a transfer agent, other than the corporation or its employee, or by a registrar, other than the corporation or its employee, any other signature, including that of any such officer, on such certificate may be a facsimile, engraved, stamped or printed. In case any officer or agent who has signed or whose facsimile signature shall be used on any stock certificate shall cease to be such officer or agent of the corporation because of death, resignation or otherwise before such stock certificate shall have been delivered by the corporation, such stock certificate may nevertheless be issued and delivered as though the person or agent who signed the certificate or whose facsimile signature shall have been used thereon had not ceased to be such officer or agent of the corporation.

Section 2. TRANSFER OF SHARES. Upon surrender to the corporation or its transfer agent of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction on its books.

Section 3. RESTRICTIONS ON OWNERSHIP, TRANSFER AND VOTING. So long as the corporation or any of its subsidiaries is subject to any law of the United States or any state therein which restricts ownership or voting of capital stock by Aliens (as defined herein), not more than one-fifth of the shares outstanding shall be owned of record or voted by or for the account of Aliens or their representatives or affiliates. The Board of Directors may issue share certificates representing not more than one-fifth of the shares of the stock of the corporation at any time outstanding in special form which may be owned or held by Aliens, such certificates to be known as "Foreign Share Certificates" and to be so marked, but under no circumstances shall the total amount of voting stock of any class represented by Foreign Share Certificates, plus the amount of voting stock of that class owned by or for the account of Aliens and represented by certificates not so marked, exceed one-fifth of the aggregate number of outstanding shares of such class.

Shares of stock shall be transferable on the books of the corporation by the holder thereof, in person or by duly authorized attorney, upon the surrender of the certificate representing the shares to be transferred, properly endorsed; provided, however, that shares of stock other than shares represented by Foreign Share Certificates shall be transferable to Aliens or any person holding for the account thereof only when the aggregate number of shares of stock owned by or for the account of Aliens will not then be more than one-fifth of the number of shares of stock outstanding. The Board of Directors may direct that, before shares of stock shall be transferred on the books of the corporation, the corporation may require information as to whether the proposed transferee is an Alien or will hold the stock for the account of an Alien.

If the stock records of the corporation shall at any time disclose Alien ownership of one-fifth or more of the voting stock of any class and it shall be found by the corporation that any certificate for shares marked "Domestic Share Certificate" is, in fact, held by or for the account of any Alien, the holder of the shares represented by that certificate shall not be entitled to vote, to receive dividends or to have any other rights with respect to such shares, except the right to transfer the shares to a Non-Alien (as defined herein).

If the stock records of the corporation shall at any time disclose Alien ownership of one-fifth or more of the voting stock of any class and a request is made by an Alien to have shares registered in its name or for its account, the corporation shall be under no obligation to effect the transfer or to issue or reissue any stock certificates to or for the account of the Alien. In addition, if a proposed transferee of any shares is an Alien, and the transfer to such Alien would result in Alien ownership of one-fifth or more of the voting stock of any class, the corporation shall be under no obligation to effect the transfer or to issue or reissue any stock certificates to or for the

account of the Alien. Further, if it is determined at any time that a transfer has resulted in Alien ownership of one-fifth or more of the voting stock of any class, the holder of the shares which resulted in the Alien ownership of one-fifth or more of the voting stock shall not be entitled to vote, to receive dividends or have any other rights with respect to such shares, except the right to transfer those shares to a Non-Alien.

The Board of Directors shall establish rules, regulations and procedures to assure compliance with and enforcement of this Article VII, Section 3.

The term "Alien" is defined to mean and include the following:

- (1) Any person (including an individual, a partnership, a corporation or an association or any other entity) who is not a United States citizen or is the representative of or fiduciary for any person who is not a United States citizen;
- (2) Any foreign government or the representative thereof;
- (3) Any corporation any officer of which is an Alien, or of which more than 25% of its directors are Aliens;
- (4) Any corporation or association organized under the laws of any foreign government;
- (5) Any corporation of which more than 20% of its stock is owned beneficially or of record or may be voted by Aliens, or which by any other means whatsoever direct or indirect control of the corporation is held or permitted to be exercised by Aliens;
- (6) Any partnership, association or other entity which is owned or controlled by Aliens;
- (7) Any other person, corporation, trust, partnership or association deemed by the Board of Directors to be an Alien as to the United States or the corporation (or any subsidiary of the corporation).

No person, holding shares of class B stock (hereinafter such class B stock is called "class B stock" and such holder thereof is called a "class B holder") may transfer, and the corporation shall not register the transfer of, such shares of class B stock, whether by sale, assignment, gift, bequest, appointment or otherwise, except to a Permitted Transferee of such class B holder, which term shall have the following meanings:

(i) In the case of a class B holder who is a natural person and the holder of record and beneficial owner of the shares of class B stock subject to said proposed transfer, "Permitted Transferee" means (A) the spouse of such class B holder, (B) a lineal descendant of a grandparent of such class B holder or a spouse of any such lineal descendant, (C) the trustee of a trust (including a voting trust) for the benefit of one or more class B holders, other lineal descendants of a grandparent of such class B holder, the spouse of such class B holder the spouses of such other lineal descendants and an organization contributions to which are deductible for federal income, estate or gift tax purposes (hereinafter called a "Charitable Organization"), and for the benefit of no other person, provided that such trust may grant a general or special power of appointment to such class B holder, the spouse of such class B holder, any lineal descendant of such class B holder or the spouse of any such lineal descendant, and may permit trust assets to be used to pay taxes, legacies and other obligations of the trust or the estate of such class B holder payable by reason of the death of such class B holder and provided that such trust prohibits transfer of shares of class B stock to persons other than Permitted Transferees, as defined in clause (ii) below, (D) the estate of such deceased class B holder, (E) a Charitable Organization established by such class B holder, such class B holder's spouse, a lineal descendant of a grandparent of such class B holder or a spouse of any such lineal descendant, and (F) a corporation all the outstanding capital stock of which is owned by, or a partnership all the partners of which are, one or more of such class B holders, other lineal descendants of a grandparent of such class B holder or a spouse of any such lineal descendant, and the spouse of such class B holder provided that if any share of capital stock of such a corporation (or of any survivor of a merger or consolidation of such a corporation), or any partnership interest in such a partnership, is acquired by any person who is not within such class of persons, all shares of class B stock then held by such corporation or partnership, as the case may be, shall be deemed, without further action, to be automatically converted into shares of common stock, and stock certificates formerly representing such shares of class B stock shall thereupon and thereafter be deemed to represent the like number of shares of common stock.

(ii) In the case of a class B holder holding the shares of class B stock subject to said proposed transfer as trustee pursuant to a trust other than a trust described in clause (iii) below, "Permitted Transferee" means (A) the person who established such trust and (B) a Permitted Transferee of such person determined pursuant to clause (i) above.

(iii) In the case of a class B holder holding the shares of class B stock subject to said proposed transfer as trustee pursuant to a trust which was irrevocable on the record date for the initial distribution of shares of class B stock ("Record Date"), "Permitted Transferee" means any person to whom or for whose benefit principal may be distributed either during or at the end of the term of such trust whether by power of appointment or otherwise or any "Permitted Transferee" of such person determined pursuant to clause (i), (ii), (iv), (v) or (vi) hereof, as the case may be.

(iv) In the case of a class B holder who is the record (but not beneficial) owner of the shares of class B stock subject to said proposed transfer as nominee for the person who was the beneficial owner thereof on the Record Date, "Permitted Transferee" means such beneficial owner and a Permitted Transferee of such beneficial owner determined pursuant to clause (i), (ii), (iii), (v) or (vi) hereof, as the case may be.

(v) In the case of a class B holder which is a partnership and the holder of record and beneficial owner of the shares of class B stock subject to said proposed transfer, "Permitted Transferee" means any partner of such partnership or any "Permitted Transferee" of such partner determined pursuant to clause (i), (ii), (iii), (iv) or (vi) hereof, as the case may be.

(vi) In the case of a class B holder which is a corporation (other than a Charitable Organization described in subclause (E) of clause (i) above and the holder of record and beneficial owner of the shares of class B stock subject to said proposed transfer, "Permitted Transferee" means any stockholder of such corporation receiving shares of class B stock through a dividend or through a distribution made upon liquidation of such corporation or any "Permitted Transferee" of such stockholder determined pursuant to clause (i), (ii), (iii), (iv) or (v) hereof, as the case may be.

(vii) In the case of a class B holder which is the estate of a deceased class B holder, or which is the estate of a bankrupt or insolvent class B holder, and provided such deceased, bankrupt or insolvent class B holder, as the case may be, was the record and beneficial owner of the shares of class B stock subject to said proposed transfer, "Permitted Transferee" means a Permitted Transferee of such deceased, bankrupt or insolvent class B holder as determined pursuant to clause (i), (v) or (vi) above, as the case may be.

Notwithstanding anything to the contrary set forth herein, any class B holder may pledge such holder's shares of class B stock to a pledgee pursuant to a bona fide pledge of such shares as collateral security for indebtedness due to the pledgee, provided that such shares shall not be transferred to or registered in the name of the pledgee and shall remain subject to the provisions of this Article VII, Section 3. In the event of foreclosure or other similar action by the pledgee, such pledged shares of class B stock may only be transferred to a Permitted Transferee of the pledgor or converted into shares of common stock, as the pledgee may elect.

For purposes of this Article VII, Section 3:

- (i) The relationship of any person that is derived by or through legal adoption shall be considered a natural one.
- (ii) Each joint owner of shares of class B stock shall be considered a "class B holder" of such shares.
- (iii) A minor for whom shares of class B stock are held pursuant to a Uniform Gifts or Transfers to Minors Act or similar law shall be considered a "class B holder" of such shares.
- (iv) Unless otherwise specified, the term "person" means both natural persons and legal entities.
- (v) The term "grandparent" means an ancestor in any degree born after January 1, 1976.

Any purported transfer of shares of class B stock not permitted hereunder shall result, without further action, in the automatic conversion of the transferee's shares of class B stock into shares of common stock, effective on the date of such purported transfer. The corporation may, as a condition to the transfer or the registration of transfer of shares of class B stock to a purported Permitted Transferee, require the furnishing of such affidavits or other proof as it deems necessary to establish that such transferee is a Permitted Transferee.

Shares of class B stock shall be registered in the name(s) of the beneficial owner(s) thereof (as hereafter defined) and not in "street" or "nominee" names; provided, however, certificates representing shares of class B stock issued as a stock dividend on the corporation's then outstanding common stock may be registered in the same name and manner as the certificates representing the shares of common stock with respect to which the shares of class B stock were issued. For the purposes of this Article VII, Section 3, the term "beneficial owner(s)" of any shares of class B stock shall mean the person or persons who possess the power to dispose, or to direct the disposition, of such shares.

The corporation shall note on the certificates representing the shares of class B stock that there are restrictions on transfer and registration of transfer imposed by this Article VII, Section 3.

Section 4. REGISTERED SHAREHOLDERS. The corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable claim or other interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Iowa.

Section 5. LOST CERTIFICATES. Upon the making of an affidavit that a certificate has been lost or destroyed, the Board of Directors may direct that a new certificate be issued to the person alleging the loss or destruction of such certificate. When authorizing such issuance of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or such owner's legal representative to give the corporation a bond in such sums as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost or destroyed.

Section 6. STOCK REGULATIONS. The Board of Directors shall have the power and authority to make all such further rules and regulations not inconsistent with the statutes of Iowa as they may deem expedient concerning the issue, transfer and registration of certificates representing shares of the corporation.

ARTICLE VIII. FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of July and end on the thirtieth day of June in each year.

ARTICLE IX. DIVIDENDS

The Board of Directors may from time to time declare, and the corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and its Articles of Incorporation.

ARTICLE X. SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the words, "Corporate Seal."

ARTICLE XI. WAIVER OF NOTICE

Whenever any notice is required to be given to any shareholder or director of the corporation under the provisions of the Articles of Incorporation or under the provisions of the Iowa Business Corporations Act, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII. INDEMNIFICATION OF DIRECTORS, OFFICERS OR EMPLOYEES

Section 1. RIGHT TO INDEMNIFICATION. Each person who was or is a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that such person, or a person of whom such person is the legal representative, is or was a director, officer or employee of the corporation or is or was serving at the request of the corporation as director, officer or employee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, shall be indemnified and held harmless by the corporation to the fullest extent consistent with the laws of Iowa as the same now or may hereafter exist (but, in the case of any change, only to the extent that such change authorizes the corporation to provide broader indemnification rights than said law permitted the corporation to provide prior to such change) against all costs, charges, expenses, liabilities and losses (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer or employee and shall inure to the benefit of the heirs, executors and administrators of such person; provided, however, that the right to indemnification conferred in this Section shall be conditioned upon the corporation being afforded the opportunity to participate directly on behalf of such person in such proceeding and any settlement discussions relating thereto. The right to indemnification conferred in this Section shall be a contract right and shall, except with respect to an action or proceeding against the corporation by an employee who is neither a director nor an officer of the corporation, include the right to be paid by the corporation the expenses incurred in defending any such proceeding in advance of its final disposition upon receipt by the corporation of an undertaking, by or on behalf of such director, officer or employee to repay all amounts so advanced if it shall ultimately be determined that the director, officer or employee is not entitled to be indemnified under this Section or otherwise.

Section 2. **RIGHT OF CLAIMANT TO BRING SUIT.** If a claim under Section I of this Article is not paid in full by the corporation within thirty days after a written claim has been received by the corporation, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall also be entitled to be paid the expense of prosecuting such claim. It shall be a defense to any action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking has been tendered to the corporation) that the claimant has failed to meet a standard of conduct which makes it permissible under Iowa law for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board of Directors, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is permissible in the circumstances because such person has met such standard of conduct, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel, or its shareholders) that the claimant has not met such standard of conduct, nor the termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall create a presumption that the claimant has failed to meet the required standard of conduct.

Section 3. **NON-EXCLUSIVITY OF RIGHTS.** The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, bylaw, agreement, vote of shareholders or disinterested directors or otherwise.

Section 4. **INSURANCE.** The corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under Iowa law.

Section 5. **EXPENSES AS A WITNESS.** To the extent that any director, officer or employee of the corporation is by reason of such position, or a position with another entity at the request of the corporation, a witness in any proceeding, such person shall be reimbursed for all costs and expenses actually and reasonably incurred in connection therewith.

Section 6. EFFECT OF AMENDMENT. Any amendment, repeal or modification of any provision of this Article by the shareholders or the directors of the corporation shall not adversely affect any right or protection of a director, officer or employee of the corporation existing at the time of such amendment, repeal or modification.

Section 7. SEVERABILITY. In the event any one or more of the provisions contained in this Article shall, for any reason, be held to be invalid, illegal or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Article.

ARTICLE XIII. AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors.

Exhibit 10.20
SECOND AMENDMENT TO -----
EMPLOYMENT AND CONSULTATION
CONTRACT

The Employment and Consultation Contract entered into as of the 1st day of July, 1988 (the "Contract") by and between Meredith Corporation (the "Company") and R. A. Burnett ("Burnett"), as amended by the Amendment to Employment and Consultation Agreement dated November 12, 1991, is further amended for the purpose of extending Burnett's Consultancy through June 30, 1997, as follows:

1. Paragraph 7 is amended by replacing the date "July 1, 1995" with the date "June 30, 1997."
2. The first sentence of Paragraph 8 is amended by inserting the date "June 30, 1997" in place of July 1, 1995."
3. The first sentence of Paragraph 9, as amended, is further amended by inserting the date "June 30, 1997" in place of "June 30, 1995."
4. The date "July 1, 1995" in clause 10(a)(i) is replaced with the date "June 30, 1997."
5. The date "July 1, 1995" in clause 10(b)(i) is replaced with the date "June 30, 1997."
6. Clause 12(a) is amended by inserting the date "June 30, 1997" in place of "July 1, 1995."
7. Clause 12(b) is amended by replacing the date "July 1, 1995" in both instances where it appears with "June 30, 1997."
8. All other terms and conditions of the Contract, as amended, remain in full force and effect.

IN WITNESS WHEREOF, the Company has caused this Second Amendment to be signed by its duly authorized agent and Burnett has signed of his own accord as of the 10th day of May, 1995.

ATTEST: MEREDITH CORPORATION

/s/ Thomas L. Slaughter

Secretary

By: */s/ Jack D. Rehm*

Chairman and Chief Executive Officer

/s/ R. A. Burnett

R. A. Burnett

Exhibit 11
MEREDITH CORPORATION AND SUBSIDIARIES -----

Computation of Primary and Fully Diluted Per Common Share Earnings - Treasury Stock Method Five years ended June 30, 1995

(not covered by Independent Accountants' Opinion)

(Note: All share and per-share information reflects the two-for-one stock split effected March 16, 1995.)

Weighted average number of shares (in thousands)

	Weighted average number of shares outstanding		Dilutive effect of unexercised stock options and management incentive deferred awards		Total	
	Primary	Fully Diluted	Primary	Fully Diluted	Primary	Fully Diluted
	1995	27,425	27,425	329	348	27,754
1994	28,365	28,365	202	238	28,567	28,603
1993	30,532	30,532	40	40	30,572	30,572
1992	32,282	32,282	62	62	32,344	32,344
1991	33,628	33,628	102	102	33,730	33,730

Primary and fully diluted earnings per common share

	Earnings from Cont. Operations Before Cum. Effect of Change in Acctg. Principles		Earnings from Discontinued Operations		Cumulative Effect of Change in Accounting Principles		Total	
	Primary	Fully Diluted	Primary	Fully Diluted	Primary	Fully Diluted	Primary	Fully Diluted
	1995	\$1.44	\$1.44	\$ -	\$ -	(\$1.67)	(\$1.67)	\$ (.23)
1994	.95*	.95*	-	-	-	-	.95*	.95*
1993	.61	.61	-	-	-	-	.61	.61
1992	.03	.03	-	-	(.23)	(.23)	(.20)	(.20)
1991	.68	.68	1.79	1.79	-	-	2.47	2.47

Note: Primary - based on average market prices.

Fully Diluted - Based on the higher of the average market price or the market price at June 30 of each year.

*Dilution less than three percent from earnings per common share outstanding

and therefore not considered to be material.

Exhibit 21

Subsidiaries of the Registrant

<u>Significant Subsidiary</u> -----	<u>State of Organization</u> -----	<u>Names of Business Operations</u> -----
Meredith Cable, Inc.	Iowa	Meredith Cable
Meredith/New Heritage Partnership	Iowa	Meredith Cable
Meredith/New Heritage Strategic Partners, L.P.	Iowa	Meredith Cable North Central Cable Communications Corporation

All other subsidiaries of the Company, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

Exhibit 23

CONSENT OF INDEPENDENT AUDITORS

The Board of Directors
Meredith Corporation:

We consent to incorporation by reference in the registration statements No. 33-2094, No. 2-54974, and No. 33-59258, each on Form S-8 of Meredith Corporation of our report dated August 2, 1995, relating to the consolidated balance sheets of Meredith Corporation and subsidiaries as of June 30, 1995 and 1994 and the related consolidated statements of earnings, stockholders' equity, and cash flows and related schedules for each of the years in the three-year period ended June 30, 1995, which report appears in the June 30, 1995 annual report on Form 10-K of Meredith Corporation.

/s/ KPMG Peat Marwick LLP

*Des Moines, Iowa
September 12, 1995*

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM the Consolidated Balance Sheet at June 30, 1995 and the Consolidated Statement of Earnings for the year ended June 30, 1995 of Meredith Corporation and Subsidiaries AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

CIK: 0000065011

NAME: MEREDITH CORPORATION

MULTIPLIER: 1,000

PERIOD TYPE	YEAR
FISCAL YEAR END	JUN 30 1995
PERIOD END	JUN 30 1995
CASH	17,229
SECURITIES	0
RECEIVABLES	120,747
ALLOWANCES	17,310
INVENTORY	46,781
CURRENT ASSETS	261,893
PP&E	252,626
DEPRECIATION	120,862
TOTAL ASSETS	882,300
CURRENT LIABILITIES	287,882
BONDS	166,079
COMMON	27,485
PREFERRED MANDATORY	0
PREFERRED	0
OTHER SE	213,565
TOTAL LIABILITY AND EQUITY	882,300
SALES	884,550
TOTAL REVENUES	884,550
CGS	360,183
TOTAL COSTS	360,183
OTHER EXPENSES	36,448
LOSS PROVISION	0
INTEREST EXPENSE	15,073
INCOME PRETAX	77,063
INCOME TAX	37,218
INCOME CONTINUING	39,845
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	(46,160)
NET INCOME	(6,315)
EPS PRIMARY	(.23)
EPS DILUTED	(.23)

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