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## Meredith Corporation F3Q09 (Qtr End 03/31/09) Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from the line of Jason Bazinet - Citi.

#### Jason Bazinet - Citi

I just have one question on the EBIT margins. I think year-to-date your EBIT margins are running about 11%. When I go back to the last recession sort of the '01, '02 time frame, you should have hit similar levels about 11% operating income margins in '01 and '02.

I guess my question is, I know it's sort of tough to prognosticate on the future, but is your sense that we probably stay at these level of operating income margins for another year or are you seeing enough signs in terms of the ad environment or your cost cutting that we may see some improvement as you look out of the next 12 to 18 months? Thanks.

#### Stephen Lacy

Jason, this is Steve, thanks for your question. I think the key to how those margins are going to play out have everything to do with how quickly we see some improvements in the advertising environment. We're trying to message this morning that we are seeing some stabilization and some improvement compared earlier in the year in our magazine operation in particular, but not really up tick.

So, I think that's really the key, we are obviously working very aggressively at the moment to put our arms around what kind of a range we think for fiscal 2010 and that range is pretty broad right now until we start to get even close some issues that would really affect fiscal 2010. So, I think that's the best sense that we can provide now and obviously when we release earnings at the end of the fiscal year will provide some early thoughts on fiscal 2010.

#### Operator

Your next question comes from Edward Atorino - Benchmark.

#### Edward Atorino - Benchmark.

Could you talk about the other publishing numbers integrated marketing up, looks like a pretty good performance. What else was in there if you could talk a little bit and I think in the press release you mentioned your page rate trends? Can you talk about magazine ad rates where you are particularly versus some of the competition?

**Joseph Ceryanec**

I'll take the first part of the question, which I think was what is in other revenues and what are the changes. If you look at our third quarter '09 versus third quarter '08 we were down about \$3 million. There are a couple components in that other line that is up offset by a couple of components down.

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