

MEREDITH CORP

Form 10-Q

October 27, 2016

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10 Q

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

For the quarterly period ended September 30, 2016 Commission file number 1-5128

MEREDITH CORPORATION

(Exact name of registrant as specified in its charter)

Iowa 42-0410230
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

1716 Locust Street, Des Moines, Iowa 50309-3023
(Address of principal executive offices) (Zip Code)

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

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 whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

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Shares of stock outstanding at September 30, 2016

Common shares	39,275,992
Class B shares	5,257,754
Total common and Class B shares	44,533,746

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Meredith Corporation and its consolidated subsidiaries are referred to in this Quarterly Report on Form 10-Q (Form 10-Q) as Meredith, the Company, we, our, and us.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

Meredith Corporation and Subsidiaries
Condensed Consolidated Balance Sheets
(Unaudited)

Assets	September 30, 2016	June 30, 2016
(In thousands)		
Current assets		
Cash and cash equivalents	\$ 32,128	\$ 24,970
Accounts receivable, net	273,387	273,927
Inventories	21,931	20,678
Current portion of subscription acquisition costs	133,917	133,338
Current portion of broadcast rights	14,827	4,220
Other current assets	25,525	24,023
Total current assets	501,715	481,156
Property, plant, and equipment	530,369	530,052
Less accumulated depreciation	(346,478)	(339,099)
Net property, plant, and equipment	183,891	190,953
Subscription acquisition costs	96,968	95,960
Broadcast rights	4,900	4,565
Other assets	56,984	57,151
Intangible assets, net	909,093	913,877
Goodwill	883,129	883,129
Total assets	\$ 2,636,680	\$ 2,626,791
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion of long-term debt	\$ 75,000	\$ 75,000
Current portion of long-term broadcast rights payable	15,795	4,649
Accounts payable	74,496	82,107
Accrued expenses and other liabilities	111,094	116,777
Current portion of unearned subscription revenues	198,780	199,359
Total current liabilities	475,165	477,892
Long-term debt	622,402	618,506
Long-term broadcast rights payable	5,992	5,524
Unearned subscription revenues	130,162	128,534
Deferred income taxes	346,297	336,346
Other noncurrent liabilities	152,221	170,946
Total liabilities	1,732,239	1,737,748
Shareholders' equity		
Series preferred stock	—	—
Common stock	39,276	39,272
Class B stock	5,258	5,284
Additional paid-in capital	56,155	54,282
Retained earnings	830,247	818,706
Accumulated other comprehensive loss		