

MEREDITH CORP
Form 11-K
June 29, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
[FEE REQUIRED]

For the fiscal year ended December 31, 2004

OR

TRANSITION REPORT PURSUANT TO SECTION 15(D) OF THE SECURITIES EXCHANGE
ACT OF 1934 [NO FEE REQUIRED]

For the transition period from _____ to _____

Commission file number 1-5128

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Meredith Savings and Investment Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Meredith Corporation
1716 Locust Street
Des Moines, Iowa 50309-3023

MEREDITH SAVINGS AND INVESTMENT PLAN

Financial Statements and Schedule

December 31, 2004 and 2003

(With Report of Independent Registered Public Accounting Firm)

MEREDITH SAVINGS AND INVESTMENT PLAN

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Report of Independent Registered Public Accounting Firm

Meredith Savings and Investment Plan Committee:

We have audited the accompanying statements of net assets available for benefits of the Meredith Savings and Investment Plan (the Plan) as of December 31, 2004 and 2003, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Committee. Our

responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 also 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 financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2004 and 2003, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements of the Plan taken as a whole. The supplemental information included in schedule 1 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

May 20, 2005
Des Moines, Iowa

MEREDITH SAVINGS AND INVESTMENT PLAN
Statements of Net Assets Available for Benefits
December 31, 2004 and 2003

| | 2004 | 2003 |
|---|----------------|----------------|
| Assets: | | |
| Investments: | | |
| Meredith Corporation Stock Fund (note 2) | \$ 39,055,166 | \$ 38,631,979 |
| Meredith Corporation Class B stock (note 2) | 1,368,104 | 1,486,429 |
| Managed variable return funds | 154,590,468 | 133,128,523 |
| Total investments | 195,013,738 | 173,246,931 |
| Net assets available for benefits (note 3) | \$ 195,013,738 | \$ 173,246,931 |

See accompanying notes to financial statements.

MEREDITH SAVINGS AND INVESTMENT PLAN
 Statements of Changes in Net Assets Available for Benefits
 Years ended December 31, 2004 and 2003

| | 2004 | 2003 |
|--|----------------|----------------|
| Additions to net assets attributed to: | | |
| Contributions: | | |
| Employer | \$ 5,391,588 | \$ 4,766,774 |
| Employee | 12,984,688 | 12,098,759 |
| Total contributions | 18,376,276 | 16,865,533 |
| Dividend income | 931,107 | 888,027 |
| Net unrealized appreciation and realized | | |
| gains in investments during the year | 18,372,099 | 26,862,642 |
| Total additions | 37,679,482 | 44,616,202 |
| Deductions from net assets attributed to | | |
| benefits and withdrawals paid to employees | 15,912,675 | 12,471,429 |
| Increase in net assets available for benefits | 21,766,807 | 32,144,773 |
| Net assets available for benefits: | | |
| Beginning of year | 173,246,931 | 141,102,158 |
| End of year | \$ 195,013,738 | \$ 173,246,931 |

See accompanying notes to financial statements.

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MEREDITH SAVINGS AND INVESTMENT PLAN
 Notes to Financial Statements
 December 31, 2004 and 2003

(1) Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying financial statements of the Meredith Savings and Investment Plan (the Plan) have been prepared on an accrual basis and are subject to the provisions of the Employee Retirement Income Security Act of 1974.

(b) Description of Plan and Plan Changes

The following brief description of the Plan provides general information only. Participants should refer to the Plan Document for more complete information.

On a pre-tax basis, employees may contribute a maximum of 50% of their compensation to the Plan, subject to certain limitations. Meredith Corporation (the Company) matches 100% of the first 3% of a participant's eligible compensation contributed to the Plan and 50% of the next 2% of a participant's eligible compensation contributed to the Plan. Company matching contributions are invested in the same investment options as the employee contributions.

(c) Plan Administration and Management

The Plan is administered by the Meredith Savings and Investment Plan Committee, whose members are appointed by certain officers of the Company under authority granted by the board of directors. Under terms of a trust agreement, the trustee receives contributions, invests and safekeeps such contributions and investment income thereon, and makes distributions, all in accordance with the terms of the Plan.

Fund management fees are currently deducted from all funds. Other administrative costs, such as audit fees and certain investment management fees, are paid directly by the Company.

(d) Investment Valuation

Investments in the Meredith Corporation Stock Fund, Company's Class B stock, and managed variable return funds are stated at fair value.

Securities transactions are accounted for on the trade date.

(e) Use of Estimates

The Plan Administrator has made a number of estimates and assumptions relating to the reporting of assets, liabilities, and changes therein to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

(2) Investments

The Meredith Corporation Stock Fund (the Fund) is a fund that pools contributions among participants to buy common stock of Meredith Corporation and a certain amount of short-term investments. Through August 31, 1998, investments in common stock of the Company were purchased directly from the Company at a price per share equal to the lower of the month-end closing price or the average daily closing price for

the calendar month of the Company's shares as reported in the New York Stock Exchange (NYSE) composite transactions. Since September 1, 1998, common stock of the Company has been purchased at the daily closing price as reported in the NYSE composite. Ownership is measured in units of the Fund instead of shares of stock. This change to unitized accounting was necessary as participants can change investment options or perform transfers daily.

No Class B stock of the Company is publicly traded or available for sale. All Class B shares, however, are convertible to shares of the Company's common stock on a one-to-one basis. The Plan held 25,242 and 30,453 shares of the Company's Class B stock at December 31, 2004 and 2003, respectively.

The market value of the Company's common and Class B stock as reported in the NYSE composite transactions was \$54.20 per share at December 31, 2004 and \$48.81 per share at December 31, 2003. Included in the carrying value of Class B stock is cost of \$99,672 and \$115,650 at December 31, 2004 and 2003, respectively, and unrealized appreciation of \$1,268,432 and \$1,370,779 at December 31, 2004 and 2003, respectively.

The fair value of individual investments that represent 5% or more of the Plan's assets at December 31, 2004 and 2003 were as follows:

| | 2004 |
|------------------------------------|---------------|
| Meredith Corporation Stock Fund | \$ 39,055,166 |
| American Funds Europacific Growth | 10,724,927 |
| Principal Large-Cap Stock Index | 34,162,782 |
| Principal Medium Company Blend | 10,140,590 |
| Principal Partners Large-Cap Blend | 23,082,879 |
| T-Rowe Price Small-Cap Stock Fund | 17,877,801 |
| Wells Fargo Stable Return Fund | 32,580,160 |

| | 2003 |
|---------------------------------------|---------------|
| Meredith Corporation Stock Fund | \$ 38,631,979 |
| Principal Large-Cap Stock Index | 31,127,721 |
| Principal Partners Large-Cap Blend | 20,671,033 |
| T Rowe Price Small-Cap Stock Fund | 12,829,772 |
| Vanguard Total Bond Market Index Fund | 9,783,149 |
| Wells Fargo Stable Return Fund | 31,810,761 |

MEREDITH SAVINGS AND INVESTMENT PLAN

Notes to Financial Statements

December 31, 2004 and 2003

(3) Plan Benefits and Termination

Participants are immediately vested in their contributions to the Plan, the Company's matching contribution to the Plan and investment earnings.

Although the Company has not expressed any intent to terminate the Plan, it may do so at any time.

(4) Income Taxes

The Company received a tax determination letter dated January 17, 2002 from the Internal Revenue Service which states that the Plan qualifies under the provisions of Sections 401(a) and 501(a) of the Internal Revenue Code and is exempt from federal income taxes. Continued qualification of the Plan will depend on operation of the Plan in compliance with the Internal Revenue Code.

Participants are liable for their own income taxes when distributions are made to them.

(5) Party-in-Interest Transactions

Transactions resulting in Plan assets being transferred to or used by a related party are prohibited under ERISA unless specific exemption applies. Principal Financial Group, as Plan Administrator, is a party-in-interest as defined by ERISA as a result of investing Plan assets in its own funds. The Company is a party-in-interest as a result of the Plan participants being able to invest in Company stock. However, such transactions are exempt and are not prohibited by ERISA.

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| | Identity | Shares/units | Fair value |
|-------|---------------------------------------|--------------|----------------|
| 2004: | | | |
| | Meredith Corporation Stock Fund * | 725,822 | \$ 39,055,166 |
| | Meredith Corporation Class B Shares * | 25,242 | 1,368,104 |
| | Principal Funds*: | | |
| | Bond & Mortgage | 2,193 | 1,579,447 |
| | Large-Cap Stock Index | 728,618 | 34,162,782 |
| | Lifetime 2010 | 223,655 | 2,934,332 |
| | Lifetime 2020 | 148,639 | 1,961,869 |
| | Lifetime 2030 | 630,053 | 8,180,074 |
| | Lifetime 2040 | 77,369 | 1,014,135 |
| | Lifetime 2050 | 53,615 | 675,742 |
| | Medium Co Blend | 177,003 | 10,140,590 |
| | Lifetime Str Inc Sep | 64,174 | 836,310 |
| | Principal Partners Funds*: | | |
| | Large-Cap Blend | 2,170,588 | 23,082,879 |
| | American Funds Europacific Growth | 304,167 | 10,724,927 |
| | T. Rowe Price Small-Cap Stock | 561,842 | 17,877,801 |
| | Vanguard Total Bond Market Index | 860,703 | 8,839,420 |
| | Wells Fargo Stable Return | 891,879 | 32,580,160 |
| | | | \$ 195,013,738 |
| 2003: | | | |
| | Meredith Corporation Stock Fund* | 796,132 | \$ 38,631,979 |
| | Meredith Corporation Class B Shares * | 30,453 | 1,486,429 |
| | Principal Funds*: | | |
| | Bond & Mortgage | 1,872 | 1,283,408 |
| | Large-Cap Stock Index | 735,459 | 31,127,721 |
| | Lifetime 2010 | 185,457 | 2,177,201 |
| | Lifetime 2020 | 103,012 | 1,210,464 |
| | Lifetime 2030 | 568,987 | 6,547,820 |
| | Lifetime 2040 | 34,199 | 396,704 |
| | Lifetime 2050 | 16,331 | 181,685 |
| | Medium Co Blend | 143,362 | 6,977,321 |
| | Lifetime Str Inc Sep | 22,347 | 262,240 |
| | Principal Partners Funds*: | | |
| | Large-Cap Blend | 2,145,549 | 20,671,033 |

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| | | |
|-----------------------------------|---------|----------------|
| American Funds Europacific Growth | 262,922 | 7,869,244 |
| T. Rowe Price Small-Cap Stock | 458,534 | 12,829,772 |
| Vanguard Total Bond Market Index | 948,899 | 9,783,149 |
| Wells Fargo Stable Return | 905,104 | 31,810,761 |
| | | \$ 173,246,931 |

* *Party-in-interest*

See accompanying independent auditors' report.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed by the undersigned thereunto duly authorized.

MEREDITH SAVINGS AND INVESTMENT PLAN
(Name of Plan)

Dated: June 29, 2005

By /s/ Suku V. Radia

Suku V. Radia

Member of the Savings and Investment Plan Committee and
Vice-President-Chief Financial Officer of Meredith Corporation
(Principal Accounting and Financial Officer
of Meredith Corporation)

Index to Exhibits

Exhibit
Number

Item

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Independent Auditors' Consent

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