

- **Company Overview**

Martha Stewart Living Omnimedia, Inc. (MSLO) is a leading provider of original "how-to" information, inspiring and engaging consumers with unique lifestyle content and beautifully designed, high-quality products.

MSLO is comprised of four businesses: Publishing, Internet, Broadcasting and Merchandising, the combination of which enables the Company to cross-promote content and products.

Media

Publishing

The Publishing business encompasses magazines and books. The magazines include *Martha Stewart Living*, *Everyday Food*, *Martha Stewart Weddings* and *Whole Living*. MSLO also publishes special issues on select topics each year.

Martha Stewart Living, MSLO's flagship magazine, is the foundation of the Company's publishing business and serves as a significant generator of content for the Company's asset library. *Martha Stewart Living* offers reference-quality and original "how-to" information from the Company's core content areas in a unique, upscale editorial and aesthetic platform. It has been recognized as a distinguished lifestyle magazine, winning three National Magazine Awards given by the American Society of Magazine Editors (ASME). *Martha Stewart Living* also has received 165 Society of Publication Designers (SPD) awards and the Acres of Diamonds Awards for Magazine Development.

Everyday Food, a digest-sized magazine, was created for the supermarket shopper and the everyday cook, featuring quick, easy recipes. It also has received awards from the Society of Publication Designers and was named "Launch of the Year" in 2005 by *Advertising Age* in its annual "A-List," which recognizes the best magazines of the year.

Martha Stewart Weddings targets the upscale bride and serves as an important vehicle for introducing young women to the MSLO brands. It outsells all other bridal magazines on the newsstand. The magazine has received the ASME's National Magazine Award for General Excellence among publications with a 250,000-500,000 circulation.

Whole Living, formerly *Body + Soul*, focuses on whole living, and provides readers with key lifestyle tenets, including balanced fitness, whole health, inner growth and rejuvenation. It is the leading magazine in its category.

In addition to magazines, MSLO publishes books on a range of subjects related to the company's areas of expertise. The company currently has an agreement with Clarkson Potter to publish 16 books through 2012. The first ten books—*The Martha Stewart Living Cookbook: The Original Classics*, *The Martha Stewart Living Cookbook: The New Classics*, *Martha Stewart's Wedding Cakes*, *Martha Stewart's Cookies*, *Martha Stewart's Cooking School*, *Martha Stewart's Encyclopedia of Crafts*, *Martha Stewart's Cupcakes*, *Martha Stewart's Dinner at Home*, *Everyday Food: Fresh Flavor Fast* and *Martha Stewart's Encyclopedia of Sewing and Fabric Crafts*—are already available. MSLO has a strong track record in book publishing with many bestsellers to its credit.

Internet

From entertaining and decorating to gardening and crafts, marthastewart.com is the definitive online source for Martha Stewart Living Omnimedia's unique, creative content and expert resources for the home. Visitors can access more than 14,000 of the finest recipes, as well as blogs, video clips, articles, ideas and projects from the vast MSLO multimedia library, including *Martha Stewart Living*, *Everyday Food*, *Martha Stewart Weddings* and *Whole Living* magazines, *The Martha Stewart Show*, *Everyday Food TV* and *Martha Stewart Living Radio* on SIRIUS channel 112 and XM Radio 157. They can also participate in online workshops, communities and more.

MSLO's digital properties also include www.wholeliving.com, and marthastewartweddings.com, stand-alone websites that are the respective online homes of MSLO's *Whole Living* and *Martha Stewart Weddings* magazines. On marthastewartweddings.com, users can find local vendors, plan and manage their wedding with an expanding array of digital wedding-planning tools powered by Wedding Wire, an online wedding-planning platform in which MSLO took an equity stake in 2008. The WeddingWire investment is part of MSLO's strategy to accelerate its digital footprint and expand its Weddings franchise online and in print. MSLO has also invested in pingg.com, an online event

management site that offers stylish online and printed invitations, including Martha Stewart images and content, as well as easy-to-use event planning tools. In February 2010, MSLO launched "Martha's Everyday Food™" App on the App Store. The app gives iPhone and iPod touch users access to thousands of recipes from Everyday Food magazine that can be shared, saved and organized into mobile shopping lists.

Broadcasting MSLO's Broadcasting business segment consists of operations relating to the production of television programming, the domestic and international distribution of that programming in existing and repurposed formats, and the operations of a satellite radio channel.

The cornerstone of the Broadcasting business segment is the Emmy Award-winning daily lifestyles series, "The Martha Stewart Show", which is shot live, in front of a studio audience. It provides a forum for Martha to inspire and teach viewers who look to her for "how-to" instruction in a broad range of areas, including cooking, entertaining, gardening, decorating and crafts.

In January 2010, the Company announced that it had entered a multi-year strategic relationship to provide original lifestyle programming on Hallmark Channel, which reaches nearly 90 million households nationwide. The sixth season of "The Martha Stewart Show" premiered in September 2010 and airs every weekday morning on Hallmark Channel with two encore performances in the afternoon. The morning show anchors a full slate of original programming from MSLO and is followed by "Mad Hungry with Lucinda Scala Quinn," a half-hour cooking show hosted by MSLO Executive Food Editor Lucinda Scala Quinn and an hour-long topical talk show, "Whatever with Alexis & Jennifer," hosted by Sirius XM's "Whatever" hosts Alexis Stewart and Jennifer Koppelman Hutt. In addition, Martha will host several primetime holiday specials and interview shows on the network.

Hallmark Channel is also airing episodes from season one through four of the critically acclaimed series "Everyday Food" every weekday afternoon. The program brings to life recipes featured in *Everyday Food* magazine and in the bestselling cookbooks *Everyday Food: Great Food Fast* and *Everyday Food: Fresh Flavor Fast*. The series is also nationally syndicated with original episodes on PBS.

The Broadcasting segment also includes Martha Stewart on Demand, an advertising-supported, video-on-demand service, is available to all Comcast, Cox and Optimum digital customers.

MSLO's Broadcasting business segment also features satellite radio programs on the *Martha Stewart Living Radio* on SIRIUS channel 112 and XM Radio 157. The channel provides programming designed for listeners and their families, 24 hours a day, seven days a week.

Merchandising

Through MSLO's Merchandising business segment, MSLO sells products at multiple price points through several distribution channels, including:

- *Martha Stewart Living* home-improvement products at The Home Depot. The line launched in January with products in the Outdoor Living category and has expanded to encompass Paint, Storage & Organization, Carpet, Customized Kitchen Cabinetry, Countertops and more.
- *Martha Stewart Collection* merchandise exclusively at Macy's and on macys.com. The line encompasses a broad range of home goods-including bed and bath textiles, housewares, casual dinnerware, flatware and glassware, cookware, holiday decorating and tree-trimming items.
- *Martha Stewart Collection with Wedgwood*, an assortment of fine bone china, crystal stemware and flatware, available exclusively at Macy's, macys.com and macysweddingchannel.com.
- *Martha Stewart Crafts*, with EK Success available at more than 900 Michaels arts & crafts stores, and independent retailers in the U.S. and Canada. The line is also available on marthastewartcrafts.com.
- *Martha Stewart Pets*, a line of pet-related products, including apparel, collars, leashes, bedding, grooming supplies, toys and more available exclusively at PetSmart Stores and on petsmart.com.
- *Martha Stewart Clean* with Hain Celestial Group, a line of natural home cleaning solutions available at The Home Depot, Amazon.com and select grocery chains. The Company has extended its relationship with Hain Celestial and its affiliate Hain Pure Protein to include a branded food line at retail, including poultry, baking mixes and dried pastas using all natural, healthy ingredients.

- Martha Stewart homes in communities created in collaboration with KB Home, one of the country's leading homebuilders.
- The company's home decorating assortment includes *Martha Stewart Rugs* with Safavieh and branded carpet tiles with FLOR.
- *Martha Stewart Stationery* with Crane & Co., a full line of co-branded social stationery products.
- *Sandals® Weddings by Martha Stewart™*, customizable destination weddings available at Sandals Resorts and Beaches Resorts across the Caribbean.

Over the years, MSLO's products have received numerous awards and honors. The *Martha Stewart Furniture* line has been recognized with the *Elle Décor* International Design Award in the furniture category and has received the honor of Best New Collection by *InFurniture* magazine, the monthly magazine for the furniture industry. The American Society of Furniture Designers has awarded prestigious Pinnacle Awards to several pieces in the *Martha Stewart Furniture* collection and in January 2009, *Martha Stewart Rugs'* "Tracery" rug was honored with the Magnificent Carpet Award at the 2009 International Rug Market in Atlanta. HFN'S Brand Awareness Survey named Martha Stewart and the associated product lines as the #1 brand in the Textiles Area. The *Martha Stewart Everyday* brand was included in the *Advertising Age* Marketing 100, and was awarded the Home Textile Design Award by the Fashion Institute of Technology and Home Textiles Today. Martha Stewart Living Omnimedia, Inc. also has received the Edison Achievement Award as well as two Edison Awards for Best New Products.

Emeril Lagasse

In 2008, the company acquired Chef Emeril Lagasse's media and merchandising business, including the rights to his television programs, cookbooks, internet assets and licensed kitchen and food products. This acquisition is part of the company's overall strategy to diversify into other brands, extend its digital footprint, and expand its portfolio of first-in-class lifestyle brands.

Emeril's growing merchandising product offerings include his popular All-Clad Cookware line at Macy's and Bed, Bath & Beyond, his coffee line with Timothy's at Macy's, Bed, Bath & Beyond, Kohls and on Amazon, and a new line of Red Marble Steaks with Allen Brothers, which are available online. He has also published numerous bestselling cookbooks, including such bestselling recent titles as *Emeril at the Grill* and *Emeril 20-40-60: Fresh Food Fast*. His latest cookbook, *Farm to Fork: Cooking Local, Cooking Fresh*, was published in early June.

Emeril has a string of successful TV shows to his credit, including "Essence of Emeril" on Food Network, "Emeril Live" on Fine Living and Food Network and "Emeril Green" on Discovery's Planet Green. He is helping to launch the Food Network's new cooking channel with his "Fresh Food Fast" show, which debuted in July 2010.