

- **Company Fact Sheet - January, 2007**

Martha Stewart Living Omnimedia, Inc. (MSLO) is a leading provider of original "how-to" information, inspiring and engaging consumers with unique lifestyle content and high-quality products. MSLO is organized into four business segments: Publishing, Broadcasting, Merchandising, and Internet.

In November 2006, we published *Martha Stewart's Homekeeping Handbook: The Essential Guide to Caring for Everything in Your Home*. The book, which The Washington Post described as "the ultimate housekeeping resource," enjoyed an enthusiastic reception and climbed high bestseller lists across the country.

In April 2006, we announced an agreement to develop a line of *Martha Stewart Collection* home merchandise exclusively for Macy's. The line will encompass a broad range of home goods-including bed and bath textiles, housewares, casual dinnerware, flatware and glassware, cookware, holiday decorating and trim-a-tree items. It is expected to debut in early fall 2007 in Macy's stores across America, as well as on macys.com.

Our *Martha Stewart Collection* with Macy's was the first of many licensing deals forged in 2006, including area rugs with Safavieh, modular carpet tiles with FLOR, ceiling fans and lighting with Quality Home Brands, and a broad new paint program with the Lowe's Companies, Inc. The Lowe's deal is an important building block in the company's strategic expansion of its merchandising business in the home improvement category.

In spring 2007, we will launch our *Martha Stewart Crafts* line with EK Success. The line will include a wide range of craft products to provide consumers with a one-stop shop for their crafting needs. The first *Martha Stewart Crafts* products introduced will be paper-based craft and storage products and will initially be sold exclusively in Michaels stores, the country's largest arts & crafts chain operating more than 900 stores in the U.S. and Canada. Distribution to EK Success's EK Elite independent craft and scrapbooking stores is scheduled for later in 2007. The line will also be offered on our website, which will feature *Martha Stewart Crafts* tools, templates, and paper products as well as MSLO's inventive scrapbooking content and ideas to inspire and guide consumers through the creation of their own projects.

Publishing

Our Publishing business is made up of our magazines and books. Our magazines include *Martha Stewart Living*, *Everyday Food*, *Martha Stewart Weddings*, *Body + Soul*, *Blueprint* and special interest publications.

Martha Stewart Living, our flagship magazine, is the foundation of our publishing business, which serves as a significant generator of content for our asset library. *Martha Stewart Living* offers reference-quality and original how-to information from our core content areas in a unique upscale editorial and aesthetic environment. 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* has received 155 Society of Publication Designers (SPD) awards and the Acres of Diamonds Awards for Magazine Development. In addition, it was on *Adweek's* "Hot List" for six consecutive years. In 2006, *Adweek* named the magazine's publishing team "Executive Team of the Year" while Advertising Age honored MSLO President and CEO Susan Lyne as "Publishing Executive of the Year." Finally, *Martha Stewart Living* topped *Ad Week's* first-ever Brand Blazers list of magazines that are doing the best job of extending the brand.

Everyday Food, a digest-sized magazine, was created for the supermarket shopper and the everyday cook, featuring quick, easy recipes. It has also 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. In 2006, the magazine was named number one in its category on *Adweek's* annual hot list and reached profitability a year ahead of schedule.

Martha Stewart Weddings targets the upscale bride and serves as an important vehicle for introducing young women to our brands. The magazine has also received the ASME's National Magazine Award for General Excellence among publications with a 250,000-500,000 circulation.

Body + Soul focuses on whole living, and provides readers with key lifestyle tenets including balanced

fitness, whole health, and inner growth and rejuvenation. It is the leading magazine in its category.

Blueprint: Design Your Life is our new lifestyle publication for women ages 25-45. It is created for today's modern, multi-tasking woman and gives her inspirational ideas and practical steps for developing personal style in every facet of her life. In helping women decide how to decorate, dress, entertain, and organize their lives, the magazine builds on *Martha Stewart Living's* core areas of expertise and adds fashion, beauty, health, fitness, travel, technology, and culture. In 2006, on the strength of two test issues, Media Industry Newsletter named *Blueprint* one of the hottest launches of the year and Publisher Sally Preston was honored as one of three "Launch People of the Year."

In addition to our magazines, we also publish books on a range of subjects relating to our areas of expertise. In addition to *Martha Stewart's Homekeeping Handbook: The Essential Guide to Caring for Everything in Your Home*, other recent titles include the bestselling *Martha Stewart's Baking Handbook*, and *The Martha Rules: 10 Essentials for Achieving Success as You Start, Grow or Manage a Business* by Martha Stewart. *The Martha Rules* is a business handbook which outlines how to identify one's own entrepreneurial voice and channel one's skills and passions into a successful business venture.

Broadcasting

Our Broadcasting business segment consists of our 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 our satellite radio channel.

In September 2005, we launched *The Martha Stewart Show*, a nationally syndicated daily "how-to" series anchored by segments that entertain, inform and inspire. Shot in front of a studio audience, the hour-long program's format allows audience members, home viewers and special guests to participate and interact with host Martha Stewart. Featuring headline makers, A-list celebrities and everyday people who've accomplished extraordinary things, *The Martha Stewart Show* sheds new light on such subjects as cooking and entertaining, gardening, decorating, home renovation and crafts. The series is produced by Martha Stewart Living Omnimedia, Inc. and distributed by NBC Universal Domestic Television Distribution to more than 90% of the country. Martha Stewart and Mark Burnett are executive producers and Bernie Young serves as co-executive producer. The Emmy Award-winning show is currently in its second season and got an early pick-up for a third.

The cornerstone of our Broadcasting business segment is our nationally syndicated 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.

The Television segment also includes *Everyday Food*, a nationally syndicated half-hour program in its third season. The *Everyday Food* television program, currently airing on PBS, offers practical advice for preparing quick and delicious meals. Each half-hour episode, featuring five individuals who all have cooked professionally in the kitchens of *Martha Stewart Living*, is designed to provide solutions to the challenges of everyday cooking and includes easy-to-make recipes along with smart tips and kitchen techniques.

Our Broadcasting business segment also features our satellite radio programs on the *Martha Stewart Living Radio* channel on SIRIUS Satellite Radio, which reaches six million subscribers. Our channel provides programming designed for women listeners and their families, 24-hours-a-day, seven days-a-week.

Merchandising

Through our Merchandising business segment, MSLO sells products at multiple price points through several distribution channels. *Martha Stewart Everyday*, our mass-market brand, offers essential products through Home, Garden, Kitchen, Holiday, Decorating, Keeping, and Colors lines at Kmart and at Sears Canada. *Martha Stewart Furniture*, MSLO's specialty-tier brand targeting a high-end consumer, includes several collections of bedroom, dining room, and living room furniture created in conjunction with Bernhardt Furniture Company. *Martha Stewart Collection* home merchandise, a new line of home products, is being developed exclusively for Macy's more upscale, traditional customer. It is expected to debut in fall 2007 in Macy's stores across America, as well as on macys.com. We will be introducing a range of new branded product lines throughout 2007, including area rugs with Safavieh, modular carpet tiles with FLOR, ceiling fans and lighting with Quality Home Brands, and a broad new paint program with Lowe's.

In addition, MSLO collaborates with KB Home, one of the country's leading homebuilders, to design and style homes in communities across the country. We currently offer homes in Martha Stewart communities in Cary, North Carolina, Fairburn, Georgia and Perris, California with additional openings

expected in 2007. The exteriors of the Martha Stewart-created KB Homes are inspired by Martha Stewart's homes in New York State and Maine. Her influence is present in the interior of the homes as well, with distinctive mantles, shelving, molding and wainscoting. We also expect to offer specialized flooring, bathroom and kitchen fixtures, lighting, paint colors, cabinetry selections and other special touches. Business Week called the new Martha Stewart-created home with KB Home a "smash alliance" and named them one of the top 20 most "innovative products" for 2006.

Over the years, our products have received numerous awards. In 2006, the American Society of Furniture Designers awarded prestigious Pinnacle Awards to two pieces in the *Martha Stewart Furniture* collection with Bernhardt. The *Martha Stewart Furniture* line has also been recognized with the Elle Décor International Design Award in the furniture category and has also received the honor of Best New Collection by InFurniture magazine, the monthly magazine for the furniture industry. HFN'S Brand Awareness Survey named Martha Stewart and the associated product lines as the #1 brand in the Textiles Area. *Martha Stewart Everyday* and *Martha Stewart Everyday/Sherwin-Williams* have been honored with Edison Awards for Best New Products. 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 Edison's two Best New Products Awards.

Internet

Our Internet business segment consists of advertiser-supported, free content, our direct-to-consumer floral business, and our new line of branded Martha Stewart digital photography products with Kodak on our marthastewart.com website.

The content portion of our website focuses on delivering "how-to" information to our customers, including our popular recipe finder. It also offers consumers a convenient way to order or renew magazine subscriptions, purchase flowers and access products, including our digital photography products with Kodak. Launched in September 2006, the new line with Kodak features an array of digital photography products, including cards, invitations, hang tags, stationery, stickers, Photo Books and calendars--created by the MSLO design team under Martha Stewart's direction and supervision. The new products are available on the KODAK EASYSHARE Gallery web site and on marthastewart.com.

We are relaunching our website in the first quarter of 2007. In addition to getting a fresh look and feel, the site will be easier to search and navigate. It will offer rich multimedia content, including access to menu suggestions, original video, and thousands of web resources hand picked by Martha and her team of experts. After the relaunch, we will continue to introduce new features that offer more personalization and enhance users' sense of community. The site will also feature tools and templates for *Martha Stewart Crafts* products and other forms of personal expression, as well as e-commerce links to products.

Our principal executive offices are located at 11 West 42nd Street, New York, New York 10036, and our telephone number is (212) 827-8000. Our address on the World Wide Web is marthastewart.com. Martha Stewart Living Omnimedia is listed on the New York Stock Exchange under the ticker symbol MSO.