



From print...



From information...



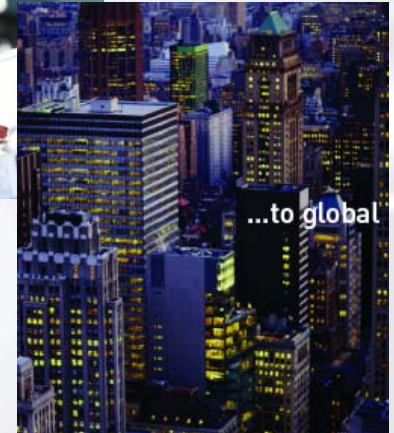
From local...



...to online



...to solutions



...to global

Merrill Lynch TMT Conference, London

Sir Crispin Davis, Reed Elsevier
June 2007

 Reed Elsevier

Global leader in professional information

\$10.0 bn revenues, \$2.5 bn EBITDA, \$1.5 bn free cash flow

Sharpened strategic focus; three large growth markets

Strong brands, high quality authoritative content,
integrated workflow solutions

\$4bn revenues from fast growing online services

Good revenue momentum,
focus on operational leverage, strong cash flows

Strategic Market Characteristics

- Content integral to customers' professional function
- Clear digital opportunities to drive customer value
- Brands, content, technology scaleable
- Consistent market demand and recurring revenue streams

Focused Strategy

Deliver authoritative content through leading brands

Drive online solutions

Improve cost efficiency

Selective portfolio development



Delivering Authoritative Content Through Leading Brands

Invest behind brands:
new launches, brand extensions, geo-cloning, new events

Extend content offering into growing adjacent sectors

Delivering Authoritative Content Through Leading Brands

Reed Exhibitions – geo-cloning of MIPIM



mipim
The world's property market

- “World’s leading event for property professionals”
- 18th edition held in Cannes, March 2007
- Over 8,000 companies from 83 countries
- Record 26,000 participants, up 22%
- 2007 revenues +40%



mipimasia

- “World’s property market for Asia”
- 2nd edition to be held in Hong Kong, November 2007
- Includes world class conference
- 2007E revenues +30%

Delivering Authoritative Content Through Leading Brands

Clinical Reference

- Build out breadth and depth of content
 - Integrate Gold Standard into MDConsult and Nursing Consult
 - Develop and launch multimedia Consults and Mosby's Nursing Skills
 - Add image and simulations to Nursing Consult and Nursing Skills
- Improve functionality of Consult products
 - Deliver “clinically clever” search functionality and develop image-based search capabilities
- Extend market penetration of all Consult products
 - Continue roll-out of specialized Consult verticals



Create compelling online content driven workflow solutions

Business model innovation and solutions marketing

LexisNexis – Total Practice Advantage

Law firm activities	Client development	Matter intake, research, development and planning	Document draft and Management	Litigation and docket management	Accounts and billing
	<ul style="list-style-type: none"> • Share potential client information • Conflict checks • Research clients • Collect information on incumbent firm • Monitor client news 	<ul style="list-style-type: none"> • Collect case intake data • Conduct research • Research client, co-counsel, judges, etc. • Identify experts • Manage discovery • Plan litigation strategy 	<ul style="list-style-type: none"> • Retrieve model documents • Create, manage documents • Check case citations • Check for code / rule changes • Share documents 	<ul style="list-style-type: none"> • Develop and monitor case calendar • Identify service of process procedure • File and serve documents • Retrieve court documents 	<ul style="list-style-type: none"> • Manage & recover costs • Analyze efficiency • Meet trust accounting requirements

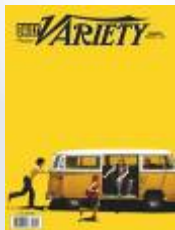
Best-in-class Service and Support

Drive Online Solutions



Variety

- One of the largest and most successful B2B brands
- Daily Variety (LA and New York), Weekly Variety and Variety.com
- Serving the \$500 billion global entertainment industry, growing at 7% p.a.
- 60,000+ print subscribers



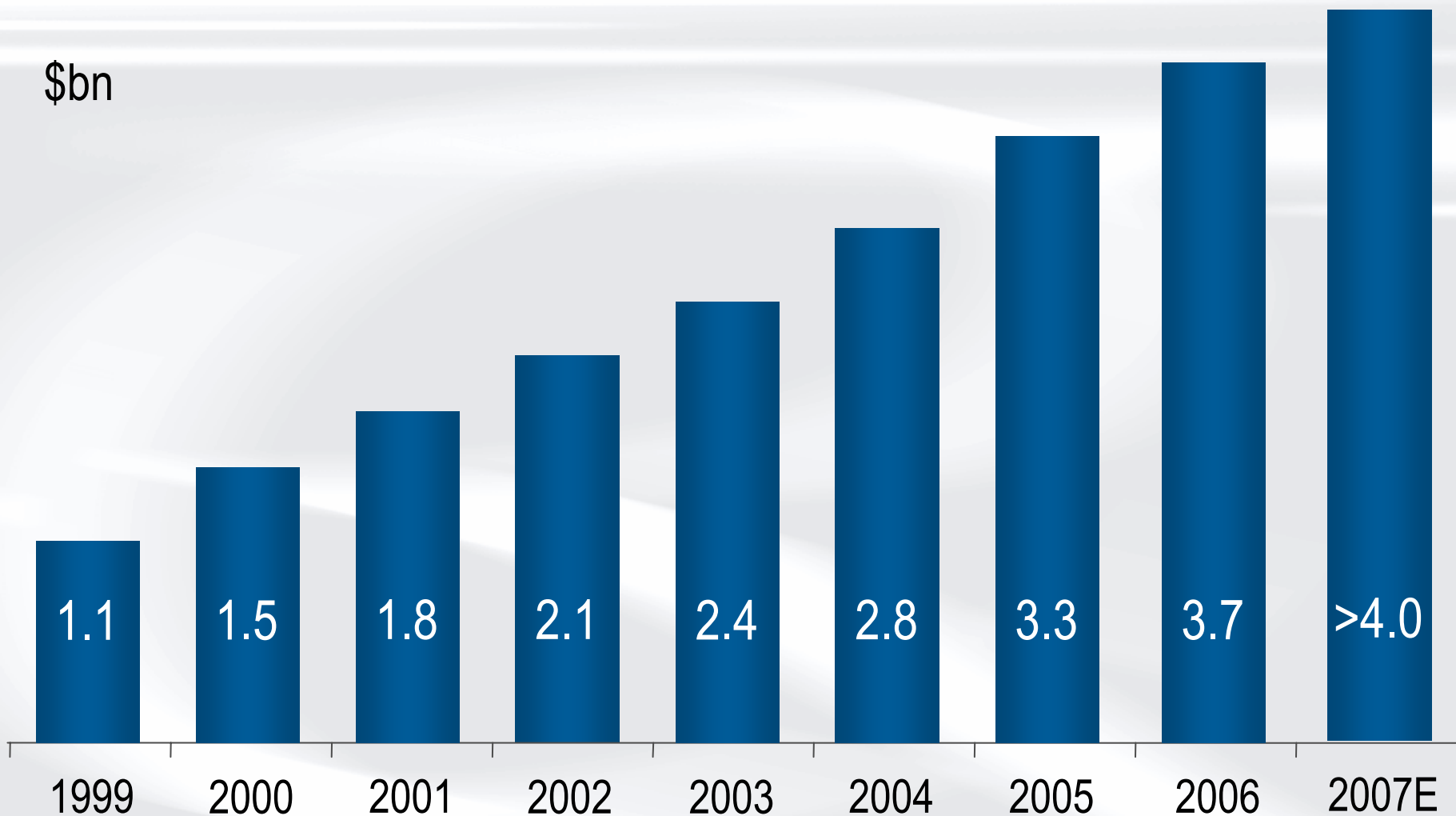
Variety.com

- Advertising revenue up 36%
- Unique online content and services
 - Daily video news round ups and reviews
 - Awards and festival mini-sites
 - Blogs from leading writers
 - Variety careers
- >2m unique users



Reed Elsevier: Electronic Revenues

\$bn



Improve Cost Efficiency

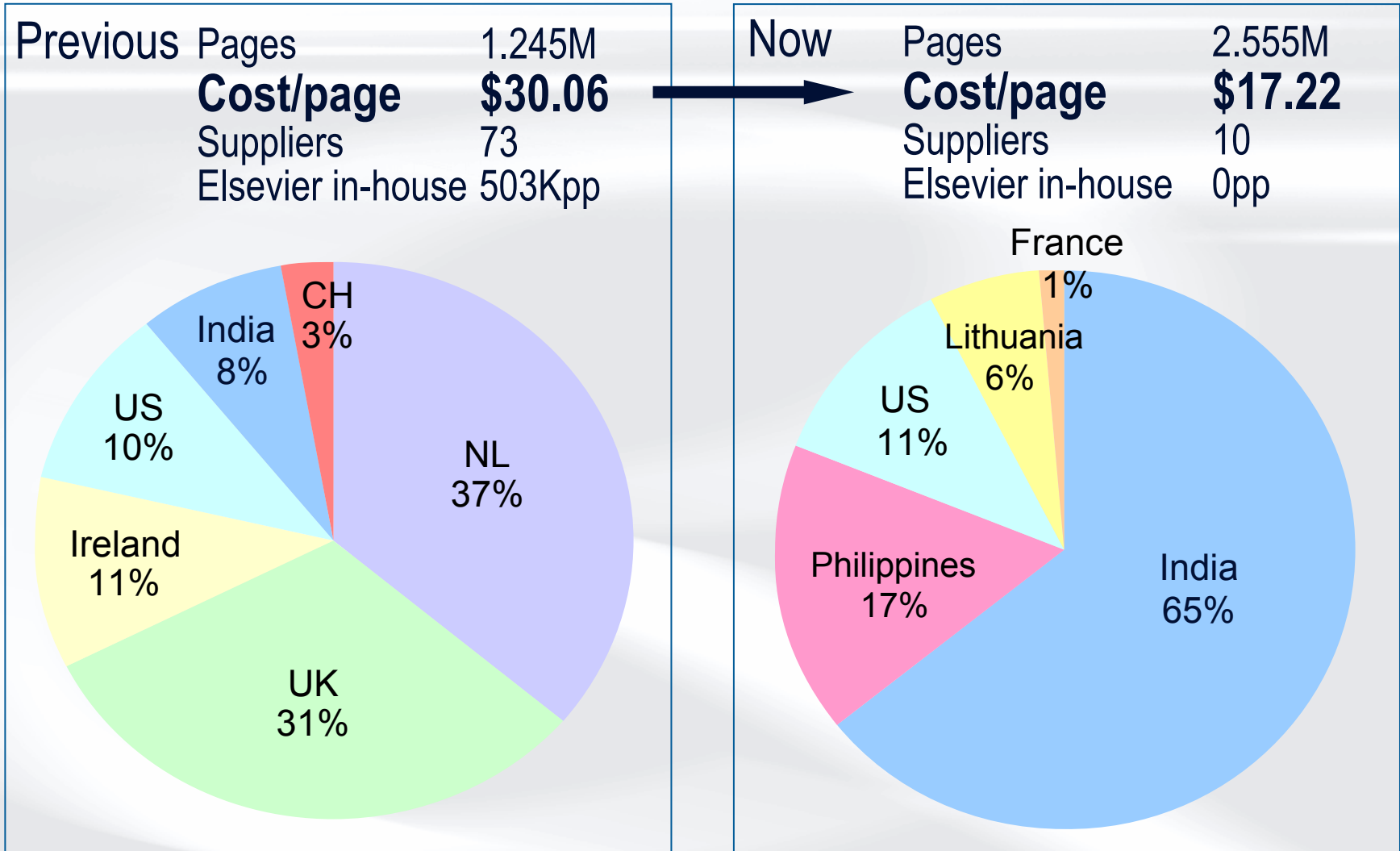
Leverage skills, technology, resource across businesses

Increase focus on operating and supply chain efficiency

Improve Cost Efficiency: Offshoring and Outsourcing at Elsevier

- Elsevier a leader across Reed Elsevier in outsourcing and offshoring
- Typesetting
 - almost all outsourced 80% of volume in low cost countries in 2006
- Printing
 - all outsourced; trend towards printing in eastern Europe and Asia
- Journal mastercopying
 - outsourced to Indian and Philippine suppliers
- Future
 - Production Author Support and Customer Service outsourced to low cost countries

Improve Cost Efficiency: Journal typesetting outsourcing



Improve Cost Efficiency: Consolidating data centres

Large Core Data Centres 2

- Best practice centres
- For most demanding online products
- 24 x 7 support

Mid-Range Data Centres 19 → 2

- Geographic data centres
- Lower costs / lower service levels
- For non-critical applications

Local Server Rooms 114 → 35

- Multiple locations
- Managed remotely

Selective Portfolio Development

Focus on fast growth existing markets:
e-health, risk management, e-business

Financial discipline against established criteria

Selective Portfolio Development

Key area of focus:

Recent acquisitions:



- e-health

Gold Standard, MC Strategies, HESI



- Risk Management

Riskwise, Dolan, Seisint



- B2B online

Buyerzone, e-Media

Selective Portfolio Development

Acquisition Performance: 2004-2006

	All Acquisitions	Revenue CAGR*	2006 post-tax return	2007E post-tax return
	Including:			
2004	Seisint, Saxon, Interface, Ordinate	19%	10%	13%
2005	MediMedia MAP, PC Law, Univentio, Examen	8%	6%	8%
2006	Gold Standard, HESI, Dataflight, Casesoft, Visualfiles	10%	5%*	7%

* presented on a pro forma basis to 2007 from year prior to acquisition

Reed Elsevier Conclusions

Market environment positive

More cohesive business

Consistent focused strategy

Good business momentum

Significant online opportunity

Minimum 10% EPS targeted*

** At constant currencies*



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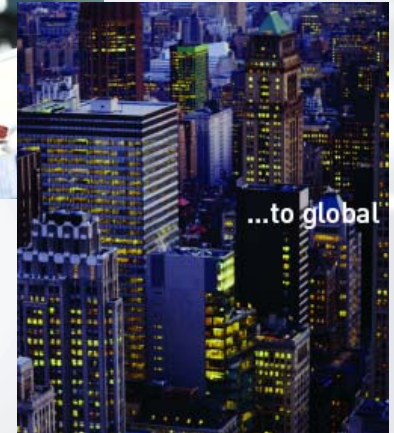
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