

NEWS RELEASE

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Annual General Meetings of Reed Elsevier PLC and Reed Elsevier NV Chairman's Statement

Issued on behalf of Reed Elsevier PLC and Reed Elsevier NV

Morris Tabaksblat, Chairman of Reed Elsevier PLC and Reed Elsevier NV, told shareholders at the Reed Elsevier PLC meeting in London today:

"We were pleased to report another year of good progress in executing against our growth strategy and the delivery of a strong financial result for 2003. Reed Elsevier delivered double digit growth in adjusted earnings per share at constant currencies for the third consecutive year, despite the late cycle effects on each of our markets of the recent global economic slowdown. We continued to invest significantly in the development of new products, expansion of sales and marketing activities, and in pursuing new growth opportunities. Strong relative performances in our markets and further cost efficiencies delivered the good overall result."

Looking at the trading performance in 2004 to date, Mr Tabaksblat commented:

"Overall trading conditions in our main markets have changed little since our 2003 Preliminary Results announcement on 19 February. Results so far this year are in line with our expectations, and we continue to target for the year mid to high single digit growth in adjusted earnings per share at constant currencies and above market revenue growth.

The performance trends in Reed Elsevier's businesses are as follows:

Elsevier has had a sound start to the year. In Science & Technology subscription renewals were strong despite academic library budgets remaining under pressure. Expanded content development and continued good growth in sales of electronic product are expected to contribute to a satisfactory year. In the Health Sciences business, another strong publishing programme is expected to deliver good growth although given the seasonality of the business this will mostly be seen in the second half. Investment in new online products and navigational services is progressing well.

LexisNexis has started the year satisfactorily. Core legal research markets and corporate and academic markets are still held back by the late cycle effect of prior year economic slowdown. Growth is, however, being seen from the investment in new content and online functionalities and workflow applications. The risk management business continues to show strong growth. International growth outside the US is benefiting from strong online sales growth. The global online delivery platform has now been launched in France and Australia and the initial response is encouraging.

Harcourt Education faces an expected market decline in 2004 due to the trough in the state text book adoption cycle and continued state budget pressures. Although textbook sales are mostly in the second half, the response to the new publishing programmes, particularly Maths, is encouraging and Harcourt expects again to perform well in the available 2004 adoptions. The Assessment business is seeing good growth from recent state educational testing contract wins and the UK education business should show some recovery from last year's difficult funding environment. The increased investment in classroom based assessment products is progressing well.

Reed Business is seeing the benefit of a stronger exhibitions business but this is largely due to favourable cycling of non annual shows. On magazines, advertising markets in most sectors remain sluggish. There is, however, more interest now generally amongst advertisers in future programmes and some previously weak sectors, such as electronics and building and construction in the US and recruitment advertising in the UK, are showing signs of stabilisation and potential growth. At this stage no overall growth in the business is foreseen for this year as a whole. As and when market recovery does take hold, Reed Business is expected to show good recovery and the flow through to increased profitability will be strong.

As stated in February, if current exchange rates prevail, there will be an adverse translation impact on reported earnings due to the year-on-year weakness of the US Dollar.

Reed Elsevier continues to be excellently positioned in long term growth markets, and has a clear investment led growth strategy. We expect to deliver on our long term targets of above market revenue growth and double digit growth in adjusted earnings per share at constant currencies in 2005 and beyond as our markets benefit from the upturn in the US schools adoptions and improved economic conditions."

The Annual General Meeting of Reed Elsevier NV, the co-parent of Reed Elsevier Group plc, will be held in Amsterdam tomorrow and Mr Tabaksblat, also Chairman of Reed Elsevier NV, will make the same comments to that meeting.

This announcement contains forward looking statements within the meaning of Section 27A of the Securities Act 1933, as amended, and Section 21E of the Securities Exchange Act 1934, as amended. These statements are subject to a number of risks and uncertainties and actual results and events could differ materially from those currently being anticipated as reflected in such forward looking statements. The terms 'expect', 'should be', 'will be', and similar expressions identify forward looking statements. Factors which may cause future outcomes to differ from those foreseen in forward looking statements include, but are not limited to: general economic conditions and business conditions in Reed Elsevier's markets; exchange rate fluctuations; customers' acceptance of its products and services; the actions of competitors; legislative, fiscal and regulatory developments; changes in law and legal interpretation affecting Reed Elsevier's intellectual property rights; and the impact of technological change.

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