



Reed Elsevier Interim Results 2012
Erik Engstrom, CEO
Mark Armour, CFO

Forward looking statements

This presentation contains forward-looking statements within the meaning of Section 27A of the US Securities Act of 1933, as amended, and Section 21E of the US Securities Exchange Act of 1934, as amended. These statements are subject to a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those currently being anticipated. The terms “estimate”, “project”, “plan”, “intend”, “expect”, “should be”, “will be”, “believe” 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 competitive factors in the industries in which Reed Elsevier operates; demand for Reed Elsevier’s products and services; exchange rate fluctuations; general economic and business conditions; legislative, fiscal, tax and regulatory developments and political risks; the availability of third party content and data; breaches of our data security systems and interruptions in our information technology systems; changes in law and legal interpretations affecting Reed Elsevier’s intellectual property rights and other risks referenced from time to time in the filings of Reed Elsevier with the US Securities and Exchange Commission.

Mark Armour, CFO

2012 H1 financial highlights

- Improved operating performance
 - Underlying revenue +5% (+3% excluding exhibition cycling)
 - Underlying adjusted operating profit +7%
- Overall revenue growth: constant currencies +5%; sterling +5%; euro +12%
- Adjusted operating margin +1.1%pts to 27.7%
- Adjusted eps growth:
 - Reed Elsevier PLC +11% to 24.7p
 - Reed Elsevier NV +18% to €0.47
- Reported eps growth:
 - Reed Elsevier PLC +52% to 24.0p
 - Reed Elsevier NV +57% to €0.47

2012 H1 financial highlights

- Strong cash flow conversion: 92% (94% last 12 months)
- Good financial position
 - Net debt/adjusted ebitda 2.3x (pension and lease adjusted)
- Interim dividends:
 - Reed Elsevier PLC +6% to 6.0p
 - Reed Elsevier NV +18% to €0.130

Adjusted profit and loss

6 months to 30 June	2012 £m	2011 £m	% change	% change constant currency
Revenue	3,053	2,904	+5%	+5%
Adjusted operating profit	845	774	+9%	+8%
Net interest expense	(107)	(112)		
Adjusted profit before tax	738	662	+11%	+11%
Tax	(175)	(154)		
<i>Tax rate %</i>	23.7%	23.3%		
Minority interests	(2)	(2)		
Adjusted net profit	561	506	+11%	+10%

Adjusted figures are stated before amortisation of acquired intangible assets, acquisition related costs, disposal gains / losses and anomalous tax effects

Adjusted profit and loss

6 months to 30 June	2012 £m	2011 £m	% change	% change constant	% change underlying
Revenue	3,053	2,904	+5%	+5%	+5%
Adjusted operating profit	845	774	+9%	+8%	+7%
Adjusted operating margin	27.7%	26.6%	+1.1%pts	+1.0%pts	+0.6%pts

- Underlying revenue +3% excluding exhibition cycling
- Underlying revenue and profit growth in each business
- Margin improvement includes impact of portfolio changes (+0.4%pts) and net currency benefits (+0.1%pts)
- Continued gains in operational efficiency, while investing in new product, sales & marketing, and improved geographic balance

Underlying change fully excludes results of all acquisitions and disposals made both in year and prior year and assets held for sale

Revenue

6 months to 30 June	2012 £m	2011 £m	% change constant	% change underlying
Elsevier	978	961	+2%	+2%
LexisNexis Risk Solutions	462	452	0%	+5%
LexisNexis Legal & Professional	780	779	-1%	+1%
Reed Exhibitions	486	368	+33%	+23%
Reed Business Information	347	344	+2%	+1%
Reed Elsevier	3,053	2,904	+5%	+5%

Adjusted operating profit

6 months to 30 June	2012 £m	2011 £m	% change constant	% change underlying
Elsevier	352	343	+2%	+4%
LexisNexis Risk Solutions	191	178	+5%	+5%
LexisNexis Legal & Professional	100	94	+7%	+2%
Reed Exhibitions	151	113	+34%	+30%
Reed Business Information	63	53	+19%	+10%
Corporate costs	(25)	(24)		
Net pension financing credit	13	17		
Reed Elsevier	845	774	+8%	+7%

Change in underlying revenue, cost, profit

6 months to 30 June 2012	Revenue	Adjusted operating cost	Adjusted operating profit
Elsevier	+2%	+2%	+4%
LexisNexis Risk Solutions	+5%	+5%	+5%
LexisNexis Legal & Professional	+1%	+1%	+2%
Reed Exhibitions	+23%	+20%	+30%
RBI	+1%	-1%	+10%
Reed Elsevier – <i>underlying</i>	+5%	+4%	+7%
Reed Elsevier – <i>total</i>	+5%	+3%	+8%

Total at constant currencies

Adjusted earnings per share

6 months to 30 June	2012	2011	%	2012	2011	%
Adjusted net profit:						
Reed Elsevier	£561m	£506m	+11%	€685m	€582m	+18%
PLC (52.9%)	£297m	£268m	+11%			
NV (50.0%)				€343m	€291m	+18%
Average number of shares:						
PLC (m)	1,203.7	1,201.5	0%			
NV (m)				735.7	735.1	0%
Adjusted earnings per share:						
PLC	24.7p	22.3p	+11%			
NV				€0.47	€0.40	+18%

Reported profit before tax

6 months to 30 June	2012 £m	2011 £m	% change
Adjusted profit before tax	738	662	+11%
Adjustments			
Amortisation of acquired intangible assets	(166)	(170)	
Acquisition related costs	(8)	(18)	
Reclassification of tax in joint ventures	(1)	(7)	
Disposals and other non-operating items	103	9	
Reported profit before tax	666	476	+40%

Adjusted operating cash flow

6 months to 30 June	2012 £m	2011 £m
Adjusted operating profit	845	774
Capital expenditure	(150)	(154)
Depreciation	113	95
	(37)	(59)
Working capital and other items	(30)	(23)
Adjusted operating cash flow	778	692
Cash flow conversion rate	92%	89%

- Capex 5% of H1 revenue; 6% expected for full year
- Cash conversion rate 94% (2011: 93%) LTM

Free cash flow

6 months to 30 June	2012 £m	2011 £m	% change
Adjusted operating cash flow	778	692	+12%
Interest paid	(100)	(102)	
Tax paid	(126)	(104)	
Free cash flow before exceptional spend	552	486	
Restructuring / acquisition integration*	(32)	(46)	
Free cash flow before dividends	520	440	+18%
Ordinary dividends (prior year final)	(377)	(363)	
Free cash flow post dividends	143	77	

- Free cash flow post dividends seasonally weighted to second half

**Net of cash tax relief / repayments*

Balance sheet

	30 June 2012 £m	31 Dec 2011 £m
Goodwill & intangible assets	8,201	8,223
Tangible fixed assets	266	288
Investments & net assets held for sale	222	215
Net pension obligations	(396)	(242)
Working capital	(1,049)	(1,060)
Capital employed	7,244	7,424
Shareholders' equity	2,242	2,172
Net debt	3,318	3,433
Current & deferred tax (net)	1,603	1,701
Other net liabilities / minorities	81	118
	7,244	7,424

Movement in net debt

	£m	\$m
Net debt at 31 December 2011	(3,433)	(5,325)
Free cash flow post dividends	143	225
Acquisitions / disposals		
– Acquisitions*	(174)	(275)
– Disposals*	124	196
	(50)	(79)
Net proceeds from share options exercised / other	(7)	(11)
Currency translation	29	(13)
Net debt at 30 June 2012	(3,318)	(5,203)

- Net debt / LTM ebitda 2.3x (pensions and lease adjusted) (Dec 2011: 2.3x)
 - 1.7x unadjusted basis (December 2011: 1.8x)

*Net of cash tax payments / reliefs

Use of divestment proceeds

- Gross proceeds of 2012 divestments to be used to buy back shares
 - Mitigating eps dilution from disposals
- Gross cash proceeds of £158m/€193m to 30 June 2012
- On market purchases of Reed Elsevier PLC and Reed Elsevier NV shares
- Ratio of purchases set by reference to equalisation ratio and issued share capitals

Impact of IAS 19 (revised) – effective 1 January 2013

- IAS 19 – Employee Benefits (revised) effective 1 January 2013
- Principal change relates to the net pension financing credit / charge
 - Return on assets to be calculated by reference to high quality corporate bond discount rate (i.e. same rate as used for discounting liabilities)
 - To be included in net finance costs and excluded from adjusted earnings measures
- Balance sheet and cash flows unaffected
- H1 2012 pro forma impact would be £13m / €16m reduction in adjusted profit before tax
- Restatement of comparatives in 2013 reporting

Dividends

	Reed Elsevier PLC			Reed Elsevier NV		
	2012	2011	% change	2012	2011	% change
Interim dividend	6.0p	5.65p	+6%	€0.130	€0.110	+18%
LTM dividend cover	2.2x	2.2x		2.0x	1.9x	

- Difference in dividend growth rates reflects changes in the euro:sterling exchange rate since prior year dividend announcement date
 - Interim: 2012 €1.27:£1 v 2011 €1.14:£1
- 2011 final dividend equalisation was at €1.20:£1 exchange rate (February 2012)

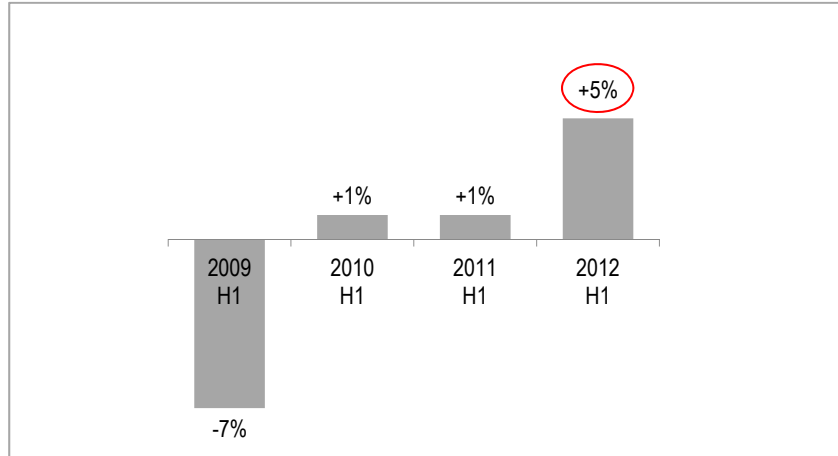
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Erik Engstrom, CEO

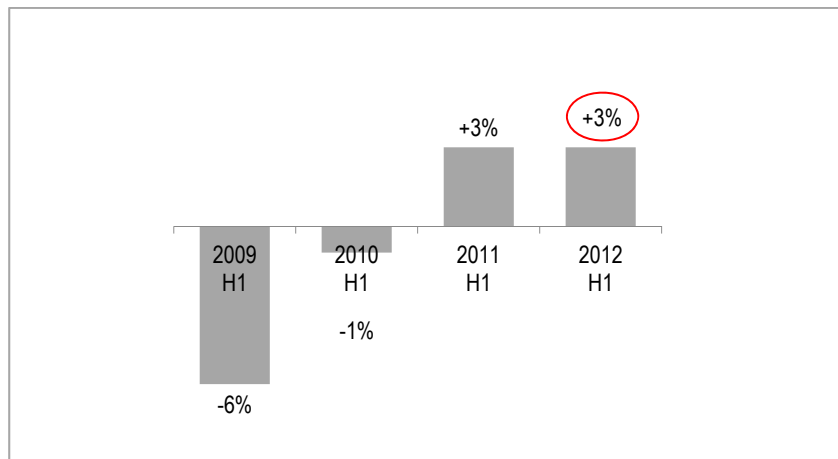
Reed Elsevier H1 2012 progress

- Improving performance in difficult macroeconomic environment
 - Underlying revenue and profit growth in all five business areas
- Continuing transformation of asset base and earnings quality
 - Organic development of digital platforms and new products
 - Portfolio evolution towards higher underlying growth and profitability

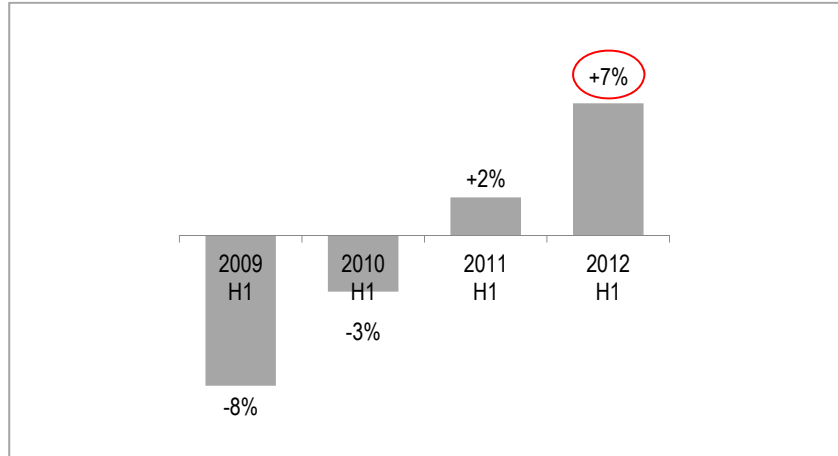
Good H1 underlying revenue growth as reported, including biennial exhibition cycling



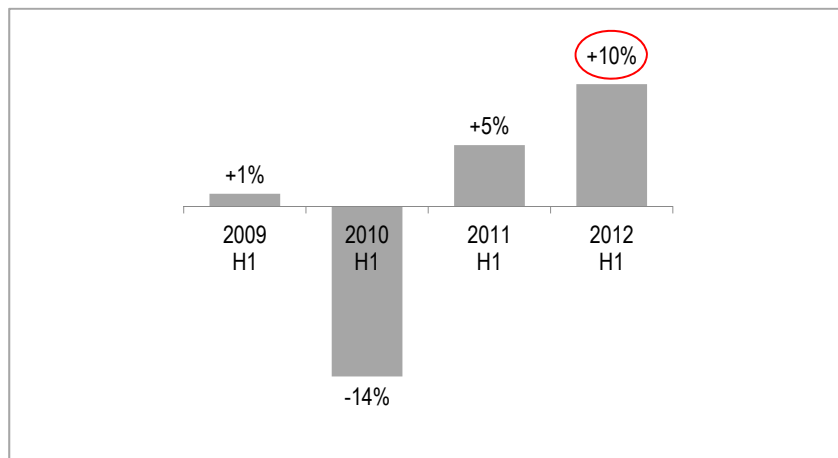
Good H1 underlying revenue growth excluding biennial exhibition cycling



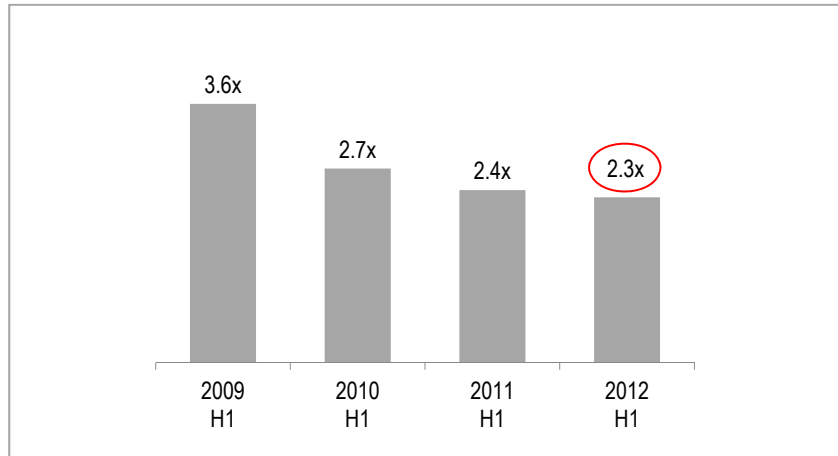
Improvement in H1 underlying adjusted operating profit growth



Strong H1 adjusted earnings per share growth Constant currency



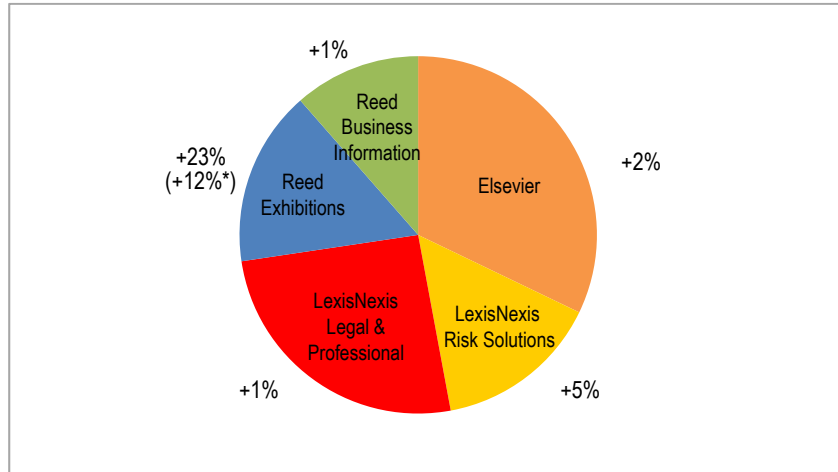
Further reduction in H1 net debt/EBITDA



*LTM to 30 June
Pension and lease adjusted; 2009 H1 pro forma for ChoicePoint*

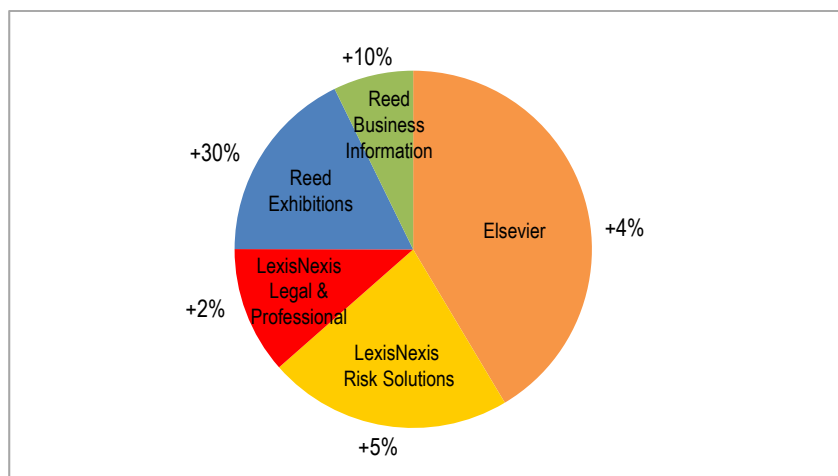
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Underlying H1 revenue growth across all five business areas



*excluding cycling

Underlying H1 adjusted operating profit growth across all five business areas



Elsevier



H1 underlying revenue growth



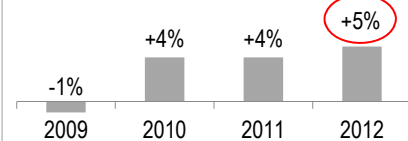
- Unit volume growth in research across science and health, particularly in emerging markets; double digit growth in usage and submissions
- Strong revenue growth in databases and tools
- Double digit growth in electronic health revenues offset by declines in print books and pharma promotion
- Operating profit growth reflecting process efficiency

FY Outlook: H1 trends continuing into H2 generating modest underlying growth

LexisNexis Risk Solutions



H1 underlying revenue growth



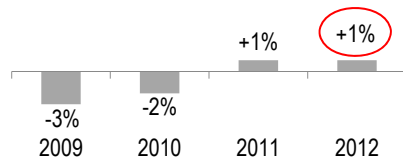
- Strong Insurance growth driven by product extensions across carrier workflow
- Good Business Solutions growth driven by financial services and corporate markets
- Modest growth in Screening; Government mixed
- Margin gains reflect ongoing operational efficiencies while investing in new products and markets and exit from low margin activities

FY Outlook: Continued good growth in Insurance and Business Services supported by new products; Government remains mixed

LexisNexis Legal & Professional



H1 underlying revenue growth



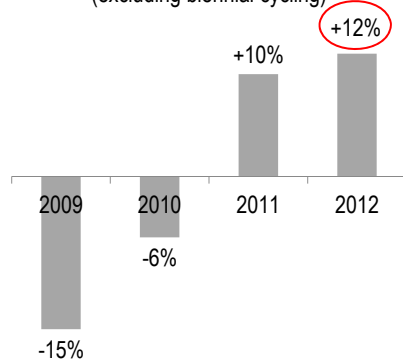
- Good growth in new sales and usage of legal research in law firms and corporate customers
- Double digit growth in online searches
- Print declines continue
- Development of digital platforms and new products progressing well
- Margins recovering slightly

FY Outlook: Customer markets remain subdued, limiting upside to revenue growth and further margin expansion

Reed Exhibitions



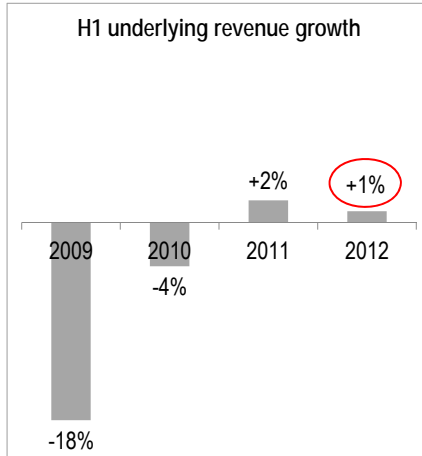
H1 underlying revenue growth (excluding biennial cycling)



- Underlying growth ex cycling +12%; strong emerging markets and US; H1 phasing benefit
- 15 new launches; majority in high growth markets leveraging global sector groups and technology platforms
- Buy out of Brazilian JV and small acquisitions
- H1 margin improvement partially reflects positive impact of show timing

FY Outlook: Continued strong underlying revenue growth (excluding cycling), albeit moderated from H1 double digit rate as annual show timing unwinds

H1 underlying revenue growth



- Major data services growing well; double digit growth in ICIS, Bankers Accuity, XperHR; US construction market still soft
- 2011 acquisitions performed well
- Leading brands stable
- Further disposals completed and announced
- Record margin of 18% driven by process efficiency and portfolio reshaping

FY Outlook : Good growth in data services, stable leading brands, continued weakness in other magazines & services

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Reed Elsevier full year outlook

- Macro economic environment remains uncertain
- Based on H1 results, we expect to deliver underlying revenue and profit growth

Reed Elsevier strategic direction

Where we are going

- Deliver improved outcomes to professional customers
- Combine content & data with analytics & technology in global platforms
- Build leading positions in long term global growth markets
- Leverage institutional skills, assets and resources across Reed Elsevier

How we are getting there

- Organic investment in transforming core business
- Organic build-out of new products into adjacent markets and geographies
- Selective acquisitions
- Selective divestments

H1 progress - organic

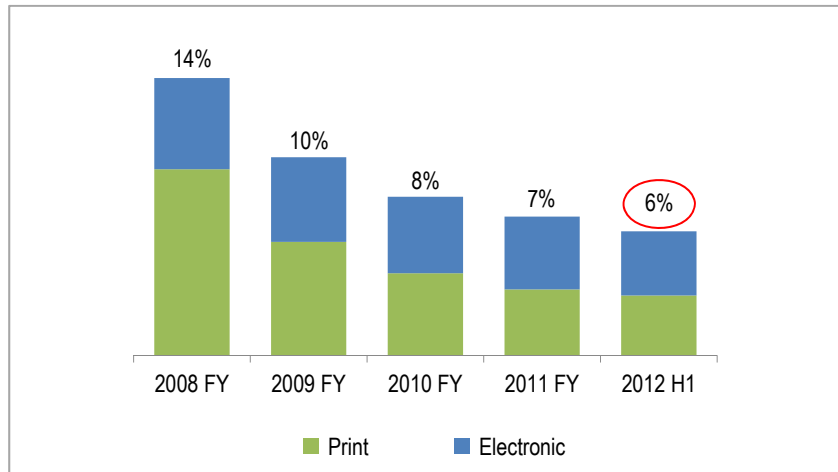
- Organic investment in transforming core businesses
 - Extended insurance workflow and corporate risk products on HPCC
 - Released new versions of Lexis Advance; positive customer reaction
 - Launched ClinicalKey strengthening online medical reference
 - Rolled out Nova technology platform across exhibitions globally
- Organic build-out of new products into adjacent markets and geographies
 - Launched 15 new exhibitions in high growth markets
 - Expanded international data services; XpertHR in US
 - Introduced insurance data services in UK
 - Released new legal practical guidance products internationally

H1 progress - portfolio

- Selective acquisitions: Focused on small “natural owner” opportunities
 - Bought out Brazilian JV; added small exhibitions in high growth markets
 - Acquired small data services and content sets across business areas
- Selective divestments: Disposals accelerated
 - Completed Totaljobs, MarketCast, other small publishing and services
 - Announced Variety and RBI Australia; further disposals planned
 - Disposals mildly dilutive to EPS
 - Intend to use disposal proceeds to buy back shares, mitigating dilution

Changing revenue mix

Advertising declining as percentage of total revenues



Implications for Reed Elsevier business profile

Improving quality of earnings

- More predictable revenues
 - Transforming business mix by revenue type
 - Improving geographic balance
- Higher growth profile
 - Expanding in high growth markets and geographies across all business areas
 - Exiting structurally challenged businesses; gradually reducing print format drag
- Improving returns
 - Focusing on organic development
 - Limiting acquisitions to “natural owner” assets

Appendices

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Financial information in Euros

Adjusted profit and loss

6 months to 30 June	2012 €m	2011 €m	% change	% change constant currency
Revenue	3,725	3,340	+12%	+5%
Adjusted operating profit	1,031	890	+16%	+8%
Net interest expense	(131)	(129)		
Adjusted profit before tax	900	761	+18%	+11%
Tax	(212)	(177)		
<i>Tax rate %</i>	23.7%	23.3%		
Minority interests	(3)	(2)		
Adjusted net profit	685	582	+18%	+10%

Adjusted figures are stated before amortisation of acquired intangible assets, acquisition related costs, disposal gains / losses and anomalous tax effects

Revenue

6 months to 30 June	2012 €m	2011 €m	% change constant	% change underlying
Elsevier	1,193	1,105	+2%	+2%
LexisNexis Risk Solutions	564	520	0%	+5%
LexisNexis Legal & Professional	952	896	-1%	+1%
Reed Exhibitions	593	423	+33%	+23%
Reed Business Information	423	396	+2%	+1%
Reed Elsevier	3,725	3,340	+5%	+5%

Adjusted operating profit

6 months to 30 June	2012 €m	2011 €m	% change constant	% change underlying
Elsevier	430	394	+2%	+4%
LexisNexis Risk Solutions	233	205	+5%	+5%
LexisNexis Legal & Professional	122	108	+7%	+2%
Reed Exhibitions	184	130	+34%	+30%
Reed Business Information	77	61	+19%	+10%
Corporate costs	(31)	(28)		
Net pension financing credit	16	20		
Reed Elsevier	1,031	890	+8%	+7%

Reported profit before tax

6 months to 30 June	2012 €m	2011 €m	% change
Adjusted profit before tax	900	761	+18%
Adjustments			
Amortisation of acquired intangible assets	(203)	(195)	
Acquisition related costs	(10)	(21)	
Reclassification of tax in joint ventures	(1)	(8)	
Disposals and other non-operating items	127	10	
Reported profit before tax	813	547	+49%

Adjusted operating cash flow

6 months to 30 June	2012 €m	2011 €m
Adjusted operating profit	1,031	890
Capital expenditure	(183)	(177)
Depreciation	138	109
	(45)	(68)
Working capital and other items	(37)	(26)
Adjusted operating cash flow	949	796
Cash flow conversion rate	92%	89%

Free cash flow

6 months to 30 June	2012 €m	2011 €m	% change
Adjusted operating cash flow	949	796	+19%
Interest paid	(122)	(117)	
Tax paid	(154)	(120)	
Free cash flow before exceptional spend	673	559	
Restructuring / acquisition integration*	(39)	(53)	
Free cash flow before dividends	634	506	+25%
Ordinary dividends (prior year final)	(460)	(417)	
Free cash flow post dividends	174	89	

*Including cash tax relief / repayments

Balance sheet

	30 June 2012 €m	31 Dec 2011 €m
Goodwill & intangible assets	10,169	9,867
Tangible fixed assets	330	346
Investments & net assets held for sale	276	258
Net pension obligations	(491)	(290)
Working capital	(1,300)	(1,272)
Capital employed	8,984	8,909
Shareholders' equity	2,780	2,606
Net debt	4,114	4,119
Current & deferred tax (net)	1,988	2,042
Other net liabilities / minorities	102	142
	8,984	8,909

Movement in net debt

	€m
Net debt at 31 December 2011	(4,119)
Free cash flow post dividends	174
Acquisitions / disposals	
- Acquisitions*	(212)
- Disposals*	151
	(61)
Net proceeds from share options exercised / other	(9)
Currency translation	(99)
Net debt at 30 June 2012	(4,114)

**Net of cash tax payments / reliefs*

Further information

Revenue: Reconciliation

6 months to 30 June	£m	% change	€m	% change
2011 Revenue	2,904		3,340	
Base businesses	139	+5%	159	+5%
Acquisitions	80	+3%	92	+3%
Disposals	(80)	-3%	(92)	-3%
Currency effects	10	+0%	226	+7%
2012 Revenue	3,053	+5%	3,725	+12%

Adjusted operating profit: Reconciliation

6 months to 30 June	£m	% change	€m	% change
2011 Adjusted operating profit	774		890	
Base business	57	+7%	65	+7%
Acquisitions / disposals	10	+1%	11	+1%
Currency effects	4	+1%	65	+8%
2012 Adjusted operating profit	845	+9%	1,031	+16%

Reported net profit

6 months to 30 June	2012 £m	2011 £m	2012 €m	2011 €m
Adjusted net profit	561	506	685	582
Adjustments (post tax)				
Amortisation of acquired intangible assets	(171)	(177)	(209)	(204)
Acquisition related costs	(6)	(12)	(8)	(14)
Disposals and other	136	11	166	13
Deferred tax	45	49	55	57
Reported net profit	565	377	689	434

Dividend equalisation

	Interim		
	2012	2011	% change
Reed Elsevier PLC (p)	6.00	5.65	+6%
UK tax credit rate	10%	10%	
Reed Elsevier PLC (p) (gross)	6.67	6.28	
Equalisation ratio	1.538	1.538	
Exchange rate (€:£)	1.27	1.14	
Reed Elsevier NV (€)	0.130	0.110	+18%

Elsevier growth and currency analysis



	Underlying	Acquisitions/ disposals	Constant currency	Year on year change in hedge rates	Other currency effects	Total
6 months to 30 June 2012						
Revenue	+2%	0%	+2%	+1%	-1%	+2%
Adjusted operating profit	+4%	-2%	+2%	+3%	-2%	+3%
Adjusted operating margin	+0.4%	-0.3%	+0.1%	+0.8%	-0.6%	+0.3%
12 months to 31 December 2011						
Revenue	+2%	-1%	+1%	+1%	0%	+2%
Adjusted operating profit	+4%	-1%	+3%	+3%	0%	+6%
Adjusted operating margin	+0.7%	0.0%	+0.7%	+0.8%	+0.1%	+1.6%

Reed Exhibitions: cycling impact



Revenue growth %	2007	2008	2009	2010	2011	H1 2012
Total	+13%	+9%	-21%	+9%	+1%	+33%
Impact of acquisitions / divestments	+1%	-2%*	+1%	+1%	+1%	+10%
Underlying	+12%	+11%	-22%	+8%	0%	+23%
Impact of show cycling	0%	+7%	-7%	+11%	-10%	+11%
Underlying excluding cycling	+12%	+4%	-15%	-3%	+10%	+12%

- FY 2012: positive net cycling in: c.7-9% points
- FY 2013: full ownership of Alcantara Machado reduces net cycling out effect to c.5-6% points

*Biennial defence shows sold in 2008, leading to greater net cycling effect

Impact of IAS 19 (revised) – effective 1 January 2013 (£)

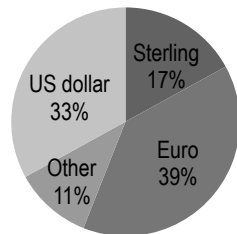
	Adjusted earnings measures			Reported figures		
	Six months to 30 June 2012			Six months to 30 June 2012		
	Current IAS19 £m	Pro forma change £m	Revised IAS19 £m	Current IAS19 £m	Pro forma change £m	Revised IAS19 £m
Operating profit	845	(13)	832	670	(13)	657
Net finance costs	(107)	-	(107)	(107)	(6)	(113)
Disposals and other non-operating	-	-	-	103	-	103
Profit before tax	738	(13)	725	666	(19)	647
Net profit after tax	561	(9)	552	565	(13)	552
Earnings per share: PLC (p)	24.7		24.3	24.0		23.4
% growth	11%		12%	52%		55%
Earnings per share: NV (€)	0.47		0.46	0.47		0.46
% growth	18%		18%	57%		62%
Calculation of net pension financing credit / (charge)						
	Six months to 30 June 2012			Six months to 30 June 2011		
	Current IAS19 (for 2012) £m	Revised IAS19 (from 2013) £m	Current IAS19 (for 2012) £m	Revised IAS19 (from 2013) £m		
Expected return on scheme assets	111	92	117	95		
Interest on pension obligations	(98)	(98)	(100)	(100)		
	13	(6)	17	(5)		

Impact of IAS 19 (revised) – effective 1 January 2013 (€)

	Adjusted earnings measures			Reported figures		
	Six months to 30 June 2012			Six months to 30 June 2012		
	Current IAS19 €m	Pro forma change €m	Revised IAS19 €m	Current IAS19 €m	Pro forma change €m	Revised IAS19 €m
Operating profit	1,031	(16)	1,015	817	(16)	801
Net finance costs	(131)	-	(131)	(131)	(7)	(138)
Disposals and other non-operating	-	-	-	127	-	127
Profit before tax	900	(16)	884	813	(23)	790
Net profit after tax	685	(11)	674	689	(16)	673
Earnings per share: PLC (p)	24.7		24.3	24.0		23.4
% growth	11%		12%	52%		55%
Earnings per share: NV (€)	0.47		0.46	0.47		0.46
% growth	18%		18%	57%		62%
Calculation of net pension financing credit / (charge)						
	Six months to 30 June 2012			Six months to 30 June 2011		
	Current IAS19 (for 2012) €m	Revised IAS19 (from 2013) €m	Current IAS19 (for 2012) €m	Revised IAS19 (from 2013) €m		
Expected return on scheme assets	135	112	135	109		
Interest on pension obligations	(119)	(119)	(115)	(115)		
	16	(7)	20	(6)		

Currency profile

2012 Adjusted profit before tax



Average rates for period:	Half year		Full year	
	2012	2011	2012*	2011
£				
US dollar	1.58	1.62	1.56	1.60
Euro	1.22	1.15	1.25	1.15
€				
US dollar	1.30	1.41	1.25	1.39
Sterling	0.82	0.87	0.80	0.88
Period end rates:	30 June 2012	31 Dec 2011	30 June 2011	
£				
US dollar	1.57	1.55	1.61	
Euro	1.24	1.20	1.11	
€				
US dollar	1.27	1.29	1.45	
Sterling	0.81	0.83	0.90	

*Full year 2012 exchange rates if 25 July 2012 rates (GBP:US\$ 1.55; GBP:EUR 1.28) prevail to end of 2012

Credit metrics

	LTM 30 June 2012	LTM 31 Dec 2011
Net debt / ebitda	2.3x	2.3x
Funds from operations / net debt	32.3%	29.2%
Retained cash flow / net debt	21.7%	19.9%
Net interest cover	7.0x	6.4x
Long term credit rating (S&P/Moody's/Fitch)	BBB+ / Baa1 / A-	BBB+ / Baa1 / A-

Pension and lease adjusted; ebitda after acquisition related costs; calculated in US dollars

Cost of borrowings

Debt predominantly denominated in US dollars at 30 June 2012

- 68% of gross debt (31 Dec 2011: 66%)
- 74% of net debt (31 Dec 2011: 78%)

Majority of debt fixed at 30 June 2012

- 64% of gross debt (31 Dec 2011: 69%)

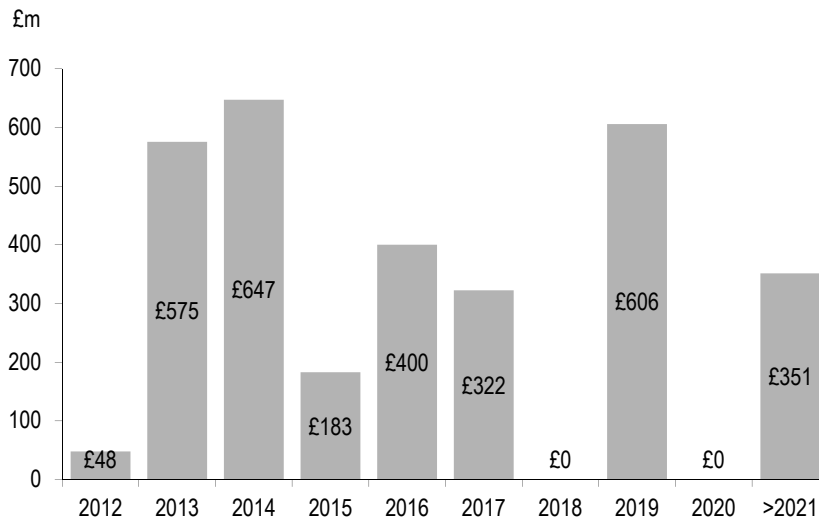
Blended interest rate on gross debt

- 5.6% estimated for full year 2012

Interest on free cash flow at low marginal rates

Percentage of debt in US dollars and fixed rate debt stated including impact of swaps

Term debt maturity profile (£)



Term debt stated at par value

Information for US institutions

- Reed Elsevier PLC ADR (ticker: RUK) and Reed Elsevier NV ADR (ticker: ENL) are NYSE-listed
- Each Reed Elsevier PLC ADR represents 4 Reed Elsevier PLC ordinary shares
- Each Reed Elsevier NV ADR represents 2 Reed Elsevier NV ordinary shares
- PLC and NV ADRs are members of many indices including the following:
 - NYSE Composite Index
 - NYSE TMT Index
 - BNY Mellon Composite ADR Index
 - BNY Mellon Developed Markets 100 ADR Index
 - BNY Mellon Europe ADR Index
 - BNY Mellon Europe Select ADR Index
 - BNY Mellon Euro-Pacific Select ADR Index
- Depositary is The Bank of New York Mellon



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