



Reed Elsevier Results 2009

Erik Engstrom, CEO

Mark Armour, CFO



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Mark Armour, CFO



2009 performance highlights

Revenue £6,071m +14%; adjusted operating profit £1,570m +14%;
adjusted operating margin 25.9%

- Core professional information revenues relatively robust
- Advertising and promotion markets impacted by global recession
- Excellent first year profit growth from ChoicePoint acquisition
- Margin held flat: lower underlying revenues and increased investment offset by substantial cost actions and integration benefits
- Significant currency translation benefits in sterling
- Strong operating cash flow conversion at 99%

Adjusted earnings per share

Reed Elsevier PLC 45.9p +3%; Reed Elsevier NV €0.79 -8%; constant currency -9%

- Adjusted pre-tax profit £1,279m +6% in sterling / €1,432m -6% in euros
- Equity placing: 4% dilution in 2009 adjusted eps; stronger financial position

Adjusted figures are stated before amortisation and impairment of acquired intangible assets and goodwill, exceptional restructuring and acquisition related costs, and disposal gains/losses.



Adjusted profit and loss

Year to 31 December	2009 £m	2008 £m	% change	% change constant
Revenue	6,071	5,334	+14%	0%
Adjusted operating profit	1,570	1,379	+14%	+1%
Net interest expense	(291)	(174)		
Adjusted profit before tax	1,279	1,205	+6%	-6%
Tax	(293)	(282)		
Minority interests	(4)	(4)		
Adjusted profit attributable	982	919	+7%	-5%



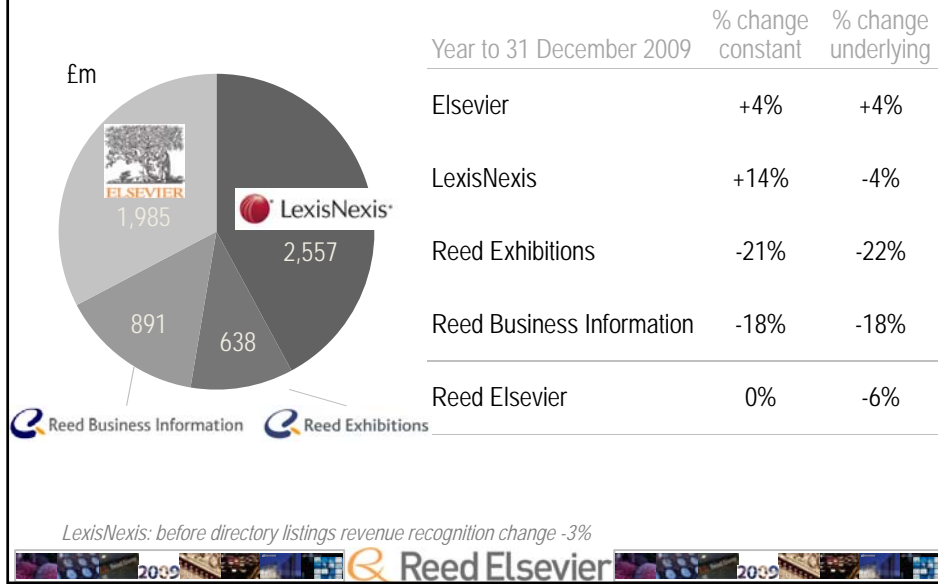
Adjusted profit and loss

Year to 31 December	2009 £m	2008 £m	% change	% change constant	% change underlying
Revenue	6,071	5,334	+14%	0%	-6%
Adjusted operating profit	1,570	1,379	+14%	+1%	-9%
Adjusted operating margin	25.9%	25.9%	0.0%pts		-0.8pts

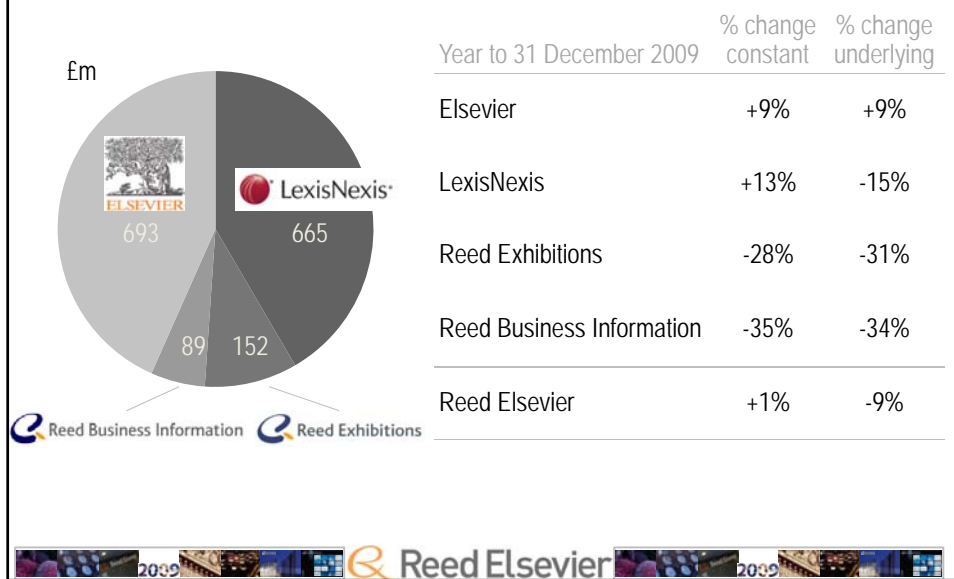
- Underlying margin decline limited to 0.8%pts through significant cost actions
- Overall margin unchanged with substantial increase in ChoicePoint profitability



Revenue: £6,071m



Adjusted operating profit: £1,570m



Change in underlying revenue, cost, profit

Year to 31 December 2009	Revenue	Adjusted operating cost	Adjusted operating profit
Elsevier	+4%	+1%	+9%
LexisNexis	-4%	-1%	-15%
Reed Exhibitions	-22%	-18%	-31%
Reed Business Information	-18%	-15%	-34%
Reed Elsevier	-6%	-5%	-9%
Change £m	-£370m	-£227m	-£143m

% underlying change excluding acquisitions and disposals



Exceptional restructuring programmes

£m	Total costs		Annual savings (E)			
	2008	2009	2008	2009	2010	2011
February 2008/2009 plan	152	146	25	130	190	225
Current status	152	182	25	140	215	245

- Restructuring programmes delivering against targets; cash payback <3 years
- 2009 scope increase mostly relates to real estate consolidation
- 2010: further RBI restructuring to address reduced revenue expectation
- Divestment, restructure, closure costs of RBI US controlled circulation and other titles of £65m included in disposal losses and other non operating items

2009-2011 at 2009 average exchange rates



ChoicePoint acquisition (pro forma)



Year to 31 December	Revenues			Adjusted operating profit		
	2009 \$m	2008 \$m	% change	2009 \$m	2008 \$m	% change
Insurance	606	553	+10%	317	274	+16%
Non-Insurance	311	359	-13%	56	45	+24%
Corporate/shared	-	-		(56)	(99)	
ChoicePoint	917	912	+1%	317	220	+44%

- Strong insurance growth; declines in employment screening and other markets
- Integration on track to deliver \$150m annual cost savings in 2011
 - >\$70m to date plus operating savings in screening
 - Savings achieved earlier; overall target unchanged
- 6.0% return post tax in first year

ChoicePoint pro forma: excludes discontinued operations and businesses sold; before transaction related expenses and other non recurring operating charges



Adjusted operating cash flow

Year to 31 December	2009 £m	2008 £m
Adjusted operating profit	1,570	1,379
Capital expenditure	(242)	(172)
Depreciation	223	167
	(19)	(5)
Working capital and other items	7	33
Adjusted operating cash flow	1,558	1,407
Cash flow conversion rate	99%	102%



Capital expenditure

Year to 31 December	% of 2009 revenues	2009 £m	2008 £m
Elsevier	4%	73	56
LexisNexis	6%	140	79
Reed Exhibitions	2%	10	11
Reed Business Information	2%	19	26
Total	4%	242	172

- Full year of ChoicePoint
- Increasing investment in product platforms and infrastructure, particularly in LexisNexis
- Currency translation effects in sterling

£15m (2008: £7m) corporate capital expenditure allocated (principally technology assets)



Adjusted profit and loss

Year to 31 December	2009 £m	2008 £m	% change	% change constant
Adjusted operating profit	1,570	1,379	+14%	+1%
Net interest expense	(291)	(174)		
Adjusted profit before tax	1,279	1,205	+6%	-6%
Tax	(293)	(282)		
<i>Adjusted tax rate %</i>	<i>22.9%</i>	<i>23.4%</i>		
Minority interests	(4)	(4)		
Adjusted profit attributable	982	919	+7%	-5%

- Higher interest expense; full year impact of ChoicePoint financing
- Tax rate marginally lower; financing efficiencies and geographic mix effects



Adjusted earnings per share

Year to 31 December	2009	2008	%	2009	2008	%
Adjusted profit attributable:						
Reed Elsevier	£982m	£919m	+7%	€1,099m	€1,159m	-5%
PLC (52.9%)	£519m	£486m	+7%			
NV (50.0%)				€550m	€580m	-5%
Average number of shares:						
PLC (m)	1,131.4	1,089.5	+4%			
NV (m)				693.9	669.0	+4%
Adjusted earnings per share:						
PLC	45.9p	44.6p	+3%			
NV				€0.79	€0.87	-8%

- July 2009 9.9% equity placings: c4% dilutive effect in both 2009 and 2010 (c8% in H1)



Statutory profit before tax

Year to 31 December	2009 £m	2008 £m	% change
Adjusted profit before tax	1,279	1,205	+6%
Adjustments			
Amortisation of acquired intangible assets	(368)	(281)	
Impairment of acquired intangible assets and goodwill	(177)	(9)	
Exceptional restructuring costs	(182)	(152)	
Acquisition integration costs	(48)	(45)	
Reclassification of tax in joint ventures	(8)	(9)	
Disposals and other non-operating items	(61)	(92)	
Statutory profit before tax	435	617	-29%



Free cash flow

Year to 31 December	2009 £m	2008 £m	% change
Adjusted operating cash flow	1,558	1,407	+11%
Interest paid	(293)	(161)	
Tax paid	(214)	(247)	
Free cash flow before dividends	1,051	999	+5%
Ordinary dividends	(457)	(418)	
Restructuring expense/acquisition integration*	(133)	(85)	
Free cash flow post dividends and exceptionals	461	496	

*Net of cash tax benefit



Movement in net debt

	£m	\$m
Net debt at 31 December 2008	(5,726)	(8,284)
Free cash flow post dividends and exceptionals*	461	724
Acquisitions net of disposals		
- Prior year transactions*	(27)	(42)
- Current year	(14)	(22)
	(41)	(64)
Net proceeds of equity placing and share options exercised	834	1,309
Other	(18)	(28)
Currency translation	559	(6)
Net debt at 31 December 2009	(3,931)	(6,349)

*Net of cash tax benefit



Credit metrics

	LTM 31 December 2009	LTM 30 June 2009
Net debt / EBITDA	2.9x	3.6x
Funds from operations / net debt	28.9%	21.0%
Retained cash flow / net debt	17.7%	13.6%
Net interest cover	5.0x	5.5x
Long term credit rating	BBB+ / Baa1 / A-	BBB+ / Baa1 / A-
Long term target range of 2-3x net debt / ebitda		

Ratios pension and lease adjusted; calculated in US dollars; ebitda before certain restructuring costs; LTM 30 June 2009 pro forma for ChoicePoint



Balance sheet

	2009 £m	2008 £m
Goodwill & intangible assets	7,971	9,305
Tangible fixed assets	292	329
Investments & net assets held for sale	176	241
Net pensions obligations	(235)	(369)
Working capital	(857)	(832)
Capital employed	7,347	8,674
Shareholders' equity	1,732	953
Net debt	3,931	5,726
Current & deferred tax (net)	1,543	1,726
Other net liabilities / minorities	141	269
	7,347	8,674



Post tax return on invested capital

	2009 £m	2008 £m
Taxed adjusted operating profit	1,210	1,056
Average invested capital at average exchange rates	11,609	8,747
Return on average invested capital	10.4%	12.1%

- Initial dilutive effect of ChoicePoint acquisition
- Lower underlying adjusted operating profits (ie excluding ChoicePoint)



Dividends

	Reed Elsevier PLC		Reed Elsevier NV	
Equalised dividends:				
Interim dividend	5.4p	+2%	€0.107	-6%
Final dividend (proposed)	15.0p	0%	€0.293	+1%
Total	20.4p	+0.5%	€0.400	-1%
Dividend cover	2.3x		2.0x	

- Difference in dividend growth rates reflects changes in the euro:sterling exchange rate since prior year dividend announcement dates
 - Interim: 2009 €1.16:£1 v €1.26:£1 in 2008
 - Final: 2009 €1.14:£1 v €1.13:£1 in 2008





Erik Engstrom, CEO



Reed Elsevier



2009 results relatively robust in difficult year for our customers

As expected, business trends continuing; 2010 sees late cycle effects

Long term outlook positive

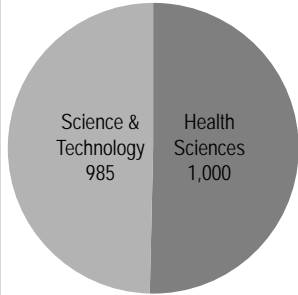
- Good long term growth markets
- High quality assets



Elsevier



2009 revenue £1,985m



	2009 £m	2008 £m	% change constant	% change underlying
Revenue	1,985	1,700	+4%	+4%
Science & Technology			+5%	+5%
Health Sciences			+3%	+3%
Adjusted operating profit	693	568	+9%	+9%

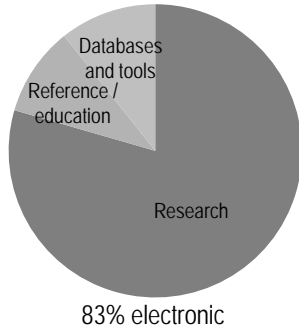
- Most customer markets had challenging year; some saw continued strong growth
- Relentless pursuit of process innovation and cost efficiency in global shared services



Elsevier: Science & Technology 2009



2009 revenues £985m
Growth +5%



- Research (Journals)
- Entered 2009 with good subscription renewals from 2008
 - Challenging budget year for academic customers
 - Underlying volumes (in publishing and usage) continued to grow strongly

- Reference / education (Books)
- Growth in electronic reference offset by print declines

- Databases and tools
- Solid growth in usage and revenues

Growth underlying



Elsevier: Science & Technology



Outlook

- Near term
- Academic budget environment remains difficult, geographic differences
 - Renewals for 2010 handled on customer by customer basis
 - Overall subscription spend growth moderated

- Longer term Growth drivers expected to remain strong
- Growth in research scientists, scientific output, articles (+3-4%)
 - Strong growth in online usage of scientific articles (+20% in 2009)
 - Increasing demand for research efficiency tools

Priorities

- Enhance value for academic researchers
- Expand in institutional research performance and planning
- Emphasise high growth disciplines, geographies, corporate markets



Elsevier: Health Sciences 2009



2009 revenues £1,000m
Growth +3%



- | | |
|---|--|
| Medical research | <ul style="list-style-type: none"> • Increased use of medical content on ScienceDirect |
| Clinical reference/decision support (CDS) | <ul style="list-style-type: none"> • Growing demand for electronic tools to measurably improve medical outcomes |
| Nursing/health professionals (NHP) | <ul style="list-style-type: none"> • Strong growth in integrated teaching and learning solutions |
| Pharma promotion | <ul style="list-style-type: none"> • Continued decline (-7%) • Fewer blockbuster drugs; reduced pharma marketing |

Growth underlying



Elsevier: Health Sciences



Outlook

- Near term
- Good growth in electronic reference, clinical decision support and nursing and health professional education
 - Weakness in pharma promotion
- Longer term Strong market growth drivers
- Favourable demographics (ageing populations) in developed countries
 - Rising prosperity in developing markets
 - Growth in healthcare professional employment
 - Pressure to improve medical outcomes and constrain cost growth

Priorities

- Further enhance electronic research and specialist reference tools
- Capture high growth opportunities: CDS, NHP and developing markets
- Restructure pharma promotion business



LexisNexis



2009 revenue £2,557m



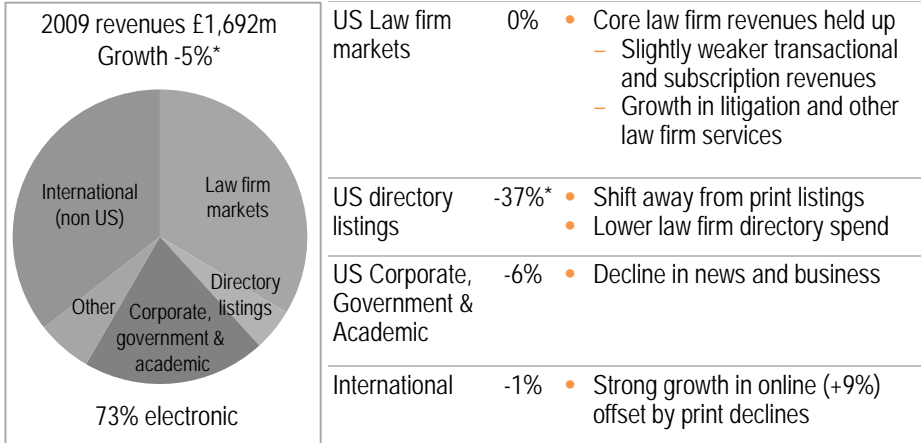
	2009 £m	2008 £m	% change constant	% change underlying
Revenue	2,557	1,940	+14%	-4%
US Legal			-6%*	-6%*
International Legal			-3%	-1%
Risk Solutions			+95%	-2%
Adjusted operating profit	665	513	+13%	-15%

- Challenging year for US Legal: severe downturn in legal industry
- Risk Solutions: benefit of ChoicePoint integration
- Additional cost restructuring

*-4% before directory listing revenue recognition change



LexisNexis: Legal 2009



*Before directory listings revenue recognition change – Legal -3%; Directory listings -17% Growth underlying



LexisNexis: Legal



Outlook

- Near term
- Late cycle impact on subscriptions; weak revenues in 2010
 - International: continuing online migration
- Longer term Fundamentals sound
- Increasing legislation, regulatory complexity, litigation, combined with economic recovery will drive increased legal activity
 - Growing demand for integrated solutions to drive productivity and improved legal outcomes
 - Well positioned in US (#2) and internationally (#1/2)

Priorities

- Increase spend in product development, sales and marketing
- Deliver progressive new product introductions
- Upgrade operations infrastructure



LexisNexis: Legal priorities



Increase spend on product development, sales and marketing

- Expand sales coverage and marketing programmes
- ➔ Increased market presence and foundation for future growth

Deliver progressive new product introductions

- Next generation platform: two years into multi-year development effort
- Combine technology, content and analytics; deliver integrated experience
- ➔ Increased value for customers: better results and better legal outcomes

Upgrade operations infrastructure

- Multi-year step-by-step plan to upgrade processes and systems
- ➔ Improve overall customer experience; enable longer term operating efficiencies

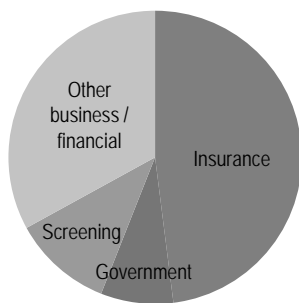
- ➔ Higher ongoing level of capital expenditure
- ➔ Margin lower through continuing investment



LexisNexis: Risk Solutions 2009



2009 revenues £865m
Growth 0%



Insurance	+9%	<ul style="list-style-type: none"> • Strong volume growth driven by more quotes and higher policy churn • Increased adoption of analytics
Government	+11%	<ul style="list-style-type: none"> • Increased focus on law enforcement, homeland security, revenue recovery • Growing use of data and analytics
Screening	-22%	<ul style="list-style-type: none"> • Hiring downturn
Other	-5%	<ul style="list-style-type: none"> • Financial services, collections: economic downturn

94% electronic

Growth pro forma for ChoicePoint acquisition



LexisNexis: Risk Solutions



Outlook

- Near term
- Growth in insurance usage and revenues continue
 - Declines in cyclical businesses expected to moderate
- Longer term Fundamentals strong
- Insurance: policy churn driven by insurer competition and more quotes
 - Commercial and government markets: growing requirement for risk assessment and identity verification
 - Increasing adoption of data-driven analytics across all markets
 - Market leading technology

Priorities

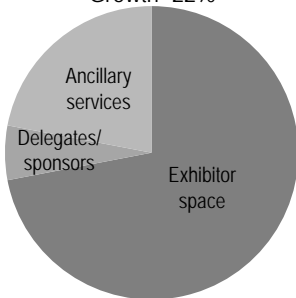
- Complete ChoicePoint integration; capture cost savings
- Leverage HPCC advanced technology
- Capture growth opportunities in adjacent markets



Reed Exhibitions 2009



2009 revenues £638m
Growth -22%



	2009 £m	2008 £m	% change constant	% change underlying
Revenue	638	707	-21%	-22%
Adjusted operating profit	152	183	-28%	-31%

- Significant revenue declines from exhibitors and paying delegates
- Net cycling out of biennial exhibitions
- Focus on efficiency; underlying costs 18% lower

Growth underlying. Adjusted for cycling: Revenue -13%, Adjusted operating profit -18%



Reed Exhibitions



Outlook

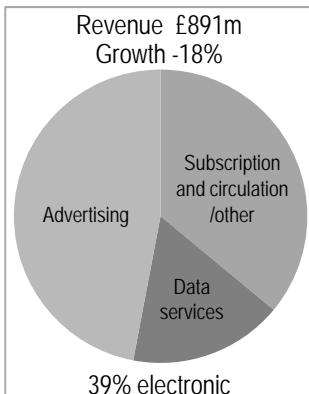
- Near term
- Low visibility in advance bookings, exhibitors still committing later
 - 2010 benefit of net cycling in of biennial shows
- Longer term Fundamentals sound
- Face to face important part of marketing mix
 - High growth in developing economies and key sectors
 - Reed Exhibitions #1 global leader

Priorities

- Focus on developing economies and high growth sectors
- Leverage economic recovery
- Continue to deliver strong cash generation and high returns on new launches and acquisitions



Reed Business Information 2009



	2009 £m	2008 £m	% change constant	% change underlying
Revenue	891	987	-18%	-18%
Adjusted operating profit	89	126	-35%	-34%

- Advertising and subscription severely impacted by global recession
- Good growth in data services (+10%); high quality industry specific data
- Substantial restructuring: underlying costs 15% lower

Growth underlying



Outlook

- Print advertising structurally challenged; online expected to recover
- Data services to see continued growth

Priorities

- Focus on value creation
- Continue to restructure advertising based portfolio
 - Realign cost base to lower revenues
 - Grow data services businesses



Different top priorities to create value

	Elsevier	<ul style="list-style-type: none"> • Continue to evolve electronic research and reference solutions to enhance outcomes
	LexisNexis Legal	<ul style="list-style-type: none"> • Deliver next generation legal products and infrastructure
	LexisNexis Risk	<ul style="list-style-type: none"> • Complete ChoicePoint integration; capture high growth opportunities
	Reed Exhibitions	<ul style="list-style-type: none"> • Leverage economic recovery; deliver good returns
	Reed Business Information	<ul style="list-style-type: none"> • Restructure portfolio; cut costs; grow data services

Charts: 2009 revenues



Pragmatic approach



1. Differentiate between businesses
2. Prioritise high growth markets, good returns
3. Focus on customer value and improved outcomes
4. Relentless pursuit of process innovation, service quality and cost efficiency
5. Business by business metrics driven approach to driving business unit performance; shareholder value



Reed Elsevier: in conclusion



- Near term
- Late cycle effects continuing in 2010
 - First half particularly impacted; second half less severe
 - Modest margin decline due to weak revenue environment and increased spend in LexisNexis Legal
- Longer term Prospects encouraging
- High quality assets in attractive global growth markets
 - Clear priorities to drive value in each business





Appendices



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Financial information in Euros

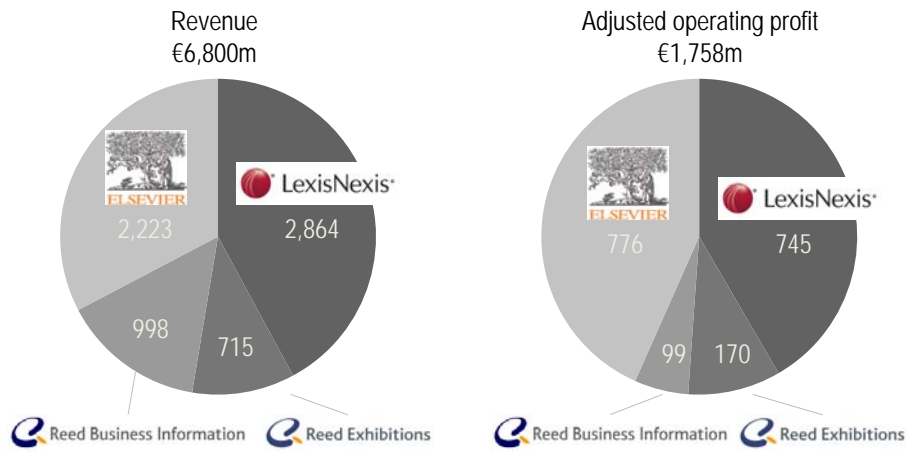


Adjusted profit and loss

Year to 31 December	2009 €m	2008 €m	% change	% change constant
Revenue	6,800	6,721	+1%	0%
Adjusted operating profit	1,758	1,737	+1%	+1%
Net interest expense	(326)	(219)		
Adjusted profit before tax	1,432	1,518	-6%	-6%
Tax	(329)	(355)		
Minority interests	(4)	(4)		
Adjusted profit attributable	1,099	1,159	-5%	-5%



Revenue and adjusted operating profit



Adjusted operating cash flow

Year to 31 December	2009 £m	2008 £m	2009 €m	2008 €m
Adjusted operating profit	1,570	1,379	1,758	1,737
Capital expenditure	(242)	(172)	(271)	(217)
Depreciation	223	167	250	211
	(19)	(5)	(21)	(6)
Working capital and other items	7	33	8	42
Adjusted operating cash flow	1,558	1,407	1,745	1,773
Cash flow conversion rate	99%	102%	99%	102%

Capital expenditure

Year to 31 December	% of revenue	2009 £m	2008 £m	2009 €m	2008 €m
Elsevier	4%	73	56	82	71
LexisNexis	6%	140	79	157	99
Reed Exhibitions	2%	10	11	11	14
Reed Business Information	2%	19	26	21	33
Total	4%	242	172	271	217

€17m (2008:€9m) corporate capital expenditure allocated (principally technology assets)



Statutory profit before tax

Year to 31 December	2009 £m	2008 £m	% change
Adjusted profit before tax	1,432	1,518	-6%
Adjustments			
Amortisation of acquired intangible assets	(412)	(354)	
Impairment of acquired intangible assets and goodwill	(198)	(11)	
Exceptional restructuring costs	(204)	(192)	
Acquisition integration costs	(54)	(57)	
Reclassification of tax in joint ventures	(9)	(11)	
Disposals and other non-operating items	(68)	(116)	
Statutory profit before tax	487	777	-37%



Free cash flow

Year to 31 December	2009 €m	2008 €m	% change
Adjusted operating cash flow	1,745	1,773	-2%
Interest paid	(328)	(203)	
Tax paid	(240)	(311)	
Free cash flow before dividends	1,177	1,259	-7%
Ordinary dividends	(512)	(528)	
Restructuring expense/acquisition integration*	(150)	(107)	
Free cash flow post dividends and exceptionals	515	624	

*Net of cash tax benefit



Movement in net debt

	€m	€m
Net debt at 31 December 2008	(5,726)	(5,898)
Free cash flow post dividends and exceptionals*	461	515
Acquisitions net of disposals		
- Prior year transactions*	(27)	(30)
- Current year	(14)	(15)
	(41)	(45)
Net proceeds of equity placing and share options exercised	834	934
Other	(18)	(20)
Currency translation	559	112
Net debt at 31 December 2009	(3,931)	(4,402)

*Net of cash tax benefit



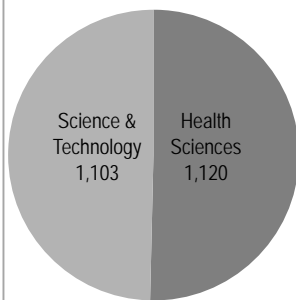
Balance sheet

	2009 £m	2008 £m	2009 €m	2008 €m
Goodwill & intangible assets	7,971	9,305	8,928	9,584
Tangible fixed assets	292	329	327	339
Investments & net assets held for sale	176	241	197	248
Net pensions obligations	(235)	(369)	(263)	(380)
Working capital	(857)	(832)	(960)	(857)
Capital employed	7,347	8,674	8,229	8,934
Shareholders' equity	1,732	953	1,940	981
Net debt	3,931	5,726	4,402	5,898
Current & deferred tax (net)	1,543	1,726	1,728	1,778
Other net liabilities / minorities	141	269	159	277
	7,347	8,674	8,229	8,934

Elsevier



2009 revenue €2,223m



	2009 €m	2008 €m	% change constant	% change underlying
Revenue	2,223	2,142	+4%	+4%
Adjusted operating profit	776	716	+9%	+9%

LexisNexis



2009 revenue €2,864m

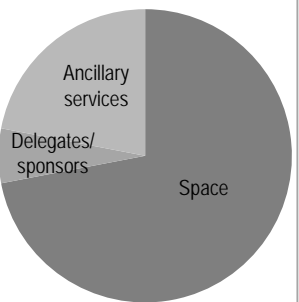


	2009 €m	2008 €m	% change constant	% change underlying
Revenue	2,864	2,444	+14%	-4%
Adjusted operating profit	745	646	+13%	-15%

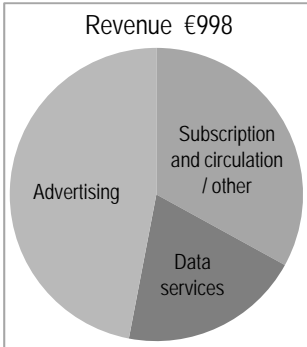
Reed Exhibitions



2009 revenues €715m



	2009 €m	2008 €m	% change constant	% change underlying
Revenue	715	891	-21%	-22%
Adjusted operating profit	170	230	-28%	-31%



	2009 €m	2008 €m	% change constant	% change underlying
Revenue	998	1,244	-18%	-18%
Adjusted operating profit	99	159	-35%	-34%



Further information

Revenue Reconciliation

Year to 31 December	£m	% change	€m	% change
2008 Revenue	5,334		6,721	
Base businesses	(333)	-6%	(419)	-6%
Acquisitions	382	+7%	482	+7%
Disposals	(32)	-1%	(40)	-1%
Currency effects	720	+14%	56	+1%
2009 Revenue	6,071	+14%	6,800	+1%



Adjusted operating profit Reconciliation

Year to 31 December	£m	% change	€m	% change
2008 Adjusted operating profit	1,379		1,737	
Base business	(127)	-9%	(160)	-9%
Acquisitions/disposals	134	+10%	169	+10%
Currency effects	184	+13%	12	0%
2009 Adjusted operating profit	1,570	+14%	1,758	+1%



Adjusted profit before tax Reconciliation

Year to 31 December	£m	% change	€m	% change
2008 Adjusted profit before tax	1,205		1,518	
Base business	(111)	-9%	(139)	-9%
Acquisitions/disposals	38	+3%	47	+3%
Currency effects	147	+12%	6	0%
2009 Adjusted profit before tax	1,279	+6%	1,432	-6%

Dividend equalisation

	Interim			Final		
	2009	2008	% change	2009	2008	% change
Reed Elsevier PLC (p)	5.40	5.30	+2%	15.0	15.0	0%
UK tax credit rate	10%	10%		10%	10%	
Reed Elsevier PLC (p) (gross)	6.0	5.89		16.67	16.67	
Equalisation ratio	1.538	1.538		1.538	1.538	
Exchange rate (€:£)	1.16	1.26		1.14	1.13	
Reed Elsevier NV (€)	0.107	0.114	-6%	0.293	0.290	+1%

Statutory profit attributable

Year to 31 December	2009 £m	2008 £m	2009 €m	2008 €m
Adjusted profit attributable	982	919	1,099	1,159
Adjustments (post tax)				
Amortisation of intangible assets	(411)	(318)	(460)	(401)
Impairment of acquired intangible assets / goodwill	(136)	(9)	(152)	(11)
Restructuring programme	(133)	(111)	(149)	(140)
Acquisition related costs	(33)	(31)	(37)	(39)
Disposals and other	22	(43)	25	(67)
Deferred tax	100	69	112	86
Statutory profit attributable	391	476	438	587



Post tax return on invested capital

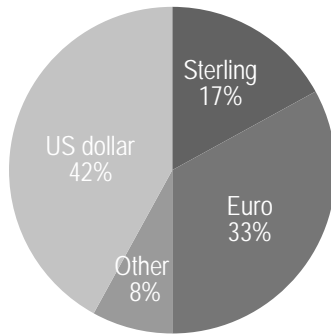
	2009 £m	2008 £m
Adjusted operating profit	1,570	1,379
Less tax at effective rate	(360)	(323)
	1,210	1,056
Capital employed	7,347	8,674
Cumulative amortisation	4,571	4,451
Year end invested capital at year end exchange rates	11,918	13,125
Average invested capital at average exchange rates*	11,609	8,747
Return on average invested capital	10.4%	12.1%

*ChoicePoint pro-rated from date of acquisition (2008 only); excludes goodwill gross up for deferred tax liabilities on acquisitions



Currency profile

2009 Adjusted profit before tax



Average rates for year:	2009	2008
£		
US dollar	1.57	1.85
Euro	1.12	1.26
€		
US dollar	1.40	1.47
Sterling	0.84	0.79
Year end rates:	2009	2008
£		
US dollar	1.62	1.45
Euro	1.12	1.03
€		
US dollar	1.45	1.41
Sterling	0.89	0.97

Cost of borrowings

Debt predominantly denominated in US dollars at 31 December 2009

- 74% of gross debt (31 Dec 2008: 85%)
- 83% of net debt (31 Dec 2008: 86%)

Majority of debt fixed at 31 December 2009

- 75% of gross debt (31 Dec 2008: 52%)
- 90% of net debt (31 Dec 2008: 56%)

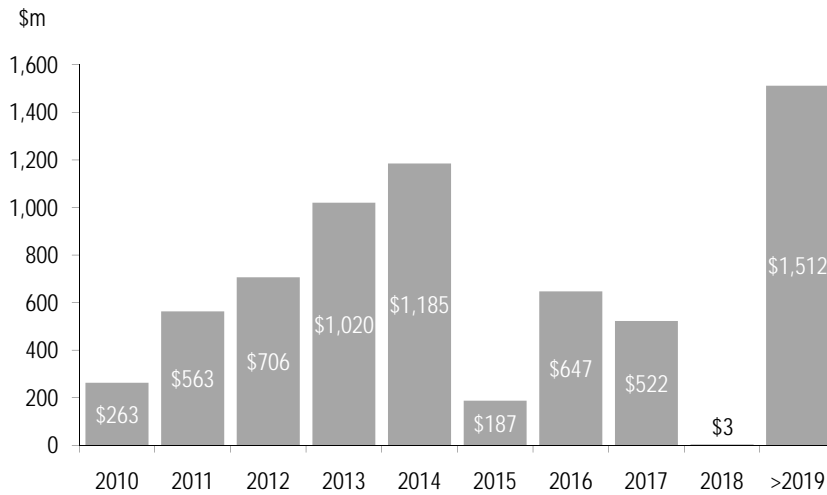
Blended interest rate

- 5.9% in 12 months to 31 December 2009

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

Debt maturities

Term debt maturities well spaced



Term debt translated at 31 December 2009 exchange rates



Information for US institutions

- Reed Elsevier PLC ADR (ticker: RUK) and Reed Elsevier NV ADR (ticker: ENL) traded on NYSE
- 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 members of following indices:
 - NYSE Composite index
 - BoNY Composite ADR index
 - BoNY Developed Markets ADR index
 - BoNY Europe ADR index
 - BoNY Europe 100 ADR index
- Depository is The Bank of New York Mellon



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