



Morgan StanleyTMT Conference, Barcelona

Sir Crispin Davis, Reed Elsevier
November 2007



Global leader in professional information

Post Harcourt:
\$8.3 bn revenues, \$2.3 bn EBITDA, \$1.3 bn free cash flow

Sharpened strategic focus; three large growth markets

Strong brands, high quality authoritative content,
integrated workflow solutions

\$4 bn 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

Upgrade portfolio



Delivering Authoritative Content Through Leading Brands



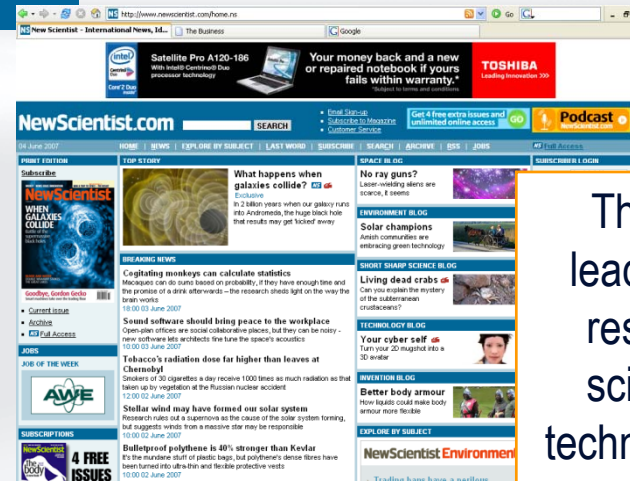
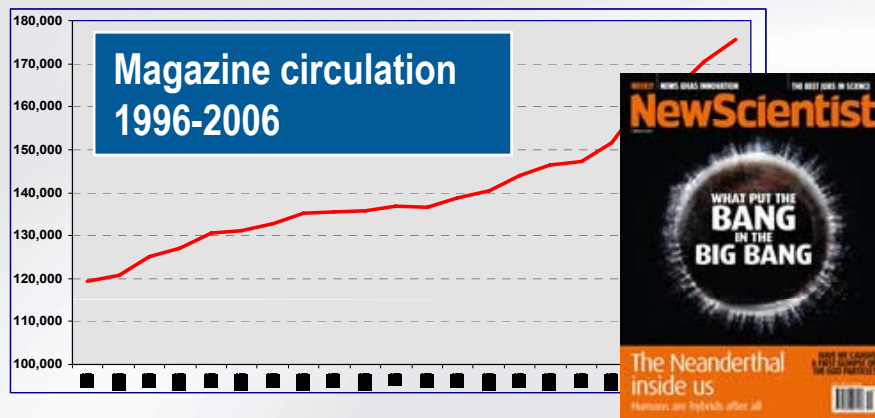
Invest behind brands:
new launches, brand extensions, geo-cloning, new events

Extend content offering into growing adjacent sectors

Delivering Authoritative Content through Leading Brands



NewScientist



- Global magazine circulation growing: > 175,000 paid copies per week
- 125,000 copies are paid subscriptions + 50,000 bought on newsstands

- Real-time news service
- Archive of magazine and online content
- RSS, Video, Blogs, Podcasts
- 'Vertical' sites launched in Space, Technology & Environment

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

MD | CONSULT

First | CONSULT

Path | CONSULT

Procedures | CONSULT

MOSBY'S
NURSINGCONSULT
THE LATEST KNOWLEDGE FOR THE GREATEST CARE.

Drive Online Solutions

Create compelling online content driven workflow solutions

Business model innovation and solutions marketing

Drive Online Solutions



LexisNexis® TOTAL PRACTICE SOLUTIONS

Client Development	Research Solutions	Practice Management	Litigation Services
<ul style="list-style-type: none"> • Client relationship management • Market intelligence • Listings and brand building • Client targeting 	<ul style="list-style-type: none"> • Practice area solutions (eg bankruptcy, tax, patents) • Total search solution • News and Business 	<ul style="list-style-type: none"> • Managed network services • Time & Billing solutions • Cost recovery • Client development • Case management and research 	<ul style="list-style-type: none"> • Case management • Case analysis • Electronic dockets • Electronic filing • Electronic discovery

Drive Online Solutions

Total Practice Advantage™

Law firm activities	Client development	Matter intake, research, development and planning	Document drafting 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

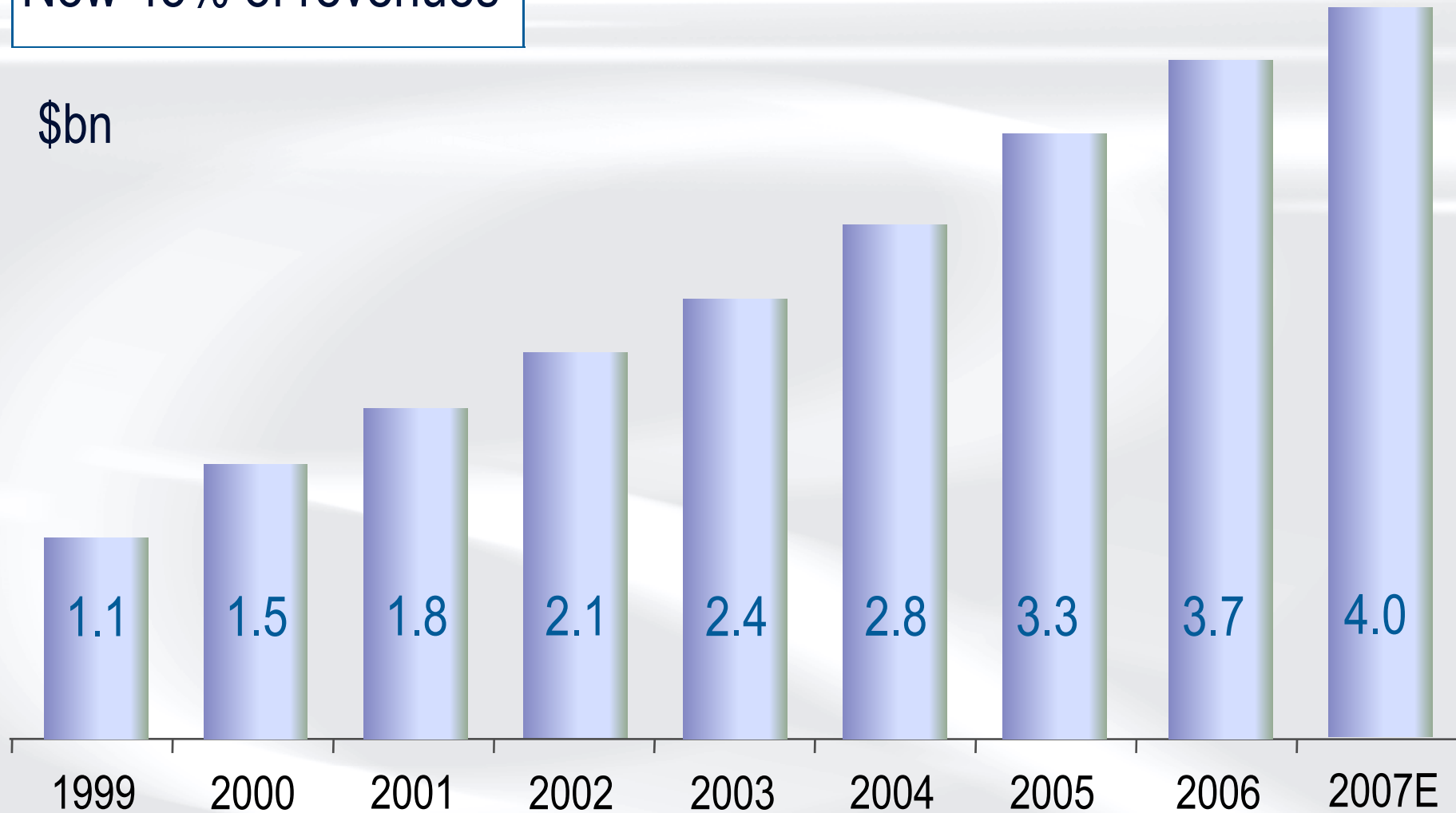
Business Model Innovation: Reed Business



Drive Online Solutions

Now 45% of revenues

\$bn



Improve Cost Efficiency

Leverage skills, technology, resource across businesses

Increase focus on operating and supply chain efficiency

Improve Cost Efficiency

- IT support services consolidated
 - Rationalisation of global data hosting operations
- Outsourcing and Offshoring capabilities enhanced
 - Accelerating progress across all businesses
- Centralisation of procurement & real estate operations in hand
- Continuous margin development

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

Upgrade Portfolio

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

Build synergy and cohesiveness

Financial discipline against established criteria

Upgrade Portfolio



Recent acquisitions:



- e-health

Gold Standard, MC Strategies, HESI



- Legal Solutions
- Risk Management

Juris, Image Capture Engineering
Seisint



- B2B online
- Exhibitions

Buyerzone, eMedia, Chemease
Alcantara Machado, SinoExpo

Upgrade Portfolio

Acquisition Performance: 2004-2006

All Acquisitions		Revenue CAGR*	2006 post-tax return	2007E post-tax return
Including:				
2004	Seisint, Saxon, Interface, Ordinate	18%	10%	12%
2005	MediMedia MAP, PC Law, Univentio, Examen	7%	6%	8%
2006	Gold Standard, HESI, Dataflight, Casesoft, Visualfiles, eMedia	10%	5%*	8%

* pro forma basis from year prior to acquisition

Reed Elsevier Conclusions

More cohesive business

Consistent focused strategy

Good business momentum

Significant online opportunity

Minimum 10% EPS growth targeted*

* At constant currencies



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