

MINUTES

ANNUAL GENERAL MEETING OF SHAREHOLDERS

19 April 2006

10.30 – 13.00 hours, Hotel Okura Amsterdam

The meeting was chaired by the Chairman of the Supervisory Board, and was attended by the members of the Executive Board and the Supervisory Board. The minutes were kept by the Company Secretary. A draft of the minutes was made available on the website of the Company for a period of three months ending 31 August 2006, so as to enable comments.

Notice of the meeting was announced in accordance with the Articles of Association on 15 March 2006. The agenda and its appendices and an explanatory letter from the Chairman of the Supervisory Board had been made available at the offices of the Company and on the Company's website from the notice of meeting. During the meeting presentations had been given. The documents for the meeting are archived with these minutes and are available from the Company's website.

The minutes are intended to be a reliable and accurate summary of the order of, the discussions at and resolutions taken by the meeting. Notwithstanding the careful manner with which these minutes have been drawn up, it cannot be excluded that the precise meaning or scope of the observations or questions from individual shareholders at the meeting were not properly understood and reflected herein. For that purpose the possibility for comments was introduced. No rights can be derived from these minutes other than as regards the conclusions of the Chairman regarding the formalities for the meeting and the resolutions taken. Shareholders have had an opportunity to object to the disclosure in the published minutes of their identity. Where they made use of that right, this is reflected in these minutes.

The meeting was chaired by the Chairman in the Dutch language. Other directors who spoke at the meeting used the English language. During the meeting there was simultaneous translation from Dutch to English and from English to Dutch. In view of the international constitution of the Company's shareholder base these minutes have been drawn up in the English language. On request a Dutch translation will be made available.

Voting at the meeting was done by electronic means and the outcome of the voting was immediately shown to those attending. No objections were made against the voting method or outcome as reflected in these minutes.

Present:

- The members of the Executive Board
- The members of the Supervisory Board (apologies Mrs De Boer-Kruyt due to illness)
- Guests, including Mrs Lisa Hook, nominee for appointment as a member of the Supervisory Board and representatives from the external auditors.
- 111 Shareholders and their proxies, representing 289,261,251 ordinary shares with a nominal value of €0.06 and 4.7 million R-shares with a nominal value of €0.60.

Each ordinary share represented at the meeting entitled to 1 vote and each R-share represented at the meeting entitled to 10 votes.

The issued and outstanding share capital as at the date of the meeting consisted of 738,339,840 ordinary shares with a nominal value of €0.06 and 4.7 million R-shares with a nominal value of €0.60.

1. Opening

The Chairman welcomed those present. An explanation was given regarding the facilities for simultaneous translation and electronic voting and shareholders were instructed to clearly state their name and show their voting card when addressing the meeting or the boards. The Chairman also welcomed the external auditors of the Company.

The Chairman established that the meeting had been convened with due regard for the provisions under the law and the articles of association and that shareholders and their proxies present at the meeting had complied with the requirements for attendance. He concluded that valid resolutions could be taken in respect of all items on the agenda. The meeting had been called through advertisements on 15 March 2006 in the following Dutch newspapers:

- The Official Price Gazette of Euronext Amsterdam
- The Telegraaf,
- NRC Handelsblad, and
- Het Financieele Dagblad,

The Chairman noted the share capital that was represented at the meeting as reflected

above and established that this meant that more than 40% of the issued and outstanding share capital was represented at the meeting. He observed that this was more than ever before and a good development, although still modest in comparison with the circa 75% shareholder attendance at yesterday's annual general meeting of Reed Elsevier PLC.

Next The Chairman read the following statement as regards the development of the Reed Elsevier business, which had also been published on 18 April 2006 and communicated to the annual general meeting of Reed Elsevier PLC in London at that date.

Quote

"We were pleased to report on a year of overall good progress at Reed Elsevier in 2005. Three of our four divisions performed well and delivered on or exceeded their individual targets for organic revenue growth. The Education division, whilst performing well in the core curriculum textbook programmes, underperformed in the supplemental and testing markets. Firm action has been taken to address the product, marketing and organisational issues in these businesses. Overall, Reed Elsevier's revenue growth has accelerated, underlying operating margins have improved, cash generation is strong, and good and growing returns on capital are being delivered."

"Overall, trading conditions have changed little since our 2005 Preliminary Results announcement on 16 February. The performance so far this year is in line with our expectations and we continue to target underlying revenue growth of at least 5% and double digit growth in adjusted earnings per share at constant currencies. The individual divisional growth targets announced in February are unchanged."

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

"Elsevier has made a positive start to the year. In the Science & Technology division both journal subscription renewals and online sales are progressing well. The Health Sciences business is again expecting good growth from new book publishing and strong backlist sales, although given the seasonality of the business, this will be mostly seen in the second half."

"LexisNexis has started the year well, continuing the strong revenue momentum seen in

2005. In US legal markets good demand continues for online information and workflow tools as total practice solutions gain further market traction. In US corporate and federal markets, the risk management business continues to grow strongly. International growth outside the US is benefiting from strong demand for online legal and news and business services.”

“Harcourt Education has started the year with an encouraging market response to its 2006 basal textbook programmes, against a background of lower overall adoption opportunities this year. The actions taken in the supplemental and assessment businesses are progressing as planned and, as previously stated, are expected to have a positive impact this year on revenue growth, whilst the major effect will be in 2007. Recent state testing contract awards are encouraging. The majority of textbook sales for both the basal and supplemental businesses are in the second half, reflecting the seasonality of the business around the start of the academic year.”

“Reed Business has had a good start to the year. The overall performance in the magazine and information publishing businesses continues to vary somewhat by geography and sector with strong online revenue momentum the key driver of overall growth. Exhibition demand is strong with good success in the early 2006 shows.”

“Over the last four years, we have made enormous strides in developing the business in terms of its quality, market and customer focus, innovation and investment, and management and organisational effectiveness. The drive into online products and services is delivering stronger, higher quality customer relationships and growth. Our increasing focus going forward is to ensure that we deliver the operational leverage that superior growth in a digital environment should promise, and to maximise the returns on capital.”

“I must point out that the expectations regarding 2006 developments are forward looking statements and these are subject to a number of risks and uncertainties. I must therefore make the standard caveats as are set out in the paragraph on forward looking statements in our reports and accounts.”

Unquote

2. Report from the Executive board regarding the operations of the company and the management conducted in the financial year 2005

The Chairman referred to the Company's 2005 annual reports and financial statements and said that these are constituted by the Reed Elsevier Annual Reports and Financial Statements 2005 and the Reed Elsevier Annual Review & Summary Financial Statements 2005, which documents need to be read in conjunction. They are in the official English language but a complimentary Dutch language translation of the Reed Elsevier Annual Review & Summary Financial Statements version has been made available.

Sir Crispin Davis, Chairman of the Executive Board and CEO of Reed Elsevier, gave a presentation of the principal developments during 2005 and particularly of the role and importance of the online activities on the overall results. The presentation is filed with these minutes.

The Chairman gave opportunity for questions in respect of the reports and financial statements. The questions, observations and reactions are summarised below, and for ease of reading the responses to the questions are sometimes given immediately after each question, although that may not have been the sequence at the meeting.

Mr S. van der Meer observed that Elsevier's adjusted operating profit and margin for the year had not increased and he wondered whether the introduction of Scopus had influenced the outcome. It was explained by Mr Armour that the initial one-off investments for Scopus had been charged to the 2005 profit & loss account, but that costs were now embedded in the business. This and a number of lower margin acquisitions, as well as currency effects had influenced the margin of the Elsevier businesses.

Mr. van der Meer enquired about Reed Elsevier's developments as an online publisher as compared to those of principal competitors.

Mr Davis explained that the Elsevier and LexisNexis divisions were all growing ahead of competition in online activities. The position was more difficult to assess for Reed Business with its many separate markets and activities. Harcourt's online activities were

relatively small and a comparison with competition was therefore more difficult to make. The online testing activities were developing broadly in line with competition. Overall developments of search engine businesses such as Google and Yahoo were ahead of those of Reed Elsevier.

Mr Van der Meer wondered why the positive tone of the annual reports was not reflected in the share price.

Mr Davis said that he shared the frustration about the lacklustre share price performance. This was partly due to the depressed media sector stock and the adverse influence of the lower US dollar. Furthermore there had been a few issues with adverse publicity such as threats to Elsevier's activities from the open access business model and the disappointing performance at Harcourt announced at the end of last year. Mr Davis said that Reed Elsevier had the right strategy and that there was good growth momentum in the business. It was now a question of good execution and to deliver results on target. He was confident that this should lead to growth of the share price.

Mr van der Meer enquired why Harcourt had failed to meet the requirements under the No Child Left Behind Act in the US. He also wondered if shareholders had now seen the last of the disappointments at Harcourt. He also referred to the loss of a \$24m state contract in Illinois.

Mr Davis explained that the Act had put the focus on phonetic language teaching rather than alphabetical, whereas Harcourt had traditionally focussed more on the latter. The company had not hesitated in making the necessary changes to its programme, but such product changes simply take time. As regards the disappointing developments Mr Davis referred to the firm action that had been taken for the Supplemental and testing businesses regarding product, marketing and organisation and said that there would be a gradual improvement of results already in 2006 with good results in 2007. The testing business had lost some state contracts, but early 2006 contract wins showed a good performance. Finally Mr Davis pointed out that the impact of the disappointments at the Harcourt Supplemental and Testing businesses was less than 10% on overall Reed Elsevier results. The lost contract in Illinois was disappointing but concerns only a very small proportion of Illinois students. All testing businesses experience such set backs

once in a while and Harcourt's main competitors as well.

Mr Van der Meer asked whether Reed Elsevier was interested in a possible acquisition of SDU, which he considered to be a competitor for LexisNexis.

Mr Davis said that Reed Elsevier was aware of developments but that for obvious reasons no information could be given on Reed Elsevier's possible future acquisition targets.

Mr Anink (proxy) felt that the 9.4% return on capital employed could be improved for a knowledge based industry. He recommended to develop a proper assessment programme to determine staff requirements, allowing for a deduction of the circa 36,000 staff. Furthermore he was concerned that the circa €4bn of long term debt would be too much of a burden for the Company, the market capitalisation of which is only approximately double that amount, and he said that an interest increase would immediately have a material impact on the Company's results. He recommended that the boards would target a reduction of net borrowing to €3bn to secure increased profitability.

Mr Davis said that a 10% return on capital after tax was being targeted, realistic and appropriate and would be a good performance. That would compare very well with Reed Elsevier's relevant competitors and peer group. There is great focus on cost and capital efficiency and some €600m of costs had already been taken out of the business in the last 5 years, whilst investing heavily in innovation, the business and people.

Mr Armour pointed out that the €4bn of net debt is for the Reed Elsevier combined businesses and not just for Reed Elsevier NV and the market capitalisation of both Reed Elsevier NV and Reed Elsevier PLC is closer to 4 times the amount of debt. Average pre-tax cost of debt was circa 5.4% and money is quite cheap at the moment. Net interest cover was 9 times Ebitda. Reed Elsevier is fairly well positioned in that respect. It is a lot of debt, but it is manageable, also in view of the strong cash generation of the business. Mr Armour furthermore said that the company was very much focussed on an efficient deployment of capital using very strict financial criteria. He compared the 12% return on recent acquisitions with the much lower cost of debt that was close to 3%.

Mr Fehrenbach (representing PGGM and a number of other pension funds) recommended

that compliance with the Dutch Corporate Governance Code should be an annual agenda item for the AGM, allowing a vote on deviations. He also proposed a more detailed disclosure of the company's compliance with the Code.

The Chairman referred to the AGM's in 2004 and 2005 when the Company's corporate governance practices and compliance with the Dutch Code had been an agenda item and had been approved. He said that there were only very minor deviations from the Dutch Code and that these were mainly due to Reed Elsevier's dual holding company structure and the listing on the New York Stock Exchange which necessitated to find a right balance that permitted compliance with the good corporate governance practices required in the Netherlands, the UK and the USA. Any future material deviations would obviously be submitted to the general shareholders meeting for approval. He wondered whether it was efficient to put corporate governance on the agenda each year, even if there were no such changes, but saw no problem in doing so. A survey of the Company's deviations from the Dutch Code would be made available on the Reed Elsevier website.

Mr Fehrenbach enquired about the Company's preparedness for compliance with the US Sarbanes-Oxley Act Section 404 in view of the company's listing on the New York Stock Exchange.

Mr Armour explained that Reed Elsevier as a foreign listed company on the NYSE needed to comply with SOX Section 404 no earlier than February 2007 when the boards needed to provide a view on the effectiveness of internal controls over financial reporting, substantiated by adequate documentation of key controls that are critical to the integrity of financial reporting. Documentation of the key controls was now almost finalised and were now being internally tested, for which a special testing team had been recruited. Preparation was well advanced and on track for finalisation of work by year-end. The auditors, who were closely involved with the preparatory work, would do their own test run later in the year to be able to confirm compliance and management's ability to provide a reliable view on the effectiveness of the controls. Mr Armour said that he was confident that Reed Elsevier would be able in time to comply with SOX Section 404.

Mr Fehrenbach said that organisations which he represented felt that it was undesirable for the boards to be aware of the proxy voting instructions prior to the meeting since that

might have an adverse influence on proceedings. He asked what percentage of proxy votes had been available to the company prior to the meeting.

The Chairman referred to the position already taken by the previous Chairman, Mr Tabaksblat, during the AGM in 2005. The Company did not necessarily share the arguments against shareholders providing voting instructions to the Company in advance of the meeting. The reason this was done primarily related to the inability of the current electronic voting system to allow split voting for each agenda item. Technological developments in this regard were being closely followed.

The Secretary said that the Company had received voting instructions for at least 80% of the votes that could be cast in this meeting.

Mr N. Dirkse mentioned a news item based on an article in the Guardian which noted that only Reed Elsevier's shares had declined this morning and related this to fears regarding EU requirements to make scientific research information freely accessible. He requested a review from management on this.

Mr Davis explained that the drop in the share price to which the Guardian was referring, was the result of the Reed Elsevier PLC shares having gone ex-dividend. As regards the EU requirements that Mr Dirkse was referring to he placed this in perspective by observing that this was based on a recent report from a French working party established by the EU. This was one of the many tens of thousands of reports generated by EU working parties on various subjects. The report could be seen in the context of the discussion on and experiments with 'open access' to scientific materials, which has been going on for some time, but was now receding. Mr Davis explained the major investment and contributions that are made by scientific publishers in the process of the creation of peer reviewed scientific materials and the dissemination of these materials. Reed Elsevier annually invests hundreds of millions of dollars in the development and delivery of scientific content to more than 200 countries and 6 million scientists, reaching some 95% of all scientists worldwide. It is unrealistic, Mr Davis said, to expect that all of that work could be done for free. However, different business models are being developed such as in collaboration with publicly funded institutions, whereby it is agreed that scientific research funded by the institution may be made freely and universally available after a certain period of for instance 12 months following dissemination by the commercial publisher.

Mr W. van Keimpema (representing the Dutch association of security holders VEB) observed that 2005 net profit attributable to shareholders of the parent companies was unchanged as compared to 2004 at €675 million. He wondered if this might not adversely influence the attractiveness of the share. He said that although Reed Elsevier's cash flow had shown good growth, the future reported net profit development would be seen as important for the continuity of the business. Mr Keimpema enquired about expectations for the 2006 net profit attributable to shareholders. He criticized the emphasis on constant currencies since he felt that management should take responsibility for the impact of currencies on the reported results.

Mr Armour acknowledged the importance of the reported figures and of currency movements for the results of the company. He explained that the adjusted figures and constant currencies are used to facilitate a judgement on the performance of the businesses without the influence of elements which management cannot control or which do not actually have an impact on operations or cash flow. The adjusted figures are therefore also less volatile. Mr Armour summarised the difference between reported and adjusted figures which are also explained in the notes to the combined financial statements (particularly note 9), but he emphasized that both these figures are important.

Mr Van Keimpema repeated that management should be accountable for adverse currency developments and would have the opportunity to move activities away from countries where currencies created too much of an exposure for the reported results. He wondered why the bonuses did not reflect adverse currency developments and the development of reported results.

The Chairman responded that these are issues that are considered by the Supervisory Board and the Remuneration Committee, but he pointed out that commitments regarding bonuses and performance that are linked to adjusted results need to be complied with.

Mr R. Melchers referred to the fast growing Asian markets and enquired about Reed Elsevier's plans for India.

Mr Davis said that the board shared Mr Melchers' sentiment for growth in Asia and

mentioned that already \$1 billion of Reed Elsevier's revenues was generated in Asia. Apart from China focus was also on India, Taiwan, Korea and other countries in the region.

Mr P. Sprengers (representing the Dutch Association for Sustainable Development VBDO) had a number of questions regarding Reed Elsevier's Corporate Sustainability Report 2005 that had just been published. He complimented the board with the timely (before the AGM) availability of the report. As regards supply chain monitoring he wondered whether there was focus also on social behaviour by suppliers. He observed that the CSR report covered 75% of all facilities and asked if that percentage would increase. The KPMG assurance report now only covered 75% of the UK facilities and Mr Sprengers would like to see that broadened. He suggested that more data would become available and that the company would set targets for delivering those.

Mr Davis responded in sequence to these questions. He said that CSR report could be found on the Reed Elsevier website. He confirmed that suppliers were being closely monitored also for their social performance and said that this was done through the independent CSR audit institution ITS. In appendix 7 to the CSR report various examples could be found. Although currently 75% of all facilities were now covered in the CSR Report, this would gradually increase over the next few years. Similarly the Assurance Report would be broadened to also cover other countries than just the UK, which had so far functioned as a test market. Clear goals were being set as regards expansion of subjects and data that had to come available from the businesses regarding their CSR performance. In 2005 transport had been added as a separate environmental issue.

Mr J. van der Plas established that the boards seemed quite satisfied with the results and the strategy achieved, but observed that the share price did not reflect this. He said that all shareholders were concerned about this and did not seem to share the satisfaction as regards performance. He asked what plans existed to improve this and wondered about possibilities such as more presentations to analysts, or adjusting the style of presentations, or more clarity on performance as compared to the peer group. He wondered whether fear for dilution of the share price as a result of the exercise of share options by management under the Long Term Share Option Scheme introduced in 2003 might play a role. He also suggested an independent audit of shareholder sentiment.

The Chairman responded that this was a matter for concern and regularly discussed by the board.

Mr Davis said that the frustration over the share price performance was shared by the board and that the board and management could not be more determined and focussed to get the share price up. He explained that Reed Elsevier's investor relations programme is one of the most extensive of major listed companies and that since the announcement of the results in February the CEO and the CFO had met with shareholders and investors in The Netherlands, elsewhere in Continental Europe, as well as in the UK and in America. The message delivered is consistent although adjustments are made to address shareholder concerns, in which context returns on capital, the use of cash and acquisition performance had been added this year. Mr Davis said that the board felt that the strategy was right, that there was good revenue growth momentum and that earnings growth was promising. Management was now focussing on execution and he felt assured that if Reed Elsevier delivered on its targets for revenue and earnings growth that this should generate a much improved share price over the next three years.

Mr Davis explained that the long term share options were covered by share re-purchases and referred to the share repurchase programme. He said that therefore there was no meaningful dilution from exercises. Regular external audits of shareholder sentiment were being performed by a reputable external consultancy firm to get feedback from major shareholders in the relevant shareholder constituencies. This has partly contributed to the decision to focus more on capital efficiency, the use of free cash and the share buy-back programme.

3. Adoption of the annual financial statements 2005.

The Chairman proceeded to the agenda item that would deal with adoption of the annual financial statements 2005. He referred to the Reed Elsevier Annual Reports and Financial Statements 2005 which he also called the 'full report'. He particularly referred to the pages 124 through 141 of the full report, that contained the parent company statutory annual financial statements for Reed Elsevier NV, and which must be read in conjunction with the annual financial statements for the Reed Elsevier combined businesses on pages 56 through 100.

The annual financial statements for the combined businesses and the consolidated financial statements for Reed Elsevier NV and Reed Elsevier PLC were for the first time drawn up this year under International Financial Reporting Standards (IFRS). The reconciliation between the figures as reported for the prior year under UK GAAP and the current presentation under IFRS can be found for the Reed Elsevier combined businesses in note 33 on pages 98 and 99 and for the consolidated parent company accounts in note 18 on page 136 of the full report. An explanation can be found on page 25 of the full report.

The annual financial statements were audited by Deloitte Accountants BV, Amsterdam. Their unqualified opinion can be found on page 142 of the full report and on page 36 of the annual review. The opinion of auditors on the combined financial statements can be found on page 101 of the full report.

The Chairman asked if there were any questions regarding the financial statements or the auditors.

Mr S. van der Meer mentioned the €308m deferred tax not recognised because of uncertainties regarding the availability of deductible taxable income (*see note 18 to the combined financial statements*), which amount was increasing he said. He enquired where the relevant losses were incurred and wondered why no steps were taken if such losses were not deductible, such as reorganisation or divestment.

Mr Armour explained that the tax charge is very much influenced by deferred tax but that this had no relationship with the tax actually paid. He mentioned the notional deferred tax charge on inter-affiliate lending within Reed Elsevier that is not expected to crystallise and created a deferred tax charge or asset depending on how the currency exchange rate between the country of the lender and that of the borrower develops. This creates large volatility, but has no cash impact. In '04 it was a benefit, in '05 it was a charge and '06 is uncertain as yet. These deferred tax elements are therefore taken out of adjusted figures and then the tax charge is very stable.

Mr Van der Meer said that excluding the pre-publication costs, there had been a reduction

of other operating costs [see pages 56 and 68 of the 2005 reports and financial statements]) of €74m compared to 2004 (€461m in 2005 and €535m in 2004) and he asked about the back ground for this drop.

Mr Armour said that the figures mentioned by Mr Van der Meer are not immediately clear from the document and he would come back to this. [Note 2 to the Combined Financial Statements provides selected cost information as required by IFRS but other important information in arriving at the total costs is not included in the note – in particular, the amount of staff costs that have been deferred and included within pre-publication costs or internally developed intangible assets. There are essentially three elements which make up the difference of €74m in the “other costs” not included in note 2: (1) acquisition integration costs, which reduced by €26m; (2) cost savings in indirect costs; and (3) increased staff cost deferrals. It is relevant to note that pre-publication costs increased by €96m during 2005. This is partly as a result of exchange rate movements but also reflects increased investment and, hence, deferral of staff costs.]

Mr Van der Meer mentioned that he believes that the pre-publication costs with estimated useful lives of 5 years at most, should be a non current assets and not a current asset.

Mr Armour explained that these pre-publication costs were written down over the useful life of the trading asset to which they related and were therefore considered current. He mentioned Harcourt textbooks as an example.

Next Mr Van der Meer enquired about the reasons for the worsening of the results in The Netherlands as shown in the geographical segment analysis.

Mr Armour mentioned relevant factors that had negatively influenced growth in The Netherlands and particularly the weak economic environment for the trade magazines, the investment that had been made in Scopus by the Elsevier division in 2005, negative currency exchange results for Elsevier and restructuring costs of Elsevier's Science & Technology division in Amsterdam.

And finally Mr Van der Meer mentioned his worries about the level of borrowings at €4.6bn in comparison to equity of €2.9bn and goodwill of €3bn as per the balance sheet. He referred to the progressive dividend policy and the share re-purchase programme which would repay 70-80% of free cash flow to shareholders, and the intention for additional

borrowing when needed for possible larger acquisitions. These acquisitions would then again increase goodwill. Mr Van der Meer warned that this would create an unhealthy balance sheet and drew comparisons with the serious problems of a number of Dutch companies when results turned for the worse. He stated that the use of free cash for a strengthening of equity by repayment of interest bearing debt, should have priority over applying it for the growth of earnings per share. This would avoid that the company would experience problems in case of future impairment.

Mr Armour acknowledged the high amount of net debt but he said that it was entirely manageable in the context of Reed Elsevier's market capitalisation. Interest cover is appropriate and interest rates are locked in through hedging programs and term debt issues. For a knowledge based industry such as Reed Elsevier the principal assets are goodwill and intangible assets. He mentioned the journal the Lancet which after 175 years still has growing profits. Reed Elsevier has very low capital requirements for tangible assets and as a result there is a lot of free cash flow. He felt that in view of this the balance sheet is appropriately prudent and is carefully managed.

The Chairman explained the electronic voting system and asked the meeting to vote on the adoption of the 2005 annual financial statements for the Company. After completion of the voting The Chairman established that the meeting had adopted the 2005 annual financial statements of the Company.

4. Waiver for members of the Executive Board and Supervisory Board

The Chairman addressed the agenda items concerning the waiver of claims against the management board for their management during the 2005 financial year, and against the members of the supervisory board for their functioning and particularly their supervision of management. He explained that the scope of the waiver would be restricted to what is apparent from the annual report and accounts and what had been further explained at this meeting, as well as from other matters that had been disclosed by the company.

First The Chairman asked if there were any questions regarding the waiver for the management board. Having established that such was not the case, he submitted the waiver for the management board as per agenda item 4(a) to the vote of the meeting.

After completion of the voting The Chairman established that the meeting had waived any claims against the management board for their management during the 2005 financial year.

Next The Chairman asked if there were any questions regarding the waiver for the supervisory board and having established that such was not the case, he submitted the waiver for the supervisory board as per agenda item 4(b) to the vote of the meeting. After completion of the voting The Chairman established that the meeting had waived any claims against the supervisory board for their functioning and particularly their supervision of management during the 2005 financial year.

5. Dividend

The Chairman mentioned the proposal of the combined board for a final dividend of 26.7 eurocents. That is an 11% increase compared to the prior year. Together with the interim dividend of 9.2 eurocents paid on 26 August last year, this gives total dividends for the year of 35.9 eurocents, which is a 9% increase compared to last year's dividend. The Chairman explained that the dividend increase reflected the more progressive dividend policy announced last year that more closely aligns dividend growth with growth in adjusted earnings. The dividend proposal is also in line with the dividend and reservation policy adopted last year at the AGM, which maintains that dividend shall normally over the longer term need to be covered at least two times by adjusted earnings per share. The Chairman referred to the dividend paragraph on page 26 of the full report and asked if there were any questions or observations. Having established that there were no questions, the Chairman enabled voting on the dividend proposal.

After completion of the voting The Chairman established that the meeting had approved the proposal for a final 2005 dividend of €0.267 per ordinary share of 6 eurocents resulting in a total 2005 dividend per ordinary share of €0.359.

6. Appointment of the external auditor

The Chairman explained that the Audit Committee had reviewed the functioning of the current external auditors Deloitte Accountants BV, Amsterdam during their audit of the

results and the financial statements of the Company over 2005 financial year, as well as of their independence from management. On that basis and in view of Deloitte's planning and execution of the audit of the 2005 financial year, the Audit Committee had recommended that they be appointed for the audit of the 2006 results and financial statements. The Chairman referred to the Report of the Reed Elsevier Audit Committees on pages 34 through 36 of the Reed Elsevier Annual Reports and Financial Statements 2005. In accordance with the recommendation from the Audit Committee, he said, it is proposed by the supervisory board to appoint the current auditors, Deloitte Accountants BV, in Amsterdam, to carry out the audit of the results and the annual financial statements of the financial year 2006, under conditions to be determined by the supervisory board. The accountant will also audit the results and financial statements of the Reed Elsevier combined businesses together with Deloitte & Touche LLP in London.

The Chairman established that there were no questions and submitted the proposal to the vote of the meeting. After completion of the voting The Chairman established that the meeting had appointed Deloitte Accountants BV, Amsterdam as the external auditors for the 2006 financial year.

7. Changes to Long term incentive share option scheme (LTIS 2003)

The Chairman recalled that the AGM in 2003 had approved the long term share option scheme for senior executives which has a total term of 10 years. It is available to a relatively small number of executives who will be material to executing the company's strategy and realising Reed Elsevier's challenging growth objectives.

As explained in the Director's remuneration report on pages 37 and following of the Reed Elsevier Annual Reports and Financial Statements 2005, the incentive plans are designed to meet the needs of a group of global business divisions to attract and retain the best executive talent from anywhere in the world in an ever more competitive global market. The specific remuneration policy objectives are detailed in the report. The policy was on the agenda of last year's AGM and approved.

The Chairman said that the remuneration policy is constantly reviewed by the Remuneration Committee with the help of external consultants to take account of key developments in remuneration practice. The Committee had reviewed the operation of the LTIS 2003 and had recommended a number of changes to the plan to take account of

recent developments in best practice and preferences expressed by the investor community. The Chairman asked Mr Stomberg, chairman of the Remuneration Committee to give an explanation of the proposed changes to LTIS 2003 as set out in his letter and in the agenda and its appendix C.

Mr Stomberg said that approximately 140 staff qualified for participation in the scheme and when LTIS 2003 was introduced in 2003 it was explained that there would be a review in 3 years time. He summarised the principal changes that are proposed after extensive consultation with the investor community and consultants:

- grants will be made annually, rather than every three years as previously; the total value of the conditional grants that are subject to performance criteria will not be increased; executives leaving within that three year period will not fully benefit if they can retain their shares;
- relative total shareholder return (TSR) will be introduced as a performance measure, in addition to earnings per share (EPS) growth, whereby TSR of the Reed Elsevier parent companies will be measured against a peer group of 18 international competitors;
- awards will consist solely of conditional performance shares (rather than a mix of performance shares and market value options), also because, having regard for the other option schemes, the size of total option grants was deemed to large;
- any shares that vest will be treated as having attracted dividends during the performance period;
- requirements for shareholding by participants are doubled such that the CEO should hold 3 times annual salary and the other executives 2 times.

The effect of the revised structure will be that the vesting levels based on adjusted earnings per share growth will in isolation generate a lower result than currently. However in combination with a strong relative TSR performance there is room for a better outcome for the executive directors. Earnings per share remains a key element in the measuring of management's performance. The threshold level for adjusted earnings per share growth will remain 8% (approximately 25% over the 3-year period) and if that threshold is not achieved, then there will be no vesting and thus no pay-out, not even if there would have

been a solid relative TSR performance. For details of the various elements of the restructured scheme reference is made to the Remuneration Report and appendix C to the agenda.

The Chairman asked if there were any questions or observations.

Mr Anink (proxy) asked what would happen with the previous schemes and what the costs for the company would be if targets are achieved in 2007 and 2008. He said that the systems are becoming increasingly complicated and for that reason he is against all such schemes.

Mr Stomberg explained that it concerns an amendment of the existing scheme that runs another 7 years and that no schemes fall away. The Chairman said that the total level of the grants would not increase. Awards could be higher if, in combination with at least 10% earnings per share growth, TSR performance would be at least 2/3rd better than the peer group. Mr Stomberg gave an example by reference to the chart included in appendix C to the agenda. He indicated that the cost for the Company could also drop.

De heer Fehrenbach (representing various Dutch pension funds) said that he was very pleased to see that LTIS 2003 now only concerned restricted shares and no longer also options. However he said that the balance of the performance criteria should be even more weighted to TSR. Furthermore he enquired about the 5 year minimum holding period for the shares awarded for free after vesting, by reference to the requirement in the Dutch Corporate Governance Code. He also wondered if the arrangements provided for a claw back provision in case of established mistakes in the figures that had determined the payout. He furthermore asked what the influence of the share buy-back programme would be on performance achievement. Finally he enquired about the possibility for the Remuneration Committee to discretionary adapt total remuneration based on what would be considered equitable.

Mr Stomberg emphasized that the boards are of the opinion that earnings per share growth remains the most important measure for the performance of management. As regards the 5 year holding period he explained that no such requirements were included in the scheme in view of the already existing shareholding requirement for participants. It

was not considered appropriate to add the 5 year requirements for vested shares as an additional requirement. Claw back arrangements were not specifically provided for, but would be possible through normal legal procedures in case of errors. The Remuneration Committee had the discretion to take the share buy-back into consideration, although the impact would be minimal (approximately 0.1% in case of a €300m share buy-back).

Mr Velzeboer said that the schemes and their explanations were becoming too complicated and suggested to stop with such schemes and to seek compensation in simpler incentives such as bonuses.

Mr Van Keimpema (representing the VEB) requested detail on the annual remuneration for each of the executives separately.

The Chairman said that the information was available in detail in the report of the Remuneration Committee in the annual financial statements.

Mr A. Kuiper criticized the departure of Mr Van Lede during the meeting at the time when the LTIS 2003 was being discussed. This in view of his membership of the Remuneration Committee. The Chairman explained the apologies of Mr Van Lede who had warned that he could not attend the entire meeting due to urgent travel requirements. He promised to monitor attendance.

Mr Fehrenbach requested that next year's annual report would disclose relevant information regarding achievement of performance criteria by executive directors.

The Chairman said that this would be discussed with the Remuneration Committee.

Next The Chairman submitted the proposals for amendment of the long term incentive share option scheme to voting. After completion of the voting The Chairman established that the meeting had approved the proposed amendments.

8. Changes in the Supervisory Board

The Chairman referred to his letter with the agenda and to appendix B to the agenda. He gave the following explanation:

“The joint Nominations Committee of Reed Elsevier PLC and Reed Elsevier NV has been looking out for a strong candidate to strengthen the boards as a non-executive director for Reed Elsevier PLC and Reed Elsevier Group plc and as a member of the supervisory board of the company. Someone with relevant management experience in senior positions with multinational media companies and preferably with a technology background. We believe to have found these qualities in Lisa Hook. For her biographical background and career experience I refer to appendix B to the agenda. She fits the profile for the supervisory board and we are very pleased that she has accepted a nomination. If appointed Mrs Hook will be paid similar fees as the other non executive directors as shown in the directors’ remuneration report. Approval of Mrs Hook’s proposed appointment implies also approval of these fees.”

“The other changes in the Supervisory Board are, as I explained in my letter, the result of members retiring in accordance with the rotation schedule. It concerns Mrs De Boer and Messrs Elliott, Van Lede and Reid who will retire at the end of the meeting. The Combined Board recommends that they will each be re-appointed for a maximum period of three years. Their fees are as set out in the Remuneration Report and no change is currently envisaged.”

“All candidates qualify for appointment, fit the profile for the supervisory board and have agreed to accept a nomination for re-appointment. Yesterday Mrs Hook and Messrs Elliott, Van Lede and Reid were (re-)appointed by the shareholders meeting of Reed Elsevier PLC as non-executive directors of that company.”

The Chairman asked if there were any questions regarding the proposed appointments to the Supervisory Board. Having established that there were no questions he submitted the proposals to the vote of the meeting.

The meeting voted on the proposed appointment of Mrs Hook as per agenda item 8(a). After completion of the voting The Chairman established that the meeting had appointed Lisa Hook as a member of the Supervisory Board.

Next the meeting voted on the proposed appointment of Mrs de Boer-Kruyt as per agenda

item 8(b).

After completion of the voting The Chairman established that the meeting had re-appointed Mrs de Boer-Kruyt as a member of the Supervisory Board.

Next the meeting voted on the proposed appointment of Mr Elliott as per agenda item 8(c). After completion of the voting The Chairman established that the meeting had re-appointed Mr Elliott as a member of the Supervisory Board.

Next the meeting voted on the proposed appointment of Mr van Lede as per agenda item 8(d).

After completion of the voting The Chairman established that the meeting had re-appointed Mr Van Lede as a member of the Supervisory Board.

Next the meeting voted on the proposed appointment of Mr Reid as per agenda item 8(e). After completion of the voting The Chairman established that the meeting had re-appointed Mr Reid as a member of the Supervisory Board.

The Chairman thanked the shareholders for their confidence in the candidates and congratulated each of them and Reed Elsevier with their (re-)appointment.

9. Appointments in the Executive Board

The Chairman explained that Gerard van de Aast and Pat Tierney would retire as members of the Executive Board, at the end of the meeting, in accordance with the rotation schedule. Based on recommendations of the Nominations Committee it was proposed by the combined board that they be re-appointed. For their personal data and the considerations that were at the basis of this proposal The Chairman referred to the agenda, his letter and appendix B to the agenda. Messrs Van de Aast and Tierney, he said, qualified for appointment and they had declared that they would accept a re-appointment. Yesterday they were re-appointed by the shareholders meeting of Reed Elsevier PLC as executive directors of that company. Under the articles of association and the rotation schedule appointments in the Executive Board are for maximum periods of 3 years.

The Chairman enquired if anybody wanted to speak on the proposed appointments of Mr Van de Aast and Mr Tierney? Having established that there were no questions he submitted the proposals to re-appoint Messrs Van de Aast and Tierney as executive directors to the vote of the meeting.

The meeting voted on the proposed re-appointment of Mr Van de Aast as per agenda item 9(a).

After completion of the voting The Chairman established that the meeting had re-appointed Mr Van de Aast as a member of the Executive Board.

The meeting voted on the proposed re-appointment of Mr Tierney as per agenda item 9(b).

After completion of the voting The Chairman established that the meeting had re-appointed Mr Tierney as a member of the Executive Board.

The Chairman thanked the shareholders for their confidence in the candidates and congratulated each of them and Reed Elsevier with their re-appointment.

10. Authorisation of the Executive Board to acquire shares in the company

The Chairman gave an explanation of the proposal to authorise the Executive Board to acquire shares in the Company for a price and on conditions as explained in his letter and the agenda. He said that approval of the proposal would enable the company to continue to operate the annual share repurchase programme, announced on 16 February 2006. He explained that the combined board felt that this programme would enhance shareholder returns whilst retaining the financial capability to continue to develop the business through both organic and acquisition investment. This programme, together with the more progressive dividend policy, is expected to return to shareholders in the region of 70-80% of free cash flow in 2006. The repurchase of shares in the company and Reed Elsevier PLC would reflect the equalisation ratio.

The Chairman repeated the proposal as explained in the agenda to authorise the Executive Board to acquire shares, through trading on stock exchanges and through direct dealing, for a period ending 30 September 2007, up to the 10% maximum of the issued

share capital, for prices not below the nominal value of the shares and not exceeding 105% of the average market price of the Company's shares on Euronext Amsterdam during the five trading days immediately preceding the date of the purchase, and otherwise in accordance with applicable law in this respect. If it concerns the R-shares, the price would be calculated on the basis of the price of the ordinary shares in which they can be converted.

The Chairman enquired whether there were any questions.

Mr Anink enquired whether the share buy-back programme announced on 16 February 2006 was already being implemented. This was confirmed. Announcements had been made in this respect to the stock exchanges and were available on the Reed Elsevier website.

Having established that there were no further questions The Chairman submitted the proposal to the vote of the meeting.

After completion of the voting, The Chairman established that the meeting had adopted the proposal.

11. Appointment of a body corporate authorised to issue shares, to grant rights to acquire shares and to limit or cancel pre-emption rights.

The Chairman explained agenda item 11 as set out in his letter and the agenda. He enquired if there were any questions.

After establishing that there were no questions The Chairman asked the meeting to vote on the proposal as per agenda item 11(a) to designate the Combined Board as the body corporate authorised to resolve the issue of shares and the granting of rights to acquire shares in the Company, up to a maximum of 10% of the issued and outstanding share capital at close of trading on Euronext Amsterdam on 19 April 2006 and during a period that will end on 30 September 2007.

After completion of the voting, The Chairman established that the meeting had adopted the proposal.

Next The Chairman asked the meeting to vote on the proposal as per agenda item 11(b) to designate the Combined Board as the body corporate authorised to restrict or cancel the pre-emptive rights of shareholders at an issue of shares or a grant of rights to acquire shares which are resolved by the Combined Board, for a period which will end on 30 September 2007.

After completion of the voting, The Chairman established that the meeting had adopted the proposal.

12. Other matters

The Chairman asked if there were any other questions or observations.

Mr Anink observed that a lot of the relevant information that used to be included in the Reed Elsevier Annual Review and Summary Financial Statements was now absent in this shorter document and he mentioned geographical information and the multi-year results overview as examples. Furthermore he suggested that information would be given during the AGM about the voting behaviour and issues during the annual general meeting of Reed Elsevier PLC. He asked how the atmosphere at this year's meeting had been.

The Chairman said that the atmosphere in London had been very good. He promised that the observations made by Mr Anink would be considered.

Mr. E. Debets enquired about any thoughts to end the dual holding company structure and The Chairman said that this was regularly discussed in the boards, but that the current structure was still effective and its benefits conclusive.

13. Closing

There being no further questions The Chairman closed the meeting.

IN WITNESS WHEREOF these minutes were signed by the Chairman and the Secretary

The Chairman

The Secretary