

Reed Elsevier NV
Annual General Shareholders Meeting

Agenda item 11: Conditional share consolidation and amendment Articles of Association

Verbatim showing of the proposed amendment of provisions of the Articles.
 Not included provisions will not be changed. The numbers refer to the respective provisions of the Articles of Association.

Current wording	Proposed wording
<p><i>In this translation an attempt has been made to be as literal as possible without jeopardizing the overall continuity. Inevitably, differences may occur in translation, and if so, the Dutch text will by law govern.</i></p> <p>Unofficial translation of the articles of association of: Reed Elsevier N.V. as they read after the amendment of these articles of association before [a deputy of] Steven Perrick, civil law notary in Amsterdam, the Netherlands, on [*] 2007.¹</p>	<p><i>In this translation an attempt has been made to be as literal as possible without jeopardizing the overall continuity. Inevitably, differences may occur in translation, and if so, the Dutch text will by law govern.</i></p> <p>Unofficial translation of the articles of association of: Reed Elsevier N.V. as they read after the amendment of these articles of association before [a deputy of] Steven Perrick, civil law notary in Amsterdam, the Netherlands, on [*] 2007</p>
<p>CHAPTER III. AUTHORIZED CAPITAL, SHARES, SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS.</p> <p>Article 4 Authorized Capital and Shares.</p> <p>4.1 The authorized capital of the Company is one hundred and forty-four million euro (EUR 144,000,000).</p> <p>4.2 It is divided into two billion one hundred million (2,100,000,000) ordinary Shares with a nominal value of six eurocent (EUR 0.06) each and thirty million (30,000,000) class R</p>	<p>CHAPTER III. AUTHORIZED CAPITAL, SHARES, SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS.</p> <p>Article 4. Authorized Capital and Shares.</p> <p>4.1 The authorized capital of the Company is [*] euro (EUR [*]).²</p> <p>4.2 It is divided into [*] ([*]) ordinary Shares with a nominal value of [*] eurocent (EUR [*]) each and [*] ([*]) class R Shares with a nominal value of [*] eurocent (EUR [*]) each,</p>

¹ This refers to the amendment of the articles of association as put on the agenda for the annual general meeting of shareholders of Reed Elsevier N.V. of 18 April 2007 under point 10.

² Reference is made to Appendix D to the agenda for the annual general meeting of shareholders of Reed Elsevier N.V. of 18 April 2007. Herein it is set out how the share consolidation will occur and determine the number of new shares that will result from the share consolidation. On the basis thereof the nominal value of the new ordinary and R-shares shares will be determined with the formula described in Appendix D. The authorized share capital will change accordingly.

Current wording	Proposed wording
<p>Shares with a nominal value of sixty eurocent (EUR 0.60) each, provided that at each time one or more class R Shares are, in accordance with the provisions of Article 4.4, converted into ordinary Shares, the number of ordinary Shares of the authorized capital shall be increased by ten times the number of converted class R Shares, decreasing at the same time the number of class R Shares of the authorized capital by such number of class R Shares as are converted. An alteration of the number of each class of Shares in which the authorized capital is divided shall be notified to the Commercial Register within eight days.</p>	<p>provided that at each time one or more class R Shares are, in accordance with the provisions of Article 4.4, converted into ordinary Shares, the number of ordinary Shares of the authorized capital shall be increased by ten times the number of converted class R Shares, decreasing at the same time the number of class R Shares of the authorized capital by such number of class R Shares as are converted. An alteration of the number of each class of Shares in which the authorized capital is divided shall be notified to the Commercial Register within eight days.</p>
<p>4.3 The ordinary Shares and the class R Shares are registered in the name of the holders. No share certificates shall be issued.</p>	
<p>4.4 Each class R Share may at the option of the holder thereof be converted into ten ordinary Shares. The holder of a class R Share wishing to convert one or more of his class R Shares into ordinary Shares shall notify the Executive Board in writing of his wish to do so. Such written notice shall state the number of class R Shares involved and the date per which the conversion is to become effective, being a date not earlier than seven business days after the date on which the written notice is received by the Executive Board. At the request of the Shareholder concerned, the Executive Board shall immediately acknowledge receipt of the written notice. The conversion of the class R Shares referred to in the written notice into ordinary Shares shall be effective by operation of law, as of the date specified in the written notice. As from the time of conversion, the ordinary Share into which the class R Shares are converted shall attribute the same rights as the other ordinary Shares.</p>	

Current wording	Proposed wording
	<p>4.5 The Combined Board may split Shares into sub shares, whereby each Share will be split in one thousand (1000) sub shares of the class of the relevant Share which has been split. The provisions of these Articles of Association relating to Shares, share certificates and Shareholders shall also apply to sub shares, sub share certificates and holders of sub shares, save in so far as the contrary is expressed of follows from the meaning of the relevant provision.</p> <p>4.6 If the holder of a sub share of a particular class acquires such number of sub shares of the same class that he holds an aggregate number of one thousand (1000) sub shares of such class, each number of one thousand (1000) sub shares held by such Shareholder shall be converted into a Share of the relevant class by operation of law.</p>
<p>CHAPTER X. TRANSITORY PROVISIONS</p> <p>Article 46</p> <p>Article 13.3 shall enter into force after the lapse of six months following publication of the contents thereof in a nationally distributed newspaper.</p>	<p>CHAPTER X. TRANSITORY PROVISIONS</p> <p>Article 46 Entering into force art. 13.3</p> <p>Article 13.3 shall enter into force after the lapse of six months following publication of the contents thereof in a nationally distributed newspaper.</p> <p>Article 47 Sub-shares</p> <p>47.1 In connection with the consolidation of the share capital of the company by way of an amendment of the Articles of Association which became effective on the [*] day of [*] two thousand and seven, each Share issued at that time has been converted, subject to the provisions of Article 4.6, into one thousand sub shares. As long as sub shares are outstanding, the following provisions apply.</p>

Current wording	Proposed wording
	<p>47.2 The provisions of Title 4 of Book 2 of the Dutch Civil Code on shares and shareholders apply accordingly to sub shares and holders of sub shares, to the extent not stipulated otherwise in those provisions or these Articles of Association.</p> <p>47.3 The Executive Board shall keep a register of holders of sub shares in which the names and addresses of all holders of sub shares shall be recorded, indicating the class of sub shares. The provisions of article 5 apply accordingly to this register of sub shares.</p> <p>47.4 A holder of sub shares can only exercise the rights attached to such sub shares after he has been registered in the register of holders of sub shares.</p> <p>47.5 Each holder of a sub share is entitled to one thousandth (1/1000) of the (interim) dividend and any distribution to which the holder of a Share of the relevant class is entitled. Article 9.7 shall apply accordingly.</p> <p>47.6 No voting rights are attached to sub shares.</p>