
Note: This agenda is a convenience document for English speaking shareholders. The official agenda has been drawn up in the Dutch language and shall be governed and construed in accordance with the laws of The Netherlands. This English translation has been made with due care but the translation of certain Dutch terms and notions may not be fully or adequately understood in translation. For that reason in case of differences the official Dutch language document shall prevail and will determine the legal position of the company.



Reed Elsevier NV

Agenda Annual General Shareholders Meeting 2007

Wednesday, 18 April 2007 from 10.30 am
Hotel Okura, Ferdinand Bolstraat 333, Amsterdam, The Netherlands

Letter to the Shareholders of Reed Elsevier NV

Dear shareholders,

Amsterdam, 22 March 2007

Annual General Meeting 2007

Introduction

The Annual General Meeting of Reed Elsevier NV (the 'Company') will be held on Wednesday 18 April 2007 from 10.30 am at Hotel Okura in Amsterdam ('AGM'). The agenda for the meeting and a route map are attached to this letter.

For attendance and voting at the AGM the requirements set out in the call for the meeting published on 22 March 2007 will apply. A copy of the announcement is attached to this agenda as Appendix A. The Combined Board has determined that Wednesday 11 April 2007 shall be the registration date on which shareholders wishing to attend the AGM must be registered as shareholders by banks in the Netherlands admitted by the Dutch giro institute Euroclear Nederland. Shareholders who do not wish to attend the meeting in person can obtain a proxy form from the offices of the Company or from our website (www.reedelsevier.com). Proxy forms should be submitted to the Secretariat of the Company no later than Friday 13 April 2007. Shareholders participating in the Shareholder Communication Channel have received the agenda and a proxy form and have the facility to vote electronically via www.proxyvote.nl, by using the control number on the proxy form.

There will be electronic voting at the AGM. For that purpose proxy holders representing different shareholders and who have received voting instructions such that they cannot vote all the shares for which they will be attending in the same manner (for, against, abstention) for each individual agenda item, will need to contact the Secretariat of the Company (see contact details set out at the end of this letter) no later than Friday 13 April 2007, to enable appropriate processing of those instructions.

I will now provide some further explanation in respect of individual agenda items.

Agenda items 2 and 3: Annual report and approval of the 2006 Annual Financial Statements

The Reed Elsevier Annual Reports and Financial Statements 2006, the Reed Elsevier Annual Review and Summary Financial Statements 2006 and the Annual Report on Form 20-F are available from the Company's website (www.reedelsevier.com). Printed copies of these documents in the official English language and a convenience Dutch translation of the Annual Review and Summary Financial Statements 2006 can be requested from the offices of the Company. During the general meeting there will be a presentation of the 2006 results.

Agenda item 4: Waiver of claims by shareholders in respect of 2006

This annual agenda item concerns the separate waiver of claims against the members of the Executive Board and of the Supervisory Board. I refer to the agenda.

Agenda item 5: Dividend

The equalised final dividends proposed by the respective Boards of Reed Elsevier NV and Reed Elsevier PLC are €0.304 for Reed Elsevier NV and 11.8p for Reed Elsevier PLC, up 14% and 10% respectively on the prior year. Together with the interim dividends paid in 2006, these give total dividends for the year of €0.406 and 15.9p respectively, up 13% for Reed Elsevier NV and 10% for Reed Elsevier PLC on the prior year dividends. The difference in dividend growth rates reflects the impact of currency movements since the prior year dividend declaration dates.

Agenda item 6: Appointment of Deloitte Accountants B.V. as external auditors

The Audit Committee has conducted a formal review of the performance of the external auditors and the effectiveness of the audit process for both the external and internal audit activities. Based on this review, and on their subsequent observations on the planning and execution of the external audit for the year ended 31 December 2006, the Audit Committee has recommended the re-appointment of Deloitte Accountants B.V. as the external auditors of the Company until the Annual General Meeting in 2008. The Supervisory Board follows this recommendation with the support of the Executive Board.

Agenda items 7 and 8: Recommended appointments of directors

The Corporate Governance Committee, comprising the members of the Supervisory Board (non executive directors) reviews the performance of the boards and the committees annually. The Committee also assesses the individual performance of the executive directors. Using questionnaires completed by all directors (executive and non-executive), the Committee has reviewed the functioning and constitution of the Executive and the Supervisory Boards and the committees of the Supervisory Board. Based on these assessments, the Nominations Committee believes that the performance of each director proposed for re-election at the Annual General Meeting continues to be effective, and that they demonstrate commitment to their respective roles in the Company.

At the end of the Annual General Meeting and in accordance with the rotation schedule Rolf Stomberg, Lord Sharman and I will retire from the Supervisory Board and Mark Armour and Erik Engstrom will retire from the Executive Board. Each of the directors retiring by rotation is eligible for re-appointment and have declared their willingness to accept a re-appointment.

Cees van Lede will be retiring at the conclusion of the Annual General Meeting after four years of service as a member of the Supervisory Board. He has made a substantial contribution during this period and the Supervisory Board has benefited from his wise counsel. The Nominations Committee has nominated Robert Polet as a member of the Supervisory Board and non-executive director of Reed Elsevier PLC and Reed Elsevier Group plc. Robert is president and chief executive officer of Gucci Group, before which he held senior positions at Unilever. He brings with him strong marketing skills and a record of entrepreneurial leadership.

Biographical information in relation to the directors recommended for (re-)appointment appears in Appendix B to the Agenda. Appointments of directors are for a maximum period of three years. Appointments to the Supervisory Board are made in accordance with the profile for that Board which is available from the Reed Elsevier website (www.reedelsevier.com).

Agenda item 9: Amendment of the remuneration policy

At the Annual General Meeting held in 2005, Reed Elsevier's Remuneration Policy was considered and approved by shareholders. Share based incentive schemes were separately approved at the Annual General Meetings in 2003 and 2006. The Remuneration Committee (the "Committee") has recently reviewed the Remuneration Policy and has advised the Supervisory Board to change the operation of the Annual Incentive Plan (AIP). The current rules were explained in the 2005 Annual General Meeting and disclosed in the Reed Elsevier Annual Reports and Financial Statements. These provide for a target bonus opportunity for executive directors for the achievement of highly stretching financial targets and for outstanding performance against 3 financial (revenue growth, profit and cash) as well as personal performance objectives. The four elements are measured separately, such that there could be a pay-out on one element and not on others. The personal performance objectives are typically set around up to 6 critical non financial priorities for which the executive will be accountable. Against each objective a number of measurable milestones are defined and these must be achieved during the relevant year in order to achieve a pay-out in respect of the personal performance objectives.

In view also of the advice from remuneration experts regarding competitive remuneration packages in the ever more competitive markets where Reed Elsevier has to select and retain its executives, the Remuneration Committee has re-considered the existing rules regarding the minimum threshold for performance against the financial performance objectives and the maximum pay-out that can be achieved for exceptional performance. Based on its assessment and the professional advice obtained, the Committee has advised that the threshold for the achievement of the financial bonus objectives should be raised from 94% to 97.5% of target, but that the maximum bonus pay-out that can be achieved for truly exceptional performance against the measurable milestone targets could in that context be increased from currently 110% to 150% of salary. The Supervisory Board and the Board of Reed Elsevier PLC support these findings of the Committee. It is therefore recommended that the Annual General Meeting will approve this amendment of the Remuneration Policy.

Letter to the shareholders of Reed Elsevier NV (continued)

Agenda item 10: Amendment of the Articles of Association

Recent introduction of new corporate law provisions in the Netherlands enable the determination of a record date for shareholder attendance and voting rights at general shareholders meetings that shall be no earlier than 30 days prior to the date of the meetings. As per the previous legal provisions and as currently in our articles, the record date could not be earlier than 7 days prior to the meeting. It has been explained by banks in the Netherlands that such a short period prior to the day of the meeting would require banks to block the shares of shareholders who have notified the banks of their intention to attend the meeting. For that reason we wish to amend the articles to utilise the flexibility created by the new law for setting an earlier record date.

Another reason for the proposal is the practical wish to provide in the Articles that re-purchased shares shall not be taken into account for profit allocation.

We are using the opportunity for a small number of editorial changes. A more detailed explanation of the proposed amendment is given in Attachment C to the agenda. A verbatim summary of the changes is available from the Secretariat of the Company and at the Reed Elsevier website (www.reedelsevier.com).

Agenda item 11: Proposed Consolidation of Share Capital and amendment Articles

We announced on 15 February 2007 that, following a detailed review, Reed Elsevier is to sharpen its strategic focus to best capitalise on growing digital opportunities in its key markets of Science and Medical, Legal and Business. We therefore plan to sell the Education division; its business dynamics and strategy have increasingly differed from the other three divisions as Elsevier, LexisNexis and Reed Business accelerate their online information and workflow solution strategies.

It is the intention that the net proceeds of any sale are returned to the shareholders of the Company and of Reed Elsevier PLC by way of special distribution followed by a share consolidation. The special distribution will be in the equalisation ratio such that approximately 47.1% will be distributed to the shareholders of the Company (other than Reed Elsevier PLC) and approximately 52.9% will be distributed to the shareholders of Reed Elsevier PLC. Given the special circumstances of the distribution, equalisation of the special distribution will not take account of the gross up for the UK tax credit available to certain of the Reed Elsevier PLC shareholders applied in determining equalisation of the normal annual dividends.

The purpose of this recommendation under agenda item 11 is to effect a consolidation of the Company's share capital to reflect the special distribution. The effect of the resolution as proposed would be that, following the special distribution to shareholders, the number of ordinary shares that they hold will be reduced in approximately the same proportion that the special distribution to our shareholders represents of the Company's market capitalisation.

As all shareholdings in the Company will be consolidated, your percentage holding in the Company will (save for fractional entitlements) be unchanged immediately following the share capital consolidation. The share capital consolidation would allow comparability of the Company's share price and comparability of earnings per share before and after the declaration of the special distribution. The consolidation is also intended to maintain a neutral position for holders of options and awards under share schemes who will not receive the special distribution in respect of any options under such schemes. The special distribution is conditional on the adoption by the general meeting of the resolution as per this agenda item 11. Appendix D gives a more detailed explanation.

At its Annual General Meeting on 17 April 2007, Reed Elsevier PLC proposes to implement a share consolidation on similar terms.

Agenda item 12: Authority for the Executive Board to purchase own shares

This is an annually recurring agenda item that is intended to give the Executive Board the necessary flexibility to re-purchase shares. The maximum price for own share purchases is described in the agenda. Share purchases shall not exceed or result in a holding by the Company of its own shares in excess of 10% of the issued share capital. The authority will be used only in circumstances where the Combined Board, after careful consideration, believes that a purchase would result in an expected increase in earnings per share and would be in the interests of the Company and of its shareholders.

If approved by shareholders, this authority will enable the Company to continue to operate the annual share repurchase programme, which commenced in 2006. As at 31 December 2006 the Company held circa 13.4 million ordinary shares in

treasury. Taking into account the associated financing costs, these purchases are estimated to have added 0.5% to adjusted earnings per share in 2006. The Combined Board believes that a continuation of this programme will further improve capital efficiency. The repurchase of shares in the Company and in Reed Elsevier PLC will reflect the equalisation ratio.

Following the share consolidation contemplated under Agenda item 11 becoming effective, the Executive Board will exercise the authority to re-purchase shares taking into account the effects of the consolidation.

Agenda item 13: Authority for the Combined Board to issue shares, grant share options and restrict pre-emptive rights

This proposal is also an annually recurring agenda item. The first proposed resolution aims at renewing the authority of the Combined Board to issue shares and to grant share options. The authority is for a period of 18 months and shall be restricted as described in the agenda. The Combined Board will only use the authority if it is considered that such would be in the interests of the Company and its shareholders.

The second resolution is the necessary complement of the first and intends to authorise the Combined Board to cancel the pre-emptive rights of existing shareholders in respect of shares issues or share option grants pursuant to resolutions of the Combined Board. Shareholders have no pre-emptive rights in the event of share issues or option grants to employees or against a contribution in kind, nor when shares are issued to satisfy an exercise of share options.

It is intended that the Combined Board will exercise the authority to issue shares and grant option rights until such time as the share consolidation contemplated under Agenda item 11 becomes effective. At such time, the Combined Board will exercise such authority taking into account the effects of the consolidation.

I hope that a large proportion of our shareholders will attend the meeting in person or by proxy and we are looking forward to the opportunity to explain our good 2006 results. The Executive Board and the Supervisory Board consider that all the proposals submitted to the Annual General Meeting are in the best interests of the Company and the shareholders as a whole. The members of the Boards recommend you to vote in favour of the proposed resolutions, as they intend to do in respect of their own holdings.

Yours sincerely,

Jan Hommen

(Chairman of the Supervisory Board)

Secretariat of Reed Elsevier NV
PO Box 470
1000 AL Amsterdam
T +31(0)20 485 2222
F +31(0)20 485 2032
website: www.reedelsevier.com

AGENDA

ANNUAL GENERAL MEETING

of the shareholders of
Reed Elsevier N.V.
established in Amsterdam (the 'Company')
to be held on Wednesday, 18 April 2007 from 10.30 a.m.
at Hotel Okura in Amsterdam

An explanation of certain agenda items is given in the attached letter from the Chairman of the Supervisory Board and in the Appendices.

The term 'Combined Board' as used in this Agenda has the meaning set out in the articles of association of the Company (the 'Articles of Association') and refers to the body corporate consisting of the members of the Executive Board and of the Supervisory Board. The term 'General Meeting' as used in this Agenda has the meaning set out in the Articles of Association and refers to general meeting of shareholders.

The call for the meeting as published in accordance with the Articles of Association and on the Company's website is attached at Appendix A.

1. **Opening**

2. **The Executive Board's report on the company's affairs and management during the 2006 financial year**

The Executive Board's report is contained in the Reed Elsevier Annual Reports and Financial Statements 2006 and summarised in the Reed Elsevier Annual Review and Summary Financial Statements 2006. An explanation will be given during the meeting.

3. **Approval of the 2006 Annual Financial Statements**

The Company's 2006 Annual Financial Statements are constituted by the Reed Elsevier Annual Reports and Financial Statements 2006. These have been audited by Deloitte Accountants BV, who have issued an unqualified opinion and who will be present during the meeting.

4. **Waiver of claims against the members of the Executive Board and of the Supervisory Board from liability ('Kwijting')**

- (a) In accordance with Article 31.2 of the Articles of Association, the General Meeting is requested to waive claims against the members of the Executive Board in respect of their functioning and in particular their management during the 2006 financial year.
- (b) In accordance with Article 31.2 of the Articles of Association, the General Meeting is requested to waive claims against the members of the Supervisory Board in respect of their functioning and in particular the supervision of management during the 2006 financial year.

5. **Dividend**

Subject to adoption of the 2006 annual financial statements by the General Meeting, the Combined Board proposes a 2006 final dividend of € 0.304 per ordinary share having a nominal value of € 0.06. Taking into account the € 0.102 interim dividend per ordinary share that was payable from 25 August 2006, this means that the 2006 total dividend amounts to € 0.406. The final dividend will be payable from 11 May 2007 and the ordinary shares will trade ex-(final) dividend from 20 April 2007.

6. **Appointment of Deloitte Accountants B.V. external auditors**

In pursuance of the recommendation made by the Audit Committee, it is proposed by the Supervisory Board that the company's current external auditors, Deloitte Accountants BV, be appointed as external auditors of the Company until the Annual General Meeting in 2008, under terms and conditions to be determined by the Supervisory Board. The principal considerations underlying this recommendation are set out in the letter from the Chairman of the Supervisory Board.

7. Changes in the Supervisory Board

As per the rotation schedule adopted by the Combined Board, Messrs J.H.M. Hommen and R.W.H. Stomberg and Lord C.M. Sharman will stand down from the Supervisory Board at the end of the meeting. In accordance with recommendations of the Nominations Committee, they are recommended for re-appointment by the Combined Board. Voting on these recommendations will be separate for each of the candidates.

Mr Van Lede will stand down from the Supervisory Board at the end of the meeting. In accordance with a recommendation of the Nominations Committee, the Combined Board recommends the appointment of Mr R.B. Polet as a member of the Supervisory Board.

Reference is made to the letter from the Chairman of the Supervisory Board, which contain the considerations of the Combined Board for these recommended appointments. The recommendations reflect the profile for the Supervisory Board that is available from the company's website (www.reedelsevier.com).

In accordance with the Articles of Association, appointments to the Supervisory Board are for a maximum period of 3 years. All candidates recommended for appointment are eligible and have stated their willingness to accept an appointment. The relevant personal details of the nominees as referred to in Article 21.4 of the Articles of Association are set out in Appendix B to this agenda.

8. Changes in the Executive Board

As per the rotation schedule adopted by the Combined Board, Messrs M.H. Armour and E.N. Engstrom will stand down as members of the Executive Board at the end of the meeting. In accordance with a recommendation from the Nominations Committee, they are recommended for (re-)appointment by the Combined Board. Voting on these recommendations will be separate for each of the candidates.

The considerations for the above recommendations by the Combined Board are set out in the attached letter of the Chairman of the Supervisory Board. In accordance with the Articles of Association, appointments to the Executive Board are for a maximum period of 3 years. All candidates recommended for appointment to the Executive Board are eligible and have stated their willingness to accept an appointment. The relevant personal details of the candidates as referred to in Article 15.3 of the Articles of Association are set out in Appendix B to this agenda.

9. Changes to remuneration policy

In accordance with a proposal of the Remuneration Committee, the Supervisory Board requests the approval of the General Meeting for an amendment of the Reed Elsevier remuneration policy as approved at the Annual General Meeting in 2005. It concerns a higher bonus threshold for executive directors, but with the possibility of achieving a higher maximum pay-out if challenging targets should be exceeded. A more detailed explanation is given in the letter of the Chairman.

10. Amendment Articles of Association

The Combined Board recommends and proposes to the General Meeting to adopt a resolution to amend the Articles of Association. An explanation for this recommendation is given in Appendix C. A comparison document reflecting the current and the proposed wording of the articles to be amended is available on the Reed Elsevier website and shareholders can obtain a copy of such document at the offices of the Company without charge.

11. Conditional consolidation of share capital and amendment Articles of Association

In connection with and subject to the proposed disposal of Reed Elsevier's Education division the Combined Board intends to declare a special distribution out of the net proceeds of such disposal. In conjunction with the payment of this special distribution, the Company proposes to implement a share consolidation whereby the number of outstanding shares in the capital of the Company shall be decreased (and their nominal value increased) proportionate to the value of the special distribution, so as to maintain the comparability of the market price of the shares and the comparability of earnings per share both before and after the special distribution. An extensive explanation is given in Appendix D to this agenda. It is proposed that the general meeting resolve upon and approve the share consolidation including the amendment of the Articles of Association in the manner as set forth in Appendix D.

12. **Delegation to the Executive Board of the authority to acquire shares in the Company**
 In accordance with the provisions of Article 9 of the Articles of Association, it is proposed that the Executive Board be granted the authority to re-purchase the Company's shares, through stock exchange trading or otherwise, for a period ending on 30 September 2008, up to the maximum number of shares mentioned in Article 9.2(b) of the Articles of Association, for prices not below the nominal value and not exceeding the higher of (a) 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 repurchase, (b) the price of the last independent trade of an ordinary share Reed Elsevier NV on Euronext Amsterdam or (c) the then current independent bid for an ordinary share Reed Elsevier NV on Euronext Amsterdam. If the repurchase concerns R-shares, the price shall not be lower than nominal value and not higher than if calculated on the basis of the price of the ordinary shares in which they can be converted.
13. **Delegation to the Combined Board of the authority to issue shares, to grant option rights and to restrict pre-emptive rights**
- (a) The Combined Board recommends and proposes to the General Meeting, in accordance with and within the limits of the provisions of Article 6.2 of the Articles of Association, to designate the Combined Board as the corporate body authorised, during a period which will end on 30 September 2008, to issue shares and to grant rights to acquire shares in the capital of the Company, provided this authority shall be limited to 10% of the issued and outstanding share capital of the Company at close of trading on Euronext Amsterdam on 18 April 2007, it being understood that this 10% limitation shall not apply to the issue of shares and the granting of rights to acquire shares in accordance with approved share based incentive schemes.
- (b) In accordance with and within the limits of the provisions of Article 7.4 of the Articles of Association, the General Meeting is proposed to designate the Combined Board as the corporate body authorised, during a period which will end on 30 September 2008, to restrict or cancel the pre-emptive rights of shareholders at an issue of shares or a grant of rights to acquire shares in the capital of the Company, which are resolved by the Combined Board.
14. **Other matters**
15. **Close of Meeting**

Appendices

- Appendix A: Call for the Annual General Meeting
 Appendix B: Biographical details regarding candidates for appointment to the boards
 Appendix C: Amendment Articles of Association
 Appendix D: Conditional Share Consolidation and amendment Articles of Association
 Appendix E: Route map Okura hotel

Appendix A

to the Agenda for the Annual General Meeting 2007

Notice of Meeting

[translation from original Dutch language version]

Annual General Shareholders Meeting Reed Elsevier NV

established at Amsterdam, Radarweg 29, Netherlands (Companies Register Amsterdam nr. 33155037)
to be held on Wednesday, 18 April 2007, from 10.30 a.m. in Hotel Okura, Ferdinand Bolstraat 333, Amsterdam

Shareholders, usufructuaries and holders of a right of pledge over shares with voting rights are hereby invited to attend the meeting. Next is an abridged version of the agenda:

1. Opening
2. Executive Board's report on 2006
3. Approval of the 2006 Annual Financial Statements
4. Décharge
 - 4(a) Waiver of claims against the members of the Executive Board
 - 4(b) Waiver of claims against the members of the Supervisory Board
5. Dividend (Final 2006: € 0.304)
6. Appointment of Deloitte Accountants BV as external auditors
7. Changes in the Supervisory Board
 - 7(a) Re-appointment Mr J.H.M. Hommen
 - 7(b) Re-appointment Lord C.M. Sharman
 - 7(c) Re-appointment Mr R.W.H. Stomberg
 - 7(d) Appointment Mr R.B. Polet
8. Changes in the Executive Board
 - 8(a) Re-appointment Mr M.H. Armour
 - 8(b) Re-appointment Mr E.N. Engstrom
9. Amendment to Remuneration Policy
10. Amendment Articles of Association
11. Conditional share consolidation and amendment Articles of Association
12. Delegation to the Executive Board of the authority to acquire shares in the company
13.
 - (a) Designation of the Combined Board as the body authorised to issue shares and grant share options
 - (b) Designation of the Combined Board as the body authorised to restrict or cancel pre-emptive rights
14. Other matters
15. Close of meeting

The complete agenda and the documents for the meeting as well as a proxy form can be obtained from the offices of the company and are available from the Reed Elsevier website (www.reedelsevier.com).

Notification and Registration Shareholders

Shareholders who wish to attend the meeting must procure that a bank or broker in the Netherlands associated with Euroclear Netherlands shall inform ABN AMRO Bank N.V. in the Netherlands (Service desk: +31(0)20-579 9455) of their intention to attend the meeting and for which number of shares, no later than Wednesday, 11 April 2007.

Shareholders shall have attendance rights if on Wednesday, 11 April 2007 ("the Registration Date"), after processing of all trading transactions on the Registration Date, they are registered as shareholders of the Company with a bank or broker in the Netherlands associated with Euroclear Netherlands and this and the number of shares for which they wish to attend the meeting has been confirmed to ABN AMRO Bank N.V. in the Netherlands.

Following receipt of the notification and share confirmation by ABN AMRO Bank N.V., the shareholder will receive a confirmation of notification. Upon submission thereof by the shareholder or the proxy at Hotel Okura prior to the AGM on 18 April 2007, the shareholder or the proxy holder will be given access to the meeting.

Shareholders in the Company's shareholder register

Shareholders, usufructuaries and holders of pledges over shares with voting rights, who are registered in person in the Register of Shareholders of the Company on the Registration Date at 5 p.m. (CET) will be entitled to attend the AGM if they have notified the Executive Board of the Company in writing (see the below correspondence address) of their intention to attend the AGM. They will subsequently receive a confirmation hereof and upon submission thereof at Hotel Okura prior to the AGM on 18 April 2007, they will be given access to the meeting.

Attendance by Proxy

Subject to compliance with the above provisions, shareholders can attend and vote at the AGM in person or by proxy. Proxies need to be in writing and should at the discretion of the Company sufficiently identify the shareholder and the proxy holder and the number of shares for which the proxy holder will represent the shareholder at the AGM. The proxy must be received by the Company (see the below correspondence address) no later than Friday, 13 April 2007.

Proxy holders representing different shareholders and who have received voting instructions such that they cannot vote all the shares for which they will be attending in the same manner (for, against, abstention) for each individual agenda item, will need to contact the Secretariat of the Company (see contact details set out below) no later than Friday 13 April 2007, to enable appropriate processing of those instructions.

Amsterdam, 22 March 2007

Combined Board

Communication with the company regarding the above information through:

Company Secretariat Reed Elsevier NV
Tel. +31(0)20 485 2222, Fax +31 (0)20 485 2032
P.O. Box 470, 1000 AL Amsterdam
The Netherlands

Appendix B

to the Agenda for the Annual General Meeting 2007

Agenda items 7 and 8: Biographical details of nominees for appointment

Jan Hommen (63)

Appointed as chairman of the supervisory board in 2005. Chairman of the supervisory board of TNT N.V., Academisch Ziekenhuis Maastricht and TiasNimbas Business School of the University of Tilburg. A member of the supervisory board of Koninklijke Ahold N.V., ING N.V. and Campina. Was vice-chairman of the board of management and chief financial officer of Royal Philips Electronics N.V. until his retirement in 2005.

Mr Hommen holds no interest in the shares in either of Reed Elsevier N.V. or Reed Elsevier PLC

Lord Sharman of Redlynch OBE (64)

Appointed as member of the supervisory board in 2002. Chairman of the Audit Committee. Non-executive chairman of Aviva PLC and Aegis Group plc, a non-executive director of BG Group plc and a member of the supervisory board of ABN-AMRO N.V.. Member of the House of Lords since 1999. Was chairman of KPMG Worldwide until 1999, having joined KPMG in 1966.

Lord Sharman holds no interest in the shares in either of Reed Elsevier N.V. or Reed Elsevier PLC

Rolf Stomberg (66)

Appointed as member of the supervisory board in 1999. Senior independent director and Chairman of the Remuneration Committee. Chairman of Management Consulting Group PLC and of the supervisory board of Lanxess AG, Francotype AG, TNT N.V., Deutsche BP AG, HOYER GmbH and Biesterfeld AG. Non-executive director of Smith & Nephew PLC and AOA Severstal. Formerly a director of The British Petroleum Company plc where he spent 27 years, latterly as Chief Executive of BP Oil International.

Mr Stomberg holds no interest in the shares in either of Reed Elsevier N.V. or Reed Elsevier PLC

Erik Engstrom (43)

Appointed as member of the executive board in 2004. Chief Executive Officer of the Elsevier division. Prior to joining Reed Elsevier was a partner at General Atlantic Partners. Before that was president and chief operating officer of Random House. Began his career as a consultant with McKinsey.

Mark Armour (52)

Appointed Chief Financial Officer of Reed Elsevier in 1996 and as member of the executive board in 1999. Prior to joining Reed Elsevier as Deputy Chief Financial Officer in 1995, was a partner in Price Waterhouse.

Robert Polet (51)

President and Chief Executive Officer of Gucci Group since July 2004. Prior to joining Gucci Group was President of Unilever's Worldwide Ice Cream and Frozen Foods division. He joined Unilever in 1978, where he worked in a broad variety of marketing and senior executive positions throughout the world. He is a Dutch national, and studied business administration at Nyenrode in the Netherlands, and earned an MBA from the University of Oregon, USA.

Mr Polet holds no interest in the shares in either of Reed Elsevier N.V. or Reed Elsevier PLC

Appendix C

to the Agenda for the Annual General Meeting 2007

Agenda item 10: Proposal to amend the Articles of Association

Summary explanation:

The proposal to amend the articles of association of the Company provides for a number of changes based on legislative changes. This concerns among other things (whereby references between brackets refer to articles to be amended in the articles of association):

- A revised article 6.5 reflects changes to article 9 of the Netherlands Trade Register Act pursuant to which appropriate quarterly notifications by the Company of changes in the issued share capital to the Netherlands Authority Financial Markets will serve as the required notification to the Trade Register.
- In view of the provisions of article 2:105 paragraph 5 of the Dutch Civil Code it is proposed to include a new article 9.7 that clarifies that re-purchased shares will not be taken into account for the allocation and/or distribution of profits by the Company.
- Pursuant to a recent change of the Dutch Civil Code it is now possible that a registration date for determining attendance rights at general meetings of shareholders be set no earlier than 30 days prior to the meeting (previously no earlier than 7 days prior to the meeting). It is proposed to delete reference to the 7 days' period in article 40.3 of the Articles of Association so as to enable the Executive Board to determine the registration date with due regard for the maximum period permitted by law (new article 40.5).

Finally, a few technical and editorial changes are proposed.

A verbatim copy of the proposal in English and Dutch (official version), showing the original text and the proposed changes, is available from the Reed Elsevier website (www.reedelsevier.com) and from the offices of the Company.

Appendix D

to the agenda for the Annual General Meeting 2007

Agenda item 11: Conditional share consolidation and amendment Articles

Subject to and following completion of the planned disposal of the Education division, it is the intention of the Combined Board of the Company and of the board of Reed Elsevier PLC to approve a special distribution out of the net proceeds. The special distribution will be made in the equalisation ratio such that approximately 52.9% of the total special distribution will be distributed to the shareholders of Reed Elsevier PLC and approximately 47.1% to the shareholders (other than Reed Elsevier PLC) of the Company. Given the special circumstances of the distribution, equalisation of the special distribution will not take account of the gross up for the UK tax credit available to certain of Reed Elsevier PLC's shareholders applied in determining equalisation of the normal annual dividends. The special distribution in respect of the Company will be made to shareholders of the Company (other than Reed Elsevier PLC) as at a time and date to be determined by the Combined Board (the **Consolidation Record Time**) which will be notified by advertisement in the Official Price List of Euronext Amsterdam N.V. and at least one daily national Dutch newspaper. The special distribution will be made by the Company by way of a distribution from the reserves pursuant to article 33 paragraph 8 of the Articles of Association (the **Special Distribution**). In conjunction with the payment of the Special Distribution, the Company proposes to implement a share consolidation (the **Share Consolidation**). The advertisement mentioned above will also specify the consolidation ratio to be applied to the Company's ordinary shares. Reed Elsevier PLC proposes to implement a share consolidation on similar terms. Payment of the Special Distribution is also conditional on resolution 11 on the agenda being passed by shareholders at the Annual General Meeting.

It is not possible at this point, prior to the sale of the Education division, to specify the amount of the Special Distribution (if any) but, purely for illustrative purposes, if the total amount of the Special Distribution plus the amount of the special distribution by Reed Elsevier PLC is equivalent to 5% of the combined market capitalisation of the ordinary shares of the Company (not including the shares held by Reed Elsevier PLC in the Company) and the ordinary shares of Reed Elsevier PLC at the close of trading on the relevant day then the effect of the Share Consolidation will be to reduce the number of ordinary shares of the Company in issue by approximately the same percentage, with the result, on an illustrative basis, that you would receive 19 new ordinary shares for every 20 existing shares you hold on the Consolidation Record Time and in that proportion for any other number of existing ordinary shares then held.

Although following the Share Consolidation, each shareholder will hold fewer ordinary shares than before, his or her shareholding as a proportion of the total number of ordinary shares in issue, and therefore his or her ownership in the Company, will be the same both before and immediately after the Share Consolidation, subject to adjustments to reflect fractional entitlements.

Any relevant shareholding in the Company not exactly divisible by 20 (based on the above illustrative example; but the actual consolidation ratio to be used will follow from the formula below) will generate new ordinary shares as well as an entitlement to fractions of one new ordinary share (sub-shares). Arrangements will be put in place so that in respect of ordinary shares held through Euroclear Netherlands, your fractional entitlements (expressed in thousandths of a share) will be rounded down or, as the case may be, up into the nearest whole number of ordinary shares; to that effect, your bank or broker will either (in case of rounding down) sell your fractional entitlements on your behalf and pay the proceeds to you or (in case of rounding up) buy such a number of fractional entitlements on your behalf as will get you to the nearest upward number of whole ordinary shares, against payment by you for the value of such fractional entitlements. The administrative costs charged by the banks and brokers admitted to Euroclear Netherlands to ABN AMRO Bank N.V. (engaged by the Company in connection with the Share Consolidation) in relation to this exchange of existing ordinary shares into new ordinary shares and to the settlement of fractional entitlements will be borne by the Company. Shareholdings registered in the Company's register of shareholders will be consolidated and converted into shares with the new nominal value on a similar basis, whereby the adjustments for fractional entitlements will be settled with the shareholder in cash.

The Share Consolidation will entail an amendment of the Articles of Association to increase the nominal value of the ordinary shares. Following the formula set out below the mathematical outcome of the Share Consolidation will be a nominal value of each new ordinary share expressed in [thousandths] of a eurocent. Since under Dutch law the nominal value per share needs to be expressed in whole eurocents, the outcome of the formula will be rounded up to the nearest whole eurocent. The difference between the nominal value outcome of the formula and the rounded up whole eurocent value will, for each new ordinary share, be paid up by the Company through capitalisation by the Company of fiscally recognised share premium reserves (the **Rounding Up Adjustment**). Although the nominal value of the new ordinary shares will be

different, each new ordinary share will carry the same rights as are set out in the Articles of Association for each existing ordinary share.

Shareholders who hold their ordinary shares in a securities account through an admitted institution (bank or broker) to Euroclear Netherlands will have their securities accounts adjusted to reflect their entitlement to new ordinary shares. Shareholders who hold their ordinary shares by registration in the Company's register of shareholders will have their entry in the Company's shareholders register adjusted to reflect their entitlement to new ordinary shares.

The Share Consolidation includes that the issued R shares in the share capital of the Company, which are being held by Reed Elsevier PLC, will be consolidated in the same proportion as the ordinary shares by way of the proposed amendment of the Articles of Association.

The Share Consolidation will allow (subject to normal market movements) comparability of the Company's share price and comparability of earnings per share before and after the Special Distribution. There can be no assurance that the planned sale of the Education division will proceed nor, if the division is sold, as to the amount of the net proceeds or the amount of the Special Distribution.

Participants in Reed Elsevier's employee share schemes who hold options or awards to acquire ordinary shares will not be entitled to receive the Special Distribution (other than where they are required to make an investment in ordinary shares under the terms of the scheme). The effect of the Share Consolidation will be to maintain a neutral position for holders of options and awards, subject to normal market fluctuations, and so no adjustment will be made to either the number of ordinary shares subject to those options or awards, or the amount payable on exercise or vesting of such options or awards.

GUIDANCE on the effects of taxation on the Special Distribution and Share Consolidation is set out in the Annex to this Appendix D.

The consolidation ratio to be applied to the Company's existing ordinary shares and existing R shares (the **Consolidation Ratio**) to determine the number of shares outstanding after the Share Consolidation will be $(A + B - C) / (A + B)$ where:

- A = the market capitalisation of the ordinary shares of the Company (not including the shares held by Reed Elsevier PLC in the Company) as at a time and date to be determined by the Combined Board (the **Consolidation Calculation Date**);
- B = the market capitalisation of the ordinary shares of Reed Elsevier PLC at the Consolidation Calculation Date; and
- C = the amount of the Special Distribution plus the amount of the special distribution declared by the board of Reed Elsevier PLC.

The nominal value of each new ordinary share in the share capital of the Company after the Share Consolidation shall be calculated such

that $D \times E = F \times G$ where $G = \frac{D \times E}{F}$ on the basis that:

- D = the total number of ordinary shares of the Company in issue at the Consolidation Record Time;
- E = the nominal value of one existing ordinary share being ? 0.06 (six eurocent);
- F = the total number of new ordinary shares in the capital of the Company resulting from the Share Consolidation;
- G = the (mathematical) nominal value of one new ordinary share of the Company, subject to rounding up to the nearest number of whole eurocents.

The nominal value of each new R share in the share capital of the Company shall be calculated such that it shall be ten (10) times the new nominal value (i.e. after rounding up) of an ordinary share.

It is proposed that the shareholders of the Company resolve upon and approve the Share Consolidation and the amendment of the nominal value in the manner as set forth above by amendment of the Articles of Association as set forth below, subject to and following the declaration of the Special Distribution by the Combined Board; resolve upon and approve the Rounding Up Adjustment by the Company; and authorise the Combined Board to effect the Share Consolidation and amendment of the Articles of Association as set forth below, including but not limited to establishing the Consolidation Ratio and the new nominal value of the shares in the capital of the Company by application of the above formulae, setting the Consolidation Calculation Date and the Consolidation Record Time and requesting the admission of the new ordinary shares to listing and trading on Eurolist by Euronext Amsterdam.

Amendment Articles of Association:

The proposal to amend the Articles of Association of the Company under agenda item 11 provides for a number of changes in connection with the Share Consolidation. This resolution to amend the Articles of Association is subject to the condition precedent that the Combined Board resolves to declare the Special Distribution.

The proposed amendment of the Articles of Association concerns among other things (whereby references between brackets refer to articles to be amended in the articles of association):

- an amendment of the authorised capital of the Company pursuant to the changes in nominal value of the ordinary shares and the R shares (article 4.1);
- an amendment of the nominal value of the ordinary shares from six eurocent (? 0.06) into a nominal value per the outcome of the above formula, subject to rounding up to the nearest number of whole eurocents (article 4.2);
- an amendment of the nominal value of the class R shares from sixty eurocent (? 0.60) into a nominal value which shall be ten (10) times the new nominal value (i.e. after rounding up) of an ordinary share (article 4.2); and
- the creation of sub shares of ordinary shares, so that each ordinary share will consist of one thousand (1,000) sub shares (articles 4.5, 4.6 and 47).

A verbatim copy of the proposal in English and Dutch (official version), showing the original text and the proposed changes, is available from the Reed Elsevier website (www.reedelsevier.com) and from the offices of the Company.

Annex

to Appendix D

GUIDANCE on the effects of taxation on the Special Distribution and the Share Consolidation

NETHERLANDS TAXATION

The following paragraphs are intended as a general guide only and are based on current tax law and published practice of the Netherlands (which is subject to changes that could prospectively or retrospectively affect the stated tax consequences). They relate only to certain limited aspects of the Netherlands taxation treatment of the Special Distribution on Reed Elsevier N.V. ordinary shares and the Share Consolidation. The description does not purport to be complete. It does in particular not apply to (i) shareholders who, alone, or together with certain members of their family or household, hold, or have held, (x) the ownership of, and/or certain other rights, such as usufruct, over, or (y) rights to acquire directly or indirectly (whether or not already issued), shares of Reed Elsevier N.V. representing five per cent. or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of Reed Elsevier N.V. (ii) holders of options on Reed Elsevier N.V. shares, (iii) shareholders who hold their shares in connection with their employment, (iv) private individuals whose shares in Reed Elsevier N.V. are attributable to an enterprise or an interest in an enterprise that is in whole or in part carried out in The Netherlands and (v) shareholders subject to a special tax regime.

Shareholders should consult their own appropriate independent professional adviser with regard to the tax consequences of the Special Distribution and the Share Consolidation in their particular circumstances without delay.

Taxation of the Special Distribution

Dividend withholding tax

The Special Distribution by Reed Elsevier N.V. is generally subject to a withholding tax imposed by The Netherlands at a rate of 15%. Certain non-resident shareholders may benefit from a reduced rate pursuant to an applicable double taxation treaty. Certain non-resident corporate shareholders may benefit from an exemption at source or a refund; this depends inter alia on their legal form, the size of their shareholding and their country of residence. In these cases, certain administrative formalities may have to be fulfilled to effect the reduction, exemption or refund. The Netherlands dividend withholding tax is in principle fully creditable or, in certain cases, refundable for Netherlands tax payers against their Netherlands taxation. These reductions, refunds or credits in respect of Netherlands dividend withholding tax are subject to certain anti-dividend stripping rules.

Taxation of income and capital gains

Private individual shareholders who are resident, deemed to be resident or have elected to be taxed as resident in the Netherlands will normally not be taxable on the Special Distribution from Reed Elsevier N.V., but will be taxed at a flat rate of 30 per cent. on deemed income from "savings and investments" ("sparen en beleggen"). This deemed income amounts to 4 per cent. of the average of the individual's "yield basis" ("rendementsgrondslag"), generally, at the beginning of the calendar year and the individual's "yield basis" at the end of the calendar year. The yield basis would include the fair market value of the Reed Elsevier N.V. shares. If and to the extent the Special Distribution would affect the value of their shareholding in Reed Elsevier N.V., this would affect the yield basis on which the deemed income is calculated. The yield basis also includes any cash held by the individual at the year end and to this extent would include cash retained from the Special Distribution.

Netherlands shareholders subject to corporate income tax will generally be taxed at ordinary rates on the Special Distribution. Corporate shareholders holding an interest of - generally - five per cent. or more, may benefit from the participation exemption and on that basis would not be taxable on the Special Distribution.

Non-resident private individual or corporate shareholders will normally not be subject to Netherlands income taxation on the Special Distribution.

Share Consolidation

Dividend withholding tax

The Share Consolidation does not give rise to Netherlands dividend withholding tax.

Taxation of income and capital gains

For Netherlands shareholders, the Share Consolidation should in principle not lead to Netherlands taxation with respect to income or capital gains, unless and to the extent the Share Consolidation would affect the value of their shareholding in Reed Elsevier N.V. This exception does not apply to corporate shareholders that benefit from the participation exemption in relation to their shareholding in Reed Elsevier N.V. or in certain specific other cases.

If and to the extent a Netherlands resident private individual shareholder receives net proceeds as a result of the sale of fractional entitlements, those proceeds would be included in the individual's yield basis. If and to the extent a Netherlands resident corporate shareholder receiving net proceeds as a result of the sale of fractional entitlements realizes a gain, such gain will generally be taxed at ordinary rates, unless the participation exemption applies in respect of that gain. It is expected that the amounts involved would be insignificant for most shareholders. Non-resident private individual or corporate shareholders will normally not be subject to Netherlands taxation of income and capital gains in respect of the Share Consolidation.

UK TAXATION

The following paragraphs are intended as a general guide only and are based on current UK tax law and HM Revenue & Customs published practice (which is subject to change, possibly with retrospective effect) as at the date of this document. They relate only to certain limited aspects of the UK taxation treatment of the Special Distribution on Reed Elsevier N.V. ordinary shares and the Share Consolidation. The following paragraphs only relate to shareholders who are resident or ordinarily resident in the UK for tax purposes, who are the absolute beneficial owners of their shares and any dividends paid on them, and who hold their existing shares as investments. Certain shareholders, such as dealers in securities, insurance companies, collective investment schemes and persons who have acquired their shares by reason of their or another's employment may be taxed differently and are not considered.

Shareholders who are in any doubt about their tax position, or who are subject to tax in a jurisdiction other than the UK, should consult their own appropriate independent professional adviser without delay.

Taxation of the Special Distribution

The UK tax treatment of the Special Distribution will generally be the same as the tax treatment of other dividends paid by Reed Elsevier N.V. on its Reed Elsevier N.V. ordinary shares.

Holders of Reed Elsevier N.V. ordinary shares will, in general, be subject to UK income tax or corporation tax on the gross amount of the Special Distribution paid on the Reed Elsevier N.V. ordinary shares, rather than on the amount actually received net of any Dutch withholding tax (further details of which can be found in the paragraph above headed "Taxation of the Special Distribution, Dividend withholding tax"). The Special Distribution received by such holders who are within the charge to corporation tax will be taxed at the prevailing corporation tax rate. An individual will generally be chargeable to income tax on the Special Distribution paid on the Reed Elsevier N.V. ordinary shares at the dividend ordinary rate (currently 10 per cent.) or, to the extent that the amount of the gross dividend when treated as the top slice of his or her income exceeds the threshold for higher rate tax, at the dividend upper rate (currently 32.5 per cent.).

Credit will generally be available for Dutch tax required to be deducted or withheld from the Special Distribution paid on the Reed Elsevier N.V. ordinary shares against income tax or corporation tax to which the holder of Reed Elsevier N.V. ordinary shares is liable in respect of the Special Distribution to the extent that the amount required to be deducted or withheld cannot be reduced by a claim under the double taxation treaty between The Netherlands and the United Kingdom. As a result, individual holders of Reed Elsevier N.V. ordinary shares who are chargeable to income tax at the dividend ordinary rate on the whole of the Special Distribution and who claim that credit through their tax return should have no further tax to pay in respect of the Special Distribution. Individual holders of Reed Elsevier N.V. ordinary shares who are chargeable to income tax on all or any portion of the Special Distribution at the dividend upper rate and who claim that credit through their tax return should be able to offset the amount of the available credit against their income tax liability. Holders of Reed Elsevier N.V. ordinary shares who are chargeable to corporation tax on the Special Distribution and who claim that credit should generally be able to offset the amount of the available credit against their corporation tax liability.

Shareholders in Reed Elsevier N.V. should note that the above summary is subject to any developments in UK and European law and are advised to consult with their professional advisers to assess the impact (if any) of any such developments.

Share consolidation

It is expected that for the purposes of UK taxation on chargeable gains the Share Consolidation should be treated as follows:

- (a) a Reed Elsevier N.V. shareholder should not generally be treated as making a disposal of all or part of his or her holding of existing Reed Elsevier N.V. ordinary shares by reason of the Share Consolidation being implemented;
- (b) although the position is not entirely clear, to the extent that a Reed Elsevier N.V. shareholder receives cash by virtue of a sale on his or her behalf of any new Reed Elsevier N.V. ordinary shares to which he or she has a fractional entitlement, the Reed Elsevier N.V. shareholder should not, in practice, normally be treated as making a part disposal of his or her holding of existing Reed Elsevier N.V. ordinary shares, the proceeds instead being deducted from the base cost of the Reed Elsevier N.V. shareholder's new holding; and
- (c) on a subsequent disposal of the whole or part of the new Reed Elsevier N.V. ordinary shares comprised in his or her new holding, a Reed Elsevier N.V. shareholder may, depending on his or her circumstances, be subject to tax on the amount of any chargeable gain realised.

HM Revenue & Customs Clearance (section 703 of ICTA)

Under the provisions of section 703 ICTA, HM Revenue & Customs can, in certain circumstances, counteract tax advantages arising in relation to certain transactions in securities. The company has sought no clearance on behalf of Reed Elsevier N.V. shareholders in respect of the Special Distribution because the company does not consider that this provision should generally be applicable to Reed Elsevier N.V. shareholders holding existing Reed Elsevier N.V. ordinary shares who receive the Special Distribution. Reed Elsevier N.V. shareholders considering transactions in respect of their existing Reed Elsevier N.V. ordinary shares or who may be considering taking the Special Distribution into account for any of the relevant purposes listed in section 704A ICTA are however advised to take independent advice on the potential application of section 703 ICTA in light of their own particular circumstances.

US FEDERAL INCOME TAXATION

The following discussion is a general summary based on current law of certain US federal income tax considerations relevant to the Special Distribution on the Special Distribution on Reed Elsevier NV existing ordinary shares, and the related Share Consolidation. The discussion is not a complete description of all tax considerations that may be relevant to investors and does not consider an investor's particular circumstances. It applies to US Holders (as defined below) that own existing ordinary shares of Reed Elsevier NV, hold the existing ordinary shares as capital assets and use the US dollar as their functional currency. It does not address the tax treatment of investors subject to special rules, such as banks, tax-exempt entities, insurance companies, dealers, traders in securities that elect mark to market treatment, investors liable for alternative minimum tax, US expatriates, investors that directly, indirectly or constructively own 10% or more of the existing ordinary shares of Reed Elsevier NV, investors that hold existing ordinary shares in connection with a permanent establishment or fixed base outside the United States or investors that hold shares as part of a straddle, hedging, conversion or other integrated transaction.

THE STATEMENTS ABOUT US FEDERAL TAX CONSIDERATIONS ARE MADE TO SUPPORT THE MARKETING OF THE SPECIAL DISTRIBUTION AND SHARE CONSOLIDATION. NO TAXPAYER CAN RELY ON THEM TO AVOID TAX PENALTIES. EACH US HOLDER SHOULD SEEK ADVICE FROM AN INDEPENDENT TAX ADVISOR ABOUT THE TAX CONSEQUENCES UNDER ITS OWN PARTICULAR CIRCUMSTANCES OF PARTICIPATING IN THE SPECIAL DISTRIBUTION AND SHARE CONSOLIDATION UNDER THE LAWS OF THE UNITED KINGDOM, THE NETHERLANDS, THE UNITED STATES AND ITS CONSTITUENT JURISDICTIONS AND ANY OTHER JURISDICTIONS WHERE IT MAY BE SUBJECT TO TAXATION.

As used here, a "US Holder" means a beneficial owner of existing ordinary shares of Reed Elsevier NV that is for US federal income tax purposes (i) a citizen or individual resident of the United States, (ii) a corporation or other business entity treated as a corporation created or organised under the laws of the United States or its political subdivisions, (iii) an estate the income of which is subject to US federal income tax without regard to its source or (iv) a trust subject to the primary supervision of a US court and the control of one or more US persons or that has elected to be treated as a domestic trust for US federal income tax purposes.

The US federal income tax treatment of a partner in a partnership that holds existing ordinary shares will depend on the status of the partner and the activities of the partnership. Partnerships should consult their tax advisors concerning the US federal income tax consequences to their partners of the Special Distribution and Share Consolidation.

Reed Elsevier NV – Special Distribution

The Special Distribution (including any Netherlands tax withheld – further details of which can be found in the paragraph above headed “Taxation of the Special Distribution, Dividend withholding tax”) will be treated as a dividend for US federal income tax purposes. The Special Distribution will be includible in a US Holder’s gross income as ordinary income from foreign sources when the US Holder actually or constructively receives the Special Distribution. The Special Distribution will not be eligible for the dividends received deduction generally allowed to US corporations, but should be eligible for the preferential tax rate applicable to qualified dividend income of individuals and certain other non-corporate persons. The amount includible in income will be the US dollar value of the euro received on the date the US Holder actually or constructively receives the Special Distribution, regardless of whether the US Holder converts the payment into US dollars at that time. Any gain or loss recognised by a US Holder on a subsequent conversion or other disposition of the euro generally will be treated as ordinary income or loss from US sources.

Subject to generally applicable limitations, a US Holder may claim a deduction or a foreign tax credit for tax withheld at the appropriate rate. For purposes of computing a US Holder’s foreign tax credit, accrual basis US Holders must translate Netherlands tax withheld into US dollars at the average exchange rate for the taxable year in which the tax is accrued, which may be different than the spot exchange rate at which the Special Distribution is translated into US dollars. In computing foreign tax credit limitations, non-corporate US Holders eligible for the preferential tax rate applicable to qualified dividend income may take into account only the portion of the dividend effectively taxed at the highest applicable marginal rate. US Holders should consult their own tax advisors about applicable limitations on claiming a deduction or foreign tax credit for any Netherlands tax withheld, including the foreign tax credit limitation implication of the receipt of qualified dividend income.

Reed Elsevier NV – Share Consolidation; Sale of fractional shares

The Share Consolidation generally will be a non-taxable reorganisation. A US Holder should not recognise gain or loss in the Share Consolidation.

If a US Holder, or agent on behalf of a US Holder, disposes of fractional Reed Elsevier NV ordinary shares, such US Holder will recognise gain or loss in an amount equal to the difference between the US dollar amount realised and its adjusted tax basis in the Existing Ordinary Shares related to the fractional Reed Elsevier NV ordinary shares (generally a pro rata portion of the US Holders tax basis in existing ordinary shares equal to the proportion which its fractional Reed Elsevier NV ordinary shares bears to its total Reed Elsevier NV ordinary shares after consolidation). The gain or loss on disposal of fractional entitlements will be considered capital gain or loss and generally will be from sources within the United States. This capital gain or loss on disposal of fractional entitlements will be long-term capital gain or loss if the US Holder has held the Reed Elsevier NV existing ordinary shares for at least one year. Deductions for capital losses are subject to limitations.

The amount realised on a sale or other disposition of fractional Reed Elsevier NV ordinary shares for an amount in foreign currency will be the US dollar value of this amount on the date of sale or disposition. On the settlement date, a US Holder will recognise US source foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference (if any) between the US dollar value of the amount received based on the exchange rates in effect on the date of sale or other disposition and the settlement date. However, in the case of fractional Reed Elsevier NV ordinary shares, provided such fractional shares are traded on an established securities market, that are sold by a cash basis US Holder (or an accrual basis US Holder that so elects), the amount realised will be determined using the exchange rate in effect on the settlement date for the sale, and no exchange gain or loss will be recognised at that time. Any gain or loss recognised by a US Holder on a subsequent conversion or other disposition of the foreign currency generally will be treated as ordinary income or loss from US sources.

Passive Foreign Investment Company

Reed Elsevier NV believes that it is not, and is not likely to become, a passive foreign investment company (“PFIC”) for US federal income tax purposes. A non-US company is a PFIC in any taxable year in which, after taking into account the income and assets of certain subsidiaries, either (i) at least 75% of its gross income is passive income or (ii) at least 50% of the average value of its assets is attributable to assets that produce or are held to produce passive income. If Reed Elsevier NV were a PFIC this year, a US Holder would be subject to additional taxes on any “excess distributions” (generally distributions during a taxable year exceeding 125% of the average amount received during the three preceding taxable years or, if shorter, the US Holder’s holding period) received from the PFIC, which may include the Special Distribution. In addition, the Special Distribution would not be eligible for the preferential tax rate applicable to qualified dividend income received by individuals and certain other non-corporate persons.

Backup Withholding and Information Reporting

The Special Distribution and the sale of fractional Reed Elsevier NV ordinary shares that are made within the United States or through certain US-related financial intermediaries may be reported to the US Internal Revenue Service (“IRS”) unless the US Holder is a corporation or otherwise establishes a basis for exemption. Backup withholding tax may apply to amounts

subject to reporting if the US Holder fails to provide an accurate taxpayer identification number or otherwise establish a basis for exemption or fails to report all interest and dividends required to be shown on its US federal income tax returns. A US Holder can claim a credit against US federal income tax liability for amounts withheld under the backup withholding rules, and it can claim a refund of amounts in excess of its liability by providing required information to the IRS. Shareholders should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for establishing an exemption.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO A PARTICULAR INVESTOR. SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS ABOUT THE TAX CONSEQUENCES OF THE SPECIAL DISTRIBUTION AND SHARE CONSOLIDATION UNDER THEIR OWN CIRCUMSTANCES.

Appendix E

to the Agenda for the Annual General Meeting 2007

Route map Hotel Okura

Public transportation:

From Central Station:
tram 25 - stop Cornelis Troostplein or Churchillaan

From Sloterdijk Station:
tram 12 - stop Cornelis Troostplein or Churchillaan
bus 15 - stop Scheldestraat/Churchillaan

From Amstel Station
tram 12 - stop Cornelis Troostplein or Churchillaan
bus 15 - stop Scheldestraat/Churchillaan

From Muiderpoort:
bus 15 - stop Scheldestraat/Churchillaan

From RAI Station
From the station turn left; along the roundabout; follow the road straight ahead;
10 -15 minutes' walk to Hotel Okura

By car:

From all directions follow Ring A10.

Exit RAI (S109) and at lights turn right direction RAI/Centrum (S109).
Follow road signs direction Zuid (S109). At roundabout, via Europaplein, go straight into Scheldestraat. At lights, crossing Churchillaan, go straight on. Across the bridge you will see the Hotel Okura (high rise) at your right.

Parking at Hotel Okura

40 Spaces above ground. 100 Spaces below ground. Limited availability.
Payable parking in the neighbourhood.