

## Financial Highlights

For the years ended 31 December

(in €m, unless otherwise indicated)

	Note	1999	2000	2001	2002	2003
<b>PROFIT AND LOSS ACCOUNT</b>						
<b>Reported profit before tax</b>		80	157	221	230	<b>376</b>
<b>Reported profit/(loss) attributable to shareholders</b>		(48)	27	101	144	<b>242</b>
<b>Adjusted profit before tax</b>	(ii)	540	566	683	737	<b>733</b>
<b>Adjusted profit attributable to shareholders</b>	(iii)	401	419	503	542	<b>540</b>
<b>PER SHARE INFORMATION (in €)</b>						
<b>Earnings/(loss) per ordinary share</b>		(0.07)	0.04	0.13	0.18	<b>0.31</b>
<b>Adjusted earnings per ordinary share</b>	(ii)	0.57	0.59	0.64	0.69	<b>0.69</b>
<b>Cash dividend per ordinary share</b>		0.27	0.28	0.30	0.30	<b>0.30</b>
<b>Dividend cover</b>	(iv)	2.1	2.1	2.1	2.3	<b>2.3</b>
<b>Ordinary share prices</b>						
– high		15.25	16.07	15.66	16.01	<b>12.03</b>
– low		8.95	9.30	10.92	10.86	<b>8.13</b>
– closing	(v)	11.86	15.66	13.28	11.65	<b>9.85</b>
<b>Number of shares outstanding at year end (in millions)</b>	(vi)	709	776	783	784	<b>784</b>
<b>Market capitalisation (€m)</b>	(vii)	8,409	12,152	10,398	9,134	<b>7,722</b>

The information provided above is based on Reed Elsevier NV's gross equity share of the Reed Elsevier combined businesses.

- (i) Financial information for 1999 has been calculated on the basis of the official exchange rate of Dfl 2.20371 to one euro. Percentage changes and financial ratios have been calculated using historic Dutch guilder figures and may be affected by rounding.
- (ii) Adjusted profit before tax, adjusted profit attributable and adjusted earnings per share are presented as additional performance measures and stated before amortisation of goodwill and intangible assets, exceptional items and related tax effects. These are reconciled to the reported figures in note 8 to the financial statements.
- (iii) Per share information has been calculated using the average number of shares outstanding, taking into account that the R-shares can be converted into ten ordinary shares.
- (iv) Dividend cover is the number of times the adjusted earnings, before amortisation of goodwill and intangible assets, exceptional items and related tax effects, cover the cash dividends paid and proposed for the year.
- (v) The closing price is the final quotation at year end on the stockmarket of Euronext Amsterdam N.V. for ordinary shares.
- (vi) The number of shares outstanding at year end include the R-shares, assuming that they have been converted into ten ordinary shares, and exclude Reed Elsevier NV shares held in treasury.
- (vii) Market capitalisation is the number of shares outstanding at year end multiplied by the closing price.