

PEARSON PLC
(the “Company”)

Annual Bonus Share Matching Plan (the “Plan”)

On 19 April 2007, participants became entitled to ordinary shares in the Company (“Shares”) on maturity of their right to “matching shares” under the rules of the Plan (the “Rules”). Under the Plan, participants who invest their after-tax bonus in shares become entitled, without payment, to “matching shares” on a one-for-one basis if a corporate performance target is met over a five year period. In relation to awards made on 19 April 2002, the five year performance target was met in 2007. Accordingly, under the Rules, participants are now entitled to matching shares on a one-for-one basis.

The pre-tax number of matching shares to which executive directors became entitled is as follows:-

Name of Director	Number of Shares
Rona Fairhead	933

The Rules require that sufficient shares are sold to discharge the PAYE income tax liability on the shares released. In consequence, the shares set out in the second column below were sold on 17 May 2007 at a price of 907p per share, leaving the after-tax number of shares set out in the final column below:-

Name of Director	Number of Shares Sold	Number of Shares Retained
Rona Fairhead	383	550

As a result, the executive director named below is interested in the following shares (excluding shares to which they may become entitled, subject to satisfaction of any relevant conditions, under the Company’s employee share schemes):-

Name of Director	Number of Shares	% of Issued Share Capital
Rona Fairhead	63,143	0.00783

The shares required to satisfy these awards have been sourced from an employee benefit trust established by the Company. Each executive director is deemed for Companies Act purposes to be interested in all the shares held by the trust. As a result of the release of shares described above, the number of shares held by Halifax ESS Trustees (as trustee of the Pearson plc Employee Share Ownership Trust) is 3,519,910 shares (representing 0.4362% of the Company’s issued ordinary share capital).