

31 July 2007

### **Pearson plc – Notification of Directors’ Interests**

Pearson today announces the following changes in directors’ interests in Pearson ordinary shares of 25p each (“shares”).

The company yesterday made a grant of restricted shares to executive directors under its existing Long-Term Incentive Plan. This represents the company’s annual grant of long-term incentives to executive directors for 2007.

The earliest normal vesting date on which shares may be released is 30 July 2010. Subject to meeting certain performance conditions in full, and the retention of shares that vest on 30 July 2010 for a further two years, the maximum number of shares that the following executive directors may receive is : Marjorie Scardino (420,000); David Bell (100,000); Rona Fairhead (125,000); Robin Freestone (125,000); and John Makinson (100,000).

One third of the award will be based on Pearson’s total shareholder return performance relative to the constituents of the FTSE World Media Index over the three-year period 2007 to 2010. Another third of the award will be based on Pearson’s return on invested capital in 2009. The final third of the award will be based on Pearson’s growth in earnings per share over the period 2006 to 2009. The conditions and vesting arrangements will be set out in more detail in the report on directors’ remuneration for 2007.