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For immediate release

5 July 2011

**RECOMMENDED CASH OFFER BY PEARSON PLC FOR EDUCATION
DEVELOPMENT INTERNATIONAL PLC**

**COMPULSORY ACQUISITION OF OUTSTANDING EDUCATION DEVELOPMENT
INTERNATIONAL PLC SHARES**

On 7 March 2011, the board of directors of Pearson plc (“Pearson”) and Education Development International plc (“EDI”) announced the terms of a recommended cash offer for the entire issued and to be issued ordinary share capital of EDI to be made by Pearson. The Offer was made at a price of 200 pence in cash for each EDI Share, representing a premium of approximately 61 per cent. to the Closing Price of 124 pence per EDI Share on 4 March 2011.

On 10 June 2011, Pearson announced that all of the conditions to the Offer had been either satisfied or waived and that the Offer was thereby declared unconditional in all respects.

Pearson announces that, as at 1.00 p.m. on 4 July 2011, valid acceptances had been received in respect of a total 53,007,555 EDI Shares, representing approximately 94.04 per cent. of the issued share capital of EDI.

Accordingly, having received acceptances under the Offer in respect of 90 per cent. or more in value of the EDI Shares to which the Offer relates (and more than 90 per cent. of the voting rights carried by EDI Shares), Pearson is today despatching compulsory acquisition notices pursuant to the provisions of sections 979 to 982 (inclusive) of the Companies Act 2006 to acquire compulsorily any remaining EDI Shares on the same terms as the Offer.

Unless any of the EDI Shareholders who have not accepted the Offer apply to the court and the court orders otherwise, on the expiry of six weeks from the date of the compulsory acquisition notices, being 16 August 2011, the EDI Shares held by EDI Shareholders who have not accepted the Offer will be acquired compulsorily by Pearson on the same terms as the Offer.

The Offer will remain open until further notice. At least 14 days' notice will be given by an announcement before the Offer is closed.

EDI Shareholders who have not already done so are urged to accept the Offer as soon as possible rather than wait for their EDI Shares to be acquired compulsorily by Pearson. The consideration due to EDI Shareholders who accept the Offer will be settled more promptly than if those shares were to be acquired compulsorily.

To accept the Offer for EDI Shares held in certificated form, EDI Shareholders should complete, sign and return the Form of Acceptance in accordance with the instructions contained therein and set out in the Offer Document.

To accept the Offer for EDI Shares held in uncertificated form (that is, in CREST), EDI Shareholders should follow the procedure for electronic acceptance through CREST in accordance with the instructions set out in the Offer Document.

Copies of the Offer Document, the Form of Acceptance and other documents on display for the purposes of the Offer are available for inspection during normal business hours on any business day at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London EC2A 2HS throughout the period during which the Offer remains open for acceptance.

Admission to trading on AIM of the EDI Shares is expected to be cancelled on 13 July 2011.

Terms used in this announcement have the same meaning given to them in the Offer Document.

A copy of this announcement and the Offer Document can be viewed at <http://www.pearson.com>.

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The distribution of this announcement in jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, any applicable requirements. This announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the UK.

Notice to US holders of EDI Shares

This announcement does not constitute an offer, or compulsory acquisition of, securities for sale in the United States or an offer, or compulsory acquisition notice, to acquire securities in the United States. No offer, or compulsory acquisition of, securities has been made, or will be made, directly or indirectly, in or into, or by use of the mails, any means or instrumentality of interstate or foreign commerce or any facilities of a national securities exchange of, the United States or any other country in which such offer or compulsory acquisition may not be made other than (i) in accordance with the tender offer requirements under the US Securities Exchange Act of 1934, as

amended (the "Exchange Act") or the securities laws of such other country, as the case may be, or (ii) pursuant to an available exemption from such requirements. Neither the US Securities and Exchange Commission nor any other US state securities commission has approved or disapproved the Offer or compulsory acquisition or passed upon the adequacy or completeness of this document, the Offer Document or the compulsory acquisition notice. Any representation to the contrary is a criminal offence.

The Offer has been made in the United States pursuant to an exemption from the US tender offer rules provided by Rule 14d-1(c) of the Exchange Act and otherwise in accordance with the requirements of the Code. Accordingly, the Offer is subject to disclosure and other procedural requirements, including with respect to compulsory acquisition, withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and laws.

The receipt of cash pursuant to the Offer and the compulsory acquisition by a US holder of EDI Shares may be a taxable transaction for US federal income tax purposes and under applicable US state and local laws, as well as foreign and other tax laws. Each holder of EDI Shares is urged to consult his independent financial adviser immediately regarding any acceptance of the Offer or the compulsory acquisition, including, without limitation, the tax consequences of the compulsory acquisition or any acceptance of the Offer.

Both Pearson and EDI are incorporated under the laws of England and Wales and some or all of the officers and directors of Pearson and EDI may be residents of non-US jurisdictions. As a result, it may be difficult for US holders of EDI Shares to enforce their rights or any claim arising out of the US federal securities laws. US holders of EDI Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment or jurisdiction.