

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (AGM or the meeting) of Pearson plc (the company) will be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE at 12 noon on Friday, 27 April 2007 for the following purposes:

## Ordinary business

1. To receive and consider the accounts of the company and reports of the directors of the company (directors) and auditors of the company (auditors) for the year ended 31 December 2006;
2. To declare a final dividend on the ordinary shares, as recommended by the directors;
3. To re-elect Patrick Cescau as a director;
4. To re-elect Rona Fairhead as a director;
5. To re-elect Susan Fuhrman as a director;
6. To re-elect John Makinson as a director;
7. To reappoint Robin Freestone as a director;
8. To receive and approve the report on directors' remuneration;
9. To reappoint PricewaterhouseCoopers LLP as auditors for the ensuing year;
10. To authorise the directors to determine the remuneration of the auditors; and
11. To consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution:

THAT, subject to the passing of resolution 12 as set out in the Notice of AGM dated 26 March 2007, the directors be and are hereby generally and unconditionally authorised to exercise all the powers of the company to allot relevant securities (within the meaning of section 80 of the Companies Act 1985 (the Act)) up to an aggregate nominal amount of £67,212,339, such authority to expire at the end of the next AGM of the company after the date of the passing of this resolution (unless previously renewed, varied or revoked by the company in general meeting), provided that the company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

## Special business

12. To consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution:

THAT, the authorised ordinary share capital of the company of £297,500,000 be and is hereby increased by £1,000,000 to £298,500,000 by the creation of 4,000,000 ordinary shares of 25p each.

## Notice of Annual General Meeting *Continued*

13. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

THAT, subject to the passing of resolution 11, the board of directors of the company (board) be and is hereby empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94 of the Act) for cash pursuant to the authority conferred by resolution 11 in the Notice of AGM dated 26 March 2007 as if sub-section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited: (i) to the allotment of equity securities in connection with an offer or rights issue in favour of ordinary shareholders where the equity securities for which ordinary shareholders are respectively entitled to subscribe are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them, but subject to such exclusions or other arrangements as the board may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange; and (ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities for cash up to an aggregate nominal value of £10,080,000; and further, that this power shall expire at the end of the next AGM of the company after the date of the passing of this resolution (unless previously renewed, varied or revoked by the company in general meeting), save that the company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the board may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

14. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

THAT, pursuant to article 9 of the company's Articles, the company is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 163(3) of the Act) of ordinary shares of 25p each in the capital of the company provided that: (i) the maximum number of ordinary shares hereby authorised to be purchased is 80,000,000; (ii) the minimum price which may be paid for an ordinary share is 25p per share which amount shall be exclusive of expenses; (iii) the maximum price which may be paid for an ordinary share is, in respect of an ordinary share contracted to be purchased on any day, the higher of (a) an amount (exclusive of expenses) equal to 105% of the average of the market value of ordinary shares of the company derived from the London Stock Exchange Daily Official List for the five business days before the purchase is made and (b) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System; (iv) the authority hereby conferred shall expire at the end of the next AGM; and (v) the company may make a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract as if the authority hereby conferred had not expired.

15. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

THAT, the company may send or supply any document or information that is required or authorised to be sent or supplied to a member or any other person, by making it available on a website in accordance with the provisions of the Companies Act 2006 (the Act), whether such document or information is required or authorised to be sent by the Act, the company's Articles, or any other statute, rule or regulation to which the company is subject and this provision shall supersede any provision in the company's Articles to the extent that it is inconsistent with this resolution.

By order of the board

Philip Hoffman, *Secretary* – 26 March 2007

A handwritten signature in black ink, appearing to read 'Philip Hoffman', with a long horizontal flourish extending to the right.

# Notice of Annual General Meeting *Continued*

## Notes

1. Ordinary shareholders only are entitled to attend and vote at this AGM. Any such shareholder may appoint one or more persons (whether members of the company or not) to act as his/her proxy or proxies to attend and vote instead of him/her. The form of proxy for use at the meeting must be deposited, together with any power of attorney or authority under which it is signed, at Lloyds TSB Registrars, The Causeway, Worthing, West Sussex BN99 6TH, not less than 48 hours before the time appointed for the meeting or any adjourned meeting. An appropriate form of proxy is enclosed. Alternatively, you may register your vote online by visiting the website of the company's registrars, Lloyds TSB Registrars, at [www.sharevote.co.uk](http://www.sharevote.co.uk) or, if you already have a portfolio registered with them, by logging onto [www.shareview.co.uk](http://www.shareview.co.uk). In order to register your vote online you will need to enter the Reference Number, Card I.D. and Account Number which are given on the enclosed form of proxy. If you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained in the form of proxy. Completion of a form of proxy, or the appointment of a proxy electronically, will not stop you from attending the meeting and voting in person should you so wish.
2. The following documents are available for inspection at the company's registered office during normal business hours on any business day and also during the AGM and for 15 minutes beforehand:
  - copies of the directors' service contracts with, or letters of appointment by, the company; and
  - the company's Articles of Association.The register of directors' interests will also be available for inspection from the commencement of the AGM until its conclusion.
3. The company, pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the company at 6 pm on Wednesday, 25 April 2007 shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Changes to the register of members of the company after 6 pm on Wednesday, 25 April 2007 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

4. As explained in the chairman's letter, voting will be on a poll through an electronic system called "VoteNow". We have been assured by Lloyds TSB Registrars that the "VoteNow" system has been rigorously tested by independent IT experts and auditors. We are satisfied that "VoteNow" accurately collects and presents the number of votes received for a resolution.

The following notes summarise the key points for shareholders attending the AGM and how they can make best use of the "VoteNow" system:

- a) at the registration desks you will be given a smartcard with a unique barcode. This barcode will enable the registrars to link the vote you give via your electronic handset (which will be provided to you before the meeting starts) with your individual shareholding and consequently with the number of votes that you have at the meeting. This is different from the "show of hands" method where each shareholder casts a single vote regardless of the number of shares held.
- b) when instructed by the chairman you should press the button on your handset corresponding with the way you wish to vote.
- c) when voting you will see a message on your handset confirming that your vote "for" or "against" or "vote withheld" has been received. If you make a mistake you may simply press the correct button – your original vote will be cancelled and superseded by the correct vote. You may do this at any time until the chairman declares the vote on the resolution closed. You should note that a "vote withheld" has no legal effect and will count neither for nor against the resolution.
- d) a few moments after the chairman has declared the vote on the resolution closed, a provisional summary of the poll vote will be displayed in the auditorium showing the total number and percentages of shares voted ("for", "against" or "vote withheld") for that resolution. In order that the registrars may make a final audit check at the end of the meeting, these numbers are necessarily provisional. However, it is likely that these numbers will be strongly indicative of the result of the shareholders' voting. The final summary of the votes cast in respect of each resolution will be calculated at the end of the meeting and will be announced via a Regulatory Information Service and published on the company's website ([www.pearson.com](http://www.pearson.com)) as soon as practicable after the meeting.

