

For Immediate Release

Houghton Mifflin Company Completes Acquisition of Harcourt Education, Harcourt Trade and Greenwood-Heinemann Divisions from Reed Elsevier, Creating Preeminent K–12 Educational Publisher

BOSTON — December 13, 2007 — Houghton Mifflin Company and its parent, Education Media and Publishing Group Limited, today announced that Houghton Mifflin has completed the acquisition of the Harcourt Education, Harcourt Trade and Greenwood-Heinemann divisions (“Harcourt”) from Reed Elsevier (London: REL; Amsterdam: RED; New York: RUK and ENL).

The combination of Houghton Mifflin’s and Harcourt’s elementary, secondary and supplemental businesses, renamed Houghton Mifflin Harcourt Publishing Company, solidifies the Company’s position as the preeminent educational publisher in the United States. Going forward, Houghton Mifflin Harcourt will be well positioned to make the investments required to deliver to educators and administrators, as well as students and other customers nationwide, a more comprehensive set of K–12 learning solutions than is available today.

“The completion of this transaction is a significant milestone in the transformation of our Company. In bringing together Houghton Mifflin and Harcourt, we are establishing the preeminent educational publisher in the United States,” said Anthony Lucki, chairman and CEO of the new Company. “We welcome our Harcourt colleagues and anticipate a smooth and efficient transition for our employees, customers and all of our other stakeholders. We plan to move quickly toward a fully integrated operation, while maintaining our focus on becoming the first and best choice for our customers.”

As announced on July 16, 2007, Houghton Mifflin purchased the Harcourt businesses in a transaction valued at \$4 billion, consisting of \$3.7 billion in cash and \$300 million in common stock of Education Media and Publishing Group Limited.

About Houghton Mifflin Harcourt

Boston-based Houghton Mifflin Harcourt Publishing Company is a global education company with approximately \$2.5 billion in combined revenue. The Company publishes a comprehensive set of best-in-class pre-K–12 educational solutions, ranging from research-based textbook programs to instructional technology to standards-based assessments for students and educators. The Company also publishes an extensive line of reference works and award-winning literature for adults and young readers. With origins dating back to 1832, Houghton Mifflin Harcourt combines its tradition of excellence with a commitment to innovation. To learn more about Houghton Mifflin Harcourt, visit www.houghtonmifflin.com and www.harcourt.com.

CONTACT:

Peter Kojalo
Director of Communications
Houghton Mifflin Company
617-351-5280
peter_kojalo@hmco.com