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PENGUIN GROUP REPORTS 2002 FIRST HALF OPERATING RESULTS

New York, New York, July 29, 2002... The Penguin Group, part of Pearson (FTSE: PSON; NYSE: PSO), the international media company, today reported its operating results for the first half of 2002.

The Penguin Group held revenues and profits in the 2002 first half broadly level with 2001, even though this year's publishing schedule is heavily weighted towards the second half of the year. Total operating profit group-wide was \$55 million, versus \$53 million in the first half of 2001.

In the U.S., Penguin Putnam had a total of 57 **New York Times** adult hardcover and paperback bestsellers in the first half of 2002 (25 hardcover, 32 paperback), a similar number to the previous year. Eleven of Penguin Putnam's 57 **New York Times** adult bestsellers, or 19%, reached #1, including bestsellers by Tom Clancy, Jan Karon, Nora Roberts (who had three #1 best-selling paperback titles and one #1 hardcover title), John Sandford (who had one best-selling hardcover and one paperback title), John McEnroe, Maeve Binchy, Mark Bowden, and J. D. Robb. Of the eleven #1 bestsellers, seven were paperback and four were hardcover titles.

Looking ahead to the 2002 second half in the U. S., Penguin Putnam has new hardcover titles from best-selling authors Maeve Binchy, Sylvia Browne, Tom Clancy, Robin Cook, Patricia Cornwell, Catherine Coulter, Clive Cussler, Richard Paul Evans, Ken Follett, John Jakes, Jan Karon, Garrison Keillor, Jayne Ann Krentz, W. E. B. Griffin, and Robert Parker, among others. In paperback, Penguin Putnam will be releasing titles from best-selling authors Tom Clancy, Patricia Cornwell, Tracy Chevalier, Nora Roberts, William Kennedy, Jan Karon, Ken Follett, and Dorothy Allison, among others.

The Penguin Putnam Young Reader's division had 6 **New York Times** bestsellers in the 2002 first half, and expects to more than double their best-selling numbers from first to second half of the year. The list of authors releasing new titles in the 2002 second half reads like a "Who's Who" of children's publishing, with titles expected from Judy Blume, Jan Brett, Eric Carle, Jon Scieszka, Spencer Johnson, Lane Smith, Brian Jacques, Rosemary Wells, Michael Hoeye, Paul O. Zelinsky, T. A. Barron, and Joan Bauer, among others.

John Makinson, Penguin Group Chairman and CEO commented, "We can be very pleased with our performance in the first six months. We brought Dorling Kindersley to break-even and peppered the bestseller lists with our titles on both sides of the Atlantic. In the U. S. we have acquired a string of repeat best-selling writers – including Judy Blume, Richard Paul Evans, and Nicholas Evans – and can look forward to a fabulous publishing program in the fall. All in all, we're in great shape."

Penguin Putnam Inc. is the U.S. affiliate of the internationally renowned Penguin Group. Penguin Putnam is one of the leading U.S. adult and children's trade book publishers, owning a wide range of imprints and trademarks including Berkley Books, Dutton, Frederick Warne, G. P. Putnam's Sons, Grosset & Dunlap, New American Library, Penguin, Philomel, Plume, Riverhead Books and Viking, among others. The Penguin Group is part of Pearson (FTSE: PSON; NYSE: PSO). Pearson is an international media company with market leading businesses in education, business information and consumer publishing. For more information, visit www.pearson.com.

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