

### **Media Holding Statement**

Today, we are notifying the Lebanon, Indiana Distribution Center employees of our decision to phase out of the Lebanon warehouse and move the School inventory to our Indianapolis North Distribution Center. The transition will begin in February and will be concluded by December 31, 2014.

Pearson, and our market, is rapidly accelerating the transformation to digital products and services. This has had a significant impact on our investment in digital development and a reduction in the demand for paper-based products and operations. The closing of Lebanon anticipates the current and projected impact of the shift to digital and the resulting reduction of our reliance on paper-based warehouse space.

As a result of the consolidation, some new opportunities at our Indiana North warehouse will be created and a fair process is in place for employees at each facility to be considered for these opportunities.

These decisions are never easy and we deeply regret that we will be saying good-bye to some loyal and dedicated friends and colleagues. We are committed to treating our employees with generosity and, for those impacted by the closure, there will be a great deal of support.

