

Houghton Mifflin Harcourt and Williams Lea Enter \$1 Billion Multi-year Print Services Agreement

BOSTON — November 3, 2008 — Global education leader Houghton Mifflin Harcourt Publishing Company and global corporate information solutions provider Williams Lea announced today that they have entered into a multi-year print services agreement, effective immediately. Over the life of the agreement, Williams Lea will manage more than \$1 billion in print procurement and related services on behalf of Houghton Mifflin Harcourt.

Williams Lea will work with an extensive network of print and manufacturing resources to obtain the optimal combination of service, quality and pricing for several categories of Houghton Mifflin Harcourt print products and promotional materials. By leveraging Williams Lea's expertise and purchasing power, the arrangement will enable Houghton Mifflin Harcourt to make significant process and operational improvements while also greatly reducing costs. Based on anticipated spend levels, the relationship will result in guaranteed cost savings in excess of \$60 million during the first three years and more than \$150 million over the life of the agreement.

Houghton Mifflin Harcourt Chairman and Chief Executive Officer Tony Lucki commented, "in conjunction with previously announced actions, the steps being taken to strengthen and streamline our business processes the partnership with Williams Lea makes us an even more nimble and aggressive organization. The efficient cost structure we have put in place will make it possible for us to concentrate investment in truly differentiating product features and quality."

"We are delighted that Houghton Mifflin Harcourt has selected Williams Lea to manage a significant portion of its print and book manufacturing needs," said Justin Barton, chief executive officer, The Americas, at Williams Lea. "Williams Lea's expertise in re-engineering the supply chain process for Houghton Mifflin Harcourt will enable them to produce products at a lower cost and strengthen our client's overall business position. We look forward to working together over the long term."

"We are excited about the benefits of working with Williams Lea," said Jerry Hughes, president and chief operating officer for Houghton Mifflin Harcourt. "This relationship will not only enable us to procure products at lower cost but will give us greater flexibility and agility in responding to our customers' needs."

About Houghton Mifflin Harcourt

Boston-based Houghton Mifflin Harcourt Publishing Company is a global education company and the world's largest publisher of educational materials for pre-K–12 schools. The Company publishes a comprehensive set of best-in-class 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.hmhpublish.com.

About Williams Lea

Williams Lea is the leading global provider of Corporate Information Solutions. As a BPO organization, we combine consultancy, unique expertise and the latest integrated technology to develop solutions that transform the way organizations communicate and exchange their printed and electronic information. Williams Lea employs over 11,000 staff across Europe, the U.S. and Asia Pacific with key centers in London, Dublin, Paris, Frankfurt, Bonn, New York, Chicago, Los Angeles, Tokyo, Sydney, Hong Kong, Beijing and Chennai. We work with many world leading organizations in sectors such as financial services, investment banking, legal and professional services, retail telecoms, automotive, energy, utilities and pharmaceuticals. In March 2006, Williams Lea announced an exclusive agreement with Deutsche Post World Net, the leading logistics group, to acquire a majority stake in the business. For more information, visit www.williamslea.com.

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