



ANNOUNCEMENT FROM JOHN MAKINSON, CHAIRMAN AND CEO OF PENGUIN GROUP to all staff at Penguin UK and DK Worldwide:

London, 9 February 2005, I am writing with the news that Anthony Forbes Watson is leaving Penguin after 15 years with the company, including almost eight as chief executive of our UK business. His departure follows genuine differences of view on the way forward for the Penguin and DK businesses.

Anthony has been the driving force behind Penguin in the UK in recent years, building the most admired team in the industry and the tremendous publishing momentum that we now enjoy. In the face of our distribution difficulties last year, he led the business with distinction and delivered a remarkable publishing performance, which leaves our UK business with a very healthy outlook. Anthony fully deserves the enormous respect that he commands both inside Penguin and throughout our industry and I'd like to thank him for the energy, commitment and achievement that he has brought to Penguin.

I am replacing Anthony myself, combining the UK role with my responsibilities for Penguin and DK businesses worldwide and I will be back in touch in a few days with more detail on how I plan to run Penguin in the UK and DK.

- Ends -

For further information please contact:

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