



## PENGUIN GROUP ANNOUNCES STRONG 2007 RESULTS

**Sales up 3% to £846m**  
**Profits up 20% to £74m**

London, 03 March 2008, The Penguin Group today announced strong 2007 results across all territories and divisions showing good underlying sales growth and a significant double-digit profit increase. Underlying operating profits grew 20 % to £74m, whilst underlying revenues grew 3% to £846m.

Penguin Group Chairman and Chief Executive, John Makinson, commented: **“Penguin’s remarkable 2007 performance rewards our determination to rebalance our publishing, rethink our supply chain and refocus as a global organization. We can now look back at three successive years of double digit profit growth, providing the platform for us to achieve our target of a 10% margin in 2008. Every territory and every division of Penguin has contributed to this sustained improvement in performance.”**

Around the world, Penguin turned in a very strong performance in all its major markets with some outstanding global publishing activity led by Alan Greenspan’s *The Age of Turbulence* with almost a million copies shipped worldwide and Kim Edwards’ novel *The Memory Keeper’s Daughter*, a number one bestseller for Penguin in the US, UK, Australia and Canada.

In the UK, Penguin’s performance was driven by 52 titles in the Bookscan top ten bestseller lists. Penguin books spent a total of 293 weeks in the charts, including ten No. 1 bestsellers. It was a strong year for fiction with *The Memory Keeper’s Daughter* in the top ten for 21 weeks whilst Marian Keyes’s *Anybody Out There* was in the charts for 17 weeks. These titles were ranked at number two and three on the *Bookseller* annual paperback “Fast Sellers” list. Hardback fiction bestsellers by key Penguin repeat authors also performed well, with top ten titles from, among others, Clive Cussler, Marina Lewycka, Lesley Pearse, Dick and Felix Francis and Nicci French.

Hardback non-fiction was led by perennial bestseller Jamie Oliver, whose *Jamie at Home* was in the top 10 for 17 weeks in the autumn, including 4 weeks in the top spot. *Cook with Jamie* was also in the charts for 12 weeks at the start of the year. Books by Jamie Oliver generated £9.5m through Bookscan in 2007 – 2.5% up on 2006 and 12% of the entire cookery market. Jeremy Clarkson had four books in the top 10 during the year: *Don’t Stop Me Now* in hardback, *Born to Be Riled*, *I Know You Got Soul*, and *And Another Thing* in paperback. He was the biggest selling adult author in the UK in 2008. Other non-fiction bestsellers included the No. 1 bestselling *The Great Big Glorious Books for Girls* and Gervase Phinn’s *Heart of the Dales*.



2007 was an outstanding year for children's publishing with the Penguin Group retaining its market-leading position despite the publication of the final Harry Potter book in July. Puffin's excellent overall performance was led by Young Bond author Charlie Higson, who had two bestsellers with *Double or Die* and *Hurricane Gold*, the first Young Bond published in hardback. The *Charlie and Lola* franchise continued its successful performance throughout the year and novelist Cathy Cassidy broke into the charts for the first time with *Sundae Girl*. Penguin's Brands and Licensing division had an exceptional year with the *Dr. Who Official Annual 2008* spending 15 weeks in the top 10. It was the second bestselling children's book of 2007, beaten only by Harry Potter. BBC Children's *In the Night Garden* tie-in series had four titles in the top 10 for a combined total of 10 weeks - over a million titles from the series were shipped between September and December.

2007 was a good year for awards. Penguin titles won the prestigious Carnegie Medal for Meg Rosoff's second novel, *Just in Case*, the Ondaatje Prize for Literature for Hisham Matar's debut, *In The Country of Men* and the British Book Award for Popular Fiction for Marian Keyes' *Anybody Out There*. Hamish Hamilton had its third Man Booker short-listing in a row with *The Reluctant Fundamentalist* by Mohsin Hamid, whilst 2006 Man Booker winner *The Inheritance of Loss* was short-listed for the Orange Prize.

In 2007 DK delivered a strong publishing performance worldwide driven by a focus on innovative new formats. DK in the US grew core sales by 7% whilst growth in the UK was 2% for adult sales. In children's non-fiction DK sales grew sales by 6%. DK was number 1 by value in the children's non-fiction category, with 11% value market share. DK publishing highlights from 2007 included *The Human Body Book*, which has sold over 235,000 copies; the *New York Times* bestseller *Do Not Open* and the No.1 family health book, *First Aid Manual*.

Penguin's market leading Travel division had a particularly strong year in the UK, publishing in over 30 languages and outselling the competition with 110 bestsellers in the UK (68 for DK Travel and 42 for Rough Guides). This represents 10% growth on 2006. Best performing titles from 2007 include the Christmas hits, *Make the Most of Your Time on Earth* and *Where to Go When*.

Penguin UK websites received over three and a half million unique visitors in 2007, up 5% from 2006. The Penguin newsletter database grew 30% to 96,000 monthly subscribers. In addition, [www.Penguin.co.uk](http://www.Penguin.co.uk) was redesigned and launched to critical acclaim, coming in first in a ranking of UK publishing websites by *The Bookseller*. 2007 also saw the launch of [www.spinebreakers.co.uk](http://www.spinebreakers.co.uk), Britain's first online book community for teenagers run by teenagers. DK's UK website had 1,469,292 million unique visitors in 2007 and their monthly newsletter now has 62,000 subscribers compared to 50,000 in 2006. Last year DK launched its first dedicated travel website [www.traveldk.com](http://www.traveldk.com) which allows visitors to make bespoke travel guides. There were many partnership and digital initiatives across the group including the preloading of Rough Guides content on over 6 million Nokia and Samsung mobile phones.



Worldwide the Penguin Group saw strong performances in every territory. In the US, Penguin Group (USA) enjoyed an outstanding year with 18% more *New York Times* bestsellers than last year and a number 1 bestseller 85% of the year. US bestsellers included Elizabeth Gilbert's *Eat, Pray, Love* (the number 1 non-fiction trade paperback in the US), which has shipped 4.4m copies to date and Khaled Hosseini's *A Thousand Splendid Suns* (2.2m copies shipped) and *The Kite Runner* (5.8m copies shipped). In Australia, Penguin held its market leading position with a market share of 15.6% and three number one bestsellers. 2007 also saw Penguin extending its leading roles in emerging markets. In their 20<sup>th</sup> anniversary year, Penguin India saw exceptional growth, (publication of Harry Potter 7, which Penguin distributes there contributed significantly). Penguin announced the launch of local language classics publishing in Korea and in China, the classics programme in Chinese is underway. *Wolf Totem* by Jiang Rong won the inaugural Man Asia Literary Prize for Penguin China. It will be published in English by Penguin around the world at the end of March.

2008 has started well for Penguin. Oprah Winfrey chose *A New Earth* by Eckhart Tolle as her new Book Club Selection, marking it as a global pick for the first time. Penguin publishes *A New Earth* in all English language markets and has shipped 4 million copies around the world in 4 weeks. In the UK, Penguin has had 17 top ten titles in the first 7 weeks, including two number 1 children's bestsellers with the *Dr. Who Official Annual* and *In the Night Garden Little Library*. *Jamie at Home* has continued its strong performance with two weeks in the number 1 slot. Joshua Ferris' debut novel, *And Then We Came to the End* was selected for the Richard and Judy Book Club and has been in the top 10 fiction chart for 2 weeks.

Looking ahead, Penguin has an exciting year shaping up with the publication of the most anticipated book of the year: *Devil May Care*, the new James Bond book by Sebastian Faulks coming at the end of May. Other fiction highlights include new novels from Marian Keyes and Jane Green. Penguin's non-fiction list is as strong as ever with new books from Jamie Oliver (*The Ministry of Food*) and Jeremy Clarkson (*For Crying Out Loud*) coming in the autumn along with books by Twiggy, Ross Kemp and Paul Theroux. Imprint Allen Lane has books from Thomas Friedman, Niall Ferguson and Malcolm Gladwell. At Puffin, autumn highlights include *Artemis Fowl and the Time Paradox*, the latest in Eoin Colfer's hugely successful Artemis Fowl series, as well as a new Young Bond book by Charlie Higson. In Brands and Licensing, both *Dr Who* and *In the Night Garden* brands will continue to drive revenues through the year and 2008 sees the launch of a new *Top Gear* series of books under the BBC brand, spearheaded by the first *Top Gear Annual*.

In April, DK will launch *Made with Care*, an environmental and ecological publishing and communications initiative. Starting with four titles, DK will be ensuring that all suppliers meet strict criteria in their care of their workforce, their energy consumption and their waste management. Other key titles for 2008 include *The Cooking Book*, *Art* and *Animal Life* on the adult list – all major new reference works, together with a re-brand of Miriam Stoppard's pregnancy and parenting books in the UK, and continued plans for DK's cookery list on both sides of the Atlantic. Key children's titles include *Dr Frankenstein's Human Body Book*, *Cool Stuff Exploded*, and *Star Wars Clone Wars*.

# Press Release

[www.penguin.co.uk/pressoffice](http://www.penguin.co.uk/pressoffice)



DK Travel will launch *America's Where to Go When*, as well as *Top 10 Olympics Special Beijing* in time for the summer Olympic Games. Rough Guides will also launch the *Rough Guide to China* and Channel 5 is currently showing 15 weeks of Rough Guides-branded television shows that began in January 2008.

**[Ends]**

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For the full Pearson earnings release, please see [www.pearson.com](http://www.pearson.com).