

September 3, 2014

Dear Penguin Random House Colleagues,

As a result of today's news regarding Madeline McIntosh moving to a new position as President of the Penguin Publishing Group, two of her former senior direct reports are being promoted and will be taking on significantly expanded responsibilities. I am very pleased to announce the appointments of NIHAR MALAVIYA as Executive Vice President, Chief Operating Officer, Penguin Random House U.S., and JACI UPDIKE as President of Sales, Penguin Random House U.S. Both will report to me, and will become members of the Penguin Random House North America Board.

As our COO, Nihar's chief priorities will be to lead us through the ongoing systems and supply-chain integration, and to ensure that we respond even more rapidly and effectively to the digital transformation of our business. His uniquely powerful gifts for strategic planning, problem solving, and innovation have made him an incredible ally and business partner for me and for colleagues in every area of our company. In addition to his leadership of the integration, he will continue to deliver guidance and support that will enable our publishing, sales and marketing teams to become even more market- and reader-focused. With his unique combination of intelligence, humility and empathy, Nihar consistently brings out the best in every member of his teams.

Newly reporting to Nihar are Amanda Close, Senior Vice President, Director, Digital Marketplace Development; Annette Danek, Senior Vice President, Director, Fulfillment; Jeff Abraham, President, Penguin Random House Publisher Services; Yvette Dano, Vice President, Director of Operations, Penguin; and Brendan Cahill, Vice President, Corporate Projects.

Continuing to report to Nihar are Alyssa Awe, Vice President, Integration Director; John Bohman, Vice President, Sales & Customer Operations; Chris Hart, Senior Vice President, Director, Technology; Sue Malone-Barber, Senior Vice President, Director, Publishing Operations; Dave Thompson, Vice President, Sales Analysis; and the corporate pricing, sales reporting and consumer insights teams.

Jaci Updike, previously Senior Vice President, Director, Adult Sales, has spent her entire professional life selling our books, having begun her career as a field rep for Bantam Books twenty-five years ago. She has worked her way to the leadership of the Sales organization through hands-on experience selling and marketing our titles from both the field and the home office, by understanding the business and strategic needs of our entire range of customers, and by bolstering and advancing the objectives of our publishers. An outstanding manager of her sales teams, she constantly rises to the challenge to lead them to maximize opportunities for our books across every format and channel. Since our merger, she has applied her collaborative and pragmatic leadership to working with colleagues in every part of Sales to navigate the complex tasks of organizational and business integration. Jaci has immense range – from terms negotiations and account relations to process improvement and talent development – and the discipline, no matter the complexity of the situation, to always remain focused on what's right for our books.

Jaci's longstanding relationships and experience and Nihar's matchless expertise will be a natural fit, enabling us to promptly and thoroughly address the full spectrum of customer and publisher opportunities with an interconnected team.

Newly reporting to Jaci are Felicia Frazier, Senior Vice President, Director, Penguin Random House Young Readers Sales; and Cyrus Kheradi, Senior Vice President, Director, Penguin Random House International Sales and Marketing and Director, East Asia Business Development. Felicia and Cyrus are unrivaled experts in their respective markets, each having remarkable track records for delivering robust and sustainable growth for their respective areas of our business. In addition, they have been equal partners with Jaci in ensuring that the Sales integration is a healthy, positive experience for all areas of the Sales organization, and for our accounts.

The Penguin and Random House Adult Sales and Special Markets teams will continue to report directly to Jaci.

Also newly reporting to me is Nina von Moltke, who continues as Senior Vice President, Digital Publishing Development. Nina has ongoing oversight for a diverse portfolio of businesses and service departments which includes: Penguin Random House Audio, Fodor's, Living Language, Smashing Ideas, the Penguin Random House Speakers Bureau, the Author Portal, and a suite of teams which provide services to other corporate and publishing departments: Corporate and Business Applications Design, Digital Video, and e-Book and App Development and Innovation. I am delighted to work even more closely with Nina going forward.

Please join me in thanking Madeline for her superb achievements as our COO; congratulating Nihar and Jaci on their promotions; and in offering our gratitude to all our corporate teams for their ongoing dedication to providing unparalleled leadership and service for our publishers, our authors and their works, and our booksellers and readers.

A handwritten signature in blue ink, appearing to read "N. von Moltke".