



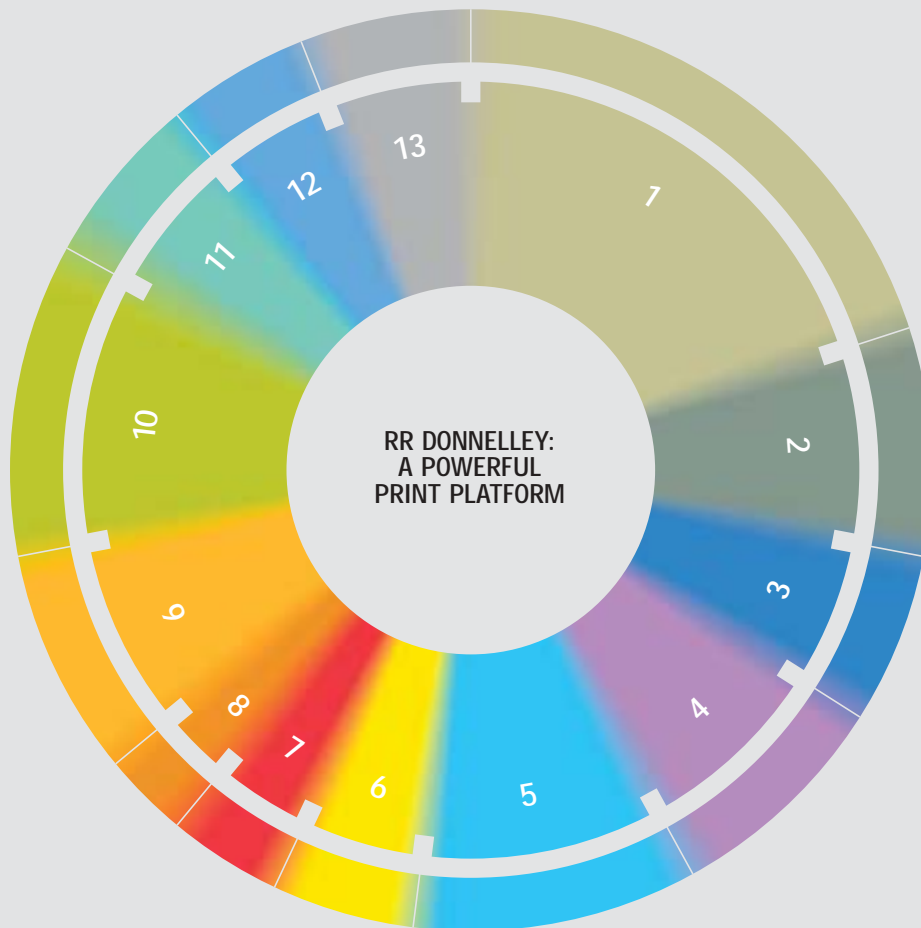
CREATING VALUE

2003 Annual Report

THE NEW RR DONNELLEY:

More than \$8 billion in annualized revenues* from a diversified mix of print and print-related services.

1	MAGAZINE/CATALOG/RETAIL	20%
2	BOOK	8%
3	TELECOM	6%
4	COMMERCIAL PRINT	8%
5	FORMS	10%
6	LABELS	5%
7	OFFICE SUPPLIES	4%
8	WAREHOUSE MANAGEMENT TECHNOLOGIES	3%
9	INTERNATIONAL	8%
10	LOGISTICS	11%
11	OUTSOURCING/PRINT FULFILLMENT	6%
12	FINANCIAL SERVICES	5%
13	DIRECT MAIL	6%



*Included in the annualized revenues of Moore Wallace are the historical results of Wallace Computer Services, Inc., from January 1, 2003 through May 15, 2003 (the date of Moore's merger with Wallace).

RR DONNELLEY – CREATING VALUE FOR OUR SHAREHOLDERS, CUSTOMERS AND EMPLOYEES

On February 27, 2004, RR Donnelley and Moore Wallace combined to form the world's premier full-service printing company. The new RR Donnelley has the depth and breadth to meet the print and print-related needs of any company of any size.

From commercial print to outsourced print-related services, RR Donnelley is changing the role of print in every marketplace it serves. Our ability to improve operational efficiency and increase effectiveness makes us a valued partner in the publishing, retail, health care, advertising, technology, financial services and many other industries. Customers in markets around the world rely on RR Donnelley for a comprehensive range of online tools, variable printing services and market-specific solutions.

CONTENTS

- 02 TO OUR SHAREHOLDERS
- 05 OUR CAPABILITIES
- 06 BOARD OF DIRECTORS
- 08 ADDITIONAL INFORMATION

TO OUR SHAREHOLDERS

Fellow Shareholders,

Welcome to the new RR Donnelley. RR Donnelley and Moore Wallace have combined to form the world's premier full-service printing and communication services company. RR Donnelley is now the largest printer in North America, and we have strong positions in Europe, Latin America and Asia. RR Donnelley designs, manages and produces words and images, and brings them to life on paper and in digital form, the world over.

In recent years, RR Donnelley has focused on continuously improving its world-class commercial print resources, complemented by growth businesses that serve our customers' broad communication needs. The RR Donnelley – Moore Wallace combination is a giant leap forward in pursuit of that plan. The result is a global powerhouse capable of meeting the print and print-related needs of virtually any organization across North America and much of the world.

“The RR Donnelley – Moore Wallace combination is about value creation.”

Creating value

For our shareholders, customers and employees, the RR Donnelley – Moore Wallace combination is about value creation.

For shareholders, we create value by executing a proven business strategy built around rigorous planning and discipline, by relentlessly controlling costs, and by carefully evaluating the metrics associated with everyday decisions – from capital expenditures to new account acquisition. We also create value by unlocking our tremendous potential to increase the product and service mix we provide to the new RR Donnelley’s premier customer base.

RR Donnelley will also create value by tapping our employees’ creative power. During the time leading up to this combination, our talented employees have already demonstrated that they can work to integrate two large organizations, without taking their eyes off of their *day jobs*. We will draw on proven experience to make the integration transparent to customers.

Among the priorities we will address in the near term are...

- Cost actions: We will reduce costs by at least \$100 million during the next 12 to 24 months by eliminating duplicative infrastructure costs, aggressively obtaining procurement savings, and rationalizing and optimizing our asset base.
- Cross selling: We will go to market with a full suite of products and services. We are uniquely positioned to manage our customers’ entire print supply chain, and we will equip our sales organization with the training and tools to do so.
- Acquisitions/divestitures: We continually will evaluate our businesses in order to acquire needed capabilities, and to assure that we are the leanest, most consistently excellent provider of print and print-related products and services in the world. We will also take advantage of opportunities to expand our product and service portfolio by adding businesses that mesh with our financial discipline and integrated print solutions strategy.

For customers, we create value by:

- Becoming part of their communication value chain and managing it for them so they can focus on their core competencies.
- Using print as a strategic asset that enables communication and facilitates commerce between our customers and their customers.
- Leveraging our unmatched product and service mix to help achieve the supplier reduction and consolidation goals that are core to strategic sourcing strategies. RR Donnelley is the one organization that can produce everything from the catalogs our customers use to attract orders, to the labels they use on the boxes that fulfill the orders, to the invoice forms that they use to collect payment for the orders.

For employees, we create value by being consistently profitable, which nurtures an environment of opportunity and reward. We will also embrace the value of diversity: diversity of workforce and of ideas. Our recent experience in blending the strong Moore and Wallace cultures is that employees are excited and committed when it is clear that the goal is to embrace the best of the best. There will be no predisposition to do it the RR Donnelley way, or the Moore Wallace way. We will focus on doing it the *best way*.

Preserving the best...adding innovation and vitality

Looking ahead, we will preserve the best of RR Donnelley: its dedication to excellence, integrity, customer focus and teamwork. To those qualities we will add a new sense of innovation and vitality as well as proven processes and disciplines that assure execution and accountability.

Making integration a success

We will measure this integration's success by a series of financial metrics. But those metrics will arise out of factors such as the...

- Speed and clarity with which we take our enhanced platform to market
- Efficiency with which we use our considerable information technologies to improve workflow and productivity and to deliver value to customers
- Advantage we gain in procurement and production.

RR Donnelley will not call a time-out to integrate with Moore Wallace. We will manage the integration while also working to be our customers' favorite supplier and our shareholders' most solid investment.

Driving success at RR Donnelley

These are exciting times. RR Donnelley is a new company with a 139-year history. It has a rich history of quality and production excellence, and an unparalleled opportunity to capture a future that builds on that legacy. No other company in our business has our financial capital, human resources, production capabilities and information technology. This allows us best to meet the fast-changing demands of our marketplace.

The new RR Donnelley will be led by an all-star team that will implement a disciplined plan which calls for:

- Integrity first
- Hiring the best managers
- Significantly reducing our overall cost structure
- Selling non-core operations
- Leveraging our size to gain greater efficiencies
- Creating a cross-selling program to drive organic growth
- Acquiring complementary print-related assets to drive top-line and bottom-line growth.

We will do so with pride, and we will do so with passion. Thank you for the privilege of leading this great company and for the opportunity to participate with my talented colleagues in the creation of value for all of our constituents.

Yours very sincerely,



Mark A. Angelson
Chief Executive Officer
March 5, 2004

OUR CAPABILITIES: PREPARE, PRODUCE AND DELIVER WITH RR DONNELLEY

RR Donnelley's capabilities cover all aspects of print and print-related communications — and more! We help customers around the world prepare, produce and deliver as they communicate and conduct commerce with their customers. In everything we do, we put customer needs at the center of our efforts. In the past year, we expanded an already extensive list of capabilities in order to help our customers be even more efficient and effective.

PREPARE

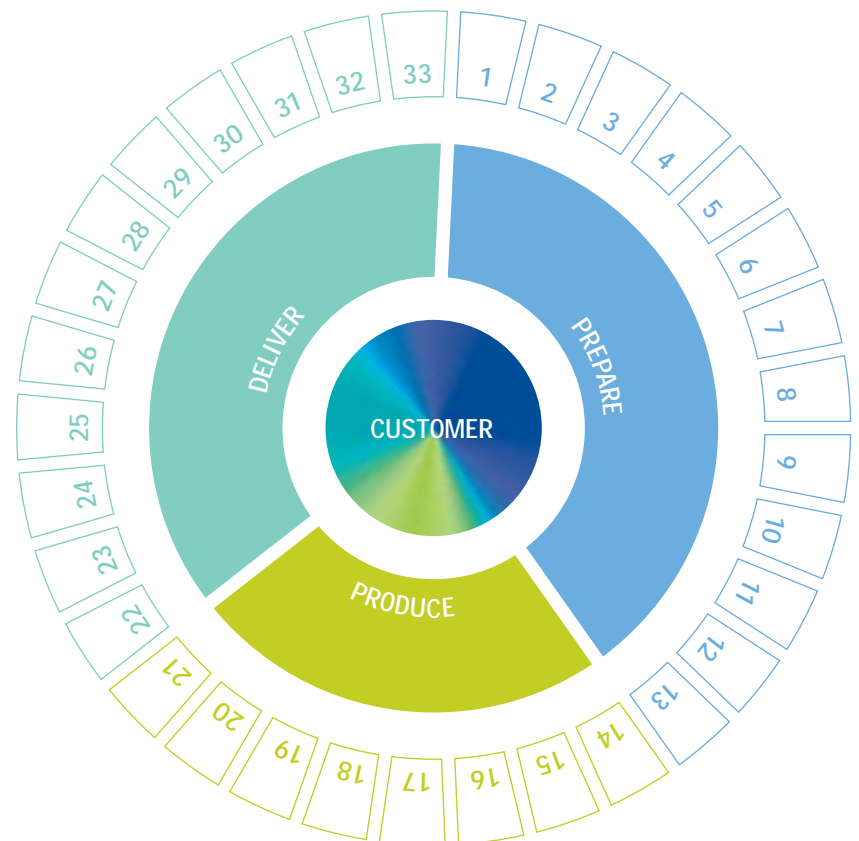
- 1 Color Services and Prepress
- 2 Composition
- 3 Content Conversion for the Web
- 4 Creative Services
- 5 Data Processing
- 6 Digital Asset Management
- 7 Digital Workflow Solutions
- 8 Direct Marketing Campaigns
- 9 Facilities Management
- 10 Packaging
- 11 Photography
- 12 Soft-Proofing and Collaboration
- 13 Translation Services

PRODUCE

- 14 Digital Printing
- 15 Financial Printing
- 16 Form Production
- 17 HTML Conversion
- 18 Label Printing
- 19 Long-Run Printing
- 20 SEC EDGAR Filings
- 21 Short-Run Printing

DELIVER

- 22 Compliance Management
- 23 Expedited Services
- 24 Fulfillment
- 25 International Mail and Package Delivery
- 26 Inventory Management
- 27 Merchandise Management Services
- 28 Outsourcing
- 29 Print Distribution
- 30 Print Systems Integration
- 31 Residential Package Delivery
- 32 Returns Management
- 33 Tracking and Measurement



For more information visit: www.rrdonnelley.com

BOARD OF DIRECTORS

Stephen M. Wolf (3)

62, Non-Executive Chairman of the Board, RR Donnelley, Chicago; Managing Partner, Alpillles, LLC, The Plains, Virginia. Director since 1995.

Background: Airline industry. Directorship: Altria Group, Inc. Term ends: 2004.

Mark A. Angelson (3)

53, CEO, RR Donnelley, Chicago. Director since 2001.

Background: Print manufacturing, mergers and acquisitions, law. Term ends: 2004.

Gregory O. Brown (1)

43, Executive Vice President, Motorola, Inc., and President and CEO, Commercial, Government and Industrial Solutions Sector, Motorola, Inc., Schaumburg, Illinois. Director since 2001.

Background: Information technology and telecommunications. Directorships: Micromuse Inc. Term ends: 2005.

Robert F. Cummings, Jr. (2, 5)

53, Retired from the Goldman Sachs Group, Inc., New York, and Senior Advisor, GSC Partners, Florham Park, New Jersey. Director since 2003.

Background: Financial advisory services. Directorships: Axiohm Transaction Solutions, Inc.; Precision Partners, Inc.; Viasystems Corporation. Term ends: 2004.

James R. Donnelley (4)

68, Partner, Stet & Query Limited Partnership, Chicago. Director since 1976.

Background: Print manufacturing. Directorships: PMP Limited; Sierra Pacific Resources Corp. Term ends: 2006.

Alfred C. Eckert III (3*)

55, Chairman and CEO, GSCP (NJ), Inc., Florham Park, New Jersey. Director since 2000.

Background: Private investor. Directorships: Regal Entertainment Group. Term ends: 2004.

Judith H. Hamilton (2*, 3)

59, Retired President and CEO, Classroom Connect Inc., division of Harcourt Inc./Reed Elsevier PLC, Foster City, California. Director since 1995.

Background: Information technology. Directorships: Artistic Media Partners, Inc.; Ex'pression Center for New Media. Term ends: 2005.

Thomas S. Johnson (3, 5*)

63, Chairman and CEO, GreenPoint Financial Corp., and GreenPoint Bank, New York. Director since 1990.

Background: Banking and financial services. Directorships: GreenPoint Financial Corp.; GreenPoint Bank; Alleghany Corporation; The Phoenix Companies, Inc. Term ends: 2006.

Joan D. Manley (1)

71, Retired Group Vice President, Time Incorporated, New York. Director since 2002.

Background: Publishing. Directorships: Sara Lee Corporation; Dreyfus Founders Funds. Term ends: 2005.

John C. Pope (1*, 3)

54, Chairman, PFI Group, LLC, Lincolnshire, Illinois. Director since 2003.

Background: Airline and railroad equipment industries. Directorships: Air Canada; CNF, Inc.; Dollar Thrifty Automotive Group, Inc.; Federal-Mogul Corp.; Kraft Foods, Inc.; Per Se Technologies, Inc.; Waste Management, Inc. Term ends: 2006.

Michael T. Riordan (2, 4)

53, Retired Chairman, President and Chief Executive Officer, Paragon Trade Brands, Inc., Norcross, Georgia. Director since 2003.

Background: Paper industry. Directorships: The Dial Corporation; Potlatch, Inc.; American Medical Security Group, Inc. Term ends: 2005.

Lionel H. Schipper, C.M. (3, 4*, 5)

71, President, Schipper Enterprises Inc., Toronto, Canada, and Chairman, Fallbrook Holdings Ltd., Toronto, Canada. Director since 2001.

Background: Law. Directorships: Clairvest Group Inc.; Four Seasons Hotels and Resorts Inc.; H.O. Financial Ltd. Term ends: 2006.

Oliver R. Sockwell (2)

60, Retired President and CEO, Construction Loan Insurance Corporation (Connie Lee) and subsidiary, Connie Lee Insurance Company. Director since 1997.

Background: Financial services, insurance, education, government. Directorships: Liz Claiborne, Inc. Term ends: 2004.

Bide L. Thomas (1)

68, Retired President, Commonwealth Edison Company, Chicago. Director since 1987.

Background: Production and sale of electric energy. Term ends: 2005.

Norman H. Wesley (4, 5)

54, Chairman and CEO, Fortune Brands, Inc., Lincolnshire, Illinois. Director since 2001.

Background: Consumer products. Directorships: Fortune Brands, Inc.; Pactiv Corporation. Term ends: 2006.

ADDITIONAL INFORMATION

Corporate Headquarters
RR Donnelley
77 West Wacker Drive
Chicago, Illinois 60601-1696
312-326-8000
www.rrdonnelley.com

Annual Meeting of Shareholders
The 2004 meeting will be held on
Wednesday, April 14, 2004.

Stock Exchange Listings,
New York Stock Exchange, Toronto
Stock Exchange, Chicago Stock
Exchange, Pacific Exchange.
Symbol: RRD

Investor Relations
Shareholders, securities analysts,
portfolio managers and representa-
tives of financial institutions seeking
information about the company
should contact Investor Relations
at the company's address (above),
by calling 866-425-8272 or
emailing investor.info@rrd.com.

Ordering Additional
Annual Reports
RR Donnelley's 2003 Annual Report
may be obtained without charge by
completing and submitting the form
on the www.rrdonnelley.com web-
site, by writing to Investor Relations
at the company's address (above) or
by calling 312-326-8018 during
business hours.

Forms 10-K & 10-Q
A copy of our Annual Report on
Form 10-K for fiscal 2003 is
included with this document.
Additional copies of our Report on
Form 10-K or interim financial
reports filed with the SEC may be
obtained by contacting our
Investor Relations Department at
866-425-8272.

Environmental, Health and
Safety Reports
Copies of RR Donnelley's
Environmental, Health and Safety
Reports may be obtained without
charge upon request to:
Environmental, Health and Safety,
at the company's address (above).
The reports also are available online
on the company's website at
www.rrd.com or by sending an email
to: enterprise_CEHS@rrd.com

Stock Transfer Agent
and Registrar
EquiServe Trust Company, N.A.
P.O. Box 2500
Jersey City, NJ 07303-2500

Telephone: Inside the United States:
800-446-2617
Outside the United States:
201-324-0498

TDD/TTY for hearing impaired: 201-
222-4955. Operators are available
Monday-Friday, 8:30 a.m. to 7:00
p.m., Eastern Standard Time. An
interactive automated system is
available around the clock every day.

Internet: www.equiserve.com

Debt Trustee
Citibank, N.A.
Corporate Trust Services
120 Wall Street
New York, NY 10043

Reinvestment and Direct Deposit of
Dividends
RR Donnelley shareholders have
the opportunity to increase their
holdings through a Dividend
Reinvestment Plan, which permits
either dividend reinvestment, volun-
tary cash investments or both,
without incurring brokerage commis-
sions or other administrative costs.
Also, RR Donnelley shareholders
may elect to have their dividends
directly deposited electronically in
a checking or savings account.

Shareholders may request
additional information about the
Dividend Reinvestment Plan and
direct deposit of dividends by
writing or calling the Stock Transfer
Agent (see above).

Information Contacts
EquiServe Trust Company N.A.
Automated Telephone Response
Center may be reached 24 hours a
day at 800-446-2617. Personnel in
the center are available from 8:30
a.m. to 7:00 p.m., Eastern Standard
Time, Monday through Friday, and
will perform the following functions
over the telephone when a share-
holder identifies his or her account
by providing a taxpayer identification
number, registration of the securities
and the address of record:

- information regarding stock
transfer requirements
- address changes
- replacement of dividend checks
- duplicate 1099 forms and
W-9 tax certification forms
- transcripts of shareholder
accounts
- duplicate reinvestment statements
- requests for dividend
reinvestment brochures and
authorization cards
- information regarding the direct
deposit of dividends.

Requests for information on topics
not covered above should be sent in
writing, with reference to the com-
pany, to the address noted above for
the Stock Transfer Agent and
Registrar.

Safe Harbor Statement
This document includes forward-
looking statements. We have based
these forward-looking statements
on our current expectations and
projections about future results.
When we use words such as "anti-
cipates," "believes," "expects,"
"estimates," "intends," "plans" and
similar expressions, we do so to
identify forward-looking statements.
Our actual results may differ
materially from those anticipated in
these forward-looking statements,
which involve assumptions, risks
and uncertainties.



RR DONNELLEY

77 West Wacker Drive
Chicago, Illinois 60601-1696

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