

Wolters Kluwer

UBS Global Media and
Communications
Conference

Nancy McKinstry

CEO and Chairman of the
Executive Board



Wolters Kluwer

December 5th, 2011

Wolters Kluwer

Leading Information Services Company with Global Scale

- ▶ **Serving professional markets**
 - ▶ Legal & Regulatory
 - ▶ Tax & Accounting
 - ▶ Financial & Compliance Services
 - ▶ Health
- ▶ **~19,000 employees** in more than 40 countries
- ▶ **3.6 EUR billion revenues**

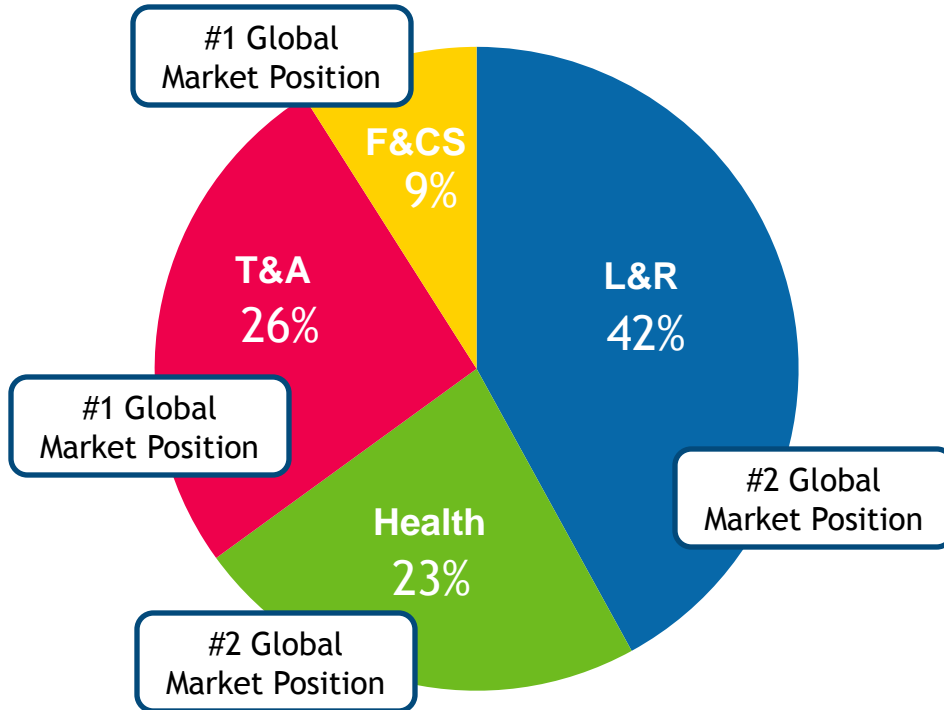


Revenue and Markets

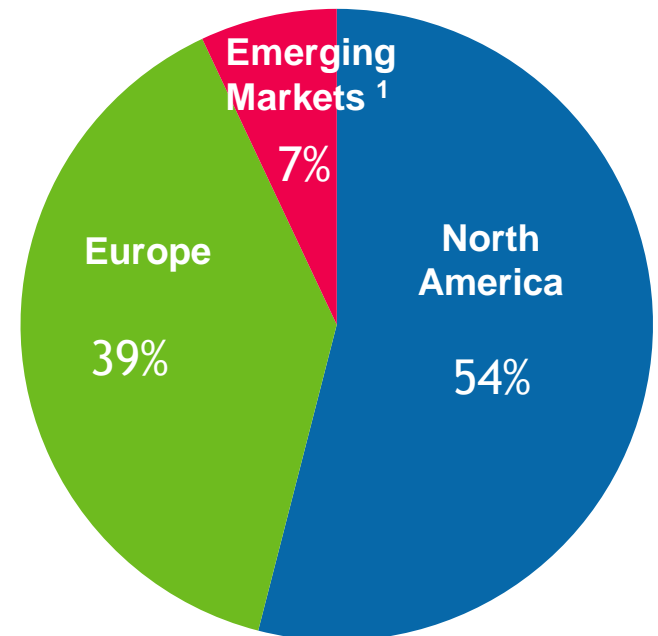
Balanced Global Market Positions with Deep Domain Expertise

2010 Revenue €3.6 billion

By Division



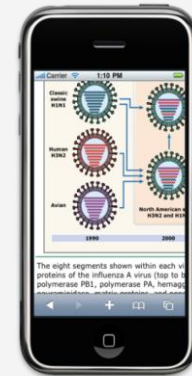
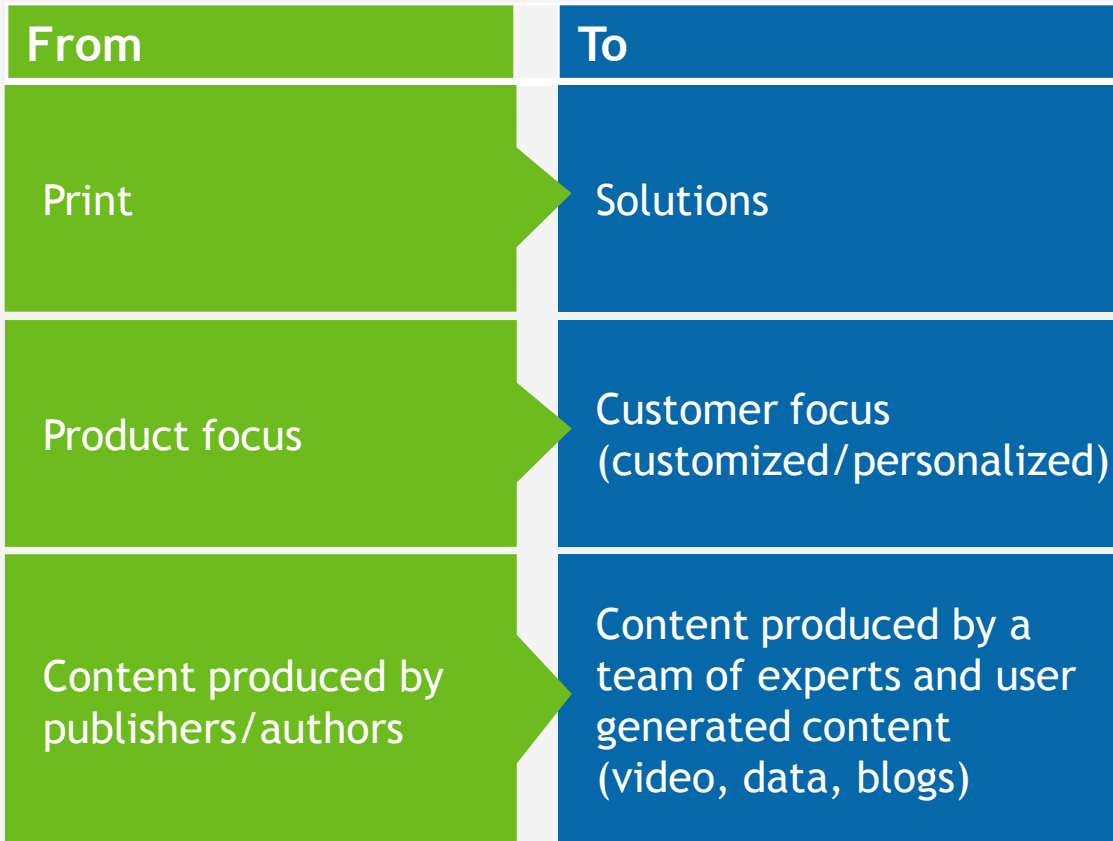
By Geography



¹ Includes Central and Eastern Europe and Russia

Looking Back: Digital Journey

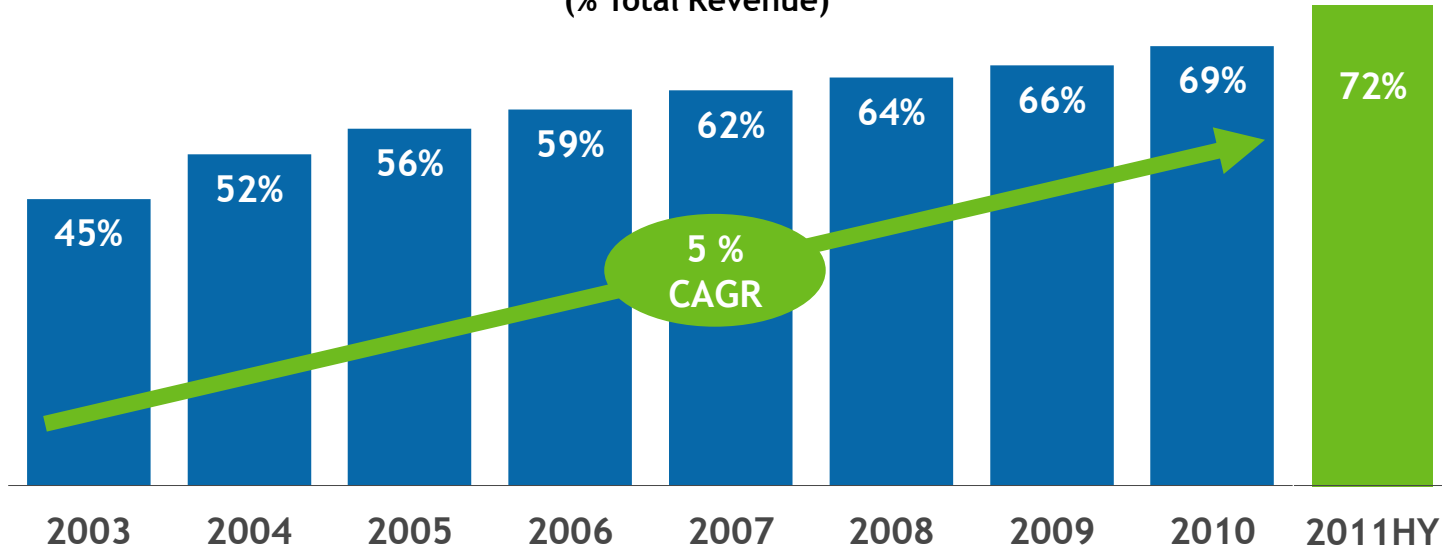
Professional Publishing Becomes Information Services



Portfolio Transformation at Wolters Kluwer

Economics Improve With the Digital Transformation

On-line, Software and Services
(% Total Revenue)



ROIC	6.5%	→	8.6%	+32%
EBITA Margin ¹	15.7%	→	21.5 - 22% ³	+600 bps
EPS ¹	0.92	→	1.46-1.50 ³	+61%

¹ refers to ordinary numbers

² medium term objective for 2012

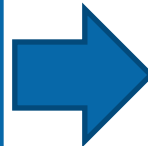
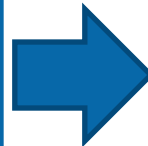
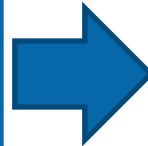
³ market guidance for 2011 ongoing operations

Capital Allocation: Uses of Cash

Balanced Approach to Driving Transformation and Shareholder Returns

Priorities: Uses of Cash

- Shareholder Returns
(Progressive dividend)
- Leverage
(Solid credit rating)
- Investments
(Drive the transformation)



Track Record: 2003 - 2010

- €2 Billion in shareholder returns
(Cash/stock dividend + buybacks)
- Net Debt/EBITDA target of 2.5x
(BBB+ Stable)
- 8-10% of revenues invested organically
(Emphasis on higher growth markets)
- € 2.4 Billion in acquisitions
(€1.5 Billion net of divestments)

Track Record: Operational Excellence

Springboard Program Continues to Support the Bottom Line

- Strong execution of multi-year, global program
- Structural, process and capability driven improvements
- Expanded in Q3; Additional run-rate savings of €30 million achieved by year end 2011 (in-year savings will be realized in 2012)
- Program will end in 2011

Program savings and costs € million (pre-tax)	2008	2009	2010	2011 HY1	2011 (est)	Total
Cost savings ¹	16	84	146	88	205-210	205-210
Exceptional program cost (non-recurring)	45	68	58	30	99-109	270-280

¹All figures at 2008 constant currencies (EUR/USD = 1.37)

Business
Optimization

Offshoring

Supplier
Management

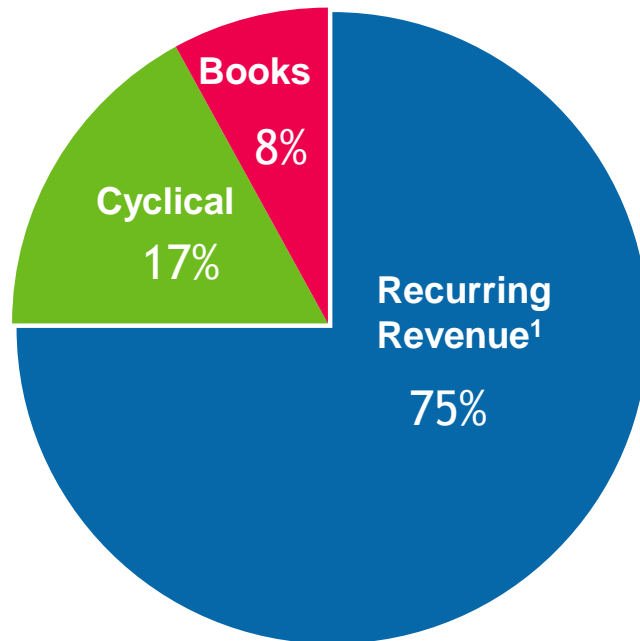
Content
Re-engineering

Multi Generational
Technology Plan

Wolters Kluwer Today

Resilient Business Model in Uncertain Macro Economic Conditions

2010 Revenue: €3.6 billion



- “Must have” information and software
- 75% recurring revenue
- Free Cash Flow €445 million (12.5% yield)
- Cash conversion of 95%
- Progressive dividend policy (~5.5% yield)

¹ Revenue Split based on HY2011 Actual Results; Cyclical products include advertising, mortgage transactions, M&A/IPO/UCC transactions, training and consulting

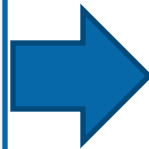
Going Forward: Acceleration of Change

Megatrends Reinforce the Value Proposition of Wolters Kluwer Products

Industry Trend Supporting Growth

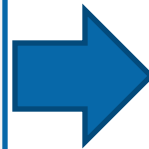
Example

- **Increased Growth in Information and Compliance Complexity**



- *40,000 changes to financial compliance regulation reviewed by WK professionals in 2010*
- *In medicine, literature is doubling every 10 years*

- **Shortage of professionals globally**



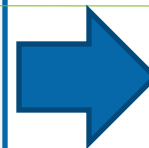
- *75% of certified CPAs in the US are eligible to retire in 2020*

- **Globalization of regulations, customers**



- *The number of countries requiring IFRS could grow to 150*
- *By 2020, there will be 2 million lawyers in China - up from 170,000 today*

- **Raise of connectivity**



- *87% of legal professionals, 70% of doctors, 40-60% of nurses use a smart phone or Blackberry*

Current Outlook

Third Quarter 2011

- Full-year guidance reiterated; Cautious environment
- Solid growth of on-line and software solutions continues, transactional revenue growth slowing; Organic growth in-line with HY1
- Subscription revenues (75% of revenue base) remain resilient
- Springboard program expanded; expect to exit 2011 with additional €30 million of run rate savings that will be realized in 2012
- Progressive dividend policy reiterated providing strong yield to shareholders