

2014 Half-Year Results

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Nancy McKinstry
Chief Executive Officer and Chairman

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Wolters Kluwer

Forward-looking Statements

This presentation contains forward-looking statements. These statements may be identified by words such as "expect", "should", "could", "shall", and similar expressions. Wolters Kluwer cautions that such forward-looking statements are qualified by certain risks and uncertainties, that could cause actual results and events to differ materially from what is contemplated by the forward-looking statements. Factors which could cause actual results to differ from these forward-looking statements may include, without limitation, general economic conditions, conditions in the markets in which Wolters Kluwer is engaged, behavior of customers, suppliers and competitors, technological developments, the implementation and execution of new ICT systems or outsourcing, legal, tax, and regulatory rules affecting Wolters Kluwer's businesses, as well as risks related to mergers, acquisitions and divestments. In addition, financial risks, such as currency movements, interest rate fluctuations, liquidity and credit risks could influence future results. The foregoing list of factors should not be construed as exhaustive. Wolters Kluwer disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Unless otherwise stated, this presentation is based on continuing operations. Comparative information is presented accordingly. Growth rates are cited in constant currencies unless otherwise noted.

Agenda

- Introduction
- Financial Review
- Strategic and Operating Review
- 2014 Outlook
- Appendix

Introduction

- Good first half results and on track to achieve our full year guidance
- Organic growth +1% driven by strong growth in digital products and our leading, high growth positions
- Margin reflects planned restructuring initiatives, which are progressing well
- Cash generation strong
- Strengthened balance sheet through refinancing

Progress on strategic goals



- Leading, high growth positions growing +6% organically
- Acquisition of Datacert extends leading position in Corporate Legal Services
- Investing 8-10% of revenues in new and enhanced products
- Digital and services revenues up +4% and now 81% of total revenues
- Increased restructuring in 2014
- Focus on reengineering editorial and production processes, outsourcing, real estate and technology

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2014 Half-year results

On track to meet full year guidance

(€ million, unless otherwise stated)	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Revenues	1,716	1,742	-1%	+2%	+1%
Adjusted operating profit	313	334	-6%	-3%	-4%
<i>Adjusted operating profit margin</i>	18.2%	19.2%			
Diluted adjusted EPS	€0.63	€0.66	-4%	+1%	
Adjusted free cash flow	136	140	-3%	+1%	
Net-debt-to-EBITDA ratio	2.6x	2.6x			

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth

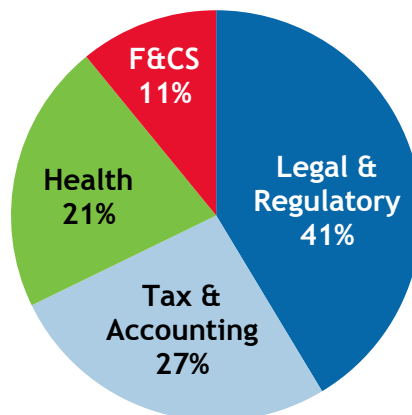
Revenues by division

Organic growth supported by T&A, F&CS and, importantly, by Health

(€ million)	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Legal & Regulatory	710	707	0%	+3%	-1%
Tax & Accounting	454	483	-6%	-2%	+1%
Health	365	364	0%	+5%	+5%
Financial & Compliance Services	187	188	0%	+3%	+1%
Total revenues	1,716	1,742	-1%	+2%	+1%

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth. Legal & Regulatory and Tax & Accounting include the net effect of the transfer of certain assets in Europe from Tax & Accounting to the Legal & Regulatory division in 2014

HY 2014 Revenues

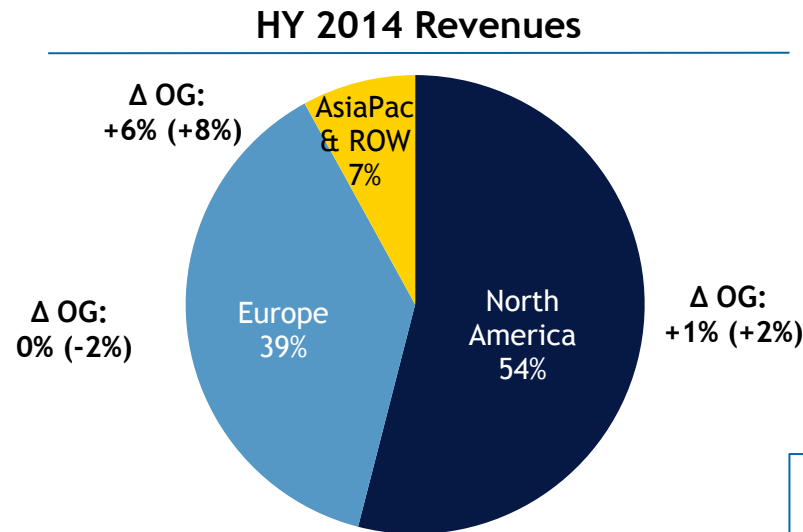


Revenues by region

Growth in North America slows due to transaction revenues; Europe stable

(€ million)	HY 2014	HY 2013	Δ	Δ CC	Δ OG
North America	921	944	-2%	+2%	+1%
Europe	666	675	-2%	-1%	0%
AsiaPac & ROW	129	123	+7%	+16%	+6%
Total revenues	1,716	1,742	-1%	+2%	+1%

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth



Legend:
 Δ OG - % Organic Growth HY 2014 (HY 2013)

Revenues by media format

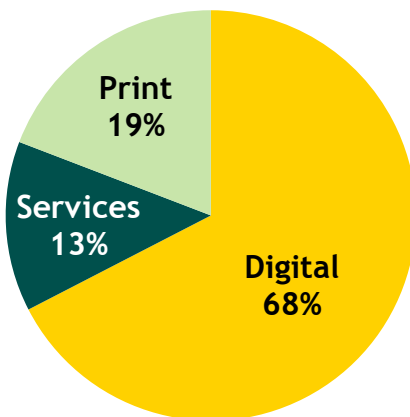
Across all divisions, digital is driving growth

(€ million)	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Digital ¹⁾	1,157	1,120	+3%	+7%	+5%
Services	230	239	-4%	-1%	0%
Print	329	383	-14%	-11%	-10%
Total revenues	1,716	1,742	-1%	+2%	+1%

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth

1) Digital includes digital-related services

HY 2014 Revenues



Adjusted operating profit

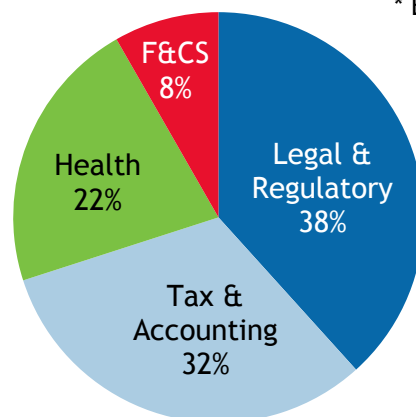
Margin decrease in L&R and T&A largely due to increased restructuring

(€ million)	HY 2014	HY 2013	Δ	Δ CC	Δ OG	Margin HY 2014	Margin HY 2013
Legal & Regulatory	128	135	-5%	-2%	-4%	18.0%	19.0%
Tax & Accounting	106	121	-12%	-8%	-9%	23.4%	25.1%
Health	73	72	0%	+4%	+4%	19.9%	19.9%
Financial & Compliance	28	28	+1%	+3%	+1%	14.8%	14.6%
Corporate	(22)	(22)	-1%	-1%	-1%		
Adjusted operating profit	313	334	-6%	-3%	-4%	18.2%	19.2%

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth. Legal & Regulatory and Tax & Accounting include the net effect of the transfer of certain assets in Europe from Tax & Accounting to the Legal & Regulatory division in 2014

HY 2014 Adjusted operating profit*

* Excluding corporate



Restructuring costs

Underlying margin stable

- Continue to expect €25-30 million in full year
- Restructuring costs included in adjusted operating profit margin

(€ million, unless otherwise stated)	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Adjusted operating profit before restructuring	332	338	-2%	+2%	+2%
<i>Adjusted operating profit margin before restructuring</i>	<i>19.3%</i>	<i>19.4%</i>			
Restructuring costs	(19)	(4)			
Total adjusted operating profit	313	334	-6%	-3%	-4%
<i>Adjusted operating profit margin</i>	<i>18.2%</i>	<i>19.2%</i>			

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth

Adjusted net profit and EPS

Diluted adjusted EPS up +1% in constant currencies

(€ million, unless otherwise stated)	HY 2014	HY 2013	Δ	Δ CC
Revenues	1,716	1,742	-1%	+2%
Adjusted operating profit	313	334	-6%	-3%
<i>Adjusted operating profit margin</i>	<i>18.2%</i>	<i>19.2%</i>		
Adjusted net financing costs	(49)	(61)		
Equity-accounted investees, net of tax	(1)	0		
Adjusted profit before tax	263	273	-4%	+1%
Tax on adjusted profit	(73)	(75)		
<i>Effective benchmark tax rate</i>	<i>27.7%</i>	<i>27.7%</i>		
Non-controlling interests	0	(1)		
Adjusted net profit	190	197	-4%	+1%
<i>Diluted weighted average shares (million)</i>	<i>299.7</i>	<i>299.7</i>		
Diluted adjusted EPS	€0.63	€0.66	-4%	+1%

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33)

IFRS profit and diluted EPS

Reported net profit up +23% due to revaluation gain on Datacert

(€ million, unless otherwise stated)	HY 2014	HY 2013	Δ
Adjusted operating profit	313	334	-6%
Amortization of acquired intangibles	(92)	(93)	
Results on divestments of operations	(1)	50	
Acquisition integration costs and acquisition related costs	(6)	(6)	
Operating profit	214	285	-25%
Financing results ¹⁾	25	(51)	
Share of profit of equity-accounted investees, net of tax	(1)	0	
Profit before tax	238	234	+2%
Income tax expense	(38)	(68)	
<i>Effective tax rate</i>	15.8%	29.3%	
Profit after tax	200	166	+21%
Loss on discontinued operations, net of tax	0	(2)	
Profit for the period	200	164	+23%
Non-controlling interests	1	0	
Net profit to the owners of the Company	201	164	+23%
Diluted EPS	€0.67	€0.55	+23%

Δ - % Change

1) Includes a €76 million revaluation gain on our minority interest in Datacert (HY 2013: nil) and a €2 million employee benefits financing charge (HY 2013: €2 million). HY 2013 included a capital gain of €12 million on the disposal of AccessData

Adjusted free cash flow

Improved cash conversion partly offset by higher restructuring, tax and interest payments

(€ million, unless otherwise stated)	HY 2014	HY 2013	Δ	Δ CC
Adjusted operating profit	313	334	-6%	-3%
Depreciation and amortization of other intangibles	67	64		
Capital expenditure	(63)	(70)		
Autonomous movements in working capital	(22)	(46)		
Adjusted operating cash flow	295	282	+5%	+7%
<i>Cash conversion ratio</i>	94%	85%		
Paid financing costs	(110)	(102)		
Paid corporate income tax, adjusted for Springboard	(56)	(40)		
Appropriation of provisions for restructuring, excluding Springboard	(20)	(9)		
Additions to provisions for restructuring	16	0		
Other ¹⁾	11	9		
Adjusted free cash flow	136	140	-3%	+1%

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33)

1) Other includes share based payments, dividends received and other

Movement in net debt

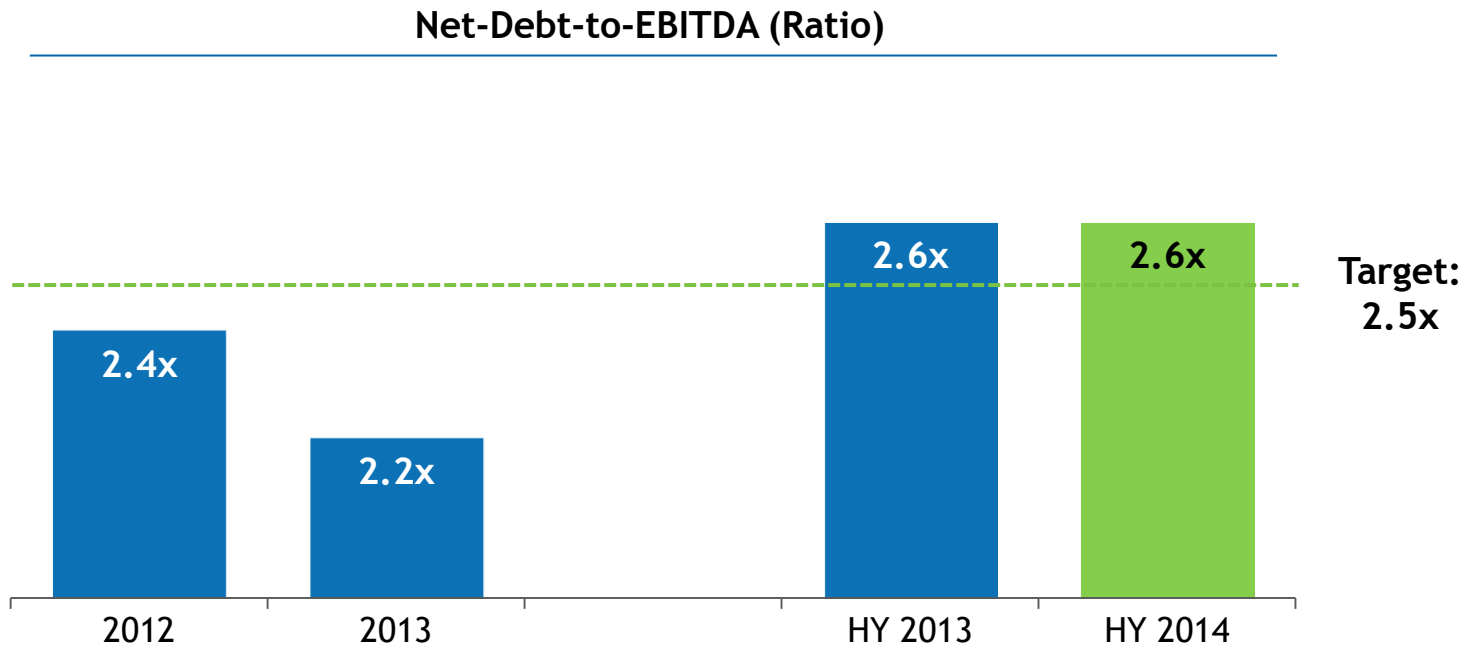
Net debt reflects dividend and acquisition spending

(€ million, unless otherwise stated)	HY 2014	FY 2013	HY 2013
Net debt at start of period	(1,988)	(2,086)	(2,086)
Adjusted free cash flow	136	503	140
Springboard restructuring, net of tax	(2)	(10)	(6)
Acquisition spending, including costs, net of cash	(172)	(198)	(172)
Divestiture - cash proceeds, including costs, net of tax	(1)	60	74
Dividend payments	(207)	(204)	(205)
Repurchased shares	-	(27)	(14)
Discontinued operations, net of cash disposed of	-	(13)	0
Change in the fair value of derivatives	(1)	(16)	(12)
Foreign exchange and other	8	3	5
Net debt at end of period	(2,227)	(1,988)	(2,276)
Net-debt-to-EBITDA¹⁾ ratio	2.6x	2.2x	2.6x

1) Based on a twelve month rolling EBITDA

Leverage

Net-debt-to-EBITDA in line with prior year

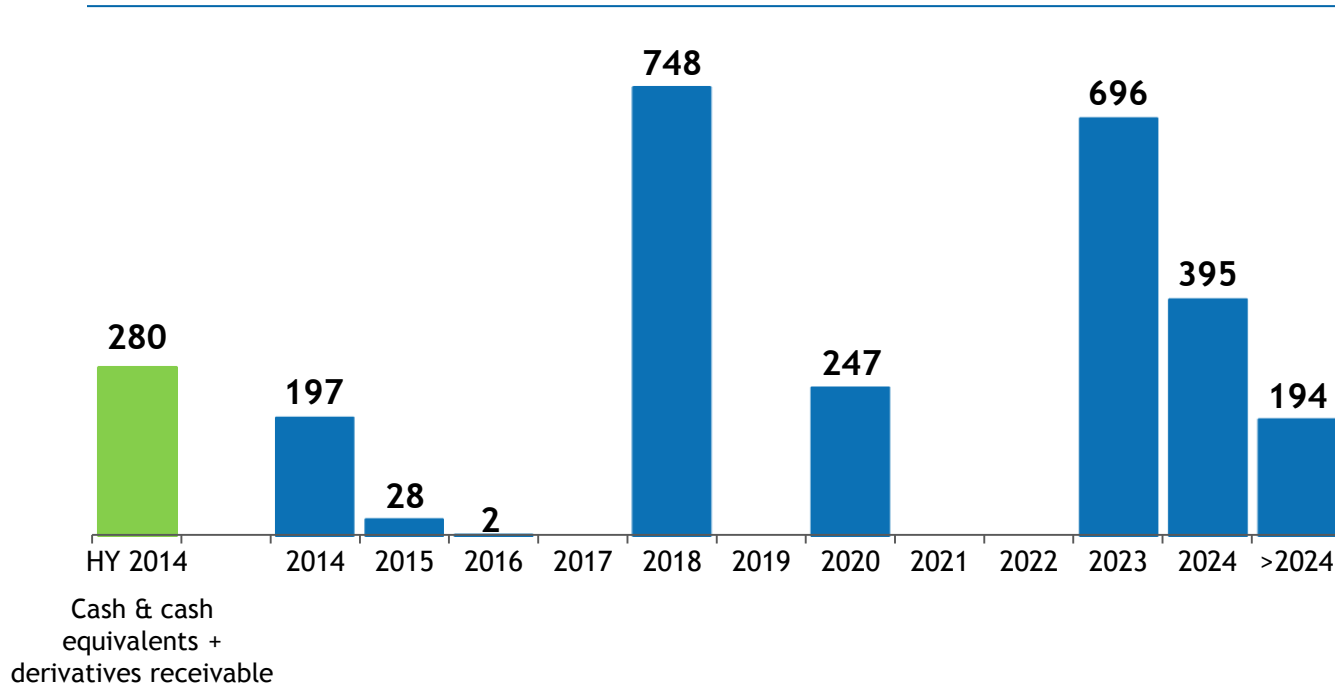


Debt refinancing

Secured liquidity

- Issued new 10-year €400 million Eurobond in May 2014 with a 2.5% coupon
- Renewed €600 million multi-currency credit facility at attractive pricing, maturing in 2019

Debt Maturity Profile (€ million)



Summary

- Revenues up +1% organically
 - Leading, high growth positions +6%
 - Digital +5%
- Adjusted operating profit of €313 million; margin impacted by increased restructuring
- Diluted adjusted EPS €0.63, up +1% in constant currencies
- Adjusted free cash flow of €136 million, up +1% in constant currencies
- Net-debt-to-EBITDA ratio of 2.6x, in line with prior year
- On track to meet full year guidance

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Legal & Regulatory

Good digital and services growth; increased restructuring impacts margin

€ million	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Revenues	710	707	0%	+3%	-1%
Adjusted operating profit	128	135	-5%	-2%	-4%
Margin	18.0%	19.0%			

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth

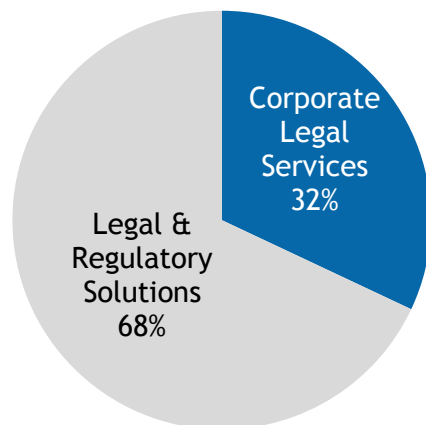
Corporate Legal Services

- Revenues up +3% organically
- CLS transactional revenue slowed, as expected
- Acquisition of Datacert and integration with Tymetrix on track; leading player in enterprise legal management software

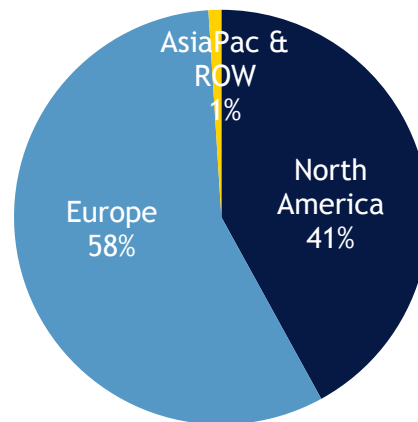
Legal & Regulatory Solutions

- Organic revenue decline -3%, abating from -4% in first half 2013
- Digital revenues up +3% organically
- Planned restructuring initiatives stepped up, impacting margins
- Transferred and integrating Tax & Accounting publishing assets to drive scale economies

L&R Segments



Revenue by Geography*



* HY 2014 revenues by geographic market

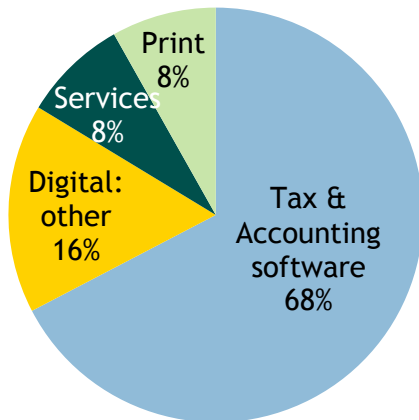
Tax & Accounting

Good software growth; margins impacted by increased restructuring

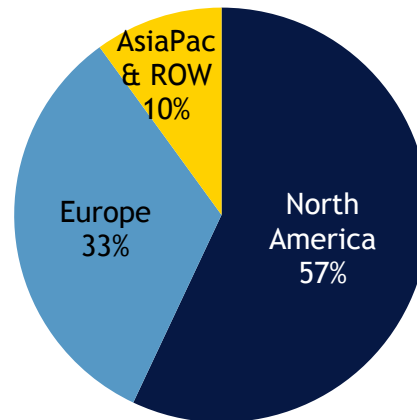
€ million	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Revenues	454	483	-6%	-2%	+1%
Adjusted operating profit	106	121	-12%	-8%	-9%
Margin	23.4%	25.1%			

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth

T&A Segments



Revenue by Geography*



* HY 2014 revenues by geographic market

North America

- Software revenues up +4%, partially offset by publishing and bank products
- New cloud-based solutions supporting growth and winning awards

Europe

- Sustained positive organic growth, despite mixed economic conditions
- Now focused on tax & accounting software

Asia Pacific & ROW

- Organic revenue decline due to print publishing and product timing
- Prosoft in Brazil performing well

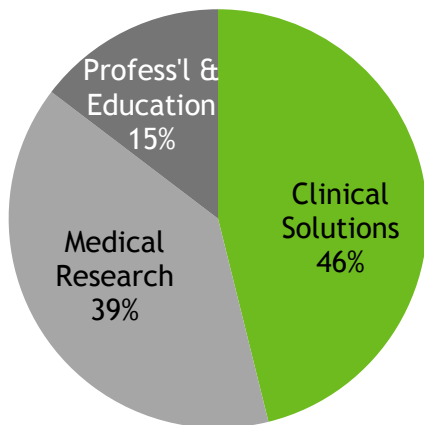
Health

Organic growth +5% driven by Clinical Solutions; margin reflects phasing of investments

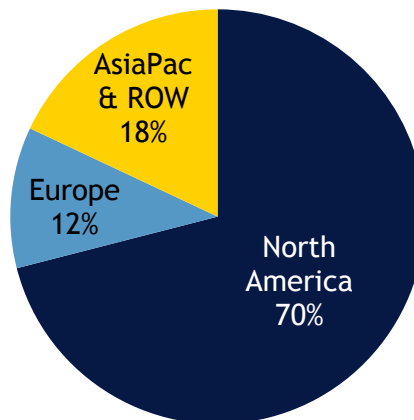
€ million	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Revenues	365	364	0%	+5%	+5%
Adjusted operating profit	73	72	0%	+4%	+4%
Margin	19.9%	19.9%			

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth

Health Segments



Revenue by Geography*



* HY 2014 revenues by geographic market

Clinical Solutions

- Double-digit organic growth, supported by most product areas
- Investing in innovation, including disease management and Chinese version of UpToDate

Medical Research

- Digital revenues growth largely offset by decline in print
- Expanding content and open access offerings

Professional & Education

- Organic decline, due to weak markets for printed books and shifting wholesaler ordering patterns
- Digital revenues up +49% organically, now around 25% of unit's revenues

Financial & Compliance Services

Customer wins improved organic growth in Q2; margins stable

€ million	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Revenues	187	188	0%	+3%	+1%
Adjusted operating profit	28	28	+1%	+3%	+1%
Margin	14.8%	14.6%			

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth

Finance, Risk & Compliance

- Double-digit organic growth, supported by new sales in second quarter
- Category Leader in Enterprise GRC Solutions and Operational Risk Management Systems (Chartis)

Audit

- Robust organic growth, driven by new customer wins for TeamMate

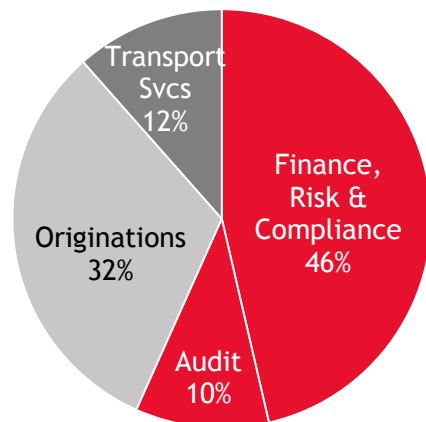
Originations

- Downturn in U.S. mortgage refinancing market
- FS transactional revenues down -21%

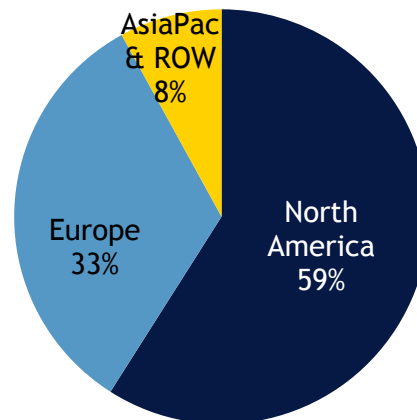
Transport Services (Europe)

- Revenue decline; transitioning to subscription-based model

F&CS Segments



Revenue by Geography*



* HY 2014 revenues by geographic market

Progress on strategy

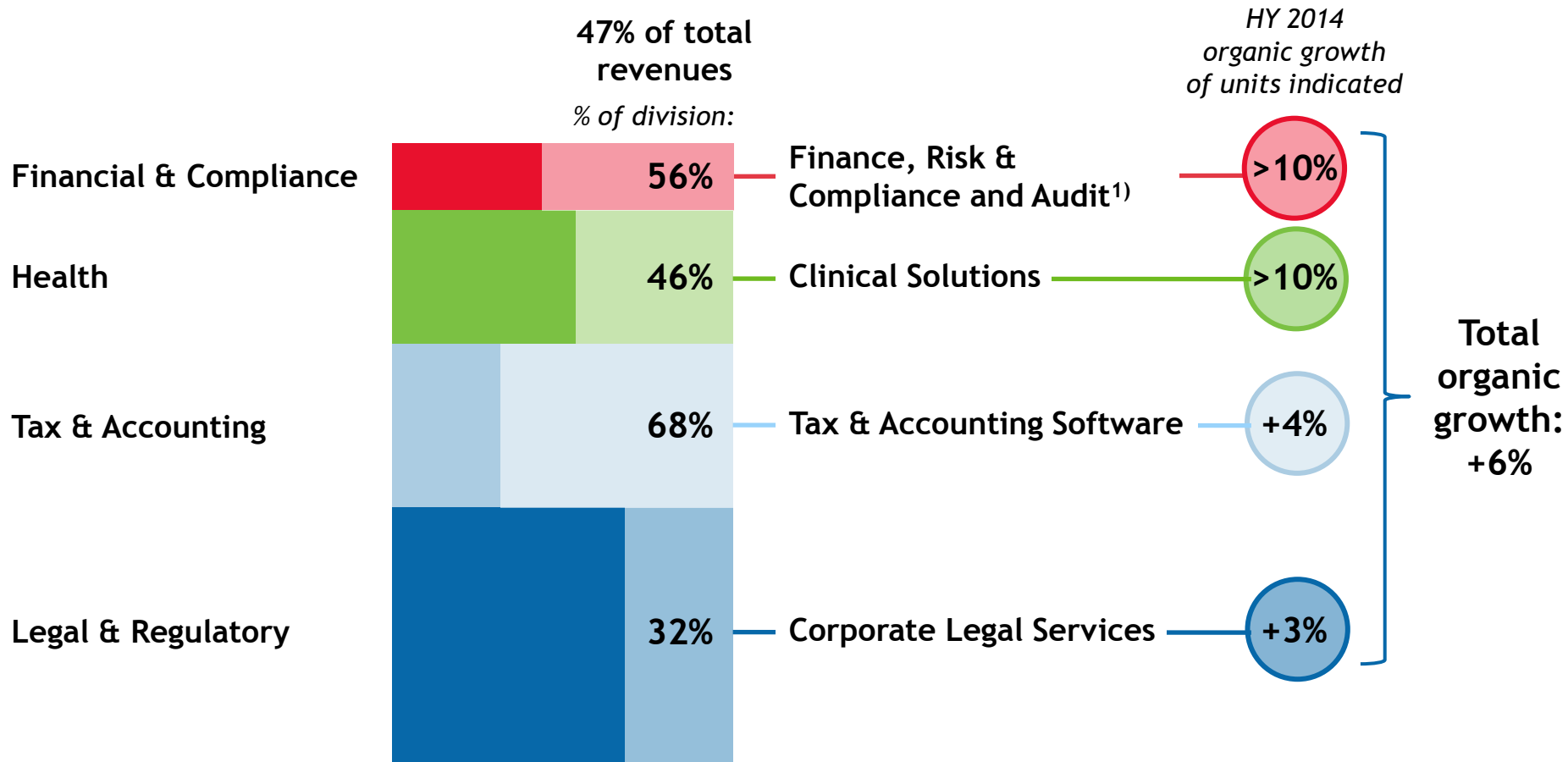
Our strategy aims to accelerate profitable growth



- Focus the majority of our investments on high growth segments where we have achieved market leadership
- Invest in products and services to deliver the tailored solutions and insights our professional customers need to make critical decisions and increase their productivity
- Find more ways to drive efficiencies in areas such as sourcing, technology, real estate, organizational processes, and distribution channels

1. Expand our leading, high growth positions

Our leading, high growth positions in total grew 6% organically



1) Includes the Finance, Risk & Compliance and Audit units within the F&CS division

Datacert acquisition

Expand Corporate Legal Services

- Remaining 62% of Datacert acquired for €127 million (net of cash acquired)
- Leading provider of legal billing software and other enterprise legal management solutions
 - Serving corporate general counsel and law firms in over 140 countries
- Datacert annual revenues of €43 million (2013)
 - Over 80% subscription
- Synergies from integrating Datacert with Tymetrix
 - Enhances market leadership position
 - Improves opportunity for international expansion
 - Enables significant operating synergies



Note: Parent company is Third Coast Holdings, Inc.

3. Drive efficiencies

Creating global scale and savings in our operations



Tax & Accounting:

- Outsourced remaining U.S. print operations
- Streamlined editorial processes in U.S. and Asia Pacific
- Creating centers of excellence in software development

Legal & Regulatory:

- Outsourcing and automating editorial and production
- Consolidating printing to one vendor
- Consolidating real estate and closing warehouses

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Divisional Outlook 2014

Legal & Regulatory

- Corporate Legal Services to see good organic growth, with momentum in transactional revenues slowing
- Division, including Legal & Regulatory Solutions, to see organic revenue decline and margin contraction, partly due to restructuring

Tax & Accounting

- Software to achieve good organic growth, partially offset by print publishing and bank product declines
- Margin expected to contract due to restructuring

Health

- Clinical Solutions to deliver strong organic growth
- Markets for print journals and books expected to remain soft
- Margin expected to increase due to mix shift and efficiency measures

Financial & Compliance Services

- Finance, Risk & Compliance and Audit to see positive organic growth, with second half growth skewed to the fourth quarter
- Originations volumes remain constrained by downturn in U.S. mortgage market

Guidance 2014

Performance indicators

FY 2014 Guidance

Adjusted operating profit margin

20.5%-21.5%

Adjusted free cash flow

≥ €475 million

Return on invested capital

≥ 8%

Diluted adjusted EPS

Low single-digit growth

Guidance for adjusted free cash flow and diluted adjusted EPS is in constant currencies (EUR/USD 1.33)

Additional information

Adjusted net financing costs¹⁾

Approximately €100 million

Benchmark effective tax rate

27.5%-28.0%

Cash conversion ratio¹⁾

Approximately 95%

¹⁾ In constant currencies (EUR/USD 1.33)



Q&A

Nancy McKinstry

Chief Executive Officer and Chairman

Kevin Entricken

Chief Financial Officer



Wolters Kluwer



Appendix

Nancy McKinstry

Chief Executive Officer and Chairman

Kevin Entricken

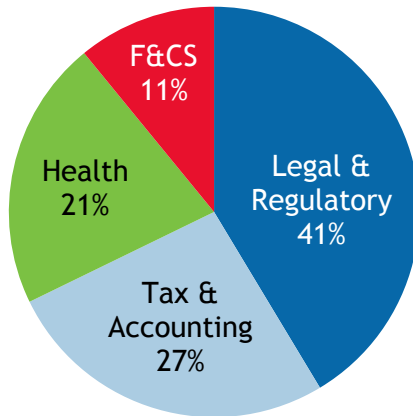
Chief Financial Officer



Wolters Kluwer

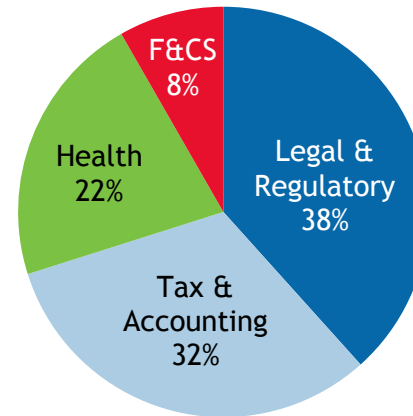
Revenue and operating profit breakdown

HY 2014 Revenues by division

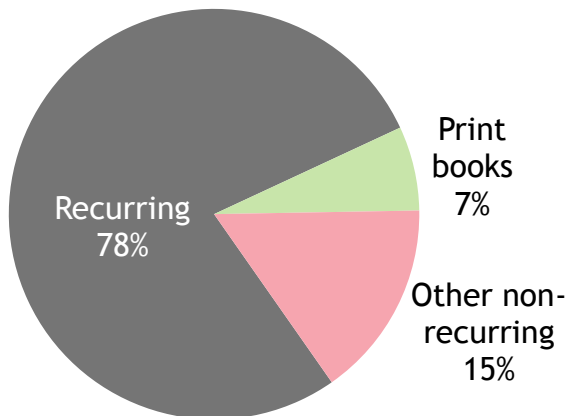


HY 2014 Adjusted operating profit¹⁾

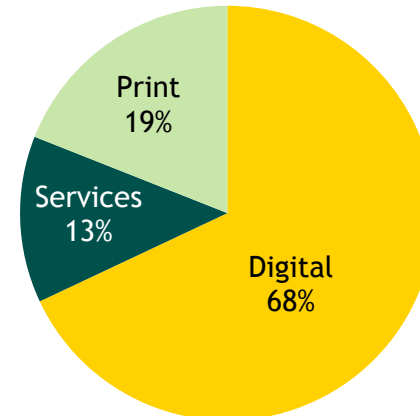
¹⁾ Excluding corporate



HY 2014 Revenues by type



HY 2014 Revenues by media format



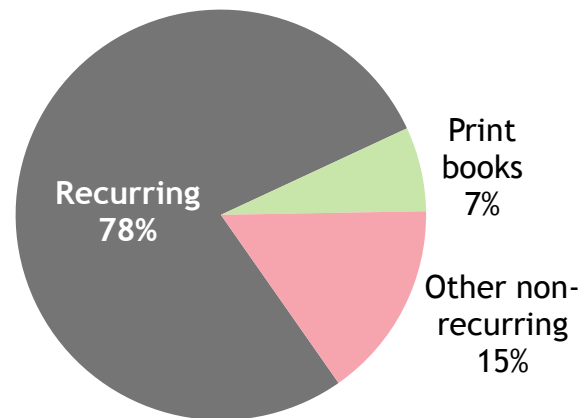
Revenues by type

Recurring revenue grows +2%; transactional remains mixed

(€ million)	HY 2014	HY 2013	Δ	Δ CC	Δ OG
Digital and services subscriptions	1,022	987	+4%	+7%	+5%
Print subscriptions	172	198	-12%	-10%	-9%
Other recurring	140	148	-6%	-3%	-2%
Recurring revenues	1,334	1,333	0%	+4%	+2%
Print books	114	134	-15%	-12%	-11%
CLS transactional	101	96	+4%	+9%	+3%
FS transactional	17	22	-24%	-20%	-21%
Other non-recurring	150	157	-4%	-1%	0%
Total revenues	1,716	1,742	-1%	+2%	+1%

Δ - % Change; Δ CC - % Change constant currencies (EUR/USD 1.33); Δ OG - % Organic growth

HY 2014 Revenues



Reconciliation: Adjusted net financing costs to financing results

(€ million)	HY 2014	HY 2013
Adjusted net financing costs	(49)	(61)
Divestment related results on AccessData	-	12
Revaluation gain on minority interest in Datacert	76	-
Employee benefits financing component	(2)	(2)
Financing results	25	(51)

Balance Sheet

Solid financial position

(€ million)	June 30, 2014	Dec. 31, 2013	June 30, 2013
Goodwill and intangible assets	4,840	4,592	4,778
Equity-accounted investees and financial assets	42	58	82
Other non-current assets	212	212	210
Non-current assets	5,094	4,862	5,070
Cash	280	755	503
Other current assets	1,060	1,247	1,046
Deferred income	(1,152)	(1,214)	(1,140)
Short-term borrowings and bank overdrafts	(192)	(817)	(861)
Other current liabilities	(663)	(883)	(749)
Working capital	(667)	(912)	(1,201)
Capital employed	4,427	3,950	3,869
Total equity	1,611	1,584	1,520
Long-term debt	2,310	1,909	1,902
Other non-current liabilities	506	457	447
Total financing	4,427	3,950	3,869

Currency

	Average rates		Impact revenue	Impact adjusted operating profit
	HY 2014	HY 2013	HY 2014	HY 2014
1 Euro				
U.S. Dollar	1.37	1.31	(42)	(11)
British Pound	0.82	0.85	2	0
Canadian Dollar	1.51	1.33	(4)	(1)
Australian Dollar	1.50	1.29	(4)	0
Brazilian Real, Russian Ruble and other			(9)	(1)
Total impact (€ million)			(57)	(13)

By division:

Legal & Regulatory	(17)	(4)
Tax & Accounting	(19)	(5)
Health	(15)	(3)
Financial & Compliance Services	(6)	(1)
Total	(57)	(13)