Wolters Kluwer 2017 Full-Year Report

February 21, 2018 – Wolters Kluwer, a global leader in professional information, software solutions, and services, today releases its full-year 2017 results.

Highlights

- **Revenues up 5% in constant currencies and up 3% organically.**
  - Digital & services revenues up 5% organically (87% of total revenues).
  - Recurring revenues grew 4% organically (76% of total revenues).
- **Adjusted operating profit margin up 60 basis points to 22.8%.**
- **Diluted adjusted EPS €2.32, up 13% in constant currencies.**
- **Adjusted free cash flow €746 million, up 7% in constant currencies.**
- **Return on invested capital improved to 10.2%.**
- **Balance sheet remains strong: net-debt-to-EBITDA 1.7x at year-end.**
- **Proposed full-year total dividend of €0.85 per share, up 8%.**
  - 2018 interim dividend to be set at 40% of prior year total dividend (previously: 25%).
- **Share buyback: current intention is to repurchase up to €400 million in shares in 2018.**
  - Includes proceeds from Corsearch and Swedish disposals, closed in January 2018.
  - Pending completion, ProVation disposal proceeds to be used for additional share repurchases.
- **Outlook 2018: expect diluted adjusted EPS to grow 10%-15% in constant currencies.**
  - Guidance reflects IFRS15 accounting standard, effective in 2018. (See Note 14).

Full-Year Report of the Executive Board

Nancy McKinstry, CEO and Chairman of the Executive Board, commented: *"I am pleased to report further improvement in organic growth, margins, cash flow and ROIC in 2017. Sustained investment is delivering products and services that our customers value. Operational excellence programs are making our organization more efficient and agile. We made significant progress on divesting non-core assets and on integrating acquisitions—improving the quality and growth potential of our business. We look forward to the year ahead and remain focused on executing on our strategic priorities."*

Key Figures Full-Year 2017 (Under IAS 18):

Year ended December 31 **€ million** (unless otherwise stated)	2017	2016*	Δ	Δ CC	Δ OG
Business performance - benchmark figures					
Revenues	4,422	4,286	+3%	+5%	+3%
Adjusted operating profit	1,009	950	+6%	+8%	+8%
Adjusted operating profit margin	22.8%	22.2%			
Adjusted net profit	668	618	+8%	+10%	
Diluted adjusted EPS (€)	2.32	2.10	+11%	+13%	
Adjusted free cash flow	746	708	+5%	+7%	
Net debt	2,069	1,927	+7%		
Return on invested capital (ROIC)	10.2%	9.8%			
IFRS results					
Revenues	4,422	4,286	+3%		
Operating profit	869	766	+13%		
Profit for the year	671	490	+37%		
Diluted EPS (€)	2.33	1.66	+40%		
Net cash from operating activities	940	927	+1%		

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth. Benchmark (adjusted) figures are performance measures used by management. See Note 5 for a reconciliation from IFRS to benchmark figures. IFRS: International Financial Reporting Standards as adopted by the European Union. *2016 restated to treat customer credits for 'bank product' services as a deduction to revenues and not as a cost of sales.

Full-Year 2018 Outlook (Reflects IFRS 15 Accounting Standard, Effective in 2018)

Our guidance for full-year 2018 is provided in the table below. We expect to deliver solid organic growth and margin improvement. We expect to achieve an increase in diluted adjusted EPS in constant currencies and improvement in return on invested capital (ROIC). The first half operating profit is expected to see modest improvement due to the phasing of investments and savings.

Full-Year 2018 Outlook

Performance indicators	2018 Guidance	2017 (Under IFRS 15)
Adjusted operating profit margin	22.5%-23.0%	22.2%
Adjusted free cash flow	€725-€750 million	€746 million
ROIC	10.0%-10.5%	9.8%
Diluted adjusted EPS	10%-15% growth	€2.22

Guidance for adjusted free cash flow and diluted adjusted EPS is in constant currencies (€/$ 1.13). Guidance for EPS growth assumes share repurchases for up to €400 million in 2018. Adjusted operating profit margin and ROIC are in reported currencies and assume an average EUR/USD rate around €/$ 1.20.

Our guidance reflects the new IFRS 15 accounting standard, which became effective on January 1, 2018. When applied to 2017, under the method adopted by Wolters Kluwer, the adjusted operating profit margin would be 22.2%, diluted adjusted EPS €2.22, and ROIC 9.8%. IFRS 15 has no impact on free cash flow. Further details are provided in Note 14 of this report.

Our guidance is based on constant exchange rates. In 2017, Wolters Kluwer generated more than 60% of its revenues and adjusted operating profit in North America. As a rule of thumb, based on our 2017 currency profile, each 1 U.S. cent move in the average €/$ exchange rate for the year causes an opposite change of approximately two euro cents in diluted adjusted EPS.

Restructuring costs are included in adjusted operating profit. We currently expect restructuring costs of €15-€25 million in 2018 (2017: €33 million). We expect adjusted net financing costs of approximately €70 million (2017: €109 million), excluding the impact of exchange rate movements on currency hedging and intercompany balances. This reflects the redemption of our Eurobond maturing in April 2018. We expect the benchmark effective tax rate to be approximately 26%, subject to further interpretation and clarification of the changes introduced in the U.S. Tax Cuts and Jobs Act.

Capital expenditure is expected to be in the range of 5%-6% of total revenues (2017: 4.8%, including benefit from real estate dispositions). Under IFRS 15, we anticipate a cash conversion ratio of approximately 100% in 2018. Our guidance assumes no additional significant change to the scope of operations. We may make further disposals which can be dilutive to margins and earnings in the near term.

2018 Outlook by Division

Health: we expect good organic growth, similar to prior year levels, and a stable margin for the full year. The first half margin is expected to decline due to the timing of investments.

Tax & Accounting: we expect improved organic growth and a stable margin for the full year. The first half margin is expected to decline due to the timing of investments.

Governance, Risk & Compliance: we expect good organic growth and an improved margin for the full year.

Legal & Regulatory: we expect underlying revenue to be broadly flat in 2018. We expect the full-year margin to be in line with 2017, as cost savings are reinvested in wage increases and product development.

Strategic Priorities 2016-2018

Two years ago, we announced our strategic plan for 2016-2018. This plan (*Growing our Value*) prioritizes expanding our market coverage, increasing our focus on expert solutions, and driving further operating efficiencies and employee engagement. Our strategy aims to sustain and, in the long run, further improve our organic growth rate, margins and returns as we focus on growing value for customers, employees, and shareholders. Our priorities are to:

- **Expand market coverage:** We will continue to allocate most of our capital towards our leading growth businesses and digital products, and will extend into market adjacencies and new geographies where we see the best potential for growth and competitive advantage. Expanding our market reach also entails allocating funds to broaden our sales and marketing coverage in certain global markets. We intend to support this organic growth strategy with value-enhancing acquisitions while continuing our program of non-core disposals.
- **Deliver expert solutions:** Our plan calls for increased focus on expert solutions that combine deep domain knowledge with specialized technology and services to deliver expert answers, analytics, and productivity for our customers. To support digital growth across all divisions, we intend to accelerate our ongoing shift to global platforms and to cloud-based integrated solutions that offer mobile access. Our plan is also to expand our use of new media channels and to create an all-round, rich digital experience for our customers. Investment in new and enhanced products will be sustained in the range of 8-10% of total revenues.
- **Drive efficiencies and engagement:** We intend to continue driving scale economies while improving the quality of our offerings and the agility of our organization. These operating efficiencies will help fund investment and wage inflation, and support a rising operating margin over the long term. Through increased standardization of processes and technology planning, and by focusing on fewer, global platforms and software applications, we expect to free up capital to reinvest in product innovation. Supporting this effort are several initiatives to foster employee engagement.

Leverage Target and Financial Policy

Wolters Kluwer uses its cash flow to invest in the business organically or through acquisitions, to maintain optimal leverage, and provide returns to shareholders. We regularly assess our financial position and evaluate the appropriate level of debt in view of our expectations for cash flow, investment plans, interest rates, and capital market conditions.

While we may temporarily deviate from our leverage target at times, we continue to believe that, in the longer run, a net-debt-to-EBITDA ratio of around 2.5x remains appropriate for our business given the high proportion of recurring revenues and resilient cash flow.

At December 31, 2017, our net-debt-to-EBITDA ratio was 1.7x.

Dividend Policy and 2017 Dividends

Wolters Kluwer has a progressive dividend policy under which the company aims to increase the dividend per share each year. The annual increase is dependent on our financial performance, market conditions, and our need for financial flexibility. Our dividend policy takes into consideration the nature of our business and our expectations for future cash flow and investment needs.

For 2017, we are proposing a total dividend of €0.85 per share in cash, comprising the interim dividend of €0.20 (paid in September 2017) and the final dividend of €0.65 (to be paid in May 2018). This represents an increase of 6 euro cents or 8% over the prior year total dividend (2016: €0.79). The dividend is subject to approval at the Annual General Meeting of Shareholders to be held on April 19, 2018.

For 2018, we intend to set the interim dividend at 40% of prior year total dividend (previously: 25%). This will result in a 2018 interim dividend of €0.34 (to be paid in September 2018).

Dividend dates for 2018 are provided on page 37. Shareholders can choose to reinvest both interim and final dividends by purchasing additional Wolters Kluwer shares through the Dividend Reinvestment Plan (DRIP) administered by ABN AMRO Bank N.V.

Anti-Dilution Policy and Share Buyback Program 2016-2018

Wolters Kluwer has a policy to offset the dilution caused by our annual incentive share issuance with share repurchases. In 2017, approximately 1.4 million shares were repurchased under this policy.

On February 24, 2016, we announced a three-year share buyback program (2016-2018) which originally envisaged spending up to €200 million in each year on share repurchases, including amounts required to offset incentive share issuance. This buyback program was subsequently expanded to include additional repurchases intended to mitigate dilution caused by divestments made in 2017 and early 2018.

In 2016, we completed €200 million in share buybacks under this program. In 2017, we completed €300 million of repurchases (7.8 million shares at an average price of €38.62), including an additional €100 million to mitigate the EPS dilution related to two divestments completed in 2017 (Transport Services and certain U.K. publishing assets).

Following completion of the divestments of Corsearch and certain Swedish assets in January 2018, we now intend to execute up to €400 million in buybacks in 2018, including the proceeds of these divestments.

In January 2018, Wolters Kluwer signed an agreement to divest ProVation Medical. Assuming completion, Wolters Kluwer intends to deploy the proceeds of this divestment towards additional share repurchases of approximately €150 million in 2018 and 2019 to mitigate the expected earnings dilution.

Repurchased shares are added to and held as treasury shares. Part of the shares held in treasury will be retained and used to meet future obligations under share-based incentive plans. At the 2018 Annual General Meeting of Shareholders, Wolters Kluwer will propose cancelling any or all of the other shares held in treasury or to be acquired under the share buyback program 2016-2018.

Assuming global economic conditions do not deteriorate substantially, we believe this level of cash return leaves us with ample headroom for investment in the business, including acquisitions.

Wolters Kluwer

Full-Year 2017 Results

Benchmark Figures

Group revenues increased 3% overall to €4,422 million. Excluding the effect of exchange rate movements, primarily the depreciation of the U.S. dollar and British pound, revenues rose 5% in constant currencies. Organic growth was 3% (2016: 3%), with all four divisions achieving similar or better organic growth than in the prior year. Organic growth excludes the impact of exchange rate movements, accounting changes, and the effect of acquisitions and divestitures.

Revenues from North America (61% of total revenues) sustained 4% organic growth (2016: 4%), with clear improvement in our U.S. Legal & Regulatory unit compensating for slightly slower growth in Health and Governance, Risk & Compliance in this region. Revenues from Europe (31% of total revenues) grew 2% organically (2016: 1%), with the improvement on prior year driven by Governance, Risk & Compliance. Revenues from Asia Pacific and Rest of World (8% of total revenues) grew 6% organically, accelerating across all divisions (2016: 3%).

Adjusted operating profit grew 6% overall and 8% in constant currencies to €1,009 million. The adjusted operating profit margin advanced by 60 basis points to 22.8% (2016: 22.2%), driven by Health and Governance, Risk & Compliance. Included in adjusted operating profits were €33 million of restructuring costs (2016: €29 million). Restructuring expenses were higher than guided during the year, as we fast-tracked several operational efficiency initiatives in our Legal & Regulatory and Tax & Accounting divisions, taking charges in the fourth quarter of 2017.

Adjusted net financing costs were €109 million (2016: €107 million). Adjusted net financing costs are defined as total financing results excluding the financing component of employee benefits, results of investments available-for-sale, and net book gains or losses on equity-accounted investees.

Income from equity-accounted investees increased to €4 million, mainly due to improvement at our 40%-owned Austrian affiliate.

Adjusted profit before tax was €904 million (2016: €845 million), an increase of 7% overall and 9% in constant currencies.

The benchmark effective tax rate on adjusted profit before tax decreased to 25.9% (2016: 26.8%), reflecting reduced U.S. state tax charges and a one-time release of tax liabilities for closed tax years. As a result, adjusted net profit increased 8% overall and 10% in constant currencies to €668 million.

Diluted adjusted EPS increased 11% overall to €2.32 (2016: €2.10), reflecting the increase in adjusted net profit and a 2% reduction in the weighted average number of shares outstanding. In constant currencies, diluted adjusted EPS increased 13%.

IFRS Reported Figures

Reported operating profit rose 13% to €869 million (2016: €766 million), reflecting the increase in adjusted operating profit and net capital gains of €60 million on the disposals of Transport Services (July 2017) and certain U.K. publishing assets (September 2017). This gain was partly offset by an increase in amortization of acquired intangibles and higher fair value changes of earn-out liabilities.

Reported financing results amounted to a cost of €108 million (2016: €113 million cost) including the financing component of employee benefits of €5 million (2016: €6 million). We realized a €6 million capital gain on the sale of our 50% interest in Ipsoa Francis Lefebvre, an Italian publishing joint venture.

Reported profit before tax increased 17% to €765 million (2016: €655 million).

At year-end 2017, we recorded a one-time non-cash revaluation to our U.S. deferred tax position due to the lower U.S. corporate tax rate introduced by the U.S. Tax Cuts and Jobs Act. This benefit was partly offset by the mandatory repatriation tax introduced in this U.S. tax reform. Including these year-end adjustments totaling €57 million, the reported effective tax rate was 12.3% (2016: 25.2%). As a result, total profit for the year increased 37% to €671 million (2016: €490 million) and diluted earnings per share increased 40% to €2.33 (2016: €1.66).

Cash Flow

Adjusted operating cash flow was €974 million (2016: €948 million), an increase of 3% overall and 5% in constant currencies. The cash conversion ratio declined to 97% (2016: 100%) in line with longer term average. Net capital expenditure was €210 million, and included €13 million in proceeds from the disposition of several real estate assets in the U.S. and Europe. Without that benefit, capital expenditure as a percent of revenues would have reduced slightly to 5.0% compared to the prior year (2016: 5.2%). Depreciation and the amortization of internally developed software and other assets rose to €209 million (2016: €179 million). Net working capital outflows of €34 million (2016: inflows of €43 million) were largely due to a reduction in payables.

Adjusted free cash flow was €746 million (2016: €708 million), up 5% overall and up 7% in constant currencies. Corporate income taxes paid increased by €48 million to €156 million, the prior year having benefitted from favorable timing of tax payments. Paid financing costs declined to €87 million (2016: €100 million) due to higher interest income on deposits and a cash result on currency hedging contracts. The net movement in restructuring provisions of €6 million related to cash spending of €27 million and additions of €21 million excluding non-benchmark items.

Dividends paid to shareholders during the year totaled €232 million, comprising the 2016 final dividend and 2017 interim dividend, and dividends paid to minority interests.

Acquisition spending, net of cash acquired and including acquisition-related costs, was €316 million (2016: €461 million). Most of our acquisition spending reflects the purchase of Tagetik in Tax & Accounting (April 2017). Deferred payments on acquisitions made in prior years, including earnouts, amounted to €12 million.

Divestiture proceeds, net of cash disposed, were €94 million (2016: €14 million) and relate primarily to the sale of Transport Services and certain U.K. publishing assets.

During the year, we completed €300 million of share buybacks. The cash outflow also reflects €2 million of share buybacks made in 2016 but settled in January 2017.

Net Debt and Leverage

Net debt at December 31, 2017, was €2,069 million, an increase of €142 million since December 31, 2016, as a result of acquisitions, share buybacks, and currency translation of cash and cash equivalents. The net-debt-to-EBITDA ratio at year end 2017 was unchanged at 1.7x.

In the second quarter of 2018, we will use cash and deposits to redeem the principal of our €750 million, 6.375% senior Eurobond which matures on April 10, 2018.

Operating and Divisional Review

Health and Tax & Accounting delivered good organic growth, in line with the prior year. Governance, Risk & Compliance and Legal & Regulatory improved their organic growth rate. Adjusted operating profit margins increased in Health and Governance, Risk & Compliance, and were stable in Tax & Accounting and Legal & Regulatory.

Divisional Summary – Year ended December 31

€ million (unless otherwise stated)	2017	2016*	Δ	Δ CC	Δ OG
Revenues					
Health	1,168	1,106	+6%	+8%	+6%
Tax & Accounting	1,257	1,162	+8%	+10%	+4%
Governance, Risk & Compliance	1,080	1,091	-1%	+1%	+4%
Legal & Regulatory	917	927	-1%	0%	-1%
Total revenues	**4,422**	**4,286**	**+3%**	**+5%**	**+3%**
Adjusted operating profit					
Health	293	271	+8%	+11%	+10%
Tax & Accounting	339	315	+8%	+10%	+5%
Governance, Risk & Compliance	319	309	+3%	+5%	+6%
Legal & Regulatory	110	111	-1%	0%	+3%
Corporate	(52)	(56)	-7%	-7%	-7%
Total adjusted operating profit	**1,009**	**950**	**+6%**	**+8%**	**+8%**

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth. *2016 restated to treat customer credits for 'bank product' services as a deduction to revenues and not as a cost of sales.

Recurring revenues, which include subscriptions and other renewing revenue streams, grew 4% organically (2016: 4%). Print book revenues declined 3% on an organic basis (2016: 9% decline), in part benefitting from positive growth in U.S. Legal Education textbooks and stronger international sales in Health. Legal Services (LS) transactional revenues grew 8% organically (2016: 3%), following a strong fourth quarter. Financial Services (FS) transactional revenues were flat on an organic basis (2016: 12% growth) as U.S. commercial and residential lending markets slowed. Other non-recurring revenues, which includes software license and implementation fees, increased 2% organically (2016: 4% decline), benefitting from higher fourth quarter software license sales in Governance, Risk & Compliance.

Revenues by Type – Year ended December 31

€ million (unless otherwise stated)	2017	2016*	Δ	Δ CC	Δ OG
Digital and service subscription	2,814	2,687	+5%	+6%	+5%
Print subscription	234	269	-13%	-12%	-10%
Other recurring	310	333	-7%	-5%	+8%
Total recurring revenues	**3,358**	**3,289**	**+2%**	**+3%**	**+4%**
Print books	254	270	-6%	-3%	-3%
LS transactional	239	224	+6%	+8%	+8%
FS transactional	107	124	-14%	-13%	0%
Other non-recurring	464	379	+23%	+25%	+2%
Total revenues	**4,422**	**4,286**	**+3%**	**+5%**	**+3%**

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth. Note: Other non-recurring revenues includes license & implementation fees. *2016 restated to treat customer credits for 'bank product' services as a deduction to revenues and not as a cost of sales. In 2017, ProVation software license fees were reclassified from other recurring to other non-recurring.

Health

- Clinical Solutions grew 10% organically and now exceeds 50% of divisional revenues.
- Health Learning, Research & Practice grew 1% organically.
- Margin increased 50 basis points, primarily driven by efficiency measures and mix shift.

Health – Year ended December 31

€ million (unless otherwise stated)	**2017**	**2016**	**Δ**	**Δ CC**	**Δ OG**
Revenues	1,168	1,106	+6%	+8%	+6%
Adjusted operating profit	293	271	+8%	+11%	+10%
Adjusted operating margin	25.0%	24.5%			
Operating profit	247	231	+7%		
Net capital expenditure	48	64			
Ultimo FTEs	3,162	3,064			

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth.

Wolters Kluwer Health revenues increased 8% in constant currencies, partly reflecting the acquisition of Emmi Solutions in November 2016. Organic revenue growth was 6%, in line with the prior year (2016: 6%). Adjusted operating profit increased 11% in constant currencies and 10% organically driven by efficiency savings, the continued mix shift towards Clinical Solutions, and lower restructuring costs. These factors more than offset the dilutive effect of Emmi Solutions. IFRS operating profit increased 7%, primarily reflecting the rise in adjusted operating profits.

Clinical Solutions (51% of divisional revenues) achieved 10% organic growth. Our clinical decision support tool, UpToDate, delivered double-digit organic growth, driven by strong renewal rates and upgrades as well as customer additions around the world. UpToDate's 25th medical specialty, *Anesthesiology*, was launched in May, helping to increase the reach to 1.3 million clinicians in 187 countries. Investment was focused on geographic expansion and next generation products. Our clinical drug information group (Medi-Span, Lexicomp, Facts & Comparisons, and Medicom) saw another year of robust organic growth. Emmi, which offers patient engagement solutions, completed its first full year as part of Wolters Kluwer Health, delivering high single-digit underlying revenue growth (12 month pro forma). The focus of integration has been on combining Emmi's products with our UpToDate and drug information offerings to provide a consistent, high quality, evidence-based solution that spans the continuum of care. Our clinical software solutions group saw improved performance, driven by Sentri7 and other surveillance products. In January 2018, we agreed to divest ProVation Medical, the procedure documentation and order sets business.

Health Learning, Research & Practice (49% of divisional revenues) achieved organic growth of 1% (2016: 2%) and higher margins. Digital revenues (66% of segment revenues) grew 5% organically (2016: 8%), more than compensating for ongoing print decline. Medical and nursing journals revenues were stable overall, as growth in digital subscriptions, largely delivered through Ovid, was offset by declines in print subscriptions, advertising, and reprints. We expanded our list of open access journals, launching open access versions of *HemaSphere* and *The European Journal of Oncology Pharmacy*. In medical and nursing education, digital products, such as LWW Health Library, performed strongly. Across all subjects, print book sales fell 2%, a marked improvement on the prior year (2016: 12% decline), partly due to strong international orders. Our digital Nursing Solutions, including Lippincott Nursing Procedures & Skills and Coursepoint Plus, achieved double-digit growth. Learner's Digest, which provides digital continuing medical education, saw positive organic growth.

Tax & Accounting

- Tax, accounting, and audit software sustained 6% organic growth around the world.
- Print formats, bank products, and services revenues declined, as expected.
- Adjusted operating profit margin was broadly stable, as expected.

Tax & Accounting – Year ended December 31

€ million (unless otherwise stated)	**2017**	**2016***	**Δ**	**Δ CC**	**Δ OG**
Revenues	1,257	1,162	+8%	+10%	+4%
Adjusted operating profit	339	315	+8%	+10%	+5%
Adjusted operating margin	27.0%	27.1%			
Operating profit	259	244	+6%		
Net capital expenditure	70	69			
Ultimo FTEs	6,738	6,276			

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth. *2016 restated to treat customer credits for 'bank product' services as a deduction to revenues and not as a cost of sales.

Wolters Kluwer Tax & Accounting revenues increased 10% in constant currencies, reflecting the acquisition of Tagetik in April 2017. Excluding the effect of acquisitions, organic growth was 4%, in line with the prior year. Adjusted operating profit increased 10% in constant currencies and the related margin was broadly stable at 27.0%, as underlying improvement absorbed the dilutive effect of Tagetik. IFRS operating profit increased 6%, reflecting an increase in amortization of acquired intangibles.

Tax & Accounting North America (53% of divisional revenues) achieved good organic growth, despite ongoing declines in research and learning and bank products. Our professional software group, which serves small, medium, and large accounting firms, drove 5% organic growth, driven by our cloud-based integrated suite (CCH Axcess) as well as certain on-premise solutions. CCH Axcess added several new features during the year, including technology enabling an accountant's clients to download brokerage documents directly into their CCH My1040 organizer. Research & Learning recorded a decline for the full year. The unit's innovative research platform, CCH AnswerConnect, was well received by the market and honored with a Gold Stevie award for best new product. Our corporate tax software unit achieved good organic growth, driven by continued growth of CCH SureTax in the telecom and energy sectors.

Tax & Accounting Europe (29% of divisional revenues) sustained 5% organic growth, with all countries contributing to growth. Revenue growth was particularly strong in the U.K., Spain, and the Netherlands. The region continues to build and roll out collaborative solutions for tax advisors in Europe, increasingly leveraging its cloud technology investments across countries.

Tax & Accounting Asia Pacific & Rest of World (8% of divisional revenues) delivered positive organic growth overall, as good performance in Asia Pacific was dampened by continued weakness in Brazil. In Australia and other developed markets in Asia Pacific, growth in digital solutions outweighed continued declines in print formats. CCH China and CCH India drove double-digit growth.

Corporate Performance Solutions (10% of divisional revenues) brings together our internal audit software, TeamMate, and our corporate performance management suite, CCH Tagetik. TeamMate delivered double-digit organic growth, mainly through new customer additions around the world. TeamMate+, the new cloud-based version, was successfully introduced, driving higher recurring revenues primarily from new customers. CCH Tagetik delivered double-digit growth year-on-year (pro forma) in its first nine months as part of Wolters Kluwer.

Governance, Risk & Compliance

- Organic growth increased to 4%, primarily driven by non-recurring revenues.
- Legal Services transactions and Financial Services software license fees drove non-recurring revenues.
- Margin improved by 110 basis points, driven by operational excellence programs.

Governance, Risk & Compliance – Year ended December 31

€ million (unless otherwise stated)	**2017**	**2016**	**Δ**	**Δ CC**	**Δ OG**
Revenues	1,080	1,091	-1%	+1%	+4%
Adjusted operating profit	319	309	+3%	+5%	+6%
Adjusted operating margin	29.5%	28.4%			
Operating profit	323	276	+17%		
Net capital expenditure	54	50			
Ultimo FTEs	4,187	4,511			

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth.

Wolters Kluwer Governance, Risk & Compliance revenues increased 1% in constant currencies, reflecting the divestments of AppOne in October 2016 and Transport Services in June 2017. On an organic basis, revenues increased 4%, an improvement on the prior year (2016: 3%), driven by a strong fourth quarter in transactional revenues in Legal Services and software license sales in Financial Services. The adjusted operating profit margin improved by 110 basis points, driven by operational efficiency initiatives. IFRS operating profit, which includes a capital gain on the disposal of Transport Services, increased 17%.

Recurring revenues, which accounts for 57% of divisional revenues, grew 2% organically (2016: 4%). Transactional revenues increased 8% in Legal Services, but were flat in Financial Services. Other non-recurring revenues increased 6% (2016: 11% decline), primarily driven by new customer wins for Financial Services software.

Legal Services (56% of divisional revenues) delivered improved organic growth of 4% (2016: 3%), reflecting better-than-expected transactional volumes in Enterprise Legal Management (ELM). CT, the leader in U.S. legal representation services, delivered 4% organic growth (2016: 5%) with sustained high single-digit momentum in M&A-related transactional services accompanying more modest subscription growth. ELM, which provides legal billing and analytics software to corporations and law firms, delivered good organic growth, driven by higher transaction volumes and improved software license sales. Corsearch, the trademark solutions unit, was divested in early 2018.

Financial Services (42% of divisional revenues) saw improved organic growth of 3% (2016: 2%). Our Finance, Risk & Reporting unit delivered 10% organic growth, winning several large multi-year contracts for the OneSumX suite for finance, operational risk, and regulatory reporting. Lien Solutions, which provides UCC search and filing services on a transactional basis, sustained robust single-digit organic growth, despite the slowdown in the U.S. commercial lending market. Our Compliance Solutions unit was impacted by a market-wide decline in mortgage origination volumes, but realized growth in recurring revenues driven by Gainskeeper in investment compliance.

Transport Services (2% of divisional revenues) was divested in June 2017.

Legal & Regulatory

- Organic growth improved to -1%, with digital revenues up 4% organically.
- Print formats and training services saw further decline, largely as expected.
- The adjusted operating margin was stable, despite higher restructuring costs.

Legal & Regulatory – Year ended December 31

€ million (unless otherwise stated)	**2017**	**2016**	**Δ**	**Δ CC**	**Δ OG**
Revenues	917	927	-1%	0%	-1%
Adjusted operating profit	110	111	-1%	0%	+3%
Adjusted operating margin	12.0%	12.0%			
Operating profit	92	70	+31%		
Net capital expenditure	38	41			
Ultimo FTEs	4,110	4,363			

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth.

Wolters Kluwer Legal & Regulatory revenues were broadly stable in constant currencies, as the impact of several disposals completed in 2016 (French trade press in July 2016) and in 2017 (certain U.K. publishing assets in September 2017) was offset by the full-year inclusion of Enablon (acquired July 2016). On an organic basis, revenues declined 1%, an improvement on the prior year (2016: 2% decline) helped by better than expected print book performance and improved market conditions in both the U.S. and Europe. Adjusted operating profit was stable in constant currencies and up 3% on an organic basis. Cost savings were redeployed towards increases in wages, product development, and restructuring. IFRS operating profit included a capital gain on the sale of certain U.K. publishing assets and a gain on the sale of an equity-accounted investee.

Digital products, which make up about 60% of divisional revenues, grew 4% organically despite a challenging comparable (2016: 6%) created by a large European customer migration in 2016. Print formats (33% of divisional revenues) declined 7% organically (2016: 10% decline), with print subscriptions in line with recent trends but print books benefiting from an upturn in U.S. legal education textbooks.

Total revenues in Legal & Regulatory Information Solutions (92% of divisional revenues) decreased reflecting several divestments completed in 2016 and 2017. In Europe, the group saw 2% organic decline, in line with the prior year and as expected. Across the continent, we continued efforts to drive operational excellence in editorial and production, technology, sales, marketing, and back-office functions. Certain Swedish publishing assets were divested in early 2018. Our U.S. Legal & Regulatory unit drove 2% organic growth, marking a clear improvement on recent years. Digital solutions, such as the Cheetah legal research platform, grew well, more than compensating for the ongoing decline in print subscriptions in this region. In U.S. legal education, we realized growth reflecting an increase in legal textbook sales and the benefits of our digital learning platform for law students, Connected Casebook.

Legal & Regulatory Software (8% of divisional revenues), which includes Enablon and our central Legal Software unit, achieved high single-digit organic growth. Enablon, which provides environmental, health and safety (EHS) compliance and operational risk solutions to corporations, delivered positive organic growth, driven by 20% pro forma growth in annual recurring revenues for its cloud-based software. Non-recurring license fees and services declined as the EHS market rapidly shifts to subscription models. Our cloud-based workflow software for law firms (Kleos) and corporate legal departments (Effacts) achieved double-digit organic growth.

Corporate Expenses

Corporate costs declined 7% in constant currencies and on an organic basis. The decline reflected a reduction in global HR expenses and lower payroll taxes, partly offset by higher costs related to General Data Protection Regulation (GDPR), accounting and other projects.

Corporate – Year ended December 31

€ million (unless otherwise stated)	**2017**	**2016**	**Δ**	**Δ CC**	**Δ OG**
Adjusted operating profit	(52)	(56)	-7%	-7%	-7%
Operating profit	(52)	(55)	-7%		
Net capital expenditure (CAPEX)	0	0			
Ultimo FTEs	118	104			

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Condensed Consolidated Financial Statements for the years ended December 31, 2017, and 2016

This report has been prepared in accordance with IFRS. The full-year figures for 2017 and 2016 in this report are derived from the 2017 consolidated financial statements, which will be published on March 7, 2018.

Condensed Consolidated Statement of Profit or Loss

(in millions of euros, unless otherwise stated)

	Full year 2017	Full year 2016*
Revenues	**4,422**	**4,286**
Cost of sales	1,335	1,315
Gross profit	**3,087**	**2,971**
Sales costs	818	808
General and administrative costs	1,447	1,394
Total operating expenses	2,265	2,202
Other operating income and (expense)	47	(3)
Operating profit	**869**	**766**
Financing results	(108)	(113)
Share of profit of equity-accounted investees, net of tax	4	2
Profit before tax	**765**	**655**
Income tax expense	(94)	(165)
Profit for the year	**671**	**490**
Attributable to:		
▪ Owners of the Company	670	489
▪ Non-controlling interests	1	1
Profit for the year	**671**	**490**
Earnings per share (EPS) (€)		
Basic EPS	2.35	1.68
Diluted EPS	2.33	1.66

* Restated. See Note 2 of the Condensed consolidated financial statements.

Condensed Consolidated Statement of Comprehensive Income

(in millions of euros)

	Full Year 2017	Full Year 2016
Comprehensive income:		
Profit for the year	**671**	**490**
Other comprehensive income:		
Items that are or may be reclassified subsequently to the statement of profit or loss		
Net gains/(losses) on hedges of net investments and exchange differences on translation of foreign operations	(476)	120
Recycling of foreign exchange differences on loss of control	0	(1)
Gains/(losses) on cash flow hedges	0	10
Income tax on other comprehensive income	0	0
Items that will not be reclassified to the statement of profit or loss:		
Remeasurements on defined benefit plans	27	(22)
Income tax on other comprehensive income	(14)	7
Other comprehensive income for the year, net of tax	**(463)**	**114**
Total comprehensive income for the year	**208**	**604**
Attributable to:		
▪ Owners of the Company	206	603
▪ Non-controlling interests	2	1
Total	**208**	**604**

Condensed Consolidated Statement of Cash Flows

(in millions of euros)

	Full Year 2017	2016
Cash flows from operating activities		
Profit for the year	671	490
Adjustments for:		
Financing results	108	113
Share of profit of equity-accounted investees, net of tax	(4)	(2)
Income tax expense	94	165
Amortization, impairments, and depreciation	396	360
Additions to provisions	25	25
Release of provisions	0	(3)
Fair value changes to contingent considerations	9	(1)
Book (profit)/loss on divestments of operations	(74)	(11)
Share-based payments	23	18
Autonomous movements in working capital	(34)	43
Paid financing costs	(87)	(100)
Paid corporate income tax	(156)	(108)
Appropriation of provisions for restructuring	(27)	(31)
Additional defined benefit plan contributions	(6)	(25)
Other	2	(6)
Net cash from operating activities	**940**	**927**
Cash flows from investing activities		
Capital expenditure	(210)	(224)
Acquisition spending, net of cash acquired	(313)	(450)
Receipts from divestments, net of cash disposed	94	14
Dividends received	1	2
Cash from settlement of derivatives	19	(11)
Net cash used in investing activities	**(409)**	**(669)**
Cash flows from financing activities		
Repayment of loans	(18)	(5)
Proceeds from new loans	497	2
Collateral received/(paid)	(5)	5
Repurchased shares	(302)	(198)
Dividends paid	(232)	(223)
Net cash used in financing activities	**(60)**	**(419)**
Net cash flow	**471**	**(161)**
Cash and cash equivalents less bank overdrafts at January 1	389	527
Exchange differences on cash and cash equivalents and bank overdrafts	(109)	23
	280	550
Cash and cash equivalents less bank overdrafts at December 31	**751**	**389**
Add: Bank overdrafts at December 31	288	551
Less: Cash and cash equivalents in Assets held for sale at December 31	(19)	-
Cash and cash equivalents at December 31	**1,020**	**940**

Wolters Kluwer

Condensed Consolidated Statement of Financial Position

(in millions of euros)

	December 31, 2017		December 31, 2016	
Non-current assets				
Goodwill and intangible assets	5,581		6,113	
Property, plant, and equipment	101		126	
Investments in equity-accounted investees	11		10	
Financial assets	16		30	
Deferred tax assets	93		109	
Total non-current assets		5,802		6,388
Current assets				
Inventories	95		118	
Trade and other receivables	1,312		1,375	
Income tax receivable	9		18	
Cash and cash equivalents	1,020		940	
Assets held for sale	248		-	
Total current assets	2,684		2,451	
Current liabilities				
Deferred income	1,412		1,555	
Trade and other payables	335		414	
Income tax payable	12		23	
Short-term provisions	22		27	
Borrowings and bank overdrafts	288		556	
Short-term bond	750		-	
Other current liabilities	618		627	
Liabilities held for sale	81		-	
Total current liabilities	3,518		3,202	
Working capital		(834)		(751)
Capital employed		**4,968**		**5,637**
Non-current liabilities				
Long-term debt		2,040		2,314
Deferred and other tax liabilities		451		505
Employee benefits		150		191
Provisions		2		1
Total non-current liabilities		2,643		3,011
Equity				
Issued share capital	35		36	
Share premium reserve	87		87	
Other reserves	2,199		2,498	
Equity attributable to the owners of the Company		2,321		2,621
Non-controlling interests		4		5
Total equity		2,325		2,626
Total financing		**4,968**		**5,637**

Condensed Consolidated Statement of Changes in Total Equity
(in millions of euros)

	2017		
	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
Balance at January 1	**2,621**	**5**	**2,626**
Total comprehensive income for the year	206	2	208
Share-based payments	23		23
Cash dividend 2016	(172)	(3)	(175)
Interim cash dividend 2017	(57)		(57)
Repurchased shares	(300)		(300)
Balance at December 31	**2,321**	**4**	**2,325**

	2016		
	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
Balance at January 1	**2,472**	**5**	**2,477**
Total comprehensive income for the year	603	1	604
Share-based payments	18		18
Cash dividend 2015	(167)	(1)	(168)
Interim cash dividend 2016	(55)		(55)
Repurchased shares	(250)		(250)
Balance at December 31	**2,621**	**5**	**2,626**

Notes to the Condensed Consolidated Financial Statements

Note 1 Reporting entity

Wolters Kluwer N.V. ('the Company') with its subsidiaries (together 'the Group') is a global leader in professional information, software solutions and services. These condensed consolidated financial statements for the year ended December 31, 2017, comprise the Group and the Group's interests in associates and a joint venture.

Note 2 Basis of preparation

Statement of compliance
The accounting policies applied in these condensed consolidated financial statements are the same as those applied in the 2017 Annual Report which will be published on March 7, 2018. The consolidated financial statements included in the Annual Report 2017 were authorized for issue by the Executive Board and Supervisory Board on February 20, 2018. In accordance with article 393, Title 9, Book 2 of the Netherlands Civil Code, Deloitte Accountants B.V. has issued an unqualified auditor's opinion on the 2017 Annual Report. The Annual Report 2017 has not yet been published by law and still has to be adopted by the Annual General Meeting on April 19, 2018.

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. However, they do not include all the information required for a complete set of IFRS financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements for the year ended December 31, 2016.

Judgments and estimates
The preparation of the condensed consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense.

In preparing these condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to Wolters Kluwer's 2016 Annual Report, except for the U.S. Tax Reform. The United States Tax Cuts and Jobs Act was signed into law on December 22, 2017, and introduces significant changes in U.S. tax laws taking effect on January 1, 2018. A complete understanding of the implications of this Act may take some time and goverment guidance is expected with more accurate information on the impact of this Act and the modalities of its application. Reported amounts in the financial statements 2017 may therefore be subject to a higher degree of estimation uncertainty than is usually the case and measurement adjustments may need to be made in subsequent reporting periods. Further reference is made to Note 3 'Accounting Estimates and Judgments' to the Consolidated Financial Statements of Wolters Kluwer. Further reference is made to Note 26 'Financial Risk Management'. Note 26 outlines Wolters Kluwer's exposure to currency risks, interest rate risks, liquidity risks, and credit risks, which have not substantially changed since the issuance of our 2016 Annual Report. Actual results in the future may differ from these estimates and current risk judgments.

The financial impact of material changes in tax laws and tax rates in the jurisdictions where Wolters Kluwer operates are excluded from our benchmark figures.

Estimates and judgments are being continuously evaluated and are based on historic experience and other factors, including expectations of future events believed to be reasonable under the circumstances.

Functional and presentation currency
The condensed consolidated financial statements are presented in euro, which is the Company's functional and presentation currency. Unless otherwise stated, the financial information in these financial statements is in euro and has been rounded to the nearest million.

Exchange rates to the euro	2017	2016
U.S. dollar (average year)	1.13	1.11
U.S. dollar (at December 31)	1.20	1.05

Comparatives
Where necessary, certain reclassifications have been made to the prior-year financial information and the related notes to conform to the current year presentation and to improve insights. These have had no impact on the shareholders' equity and profit for the year.

The comparatives for 2016 in the consolidated statement of profit and loss of the 2017 financial statements have been restated. There has been a presentation change for revenues and costs of sales in the operating segment for Tax & Accounting: customer credits for 'bank product' services have been treated as a deduction of revenues and no longer as cost of sales. Revenues and cost of sales had been restated for an amount of €11 million. This change had no impact on operating profit and the net profit for the year 2016.

Effect of forthcoming accounting standards
Three new standards are not yet effective for the year ended December 31, 2017, and have not been adopted earlier in preparing these condensed consolidated financial statements.

IFRS 9 – Financial Instruments (effective for the year 2018)

IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, and introduces new rules for hedge accounting and a new impairment model for financial assets. The group will apply the new rules retrospectively from January 1, 2018. Comparatives for 2017 will not be restated. Based on the preliminary assessments undertaken to date, the group expects no material changes to the financial statements as a result of this new standard.

IFRS 15 – Revenue from Contracts with Customers (effective for the year 2018)

IFRS 15 will supersede the current revenue recognition guidance and revenue will be recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. The company elects to apply this standard retrospectively, with the use of several practical expedients. The most important practical expedient application is the relief for restating contracts which are already completed before the earliest period presented (i.e. before December 31, 2016) under the current accounting policies (the completed contract practical expedient in accordance with IFRS 15.C5(a)).

The group has substantially completed the assessment on the impact of IFRS 15 and has identified an impact on the timing of revenue recognition and the cost associated with obtaining a contract in its Consolidated Financial Statements. The financial statements will be primarily impacted for the recognition of:

- Certain license/maintenance software business models;

- A new approach towards the (un)bundling of multiple elements in a contract and discounts allocated as part of the transaction price;
- Presentation changes in the statement of profit and loss, with no impact on operating profit or profit after tax, following the re-assessment of principal-agent relationships; and
- The capitalization of incremental costs to obtain a contract, especially sales commissions, for contracts with an expected contract term longer than 12 months and amortized over the underlying contract period including expected renewals. Currently, sales commissions are expensed when incurred.

Based on our assessment, we expect that IFRS 15 will not have a material impact on our annual revenues. We derive most of our revenues from selling digital content, software solutions, and services on a subscription basis and products for which the performance obligations are satisfied directly (non-recurring revenues and other transactional business). Consequently, most of our revenue will continue to be recognized ratably over the contract term of the subscription under IFRS 15 or recognized directly when performed.

We refer to Note 14 for more information on the IFRS 15 impact for the year 2017.

IFRS 16 – Leases (effective for the year 2019)

IFRS 16 will result in almost all leases being recognized on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay lease installments are recognized. The effective date for this standard is the financial year commencing on January 1, 2019. The group does not intend to early adopt this standard before its effective date. The group is currently evaluating the appropriate transition method, either the retrospective transition approach or the simplified transition approach, and will further communicate on this once a decision has been finalized. The group has selected a tool for its lease accounting and is in the stage of data gathering and analysis; the data points for the most material lease category, real estate, have almost been finalized and readied for input into the lease accounting tool.

Note 3 Significant accounting policies

The accounting policies applied in these condensed consolidated financial statements are the same as those applied in Wolters Kluwer's 2017 Annual Report. The new standards that became effective as of January 1, 2017, had no significant impact.

Note 4 Seasonality

Some of the Group's businesses are impacted by seasonal purchasing patterns. Revenues of Wolters Kluwer's tax and regulatory businesses are strongest in the fourth and first quarters, in line with statutory (tax) filing requirements. The cash flow is typically strongest in the fourth quarter as calendar-year subscription renewals are received.

Note 5 Benchmark Figures

Wherever used in this report, the term 'adjusted' refers to figures adjusted for non-benchmark items and, where applicable, amortization and impairment of goodwill and acquired identifiable intangibles. Adjusted figures are non-IFRS compliant financial figures, but are internally regarded as key performance indicators to measure the underlying performance of the business from continuing operations. These figures are presented as additional information and do not replace the information in the condensed consolidated statement of profit or loss and in the condensed consolidated statement of cash flows. The term 'adjusted' is not a defined term under IFRS.

Reconciliation of benchmark figures

Revenue Bridge

(in millions of euros)	€	%
Revenues 2016*	**4,286**	
Organic change	142	3
Acquisitions	117	3
Divestments	(56)	(1)
Currency impact	(67)	(2)
Revenues 2017	**4,422**	**3**

U.S. dollar 2017: average €/$=1.13 versus 2016: average €/$=1.11

* Restated. See Note 2 of the Condensed consolidated financial statements.

Reconciliation between operating profit and adjusted operating profit

(in millions of euros)	*Full Year* 2017	2016
Operating profit	869	766
Amortization of acquired identifiable intangibles and impairments	187	181
Non-benchmark items in operating profit	(47)	3
Adjusted operating profit	**1,009**	**950**

Reconciliation between total financing results and adjusted net financing costs

(in millions of euros)	*Full Year* 2017	2016
Total financing results	(108)	(113)
Non-benchmark items in total financing results	(1)	6
Adjusted net financing costs	**(109)**	**(107)**

Reconciliation between profit for the year and adjusted net profit

(in millions of euros)	*Full Year* 2017	2016
Profit for the year attributable to the owners of the Company **(A)**	670	489
Amortization of acquired identifiable intangibles and impairments (adjusted for non-controlling interests)	187	181
Tax on amortization and impairments of acquired identifiable intangibles and goodwill (adjusted for non-controlling interests)	(65)	(62)
Non-benchmark items, net of tax	(124)	10
Adjusted net profit (B)	**668**	**618**

Reconciliation between net cash from operating activities and adjusted free cash flow

(in millions of euros)	*Full Year*	
	2017	2016
Net cash from operating activities	940	927
Capital expenditure	(210)	(224)
Acquisition related costs	3	11
Paid divestment expenses	11	3
Dividends received	1	2
Income tax on internal restructuring	5	-
Net tax benefit on previously divested assets and consolidation of platform technology	(4)	(11)
Adjusted free cash flow (C)	**746**	**708**

Per share information

(in euros, unless otherwise stated)	*Full Year*	
	2017	2016
Total number of shares outstanding at December 31[1]	281.4	287.7
Weighted average number of shares (D)[1]	285.1	291.6
Diluted weighted average number of shares (E)[1]	287.7	294.6
Adjusted EPS (B/D)	2.34	2.12
Diluted adjusted EPS (minimum of adjusted EPS and (B/E))	2.32	2.10
Diluted adjusted EPS in constant currencies	2.38	2.11
Adjusted free cash flow per share (C/D)	2.62	2.43
Diluted adjusted free cash flow per share (minimum of adjusted free cash flow per share and (C/E))	2.59	2.40

1) In millions of shares.

Summary of non-benchmark items

(in millions of euros)	*Full Year*	
	2017	2016
Included in 'other operating income and (expense)':		
Divestment related results	60	4
(Additions to)/releases of acquisition integration provisions	(1)	3
Acquisition related costs	(3)	(11)
Fair value changes contingent considerations	(9)	1
Total non-benchmark income/(costs) in operating profit	**47**	**(3)**
Included in total financing results:		
Divestment related results on equity-accounted investees	6	0
Employee benefits financing component	(5)	(6)
Total non-benchmark income/(costs) in total financing results	**1**	**(6)**
Total non-benchmark items, before tax	**48**	**(9)**
Tax on non-benchmark items	6	(4)
Impact of changes in tax rates and mandatory repatriation tax	70	3
Non-benchmark items, net of tax	**124**	**(10)**

Benchmark tax rate

(in millions of euros, unless otherwise stated)	*Full Year* 2017	2016
Income tax expense	94	165
Tax benefit on amortization of acquired identifiable intangibles and impairments	65	62
Tax benefit/(expense) on non-benchmark items	6	(4)
Impact of changes in tax rates and mandatory repatriation tax	70	3
Tax on adjusted profit before tax (F)	**235**	**226**
Adjusted net profit (B)	668	618
Adjustment for non-controlling interests	1	1
Adjusted profit before tax (G)	**904**	**845**
Benchmark tax rate (F/G) (%)	**25.9**	**26.8**

Cash conversion ratio

(in millions of euros, unless otherwise stated)	*Full Year* 2017	2016
Operating profit	869	766
Amortization, depreciation, and impairments	396	360
EBITDA	**1,265**	**1,126**
Non-benchmark items in operating profit	(47)	3
Adjusted EBITDA	**1,218**	**1,129**
Autonomous movements in working capital	(34)	43
Capital expenditure	(210)	(224)
Adjusted operating cash flow (I)	**974**	**948**
Adjusted operating profit (H)	**1,009**	**950**
Cash conversion ratio (I/H) (%)	**97**	**100**

Return on invested capital (ROIC) calculation

(in millions of euros, unless otherwise stated)	*Full Year* 2017	2016
Adjusted operating profit (**H**)	1,009	950
Allocated tax	(261)	(255)
Net operating profit after allocated tax (NOPAT) (J)	**748**	**695**
Average invested capital (**K**)	7,303	7,084
ROIC-ratio (J/K) (%)	**10.2**	**9.8**

Note 6 Segment Reporting

Divisional revenues and operating profit

(in millions of euros, unless otherwise stated)	*Full Year*	
	2017	2016*
Revenues		
Health	1,168	1,106
Tax & Accounting	1,257	1,162
Governance, Risk & Compliance	1,080	1,091
Legal & Regulatory	917	927
Total revenues	**4,422**	**4,286**
Operating profit		
Health	247	231
Tax & Accounting	259	244
Governance, Risk & Compliance	323	276
Legal & Regulatory	92	70
Corporate	(52)	(55)
Total operating profit	**869**	**766**

* Restated. See Note 2 of the Condensed consolidated financial statements.

Note 7 Earnings per Share

Earnings per share (EPS)

(in millions of euros, unless otherwise stated)	*Full Year*	
	2017	2016
Profit for the year attributable to the owners of the Company (A)	**670**	**489**
Weighted average number of shares		
in millions of shares		
Outstanding ordinary shares at January 1	301.9	301.9
Effect of cancellation of shares	(3.6)	-
Effect of repurchased shares	(13.2)	(10.3)
Weighted average number of shares (D) for the year	**285.1**	**291.6**
Basic EPS (€) (A/D)	2.35	1.68
Diluted weighted average number of shares		
in millions of shares		
Weighted average number of shares (D)	285.1	291.6
Long-Term Incentive Plan	2.6	3.0
Diluted weighted average number of shares (E) for the year	**287.7**	**294.6**
Diluted EPS (€) (minimum of basic EPS and [A/E])	2.33	1.66

Note 8 Acquisitions and Divestments

Acquisitions
On April 6, 2017, Wolters Kluwer Tax & Accounting acquired 100% of the shares of Tagetik Software Srl, a leading provider of corporate performance management solutions, supporting the processes and workflow of the office of the CFO. Tagetik had annualized unaudited revenues of €79 million in 2017 and has approximately 490 employees. The purchase price consideration, net of cash acquired and debt assumed, was €301 million in cash. The acquisition expands our existing portfolio of corporate tax compliance and internal audit solutions. Wolters Kluwer Tax & Accounting has brought together its existing corporate offerings, including its internal audit solution, TeamMate, with Tagetik to create a new business unit – Corporate Performance Solutions.

In addition, smaller acquisitions were completed, with a combined purchase price consideration, net of cash acquired, of €15 million, including deferred payments of €1 million, and combined annualized unaudited revenues of €9 million.

Total acquisition spending, net of cash acquired, in 2017 was €313 million (2016: €450 million) including deferred and contingent consideration payments of €12 million (2016: €5 million). Acquisition related costs amounted to €3 million in 2017 (2016: €11 million).

The goodwill relating to the 2017 acquisitions represents future economic benefits specific to the group arising from assets that do not qualify for separate recognition as intangible assets. This includes, amongst others, expected new customers who generate revenue streams in the future and revenues generated as result of new capabilities of the acquired product platforms.

The goodwill recognized in 2017 did not include amounts deductible for corporate income tax purposes (2016: €11 million).

Acquisitions

(in millions of euros)	*Full Year* 2017	2016
Consideration payable in cash	309	463
Deferred and contingent considerations	1	6
Total consideration	**310**	**469**
Non-current assets	197	347
Current assets	38	47
Current liabilities	(31)	(48)
Non-current liabilities	(15)	(10)
Employee benefits	(1)	-
Provisions for restructuring commitments	-	(1)
Deferred tax liability	(47)	(94)
Fair value of net identifiable assets/(liabilities)	**141**	**241**
Goodwill on acquisitions	**169**	**228**
Cash effect of acquisitions:		
Consideration payable in cash	309	463
Cash acquired	(8)	(18)
Deferred and contingent considerations paid	12	5
Acquisition spending, net of cash acquired	**313**	**450**

The fair value of the identifiable assets and liabilities of some acquisitions could only be determined provisionally and will be subject to change based on the outcome of the purchase price allocation which will be completed within 12 months from the acquisition date.

The goodwill recognized for the acquisitions represents a payment in anticipation of the future economic benefits to be derived by Wolters Kluwer as a result of the acquisition. These future economic benefits relate to revenue opportunities (such as cross-selling) or cost efficiencies (such as sharing of infrastructure).

Contingent consideration
The acquisitions completed in 2017 resulted in a maximum achievable undiscounted contingent consideration of €1 million. The fair value of the 2017 contingent considerations amount to €1 million at December 31, 2017.

Divestment related results on operations and equity-accounted investees

(in millions of euros)	*Full Year*	
	2017	2016
Divestments of operations:		
Consideration receivable in cash	93	15
Consideration receivable in assets	0	-
Consideration receivable	**93**	**15**
Non-current assets	31	11
Current assets	15	3
Current liabilities	(27)	(8)
Employee benefits	(1)	(1)
Deferred tax liability	1	-
Net identifiable assets and liabilities	**19**	**5**
Reclassification of foreign exchange gain/(loss) on loss of control, recognized in other comprehensive income	0	1
Book profit/(loss) on divestments of operations	**74**	**11**
Restructuring of stranded costs following divestments	(3)	(4)
Divestment expenses	(11)	(3)
Divestment related results, included in other operating income and (expense)	**60**	**4**
Divestments of equity-accounted investees:		
Consideration receivable in cash	7	0
Carrying value of equity-accounted investees	(1)	0
Divestment related results included in financing results	**6**	**0**
Cash effect of divestments:		
Consideration receivable in cash	100	15
Cash included in divested operations	(6)	(1)
Receipts from divestments, net of cash disposed	**94**	**14**

Divestment related results on operations and equity-accounted investees
The divestment results in 2017 predominantly relate to two divestments.

On June 30, 2017, Wolters Kluwer Governance, Risk & Compliance completed the divestment of its Transport Services unit, for a consideration of €83 million in cash, resulting in a positive divestment result of €56 million, net of divestment-related expenses. In 2017, the Transport Services unit contributed €20 million revenues (six months) to the group and had approximately 220 employees in 11 countries, mainly in Europe. The business focuses on transport management solutions, an area no longer considered core to the group.

On September 29, 2017, Wolters Kluwer Legal & Regulatory reached agreement on the divestment of certain U.K. information and publishing assets to the Peninsula Business Services Group for €9 million. The divestment is part of the division’s plan to further sharpen its focus on markets where it sees the best opportunities for long-term growth. Legal & Regulatory will continue to serve its U.K. customers for legal & regulatory software and international legal information. The assets sold include information services for HR, health & safety, and compliance professionals, as well as online and print publications for accountants and tax consultants. In 2017, these product lines contributed €19 million revenues (nine months) to the group, reported as part of the Legal & Regulatory division, and employed approximately 100 FTEs.

On November 29, 2017, Wolters Kluwer Legal & Regulatory sold its joint venture in Ipsoa Francis Lefebvre. This transaction resulted in a book gain of €6 million.

For divestments announced in 2017 and not completed before year-end, reference is made to Note 9 – Assets held for sale.

Note 9 Assets held for Sale

(in millions of euros, unless otherwise stated)	*Full Year*	
	2017	2016
Assets classified as held for sale		
Disposal groups	248	-
Liabilities classified as held for sale		
Disposal groups	(81)	-
Net assets classified as held for sale	**167**	**-**

Disposal groups

(in millions of euros, unless otherwise stated)	*Full Year*	
	2017	2016
Health – ProVation	50	-
Health – Chengdu Medicom Medical Information Systems Co., Ltd	12	-
Governance, Risk & Compliance – Corsearch	58	-
Legal & Regulatory – certain Swedish assets	47	-
Net assets classified as held for sale	**167**	**-**

The following divestments were announced but were not yet completed as of December 31, 2017, and are therefore classified as Disposal groups within Assets classified as held for sale in the 2017 accounts. We also refer to Note 13 – Events after Balance Sheet Date.

On October 23, 2017, Wolters Kluwer Governance, Risk & Compliance (GRC) announced that, following a strategic review, it agreed to sell Corsearch, its trademark solutions business, to Audax Private Equity for $140 million in cash. Corsearch had revenues of €53 million in 2017 and employs approximately 215 FTEs in 9 countries. On January 6, 2018, we announced the completion of this divestment.

On October 25, 2017, Wolters Kluwer Legal & Regulatory agreed to sell certain Swedish publishing and trade services assets to the Karnov Group. The agreed enterprise value of the transaction is SEK 656 million. This divestment is part of Wolters Kluwer's plan to further sharpen its focus on core markets where the Legal & Regulatory division is best positioned for long-term growth. The Swedish assets include legal and regulatory information, in print and digital formats, as well as printing and distribution services. These businesses had revenues of €22 million in 2017 and employ approximately 70 employees. On January 4, 2018, we announced the completion of this divestment.

On January 11, 2018, Wolters Kluwer Health announced the signing of an agreement to divest ProVation Medical, its medical documentation and order sets business, to ClearLake for $180 million in cash. This divestment is consistent with our evolving strategic focus on advanced clinical decision support, learning and research and terminology management solutions that significantly improve patient outcomes. ProVation generated revenues of €69 million in 2017. The unit has approximately 200 employees.

Wolters Kluwer Health is in negotiation to sell 10% of its 55%-interest in Medicom in China. If successful, the group will no longer have majority ownership and Medicom will no longer be consolidated. Medicom had revenues of approximately €8 million in 2017 and employs approximately 230 FTEs in China.

Assets and liabilities of disposal groups

The following assets and liaibilities of the disposal groups are classified as held for sale:

(in millions of euros, unless otherwise stated)	*Full Year* 2017	2016
Non-current assets	176	-
Current assets	72	
Current liabilities	(75)	-
Capital Employed	173	-
Non-current liabilties	(6)	
Net assets classified as held for sale	**167**	**-**

Result on disposals groups

In accordance with IFRS 5, it is assessed whether the fair value less costs of disposal of the assets and liabilities held for sale is lower than the carrying value. The fair value less costs of disposal is based on the expected consideration minus the net debt related to these businesses. No impairment charge is recognized on the disposal groups.

The profit or loss and other comprehensive income of the disposal groups can be specified as follows:

(in millions of euros, unless otherwise stated)	*Full Year* 2017	2016
Revenues	149	148
Adjusted operating profit	40	33
Operating profit	34	30

Note 10 Provisions for Restructuring Commitments

Provisions for restructuring commitments

(in millions of euros)	*Full Year* 2017	2016
Position at January 1	1	1
Add: short-term commitments	26	33
Total at January 1	**27**	**34**
Movements:		
Additions through business combinations	-	1
Additions for restructuring stranded costs following divestments	3	4
Additions to provisions for restructuring	21	21
Additions to acquisition integration provisions	1	0
Total additions to provision	25	26
Appropriation of provisions for restructuring	(27)	(31)
Release of acquisition integration provisions	0	(3)
Exchange differences and other movements	(1)	1
Total movements	**(3)**	**(7)**
Total at December 31	24	27
Less: short-term commitments	(22)	(26)
Position at December 31	**2**	**1**

Most of the provisions relates to severance programs, restructurings, and onerous contracts and will be settled within the next twelve months (€22 million). The remaining long-term part of the provisions (€2 million) is expected to be settled in 2019 and beyond.

Note 11 Issuance, Repurchase, and Repayments of debt

On March 14, 2017, the group issued a ten-year senior Eurobond of €500 million. The bonds have been priced at an issue price of 99.659 per cent and carry an annual coupon of 1.500%.

The nominal interest rate on the bonds is fixed until redemption.

Reconciliation gross debt to net debt

(in millions of euros, unless otherwise stated)	December 31, 2017	December 31, 2016
Gross debt		
Bonds	1,627	1,878
Private placements	396	410
Other long-term loans	12	17
Deferred and contingent acquisition payments	2	9
Derivative financial instruments	3	-
Total long-term debt	2,040	2,314
Borrowings and bank overdrafts	288	556
Short-term bonds	750	-
Deferred and contingent acquisition payments	12	8
Derivative financial instruments	-	0
Total short-term debt	1,050	564
Total gross debt	**3,090**	**2,878**
Minus:		
Cash and cash equivalents	(1,020)	(940)
Derivative financial instruments:		
Non-current receivable	-	(11)
Current receivable	(1)	0
Net debt	**2,069**	**1,927**
Net-debt-to-EBITDA ratio	1.7	1.7

Note 12 Share Buyback, Dividends, LTIP

In 2017, the company completed share buybacks of €300 million, consisting of 7.8 million ordinary shares at an average share price of €38.62 (2016: €200 million, or 5.8 million shares at an average share price of €34.28). The 2017 repurchases included €100 million to mitigate the EPS dilution related to two divestments completed in 2017 (Transport Services and certain U.K. publishing assets).

Repurchased shares are added to and held as treasury shares. Part of the shares held in treasury are retained and used to meet future obligations under share-based incentive plans. In 2017, the company used 1.4 million shares held in treasury for the vesting of the LTIP grant 2014-16.

In September 2017, the company cancelled 11.6 million treasury shares as approved by shareholders at the 2017 Annual General Meeting. At the 2018 Annual General Meeting of Shareholders, Wolters Kluwer will propose cancelling any or all of the other shares held in treasury or to be acquired under the share buyback program 2016-2018.

Part of the 2017 repurchases (€50 million) were executed under a third party mandate granted on September 26, 2017. This mandate allowed for a further up to €50 million in repurchases in the period from January 1, 2018 up to and including February 19, 2018. An accrual was recognized in respect of this non-discretionary commitment for €50 million. In that period, 1.2 million ordinary shares were repurchased, completing the commitment under this mandate.

The annual dividend over the 2016 financial year totalled €227 million (financial year 2015: €219 million), which was paid as interim dividend in September 2016 and final dividend in May 2017. The 2016 total dividend per share was €0.79 (2015 total dividend per share: €0.75).

As announced on February, 22, 2017, the Supervisory Board and Executive Board of Wolters Kluwer resolved to distribute interim dividend for the year 2017 at 25% of the prior year's total dividend, or €0.20 per ordinary share. This interim dividend was distributed on September 19, 2017.

The LTIP 2014-16 vested on December 31, 2016. Total Shareholder Return (TSR) ranked first relative to the peer group of 15 companies, resulting in a payout of 150% of the conditional base number of shares awarded to the Executive Board and senior management. The EPS-related shares resulted in a payout of 140%. A total number of 1,430,347 shares were released on February 23, 2017, at a volume-weighted average price of Wolters Kluwer N.V. of at €38.08.

The LTIP 2015-17 vested on December 31, 2017. On Total Shareholder Return (TSR) Wolters Kluwer ranked second relative to its peer group of 15 companies, resulting in a payout of 150% of the conditional base number of shares awarded to the Executive Board and senior management. The EPS-related shares resulted in a payout of 150%. The shares will be released on February 22, 2018. The volume weighted average price for the shares released will be based on the average exchange prices traded at the Euronext Amsterdam N.V. on February 22, 2018, the first day following the Company's publication of its annual results.

Under LTIP 2017-19 grant, 760,967 shares were conditionally awarded to the Executive Board and Senior Management in 2017.

In 2017, 64,492 shares were forfeited under outstanding long-term incentive plans.

At December 31, 2017, the Executive Board jointly held 326,650 shares (2016: 249,781 shares), of which 292,014 shares (2016: 218,945 shares) were held by Ms. McKinstry and 34,636 shares (2016: 30,836) by Mr. Entricken.

Note 13 Events after balance sheet date

The following subsequent events were evaluated up to February 20, 2018, which is the date the financial statements included in this Annual Report were approved:

On January 4, 2018, Wolters Kluwer Legal & Regulatory announced the completion of the divestment of certain Swedish assets.

On January 6, 2018, Wolters Kluwer Governance, Risk & Compliance announced the completion of the divestment of Corsearch.

On January 11, 2018, Wolters Kluwer Health announced the agreement to divest ProVation Medical, its procedure documentation and order set management software business, to Clearlake Capital Group, L.P. for $180 million in cash. The business had revenues of €69 million in 2017 and has approximately 200 employees.

Note 14 IFRS 15

Wolters Kluwer is adopting IFRS 15 using the retrospective method with the use of certain practical expedients, of which the exemption with a relief to restate completed contracts is the most notable. When applied to 2017, IFRS 15 reduces revenues by 1% and adjusted profits by 4%. Furthermore, IFRS 15 has an impact on the recognition of incremental costs to obtain a contract which will be capitalized for certain sales commission schemes and amortized under the new standard, but that are currently expensed when incurred. IFRS 15 has no impact on free cash flow.

2017 Revenues and Adjusted Operating Profit by Division - Restated for IFRS 15

(€ million)	**FY 2017 Reported**	Software Licenses	Other Revenues	Total Revenue Restatements	Total Cost Restatements	**FY 2017 Restated**
Health	1,168	-	(2)	(2)	-	1,166
Tax & Accounting	1,257	(10)	(13)	(23)	-	1,234
Governance, Risk &	1,080	(26)	-	(26)	-	1,054
Legal & Regulatory	917	-	(1)	(1)	-	916
Total revenues	**4,422**	(36)	(16)	**(52)**	-	**4,370**
Health	293			(2)	6	297
Tax & Accounting	339			(23)	4	320
Governance, Risk &	319			(26)	2	295
Legal & Regulatory	110			(1)	1	110
Corporate	(52)			-	-	(52)
Adjusted operating profit	**1,009**			**(52)**	**13**	**970**
Health	*25.0%*					*25.5%*
Tax & Accounting	*27.0%*					*25.9%*
Governance, Risk &	*29.5%*					*28.0%*
Legal & Regulatory	*12.0%*					*12.0%*
Adjusted operating profit	***22.8%***					***22.2%***

The total expense restatement includes the net impact of capitalized and amortized sales commissions, presentation changes from sales cost to revenues, and deferral of licenses in cost of sales.

2017 Benchmark Figures - Restated for IFRS 15

(€ million, unless otherwise stated)	**FY 2017 Reported**	IFRS 15 Restatements	**FY 2017 Restated**
Total revenues	**4,422**	(52)	**4,370**
Adjusted operating expenses	(3,413)	13	(3,400)
Adjusted operating profit	**1,009**	(39)	**970**
Adjusted net financing cost	(109)	-	(109)
Equity-accounted investees, net of tax	4	-	4
Adjusted profit before tax	**904**	(39)	**865**
Tax on adjusted profit	(235)	10	(225)
Non-controlling interests	(1)	-	(1)
Adjusted net profit	**668**	(29)	**639**
Diluted adjusted EPS	**€2.32**	€(0.10)	**€2.22**

Supplemental Information

Divisional Supplemental Information – Year ending December 31

€ million (unless otherwise stated)	2017	2016*	Change: Organic	Change: Acquisition/ Divestment	Change: Currency
Health					
Revenues	1,168	1,106	62	25	(25)
Adjusted operating profit	293	271	26	2	(6)
Adjusted operating profit margin	25.0%	24.5%			
Tax & Accounting					
Revenues	1,257	1,162	48	65	(18)
Adjusted operating profit	339	315	22	8	(6)
Adjusted operating profit margin	27.0%	27.1%			
Governance, Risk & Compliance					
Revenues	1,080	1,091	39	(32)	(18)
Adjusted operating profit	319	309	18	(2)	(6)
Adjusted operating profit margin	29.5%	28.4%			
Legal & Regulatory					
Revenues	917	927	(7)	3	(6)
Adjusted operating profit	110	111	4	(4)	(1)
Adjusted operating profit margin	12.0%	12.0%			
Corporate					
Adjusted operating profit	(52)	(56)	4	0	0
Wolters Kluwer					
Revenues	4,422	4,286	142	61	(67)
Adjusted operating profit	1,009	950	74	4	(19)
Adjusted operating profit margin	22.8%	22.2%			

Note: (1) Acquisition/divestment column includes the contribution from 2017 and 2016 acquisitions before these became organic (12 months from their acquisition date), the impact of 2017 and 2016 divestments, and the effect of asset transfers between divisions, if any. *2016 restated to treat customer credits for 'bank product' services as a deduction to revenues and not as a cost of sales.

Revenues by Media Format – Year ended December 31

€ million (unless otherwise stated)	2017	2016*	Δ	Δ CC	Δ OG
Digital	3,362	3,153	+7%	+8%	+6%
Services	485	491	-1%	0%	+1%
Print	575	642	-10%	-9%	-6%
Total revenues	**4,422**	**4,286**	**+3%**	**+5%**	**+3%**

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth. Services includes legal representation, consulting, training, events, and other services. *2016 restated to treat customer credits for 'bank product' services as a deduction to revenues and not as a cost of sales.

Divisional Revenues by Type – Year ending December 31

€ million (unless otherwise stated)	2017	2016*	Δ	Δ CC	Δ OG
Health					
Digital and service subscription	800	734	+9%	+11%	+8%
Print subscription	55	64	-13%	-11%	-11%
Other recurring	107	136	-21%	-19%	+13%
Total recurring revenues	**962**	**934**	**+3%**	**+5%**	**+7%**
Print books	103	111	-7%	-3%	-3%
Other non-recurring	103	61	+69%	+74%	+3%
Total Health	**1,168**	**1,106**	**+6%**	**+8%**	**+6%**
Tax & Accounting					
Digital and service subscription	907	856	+6%	+7%	+4%
Print subscription	30	34	-14%	-14%	-13%
Other recurring	156	151	+3%	+6%	+6%
Total recurring revenues	**1,093**	**1,041**	**+5%**	**+6%**	**+4%**
Print books	34	36	-5%	-1%	-1%
Other non-recurring	130	85	+54%	+58%	+8%
Total Tax & Accounting	**1,257**	**1,162**	**+8%**	**+10%**	**+4%**
Governance, Risk & Compliance					
Digital and service subscription	610	624	-2%	+0%	+2%
Print subscription	1	1	-23%	-20%	-20%
Total recurring revenues	**611**	**625**	**-2%**	**+0%**	**+2%**
LS transactional	239	224	+6%	+8%	+8%
FS transactional	107	124	-14%	-13%	0%
Other non-recurring	123	118	+4%	+6%	+6%
Total Governance, Risk & Compliance	**1,080**	**1,091**	**-1%**	**+1%**	**+4%**
Legal & Regulatory					
Digital and service subscription	497	473	+5%	+5%	+3%
Print subscription	148	170	-13%	-13%	-9%
Other recurring	47	46	+2%	+3%	+5%
Total recurring revenues	**692**	**689**	**0%**	**+1%**	**0%**
Print books	117	123	-5%	-4%	-3%
Other non-recurring	108	115	-6%	-5%	-6%
Total Legal & Regulatory	**917**	**927**	**-1%**	**0%**	**-1%**
Total Wolters Kluwer					
Digital and service subscription	2,814	2,687	+5%	+6%	+5%
Print subscription	234	269	-13%	-12%	-10%
Other recurring	310	333	-7%	-5%	+8%
Total recurring revenues	**3,358**	**3,289**	**+2%**	**+3%**	**+4%**
Print books	254	270	-6%	-3%	-3%
LS transactional	239	224	+6%	+8%	+8%
FS transactional	107	124	-14%	-13%	0%
Other non-recurring	464	379	+23%	+25%	+2%
Total Wolters Kluwer	**4,422**	**4,286**	**+3%**	**+5%**	**+3%**

Δ: % Change; Δ CC: % Change constant currencies (€/$ 1.11); Δ OG: % Organic growth. Note: Other non-recurring revenues include license & implementation fees. *2016 restated to treat customer credits for 'bank product' services as a deduction to revenues and not as a cost of sales. ProVation software license fees reclassified from other recurring to other non-recurring.

About Wolters Kluwer

Wolters Kluwer is a global leader in professional information, software solutions, and services for the health, tax & accounting, finance, risk & compliance, and legal sectors. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with specialized technology and services.

Wolters Kluwer reported 2017 annual revenues of €4.4 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 19,000 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

Wolters Kluwer shares are listed on Euronext Amsterdam (WKL) and are included in the AEX and Euronext 100 indices. Wolters Kluwer has a sponsored Level 1 American Depositary Receipt (ADR) program. The ADRs are traded on the over-the-counter market in the U.S. (WTKWY).

For more information about our products and organization, visit www.wolterskluwer.com and follow us on Twitter, Facebook, LinkedIn, and YouTube.

Financial Calendar

March 7, 2018	2017 Annual Report
April 19, 2018	2018 Annual General Meeting of Shareholders
April 23, 2018	Ex-dividend date: 2017 final dividend
April 24, 2018	Record date: 2017 final dividend
May 9, 2018	First-Quarter 2017 Trading Update
May 17, 2018	Payment date: 2017 final dividend ordinary shares
May 24, 2018	Payment date: 2017 final dividend ADRs
August 1, 2018	Half-Year 2018 Results
August 27, 2018	Ex-dividend date: 2018 interim dividend
August 28, 2018	Record date: 2018 interim dividend
September 19, 2018	Payment date: 2018 interim dividend
September 26, 2018	Payment date: 2018 interim dividend ADRs
October 31, 2018	Nine-Month 2018 Trading Update
February 20, 2019	Full-Year 2018 Results

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Forward-looking Statements and Other Important Legal Information

This report 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; and 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.

Elements of this press release contain or may contain inside information about Wolters Kluwer within the meaning of Article 7(1) of the Market Abuse Regulation (596/2014/EU).