

# Annual General Meeting of Shareholders

**Nancy McKinstry**  
CEO and Chairman of the  
Executive Board



April 21, 2009 - Amsterdam

# 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.

# Agenda

- Opening Remarks
- Strategic Priorities
- Highlights of 2008 Financial Performance
- Divisional Performance
- 2009 Outlook & Summary

# Wolters Kluwer's Vision

*Global information services company focused on professionals*

*The Professional's First Choice*

**Provide information, tools, and solutions to help professionals make their most critical decisions effectively and improve their productivity**

# Our Strategy for Achieving Profitable Growth



**Enhanced value for customers, shareholders, and employees**

# 2008 Accomplishments

Delivered new and enhanced online and software products supporting organic growth in subscription and other non-cyclical products of 3%

Launched next-generation delivery platforms

Acquired key strategic assets: MYOB, Addison, IntelliTax and UpToDate

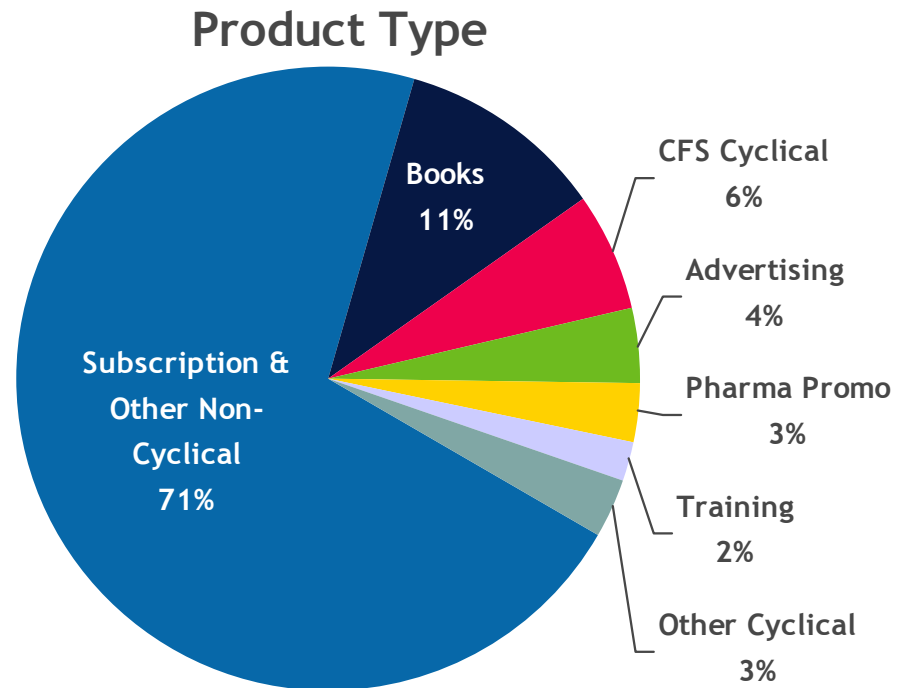
Expanded footprint globally with double-digit organic growth in China and India

Accelerated restructuring of Health division to improve long-term performance

Extended Springboard and established Global Shared Services structure to support operational excellence

# Consolidated Revenue

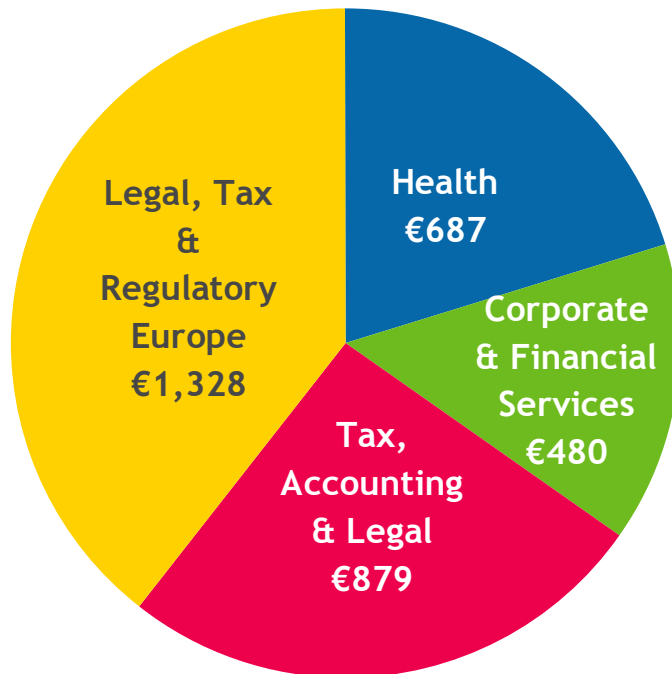
- Revenue growth of 3% driven by acquisitions and 9% growth in online and software solutions
- Solid organic growth in subscription and other non-cyclical products driven by improving retention rates
- Revenue balanced geographically with 48% of revenues coming from North America and 48% from Europe
- Books were impacted by year-end softness in healthcare and tax and accounting demand
- Advertising and pharma promotion weakness noted in Health, France and the Netherlands
- CFS cyclical transaction revenues impacted by contraction in corporate and mortgage lending



# Revenue Growth

*Good growth in core subscription and other non-cyclical products lines driven by higher margin electronic products. Economic pressures impacted divisions with higher components of cyclical revenue streams*

**Revenue: Full-Year 2008**  
**€3,374 million**



**Revenue: Full-Year 2008**

€ millions	2008	2007	Δ CC	Δ OG
Health	687	761	(3%)	(5%)
CFS	480	522	(1%)	(2%)
TAL	879	881	8%	3%
LTRE	1,328	1,249	6%	2%
<b>Wolters Kluwer</b>	<b>3,374</b>	<b>3,413</b>	<b>3%</b>	<b>0%</b>

Δ CC - % Change at constant currencies (EUR/USD = 1.37)

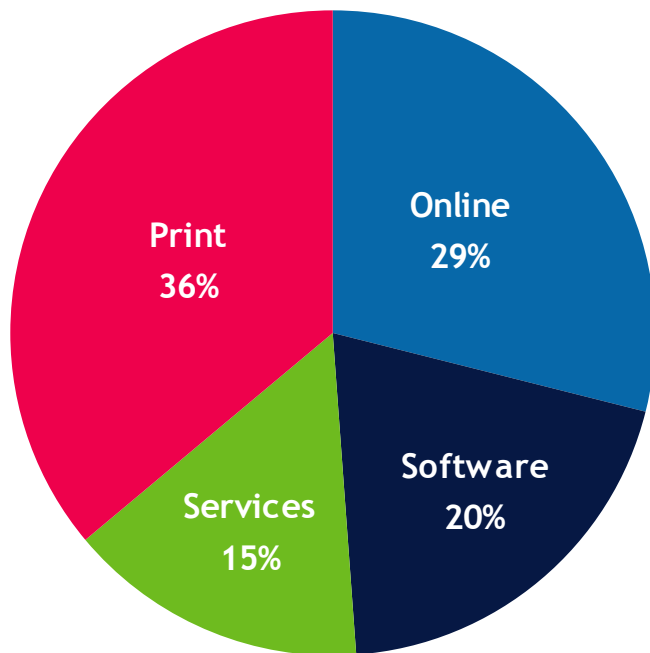
Δ OG - % Organic growth



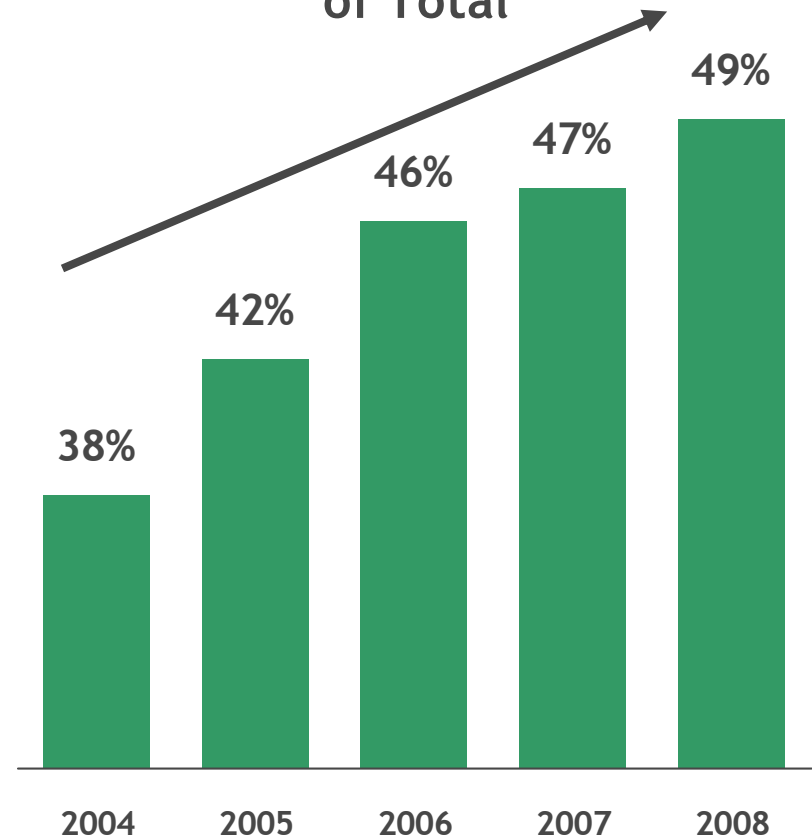
# Innovative Information, Software and Services

*Continued growth in higher margin electronic products now comprising 49% of total revenue*

2008 Revenue €3,374 million



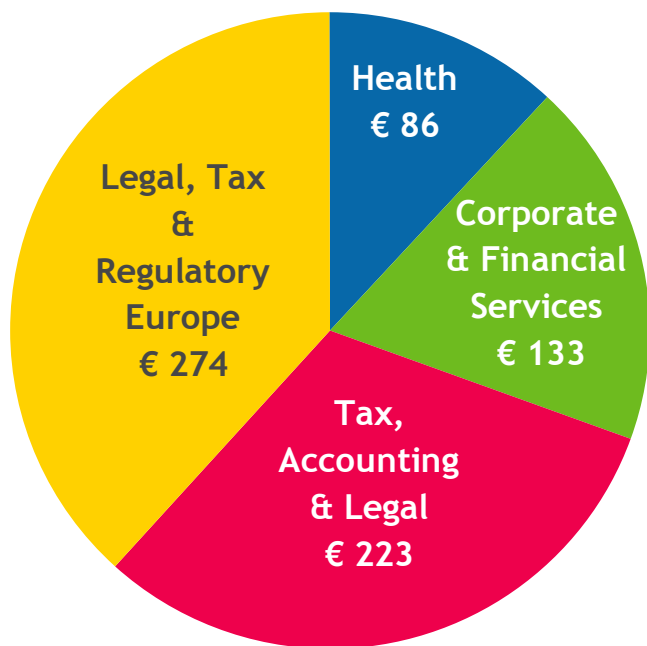
Electronic Revenue as a % of Total



# Ordinary EBITA

*5% growth in constant currencies driven by higher margin electronic products, improving retention rates, and operating efficiencies*

**Ordinary EBITA: Full-Year 2008**  
**€678 million**



Note: Corporate costs - €38 million

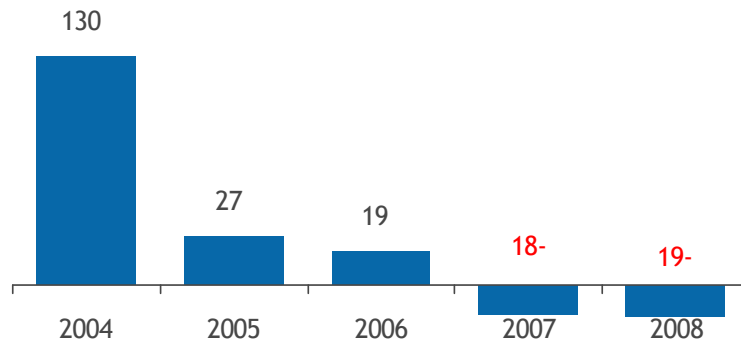
## Ordinary EBITA %: Full-Year 2008

	2008	2007	Δ CC
Health	12.5%	14.7%	(24%)
CFS	27.6%	27.6%	(1%)
TAL	25.4%	22.4%	22%
LTRE	20.6%	20.2%	8%
Wolters Kluwer	20.1%	19.5%	5%

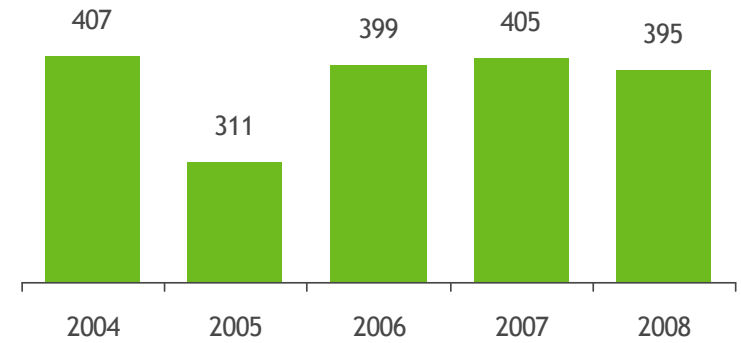
Δ CC - % Change at constant currencies (EUR/USD = 1.37)

# Solid Financial Position

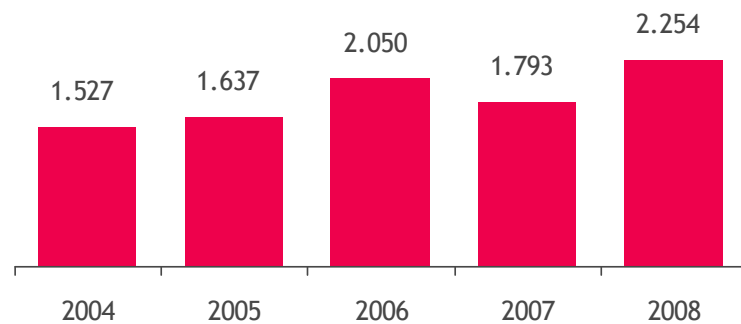
## Working Capital (€ million)



## Free Cash Flow (€ million)



## Net Debt (€ million)



## Debt Maturity Profile (€ million)



\*2011: Draw downs on credit facility

# Expanded Corporate Social Responsibility Activities

## ■ Focus of 2008 sustainable entrepreneurship efforts

- Completed the roll out of common performance criteria, based on the values
- Expanded the Leadership forums
- Developed sustainability-related products to tackle issues and opportunities
- Continued offering customers choices for more responsible product consumption such as electronic, online, or paperless products
- Published company-wide environmental policy
- Enhanced management reporting on key sustainability data, such as FSC paper
- Joined the United Nations Global Compact

## ■ Recognition from the sustainable entrepreneurship community

- Part of Dow Jones Sustainability World Index in 2008
- Recognized as a media sector leader in the Sustainability Yearbook 2009, winning the SAM Bronze Class award (again)

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# 2008: Growing Our Leading Positions



- Delivered new and enhanced online and software products
  - Electronic products now represent 50% of total revenue, supporting improved margins and retention rates
  - LTRE grew online and software revenues by 9% organically
- Launched enhanced electronic platforms
  - In Tax and Accounting, the next generation of products, *IntelliConnect* and the .net platform for CCH ProSystem *fx*
  - Continued enhancements to OvidSP contributed to 6% organic growth in Medical Research
  - CLS launched the next generation of CTAdvantage.com and iLien Online
- Strong investment in new product development continues (8-10% of revenues) and many new products were launched across Wolters Kluwer in all divisions

# 2008: Capturing Key Adjacent Markets



- Acquired key strategic assets in high growth adjacent markets
- Global tax and accounting strengthened with strong software acquisitions:
  - Addison for Wolters Kluwer Germany
  - MYOB in the U.K.
  - IntelliTax in the U.S.
- In Health, UpToDate, the leader in evidence-based clinical information and decision support, was acquired
  - Establishes clear leadership position for Wolters Kluwer
  - Expands global footprint in Health

# 2008: Exploiting Global Scale and Scope



- Strong growth and expansion in Asia with organic growth of almost 40% in India and 80% in China
- Expansion of the global risk segment continued globally:
  - TeamMate contributed to double-digit organic growth in the corporate market
  - The business expanded into risk management with the acquisition of Ci3
- Financial Services continued to grow in the U.K. with the acquisition of Compliance Online
- Health also had robust international expansion:
  - Extended ProVation Medical into Australia
  - Good progress in the Spanish language program



# 2008: Institutionalizing Operational Excellence with Springboard



## MGTP

- Rationalize non standard and fragment IT Infrastructure, saving 8-12% of current IT spend
- + ERP: TAL, Germany, France. Order Management: Health

## Content Re-engineering

- Re-engineer and standardize content manufacturing process to support next generation print and online publishing (Pilot Canada)
- + Health: PEB/PEJ; LTRE: NL, Germany, France; TAL (Expand to U.S.)

## Supplier Management

- Expand global sourcing initiatives to address larger portion of €1.3 billion supplier spend

## Offshoring

- Extend the scope of our offshoring initiatives
- + HA BPO, Accelerate F&A. TAL move to content production to Malaysia, Netherlands

## Business Optimization Initiatives

- Property Consolidation
- Reengineering process flows
- De-layering organization

## Revised Goal

2011  
run rate  
Savings

€120 million

... and we believe there is an opportunity to accelerate the benefit if we take one time, non-recurring costs below the line

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# Key Performance Indicators

*Good earnings growth, profit margins, and strong free cash performance despite weaker market conditions*

	2008	Target 2008	2007
Organic Revenue Growth	0%	Positive <sup>2</sup>	4%
Ordinary EBITA Margin	20.1%	20%	19.5%
Free Cash Flow <sup>1</sup>	€415 million	±€400 million	€405 million
ROIC (after tax)	8%	8%	8%
Ordinary diluted EPS <sup>1</sup>	€1.52	€1.52 - €1.57	€1.38

<sup>1</sup> At constant currencies (EUR/USD = 1.37)

<sup>2</sup> Revised organic growth target communicated at the November 5<sup>th</sup> Trading Update. All other KPI's were reiterated.

# 2008 Acquisitions

All acquisitions are accretive to ordinary EPS in *year 1* and are expected to cover their cost of capital within 3-5 years

Division	2008 Acquisitions	Segment
Health	UpToDate	➔ Clinical data to physicians
TAL	MYOB	➔ Accountancy software/ services in U.K.
	IntelliTax	➔ Tax preparation software and e-filing
LTRE	Addison Software	➔ Integrated workflow software in Germany

Annualized revenues of €171 million; Annualized EBITA of €55 million

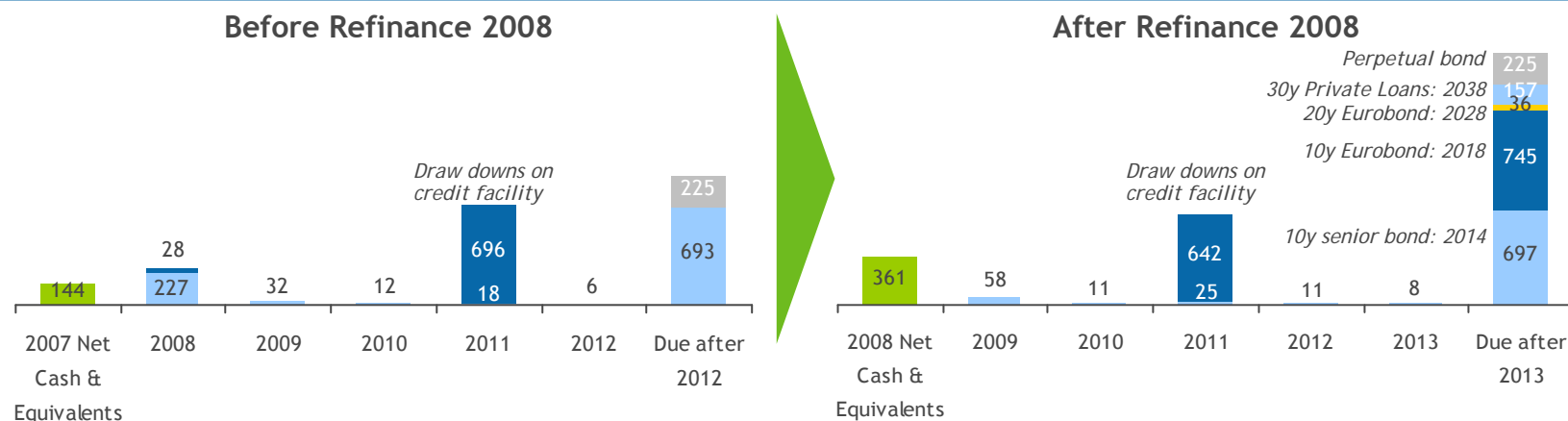
2008 revenue contribution of €53 million; 2008 EBITA contribution of €16 million

Total cash acquisition spending €667 million; including earn-out of past deals

# Refinance 2008 - Extended maturity profile

*Liquidity and headroom secured, and push out maturity profile at attractive cost of funds*

## Debt Maturity Profile (€ Million) - Extending Duration



### Refinance 2008

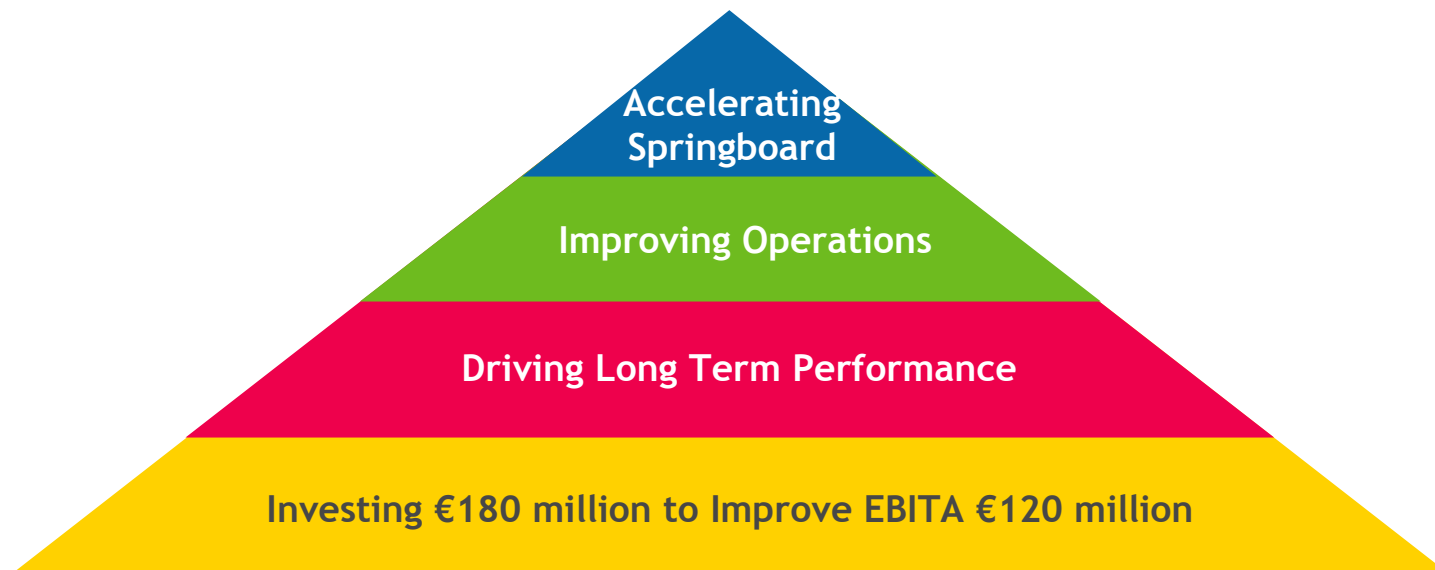
Debt refinancing of greater than €900 million at attractive rates

- 30 year private placement ¥20 billion with a semi-annual coupon of 3.33%
- 10 year Eurobond €750m with an annual coupon of 6.375%
- 20 year Eurobond €36m with an annual coupon of 6.478%

# Springboard

*Program ahead of expectations*

Program Savings and Costs € million (pre tax)	2008 Actual	2009 Estimate	2010 Estimate	2011 Estimate	Total
Cost Savings	16	55	100	120	120
Exceptional Program Cost	45	55	45	35	180



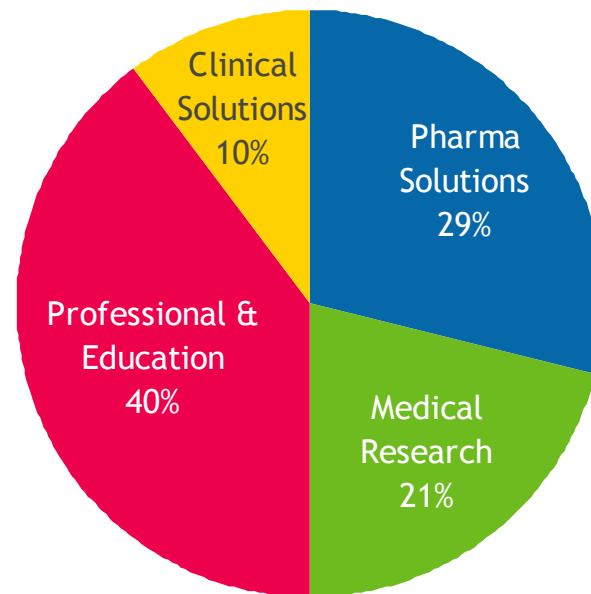
Note: As the program represents numerous initiatives the precise annual phasing of savings and costs is difficult to predict. However, the table above represents current estimates

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# Health Highlights

- Organic revenue decline was driven by reduced wholesaler orders as inventory levels were adjusted, downward pressure on advertising and pharma promotional revenues due to the weakening economic environment and the loss of the one significant data contract
- Good growth in Medical Research driven by product enhancements and extensions
- Clinical Solutions continued to deliver growth and solidified market leadership position in clinical decision support with the UpToDate acquisition
- Double-digit growth in Pharma Solutions longitudinal data products



2008 Revenue: €687 million

Millions	Full Year				2 <sup>nd</sup> Half			
	2008	2007	Δ% CC <sup>1</sup>	Δ% OG <sup>2</sup>	2008	2007	Δ% CC <sup>1</sup>	Δ% OG <sup>2</sup>
Revenue (EUR)	687	761	(3%)	(5%)	382	407	(4%)	(7%)
Revenue (USD)	1,004	1,044			537	573		
Ordinary EBITA (EUR)	86	112	(24%)	(28%)	72	83	(19%)	(23%)
Ordinary EBITA (USD)	122	156			99	116		
Ordinary EBITA Margin	12.5%	14.7%			18.8%	20.4%		

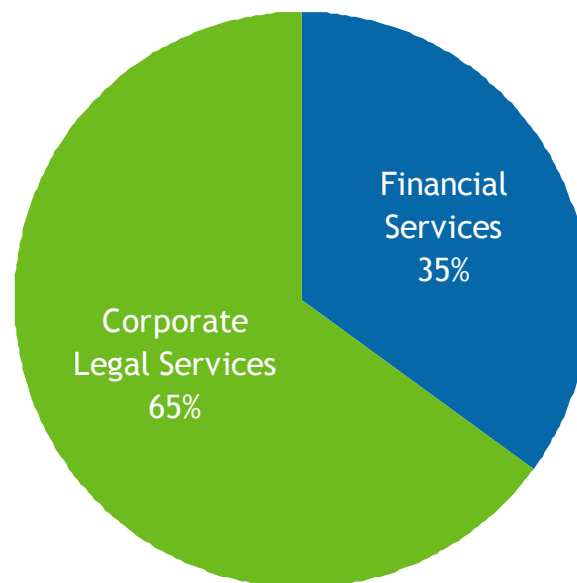
<sup>1</sup> CC - At constant currencies (EUR/ USD = 1.37)

<sup>2</sup> OG - Organic Growth



# CFS Highlights

- Division revenues declined 2% organically driven by the impact of the cycle on transaction volumes, however margins proved resilient
- Corporate Legal Services declined 3% as corporate formation transactions and UCC lien search volumes were negatively impacted by contracting corporate lending activity
- Financial Services performed well in a challenging market environment, underlying revenue was in line with the prior year. Growth in banking analytics, securities and insurance products was offset by weakness in mortgage transaction revenue



2008 Revenue: €480 million

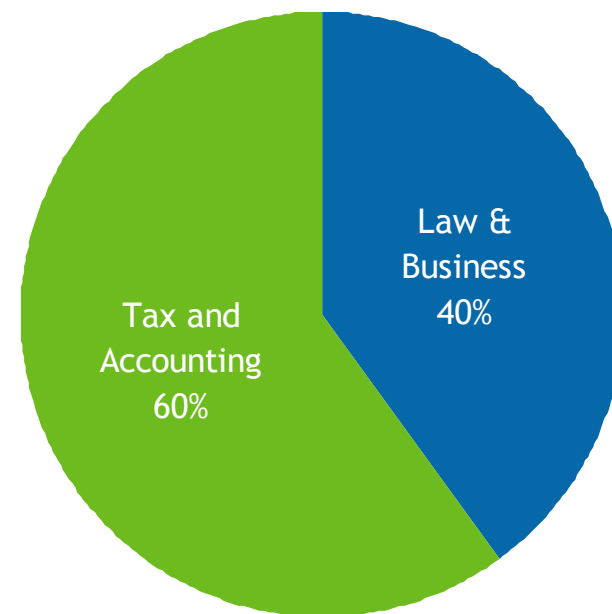
Millions	Full Year				2 <sup>nd</sup> Half			
	2008	2007	Δ% CC <sup>1</sup>	Δ% OG <sup>2</sup>	2008	2007	Δ% CC <sup>1</sup>	Δ% OG <sup>2</sup>
Revenue (EUR)	480	522	(1%)	(2%)	244	254	(4%)	(4%)
Revenue (USD)	704	714			344	358		
Ordinary EBITA (EUR)	133	144	(1%)	0%	68	72	(7%)	(5%)
Ordinary EBITA (USD)	194	197			94	101		
Ordinary EBITA Margin	27.6%	27.6%			27.7%	28.3%		

<sup>1</sup> CC - At constant currencies (EUR/ USD = 1.37)

<sup>2</sup> OG - Organic Growth

# TAL Highlights

- Strong new sales and retention rates of tax and accounting software and workflow tools
- Small Firm Services group contributed double-digit growth
- Good growth in publishing businesses, particularly legal education, online integrated libraries and Accounting Research Manager
- Legal business impacted by strong comparables from 2007 driven by publishing schedule and cycle effect on advertising and training
- Margin improvement driven by Small Firm Services, restructuring of the U.K. business and off-shoring and outsourcing initiatives



2008 Revenue: €879 million

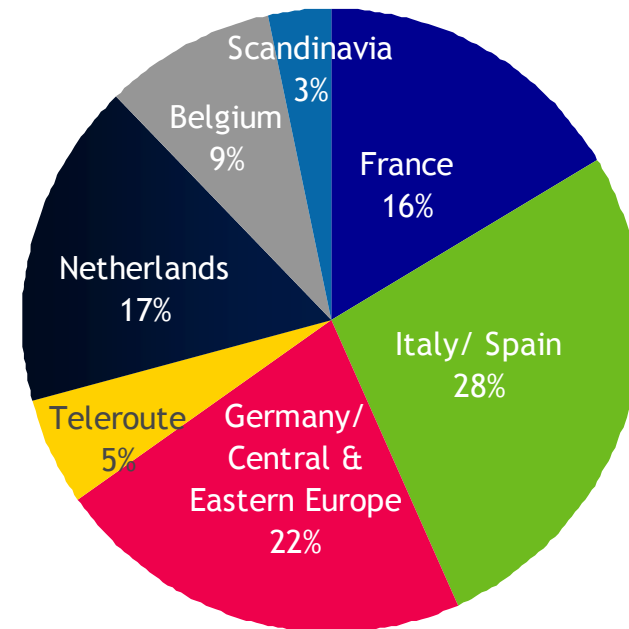
	Full Year				2 <sup>nd</sup> Half			
	2008	2007	Δ% CC <sup>1</sup>	Δ% OG <sup>2</sup>	2008	2007	Δ% CC <sup>1</sup>	Δ% OG <sup>2</sup>
Revenue (EUR)	879	881	8%	3%	450	430	8%	3%
Revenue (USD)	1,286	1,205			632	607		
Ordinary EBITA (EUR)	223	197	22%	12%	110	84	32%	19%
Ordinary EBITA (USD)	324	269			152	120		
Ordinary EBITA Margin	25.4%	22.4%			24.5%	19.7%		

<sup>1</sup> CC - At constant currencies (EUR/ USD = 1.37)

<sup>2</sup> OG - Organic Growth

# LTRE Highlights

- Growth was driven by online offerings gaining momentum, new workflow solutions and software products as well as expansion of training and other services
- Italy, Spain, and Central and Eastern Europe contributed strong revenue growth driven by double-digit organic growth in electronic products
- Italy, Belgium, and Scandinavia delivered solid growth, bolstered by the continued migration of revenue from print to electronic solutions
- Weaker conditions in its non-subscription product lines such as advertising and books impacted results in NL and France



2008 Revenue: €1,328 million

Millions	Full Year				2 <sup>nd</sup> Half			
	2008	2007	Δ% CC <sup>1</sup>	Δ% OG <sup>2</sup>	2008	2007	Δ% CC <sup>1</sup>	Δ% OG <sup>2</sup>
Revenue (EUR)	1,328	1,249	6%	2%	690	645	7%	2%
Ordinary EBITA (EUR)	274	253	8%	3%	160	145	10%	4%
Ordinary EBITA Margin	20.6%	20.2%			23.2%	22.4%		

<sup>1</sup> CC - At constant currencies (EUR/ USD = 1.37)

<sup>2</sup> OG - Organic Growth

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# 2009 Outlook

Key Performance Indicators	2009 Guidance
Ordinary EBITA Margin	Broadly In-line with 2008
Free Cash Flow <sup>1</sup>	± €350 million
Return on Invested Capital (after tax)	≥ 8%
Ordinary Diluted EPS <sup>1</sup>	€1.41 to €1.46 <sup>2</sup>

<sup>1</sup> At constant currencies (EUR/USD = 1.47)

<sup>2</sup> 2008 EPS (€1.52 in 2007 constant currencies) has been recalculated to €1.43 using 2008 constant currencies (EUR/USD = 1.47; 2007 constant currencies: EUR/USD = 1.37).

# Summary

*Accelerate Profitable Growth*

*Enhance value for shareholders, customers, and employees*

**Diversified and resilient portfolio**

**Good progress against strategic goals**

**Solid profitability and cash flow**

**Strong financial position**

**Well positioned for the future**

Thank you

## *The Professional's First Choice*

**Provide information, tools, and solutions to help professionals make their most critical decisions effectively and improve their productivity**

