

Annual General Meeting of Shareholders 2006

Presentation by CEO and Chairman of the Executive Board, Nancy McKinstry

Amsterdam, April 26, 2006

Welcome and good morning. It is a pleasure to be here today to share our 2005 results. This year we are once again following a format for the meeting that is similar to prior years. This presentation will be in English, while a Dutch translation is available on the screen and in hard copy version.

Let me take you quickly through our agenda.

We will begin with highlights of the 2005 performance of Wolters Kluwer, followed by a review of our financial results in more detail. I will then outline some of the key initiatives that our divisions achieved in 2005 after which I will conclude with a brief review of our outlook for 2006.

Last year was the second year of our three year plan to improve shareholder value. That plan, announced in October 2003, focused on three elements as you can see on the screen:

- Invest in growth around our leading market positions
- Reduce costs through structural improvements
- Reorganize to drive growth by getting closer to our customers and to drive greater operational rigor

In addition, we committed to establishing clear and transparent Key Performance Indicators to measure success. These have enabled us to communicate our progress clearly and consistently.

I am pleased with the performance of Wolters Kluwer in 2005.

We delivered on or exceeded all KPIs. Importantly our organic growth momentum continued throughout the year and we delivered strong cash flow. We are particularly pleased by the revenue growth we experienced in online and software products.

Today 39% of our revenues come from electronic products compared with 35% in 2004.

Supporting this growth is increased investment in product development and selective acquisitions which have strengthened our market positions in key segments. We also launched a new brand and corporate identity program enabling us to further operate as an integrated company with a strong customer focus.

Our restructuring efforts are progressing well and delivering cost savings ahead of schedule.

All of these accomplishments provide a strong base on which to build in 2006.

Now let me highlight some specific results

Organic growth was 2% through full year, a significant improvement over 2004.

Our ordinary EBITA margin was 16%, in line with last year, despite improved top line results, largely due to increased product development investments, continued investment in restructuring, both within countries and customer units, as well as, the build out of shared services.

Our structural cost savings of €100 million exceeded our full year target.

The divisions of Health, Corporate & Financial Services, and Tax, Accounting & Legal delivered strong growth.

Legal, Tax & Regulatory Europe showed improvement over last year, driven by continued good growth in Central Europe, Spain, Italy and France and strong online growth across the board.

Education results are in line with last year with good performance in the Netherlands and Belgium offset by weak market conditions in the UK, Sweden and to a lesser extent Germany.

I am pleased that in 2005 we met or exceeded each of the key operating and financial targets that we set as part of our three year strategy.

Most importantly, we further established a strong foundation for growth by delivering organic growth of over 2% in 2005 as compared to 1% in 2004.

Ordinary EBITA margin of 16% was at the top of the range, despite significant investments in new products and continued restructuring.

This strong performance contributed to ordinary earnings per share of €1.06.

Cash flow remains strong for Wolters Kluwer at €351 million and was significantly higher than initial target for the year.

Today, we have 39% of our revenues coming from electronic products and we are well on our way to achieving our 2007 goal of 45%.

Growth in electronic products was driven by good adoption of new online and software products, as well as increased retention of our existing products as we continue to provide greater value to our customers through enhancements in functionality.

It is important to note that we have increased our percentage of sales from online products from 15% in 2004 to 19% in 2005 due to increased adoption of internet products, particularly within LTRE.

Now let me take you through some additional financial information for Wolters Kluwer.

Revenues at actual currencies grew 3%, as a result of organic growth of 2% and the net of acquisitions and divestments.

Our ordinary EBITA margin was equal to last year despite:

- Acceleration of product development expenditure, increased marketing & sales spend and continued investments in restructuring
- The effect of a one-time positive impact in 2004 from the change of the post retirement medical plan in the US (FAS 106) of €11 million also dampened 2005 results.

These factors off-set additional cost savings that were achieved in 2005.

Ordinary net income was €327 million compared to €307 million in 2004. The ordinary earnings per share in actual currencies was therefore €1.06.

Free cash flow was lower due to:

- A reduced contribution from organic working capital
- And an increase in capital expenditure and financing payments

Taking a look at the P&L, you will see that:

- As expected, financing costs increased due to IFRS accounting changes relating primarily to the reclassification of our fixed coupon derivatives.
- Results from disposals were lower in 2005 due to the disposal in 2004 of ten Hagen & Stam.
- The effective tax rate on our ordinary net income was lower this year at 25%, compared to 28% in 2004. This is a result of a lower corporate tax level in the Netherlands as well as the more efficient use of the Dutch Financing Centre.

Free cash flow came in at €351 million compared to €456 million last year, due to a smaller improvement in working capital than in the prior year.

Despite significant investments in our business, we continue to enjoy a strong free cash flow.

Turning to acquisitions: the total consideration for acquisitions in 2005 was €363 million.

The main acquisitions in 2005 were:

- DeAgostini Professionale: a leading publishing company in the Italian legal, tax and business markets;
- PCi Corporation: provider of lending compliance management solutions in the mortgage market;
- Boucher Communications: focus on serving the vision care market; and
- Best Case Solutions: a market-leading Bankruptcy software and services company

These acquisitions have further strengthened our positions in key market segments.

Now for some highlights of our divisional performance.

Health delivered strong 4th quarter performance to finish the year with 4.4% organic growth.

All customer units contributed with particularly strong performance in P&E, Medical Research and Pharma Solutions. Results were driven by the success of new product introductions, OVID online growth of 22% and good customer adoption of electronic drug information and business intelligence tools.

Strategic acquisitions included NDC/IM - now called Healthcare Analytics (closed in 2006) - which provides critical information and databases to the pharmaceutical market; ProVation (also closed in 2006) - which provides medical coding and documentation software solutions.

These acquisitions provide Health with broader product offerings and a stronger foundation for future growth.

Corporate & Financial Services achieved strong revenue growth of 13% in 2005, with organic growth of 6%.

This robust performance was driven largely by Corporate Legal Services, where we saw volume growth in transaction revenues associated with corporate, UCC and trademark services. Sales of e-billing and litigation support software were also strong.

Revenue growth in Financial Services was supported by good sales of core lending and deposit software and e-forms. We saw significant progress in developing our next generation software solutions for large and regional banks - including our first commercial deal for our product Expere.

Recent acquisitions of Tripoint (in e-billing market), Summation (in litigation support market), PCi and Entyre (in financial services), support and extend our product lines in some of our fastest growing markets.

Tax Accounting & Legal continued their strong growth momentum throughout 2005 achieving organic revenue growth of 4%, driven by sales of new content and software products and improved retention through more customer focused sales and marketing.

New product development, strong sales of tax and accounting software products and integrated online research libraries contributed to the strong performance in 2005.

Legal Tax & Regulatory Europe saw organic revenue of -1%, up from -2% in 2004, after including product pruning of €15 million, largely in the Netherlands. Strong growth continued in Italy, France, Central Europe, and Spain and at Teleroute.

New product launches increased significantly over prior year and growth in online products was in the double digits. LTRE continued to strengthen its market position through key strategic acquisitions. This division also made significant progress against its restructuring plans, including in-country initiatives, such as in Belgium, the United Kingdom and the Netherlands, as well as significant investments in content management, online and software product development, and sales and marketing.

In 2005 the **Education** division achieved flat growth.

Good performance in Belgium and the Netherlands was offset by adverse market conditions in the United Kingdom, Sweden, and to a lesser extent Germany. The Netherlands and Belgium's strong performance in 2005 reflected the quality of the back list, the introduction of new online testing and assessment products and an aggressive sales and marketing effort.

The UK was successful in signing an exclusive partnership with the AQA, a not for profit company and the largest of three examination boards in the UK. This arrangement provides additional growth opportunities as the new curriculum is implemented in 2006.

Turning to some important corporate initiatives.

In 2005 we continued to focus on implementing initiatives which enhance our culture, management team and community involvement.

Three areas of focus are our Core Values, Talent Management and Sustainable Entrepreneurship.

- The 5 values to guide our actions are 1. *Customer Focus*; 2. *Innovation*; 3. *Accountability*; 4. *Integrity*; 5. *Value Creation*.
- To build the next generation of WK leaders, we have also launched a high potential talent management program. With this program we aim to further increase the retention of key leaders and share the talent of high-potential employees across the globe. We have found that growing talent from within the organization capitalizes on the existing talent pool and increases the retention of key leadership.
- Sustainable entrepreneurship is an increasingly important element of Wolters Kluwer's strategy and therefore we continue to broaden the company's involvement in community activities and improve reporting of results.

Now a few comments about our Outlook for 2006.

In 2006 we will continue the transformation of Wolters Kluwer and build on the momentum. Our focus will remain on delivering strong and sustained organic growth. Our growth agenda will be to continue to invest in new products, particularly online and software solution products, and to focus on customers—both through sales and marketing but also by actively engaging them in the development of new integrated solutions.

We will continue to execute our restructuring plans to support the integration of our business. 2006 will be a key year for building our global online delivery platform for our Legal, Tax and Regulatory businesses for release in 2007, and a critical year for largely completing our build out of shared services in Europe and North America.

We will also continue our efforts to extend our market positions within our highest growth markets which will include integrating and leveraging the key acquisitions that we made in Health and extending our reach in high growth segments within Corporate and Financial Services and within Tax and Accounting.

For 2006 our focus remains on driving revenue growth.

Our target of 2 to 3% organic growth reflects an increase over 2005 levels.

We are guiding slightly higher margins even as we continue to make substantial investments in the business.

Going forward, this strategy will enable us to show top-line growth of 4% and margins of 19-20% in 2007.

All signs are pointing in the right direction and I have every confidence that we will achieve our targets as set out.

In summary: Our three year strategy is yielding results on all fronts.

We have the momentum to deliver stronger growth in 2006 than prior years and importantly we are creating a foundation for long-term profitable growth.

Restructuring is progressing well with cost savings on target for the full year.

Our strategy of providing customers with integrated products and software solutions is solidifying our position as *The Professional's First Choice*.

I want to take this opportunity to thank our employees, and to thank you, our shareholders, for your continued support.

Nancy McKinstry