FINAL TRANSCRIPT

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PRESENTATION

Operator

Good afternoon, ladies and gentlemen, and welcome to the Q1 2007 Wolters Kluwer NV earnings conference call, hosted Oya Yavuz, Vice President of Investor Relations. My name is Wendy and I'll be your co-coordinator for this conference. During the presentation you will be on listen only, however, at the end of the call there will be an opportunity to ask a question. [OPERATOR INSTRUCTIONS].

I will now hand you over to your host, Oya Yavuz. Thank you.

Oya Yavuz - *Wolters Kluwer NV - VP IR*

Thank you. Good afternoon everyone. Thank you for joining us today. Welcome to Wolters Kluwer first quarter 2007 results conference call. This call is also being audio webcast and will be available as an archive on our website under Investor Relations. Dial in numbers are also there.

You should all have this mornings Q1 press release which, please note, is in accordance with IFRS and un-audited. I would kindly like to ask you to read the forward-looking statement, which is included in our presentation on page two and in our press release.

With me here today are Nancy McKinstry, our CEO; Boudewijn Beerkens, CFO; and Jack Lynch, Member of the Executive Board. Also here today is Kevin Entricken who will succeed me as Vice President, Investor Relations as of June 1.

Since '03 Kevin has been CFO of our Law and Business Unit which is part of the TAL Division. Kevin brings a deep knowledge of Wolters Kluwer's business combined with extensive financial experience. He will be based in Amsterdam.

Now moving to our results, Nancy will start with some introductory comments, after which we'll open up for Q&A. Nancy.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Great, thanks Oya. Good afternoon all. We are pleased with our strong results for the first quarter 2007 which we will share with you today. Our agenda today is to provide highlights for our first quarter performance for Wolters Kluwer as a whole, as well as an overview of each division's performance. In addition, I will share with your our outlook for the rest of this year and then take Q&A.

So let's now begin with the highlights for the first quarter on slide four. Wolters Kluwer's organic growth for the first quarter was a solid 3.3%; a significant increase over last year. The improvement of operating margins to 19% is driven by our strong revenue performance, the impact from acquisitions and the increased benefits of cost savings. The cost savings of EUR37m achieved in the first quarter indicate that we well on track to achieve our EUR160m target set for 2007.

We saw a strong free cash flow of EUR102m, which is EUR20m higher than the first quarter of 2006. With this strong start to the year, we are well on track to achieve our 2007 goals.

Looking at the divisional performance, we saw significant organic revenue growth at CFS and strong performance in our Tax and Accounting businesses in the U.S. and Canada. LTRE showed strong organic revenue growth in the first quarter, partially driven by a significant increase in online sales. Health showed overall flat organic revenue growth, which is expected to correct itself in the course of this year to achieve 2 to 3% organic growth for the division.

As we announced in March, we have reached an agreement on the sale of our Education division and expect to return EUR475m to our shareholders through a shore buyback program.

Now let's move to talk about each of our divisions, starting with Health on slide six. In the first quarter Health showed flat organic revenue growth, driven by strong growth at Ovid, Clinical Solutions and in the core Pharma Solutions units. This performance was offset by timing differences in wholesaler orders at Professional and Education, which are expected to balance out over the course of this year, as well as the impact of pricing compression on key contracts at Healthcare Analytics, which were renewed in 2006.

Margins decline to 4%, reflecting increased investments in sales and marketing to support new products scheduled to launch in the second half of this year, new data purchases as well as increased royalty expenses.

The operating margins in the first quarter are not indicative for the full year and it is expected that margins for the full year will be in line with our 2006 level of approximately 15%. In addition, we are reiterating our full year organic growth outlook for Health at 2 to 3%.

Now turning to slide seven. Within Corporate and Financial Services we achieved very solid organic revenue growth of 8.5% in the first quarter. This growth was driven by double-digit organic growth and record volumes at Corporate Legal Services and good performance for core Lending and Deposit product lines within the Financial Services unit.

The Litigation Solutions Group saw significantly strengthened revenues for CaseVault over the previous year, due in part to strategic partnerships which were established with leading electronic data discovery providers. CT TyMetrix also report double-digit sales of its e-billing solutions product line.

The Financial Services unit delivered solid growth for the quarter. Continued contributions from its core Banking and Indirect Lending product line supported this growth and offset the negative effects of the slowdown in the U.S. housing market on volumes for the unit's Mortgage Solutions. The Securities and Insurance Group also saw good growth performance driven by new product launches.

Ordinary EBITDA margins increased to 28% compared with 20% in 2006. This reflects the contribution of revenue growth, timing differences of expenses and the termination of restructuring costs. The full-year organic growth outlook for the CFS division is reiterated at 5 to 7%.

Now moving on to TAL; the Tax, Accounting and Legal division showed 1% organic revenue growth driven by strong organic growth within that Tax and Accounting units in the U.S. and Canada, offset by the negative effects of timing differences in the publishing schedule at Law and Business.

Several new titles within Law and Business are scheduled for release in the second half of this year, compared with 2006 when new products drove substantial growth in the first quarter.

Overall revenues for the TAL division increased 11%, reflecting the contribution of the Small Firm Services Group which consists of the ATX/Klienrock and TaxWise businesses, which were acquired in the second half of 2006. The SFS Group saw success with its new suite of Accounting and Practice Management products, which are aimed at the small firm segment of the industry.

Tax and Accounting U.S. delivered 5% organic revenue growth resulting from good performance in its core ProSystem fx Tax software product line and strong new sales of ProSystems fx Engagement, ProSystem fx Documents and Scans.

In Canada, the CCH Accounting suite delivered positive results to support organic growth of 6% for this Group. At Law and Business strong sales for the Legal Education Group and continued good performance of integrated online libraries contributed to first quarter results.

Ordinary EBITDA margins for the division came in at 29%, which was mainly driven by the strong seasonal contribution of the Small Firms Services Group. The full-year organic revenue outlook for the TAL division is reiterated at 4 to 6%.

Now, a few remarks about LTRE division. Overall, the division showed strong revenue growth of 7% in the quarter, which was driven by good growth across the board, through a combination of new product launches, strong online penetration and enhanced sales and marketing. LTRE also showed strong organic revenue growth of 5% driven by increased electronic sales in Italy, Belgium, Spain and Central Europe, and due to the timing of the French Pharmagora Trade Show in the first quarter of 2007.

France results were also helped by the introduction of WK Portal which merged public websites with subscription-based products, for consumer segments such as pharmacists and HR professionals.

Italy and Spain showed continued strong growth of their software and electronic products. Strong online growth in Poland contributed to the positive performance in Central and Eastern Europe. Kluwer in The Netherlands showed solid growth, and Belgium delivered strong growth in the quarter, driven particularly by their software and training businesses.

The margins improved significantly at LTRE to 17%, reflecting revenue growth and the benefit of restructuring efforts taken in the last couple of years. The full-year organic revenue growth outlook for LTRE is reiterated at 2 to 4%.

Now, I'd like to make a few remarks about the outlook, beginning on slide 11. For the rest of 2007 our divisions will continue to build on the success of '06 to accelerate our growth performance. Our organic growth expectations for each of our divisions remain at, for Health, 2 to 3%; 5 to 7% at Corporate and Financial Services; TAL, 4 to 6%; and for LTRE, 2 to 4%. This will result in an overall growth rate for Wolters Kluwer as a whole of 4% organic growth.

As we look forward to the rest of 2007, our focus remains of driving revenue growth. Our target of 4% organic growth is reiterated with confidence and this reflects a further increase over our 2006 performance. We also reiterate significantly improved margins of 19 to 20%, even as we continue to make investments in the business to accelerate our growth. Our free cash flow expectations for the year remain strong at EUR425m.

Now, I'd like to move to the summary on slide 14. We will leverage our momentum from our first quarter results to continue to drive revenue growth in all of our divisions. With the divestment of the Education Division, we will return value to our shareholders through a share buyback program, reduce debt and fund investments in growth opportunities across the Company.

We expect to deliver significantly increased margins over 2006, driven by strong growth, additional cost savings and the impact from the completion of our restructuring programs over the last several years. We are on track to achieve our goal of EUR160m run rate of cost savings for the year.

With these strong first quarter results we have increased confidence in achieving all of the key performance targets that we set for 2007, enabling us to reiterate our outlook for 2007 and beyond.

So with that, I'd like to say, we can now move to Q&A.

QUESTIONS AND ANSWERS

Operator

Thank you. [OPERATOR INSTRUCTIONS]. The first question comes from the line of Polo Tang from UBS. Please go ahead with your question.

Polo Tang - *UBS - Analyst*

Yes, hello, it's Polo Tang from UBS. I have a couple of different questions. The first one's just on organic revenue growth in TAL, because obviously you've moved the U.K. business into TAL. But can I just double check, was that a drag factor in terms of organic revenue growth for Q1 and, if so, can you quantify how much of a drag factor that was?

The second question is just on the old [NDC] business of Healthcare Analytics. Can you give us some color in terms of what organic revenue growth for that business is currently?

And the final question is just really, just in terms of the bigger picture, in terms of your leverage you've obviously said 2.5 times net debt to EBITDA in terms of the leverage. But would you consider higher levels of leverage just given how stable your business is? Because isn't there a risk that, if you don't increase the leverage yourselves, someone else might actually come in and do it for you?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, well, thank you for that direct question. Okay, first on the U.K. effect, if the U.K. had not been moved from LTRE into TAL the impact of that would have been to take organic growth from approximately 1% up to approximately 1.6%. And, likewise, with LTRE would have taken organic growth from approximately 4.9% down to approximately 4.2% for that division.

So what that implies is, as we had indicated, the U.K. business we expect that they will achieve flat growth in 2007. And how that will occur is they had negative organic growth in Q1 and that will continue to improve over the course of this year, to finish out the year in a positive growth projection, and that will drive into positive performance in 2008.

Jut one last quick comment about the U.K. We did see very good improvement in operating income over -- year over year again, reflecting the fact that from a cost perspective the restructuring program in the U.K., in fact, achieved the benefits that we expected.

In terms of our Healthcare Analytics business, as you know, we don't give specific growth guidance by division. What I can say -- by unit within our divisions. What is can say about Healthcare Analytics is that we continue to see good growth in the newer product lines around managed care and around patient centric information and longitudinal information and we continue to see price compression on the core targeting and [comp] product line. Those are the trend that we saw in 2006 and those continue in 2007.

And now I'll turn it over to Boudewijn for the question around leverage.

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

Leverage, yes. We indicated a 2.5 times net of the EBITDA as a target rate, which we felt would give us enough financial flexibility to take on any growth opportunity that might come by in any moment in time.

Secondly, we are currently happy with the rating we have of BBB+ and we would actually not like to see that actually going down further, because then we would actually come close to levels we wouldn't like to enter into.

And the third argument, you're right that maybe someone else might do it for us. But if you see the current leverage levels that are becoming standard in the takeovers arena, then you know whether it's 3 of 3.5 versus 9 to 10 to 10.5, the gap will remain of course very, very large.

But I think, most importantly, we look for long-term financial flexibility, allowing us to grow the business a responsible way and, therefore, we'll stick to 2.5.

Polo Tang - *UBS - Analyst*

Okay. I've just got one follow-up question, just on the first question in terms of TAL. Because if you actually look at organic revenue growth of 1% in Q1, you've guided [certainly] a 4 to a 6% for the full year. But if you actually just do the math, over the remaining quarters that means that you need to do a run rate more than 5%, let's say, each quarter. So what comfort can you give that the growth will significantly accelerate over the remaining quarters of this year?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes, really within TAL what you see is very good growth in the U.S. business and in Canada, driven by the strength of our software product lines, as well as good growth in the online business.

And what you're seeing in the first quarter is merely the timing effect coming out of the U.S. Law and Business Group, where we had a very substantial growth in the first quarter of '06, driven by the publishing schedule that was very focused in the first half of '06. And what we are seeing in '07 is the publishing schedule is very weighted towards the second half of '07.

So what you will see is that Law and Business will really start to accelerate their growth over the course of the remaining quarters reflecting, again, these new products that are scheduled for the second half, in addition to the continued good growth that we'll get in the Tax and Accounting business.

Polo Tang - *UBS - Analyst*

Okay, thanks.

Operator

Thank you. Our next question comes from the line of Paul Sullivan from Merrill Lynch. Please go ahead with your question.

Paul Sullivan - *Merrill Lynch - Analyst*

Afternoon guys. Three questions if I may. Firstly, can you just talk about the sustainability of growth at CLS over the rest of the year? Comps toughen a little bit going into the second half.

Secondly, just in Tax, I think Thompson posted 9% organic in Tax in Q1 versus your 5, and what does that say about your competitive position and market growth in that area?

And then, thirdly, can you just talk a little bit more generally about the timing of revenue acceleration beyond what you targeted for the rest of this year in Health, and what would be a trigger for you to start exploring strategic alternatives for the Healthcare business? And wouldn't it fit, in you view, better within a larger Group?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, why don't we begin with the sustainability at CLS? What we saw, we had very good first quarter performance within the CFS division overall, and particularly within CLS. As you know, some of that was driven by the strength of the M&A and IPO activity that's going on in the U.S., but it was also driven by good performance within our e-billing and Litigation Support product lines, as well as within our Representation product lines. So we have confidence in the target that we set at 5 to 7%.

You will continue to see that performance being driven within the CLS division fairly constant in -- our expectations are fairly constant over the remaining months of the 2007 period. What you may see within the Financial Service division is, that is a Group where we do have one-time orders that come in from banks, associated with legislative activities, or in just renewing certain kinds of products that they put into the stuffers that go out to customers from a checking account perspective.

And what you saw is that we had very -- we had a couple of very large orders in the first quarter of this year, some of that one-time ordering may not occur in the second quarter within FS. But we see good volume continuing within the CLS part of the product line. So, again, [I] have great confidence to reiterate the 5 to 7% within the CFS division.

In terms of Tax, relative to Thompson, we are very pleased with our organic growth in the U.S. and Canada. Again, it reflects our performance in the software product line. We had a good tax season both in terms of renewals as well as new products. Our Small Firm Services Group also showed good growth year on year. And we have good inventory levels and good new sales coming out of our online products within the content area.

What you -- the difference between us and Thompson is really within the Corporate Tax area and Trust Tax. Thompson has a series of products that are focused on tax compliance functions within corporations, as well as trust and fiduciary tax returns. We don't operate in those two segments of the markets; we are very focused on the CPA markets and on the corporate tax part of the market, but not on the compliance part of corporate tax.

So the difference between our results and theirs are really driven by that. And we have a lot of information and data which would indicate that we're clearly growing our share within the tax business.

And then, in terms of Health, our guidance for this year is 2 to 3%. As you know, from the -- our full-year results, what we indicated was that we continue to be very bullish about Health in general. If you look at the macro trends within Health, what you see is that there's increased drug development, increased number of new drug launches, obviously, healthcare costs continue to rise far faster than GNP growth particularly in the U.S.

And what you see as an emerging trend is that both payers and the government are very much focused on improving both the quality of care and the efficiency of the overall healthcare system. If you look at what we do within Healthcare, which is focused on content, supporting scientific discovery, supporting drug information and generating through our point of care tool, really improving efficiency of delivery within the hospitals, the product lines that we're investing in and the product portfolio that we have lends very well to those macro trends.

So we remain committed to Health. We remain bullish on Health. What you see in our growth for this year is really a function of the fact that the softness that we see in promotional spending, that we talked about at length last year in '06, continues in '07. And that's a large part of the impact on our overall growth rate. So if we look in the long term we are committed to Health, we have no intention of looking at strategic alternatives for that Group and we'll continue to see our growth improve over the next several years.

Paul Sullivan - *Merrill Lynch - Analyst*

Brilliant, thanks.

Operator

Thank you. The next question comes from the line of Oskar Tijs from Kempen & Co. Please go ahead with your question.

Oskar Tijs - *Kempen & Co - Analyst*

Oskar Tijs from Kempen and Co. I've got two questions, first is about the acquisitions at TAL; the ATX and TaxWise. Could you say something about the organic growth you're seeing there and the margin development seen there?

And the second question is about NDC. In your release you mentioned the increasing costs for data and fraud development. How much of these costs are related to NDC?

And the related question is can the margin Healthcare Analytics equal the margin of 2006 as you expect for Healthcare in general?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, whenever I talk about SFS briefly, what you see first of all is not in the organic growth numbers. Just to reiterate, as you know, that won't happen until we own that assets for 12 months. What I can say is that we showed good year-on-year growth at the SFS unit through the first quarter, well above the Group average for TAL in total and well above the organic growth level that was shown within the U.S. TAA business.

Margins are quite attractive and that's particularly in the first quarter. Largely that is due to the seasonality effect where you have a tremendous number of transactional products, which are the bank products that come through in the first quarter.

Those are products that are associated with people filing their income tax and getting refunds and, as a result, those revenues fall right to the bottom line. And as you would imagine the cost structure is much more stable and, therefore, you get a strong lift on margins and some of that is mitigated over the remaining three quarters of the business. But, in general, SFS is a high margin business.

On HA, what we talked about in the press release of the data costs reflects the year-on-year comparison. As we mentioned, I think, in the last round of press releases we have purchased mail order data, which is a significant data source within the Pharma Data business and that purchase affects the year-on-year comparison. We don't anticipate making additional data purchases of the size of that mail order for the remainder of the year, so we should see that data costs for the HA Business are relatively stable over the remaining three quarters.

What you see, just to reiterate, in the Health area on margins is that the first quarter is not indicative of the full year. We are guiding that we should have margin levels in line last year's level of approximately 15%. And really, the first quarter, what pulls down the margin is really significant marketing and sales expenditures that we make ahead of the products that launch in subsequent quarters.

And I'll remind you that we saw that same kind of trend last year, where you obviously market and sell ahead of a title coming out, or ahead of a new product so that when that new product is released you get the maximum amount of uptake.

Oskar Tijs - *Kempen & Co - Analyst*

Yes, but for Healthcare Analytics you cannot indicate if the margin will be more or less stable, because if I read your words then it should be significantly lower for Healthcare Analytics, the margin, and higher for the rest of Health.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes, I said we want to avoid getting into individual discussions of margins at the sub-unit level. As I will reiterate, we expect that margins for Health will be in line with last year's level of approximately 15%.

Oskar Tijs - *Kempen & Co - Analyst*

Yes, thanks.

Operator

Thank you. The next question comes from the line of Colin Tennant from Lehman Brothers. Please go ahead with your question.

Colin Tennant - *Lehman Brothers - Analyst*

Hello, just a quick one, again sorry, sticking with Healthcare Analytics. You mentioned in the release the appointment of Mark Spiers as new CEO. I just wondered if there's any -- if there's an indication there that there's going to be any change in terms of the re-organization, or something of that sort that we might be -- we should maybe expect in that business.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes, Mark, first of all, he comes -- he's really an industry veteran, comes with 20 plus years experience from BMS, Bristol-Myers, as well as at Pharmacia. So he's very much an industry veteran, so a great addition to our team.

We -- what happens, and this happens typically when we make acquisitions, is that you often lose some of the senior people with the acquisition a year or so after the deal gets done. And that's exactly what happened in the case of HA, where we lost the person at the time who was the General Manager, and Mark is his replacement. So we are -- as I say we continue to build-out the business. We continue to see sales of our managed care product line, good sales of our patient centric product line and Mark will bring a brand new set of contacts and selling and marketing experience to the division.

So you shouldn't read too much into it, I guess, is the long and the short of it.

Colin Tennant - *Lehman Brothers - Analyst*

Sure, okay, thank you every much.

Operator

Thank you. The next question comes from the line of Mark Braley from Deutsche Bank. Please go ahead with your question.

Mark Braley - *Deutsche Bank - Analyst*

Hello, yes, just two questions. Just first of all, sorry, another one on Healthcare Analytics. You say that you've seen price compressions, contracts are renewed and obviously you were refereeing to that last year. But just in terms of the overall contract length at that business, how much longer is this going to be an issue for, as contracts come up for renewal?

And then the second question was about Mortgage Solutions. You have referred in the statement to the problems in the U.S. housing market but, obviously, at a divisional level it's very strong organic growth. How worked into the revenue run rate do you feel the state of the U.S. housing market is, or is that something that will be more of a drag in the quarters to come?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, why don't I start back and work up to the HA question? On Mortgage Solutions, just to give you the basic numbers, if you look at the CFS division about a third of our revenues are in the Financial Services Group. And, of that third, about 10% of our revenues are related to the Mortgage business. And so that gives you some sense of the overall magnitude. So we, again, have very strong confidence in the overall target of 5 to 7% organic growth for the division.

We also would say that we believe that the effect on the volume -- for the volume effect of the downturn in housing, that we've probably hit the bottom in the U.S. And that we would expect over the next three quarters to either be roughly at flat volumes in those product lines or start to see some recovery.

Mark Braley - *Deutsche Bank - Analyst*

Okay.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

So it's fully baked into the numbers that we've given you in terms of guidance.

And then, in terms of HA, the majority of the contracts that we renewed in '06 are multi-year contracts. We have one outstanding contract in '07 that needs to get renewed for '08 and '09 and we're in the process of doing that.

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

[And one] material.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

And one material contract, alright, that needs to get renewed for the rest of, as I say, this year for '08 and '09.

Mark Braley - *Deutsche Bank - Analyst*

Okay, but --

Nancy McKinstry - *Wolters Kluwer NV - CEO*

So it always -- just to kind of step back. One of the things that we did well last year in this unit, was really move out of this annual renewal cycle that they were in for many of their contracts and really move to multi-year contracts. And we did that for all of the major contacts that we had with the exception of the one that we still need to renew for '08.

Mark Braley - *Deutsche Bank - Analyst*

Okay, that's great.

Operator

Thank you. Our next question comes from the line of Sami Kassab from Exane. Please go ahead with your question.

Sami Kassab - *Exane BNP Paribas - Analyst*

Good afternoon everybody. May I come back on the Health and kindly for ask more clarity on the timing differences regarding the wholesale orders? What type of orders are we talking about here? Are we talking about Books?

And can you help me understand why the wholesalers are postponing their orders? Is it anything to do with higher returns than they expected and then lower re-ordering? Has it to do with the book voucher program? Can you please be a bit more specific on this issue?

And, secondly, what part of the Health business are exposed to the growth in the royalty expenses. Are we talking about the databases on Ovid, or are you just referring to this mail order database that you bough? Thank you, Nancy.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, I'll talk about wholesalers and then ask Boudewijn to talk about the royalties and where those come in.

On the wholesalers it's really just purely timing. And the way this works is it's on our textbook business that is focused on physicians and nurses, primarily, as well as other allied health professionals. And what you see is that the pattern of ordering by the wholesalers, and there's a highly concentrated group of wholesalers in the U.S., four or five major ones and then a series of smaller ones. And what you see is that their buying behavior is tied to the publishing schedules.

So what you see is that last year, as you'll recall, a lot of new titles in P&E were -- came out in the second half of 2006, particularly, in the fourth quarter. So what that means is the wholesalers add a lot of new products, or make a lot of new orders in the fourth quarter, and then they sell-through, essentially, in the first quarter and second quarter. Then as new titles come out what you see over the course of this year is they will order both refreshments of the products that they had previously ordered, as well as the new titles that will be coming out in the second half of the year.

So this is purely a timing effect, again, focused very much on how the new products come out over the course of the year. And we fully expect that this will correct over the remaining quarters. And, again, I'd like to reiterate that we had very good growth in P&E last year and we expect good growth again this year.

Sami Kassab - *Exane BNP Paribas - Analyst*

So you're happy with the sales-through rate that the textbooks have achieved in the medical schools?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes, and what we do -- that's exactly we watch, Sami, is we watch the adoption levels of the nursing programs and the physician programs because that's a measure of how we're doing in the marketplace. And we're pleased with our adoptions, both of the traditional textbook products as well our online products. [The Point], which we've talked about in past [as well] had very good uptake recently with some of the career schools.

Okay, royalties. Sorry, did you want to talk before we go to royalties?

Sami Kassab - *Exane BNP Paribas - Analyst*

No, I'm sorry, I was just afraid you might [skipped this one], sorry.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay.

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

Not to worry. More or less, the business that is affected by the royalty expenses is approximately 40, between 40 and 45% of our business. And you must think about mainly IP providers, to Ovid or to our journal business that charges royalties and that we have to pay on a monthly, quarterly or annual basis.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

So it's both for Journals and Books, basically.

Sami Kassab - *Exane BNP Paribas - Analyst*

Very clear, thank you very much.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay.

Operator

Thank you. The next question comes from the line of Patrick Wellington from Morgan Stanley. Please go ahead with your question.

Patrick Wellington - *Morgan Stanley - Analyst*

Yes, good afternoon everybody, a couple of questions. A similar question as the last one, but in Tax, Accounting and Legal, again why has the weight of Book sales shifted? As I understand, since the fourth quarter, these are, I think, recurring titles, so what's the explanation for that shift?

Secondly, on Health, you mentioned the shape of last year we saw two negative quarters of organic growth in Health last year and then a very strong end to the year. Do you think we'll see a similar shape in the current year?

And then, finally, can you just remind us what's happened to those sales of Expere which came through in the fourth quarter of last year?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Sure, okay on TAL, again, I think this call is reiterating what I said in the past which is, Wolters Kluwer is not a Company that lends itself well to quarterly reporting, and you're all proving that point. And the reason is that on the book shipments at Law and Business there are two main drivers.

The primary thing that we do is we launch what we call supplements to products that have come out in the past. And the supplements are driven -- the schedule of those supplements are driven mainly by new developments in that field. Now, some of it's tied to legislation, but some of it's just tied to developments that may go on in M&A or bankruptcy etc. So we create those supplements and those get shipped out to our customers over some portion of the year. It happens to be in 2007 that the timing of those supplements are very much in the third and fourth quarter, in comparison to last year, when more of them were in the first and second quarter.

Likewise, we produce a lot of new titles year on year, both new titles in print as well as new titles online. And, again, it happens to be that this year we have a publishing schedule that is much more second-half weighted. And it has to do, again, with what's going on in the marketplace, what authors we've contracted with and when they can deliver the product, as well as just what's going on in the legislative arena. So, again, we have very strong confidence in the guidance that we've given for TAL for the year and we expect, and have very strong confidence in the individual performance that we will get out of Law and Business in the U.S.

On Expere, and then I'll end with Health. On Expere, we -- the two accounts that we have are very happy with the product line. We continue to work to both install the product in those two financial institutions as well as up-sell two additional modules. If you recall, Expere is sold by type of loan, so, starting with mortgage then home equity. So, even the current contracts that we have potential to grow as the client takes on new modules.

In addition, we have a very robust pipeline of potential new prospects for Expere and would expect that we will sign some additional contracts within the first half of this year. So that is going well, as well as the product development with Expere.

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

But the sale cycles of these products are pretty low so you have to keep that in mind.

Patrick Wellington - *Morgan Stanley - Analyst*

Yes.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

And then, on Health, we would expect a similar pattern to what [we] showed last year where sales will -- the pace of sales will accelerate over the quarters, meaning that the second half will be far more weighted than the first half. Again, that is very much tied to the publishing schedule, tied to our new product launches, as well as tied to our renewal cycles and [they are] very, very third and fourth quarter weighted.

Okay?

Patrick Wellington - *Morgan Stanley - Analyst*

Yes. Just coming back to TAL, do you actually have these products already written, if you like? What's the risk, as you say quarterly analysis is awkward, what's the risk that some of those sales or new product launches slip out of Q4 into Q1 next year, for instance?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Very limited. First of all, I would reiterate to everybody that we're not a killer application business so there's no one title that drives a significant portion of the overall revenue. So it's a series of many new products. We manage this very tightly and so we know when the authors are coming, and with a series of milestones that have to be met for the author over the course of many months, prior to the launch date. So, we have a great deal of confidence in this, that those titles will come out and then we'll get the revenues.

Patrick Wellington - *Morgan Stanley - Analyst*

Thanks very much.

Operator

Thank you. The next question comes from the line of Tim Nollen from Bear Stearns. Please go ahead with your question.

Tim Nollen - *Bear Stearns and Co. - Analyst*

Hello, I had a couple of questions about your online operation, especially with regards to Europe. Do you have update on the total contribution from online sales? I would guess it's not too different from what it was end of year, but just if there is an update there.

And then, particularly in Europe, can you talk a little bit please about the transformation of your business online, how your new product sales are coming along and how the restructuring program which is, I believe there is some of that still in your '07 numbers, how that is progressing in Europe please?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, very good. Well, first let me start with the restructuring program. I would echo that we are extremely pleased with the results coming out of LTRE. As you know, we spent the last two and a half, three years restructuring the division. What you see is that restructuring has been very successful both in terms of accelerating growth -- we had 5% organic growth in the first quarter and even if you back-out the Pharmagora effect we still had significant improvement in organic growth year-on-year within LTRE.

Most impressive is you obviously see the improvement in the operating margins within LTRE within the first quarter and that reflects the fact that we have been restructuring, particularly within Holland and Belgium, those two countries, and they have shown quite dramatic improvement in operating margins, as well as improvement in organic growth. And we expect this year a continued improvement in the operating margins of LTRE.

So, how was all that, that new product and growth happening? To a large extent, online is a major driving force within LTRE. Across all of the countries; we operate in 18 countries within Europe, we see that the uptake of online products is increasing quite significantly. And Software Solution products are also driving growth in these countries.

So online is becoming a major force in Europe in a similar way as it was in the U.S., perhaps, five or six years ago. And that's pretty much true across most of the countries. The only country where we continue to see very slow uptake will be Germany. And, again, I think that speaks more to how legislation and how law and tax is practiced in Germany.

Tim Nollen - *Bear Stearns and Co. - Analyst*

Do you have a figure for online as a percent of sales in Europe?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes, we only give that out annually and we did give that our with the full-year results. And I can say that, clearly, in the first quarter we continue to see a good growth coming out of online.

Tim Nollen - *Bear Stearns and Co. - Analyst*

Thanks.

Operator

Thank you. The next question comes through from the line of Giasone Salati. Please go ahead with your question.

Giasone Salati - *Credit Suisse First Boston - Analyst*

Hello, can you hear me?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes.

Giasone Salati - *Credit Suisse First Boston - Analyst*

Hello, good afternoon. Giasone from Credit Suisse. The first question is on organic revenue growth. I'm pretty confident you will achieve a 4% organic growth for LTRE, and I guess even a little bit more given that this includes the NDC [D'Agostini] and we're doing without the slower growing Education.

But once you Wolters Kluwer with other professional publishers, growing at 6%, I still struggle to bridge the gap. Can we consider 2007 as a run year, a normal year, or we still have to wait for further acceleration in the following years?

The second -- sorry.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Do you want me to answer that, or do you want to go on?

Giasone Salati - *Credit Suisse First Boston - Analyst*

I'll ask all of the three questions maybe. The second question is on acquisitions. In Q1, just at the EBIT level, we had EUR23m contribution, if I get this right from the press release, which is two-thirds of the EBITA increase in Q1. It's a 50% margins on the acquired business. Can we use 50% ordinary EBITA margins for Q2, Q3 and Q4 on your acquisitions? Or that is maybe going to become diluted on margins going forward?

And the third question is, again, just a detail on leverage. 2.5 net debt to EBITDA is the target, but I'm not sure I understand if that is a level which still allows some flexibility in terms of M&A, or if that is the maximum level to be achieved including any potential acquisition in the future.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, I'll start with the first two and then hand it off to Boudewijn. On organic growth, as we've indicated, are target for 2007 is 4% which is a significant improvement over the '06 performance level. And, as we've guided for beyond 2007, we have indicated 4 to 5% organic growth.

On the margin impact, as we've indicated, the major driver of the margins coming from our acquisitions was the Small Firm Services Group which is the APX/Klienrock and the TaxWise acquisitions. Those margins in that Group reflect the seasonal effects of the tax business, again, back to the comment that a lot of that is transactional products coming from the bank products within those groups. Those are very high margins.

What you will see is those margins will mitigate or decline over the next several quarters as we don't have the product lines coming in. Because the tax season has ended, you continue to have the cost base there. So, in general, SFS is a very positive margin business, but not at the levels that you would see in the first quarter; those levels will not continue for the acquisitions in the remaining three quarters.

Boudewijn, leverage?

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

Okay, on the leverage, yes. The 2.5 times net debt to EBITA is a target, so it doesn't mean that we could temporarily be above that like we have been at the end of 2006 when we made the acquisitions of ATX/Klienrock and TaxWise. So -- and when we talk about financial flexibility, I think with 2.5 times we have plenty of financial flexibility.

If you look at, for example, the cash inflows this year from Education from the sale of [FEU], from our free cash flow throughout the full year and then you deduct some of the initiatives we announced like the buybacks, like maybe some debt reduction to get ourselves to 2.5 times. And further acquisitions or investments in our organic business, will give us actually plenty of financial flexibility in the future.

Giasone Salati - *Credit Suisse First Boston - Analyst*

Thank you.

Operator

Thank you. The next question comes from the line of Konrad Zomer of Cheuvreux. Please go ahead with your question.

Konrad Zomer - *Cheuvreux - Analyst*

Hello, good afternoon. Just one quick question, please. If you strip out the positive impact of the French Trade Fair, can you give us the number for organic growth in the LTRE business Q1 please?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes, 3.5%.

Konrad Zomer - *Cheuvreux - Analyst*

Great, thank you.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, other questions? Yes. [How's this working]?

Oya Yavuz - *Wolters Kluwer NV - VP IR*

Any more questions?

Operator

Thank you. The next question comes from the line of Meg Geldens. Please go ahead with your question.

Meg Geldens - *Man Securities - Analyst*

Hello, it's Meg Geldens from Man Securities. Two questions. First of all, CapEx increased quite a bit in the first quarter and I know that you've guided us to expect higher CapEx this year. But I was just wondering if, in the coming quarters, it will ramp-up throughout the year even further, or is the first quarter indicative of what it will be in a quarterly basis this year?

And, secondly, I just also want to ask again about Healthcare Analytics, or the whole Health division as a whole. In the end it looked like the revenue was about EUR7m short of people's expectations. How would you split that shortfall between the timing difference which you mentioned first in your statement and the lower pricing that you're achieving on the contracts for MBC? How important is either of those two effects to the shortfall in revenue in the first quarter?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Thanks, Meg. Boudewijn will talk about CapEx, yes.

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

Yes, okay. The EUR24m CapEx in the first quarter is more or less the 3% we indicated -- we guided you for the full year. We maintain that guidance so actually what you should see, of course, higher levels than last year in absolute terms, that this EUR24m is more or less indicative for the rest of the year.

Meg Geldens - *Man Securities - Analyst*

Okay.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

And then, on the Health business, the majority is timing. As I said, this is largely the wholesaler buying behavior pattern and that's really going to correct itself over the course of the year. So, again, great confidence in the 2 to 3% guidance that we've given for the full year in Health.

Meg Geldens - *Man Securities - Analyst*

Great, thank you very much.

Operator

Thank you. The next question comes from the line of Usman Ghazi from Dresdner Kleinwort Bank. Please go ahead with your question.

Oya Yavuz - *Wolters Kluwer NV - VP IR*

Usman, are you still there?

Usman Ghazi - *Dresdner Kleinwort Bank - Analyst*

Hello, can you hear me?

Oya Yavuz - *Wolters Kluwer NV - VP IR*

Yes, we can now.

Usman Ghazi - *Dresdner Kleinwort Bank - Analyst*

Hello everyone, thanks for taking the question. On CapEx, I was wondering, you're expensing more in terms of product investment compared to some of the other publishers. If I look at Reed, they're got a lower level of product investment going through the P&L. Are you going to see over the next couple of years, product investment transferring from the P&L onto the balance sheet, hence, why you're also guiding to higher CapEx levels on the balance sheet as a percentage of turnover? That's the first question.

And then, on your Corporate Legal segment, I was just wondering if you could help me understand what's actually happening in the market to drive the levels of growth that you're seeing there, and whether you see 5 to 7% as a [true] cycle growth rate for this division, or whether -- if the cycle turns we should expect that to trim down a bit?

And then, on TAL, I was wondering if you could maybe tell us what the Legal and Business segment did in terms of organic revenue growth for the U.S. business?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, you start with CapEx, Boudewijn.

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

On the -- we have indicated and we will continue to indicate the following guidance for our product development expenditure; 7 to 8% in the P&L and about approximately 3%, 2 to 3% in the -- that will be capitalized.

Now the reason why you see a higher absolute numbers in the capitalization is that some of our investment projects, that we're running over the last couple years, came into a status of what we call technical feasibility that allows them to be capitalized and not be an expense any more in the P&L. But you, of course, have always many different projects running in the different divisions and, therefore, we feel on average we can maintain the guidance we have given you as I indicated at the beginning of my answer.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

And just a couple of quick examples of what Boudewijn indicated. If you look at some of the big projects underway, one is the dot net investment that we're making in our ProSystem product line within Tax and Accounting. And the second one will be Project Atlas and those are both sizeable contributors to the CapEx expenditure.

On CLS, in terms of the cycle effect, again, just to give you the metrics within CFS. Our CLS business, our Corporate Legal Services business is about two-thirds of the overall revenue and, of that business, about half is subscription like. That is our Representation business, our e-billing business, our Litigation Support business, and is not inherently tied to any kind of cycle effect. And then half of CLS revenues are tied to Business Formation, M&A activities etc.

So what you see is clearly those -- the product lines that are tied to the cycle are the volume levels of those product lines are being reflected in the cycle so they're doing well for us. But what you also see is some of the newer markets like e-billing and Litigation Support are growing at very good levels, double digit kinds of levels.

And so if that continues over the next several years what you should see is two things happening. One is that we become a little less sensitive to the cycle within the CLS product line, and you should see that those areas that we've entered in the last couple of years still have a lot of room for growth over time. So we see the CLS Group as a driver of growth within the overall CFS division and we believe that CFS, as a division, will continue to contribute good growth as we go forward into '08 and beyond. So, for this year, it's 5 to 7% organic growth.

Usman Ghazi - *Dresdner Kleinwort Bank - Analyst*

Okay.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

And, on TAL, within Law and Business they had negative organic growth for the quarter. Again, that reflects the fact that last year we had a very strong comparable in the first quarter of '06 because of the publishing schedule. And, as I indicated, we have good confidence in Law and Business getting to their overall number which will be positive for the year and above last year's level.

Usman Ghazi - *Dresdner Kleinwort Bank - Analyst*

Okay.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

So it's truly again back to the timing effect of the publishing schedule.

Usman Ghazi - *Dresdner Kleinwort Bank - Analyst*

Okay. Could I just comeback on the CapEx question?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Sure.

Usman Ghazi - *Dresdner Kleinwort Bank - Analyst*

Just, again, comparing your P&L investment compared to Reed [inaudible] say. You're expensing around 7%, like you said in the P&L, Reed around 6 to 5.6% or 6% and presumably some of that has to do with the fact that they might be slightly ahead in terms of technology, platform building etc. But in terms of maybe the medium to long term, can we expect that 7% to maybe trend more towards -- trend lower maybe, or would that be aggressive?

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

[No], I would like to reiterate the guidance I just gave.

Usman Ghazi - *Dresdner Kleinwort Bank - Analyst*

Okay, thanks.

Operator

Thank you. The next question comes from the line of Marie [Sedal] from Portis. Please go ahead with your question.

Marie Sedal - *Portis - Analyst*

Good afternoon, thanks for this time. I actually have two questions. Could you please elaborate a bit on the saving of expenses at the Corporate Financial Services division, because it helped the margin in the quarter? Could you elaborate a bit, well, what kind of expenses these are?

And secondly, on the selling costs, you mentioned earlier a significant increase in marketing and sales costs, but if I look at the total figure, as a percentage of sales, selling costs are actually lower than the last year. Probably there are some mix effects, but could you please a bit elaborate on that, in which areas you're really stepping up marketing and sales costs and in which areas they were relatively low as a percentage of sales? Thanks.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay. First, on the CFS, on the savings question and the margin question for the quarter, what you see is that the primary driver of the improvement in margins in CFS, obviously, one is the strong organic growth that we had within the division.

And the second is that restructuring costs that were in last year's first quarter results did not return in this quarter's results. And we had a significant amount of restructuring last year in the first quarter associated with the Data Center consolidation and the transformation around IT at CFS. So that did not repeat itself this year and, therefore, that had a positive effect on margins.

On sales and marketing costs, the reference I was making was in the Health division in the first quarter, again, we had a significant increase in marketing costs associated with the new titles and in selling associated with the new titles, as well as some additions of sales people in the European markets to drive both our Professional Education revenues as well as our Ovid revenues.

Marie Sedal - *Portis - Analyst*

Thanks for that.

Operator

Thank you. The next question comes from the line of Maurits Heldring from Kepler Landebanken. Please go ahead with your question.

Maurits Heldring - *Kepler Landebanken - Analyst*

Good afternoon, two questions. First one on the European business, you saw solid growth in The Netherlands. I was wondering if you could give some additional details on that; what kind of products are taking off and what is the explanation for the growth there?

And then, secondly, coming back to the Healthcare business, you've never guided on margins for separate business units. You now say that margins will be stable year on year. But it's not completely clear to me why they remain stable. You have 2 to 3% growth and you see increasing royalty costs, you see pricing pressure, so assuming that wage costs etc. will continue to increase where is the difference coming from to make [up the] margin?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay, in terms of The Netherlands, as I said, we did have positive growth in the first quarter and will continue to see that improve even on that level over the remainder of the year. The primary drivers in the first quarter we showed a good uptake of Navigator. Navigator is the core online product within Holland and we have successfully signed major contracts, both with the Government as well as large accounts. Some of that was signed last year and you see the benefit of that this year.

And we continue to drive new product opportunities within Navigator both pushing more content through the product as well as adding certain, what I would call, software components like calculator tools and other things which, again, allow our sales people opportunity to up-sell in the business. In addition, they are seeing good positive year-on-year effect within the Business Media area, so we are seeing some improvement on the advertising side. And we do finally have a Government here in Holland so we also saw some new legislative activities coming out which also benefited the Group.

Healthcare; the margin improvement comes in part from operational excellence initiatives that we've undertaken. So we have 2 to 3% organic growth. Obviously, there is wage inflation that occurs within that part of our cost structure that's associated with people which is substantial in all of our divisions. And so how Health manages to maintain margins is by getting efficiencies in other areas. We've been very much focused on offshoring both of IT and some editorial functions, as well as sourcing and optimizing our fulfillment area within the Books business. So those are areas of savings that then can fund both our growth programs as well as just funding the cost inflation.

Maurits Heldring - *Kepler Landebanken - Analyst*

Okay, very helpful. Thanks.

Operator

Thank you. The next question comes from the line of Anne Fokkelman from ING. Please go ahead with your question.

Anne Fokkelman - *ING - Analyst*

Good afternoon, Anne Fokkelman from ING. I have one question left that's, sorry again, on the Healthcare division. It's on the margin guidance. You're giving margin guidance for this year but can you give us a feeling for how far this increase investment in sales, for example, is going to be a recurring level? Or do you expect those investments to fall out in 2008 and that we see some margin improvement in this division in 2008?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes, it's generally obviously too early to give guidance, but we clearly have said that if you go back to our March meeting, where we talked about where the margin improvement overall will come for Wolters Kluwer this year to get to the 19 to 20%. And we indicated at that time that it will be coming largely from LTRE and TAL and CFS and that we expect Health to be stable year on year.

And as we go forward we obviously have confidence that we can continue to improve our operating margins, and that will come from a combination of the operational excellence programs that are going on in each of the divisions, including Health, as well as more stronger revenue growth in the business overall.

Anne Fokkelman - *ING - Analyst*

Okay, thank you.

Operator

Thank you. The next question comes from the line of Rogan Angelini-Hurll from Citigroup. Please go ahead with your question.

Rogan Angelini-Hurll - *Citigroup - Analyst*

Afternoon. I have two questions please. Firstly, on the organic revenue growth, you've indicated and clearly achieved the numbers you will have to accelerate the growth through the rest of the year. But if we look at the second quarter specifically, do you think you will faster organic revenue growth in the second quarter relative to the first quarter? It just strikes me that a lot of the benefits of phasing come in the second half and, obviously, at LTRE you'll lose some phasing in the second quarter.

And the second question is, can you remind me on your earnings guidance for the year, [inaudible] sale of Education, is that pro forma as if you'd sold it for the whole year? And, otherwise, I'm wondering how you get round the fact that you'll lose most of the profits but only get the proceeds in for half the year.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Okay. I'll take the first one and then ask Boudewijn to answer the effect of divesting Education.

On the organic growth development what you should expect was exactly the pattern we saw last year, except the second half of the year will have much stronger organic growth overall, more than the first half of the year. So you should expect that, as we've indicated, the third and fourth quarters ramp compared to the first and second quarter. We will also have, within LTRE, clearly from [the] Trade Show that it was in the second quarter of '06, it is now in the first quarter of '07, clearly, that will have an impact for LTRE in the second quarter.

Rogan Angelini-Hurll - *Citigroup - Analyst*

Just overall, for the Group, do you think that the Group will do higher or lower than the 3.3% growth in the second quarter organic?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Yes, we really want to avoid giving guidance on organic growth quarter by quarter, in part because we said we are not a particularly good Company reporting on a quarterly basis. We have great confidence in the overall [given] numbers that we give both the 4%, as well as the guidance we've given for each of divisions. So that you can rely on that guidance [technical difficulty] quarter to quarter. [Again, this is seen on the line of our] publishing schedules as well as some of others the trends [on the actual] kinds of products that we have.

Rogan Angelini-Hurll - *Citigroup - Analyst*

So I suppose it would be difficult for me to push it, say have a half by half, do you think the half will grow at 3.5%?

Nancy McKinstry - *Wolters Kluwer NV - CEO*

I could say -- Oya just said nice try. So, sorry I wish I could give you more than I've given but we have to stop around that [inaudible].

Rogan Angelini-Hurll - *Citigroup - Analyst*

Okay. Sure.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

I will now ask Boudewijn to talk about Education.

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

As you can see also in this press release we report the results from the Education [division] operations in the P&L. I think even later down in the press release we show you a breakdown from the Education division on page 17, on how we got to the results for the period.

Now, in our full-year guidance we did take into consideration, of course, the divestment when we actually announced the EUR145/150m to you. And in that, of course, we took the anticipated receipts from the divestment, but we also into consideration some prospective impact from the buyback on our EPS guidance.

Rogan Angelini-Hurll - *Citigroup - Analyst*

I suppose what I'm saying, Boudewijn, is obviously you'll only have the proceeds, let's say, it completes at the end of June, you'll only have the proceeds for half the year. Is that what you included in your EUR145m to EUR150m, not a pro forma as if you'd had them for the whole year?

Boudewijn Beerkens - *Wolters Kluwer NV - CFO*

No.

Rogan Angelini-Hurll - *Citigroup - Analyst*

Thank you very much.

Operator

Thank you. That was our final question. I will now hand you back to your host to wrap up this conference call. Thank you.

Nancy McKinstry - *Wolters Kluwer NV - CEO*

Thank you very much for attending and we hope to see you in August with our half-year results. Thanks a lot.
