

Wolters Kluwer 2013 Revenues by Media Format and Type

July 21, 2014

To better reflect our continuously evolving product portfolio, we have updated and refined how we classify products based on their media format and revenue type. This document provides the updated breakdown of 2013 revenues following this review. (For clarity, these refinements do not change the group's total revenue or divisional revenue breakdown).

Revenues by Media Format

The classification of products by media format has seen relatively minor change. The main difference is that we have now included software-related services with digital revenues as these services are provided as an integral part of the software sale. These software-related services currently feature mainly in our Financial & Compliance Services and Tax & Accounting divisions.

Revenues by Media Format *(All amounts are in millions of euros unless otherwise indicated)*

| | HY 2013 | % of Total | FY 2013 | % of Total |
|-----------------------|--------------|-------------|--------------|-------------|
| Digital | 1,120 | 64% | 2,286 | 64% |
| Services | 239 | 14% | 454 | 13% |
| Print | 383 | 22% | 825 | 23% |
| Total Revenues | 1,742 | 100% | 3,565 | 100% |

Revenues by Type

The classification of products by revenue type (e.g. subscription, advertising, etc.) has seen a number of refinements and is more clearly defined.

Recurring revenues are comprised of subscriptions to digital products (e.g. software subscriptions or maintenance fees; online content), services (e.g. registered agent services) and print products (e.g. hard copy journals and loose-leaf publications). Also included in recurring revenues are non-subscription products or services that see high levels of repeat purchase (e.g. tax filing fees; continuing medical education). The following are the main changes to the recurring revenue classification:

- We have now included the subscription portion of Financial & Compliance Services' mortgage and consumer lending compliance contracts. (Previously, the subscription and transactional components were not separated and were wholly included in 'FS transactional').
- We now exclude software license fees and implementation fees. (These fees are now included in 'Other non-recurring'). Software subscription and maintenance revenues are still included in recurring subscription revenues.
- We now exclude hardcopy books sold on subscription. All hardcopy books, whether sold one-off or on subscription, are now included with 'Print Books'.
- We now include subscription-based e-learning solutions and e-books previously included with 'Books'.
- We now include certain recurring training revenues (e.g. continuing medical education or where training budgets are required by law) in 'Other recurring revenues'.

Non-recurring revenues are comprised of transactional revenues and other one-off sales, and, following this review, all hard copy books revenue. The main changes in this category have been:

- 'Print books' now includes all hard copy books, whether sold ad-hoc or on a subscription basis. Electronic books are only included with 'Print books' if they are bundled with a hard copy book (as is common in educational textbooks).
- Financial Services (FS) transactional revenue no longer includes the subscription portion of our mortgage and consumer lending compliance businesses. This figure has also been refined to exclude license fees and services (now in 'Other non-recurring') but to include other pay-per-form revenues.

- Other non-recurring now includes software license fees and implementation fees, as well as one-off copy sales of journals or loose-leaves, all forms of advertising revenues, non-recurring training and consulting revenues, and other transactional or non-recurring items.

Revenues by Type (All amounts are in millions of euros unless otherwise indicated)

| | HY 2013 | % of Total | FY 2013 | % of Total |
|---|--------------|-------------|--------------|-------------|
| Wolters Kluwer | | | | |
| Digital and services subscriptions | 987 | 57% | 2,016 | 56% |
| Print subscriptions | 198 | 11% | 387 | 11% |
| Other recurring | 148 | 8% | 274 | 8% |
| Total recurring revenues | 1,333 | 76% | 2,677 | 75% |
| Print books | 134 | 8% | 322 | 9% |
| CLS transactional | 96 | 6% | 191 | 5% |
| FS transactional | 22 | 1% | 39 | 1% |
| Other non-recurring | 157 | 9% | 336 | 10% |
| Total revenues | 1,742 | 100% | 3,565 | 100% |
| Legal & Regulatory | | | | |
| Digital and services subscriptions | 336 | 48% | 673 | 47% |
| Print subscriptions | 134 | 19% | 265 | 18% |
| Other recurring | 28 | 4% | 55 | 4% |
| Total recurring revenues | 498 | 71% | 993 | 69% |
| Print books | 60 | 8% | 140 | 10% |
| CLS transactional | 96 | 14% | 191 | 13% |
| Other non-recurring | 53 | 7% | 123 | 8% |
| Total Legal & Regulatory | 707 | 100% | 1,447 | 100% |
| Tax & Accounting | | | | |
| Digital and services subscriptions | 322 | 67% | 665 | 69% |
| Print subscriptions | 29 | 6% | 54 | 6% |
| Other recurring | 81 | 17% | 131 | 13% |
| Total recurring revenues | 432 | 90% | 850 | 88% |
| Print books | 22 | 4% | 54 | 6% |
| Other non-recurring | 29 | 6% | 61 | 6% |
| Total Tax & Accounting | 483 | 100% | 965 | 100% |
| Health | | | | |
| Digital and services subscriptions | 213 | 59% | 439 | 57% |
| Print subscriptions | 34 | 9% | 67 | 9% |
| Other recurring | 39 | 11% | 88 | 11% |
| Total recurring revenues | 286 | 79% | 594 | 77% |
| Print books | 52 | 14% | 128 | 17% |
| Other non-recurring | 26 | 7% | 53 | 7% |
| Total Health | 364 | 100% | 775 | 100% |
| Financial & Compliance Services | | | | |
| Digital and services subscriptions | 116 | 62% | 239 | 63% |
| Print subscriptions | 1 | 0% | 1 | 0% |
| Total recurring revenues | 117 | 62% | 240 | 63% |
| FS transactional | 22 | 12% | 39 | 11% |
| Other non-recurring (incl. license and implementation fees) | 49 | 26% | 99 | 26% |
| Total Financial & Compliance Services | 188 | 100% | 378 | 100% |