

The most important investments in associates at December 31, were:

Ownership

<i>in %</i>	2006	2005
Boekhandels Groep Nederland (Deventer, Netherlands)	32.6	32.6
Manz Iura, Manz Schulbuch (Vienna, Austria)	40.0	40.0
DataCert (Houston, TX, USA)	33.9	19.0
eLawForum (Washington, DC, USA)	25.0	25.0

Summary financial information on associates (at 100%):

Summary financial information, 2005	Assets	Liabilities	Equity	Revenues	Profit/(loss)
Boekhandels Groep Nederland	42	28	14	169	4
Manz	12	11	1	24	0
DataCert	6	15	(9)	12	(1)
eLawForum	4	1	3	4	2

Summary financial information, 2006	Assets	Liabilities	Equity	Revenues	Profit/(loss)
Boekhandels Groep Nederland	42	26	16	180	2
Manz Iura, Manz Schulbuch	11	9	2	27	2
DataCert	6	17	(11)	13	(2)
eLawForum	2	0	2	1	(1)

Financial Assets

note 13

Financial assets	2006	2005
Investments	71	75
Receivables	32	20
Derivative financial instruments	10	22
Total	113	117

The most important investment at December 31, 2006, was Sdu Uitgevers bv, The Hague, Netherlands (25.9%). A dividend of €6 million is guaranteed by Sdu Uitgevers bv for the years 2004 through 2007, which is recognized as income from investments.

From January 1, 2008, the Group has the right to sell its shares in Sdu Uitgevers bv to the other shareholder (Sdu nv) at fair market value at the date of transfer. Likewise the Group is obliged to sell and transfer to Sdu nv all shares of Sdu Uitgevers bv upon request of Sdu nv under the same condition.

Even though the Group holds more than 20% of the shares of Sdu Uitgevers bv, the Group cannot exercise any influence on the company because of contractual limitations. Wolters Kluwer has no seat on the board and no access to shareholder meetings.

Because the shares of Sdu Uitgevers bv, which are classified as being available-for-sale, do not have a quoted market price in an active market, the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed. Consequently these shares are measured at cost.

The U.S. Medicare Prescription Drug, Improvement, and Modernization Act introduced a tax-free federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to the Medicare Part D benefit. The Group's subsidy has been actuarially determined at €22 million (2005: €15 million), which has been reflected as a non-current asset under receivables.

Deferred Tax Assets and Liabilities

note 14

Deferred tax assets and liabilities	Assets	Liabilities	2006	2005
Intangible assets	30	(352)	(322)	(258)
Employee benefits	55	(2)	53	81
Interest carry-forward	81	-	81	71
Tax value of loss carry-forwards recognized	41	-	41	51
Other items	118	(107)	11	(2)
■ Tax assets/(liabilities)	325	(461)	(136)	(57)
Set off of tax	(269)	269	-	-
■ Net tax assets/(liabilities)	56	(192)	(136)	(57)

The actual realization of the deferred tax assets depends on the generation of future taxable income during the periods in which the temporary differences become deductible. Based on projected future taxable income and available strategies, the Group considers the future realization of these deferred tax assets more likely than not.

Unrecognized deferred tax assets

The Group has not recognized deferred tax assets that relate to unused tax losses amounting to €18 million (2005: €10 million), because it is not probable that future taxable profit will be available against which the Group can utilize the benefits.

Movement in temporary differences, 2005	Balance at January 1	Acquisitions/disposals	Recognized in income	Recognized in equity	Exchange rate differences	Balance at December 31
Intangible assets	(213)	(32)	11		(24)	(258)
Employee benefits	86		(14)	(1)	10	81
Interest carry-forward	62		0		9	71
Tax value of loss carry-forwards recognized	35		11		5	51
Other items	33		(32)		(3)	(2)
■ Total	3	(32)	(24)	(1)	(3)	(57)