



## Annual General Meeting of Shareholders

Nancy McKinstry  
CEO and Chairman of the  
Executive Board

April 20, 2007 - Amsterdam



# Agenda

- Opening Remarks
- Highlights of 2006 Financial Performance
- Divisional Performance
- Wolters Kluwer's Strategic Priorities for 2007 and Beyond
- 2007 Outlook

# Wolters Kluwer's Vision

## *The Professional's First Choice*

Provide the information, tools, and solutions to help professionals make their critical decisions and improve their productivity

# Wolters Kluwer Has Delivered on Its 2003-06 Plan to Improve Value for Shareholders

- ✓ Invested in growth around leading market positions
- ✓ Reduced costs through structural improvements
- ✓ Reorganized the business around core customers and markets
- ✓ Established clear and transparent financial targets tied to shareholder value
- ✓ Maintained a high dividend yield throughout the period
- ✓ Reduced debt position through sizeable bond buy back

# In 2006, the Transformation Plan Was Successfully Completed

Achieved or exceeded all key performance indicator (KPI) targets, most notably solid organic growth and strong free cash flow

Restructuring program completed: significant cost savings achieved

Double-digit online and software revenue growth

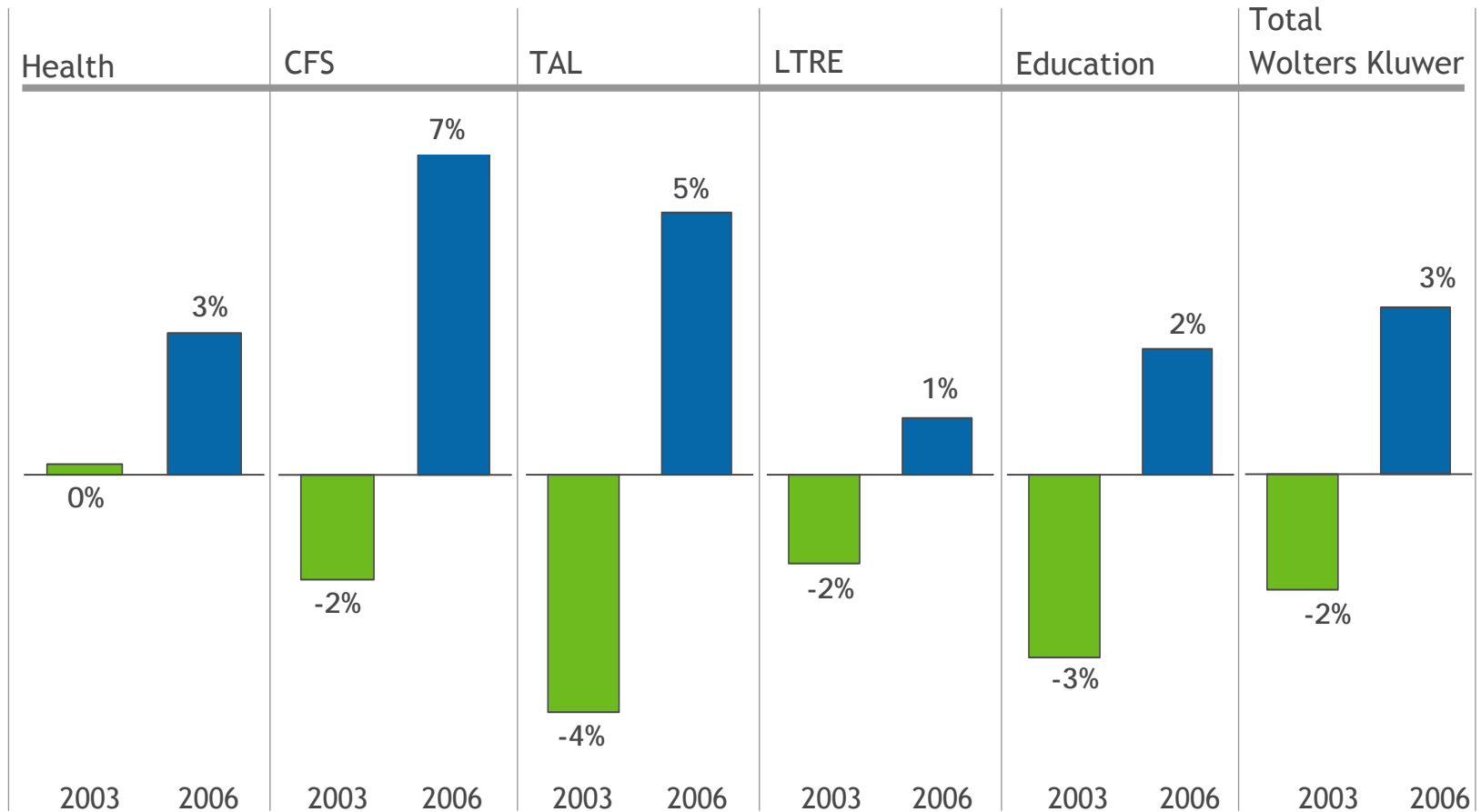
Select acquisitions to strengthen leading positions and enter high-growth adjacent markets

Strong shareholder returns

**Strong foundation for 2007 and beyond**

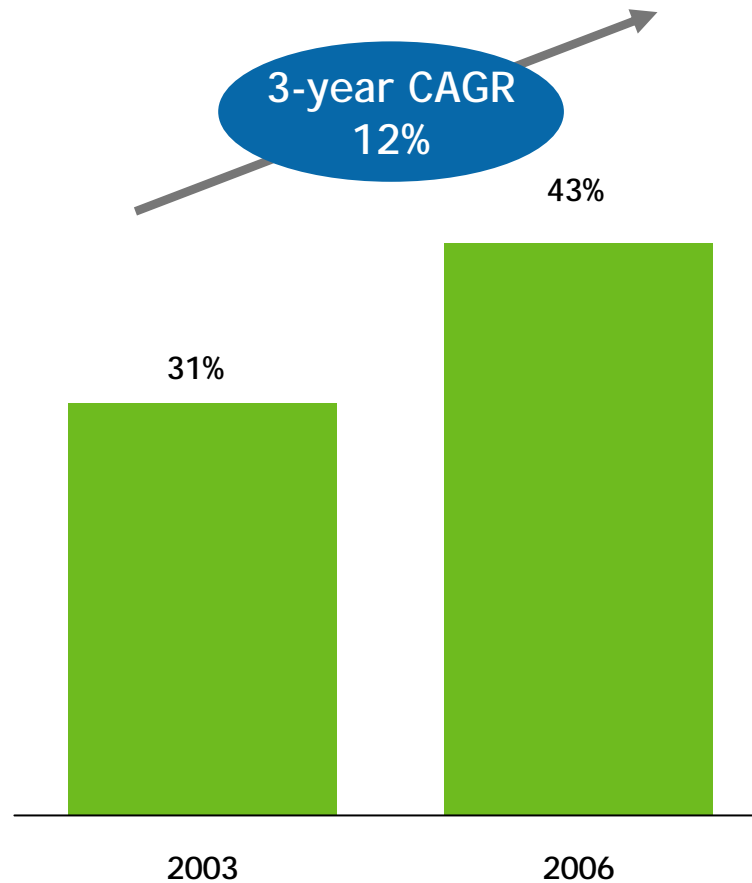
# Importantly, Organic Growth Restored in All Divisions

Organic growth rates (rounded)



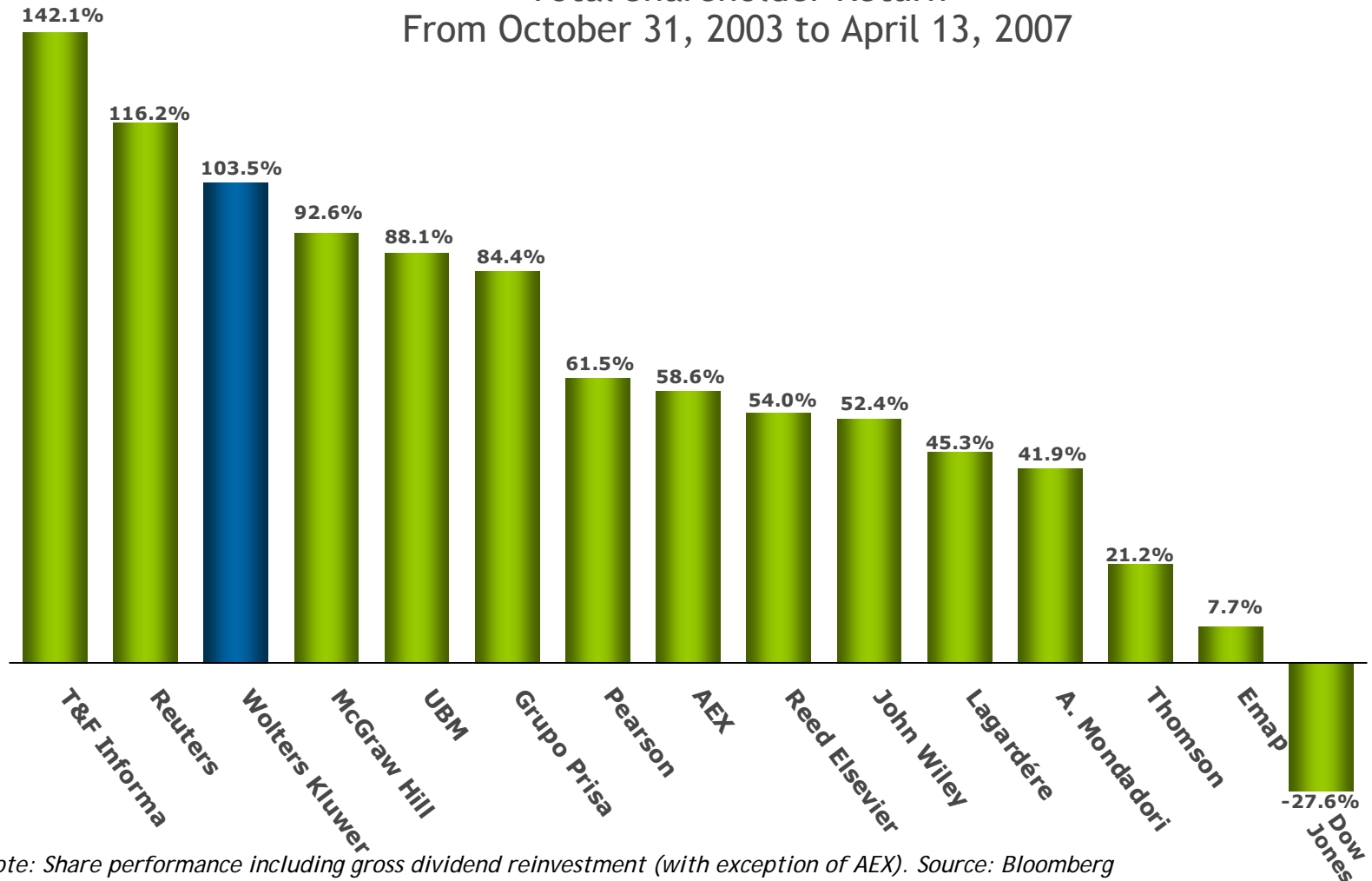
# Electronic Sales Growth Accelerating

Percent of Wolters Kluwer revenue from  
online/electronic



# These Results Have Been Recognized by the Market

Total Shareholder Return  
From October 31, 2003 to April 13, 2007



Note: Share performance including gross dividend reinvestment (with exception of AEX). Source: Bloomberg



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# All 2006 KPIs Achieved or Exceeded

Key Operational Measures	2003	2004	2005	Target 2006 <sup>1</sup>		Actual 2006
Organic revenue growth	-2%	1%	2%	2-3%	✓	3%
Ordinary EBITA margin	18%	16%	16%	16.5-17.0%	✓	17%
Cash conversion	109%	126%	106%	95-105%	✓	100%
<b>Key Financial Measures</b>						
Free cash flow	€393 mln	€456 mln	€351 mln	> €350 mln	✓	€443 mln
ROIC % <sup>2</sup>	7%	7%	7%	7%	✓	7%
Ordinary diluted EPS	€1.18	€1.02	€1.06	€1.18- €1.23	✓	€1.23

<sup>1</sup> At constant currencies EUR/USD 1.25 <sup>2</sup> After tax

# Key Financials

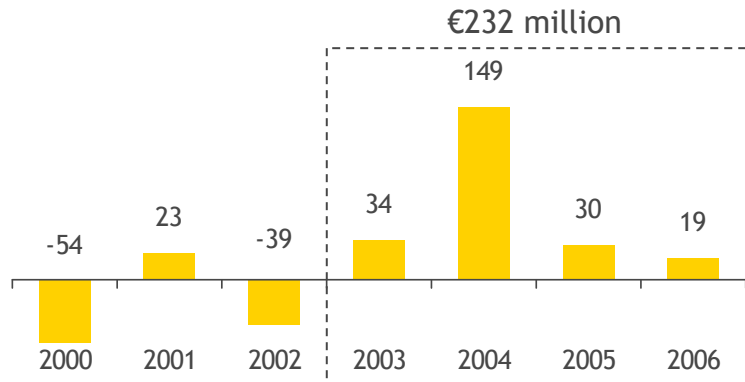
EUR Million	2006	2005	Actual Currencies %	Constant Currencies %	Organic Growth %
Revenues	3,693	3,374	9%	10%	3%
Ordinary EBITA	618	533	16%	16%	
Ordinary EBITA margin %	16.7	15.8			
<b>Ordinary Net Income</b>	<b>387</b>	<b>327</b>	<b>19%</b>	<b>18%</b>	
Ordinary diluted EPS	€1.23	€1.06	16%	15%	
Free cash flow	443	351	26%		

# 2006 Acquisitions

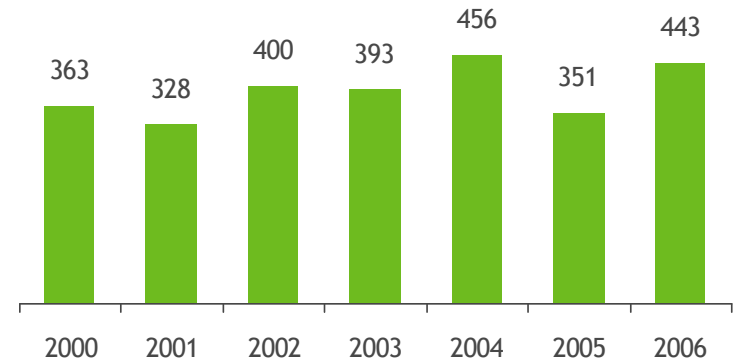
Health	<ul style="list-style-type: none"> <li>• Healthcare Analytics (NDC-IM)</li> <li>• ProVation Medical Inc.</li> </ul>	<p>January 2006 January 2006</p>
Corporate & Financial Services	<ul style="list-style-type: none"> <li>• GulfPak</li> </ul>	<p>August 2006</p>
Tax, Accounting & Legal	<ul style="list-style-type: none"> <li>• Sage Practice Solutions line</li> <li>• ATX/Kleinrock</li> <li>• TaxWise</li> </ul>	<p>January 2006 August 2006 October 2006</p>
Legal, Tax & Regulatory Europe	<ul style="list-style-type: none"> <li>• Carl Heymanns Verlag</li> </ul>	<p>May 2006</p>
Total	<p>Annualized revenues of €252 million</p>	<p>2006 revenue contribution of €187 million</p>

# Solid Financial Position

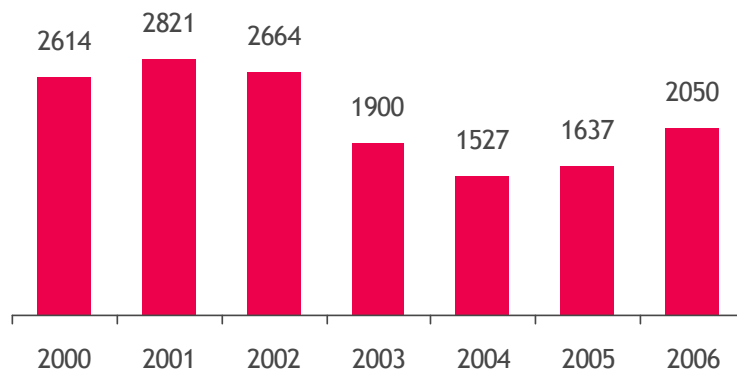
## Working capital (EUR million)



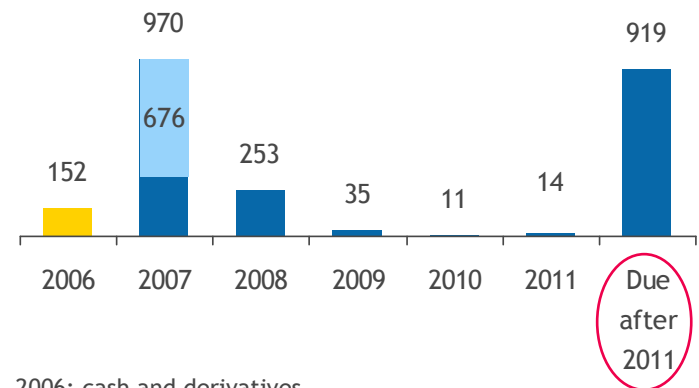
## Free cash flow (EUR million)



## Net debt (EUR million)



## Debt maturity profile (EUR million)



2006: cash and derivatives

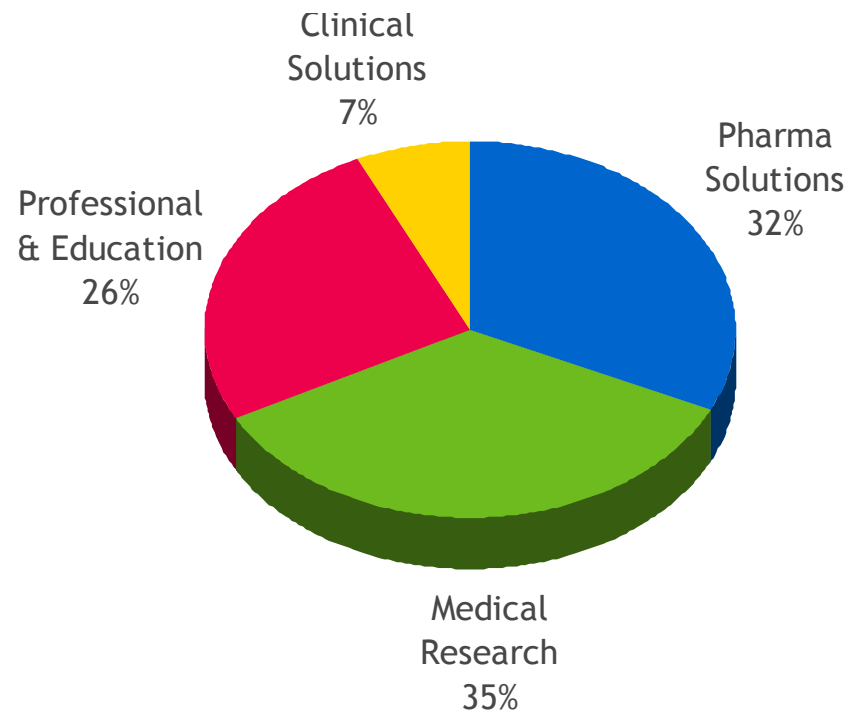
2007: includes draw-downs on credit facility of €676m, maturing 2011

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# Health 2006 Results

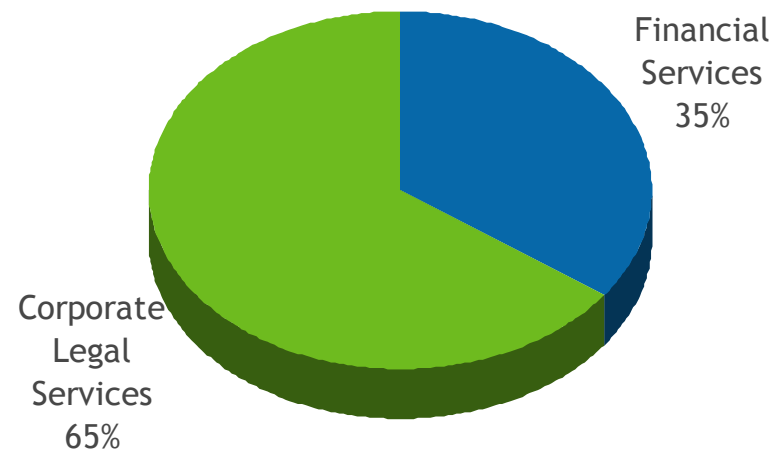
- Organic growth of 2.7%
- Performance driven by:
  - Nursing segment
  - Strong online revenue growth
  - Good customer adoption of electronic drug information and decision support tools
- Margins reflect investments in new products and data sets, sales and marketing, and higher royalty costs



Millions		Q4 06	FY 06	Q4 05	FY 05	Q4 05/Q4 06 Change (millions)			
						Organic	Acquisition / Disposal	Currency	Total
Revenues	(USD)	300	1036	237	814	14	49	-	63
	(EUR)	232	823	199	656	12	41	(20)	33
Ord. EBITA	(USD)	53	152	42	128	8	3	-	11
	(EUR)	41	120	35	104	6	3	(3)	6
Ord. EBITA margin%		17	15	18	16				

# Corporate & Financial Services 2006 Results

- Organic revenue growth of 7.5%, significantly overachieved guidance
- Good performance at Corporate Legal Services (8.6% organic growth) despite strong comparables
- Financial Services performed well with 5.4% organic growth
- Maintained strong margins despite significant investments in new products and shared services

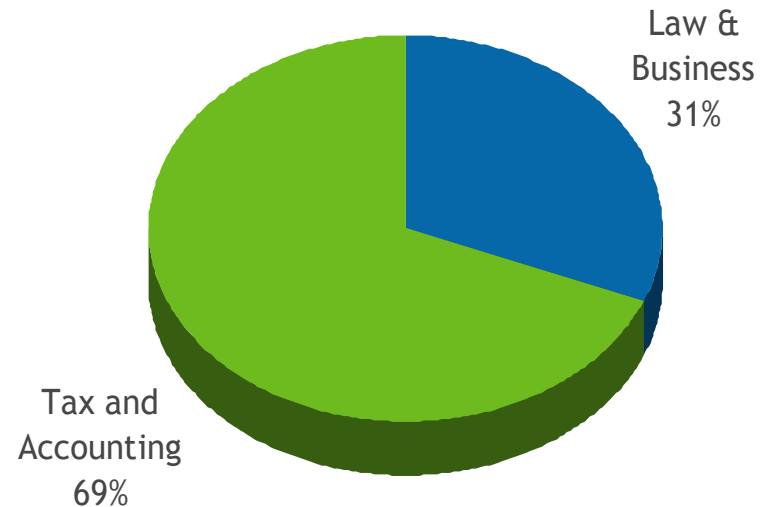


Millions		Q4 06	FY 06	Q4 05	FY 05	Q4 05/Q4 06 Change (millions)			
						Organic	Acquisition / Disposal	Currency	Total
Revenues	(USD)	176	670	161	617	14	1	-	15
	(EUR)	137	534	136	496	12	1	(12)	1
Ord. EBITA	(USD)	38	146	31	125	7	-	-	7
	(EUR)	30	116	26	100	6	0	(2)	4
Ord. EBITA margin%		22	22	19	20				



# Tax, Accounting & Legal 2006 Results

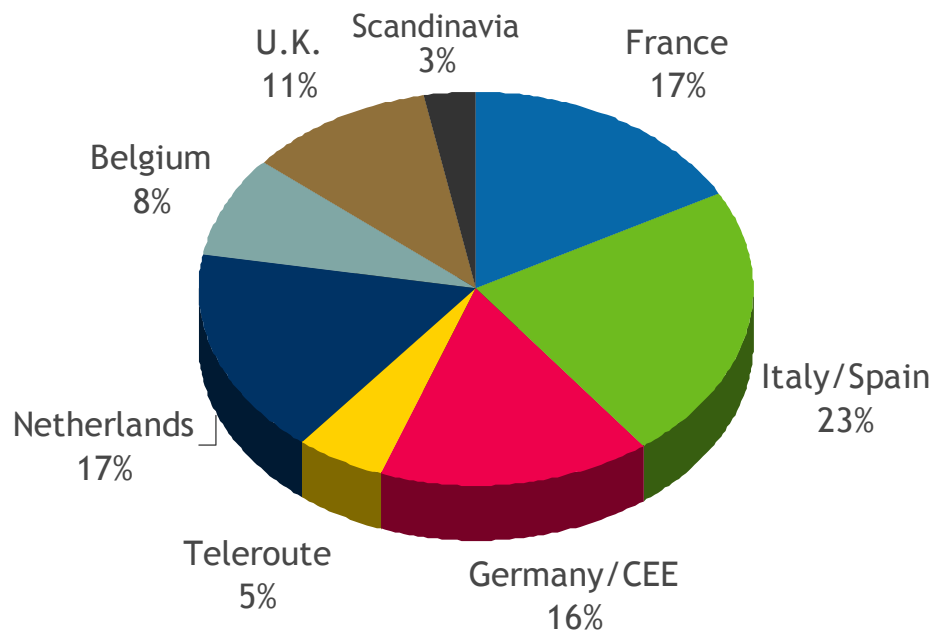
- Organic growth of 5.0%
- Within Tax and Accounting strong customer demand for software and integrated online libraries
- Law & Business showed solid organic growth
- Maintained strong margins despite significant investments in new products, .Net technology, and shared services



Millions		Q4 06	FY 06	Q4 05	FY 05	Q4 05/Q4 06 Change (millions)			
						Organic	Acquisition / Disposal	Currency	Total
Revenues	(USD)	231	849	197	775	12	20	2	34
	(EUR)	179	678	165	621	10	17	(13)	14
Ord. EBITA	(USD)	26	162	29	155	0	(3)	0	(3)
	(EUR)	20	131	24	122	0	(2)	(2)	(4)
Ord. EBITA margin%		12	19	15	20				

# Legal, Tax & Regulatory Europe 2006 Results

- Organic growth of 1.1%
- Good growth in Spain, France, Central Europe, and Italy
- Netherlands and Belgium returned to positive organic growth
- Continued strong online growth
- Significant margin improvement due to improved efficiencies



Millions		Q4 06	FY 06	Q4 05	FY 05	Q4 05/Q4 06 Change (millions)			
						Organic	Acquisition / Disposal	Currency	Total
Revenues	(EUR)	398	1,342	380	1,292	15	2	1	18
Ord. EBITA	(EUR)	99	228	78	193	19	2	-	21
Ord. EBITA margin%		25	17	20	15				

# Sale of Education Division

- Outcome of a review of strategic alternatives announced in September 2006 to provide the Education business with the best opportunities for future expansion and shareholders with enhanced value
- Sale of Education to Bridgepoint Capital Limited, a private equity fund, was announced on March 26, 2007
  - Committee of Education employee representatives gave its positive advice on the agreement
  - Bridgepoint expressed a strong commitment to growing the Education division
  - Management and employees of Education will remain in place and there will be no changes to the product lines as part of this transaction

# Details on Sale of Education

- For a price of €774 million
- Expected net book gain of €550 million to €600 million; net proceeds of €625 million to €675 million (after transaction costs, additional pension funding requirements, and tax)
- Wolters Kluwer intends to return approximately €475 million of the net proceeds to shareholders through a share buy-back program in 2007
- Remaining net proceeds will be used to reduce debt and to fund investments in growth opportunities for the company
- Transaction is subject to customary closing conditions, including regulatory approvals, and is expected to close by June 2007

# Update on Wolters Kluwer's Corporate Social Responsibility Activities

- Focus of 2006 sustainable entrepreneurship efforts
  - Knowledge creation throughout the company
  - Management reporting system on key sustainability data
  - Streamlining community involvement initiatives to focus on two core areas: knowledge-sharing and health
  - Partnerships such as the National ePrescribing Patient Safety Initiative to provide free online prescribing software to every physician in the U.S.
- Recognition from the sustainable entrepreneurship community
  - Ranked 6th in the area of Business Ethics by the Dutch Sustainability Research and Sustainable Investment Research International Company
  - Rated more than 20% higher than the international media industry average on business ethics

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# Our Strategy for 2007 and Beyond Will Build on Our Strengths to Accelerate Growth

## 2003-06 Strategy

- Strengthened market positions and portfolio
- Restructured cost base and increased operational rigor
- Developed significant presence in online and software
- Reallocated capital to higher growth markets
- Achieved major increase in shareholder value

## Wolters Kluwer Today

- Leader in core markets
- Clear momentum around organic growth
- Local focus, global scale
- Product depth and breadth with focus on essential customer content and workflow tools
- Operational discipline
- Strong organizational capabilities

# Accelerate Profitable Growth to Deliver Superior Shareholder Value



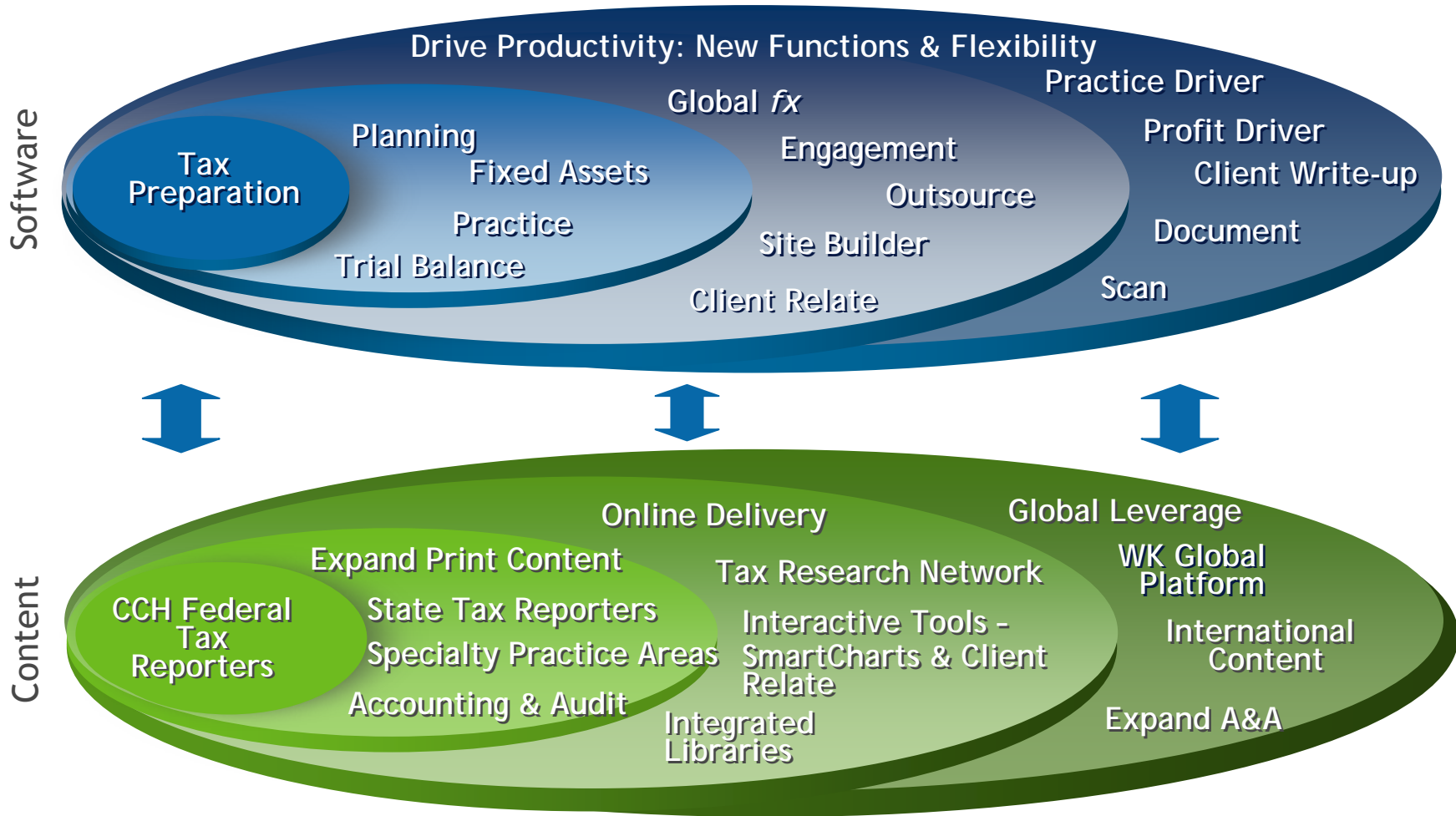


# Grow Our Leading Positions



- Focus on our customers to broaden coverage of core customer needs, expand range of integrated offerings
- Increase depth of products and services to participate more deeply in professionals' workflows
- Enhance market execution, retention rates, share of customer spend

# Grow Our Leading Positions: Tax and Accounting



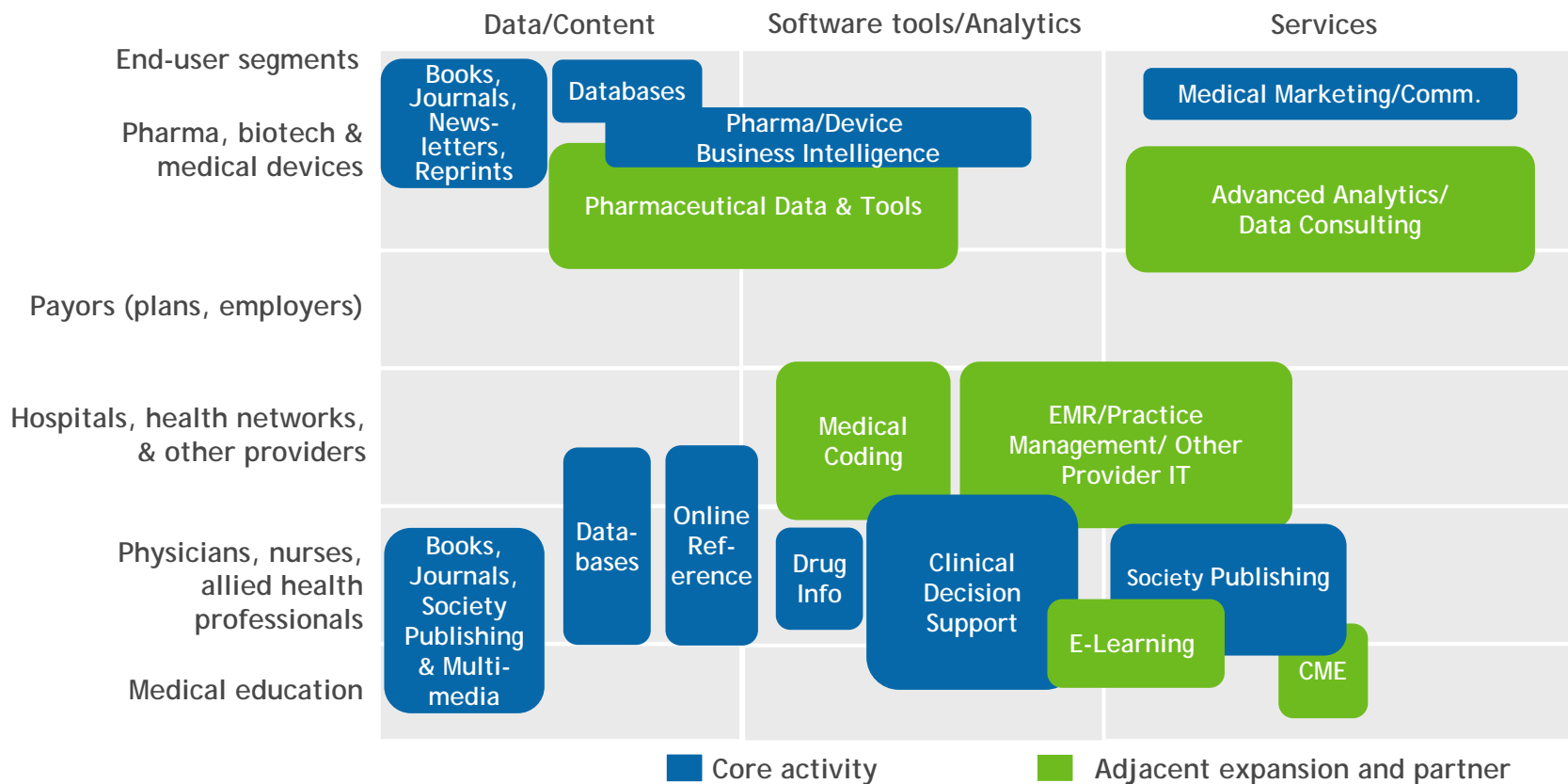
# Capture Key Adjacent Markets



- Expand into adjacent customer segments and markets by developing innovative products
- Extend productivity-based tools and services
- Pursue promising market opportunities and partnerships

# Capture Key Adjacent Markets: Health

Partial market map for illustrative purposes



## 2006 adjacency initiatives

- Wolters Kluwer-Allscripts alliance
- Lippincott CME Institute launch
- ProVation Medical acquisition
- NDCHealth Information Management business acquisition

# Exploit Global Scale and Scope



- Leverage local brands, global scale and know-how to build a larger footprint in emerging markets (e.g., China and India)
- Focus on software and services with global scale and attractive local market potential
- Use common global platforms to enable local customization faster and at lower cost

# Exploit Global Scale and Scope

## Globalization Priorities

### Europe

- Build out Health - expand into key countries via local presence/language
- Expand Corporate & Financial Services

### Eastern Europe

- Use LTRE as the primary expansion platform
- Focus on high-potential markets (Central and Eastern Europe)

### Asia Pacific

- Accelerate Health expansion in China and India with local language/products
- Build on TAL's #1 position in China
- Expand TAL's presence in India

### Latin America

- Expand Health in Brazil leveraging existing sales presence
- Develop local language offerings (Spanish, Portuguese)

Wolters Kluwer presence: ● Health ● CFS ● TAL ● LTRE

# Institutionalize Operational Excellence



- Build customer insight and increase structured product planning
- Instill a continuous improvement culture throughout Wolters Kluwer with a focus on sourcing and Lean Six Sigma
- Extend offshoring to additional functions and operating units
- Continue to strengthen management capabilities and talent

# Deeper customer insight will strengthen our leading positions

## *Customer Insight Program Overview*



- Increases new product success rate
- Increases value to customer through unique features/ functionality
- Drives higher retention



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# 2007 Outlook & Beyond

Key Operational Measures	2007 <sup>1</sup>	Beyond 2007 <sup>1</sup>
Organic revenue growth	4%	4-5%
Ordinary EBITA margin	19-20%	Continuous improvement
Cash conversion	95-105%	95-105%
Key Financial Measures		
Free cash flow	± €425 mln	> €425 mln
ROIC % <sup>2</sup>	≥ WACC <sup>3</sup>	> WACC <sup>3</sup>
Ordinary diluted EPS	€1.45-€1.50	Double-digit growth

<sup>1</sup> From continuing operations at constant currencies EUR/USD 1.26

<sup>2</sup> 8% after tax

<sup>3</sup> Currently 8% after tax

# Summary

- Successful completion of 2003-06 strategic plan
- Strong foundation for sustained growth
  - Clear momentum around organic growth
  - Leader in core markets
  - Product depth, breadth focused on customer content/workflow tools
  - Strong organizational capabilities and operational discipline
- Strategy to accelerate profitable growth
  - Grow our leading positions
  - Capture key adjacent markets
  - Exploit global scale and scope
  - Institutionalize operational excellence

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

# Thank You



## *The Professional's First Choice*

Provide the information, tools, and solutions to help professionals make their critical decisions and improve their productivity