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Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

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PRESENTATION

Kevin Entricken - *Wolters Kluwer - VP IR*

Good afternoon, everyone. Thank you for joining us today. My name is Kevin Entricken. I'm the Investor Relations Vice President for Wolters Kluwer and I'd like to welcome you to our 2007 results presentation.

This afternoon's presentation will be delivered by Nancy McKinstry, our CEO and Chairman of the Executive Board, Boudewijn Beerkens, our CFO and Member of the Executive Board and Jack Lynch, Member of the Executive Board.

This afternoon's presentation is being video simulcast so those of you watching on the video can submit questions by clicking the icons on your screen. I'll then redirect your questions to our management team. Before we start, I'd like you to read the forward-looking statement which is included in our press release and on page two of our presentation.

Now with that, I'd like to begin today's presentation and turn it over to Nancy McKinstry.

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Thank you, Kevin. Good afternoon, everyone. Thank you for joining us. It's my pleasure to share with you our 2007 results.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Our agenda this afternoon is to talk about our full year results and provide you with some highlights of each of our operating divisions. Then I'll turn it over to Boudewijn, our CFO who will talk about our financial performance in more detail. And then Jack Lynch, a member of our Executive Board will talk to you about our progress against operational initiatives and introduce to you Springboard, which is the cornerstone of our efforts to institutionalize operational excellence throughout Wolters Kluwer. Then I'll come back and share our outlook for 2008 and then we'll move on to Q&A. So now let's begin with some highlights for '07.

2007 marks the first full year of our strategy for accelerating profitable growth at Wolters Kluwer. Across the Company our businesses are effectively executing this strategy by focusing on four key areas, growing our leading positions, capturing key adjacent segments, exploiting our global scale and scope and institutionalizing operational excellence. Throughout 2007, all of our divisions made progress in each of these four areas.

I am pleased with our 2007 results. Once again Wolters Kluwer delivered on our key performance indicators. Organic revenue growth accelerated and profitability improved substantially. Wolters Kluwer expanded its product offerings particularly for online products and workflow solutions which resulted in strong growth in our Electronic Product revenues. We have strengthened our leading positions and expanded our lead in key adjacent markets through our good organic growth initiatives as well as from acquisitions such as our acquisition in Russia, in the indirect lending market in the United States and in the corporate tax and accounting market worldwide. Our management team continues to focus on delivering strong returns for our shareholders as we execute on our mission to accelerate profitable growth.

Now I'd like to highlight some of our financial performance for '07. Organic revenue growth accelerated from 4% -- to 4% as compared to 3% in the prior year. Growth was led by innovation in new products, strong retention and improvements in sales and marketing. Ordinary EBITDA margin increased substantially from 17% in 2006 to approximately 20% in 2007. Organic growth acceleration coupled with the benefits from operational excellence and prior restructuring contributed to this profit performance. Free cash flow continued to be robust. In 2007, it increased 6% to EUR423m in constant currencies. Earnings per share increased 35% in constant currencies driven by our strong operating results as well as our share buyback program.

In 2007 Wolters Kluwer's revenues grew to achieve 6% growth in constant currencies, 4% organic revenue growth for a total of EUR3.4b in revenues. All divisions contributed to our organic growth performance with particularly strong growth in our European division within our U.S. Tax Accounting and Legal business, our CFS business as well as our Clinical Solutions business within our Health division. Ordinary EBITDA grew 27% in constant currencies. Strong margin improvement was delivered across the board except for our Health division where we continued to invest in product development, new data sets and sales and marketing to drive the future growth of this division.

Our strategy to accelerate profitable revenue growth is working. Wolters Kluwer has demonstrated consistent improvement in organic growth and operating margins over the last four years. Growth has been led by innovation, strong performance in online and workflow solutions and improved customer retention. Margins have also improved due to stronger organic growth levels, coupled with the benefits from our cost saving programs as well as all of the restructuring that we did during our transformational period.

The transformation of Wolters Kluwer that's occurred over the last several years has dramatically changed the profile of our business. We are far less dependent upon print than we were back in 2003 as today almost two thirds of our revenues come from electronic products and services. This change in our profile has been a significant driver behind the acceleration of organic growth and profitability. Since 2003 electronic revenues have increased from 31% of our revenues to 47% in 2007 as a result of good growth in online and workflow solutions across all of our businesses. In 2007, online revenues grew 9% organically driven by double digit growth in our European division as well as within our TAL division.

Our transformation has created a company with a strong and balanced portfolio. Today, approximately 80% of our revenues are non-cyclical, comprised of subscription and textbook products. In addition, our subscription revenue base now represents

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

two thirds of our total revenues. Importantly, we are balanced geographically with 52% of our revenues coming from North America and 45% coming from Europe. This portfolio provides us with a strong position both this year in 2008 and beyond.

I am very pleased that in 2007 Wolters Kluwer once again delivered on our key performance indicators. I've already spoken about our good organic growth of 4% and our strong margin improvement. This strong performance contributed to ordinary earnings per share of EUR1.48. And our free cash flow of EUR423m exceeded 2006 despite a strong comparable.

Now I'd like to turn and talk about our operating performance beginning with our Health division. Health delivered organic growth of 1% for the full year. Organic growth was driven by double digit growth in our Clinical Solutions unit due to new customer gains and strong renewals and the growth at our Medical Research group, driven by strong subscription and pay per view sales at Ovid. This good growth performance was partially offset by price compression in our legacy targeting and compensation product line and by reduced spending for advertising and promotional programs that affected certain product lines within our P&E and Pharma solutions units.

Margins for the division were flat as compared to the prior year as increased investments in new product development and data sets offset the cost base reductions that we achieved driven by successful restructuring efforts as well as the implementation of lean Six Sigma programs within Health.

Accomplishments in 2007 include the successful launch of OvidSP which is our next generation platform in the Healthcare market, key wins and new launches in our Journal business, strong growth in managed care and brand analytic product lines within Healthcare Analytics and continued innovation within our Clinical Solutions unit. All of these achievements set the stage for improved performance for our Health division in 2008.

Corporate and Financial Services delivered organic growth of 5% for the full year. Organic revenue growth was driven by strong performance at Corporate Legal Services, particularly in the first half of 2007. Ordinary EBITDA margin improved significantly from 22% in 2006 to 28% in 2007 resulting both from improved organic growth as well as operational excellence programs. Within Corporate Legal Services, strong renewals and new sales in compliance and governance coupled with double digit growth at UCC, litigation support and e-billing product lines contributed to the very good growth in this unit.

Financial Services leveraged its strength in banking content and securities and insurance product lines to partially offset the impact from volume declines in our mortgage related product lines.

Strategic accomplishments since 2007 include key market and geographic expansions. Within Financial Services, that unit expanded its portfolio into indirect lending through the acquisition of AppOne and expanded geographically into the U.K. market with its security compliance product line. Corporate Legal Services expanded its offering to include e-filing through an equity partnership with One Legal as well as extended geographically into the U.K. market.

Now turning to Tax Accounting and Legal. TAL delivered organic revenue growth of 6% for the full year, driven by strong sales in software, online and publishing products as well as continued adoption and integration of our workflow tools and successful new product launches.

Ordinary EBITDA margin increased to 22% from 18% in the prior year driven by strong organic growth, the contribution from our Small Firm Services unit, successful restructuring of our U.K. business as well as operational excellence programs. The U.S. Tax and Accounting group delivered 9% organic growth through strong new sales and improved retention rates of its software product line. The division also saw good growth in its Publishing product line, both within Tax and Accounting as well as within Legal Professional and our Legal Education unit.

Accomplishments in 2007 for the Tax and Accounting business include the successful integration of our two acquisitions that now make up our Small Firm Services unit, continued expansion in Canada and Australia with our Pro system Tax and Accounting

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

software suite and the expansion into the corporate tax and accounting market worldwide through the acquisition of TeamMate. In the U.S. Legal business new integrated workflow solutions such as ChargeMaster Pro were introduced into the marketplace.

And now our European group. LTRE delivered good organic growth of 4% driven by strong online growth, sales of new workflow products and the expansion of training and other services. Ordinary EBITDA margins increased to 20% from 18% in 2006 on the strength of our revenue performance as well as the benefit from prior restructuring and cost saving initiatives. If we look at Europe on a country level Italy, Spain, Central and Eastern Europe delivered very strong growth based on the level of new product introductions as well as continued good growth in online. The Netherlands and Belgium also delivered good growth as a result of their online offerings gaining even more momentum in the marketplace.

Key accomplishments for this group in 2007 include further expansion in Russia with the acquisition of MCFR, the expansion of new workflow solutions in Italy, Spain and France and the continued expansion of our leading positions in Legal and Tax in the Spanish market through two new acquisitions.

Now with those remarks I'd like to turn it over to Boudewijn Beerkens, our CFO who will give you some more details about our financial performance.

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

Good afternoon, everyone and welcome. I'm happy to have the opportunity to review Wolters Kluwer '07 full year financial performance. We are pleased with these results which demonstrate the successful execution of our strategy. So let's start with a review of the financial highlights.

As Nancy mentioned Wolters Kluwer accelerated organic growth and subsequently improved profitability in '07. And we are pleased with these results. Not only is Wolters Kluwer accelerating profitable growth, the Company is also building on its financial strength and rewarding its shareholders. Net income from continuing operations grew 18% in '07 reflecting revenue and margin growth in all divisions. Our year end net debt to EBITDA ratio stands at 2.4 times. That is in line with our target of 2.5 times. We believe this provides Wolters Kluwer with the appropriate amount of financial flexibility.

Ordinary earnings per share grew 25% in '07 to EUR1.38 driven by the strong results of our operations and assisted by the share buyback program completed in December. To further reward our shareholders, Wolters Kluwer will propose to increase its dividends by 10% to EUR0.64 at the AGM to be held in April. And to offer flexibility we will continue to offer the option of either cash or stock dividends.

The review of the 2007 profit and loss demonstrates solid improvements in profitability. Revenue grew 6% in constant currencies driven by 4% organic growth and the contribution of acquisitions, particularly in Small Firm Services, part of the Tax Accounting and Legal division in the U.S. Cost of sales as a percentage of revenues has decreased by 1 percentage point to 36% in '07 compared to the prior year reflecting the benefit of revenue growth and sourcing savings partly offset by higher investments in data costs.

Marketing and sales costs as a percentage of revenues are materially in line with the prior year at 19% of revenues. And G&A costs have decreased from 27% in '06 to 26% in '07 reflecting benefits of operational excellence initiatives and lower restructuring costs.

Net income from continuing operations grew 29% in constant currencies and was driven by revenue growth, the benefits of prior year's restructuring programs and continuous cost base and operational excellence programs. Amortization and financing costs were largely in line with the prior year and taxation expense increased over '06 due to higher tax rates and the tax impact of divestitures.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Other P&L movements from the prior year were driven by the results of the disposals in the current year. The effective income tax rate on ordinary net income was 26% and in line with last year. And finally, the divestment of the Education division generated a book profit of EUR588m in net income terms.

The movement in the euro dollar exchange rates as compared to the prior year did have a dampening effect on the reported growth rates as the majority of our revenues are earned in dollar denominated areas. As noticed, our organic growth accelerated to 4% in the year and the net of acquisitions and divestments lifted growth by an additional 2%. The weakening of the U.S. dollar resulted in an average euro dollar exchange rates increasing from 1.26 in '06 to 1.37 in '07. This created a 5% downward pressure on our growth rates.

Wolters Kluwer is a global company and it's worth repeating that our exposure to the U.S. dollar is primarily translational. Our transactional exposure is small as our products are predominantly produced in the regions in which they were sold.

Ordinary net income and earnings per share as you will recall are our preferred measures. They refer to figures that adjust for amortization of publishing rights, results of disposals and exceptional items. We believe they provide a good benchmark and thus a clear picture of our underlying business performance. So this time around, ordinary net income grew 22% to EUR421m driven by organic revenue growth, the contribution of recent acquisitions, lower restructuring costs, and an improved cost base thanks to the operational excellence initiatives. Ordinary diluted EPS at constant currencies grew 35% to EUR1.48 from EUR1.09 and in actual currencies ordinary diluted EPS grew 25% to EUR1.38 from EUR1.10 last year. This reflects the impact of the weaker U.S. dollar.

As a result of the maturity of the convertible bonds in November 2006 and the share buyback program, the weighted average number of diluted shares decreased in the period to EUR305m from EUR321m in '06.

Let's move on to the balance sheet. Non-current assets are primarily goodwill and publishing rights. The decline in non-current assets in '07 is largely a result of amortization of previous acquisitions and a weaker dollar. Current assets, current liabilities and working capital are largely in line with the prior year as we continue our rigorous program of working capital management across the businesses. Operating accounts receivable and deferred income increased as a result of recent acquisitions and higher sales generated in the fourth quarter of '07. Current liabilities decreased as a result of the lower dollar.

Shareholders equity benefited from the profit for the year but was impacted by the share buyback program and the decrease of the dollar compared to the euro at year end. Non-current liabilities declined as a result of lower deferred tax and employee benefits.

And last net debt fell to EUR1.8b at year end compared to EUR2.1b as part of free cash flow and the proceeds from divestments and discontinued operations were used to redeem debt.

Now looking at cash flow. Cash flow for the year was also impacted by the dollar. The free cash flow was increased by 2% in actual currencies to EUR405m. In constant currencies free cash flow increased 6% to EUR423m bringing it in line with our guidance of EUR425m.

As the business continues to shift towards the fourth quarter, receivables have increased at the end of the calendar year, impacting the movements of autonomous working capital. Management remains focused on working capital optimization. Compared to the prior year, financing charges fell to EUR108m reflecting an increase in interest rates. This was offset by the reduction of the net debt and the premium paid in the prior year for the redemption of the convertible.

Income tax payments in '07 amounting to EUR106m were higher than in '06 mainly reflecting the one off tax refunds that were received in the previous year. Cash flow from operating activities of EUR512m grew 6% in '07 driven by strong cash flow from operations and despite higher income tax payments in '07.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Capital expenditures increased in '07 to EUR125m reflecting a step up of investments in software developments, content re-engineering and platforms to support new electronic products in both the United States and Europe. We expect capital expenditure to be approximately 4% of revenues in '08.

An examination of our primary sources and uses of cash reflects Wolters Kluwer's commitment to accelerate profitable growth while rewarding our shareholders. Sources of cash were our strong free cash flow, the proceeds from the Education divestments and other divestitures including Sdu. Uses of cash include select acquisitions in our core markets and key adjacent markets. The proceeds of the Education divestments were partially used to reduce debts to further strengthen our financial position. And finally cash was returned to shareholders in the form of dividends and our share buyback program.

Let's do a recap of the share buyback program. The program started on June 18 and concluded on December 20. In total, approximately 30m shares were repurchased at an average price of EUR21.68 per share for a total consideration of EUR645m. Wolters Kluwer now holds 10% of its outstanding shares, the statutory maximum percentage of shares the Company may hold. At the upcoming AGM we will recommend for the majority of the shares to be cancelled. Over the last five years, Wolters Kluwer has returned EUR1.5b to shareholders in the form of cash and stock dividends and share buybacks.

Acquisition activity in 2007 was limited compared to '06. The total spent was EUR198m which also includes earn outs from previous acquisitions. The acquisitions were bolt-on businesses that support our strategy of growing our leading positions and capturing key adjacencies.

Allow me to highlight a few of these. In Financial Services, we acquired Banconsumer Services and AppOne to strengthen our competitive position in the fast growing indirect lending segments. In Tax Accounting and Legal, we acquired TeamMate expanding our position in the fast growing corporate tax and accounting markets and GEE which solidifies our leadership position in the U.K. HR and Health and Safety markets.

In Continental Europe we extended our leadership position in Central and Eastern Europe with a majority participation of 55% in MCFR a leading Moscow based professional publisher.

So in summary you can see the Company has a solid financial position. Despite accelerated growth working capital remains under control demonstrating operational excellence in this area. Our free cash flow generation continues to be strong. Our net debt to EBITDA ratio is in line with our target of 2.5 times and this target gives us the flexibility to seize investment opportunities as they arise. Our debt maturity profile is well balanced over the coming years, with commitments secured through to 2011. Additionally, we have recently secured a new long term financing which I will discuss next.

Looking forwards, Wolters Kluwer has further improved its financial strength and flexibility with a 30 year bilateral private loan agreement in the amount of JPY20b or EUR126m. This 30 year agreement was signed yesterday on February 26 and carries a 6% cost of funds. So we are locking in an attractive rates for the long term.

Thank you for your attention and I would now like to turn the floor to Jack who will brief you on Springboard, the next phase of our operational excellence initiatives.

Jack Lynch - *Wolters Kluwer - Member of the Executive Board*

Thank you, Boudewijn. Good evening, excuse me, good afternoon everyone. Wish it were evening.

My purpose today is to talk to you about Springboard and how it's going to drive the next wave of operational efficiencies for Wolters Kluwer. The key point I'd like for you to take away from my presentation is this. Springboard is focused on the simplification and standardization of our core systems and processes that we use to develop, support and maintain our products globally. So the key thing is simplification and standardization of core systems and processes.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

What I'd like to do is provide you a bit of context within which Springboard will be implemented. In 2003, before Nancy took over we were a holding company with a rather diverse portfolio of semi autonomous business units. We had top down financial targets and management allocated capital evenly across high growth and low growth businesses alike. When Nancy took over she reorganized the business into four customer facing divisions, allocated capital according to strict return and investment criteria, invested in new product development, invested in sales, invested in marketing and the results you can see in this chart above. Our transformation plan produced four consecutive years of improved top line performance.

At the same time, we improved our bottom line through a number of scale leveraging initiatives. We reduced our spend on outside suppliers by over EUR30m, by aggregating purchasing power both in North America and in Europe. We consolidated our data centers in North America from 39 to 2. We reduced our real estate spend by over EUR20m through consolidation and optimization initiatives and we moved 2,000 FTEs offshore. Those scale leveraging initiatives coupled with the restructuring of underperforming businesses yielded cumulative cost savings of EUR161m on an annual run rate basis.

Still today, we have more work to do. While our front office has moved from a holding company to an integrated operating company our back office still has a lot of the non-standard systems and processes you would expect to find in a holding company. For example, today we have over 3,000 applications supporting about 50 common business functions. That creates complexity. Complexity creates cost. It also impacts cycle time, which impacts customer satisfaction and our overall competitiveness.

By simplifying and standardizing the core systems and processes that provide these common functions we will create an efficient platform for execution and free up resources to do what is clearly innovative and value creating for our customers and for our shareholders. In effect, we'll create a springboard for accelerating profitable growth.

Accordingly, Springboard is the cornerstone of our strategy to institutionalize operational excellence. It is comprised of four focus areas or what we call work streams, the first of which is multi generational technology planning, targeting the over 3,000 applications we currently have for consolidation and simplification. The second is content supply chain re-engineering which is focused on the rewiring and standardization of our content creation processes to support both online and print publishing. The third is dedicated to expanding our global sourcing efforts and the fourth is dedicated to expanding our offshoring programs. In total these initiatives will generate between EUR50m and EUR75m in run rate savings by 2011. That's in addition to the EUR161m already achieved through the transformation plan.

What I'd like to do now is go into each of these four work streams in a bit more detail. First, multi generation technology planning. Our back office systems and processes reflect the legacy of our holding company heritage where autonomous businesses made their own individual decisions on which applications they would buy, build out and support. As a result we have over 3,000 disparate applications performing similar functions at a cost of over EUR350m annually. This heterogeneous application environment includes auto-management systems, business intelligence systems, security and content management systems, in all over 50 application areas.

The aim of multi generation technology planning is to develop a roadmap to simplify our technology portfolio to better support our business requirements, reducing the amount of investment required to support the inherent variation and complexity of the portfolio. And at the same time, redeploy a portion of that savings to help businesses capitalize on new opportunities. We expect to save approximately 10% of the EUR350m current spend after we thin the herd of underperforming and redundant applications in our portfolio. Much of that optimization will be achieved by re-use of best applications that we currently own today.

The next work stream is re-engineering our content supply chain and it's targeted at two objectives. First, process inefficiency in our supply chain and second, the capability to unlock the full value of our content assets. Our goal for this part of Springboard is to leverage investments in content platforms and de-utilization that occurred in the 2004-2006 time frame as a part of our restructuring program.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Why is this important? In the print world, non-standardization is not much of a problem because the books themselves are physically separate. But in the online world you typically have one interface to search and use content from multiple products. That requires standardization and placing content from multiple products in a single repository.

When we do this, we can not only support the needs of our core markets but new niche markets as well. For example, in the Netherlands we have created a niche market product for bank compliance officers from content that traditionally resided in many titles. Unlike our printing heritage, today the incremental cost of storing digital content and distributing digital content is near zero. So we considered the long tail of demand curve where inventory storage and distribution costs are so insignificant that it becomes economically viable to sell relatively low volume products to new niche segments.

We've done this right in a number of instances already. Spain in particular is a standout because they reduced their time to market by nearly doubling the number of new products that the content factory produced. Before the re-engineering effort they had organic growth of negative 3% and after, organic growth of 8%. During the same period their EBITDA margin went from 14% to 22%. So our goal with this work stream is to bottle up what we have already accomplished in Spain and other businesses and export that know how to businesses that need to re-engineer their content supply chain and mature their capability in media neutral publishing. Not only for a mainstream customer base but for new niche markets that provide new outlets for profitable growth.

Maturing our capability is the primary focus of our third work stream, supply management. As I mentioned earlier, we have achieved over EUR30m in savings by aggregating our purchasing power in North America and in Europe. Still we can do much more by maturing our capability through three primary objectives. First use procure to pay tools improve the effectiveness of our supplier relationships and compliance with centrally negotiated agreements by our business units.

Second, expand categories such as hardware and software where we're underleveraged today. And third, leverage our global scale, connecting common supplier agreements globally where we can take advantage of incremental volume.

With these initiatives we believe we can maintain the gains we've achieved thus far while addressing a larger percentage of our total spend. Today we address about 40% of the EUR1.3b supplier spend. 75% of that EUR1.3b is in fact addressable.

Finally, doing more of what we already do today is the theme of our offshoring work stream. We've achieved great success thus far with approximately 10% of our workforce offshore working on our behalf, largely focused on software development and content production. Still we have the opportunity to expand our offshore program in four discrete areas. First extend our software development and maintenance software programs to encompass more of our European operations. Today, largely most of our offshoring is done on behalf of our North American operations.

Two, leverage our Malaysian and India content production centers for legal and regulatory content for our North American operations. Three, establish a center of excellence for software testing and quality assurance in India to be utilized by all of our Wolters Kluwer businesses. Four, expand the number of work categories we offshore today to include non value adding onshore work activities that absorb resources, categories such as BPO. Our goal is to increase the number of FTEs by 50% by the year 2011 or a total of 3,000 FTEs working on our behalf offshore.

In summary, building on our successful business transformation Springboard is the cornerstone of our strategy to institutionalize operational excellence. By simplifying and standardizing the core systems and processes we use to develop, sell and support our products globally, we'll create a springboard for accelerating profitable growth.

The program includes four initiatives, multi generation technology planning, content supply chain re-engineering, expansion of our supply management program, increased scope of our offshoring program. And finally execution of our plan will result in EUR50m to EUR75m in run rate savings.

Thank you very much. Now I'll turn it back over to Nancy.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Thanks, Jack. Now I'd like to provide you with a look at our outlook for 2008.

In 2008, our guidance is strong with double digit growth in Wolters Kluwer's ordinary EPS for a range of EUR1.52 to EUR1.57. Good organic revenue growth of 4%, a solid operating margin of 20% and strong free cash flow of approximately EUR400m. All of our divisions will contribute to these results with an overall goal of 4% organic revenue growth for Wolters Kluwer.

Since our strategy was announced in 2003, our achievements have been recognized by the market. In this time frame, Wolters Kluwer has outperformed the AEX which is our market index as well as the majority of our peer group. We believe that our 2007 performance as well as our outlook for 2008 that we shared with you today reflects our continued commitment to enhance shareholder value over the coming year.

In summary, I am pleased with our 2007 results which are in line with expectations and have laid a solid foundation upon which we can build. 2007 was a successful first year in executing our strategy to accelerate profitable growth. Across the companies, our businesses have made substantial progress in growing our leading positions, capturing key adjacent segments, exploiting our global scale and scope and institutionalizing operational excellence. I am pleased with this performance and with our continued delivery of sustainable growth and shareholder value.

Thank you very much. We're now going to open it up for Q&A.

QUESTIONS AND ANSWERS

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Could you state your name, Sami? You want to start?

Sami Kassab - *Exane BNP Paribas - Analyst*

Thank you. Good afternoon, everybody. It's Sami Kassab at Exane BNP Paribas. May I please ask you several questions?

The first one, given that you reduced from 4% to 5% to 4% your organic growth guidance for '08, could you comment on whether you see this number as the mid-term number you think the business can achieve? Or whether you think organic revenue growth should still accelerate to the 5%, around 5%? So comment on the organic revenue growth in the mid-term.

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Okay and then you'll come back with all your other questions.

I think we're having a little problem with the mike. Oh sorry, I'm already (inaudible) here. If you recall when we came out with our strategy in '06 to accelerate profitable growth we gave you broad strokes around guidance, 4% to 5% organic growth, continuous improvement in operating margins and double digit EPS growth. And we told you at that time that when we came out with our full year results that we would give you very specific guidance on our key performance indicators as well as divisional guidance.

So what we've done today is give you that specific annual goalpost to measure us against and we will do that continuously. So we believe that 4% is a solid performance. It reflects continuous building on the base of business that we have today. And we

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

believe over the medium term we'll continue to improve and that 4% to 5% was '08 and beyond. So it was never meant to be an '08 specific number. So we like our portfolio very much and we feel that we can deliver double digit earnings growth in '08 without a lot of execution risk.

Sami Kassab - *Exane BNP Paribas - Analyst*

So in the mid-term the 4% to 5% target remains, what you think the business can deliver?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Yes.

Sami Kassab - *Exane BNP Paribas - Analyst*

Secondly, can you please comment on the 20% margin guidance for '08, given the operating leverage you have in the business and the additional cost initiatives? The absence of margin progression may suggest you might be booking restructuring charges related to Springboard. If so could you quantify those? If not, could you elaborate on why margins wouldn't increase compared to '07 given the operating leverage please?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

We are -- we do continue to invest in the business. I think as we've mentioned on several occasions our commitment is to invest approximately 10% of our revenues back in product development and also to invest about 17% to 18% in sales and marketing. So those investments continue in '08.

We also continue to invest in major systems. Atlas will launch in the latter part of '08. We are also developing our dot.net platform in our tax business. So there are a number of those things that are underway that are all built into our forecast.

The program that Jack talked about, Springboard, well obviously it's a typical way that we have run these kinds of operational initiatives where we invest in the early years to get savings in the out years. So in our numbers today there is some level of investment related to rolling out the Springboard investment and again that's all baked into the numbers.

So we're not, this is not a restructuring program. Everything that we are doing is very much flowing through our operating results and that's how we will run these programs. And what we're doing is pacing the investment in Springboard such that it doesn't have a material effect on the operating income but there is some investment baked into the results.

Sami Kassab - *Exane BNP Paribas - Analyst*

I had in mind maybe erroneously, 7% of net new product development to revenue spending, the 10% --.

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

It includes our product development and our CapEx.

Sami Kassab - *Exane BNP Paribas - Analyst*

So there is no change in your -- in in the intensity of investment into new product?

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

No. What you do see and maybe you can talk about, I'll turn it over to Boudewijn, we are seeing an increase in our CapEx and why don't I let Boudewijn explain that.

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

Yes. I mean it's true, in the past we indicated 3% to 4% as a guidance forward. Now, that guidance still stands, only for this specific year, 2008, we've told you it would be approximately 4% so we actually guide you to the upper end of that range and therefore the overall investment levels will remain approximately the same for Wolters Kluwer overall.

Sami Kassab - *Exane BNP Paribas - Analyst*

And lastly, what underlying cost growth should we assume over the next four years?

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

Cost growth will be influenced by two elements. Of course the operational excellence initiatives that we were talking about, those will of course shave off some of the increases. On the other hand I think overall costs will grow by inflation.

Sami Kassab - *Exane BNP Paribas - Analyst*

Thank you.

Maurits Heldring - *Landesbanken Kepler - Analyst*

Good afternoon Maurits Heldring from Landesbanken Kepler. A couple of questions. First of all, the growth guidance for the European business is 3% to 5%. If I remember correctly growth was 5% in both Q3 and Q4, so is the guidance for '08 deliberate conservatism or is there any reason why we should expect a slowdown in the European business.

Second question is on the free cash flow, you expect a stable free cash flow at constant currencies. Why is that? Is that working capital or what is the point there?

And finally, a detail about the result on disposals in Q4, there was something like EUR27m, EUR28m loss. I think it was related to the sale of the non-strategic product line. Can you comment more on that, what that was exactly and why the loss was so large?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Okay. I'll begin and then turn it over to Boudewijn. The growth guidance for Europe, we are very pleased with our European division. If you look back to 2003 obviously we had a lot of restructuring that we needed to do. If you look at where the unit sits today, it is in very good shape. All the countries are contributing to results. And we believe the growth that we have had over the past year is certainly sustainable. It's coming from not just a few countries which was really what was going on in the past but really good growth in all the countries that represent Europe. With obviously stronger growth in some of the emerging markets in Central and Eastern Europe.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

We typically give a two point range when we begin the year, as you know, and that is what we have done with our European group. And as we head into the third quarter, as you know, we will tighten the guidance for all of our divisions. But there is nothing structural happening within Europe, we feel very good about the performance there. And again, what's very important, just something to elaborate on is that we saw double-digit growth in online in [Elteari] last year. So you're finally seeing, not just again, in one country, but really across the board very solid growth in Online and Software products. So with that, Boudewijn, can you talk about cash flow and DPW?

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

On the cash flow, the main key reason that 2008 is equal to 2007 actually there were two things. On the one hand it was the CapEx increase, all again in 2008 compared to '07. Now, that number is partly influenced by a one-time recent acquisition that we will do in the Chicago area. It turned out that are acquiring a facility there that we already operate, was cheaper than actually moving the operation and renting out -- or renting another space somewhere else. And on the other hand, we also will not have further dividends income from either STU or from [Vechin] that we received in 2007.

Now, the overall difference of the two is approximately EUR30m. So if you would actually normalize the cash flow number the cash flow would be approximately EUR430m versus the EUR405m, it's a 6% increase year on year.

On the divestments, we divested a business line in Germany. That was a business line that was acquired pre-2003. We already had, some time, an idea about either optimizing or actually divesting the business and an opportunity came by to actually sell the business which we did. Accordingly in line with that sale we had to book also a book loss. And that book loss is actually what you see in the fourth quarter.

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Yes, please. We'll do this one row so you can just keep passing the mike back and forth.

Unidentified Audience Member

[inaudible] first question, you have Professional Education business you're mentioning softening retail owning a sales shift towards online channels. Does it imply that you will have to invest and/or you losing market share there?

And second question, regarding free cash that you use, last year was a -- you said so yourself, a limited number of acquisitions. You will be again below your targeted 2.5 EBITDA leverage. Are your intentions to acquire more in '08 or can we expect more share buybacks after the AGM?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Okay, I'll begin and then next Boudewijn will talk about the use of our cash. In terms of our Professional Education business, we are not losing market share. The way we measure market share is two metrics. One is school adoptions, this is largely an education driven business. And we are either maintaining or gaining within the school adoption business.

The second way we measure market share is through what's called sell through. We sell mostly through intermediaries, wholesalers and cataloguers who then sell into retail channels. And so we measure what ends up in the aggregate market and we can look at our share in that way.

So we're not losing share, what you're seeing is that -- and we're seeing this frankly not just in Medicine and Health, but also in Legal, Textbooks as well, is that you're seeing growth through online channels and less ordering through brick and mortar,

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

traditional campus bookstores etcetera. So what happened to the Health business, particularly in the fourth quarter, is we saw some weaker or lower levels of ordering from our brick and mortar channels as they react to what's going on in the online ordering world.

So what we will be doing is obviously modifying some of our channel programs to reflect the fact that we know that the online path is the future of the business going forward. So that is how we will deal with some of this just noise that is going on, as students are shifting how they're buying these kinds of books.

Unidentified Audience Member

And does it imply new investments in Health?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

No. Typically what we're going to -- not new investments but we are going to be restructuring to just optimize two things in the Books business. One is just margins, overall, and this relates a little bit to the Springboard initiative where there is more that we can do offshore in books than we do today. So that is just the normal ongoing optimize the business type of things. And then, go-to-market it's more modifying some of our marketing plans knowing that the real growth is still going to be on the online part of what we do. So not investments, but really just changes in our business practices.

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

The use of cash, as you know we always have the same priorities, like priority number one is investing in the business either organically or through acquisitions. Secondly is, keep a healthy leverage in line with the target that we have given you, net debt to EBITDA of 2.5 times. And the third element of course is return cash or shareholder value to shareholders.

Now, the latter, I think we addressed by increasing our dividend this year, or proposing to increase the dividend this year by 10%. We believe that for the coming year there is plenty of opportunities at Wolters Kluwer and that are currently investigated, that we'll require further investments in the business and therefore I think that for the time being we will focus ourselves on the first category.

Hans Slob - *Rabo Securities - Analyst*

Yes, Hans Slob, Rabo Securities. Three questions. First with regard to the outlook for the CFS business, the growth decelerated to the 2% level in the fourth quarter. You're guiding towards 3% to 5% and especially the first half is facing some tough comparables. Do you therefore expect the business to recover in the second half or do you see other factors that can keep the growth at 3% to 5%?

Second question is regarding really to the Health Care Analytics business, what are you seeing there for '08 and can we expect a recovery or is the visibility still rather low?

And third question is to related restructuring costs for the Springboard initiative.

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Okay. I'll do the first two and then Jack will cover Springboard.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Outlook for CFS, just to again refresh everybody's memory, within the division two-thirds of the Group is our Corporate Legal Services, one-third is our Financial Services Unit of the total revenues about 30% to 40% is tied to what we would call cyclical activity, lending, IPO's, M&As, that sort of thing.

So as we move into '08, first thing is to understand fourth quarter performance. Within the fourth quarter we had 7% growth in CLS. We had a very tough comparable in Financial Services from '06 because we had the Pension Protection Act in '06 that didn't repeat itself in '07. So if you look at the effect in the fourth quarter it was largely positive at CLS and negative in FS.

So as we head into '08 what we are looking at is first we have a diverse product line within both of those units. Second, the worst of the mortgage effect is behind us in '07. As we go into '08 we are seeing good growth continuing in banking, analytics, insurance, securities and in some of our wholesale mortgage product lines. Whereas in '07 much of the pressure on CFS was coming from FS. We don't anticipate that level of pressure to be there in '08.

As it relates to CLS we clearly did see a deceleration of some of the volume levels in IPO and M&A activity in the fourth quarter. That is built into the guidance that we're giving you. Clearly, we expect that the second half of '08 will be stronger than the first half because as Hans, you pointed out, we have very strong comparables in the first half of '07. We have a diverse product line in CLS. About half of that business is representation which is a subscription and renewal business and we also have other product lines like litigation support and time metrics that are not tied to cycles. So that's the picture of how we get to the 3% to 5%.

Now, in Health Care Analytics, clearly the trough year for health in general was '07, as we had a number of legacy issues that we had to deal with both in terms of some historical journal losses as well as price compression on a large contract within Health Care Analytics. So as we go into '08 we are seeing that price compression is getting mitigated and we expect recovery in the Health Care Analytics Group, really, largely from three things. One, double-digit growth in Managed Care and Brand Analytics and those are really the product lines within Health Care Analytics that are unique and proprietary to the market. And we saw double-digit growth in those two lines in '07 and we are seeing continued, good performance there.

We are also seeing more interest in our legacy targeting and compensation line and we have renewed all of the major contracts with the exception of this one that plagued us in '07 through '08 and even in some cases even beyond that. So that is the Health Care Analytics Group. They are now integrating with our Pharma Solutions business, so again we are also restructuring the sales effort to make sure that we maximize how we go and serve the Pharma industry. So with that I'll turn it over to Jack, on restructuring.

Jack Lynch - *Wolters Kluwer - Member of the Executive Board*

Yes, I think the question was, is there a restructuring charge for Springboard and the answer is no. All the investments will run through our P&L.

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Other questions, maybe another row.

Oskar Tijs - *Kempen & Co. - Analyst*

Yes. Good afternoon. Oskar Tijs, from Kempen & Co. I have got a few more questions. The first is on the -- additional question on Health. If you assume that Health Care Analytics will improve in 2008 versus 2007, why is your guidance so conservative? You still guide just 1% to 3% growth for 2008. If Health Care Analytics would be better why is the growth not more in the range of 3% to 5%?

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

As I mentioned, we provide guidance in typically two-point ranges for each of our Divisions. One to three represents an improvement in guidance relative to where we ended up at the end of '07. And that is the guidance we're giving, so --.

Oskar Tijs - *Kempen & Co. - Analyst*

Do you actually expect growth for Health Care Analytics or a slower decline?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

No. We expect a recovery in the program. Now again, Health Care Analytics is not that big within the overall division the division is almost \$1b and Health Care Analytics as a Group is about \$160m or so, in that range. So there is a lot of other product lines. Now it's together with Pharma Solutions as well, so from a reporting standpoint it's about 325, 350, somewhere in that range.

Oskar Tijs - *Kempen & Co. - Analyst*

And then a question on your dollar exposure, could you give that at the end of 2008 -- 2007, or currently, your estimate of your dollar exposure to EBIT and interest cost for net debt so we can calculate the investment on the profit?

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

Yes, I think the overall exposure hasn't materially changed from previous years. So about 60% of EBITDA is coming from dollar denominated. Keep in mind that approximately 60% of interest payments are paid in dollars. Maybe to give you the full range of hedging here, we have a net investment hedge on the dollar assets of about 33%.

Oskar Tijs - *Kempen & Co. - Analyst*

Thank you.

Micher Fil - *SNS Securities - Analyst*

Good afternoon, Michel Fil SNS Securities. I have some small questions. The results at TAL was quite strong in the fourth quarter, are there any phasing effects in there, so -- some that were booked in the fourth quarter and normally in the first one?

Sorry to come back a little bit on Health as well, but I'm puzzling with the outlook also. Could you elaborate a little bit what you do see on the Book sales? Is there any compression due to CDO market, the Financing, what we sometimes read? And also, what is happening in your Pharma advertising market?

And you were quoted this morning, rumored, but I just want to be sure on that one, that you are planning to acquire new businesses. Is that what you mentioned, and what areas are you looking at?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Okay, in TAL, we did have very strong fourth quarter performance in TAL that was driven from three or four factors. One, a very good growth in our software business, across the board, both on Tax and Accounting.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

We also had a very strong publishing schedule both in the Legal part of our business as well as in our Tax part of the business. You also saw the contribution from small firm services. They turned organic in the fourth quarter of 2007. And finally, you saw the stabilization of the U.K. business which is now reported under the TAL results. And the U.K. did meet our expectations for '07 by getting to flat and then they will grow in '08.

So as we look to the phasing question, yes, there is some phasing in there. You typically, as you would expect, the U.S. tax season runs from January to April 15, so we -- the first few months of any new year is very little new selling going on because accountants are quite busy working on their tax returns. In addition, the publishing schedule is very much focused on third and fourth quarter in 2008. So you should see a similar kind of patterns for Walters Klower overall, but particularly in TAL where there is a lot of new products coming out in the second half.

On Health, maybe just a little, I didn't mean to be so short, Oscar, on your question. On the guidance in Health what we are seeing is improved performance in '08 that's coming from a couple of things. One is, we won -- historically again, one of the legacy issues we had in Health was the loss of journals. And these are society contracts that are multi-year, in some cases seven to ten years. So when you lose one it has a lingering effect on the results. SO if you look at '07 that was the trough year and what we see now as we head into '08 is that we have successfully renewed our '08 and beyond contracts. And we won four new journals in '07, which means that some of them begin publishing in '08 and some actually begin publishing in '09 so that we have a positive effect from that.

We also see, as I mentioned, that the price compression on the contract and the subsequent loss of that contract again, mitigates, begins to really flush out of the results as we look at '08 and '09 so that Health Care Analytics will begin to have a positive effect on our results. What we don't anticipate is any major recovery in the advertising and promotional spending on the part of Pharma. So that will clearly continue to weigh on the advertising and promotional part of the Health results.

Okay, and then new businesses, yes we continue to look, obviously, at acquiring bolt on acquisitions. Our acquisition strategy has not fundamentally changed. We look to acquire businesses that either allow us to roll up a current market position that we have. Again, some of the things that we do in Europe where we bought Karl Heinans or in the past bought Dagostini to increase our share position. And we're also looking to extend into adjacent markets. We're very focused on financial services and focused within health in certain areas, particularly around decision support tools and other kinds of online oriented kinds of products.

And then within Europe we continue to look East, not just in Eastern Europe but also Asia as well.

Other questions?

Conrad Zelmer - *Chevreaux - Analyst*

Hello, it's [Conrad Zelmer at Chevreaux]. Two questions please. The first, on your growth in your Online and Workflow Solutions business, can you tell us what, for the Group, overall the growth rate was for 2007? And has that accelerated towards the latter part of the year?

And the second question is on Health. From memory, after the Q3 results when you reported very decent growth, organic growth in the Health, from memory something like 4% it sounded a little bit like you thought that Q4 organic growth in Health was going to be more or less in line with that 4% number of the third quarter and was not going to be similar to the organic growth in the first half of last year which was, from memory flat. What has changed since then, because obviously the minus 1% performance for the fourth quarter was a little bit disappointing to some people. And it sounds a little bit like some things have happened in Q4 that you didn't anticipate at the end of the third quarter. Thank you.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

I think I mentioned in my opening remarks that our Online growth overall for Walters Kluwer was 9%. What we saw was very good growth in Europe and TAL and still growth within Health and CFS, but the real stars were Europe and Tax Accounting and Legal. I think very importantly we will be seeing Online and Software Solutions grow throughout Europe where again, if I reflect back three or four years ago it was very much concentrated in a couple of countries. So we view that as a very strong platform on which we can grow. And similarly, in TAL, what you see is that our whole product strategy in that Group is building what we call integrated products which is information, software, workflow tools that all work together, so that we're going to customers and really providing them with a whole solution for what they do. And that has been very compelling, not just in the United States, but also now in Canada and Australia where we are rolling out ProSystem throughout those geographies.

A couple of star products in those areas, we've had very good continued performance with Engagement which is our paperless audit product, as well as with Scan and Document. And those are again, products that we think we can take into new geographies because they're not, the workflow tools are not really specific to regulatory activities. So that is the online picture.

Health, I think when we came and saw you in the -- with our half year results last year, we had a slide that enumerated I think ten to 12 different factors that drive our third and fourth quarter Health business. If you look at those factors the majority of them did happen.

We had two things that came in below our expectations. One was advertising softened and promotional spending softened and that impacted not just our Advertising Journal business but also our Book programs. We run these bulk book programs for Pharma as well as some of our traditional Pharma Solution product lines like journal reprints etcetera.

The other thing was the lower than expected sales in Books as again, as I mentioned, we saw a shift from traditional brick and mortar ordering to online ordering. And as a result of that typically the fourth quarter is when our wholesalers order for the winter semester and they're ordering was below what we wanted to see.

Others? Sami?

Sami Kassab - *Exane BNP Paribas - Analyst*

Thank you. Can I ask you a few follow-up questions please? The first one on the acquisitions you made in '07. It seems that an aggregate margins of the acquired company were below 10%. Can you tell us where and what companies had negative margins in '07 or below 10% margin level and where you can achieve growth there?

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

What you see here is the pro rata of core contribution and then of course you can come to a negative number. Overall, on an annualized basis the average margin of the acquisitions is above the average margin of Wolters Kluwer. And I think one of the larger acquisitions from which we benefited in 2007 is as we recall the SFS, Small Form Services within TAL that supported the margin of that core situation.

Sami Kassab - *Exane BNP Paribas - Analyst*

Thank you.

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

So we have to actually analyze the number to come to the right conclusion.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Sami Kassab - *Exane BNP Paribas - Analyst*

Can you help us understand the potential of the U.K. for CFS please?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

One of the things that you see going on that we are actually really enthusiastic about is because we have, and we're really quite unique in the market where we have this balance between North America and Europe, in terms of our footprint and the kinds of products, that we are really beginning to see, and this is a great opportunity for us, true globalization.

In the past Health Care was our only real global business because Health Care is largely English language. And now what you see is that as we move more and more into software solutions and workflow tools that they are able to be brought into new geographies.

So we've had good success with ProSystem in not just Canada and Australia but also some of the products in the U.K. as well. We've also taken some of our Italian workflow solution products into France. And what we see in securities which is really interesting, is a lot of what we do in Corporate and Financial Services relates to securities and banking laws and regulations.

And what you see going on, globally, is there is a bit of this convergence happening in terms of how companies are being regulated. And so as a result of that we see the U.K. as a first kind of beach head as we expand also into Continental Europe. And what happened in '07 that again we're quite excited about in terms of what it means for the future, is that we secured BP as a sort of a marquis account in the UK for our TyMetrix product. That is an e-billing product that corporations use to deal with -- they're at law firms, as it relates to litigation. And from that we will continue to build the business.

We are also taking some of our Financial Service products that relate to risk management and compliance, security compliance, into the UK. So we think there are some good opportunities there. And again, it's because we have these unique tools and we also see that there is convergence beginning to happen.

Sami Kassab - *Exane BNP Paribas - Analyst*

Would you say that the U.K. accounts for half the guidance in organic revenue growth in CFS in '08?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Oh no. Nothing close to that. No. Still early days, but very exciting.

Sami Kassab - *Exane BNP Paribas - Analyst*

And lastly, if I may finish on asking, the issue of the Textbook business in the Health segment. We had, at the end of Q1 you said that wholesalers had delayed their orders. Can you reconcile the Q4 and the Q1 statement? Is it -- do you see in the Q1 numbers already the signs of this shift and was that the reason why wholesalers had delayed their orders or are these two completely different issues between the Q1 and the Q4 in the Textbook?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Yes. I think what we saw in '07 is typically this is a very traditional business which we've been in for a long time. And typically it was a very stable kind of pattern of buying behavior that we were able to predict with a lot of confidence.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

And what we saw in '07 is because you see a lot of these new channels, online channels, and again we see this now in legal education, other things growing. What that meant is our traditional channels began to reassess how they wanted to buy. So some of the predictability that's ultimately tied to the fact that there is a winter semester and then a spring semester in schools, some of the patterns have got shifted between the quarters. And that's what -- as I mentioned, as we think about optimizing our Book business not only are we focused on the cost side and in doing some more with offshoring but we're also going to focus on this go to market. So that we can adjust our way of dealing with both the legacy channels and the online ordering channels.

So it's just -- I think you just see these normal shifts going one whenever you see a major, new channel kind of emerge in the market place. And it's really just taken hold in the last 12 to 24 months. And again, not just in Health, we also saw the same kind of thing in Legal Ed as well.

Sami Kassab - *Exane BNP Paribas - Analyst*

And would you say it's just an ordering issue, so changing the ordering channel or is it a product format? People using less textbook and going to other formats of your products?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

No. The underlying business is still very much content centric so the key to winning the business is to have a very strong front list which we had in '07 as well as continue to get good adoption in the schools. That's ultimately how you win. What you see is that -- when I was in school, I'll tell you from my own behavior, we used to go and buy the books in the campus bookstore and that's how buying occurred. Now, the students just buy online and as a result of that you get these shifts going on in some of the traditional channels and we need to tailor our own, both expectations, but also our own business models to react to that change. And that's what we will be doing throughout 2008.

Sami Kassab - *Exane BNP Paribas - Analyst*

Thank you.

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Sami, I probably should mention the reason that we see this, and maybe some of our other competitors don't, is we don't go direct. We go through intermediaries, and that's always how we've worked with things.

Sami Kassab - *Exane BNP Paribas - Analyst*

And they don't put your book on Amazon?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

No. No of course, that's a big channel, but we deal through intermediaries to get to the retail channels. Some of our competitors go direct to retail. Just to be clear, about why our model might be different than someone else's.

Kevin Entricken - *Wolters Kluwer - VP IR*

Nancy, Boudewign and Jack, we've got a few questions from our group that is joining us on the web cast.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Jack, there's been a number of questions on Springboard, so I'm going to sort of group them all together and ask you, can you talk a little bit about the cost savings on Springboard? Will that improve margins, will those savings be reinvested in the business? And maybe talk a little bit about the investments necessary for springboard?

Jack Lynch - *Wolters Kluwer - Member of the Executive Board*

Yes. As I indicated in the presentation it will produce savings of EUR50m to EUR75m in run rate by 2011. And so those are savings, net, that will result in margin improvement. They will not be savings to be deployed for other investments.

Kevin Entricken - *Wolters Kluwer - VP IR*

Also, with regard to Springboard we have a question from [Ous Mengazi] at Dresdner, regarding content standardization. Will that be done on a division-by-division basis or do you envision a larger content platform?

Jack Lynch - *Wolters Kluwer - Member of the Executive Board*

The approach that we're taking is replicating best practices from one part of the enterprise to other parts of the enterprise. But really, the content supply chain or the content factory if you will, is run by the divisions and the businesses.

Kevin Entricken - *Wolters Kluwer - VP IR*

Boudewijn, we've got a number of financial questions. One, can you give us some guidance on the tax rate and interest charges in 2008?

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

Yes, I think the tax rate, as I indicated in my presentation, will be more or less in line with the 2007, so around 26%. And in terms of the financing costs will be approximately around EUR100m.

Kevin Entricken - *Wolters Kluwer - VP IR*

Also, can you talk about the product development spend in 2007 and an indication of what that was? I think you said earlier it was in the range of 10%. Is that correct for 2007?

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

The overall number remains the same, correct.

Kevin Entricken - *Wolters Kluwer - VP IR*

Very good. I think what we've got is most of those questions from our webcast have been aggregated or asked in the room today so I would say are there are any other final questions that anyone would like to pose?

Oskar?

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Oskar Tijs - *Kempen & Co. - Analyst*

I've got two additional questions. First, about the remark that Wolters Kluwer deals with intermediary and competitors deal directly with retail. What's your reason to work like this and then could you change that or would it be beneficial or negative?

And the second is that I still not fully understand that the organic sales growth will be levered towards the second half this year. I do understand it for CFS, but not for the other segments. Could you still say if it's for all segments or it's just for CFS that is going to have that effect for all company?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

First is we -- when I mentioned, we go through intermediaries because that's how it's always been. As I say, this has been a very traditional business for us and historically we never had the logistical capabilities in-house and pre the new world, there were not necessarily outsourcers that you could go to to handle this. In addition, the intermediaries perform a very valuable function in some cases, in terms of supporting marketing programs etcetera. So in the past they've been very good partners for us in promoting our titles etcetera.

As we look to where the business is headed from a ordering perspective we are looking at modifying how we go to market. And so we're taking sort of a fresh look at that. I doubt that it will lead to a dramatic change in what we do, but we are certainly taking a fresh look to make sure that we optimize how we go to market.

On the second half, first half, I think as you know we typically are a third and fourth quarter weighted business. That has to do with two major factors. One is the inherent seasonality, for example in the tax business. Based on when our accountants file etcetera. And some of it has to do with our front list.

And so if you look at every single one of our businesses whether it's Europe or TAL or Health, we still have a substantial amount of our business in the third and fourth quarter either because we have renewals that are timed in that way. If you look for example at Ovid, in the Health business it's a fully online business but many, many of the renewals happen in the second half of the year. As well as in some of our traditional content businesses, we still have the concept of a front list and year end edition and that drives a lot of the buying behavior in the third and fourth quarter.

Unidentified Audience Member

Yes. It's another question for me please. On the performance of the Group as a whole, in terms of organic growth and in terms of margin development, you've obviously come a long way and the gap between Wolters Kluwer and most of your big competitors has narrowed significantly in the last three or four years.

And over that period it's been quite understandable for investors I guess, why that gap was there, because you were doing a major restructure of the business. Now that that restructuring is complete and obviously a lot of credit to the company for that, but it seems like in a way it sort of stalls a little bit in terms of margin improvement and in terms of top line growth. It's very hard for me to understand why the growth of the business keeps lagging some of your competitor's growth because I can't justify it in terms of the quality of your content or your geographical business mix or the different divisions.

Is there a feel within your company that you are able, longer term, to catch up with your main competitors in terms of top line growth and margins or are there any reasons why that will always or, well, for the next few years, will continue to be at a lower level?

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

We are actually very pleased with our growth performance, because in this kind of business where it's largely subscription, as you know it's -- you have about a 12-month lag between when you sell something new and you see the full value of that.

So if you go back to when we started as a management team, in the Fall of '03, we had minus 2% organic growth. So we have been moving that over the last four years in the right direction. So we like our assets. We think as more and more of our businesses can go global we have a great opportunity to continue to grow the business and we believe that our portfolio can perform as well as our competitors. And in some cases we are outperforming them in certain segments of the business.

I will say, not all of the portfolios are exactly alike. So there are some inherent differences in what we do. But if you look at where we are we are either at the market because we represent the market or performing above the market with a couple of exceptions, for example Health Care Analytics and in the Health business. So we like our assets. We believe we will get to higher levels of growth as we look over the medium term.

Should we end there, oh, one last question, maybe?

Unidentified Audience Member

(Inaudible - microphone inaccessible) I just wanted to confirm -- one question on the financial costs '08, was it about EUR1m, that you mentioned?

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Financing costs, yes.

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

EUR100m, correct.

Unidentified Audience Member

All right, then I have a question about your EPS growth which is still double digit, but if you look at the 4% revenue growth, assuming a bit of margin improvement and taxes stable, financial costs are stable, how do you arrive at double digit EPS growth?

Boudewijn Beerkens - *Wolters Kluwer - CFO & Member of the Executive Board*

Well, the -- on the one hand, the underlying growth in margins is slightly there. On the other hand we of course have the impact of the buyback that also helps. So if you add the two together actually you will come to a double digit number.

Nancy McKinstry - *Wolters Kluwer - CEO & Chairman of the Executive Board*

Okay. Well thank you. We'll leave it there. Thank you very much.

Feb. 27. 2008 / 7:00AM, WTKWY - Q4 2007 Wolters Kluwer NV Earnings Conference Call

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