Wolters Kluwer

Wolters Kluwer 2015 Half-Year Report

July 29, 2015 – Wolters Kluwer, a global leader in professional information services, today released its 2015 half-year results.

Highlights

- **Full-year outlook reiterated.**
- **First-half revenues up 3% in constant currencies and up 2% organically.**
  - Leading, growing positions grew 7% organically (52% of total revenues).
  - Digital & services revenues grew 5% organically (84% of total).
  - Growth in North America and Asia Pacific outweighed decline in Europe.
- **First-half adjusted operating profit €391 million, up 5% in constant currencies.**
- **First-half diluted adjusted EPS €0.79, up 5% in constant currencies.**
- **Adjusted free cash flow €170 million, broadly stable in constant currencies.**
- **Leverage ratio net-debt-to-EBITDA 2.1x.**
- **€140 million share buyback completed on July 1.**
- **Announcing intent to pay interim dividends, starting with €0.18 in October 2015.**
- **Corporate Legal Services and Financial & Compliance Services to be combined, enabling us to pursue opportunities in governance, risk & compliance markets.**

Interim Report of the Executive Board

Nancy McKinstry, CEO and Chairman of the Executive Board, commented:
"Our first half performance is encouraging. Organic growth improved to 2%, supported by our leading, high growth businesses and reinforced by strong transactional revenues in North America. The ongoing shift in business mix and our efficiency programs drove underlying margin increase. We have stepped up investment in product development and sales and marketing to build future growth, and we remain confident we will meet our guidance for 2015."

Key Figures 2015 Half-Year:

Six months ended June 30 *(in millions of euros, unless otherwise stated)*	**2015**	**2014**	**Δ**	**Δ CC**	**Δ OG**
Business performance – benchmark figures					
Revenues	2,015	1,716	+17%	+3%	+2%
Adjusted operating profit	391	313	+25%	+5%	+4%
Adjusted operating margin	19.4%	18.2%			
Adjusted net profit	235	190	+24%	+5%	
Diluted adjusted EPS (€)	0.79	0.63	+24%	+5%	
Adjusted free cash flow	170	136	+25%	-1%	
Net debt	2,069	2,227	-7%		
IFRS results					
Revenues	2,015	1,716	+17%		
Operating profit	281	214	+31%		
Profit for the period	162	200	-19%		
Diluted EPS (€)	0.55	0.67	-19%		
Net cash from operating activities	245	188	+30%		

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth. Benchmark (adjusted) figures are performance measures used by management. See Note 5 for a reconciliation from IFRS to benchmark figures. IFRS: International Financial Reporting Standards as adopted by the European Union.

Full-Year 2015 Outlook

Our guidance for the full year is unchanged. We note that comparables become more challenging in the second half, particularly for Corporate Legal Services and Financial & Compliance Services, and investments will be second-half weighted. As indicated in February, this year we intend to further sharpen our portfolio towards our leading, high growth businesses, to step up organic investment in digital products, and to continue to drive efficiencies. We expect the adjusted operating profit margin to increase in 2015. We currently expect restructuring costs to be approximately €35 million for the full year (2014: €36 million) and to occur mainly in Legal & Regulatory Solutions. The table below provides our guidance for the full-year.

2015 Outlook

Performance indicators	2015 guidance
Adjusted operating profit margin	21.0%-21.5%
Adjusted free cash flow	€500-€525 million
Return on invested capital	≥ 8%
Diluted adjusted EPS	Mid-single-digit growth

Guidance for adjusted free cash flow and diluted adjusted EPS is in constant currencies (EUR/USD 1.33). Guidance for EPS growth reflects the announced share repurchases. Adjusted operating profit margin and ROIC are in reporting currencies.

Our guidance is based on constant exchange rates. Wolters Kluwer generates more than half of its revenues and adjusted operating profit in North America. As a rule of thumb, based on our 2014 currency profile, a 1 U.S. Dollar cent move in the average EUR/USD exchange rate for the year causes an opposite 1 euro-cent change in diluted adjusted EPS. Currency is expected to have a more significant influence on results in 2015 than in recent years.

For the full-year, we expect adjusted net financing costs of approximately €100 million excluding the impact of exchange rate movements on currency hedging and intercompany balances. Including the effect of currency and assuming June period-end exchange rates (including a EUR/USD rate of 1.12) prevail until year-end, we estimate adjusted net financing costs of around €125 million. We expect the benchmark effective tax rate to be between 27% and 28% in 2015. We expect our cash conversion ratio to return towards historic average of 95%, and capital expenditure between 4% and 5% of revenue. Our guidance assumes no significant change in the scope of operations. We may make further disposals which could be dilutive to margins and earnings in the near term.

2015 Outlook by Division

Legal & Regulatory: we expect Corporate Legal Services (CLS) to achieve organic revenue growth, albeit at a more moderate pace in the second half due to challenging comparables. We continue to expect organic decline in Legal & Regulatory Solutions, due to weakness in print formats and still challenging economic conditions in Europe. Margins are expected to be constrained by cost inflation, increased restructuring in Legal & Regulatory Solutions, and additional product investment.

Tax & Accounting: we expect full year organic revenue growth to be similar to 2014, with growth in software solutions more than offsetting ongoing decline in print formats and bank product revenues. We expect full year margins to improve even with increased product investments.

Health: we foresee steady organic revenue performance, supported by robust growth in Clinical Solutions. Health Learning Research & Practice (the new name for the combined Medical Research and Professional & Education units) is expected to see growth in digital revenues offset by continued decline in print formats. Margins are expected to rise despite increased product, sales and marketing investment and additional restructuring.

Financial & Compliance Services: we expect the division to achieve positive organic growth driven by our Finance, Risk & Compliance and Audit units, with comparables becoming challenging in the second half. In Originations, the outlook for mortgage volumes remains mixed, but new U.S. lending regulations (TILA RESPA) are providing opportunities for growth.

Strategy

Wolters Kluwer provides legal, tax, accounting, health, and financial compliance professionals the essential information, software, and services they need to make decisions with confidence. Our strategy, which aims to accelerate our organic revenue growth and improve returns, is centered on the following three imperatives:

- **Expand our leading, high growth positions**. We are focusing the majority of our investment on high growth segments in our portfolio where we have achieved market leadership. These positions, which include Corporate Legal Services, Tax & Accounting software, Clinical Solutions, and Finance, Risk & Compliance and Audit, provide global expansion opportunities. In addition, we will continue to drive growth in digital solutions and services across all divisions.
- **Deliver solutions and insights.** We continuously invest in our products and services to deliver the tailored solutions and insights our professional customers need in order to make critical decisions and increase their productivity. We are investing in mobile applications, cloud-based services, and integrated solutions. Product investment, including capital expenditure, is expected to remain approximately 8-10% of revenues in the coming years.
- **Drive efficiencies.** We will continue to drive efficiencies in areas such as sourcing, technology, real estate, organizational processes, and distribution channels. These operational excellence programs will deliver cost savings to support investments and margin expansion, while mitigating cost inflation.

New Divisional Organization

Wolters Kluwer will combine Corporate Legal Services and Financial & Compliance Services into a new division in order to pursue deeper synergies between these businesses and leverage their combined leadership, domain expertise, and technology skills to deliver greater value to our customers. The new division — to be named GRC Solutions — provides us with the opportunity to better serve our global legal and financial customers as we continue to see markets for governance, risk, and compliance solutions converge.

Wolters Kluwer GRC Solutions will be led by Richard Flynn, currently Group President & CEO of Corporate Legal Services. As a result, Legal & Regulatory Solutions will become a stand-alone division under the continued leadership of CEO Stacey Caywood.

Our internal audit software unit (Audit*)* will be transferred to the Tax & Accounting division, facilitating closer links with our corporate tax and accounting customers. The internal audit software product, *TeamMate,* will continue to be offered as part of the *OneSumX* platform for financial services.

We will report our full-year 2015 results under both the current structure and the new divisional organization.

Dividend Policy; Introducing Interim Dividends

Wolters Kluwer has a progressive dividend policy under which the company aims to increase the dividend per share each year. The dividend pay-out ratio will therefore vary from year to year. The 2014 financial year marked the 9th consecutive annual increase in dividend per share under this policy. For more than 25 years, the company has either increased or maintained its dividend per share.

Wolters Kluwer plans to move to semi-annual dividend frequency starting with an interim dividend for the current year. Following and subject to a final resolution, we intend to declare an interim dividend on September 22, 2015. The intention is to set the interim dividend at 25% of the prior year's total dividend. The ordinary shares will trade ex-dividend on September 24, 2015 and an interim dividend of €0.18 per ordinary share will then be distributed on October 12, 2015. (ADR dividend payment date: October 19, 2015). This change aligns the timing of our dividend payments more closely with operating cash flow generation.

The final dividend payment over the 2015 financial year remains planned for May next year and is subject to approval at the Annual General Meeting of Shareholders in April 2016.

Anti-Dilution Policy and Share Buyback 2015

Wolters Kluwer has a policy to offset the dilution caused by its annual performance share issuance with share repurchases. In line with this policy, the company earlier this year announced its intention to repurchase up to €40 million in shares in 2015. In addition, we announced a plan to repurchase an additional amount of shares for up to €100 million, bringing the total intended buyback to €140 million in 2015. Under this program, which was completed on July 1, 2015, we repurchased a total of 5 million shares for a total consideration of €140 million (average price €28.13).

First-Half 2015 Results

The interim financial statements have not been audited or reviewed.

First-half 2015 revenues increased 17% overall to €2,015 million, reflecting the depreciation of the Euro against the U.S. Dollar, British Pound and other currencies. Excluding the impact of exchange rate movements, revenues grew 3%. Excluding also the effect of acquisitions and divestitures, organic revenue growth was 2%, an improvement on the comparable period (HY 2014: 1%).

By geographic region, North America saw an acceleration in organic growth to 5% (HY 2014: 1%) supported by all divisions. Revenues generated in Europe declined 2% organically (HY 2014: 0%) as deterioration in Legal & Regulatory Solutions outweighed improved trends in Tax & Accounting and Health in Europe. Asia Pacific & Rest of World saw steady 6% organic growth (HY 2014: 6%) with improved momentum in Tax & Accounting offsetting slower growth for Health and Financial & Compliance Services in this region.

Benchmark Figures

First-half adjusted operating profit was €391 million, up 5% in constant currencies. The adjusted operating profit margin increased by 120 basis points to 19.4% (HY 2014: 18.2%) due to the effect of currency translation, the ongoing shift in business mix in favor of higher margin digital businesses, as well as the effect of operational gearing and efficiency programs. Adjusted operating profit included restructuring costs of €22 million (HY 2014: €19 million).

Adjusted net financing costs were €67 million compared to €49 million in first half 2014. Adjusted net financing costs included a net foreign exchange loss of €16 million mainly due to the revaluation of intercompany financial assets and liabilities into Euros. This currency revaluation loss, which was primarily as a result of the stronger U.S. Dollar, does not impact cash flow. In constant currencies, adjusted net financing costs were flat. Adjusted net financing costs exclude the financing component of employee benefits, results of investments available-for-sale, and disposal and/or revaluation gains/losses on equity-accounted investees and/or investments available for sale.

Adjusted profit before tax was €324 million, up 24% overall and up 7% in constant currencies. The benchmark effective tax rate was 27.5% (HY 2014: 27.7%). Adjusted net profit for the period was €235 million, up 24% overall. Diluted adjusted EPS was €0.79, up 24% overall and up 5% in constant currencies.

IFRS Reported Figures

Reported operating profit, which includes amortization of acquired intangibles and non-benchmark items increased 31% to €281 million (HY 2014: €214 million) mainly reflecting the exchange rate movements and underlying growth in adjusted operating profits.

Financing results amounted to a net cost of €69 million compared to a positive net income of €25 million in the comparable period. The prior period included a €76 million revaluation gain on the non-controlling interest in Datacert. Profit before tax decreased 11% to €213 million (HY 2014: €238 million).

The reported effective tax rate increased to 23.4% (HY 2014: 15.8%), mainly due to the absence of last year's non-taxable gain on the revaluation of the non-controlling interest in Datacert.

Total profit for the period decreased 19% to €162 million (HY 2014: €200 million) reflecting the absence of the Datacert revaluation gain and the currency revaluation loss. Diluted EPS also fell 19% to €0.55 per share.

Cash Flow

Adjusted cash flow from operations was €340 million, up 15% overall and stable in constant currencies. This performance reflected the expected decline in cash conversion to 87% (HY 2014: 94%) as a result of working capital movements and increased capital expenditure. Capital expenditure rose 33% overall and 15% in constant currencies to €84 million (4.2% of revenues) compared to €63 million in the first half of 2014 (3.7% of revenues). The increase in capex was largely due to investment in new product development in Tax & Accounting and Health.

Paid financing costs declined to €82 million. The comparable period included an additional coupon payment relating to our €700 million Eurobond which matured in January 2014. Corporate income tax paid was €68 million, including a €22 million benefit primarily related to previously divested assets. Excluding this one-off settlement, the underlying increase was due to phasing in several countries and the absence of refunds received in the first half of last year.

Adjusted free cash flow was €170 million, up 25% overall and down 1% in constant currencies (HY 2014: €136 million). Cash spending against Springboard restructuring provisions were absorbed in adjusted free cash flow (it was previously treated as a non-benchmark item). Adjusted free cash flow excluded a €5 million one-off transactional tax payment related to last year's consolidation of platform technology and a €22 million tax receipt relating to previously divested assets.

Acquisition spending, net of cash acquired, was €38 million (HY 2014: €166 million) and included €20 million relating to deferred payments on acquisitions made prior to 2015. The principal acquisitions in the first half were SBS Software, an accounting and payroll solutions provider in Germany; Basecone, an accounting workflow solutions provider in The Netherlands; and SureTax, a telecoms tax calculation engine in the U.S.

Cash dividend payments increased to €211 million. A total of €134 million was spent on the share buyback program during the first half of 2015, with the remainder of the share repurchases settled in July.

Net Debt and Leverage

Net debt was €2,069 million at June 30, 2015, reduced from €2,227 million a year ago but up from €1,897 million at year-end 2014.

The leverage ratio, based on net debt and rolling twelve months' EBITDA, was 2.1x as of June 30, 2015 (HY 2014: 2.6x). Our target leverage ratio remains 2.5x.

In June 2015, Wolters Kluwer concluded a one-year extension to our €600 million multi-currency revolving credit facility from July 2019 to July 2020, retaining an option to extend by another year.

Operating and Divisional Review

Group organic growth of 2% was supported by three divisions: Tax & Accounting, Health, and Financial & Compliance Services. Within Legal & Regulatory, Corporate Legal Services achieved 8% organic growth, entirely offsetting the decline in Legal & Regulatory Solutions in the period.

Divisional Summary – Six months ended June 30

(in millions of euros, unless otherwise stated)	2015	2014	Δ	Δ CC	Δ OG
Revenues					
Legal & Regulatory	792	710	+12%	+2%	0%
Tax & Accounting	529	454	+17%	+3%	+3%
Health	465	365	+27%	+5%	+5%
Financial & Compliance Services	229	187	+22%	+5%	+5%
Total revenues	**2,015**	**1,716**	**+17%**	**+3%**	**+2%**
Adjusted operating profit					
Legal & Regulatory	141	128	+10%	-7%	-9%
Tax & Accounting	143	106	+35%	+17%	+16%
Health	93	73	+27%	+4%	+4%
Financial & Compliance Services	36	28	+31%	+11%	+11%
Corporate costs	(22)	(22)	-1%	-4%	-4%
Total adjusted operating profit	**391**	**313**	**+25%**	**+5%**	**+4%**

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth.

Digital products (71% of total revenues) continued to drive the group's momentum, growing 6% organically in the first half (HY 2014: 5%). Services revenues increased 1% organically (HY 2014: 0%), with growth in CLS legal representation and F&CS professional services partly offset by softness in training, bank products, and other services. Underlying print revenues declined 9% (HY 2014: 10% decline).

Revenues by Media – Six months ended June 30

(in millions of euros, unless otherwise stated)	2015	2014	Δ	Δ CC	Δ OG
Digital	1,424	1,157	+23%	+7%	+6%
Services	271	230	+18%	0%	+1%
Print	320	329	-3%	-10%	-9%
Total Revenues	**2,015**	**1,716**	**+17%**	**+3%**	**+2%**

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth.

Legal & Regulatory

- Corporate Legal Services achieved 8% organic growth, lifted by strong transaction volumes.
- Legal & Regulatory Solutions declined 4% organically, in line with second half 2014 trends.
- Margin eased, reflecting increased restructuring and investment.

Legal & Regulatory – Six months ended June 30

(in millions of euros, unless otherwise stated)	**2015**	**2014**	**Δ**	**Δ CC**	**Δ OG**
Revenues	792	710	+12%	+2%	0%
Adjusted operating profit	141	128	+10%	-7%	-9%
Adjusted operating margin	17.8%	18.0%			
Operating profit	103	96	+8%		
Net capital expenditure	24	21			
Ultimo FTEs	7,333	7,590			

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth.

Wolters Kluwer Legal & Regulatory revenues increased 2% in constant currencies, reflecting the effect of 2014 acquisitions (Datacert and LexisNexis Poland) partly offset by 2014 divestments (Canadian legal assets and title sales). On an organic basis, revenues were flat (HY 2014: 1% decline). The improvement was driven by accelerated growth in Corporate Legal Services, which offset decline in Legal & Regulatory Solutions. The divisional adjusted operating profit margin declined 20 basis points, reflecting increased restructuring costs and higher investment in sales and marketing. IFRS operating profit increased 8% overall.

Corporate Legal Services (40% of divisional revenues) increased revenues by 13% in constant currencies, driven by organic growth and the consolidation of Datacert for a full six months. Organic growth accelerated to 8% (HY 2014: 3%), buoyed by 12% growth in CLS transaction revenues (HY 2014: 3%). Recurring software and services subscription revenues also gained momentum. *CT Corporation* delivered robust growth, with transaction volumes buoyed by company formations, service of process, and other filings. *CT Lien* enjoyed a recovery in UCC search and filing volumes related to the U.S. commercial lending cycle. *Corsearch* benefitted from one-time projects and greater trademark search activity. In Enterprise Legal Management, the combined *Datacert* and *TyMetrix* delivered double-digit organic growth, supported by software subscriptions and higher transactional revenues.

Legal & Regulatory Solutions (60% of divisional revenues) revenues declined 4% in constant currencies. The effect of last year's acquisition of LexisNexis Poland broadly offset the disposal of our Canadian legal business and other small assets. Organic decline deteriorated slightly to 4% (HY 2014: 3% decline), but was in line with second half 2014 trends. Digital revenues, which accounted for 49% of Legal & Regulatory Solutions revenues, continued to grow, supported by new products and enhancements to technology platforms. In the U.S., we launched our new online research platform, *Cheetah*, offering faster search and seamless access via mobile devices. Print subscriptions, books, training, and other services revenues remain weak, in particular as governments and law firms in Europe continue to tightly manage budgets. Margins were impacted by higher restructuring costs, as we expanded initiatives to streamline editorial and production functions across Europe. We are reviewing our Russian entity, in which we have an interest of 55%, in light of changing rules on foreign ownership in Russian media companies.

Tax & Accounting

- Software revenues (70% of divisional revenues) up 5% organically, growing worldwide.
- Print content, training, and bank products remain in decline, as expected.
- Margin up 360 basis points reflecting lower restructuring costs and efficiency savings.

Tax & Accounting – Six months ended June 30

(in millions of euros, unless otherwise stated)	**2015**	**2014**	**Δ**	**Δ CC**	**Δ OG**
Revenues	529	454	+17%	+3%	+3%
Adjusted operating profit	143	106	+35%	+17%	+16%
Adjusted operating margin	27.0%	23.4%			
Operating profit	105	71	+48%		
Net capital expenditure	23	15			
Ultimo FTEs	5,801	5,614			

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth.

Wolters Kluwer Tax & Accounting revenues increased 3% in constant currencies, nearly all of which was organic. The effect of 2014 and 2015 acquisitions was partially offset by small divestments. Across the division, software revenues grew 5% organically. We are increasingly leveraging technology investment across geographies: in the first half, *CCH iFirm,* our cloud-based practice management solution, which was originally developed in Australia, was launched in the U.S. for small CPA firms and introduced to India. The adjusted operating profit margin increased largely due to lower restructuring costs compared to a year ago, as well as the effect of operational gearing and efficiency programs. As a result, IFRS operating profit increased 48%.

Tax & Accounting North America (60% of divisional revenue) achieved positive organic growth, supported by software solutions. *CCH ProSystem fx*, our leading on-premise software solution for U.S. professionals, continues to deliver good organic growth. Our new cloud-based suite, *CCH Axcess,* converted both new and existing users and accounted for over 40% of new U.S. software revenues in the first half. Small Firm Services saw improved organic growth as software performance outweighed the continued market-wide decline in bank products. In Research & Learning, our U.S. tax publishing business, print formats remain in decline, but we continue to invest in digital products, recently winning a string of industry awards for *CCH Intelliconnect Browser Search*.

Tax & Accounting Europe (30% of divisional revenue) saw further improvement in organic momentum, helped by Spain and Italy, and favorable revenue timing. Momentum was driven by our traditional on-premise software products across the region and a small but fast-growing array of cloud-based solutions, including the *Twinfield* accounting suite which sustained double-digit organic growth. Training and other services revenues remain soft in Europe. Despite continued investment in cloud-based and collaborative solutions, margins improved.

Tax & Accounting Asia Pacific & Rest of World (10% of divisional revenue) in aggregate saw improved organic growth, partly benefitting from phasing. In Asia Pacific, software performed well, more than offsetting weaker trends in print. The newly acquired Dingxin Chuanzhi audit software business performed in line with expectations. In Brazil, Prosoft delivered positive organic growth despite the downturn in the Brazilian economy.

Health

- Clinical Solutions sustained double-digit organic growth, led by *UpToDate*.
- Health Learning, Research & Practice completed its integration and held revenues stable.
- Margins reflect first-half weighted restructuring and investment.

Health – Six months ended June 30

(in millions of euros, unless otherwise stated)	**2015**	**2014**	**Δ**	**Δ CC**	**Δ OG**
Revenues	465	365	+27%	+5%	+5%
Adjusted operating profit	93	73	+27%	+4%	+4%
Adjusted operating margin	19.9%	19.9%			
Operating profit	76	58	+31%		
Net capital expenditure	34	24			
Ultimo FTEs	2,849	2,770			

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth.

Wolters Kluwer Health revenues increased 5% in constant currencies and 5% on an organic basis. Adjusted operating profit increased 4% in constant currencies and on an organic basis despite restructuring costs related to the integration of our two publishing units and investment in growth initiatives. IFRS operating profit increased 31% overall.

Clinical Solutions (49% of divisional revenue) achieved 11% organic growth, supported by our clinical decision support product, *UpToDate*, which added major institutional customers in Japan, Brazil, and Spain as it advanced the global roll-out of *UpToDate AnyWhere*. Our drug information group (*Lexicomp, Medi-Span, Facts & Comparisons,* and *Medicom)* achieved robust organic growth, despite more subdued markets in China. *ProVation,* which provides order sets and documentation software, secured several new customer wins in the first half, while *Pharmacy OneSource* and *Health Language* also achieved positive organic growth despite a challenging comparable. Investment in new products was increased: in China, the Mandarin edition of *UpToDate* moved from beta trial to soft launch, and in the U.S., we made progress with our Sepsis disease management platform, *POC Advisor,* unveiling the results of a yearlong pilot with Alabama's Huntsville Hospital at the HIMMS conference.

Health Learning, Research & Practice (51% of divisional revenue), which combines our Medical Research and Professional & Education assets, held revenues broadly stable on an organic basis, as growth in digital products offset decline in printed journals and books. The new unit completed its integration program, incurring a one-off restructuring charge in the first half, impacting margins.

Ovid, our leading online medical research platform, supported growth by investing in exclusive content, expanding the *LWW Health Library* (digital book content), and adding to its third-party collections. In journals, *LWW* continued to advance its 'author pays' offering, now offering hybrid or gold open access options for over 200 of its titles. In medical education and practice markets, printed textbook revenues declined, but this was partially offset by strong growth in digital learning and practice solutions, including *PrepU, Lippincott Nursing Procedures* and *vSim for Nursing*.

Financial & Compliance Services

- Finance, Risk & Compliance and Audit units grew 5% organically.
- Originations benefitted from a recovery in transaction volumes and new lending regulations.
- Margins increased due to operational gearing and lower restructuring.

Financial & Compliance Services - Six months ended June 30

(in millions of euros, unless otherwise stated)	**2015**	**2014**	**Δ**	**Δ CC**	**Δ OG**
Revenues	229	187	+22%	+5%	+5%
Adjusted operating profit	36	28	+31%	+11%	+11%
Adjusted operating margin	15.9%	14.8%			
Operating profit	19	11	+66%		
Net capital expenditure	3	3			
Ultimo FTEs	2,504	2,362			

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth.

Wolters Kluwer Financial & Compliance Services grew revenues by 5% in constant currencies, all of which was organic. Organic growth improved compared to a year ago, due to higher non-recurring revenues (upfront software license and professional services fees) and a recovery in FS transactional revenues. Recurring revenues (software maintenance fees and service subscriptions) maintained steady organic growth of 4%. Adjusted operating profit increased 11% in constant currencies with margins benefitting from operational gearing and lower restructuring costs. IFRS operating profit increased 66% overall.

Finance, Risk & Compliance (46% of divisional revenues) achieved 5% organic growth against double-digit growth in the comparable period. Growth was driven by new software license, professional advisory, and product implementation fees for our enterprise risk management and financial risk & regulatory reporting offerings. *Gainskeeper*, our investment compliance platform for investment firms, performed strongly. Growth was strong in North America and Asia Pacific.

Audit (10% of divisional revenue) also achieved healthy organic growth driven by new customer wins for *TeamMate*, our internal audit software suite, particularly in Europe and Asia Pacific. The recently launched data analytics module is gaining customers around the world. The unit continues to invest in a next generation platform and expand support for its cloud-based delivery, *TeamCloud*.

Originations (35% of divisional revenue) saw high, single-digit organic growth driven by professional services and new and expanded contracts for our *Expere* loan origination software. U.S. banks and credit unions have been preparing for the new TILA RESPA regulation, which is expected to be implemented later this year. Furthermore, the unit benefitted from a recovery in U.S. mortgage refinancing volumes in the first half of this year, leading FS transactional revenues to rise 1% organically compared to a 21% decline a year ago. Margins increased, reflecting the upturn in revenues.

Transport Services (9% of divisional revenue) saw its rate of revenue decline moderate, as it progressed its freight exchange to a subscription model, grew its transport management software, and developed its position in Eastern Europe. Following a strategic review, it was decided to retain the business and support further transformation.

Corporate

Corporate expenses declined by 4% in constant currencies, due to cost savings initiatives and the transfer of certain functional costs into the operating divisions.

Corporate – Six months ended June 30

(in millions of euros, unless otherwise stated)	**2015**	**2014**	**Δ**	**Δ CC**	**Δ OG**
Adjusted operating profit	(22)	(22)	-1%	-4%	-4%
Operating profit	(22)	(22)	-3%		
Net capital expenditure	0	0			
Ultimo FTEs	101	106			

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth.

Risk Management

In the 2014 Annual Report, the Company described certain risk categories that could have a material adverse effect on its operations and financial position. Those risk categories are deemed to be incorporated and repeated in this report by reference. In the Company's view, the nature and potential impact of these risk categories on the business are not materially different for the second half of 2015.

Statement by the Executive Board

The Executive Board is responsible for the preparation of the Half-Year Report, which includes the Interim Report of the Executive Board and the condensed consolidated interim financial statements for the six months ended June 30, 2015. The condensed consolidated interim financial statements for the six months ended June 30, 2015 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The responsibility of the Executive Board includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Interim Report of the Executive Board endeavors to present a fair review of the situation of the business at balance sheet date and of the state of affairs in the half-year under review. Such an overview contains a selection of some of the main developments in the first six months of the financial year and can never be exhaustive. This Interim Report also contains the current expectations of the Executive Board for the second half of the financial year. With respect to these expectations, reference is made to the disclaimer about forward-looking statements at page 30 of this half-year report. As required by provision 5:25d (2)(c) of the Dutch act on financial supervision (*Wet op het financieel toezicht*) and on the basis of the foregoing, the Executive Board confirms that to its knowledge:

- The condensed consolidated interim financial statements for the six months ended June 30, 2015, give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

- The Interim Report of the Executive Board includes a fair overview of the situation at the balance sheet date, the course of affairs during the first six months of the financial year of the Company and the undertakings included in the consolidation taken as a whole, and the expected course of affairs for the second half of 2015 as well as an indication of important events that have occurred during the six months ended June 30, 2015, and their impact on the condensed consolidated interim financial statements, together with a description of the principal risks and uncertainties for the second half of 2015, and also includes the major related parties transactions entered into during the six months ended June 30, 2015.

Alphen aan den Rijn, July 28, 2015

Executive Board
N. McKinstry, CEO and Chairman of the Executive Board
K. B. Entricken, CFO and Member of the Executive Board

Condensed Consolidated Interim Financial Statements for the six months ended June 30, 2015, and 2014

Unaudited Condensed Consolidated Statement of Profit or Loss

(in millions of euros, unless otherwise stated)	Six months ended June 30	
	2015	2014
Revenues	**2,015**	**1,716**
Cost of sales	648	567
Gross profit	**1,367**	**1,149**
Sales costs	386	329
General and administrative costs	696	599
Total operating expenses	1,082	928
Other operating income and (expense)	(4)	(7)
Operating profit	**281**	**214**
Financing results	(69)	25
Share of profit of equity-accounted investees, net of tax	0	(1)
Profit before tax	**212**	**238**
Income tax expense	(50)	(38)
Profit for the period	**162**	**200**
Attributable to:		
▪ Owners of the Company	163	201
▪ Non-controlling interests	(1)	(1)
Profit for the period	**162**	**200**
Earnings per share (EPS) (€)		
Basic EPS	0.55	0.68
Diluted EPS	0.55	0.67

Unaudited Condensed Consolidated Statement of Comprehensive Income

(in millions of euros)	Six months ended June 30	
	2015	2014
Comprehensive income:		
Profit for the period	**162**	**200**
Other comprehensive income:		
Items that are or may be reclassified subsequently to the statement of profit or loss:		
Net gains/(losses) on hedges of net investments and exchange differences on translation of foreign operations	261	38
Gains/(losses) on cash flow hedges	1	(5)
Items that will not be reclassified to the statement of profit or loss:		
Remeasurements on defined benefit plans	7	(12)
Income tax on other comprehensive income	(2)	5
Other comprehensive income for the period, net of tax	**267**	**26**
Total comprehensive income for the period	**429**	**226**
Attributable to:		
▪ Owners of the Company	428	227
▪ Non-controlling interests	1	(1)
Total	**429**	**226**

Unaudited Condensed Consolidated Statement of Cash Flows

(in millions of euros)	Six months ended June 30	
	2015	2014
Cash flows from operating activities		
Profit for the period from continuing operations	162	200
Adjustments for:		
Financing results	69	(25)
Share of profit of equity-accounted investees, net of tax	0	1
Income tax expense	50	38
Amortization, impairments, and depreciation	184	159
Additions to provisions	19	16
Fair value changes on contingent considerations	(1)	0
Share-based payments	10	10
Autonomous movements in working capital	(45)	(22)
Paid financing costs	(82)	(110)
Paid corporate income tax	(68)	(55)
Appropriation of provisions for restructuring	(21)	(23)
Other	(10)	(1)
Net cash from operating activities	**267**	**188**
Cash flows from investing activities		
Capital expenditure	(84)	(63)
Acquisition spending, net of cash acquired	(38)	(166)
Dividends received	1	2
Net cash used in investing activities	**(121)**	**(227)**
Cash flows from financing activities		
Repayment of loans	-	(704)
Proceeds from new loans	-	468
Collateral received/(paid)	7	-
Repurchased shares	(134)	-
Dividends paid	(211)	(207)
Net cash used in financing activities	**(338)**	**(443)**
Net cash used in continuing operations	**(192)**	**(482)**
Cash and cash equivalents less bank overdrafts at January 1	413	643
Exchange differences on cash and cash equivalents and bank overdrafts	30	1
	443	644
Cash and cash equivalents less bank overdrafts at June 30	**251**	**162**
Add: Bank overdrafts at June 30	259	118
Cash and cash equivalents at June 30	**510**	**280**

Unaudited Condensed Consolidated Statement of Financial Position

(in millions of euros)	June 30, 2015		December 31, 2014		June 30, 2014	
Non-current assets						
Goodwill and intangible assets	5,398		5,172		4,840	
Property, plant, and equipment	141		131		123	
Investments in equity-accounted investees	16		17		15	
Financial assets	15		15		27	
Deferred tax assets	88		85		89	
Total non-current assets		5,658		5,420		5,094
Current assets						
Inventories	136		120		113	
Trade and other receivables	1,086		1,253		903	
Income tax receivable	41		39		44	
Cash and cash equivalents	510		535		280	
Total current assets	1,773		1,947		1,340	
Current liabilities						
Deferred income	1,362		1,375		1,152	
Trade and other payables	326		384		298	
Income tax payable	25		41		35	
Short-term provisions	25		30		24	
Borrowings and bank overdrafts	261		125		192	
Other current liabilities	372		469		306	
Total current liabilities	2,371		2,424		2,007	
Working capital		(598)		(477)		(667)
Capital employed		**5,060**		**4,943**		**4,427**
Non-current liabilities						
Long-term debt		2,308		2,304		2,310
Deferred tax liabilities		358		339		355
Employee benefits		179		176		138
Provisions		7		3		13
Total non-current liabilities		2,852		2,822		2,816
Equity						
Issued share capital	36		36		36	
Share premium reserve	87		87		87	
Other reserves	2,069		1,983		1,469	
Equity attributable to the owners of the Company		2,192		2,106		1,592
Non-controlling interests		16		15		19
Total equity		2,208		2,121		1,611
Total financing		**5,060**		**4,943**		**4,427**

Unaudited Condensed Consolidated Statement of Changes in Total Equity

(in millions of euros)			2015
	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
Balance at January 1	**2,106**	**15**	**2,121**
Total comprehensive income for the period	428	1	429
Share-based payments, net of tax	8	-	8
Cash dividend 2014	(211)	-	(211)
Repurchased shares	(139)	-	(139)
Balance at June 30	**2,192**	**16**	**2,208**

			2014
	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
Balance at January 1	**1,564**	**20**	**1,584**
Total comprehensive income for the period	227	(1)	226
Share-based payments, net of tax	8	-	8
Cash dividend 2013	(207)	-	(207)
Repurchased shares	-	-	-
Balance at June 30	**1,592**	**19**	**1,611**

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Note 1 Reporting entity

Wolters Kluwer nv ('the Company') with its subsidiaries (together 'the Group') is a market-leading global information services company. These unaudited condensed consolidated interim financial statements ('interim financial statements') for six months ended June 30, 2015, comprise the Group and the Group's interests in associates and a joint venture.

Note 2 Basis of preparation

Statement of compliance
These interim financial statements have been prepared in accordance with International Accounting Standards (IAS) 34 Interim Financial Reporting, as adopted by the European Union. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements for the year ended December 31, 2014.

The interim financial statements for six months ended June 30, 2015, has been abridged from the Wolters Kluwer's 2014 Financial Statements. These interim financial statements have not been audited or reviewed. The interim financial statements were authorized for issue by the Executive Board and Supervisory Board on July 28, 2015.

Judgments and estimates
The preparation of the interim financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses.

In preparing these interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to Wolters Kluwer's 2014 Annual Report. Reference is made to Note 3 'Accounting Estimates and Judgments' to the Consolidated Financial Statements of Wolters Kluwer. Further reference is made to Note 27 'Financial Risk Management'. Note 27 outlines Wolters Kluwer's exposure to market risks, currency risks, interest rate risks, liquidity risks, and credit risks, which have not substantially changed since the issuance of our 2014 Annual Report. Actual results in the future may differ from these estimates and current risk judgments.

Estimates and judgments are being continuously evaluated and are based on historic experience and other factors, including expectations of future events believed to be reasonable under the circumstances.

Functional and presentation currency
The interim financial statements are presented in euro, which is the Company's functional and presentation currency. Unless otherwise indicated the financial information in these interim financial statements is in euro and has been rounded to the nearest million.

Exchange rates to the euro	2015	2014
U.S. dollar (at June 30)	1.12	1.36
U.S. dollar (average six months)	1.12	1.37
U.S. dollar (at December 31)	-	1.21

Note 3 Significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in Wolters Kluwer's 2014 Annual Report. The new standards that became effective as of January 1, 2015, have no significant impact on the 2015 Consolidated Financial Statements.

Note 4 Seasonality

Some of the Group's businesses are impacted by seasonal purchasing patterns. Revenues of Wolters Kluwer's tax and regulatory businesses are strongest in the fourth and first quarters, in line with statutory (tax) filing requirements. The cash flow is typically strongest in the fourth quarter as calendar-year subscription renewals are received.

Note 5 Benchmark Figures

Wherever used in this half-year report, the term 'adjusted' refers to figures adjusted for non-benchmark items and, where applicable, amortization and impairment of goodwill and publishing rights. Adjusted figures are non-IFRS compliant financial figures, but are internally regarded as key performance indicators to measure the underlying performance of the business from continuing operations. These figures are presented as additional information and do not replace the information in the consolidated statement of profit or loss and in the consolidated statement of cash flows. The term 'adjusted' is not a defined term under IFRS.

Reconciliation between operating profit and adjusted operating profit

(in millions of euros)	Six months ended June 30	
	2015	2014
Operating profit	281	214
Amortization of publishing rights and impairments	106	92
Non-benchmark items in operating profit	4	7
Adjusted operating profit	**391**	**313**

Reconciliation between profit for the period and adjusted net profit

(in millions of euros)	Six months ended June 30	
	2015	2014
Profit for the period from continuing operations attributable to the owners of the Company (A)	**163**	**201**
Amortization of publishing rights and impairments (adjusted for non-controlling interests)	105	91
Tax on amortization and impairments of publishing rights and goodwill (adjusted for non-controlling interests)	(37)	(32)
Non-benchmark items, net of tax	4	(70)
Adjusted net profit (B)	**235**	**190**

Summary of non-benchmark items

(in millions of euros)	Six months ended June 30	
	2015	2014
Included in 'other operating income and (expense)':		
Divestment related results	(1)	(1)
Additions to acquisition integration provisions	(2)	0
Acquisition related costs	(2)	(6)
Fair value changes contingent considerations	1	0
Total non-benchmark income/(costs) in operating profit	**(4)**	**(7)**
Included in total financing results:		
Revaluation gain on equity-accounted investee following step acquisition	-	76
Financing component employee benefits	(2)	(2)
Total non-benchmark income/(costs) in total financing results	(2)	74
Total non-benchmark items before tax	**(6)**	**67**
Tax on non-benchmark items	2	3
Non-benchmark items, net of tax	**(4)**	**70**

Reconciliation between total financing results and adjusted net financing costs

(in millions of euros)	Six months ended June 30	
	2015	2014
Total financing results	(69)	25
Non-benchmark items in total financing results	2	(74)
Adjusted net financing costs	**(67)**	**(49)**

Reconciliation between net cash from operating activities and adjusted free cash flow

(in millions of euros)	Six months ended June 30	
	2015	2014
Net cash from operating activities	267	188
Capital expenditure	(84)	(63)
Acquisition related costs	2	6
Paid divestment expenses	1	1
Dividends received	1	2
Transactional tax on internal restructuring	5	-
Net tax benefit on previously divested assets and consolidation of platform technology	(22)	-
Appropriation of Springboard provisions, net of tax	-	2
Adjusted free cash flow (C)	**170**	**136**

Calculation of cash conversion ratio

(in millions of euros, unless otherwise stated)	Six months ended June 30	
	2015	2014
Adjusted operating profit (H)	391	313
Amortization and impairment of other intangible assets	62	53
Depreciation of property, plant, and equipment	16	14
Adjusted EBITDA	**469**	**380**
Autonomous movements in working capital	(45)	(22)
Capital expenditure	(84)	(63)
Adjusted operating cash flow (I)	**340**	**295**
Cash conversion ratio (I/H) (%)	**87**	**94**

Per share information

(in euros, unless otherwise stated)	Six months ended June 30	
	2015	2014
Total number of shares outstanding at June 30[1)]	291.8	296.3
Weighted average number of shares (D)[1)]	295.5	296.1
Diluted weighted average number of shares (E)[1)]	299.2	299.7
Adjusted EPS (B/D)	0.80	0.64
Diluted adjusted EPS (minimum of adjusted EPS and (B/E))	0.79	0.63
Diluted adjusted EPS in constant currencies	0.69	0.65
Adjusted free cash flow per share (C/D)	0.58	0.46
Diluted adjusted free cash flow per share (minimum of adjusted free cash flow per share and (C/E)	0.57	0.45

[1)] In millions of shares

Benchmark tax rate

(in millions of euros, unless otherwise stated)	Six months ended June 30	
	2015	2014
Income tax expense	50	38
Tax benefit on amortization of publishing rights and impairments	37	32
Tax benefit on non-benchmark items	2	3
Tax on adjusted net profit (F)	89	73
Adjusted net profit (B)	235	190
Adjustment for non-controlling interests	0	0
Adjusted profit before tax (G)	**324**	**263**
Benchmark tax rate (F/G) (%)	**27.5**	**27.7**

Note 6 Segment Reporting

Divisional revenues and operating profit

(in millions of euros, unless otherwise stated)	Six months ended June 30	
	2015	2014
Revenues		
Legal & Regulatory	792	710
Tax & Accounting	529	454
Health	465	365
Financial & Compliance Services	229	187
Total revenues	**2,015**	**1,716**
Operating profit		
Legal & Regulatory	103	96
Tax & Accounting	105	71
Health	76	58
Financial & Compliance Services	19	11
Corporate	(22)	(22)
Total operating profit	**281**	**214**

Note 7 Earnings per Share

Earnings per share (EPS)

(in euros, unless otherwise stated)	Six months ended June 30	
	2015	2014
Profit for the period attributable to the owners of the Company (millions of euros) (A)	**163**	**201**
Weighted average number of shares (millions of shares):		
Outstanding ordinary shares at January 1	301.9	301.9
Effect of repurchased shares	(6.4)	(5.8)
Weighted average number of shares (B)	**295.5**	**296.1**
Long-Term Incentive Plan	3.7	3.6
Diluted weighted average number of shares (C)	**299.2**	**299.7**
Basic EPS (A/B)	0.55	0.68
Diluted EPS (minimum of basic EPS and [A/C])	0.55	0.67

Note 8 Acquisitions and Divestments

Acquisitions

Total acquisition spending in first half of 2015 was €38 million (HY 2014: €166 million), including deferred and contingent considerations payments of €20 million (HY 2014: €16 million). Acquisition related costs were €2 million (HY 2014: €6 million).

In the first half of 2015, the following acquisitions were completed by the Tax & Accounting division:

On January 2, 2015, Wolters Kluwer completed the acquisition of 100% of the shares of SBS Software GmbH, a leading German provider of accounting and payroll solutions. SBS Software has more than 100 employees and serves over 6,000 customers.

On March 31, 2015, Wolters Kluwer acquired 100% of the shares of Basecone Holding BV, an accounting workflow solutions provider in The Netherlands. Basecone has 16 employees.

On June 30, 2015, Wolters Kluwer acquired the assets of SureTax LLC, one of the most comprehensive and technologically advanced tax calculation engines for telecommunications providers available in the U.S. market. SureTax has 7 employees.

Acquisitions

(in millions of euros)	Six months ended June 30	
	2015	2014
Consideration payable in cash	19	166
Fair value of previously held equity-accounted investee	-	88
Non-controlling interest	-	0
Deferred and contingent considerations	6	3
Total consideration	**25**	**257**
Non-current assets	15	143
Current assets	2	28
Current liabilities	(2)	(26)
Deferred tax liability	(1)	(46)
Fair value of net identifiable assets	**14**	**99**
Goodwill on acquisitions	**11**	**158**
Cash effect of the acquisitions:		
Consideration payable in cash	19	166
Cash acquired	(1)	(16)
Deferred and contingent considerations paid	20	16
Acquisition spending, net of cash acquired	**38**	**166**

Provisional fair value accounting
The fair value of the identifiable assets and liabilities of some acquisitions could only be determined provisionally and will be subject to change based on the outcome of the purchase price allocation which will be completed within 12 months from the acquisition date.
The goodwill recognized for the acquisitions represents a payment in anticipation of the future economic benefits to be derived by Wolters Kluwer as a result of the acquisition. These future economic benefits relate to revenue opportunities (such as cross-selling) or cost efficiencies (such as sharing of infrastructure).

Contingent consideration
The acquisitions completed in 2015 resulted in a maximum undiscounted contingent consideration of €15 million, based on achieving contractual agreed upon targets.

In the first half of 2015, the Group recognized fair value changes in the statement of profit or loss for the amount of €1 million (HY 2014: €0 million) for acquisitions stemming from previous years.

Divestments
In the first half of 2014, the Group gave up the 38% stake in Datacert, previously held as an equity-accounted investee, as part of the 100% step-up acquisition of this entity. The fair value of this equity interest immediately before the acquisition date was €88 million. The (non-cash) book profit on the sale of the previously held minority stake amounted to €76 million, recognized in financing results. This €76 million revaluation gain on the previously held 38% minority equity interest in Datacert was not taxable.

Note 9 Provisions

Provisions for restructuring commitments

(in millions of euros)	Six months ended June 30	
	2015	2014
Position at January 1	3	10
Add: short-term commitments	30	33
Total at January 1	**33**	**43**
Movements:		
Additions to provisions for restructurings	17	16
Additions to acquistion integration provisions	2	0
Total additions to provisions	19	16
Appropriation of provisions for restructuring	(21)	(23)
Exchange differences and other movements	1	1
Total movements	**(1)**	**(6)**
Total at June 30	32	37
Less: short-term commitments	(25)	(24)
Position at June 30	**7**	**13**

The additions to and appropriations of provisions for restructuring in the first half of 2015 mainly relate to Legal & Regulatory Solutions.

Wolters Kluwer

Note 10 Issuance, repurchase, and repayments of debt

Reconciliation gross debt to net debt

(in millions of euros, unless otherwise stated)	June 30, 2015	December 31, 2014	June 30, 2014
Gross debt			
Bonds	1,876	1,875	1,875
Private placements	392	384	391
Total long-term loans	2,268	2,259	2,266
Other long-term obligations	18	14	31
Derivative financial instruments	22	31	13
Total long-term debt	2,308	2,304	2,310
Borrowings and bank overdrafts	261	125	192
Other short-term obligations	3	21	4
Derivative financial instruments	20	2	1
Total short-term debt	284	148	197
Total gross debt	**2,592**	**2,452**	**2,507**
Minus:			
Cash and cash equivalents	(510)	(535)	(280)
Collateral	(13)	(20)	-
Derivative financial instruments:			
Non-current receivable	-	-	-
Current receivable	-	-	0
Net debt	**2,069**	**1,897**	**2,227**
Net-debt-to-EBITDA ratio (on a rolling basis) ratio	2.1	2.1	2.6

Other short-term and long-term obligations include deferred and contingent acquisition payments.

In June 2015, the Group concluded an extension of the €600 million multi-currency revolving credit facility to July 2020, while retaining the option to extend by another year.

Note 11 Equity issuance, Dividends, LTIP

In 2015, Wolters Kluwer repurchased 5.0 million ordinary shares for a total consideration of €140 million (average share price of €28.13). These repurchases were made as part of the share buyback program announced in February 2015. The repurchased shares are added to and held as treasury shares, which total 10.2 million as at June 30, 2015. The share buyback program 2015 was completed on July 1, 2015.

In the first six months of 2015, treasury shares were used for the vesting of Long-Term Incentive Plan (LTIP) shares; no new shares were issued. The LTIP 2012-14 vested on December 31, 2014. Total Shareholder Return (TSR) ranked sixth relative to the peer group of 15 companies, resulting in a pay-out of 100% of the conditional base number of shares awarded to the Executive Board and other senior managers. The EPS-condition based shares resulted in a pay-out of 150%. A total number of 1,582,983 shares were released on February 19, 2015.

Under the 2015-17 LTIP grant, 962,876 shares were conditionally awarded to the Executive Board and other senior managers in the first six months of 2015. In the first six months of 2015, 168,032 shares were forfeited under the long-term incentive plans.

The 2014 dividend of €0.71 per share was fully distributed in cash. Total dividends of €211 million (2014: €207 million) were paid in the first half of 2015.

At June 30, 2015, Ms. McKinstry held 123,350 shares (December 31, 2014: 123,350 shares) in the Company. Mr. Entricken held 18,136 shares (December 31, 2014: 14,086 shares).

Note 12 Related Party Transactions

There were no major related parties transactions entered into during the six months ended June 30, 2015.

Note 13 Events after Balance Sheet date

On July 10, 2015, Wolters Kluwer acquired 100% of the shares of Effacts BV, a Netherlands-based provider of legal management software to corporate legal departments. Effacts has 25 employees.

Divisional Supplemental Information – Six months ended June 30

(in millions of euros, unless otherwise stated)	**2015**	**2014**	Change Organic	Acquisition/ Divestment[1]	Currency
Legal & Regulatory					
Revenues	792	710	0	10	72
Adjusted operating profit	141	128	(12)	3	22
Adjusted operating profit margin	17.8%	18.0%			
Tax & Accounting					
Revenues	529	454	13	3	59
Adjusted operating profit	143	106	17	1	19
Adjusted operating profit margin	27.0%	23.4%			
Health					
Revenues	465	365	19	0	81
Adjusted operating profit	93	73	3	0	17
Adjusted operating profit margin	19.9%	19.9%			
Financial & Compliance Services					
Revenues	229	187	10	0	32
Adjusted operating profit	36	28	3	0	5
Adjusted operating profit margin	15.9%	14.8%			
Corporate					
Adjusted operating profit	(22)	(22)	1	0	(1)
Total Wolters Kluwer					
Revenues	2,015	1,716	42	13	244
Adjusted operating profit	391	313	12	4	62
Adjusted operating profit margin	19.4%	18.2%			

Notes: [1] Acquisition/divestment column includes the contribution from 2015 acquisitions and 2014 acquisitions before these became organic (12 months from their acquisition date), the impact of 2015 and 2014 divestments, and the effect of asset transfers between divisions, if any.

Wolters Kluwer

Divisional Revenues by Type – Six months ended June 30

(in millions of euros, unless otherwise stated)	2015	2014	Δ	Δ CC	Δ OG
Total Wolters Kluwer					
Digital and services subscriptions	1,250	1,022	+22%	+7%	+5%
Print subscriptions	159	172	-8%	-12%	-10%
Other recurring revenues	162	140	+16%	-2%	-3%
Total recurring revenues	**1,571**	**1,334**	**+18%**	**+4%**	**+3%**
Print books	112	114	-1%	-11%	-10%
CLS transactional	139	101	+39%	+14%	+12%
FS transactional	21	17	+24%	+1%	+1%
Other non-recurring	172	150	+14%	+2%	+3%
Total revenues	**2,015**	**1,716**	**+17%**	**+3%**	**+2%**
Legal & Regulatory					
Digital and services subscriptions	412	350	+18%	+6%	+3%
Print subscriptions	108	123	-12%	-13%	-11%
Other recurring revenues	23	28	-17%	-19%	-19%
Total recurring revenues	**543**	**501**	**+9%**	**0%**	**-2%**
Print books	57	58	-2%	-5%	-6%
CLS transactional	139	101	+39%	+14%	+12%
Other non-recurring	53	50	+6%	+1%	0%
Total Legal & Regulatory	**792**	**710**	**+12%**	**+2%**	**0%**
Tax & Accounting					
Digital and services subscriptions	379	319	+19%	+6%	+5%
Print subscriptions	19	20	-6%	-12%	-8%
Other recurring revenues	92	76	+21%	+1%	-1%
Total recurring revenues	**490**	**415**	**+18%**	**+4%**	**+3%**
Print books	12	14	-12%	-23%	-16%
Other non-recurring	27	25	+10%	0%	+8%
Total Tax & Accounting	**529**	**454**	**+17%**	**+3%**	**+3%**
Health					
Digital and services subscriptions	314	234	+33%	+11%	+11%
Print subscriptions	32	29	+10%	-9%	-9%
Other recurring revenues	47	36	+30%	+6%	+6%
Total recurring revenues	**393**	**299**	**+31%**	**+9%**	**+9%**
Print books	43	42	+3%	-14%	-14%
Other non-recurring	29	24	+16%	-4%	-4%
Total Health	**465**	**365**	**+27%**	**+5%**	**+5%**
Financial & Compliance Services					
Digital and services subscriptions	145	119	+21%	+4%	+4%
Print subscriptions	0	0	-15%	-31%	-31%
Total recurring revenues	**145**	**119**	**+21%**	**+4%**	**+4%**
FS transactional	21	17	+24%	+1%	+1%
Other non-recurring[1)]	63	51	+24%	+8%	+8%
Total Financial & Compliance Services	**229**	**187**	**+22%**	**+5%**	**+5%**

Δ: % Change; Δ CC: % Change constant currencies (EUR/USD 1.33); Δ OG: % Organic growth. [1)] Including license & implementation fees.

About Wolters Kluwer

Wolters Kluwer is a global leader in professional information services. Professionals in the areas of legal, business, tax, accounting, finance, audit, risk, compliance and healthcare rely on Wolters Kluwer's market leading information-enabled tools and software solutions to manage their business efficiently, deliver results to their clients, and succeed in an ever more dynamic world.

Wolters Kluwer reported 2014 annual revenues of €3.7 billion. The group serves customers in over 170 countries, and employs over 19,000 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

Wolters Kluwer shares are listed on Euronext Amsterdam (WKL) and are included in the AEX and Euronext 100 indices. Wolters Kluwer has a sponsored Level 1 American Depositary Receipt program. The ADRs are traded on the over-the-counter market in the U.S. (WTKWY).

For more information about our products and organization, visit www.wolterskluwer.com, follow @Wolters_Kluwer on Twitter, or search for Wolters Kluwer videos on YouTube.

Financial Calendar

September 22, 2015	Declaration of interim dividend
September 24, 2015	Ex-dividend date: 2015 interim dividend
September 25, 2015	Record date: 2015 interim dividend
October 12, 2015	Payment date: 2015 interim dividend ordinary shares
October 19, 2015	Payment date: 2015 interim dividend ADRs
November 4, 2015	Third-Quarter 2015 Trading Update
February 24, 2016	Full-Year 2015 Results

Media
Annemarije Pikaar
Corporate Communications
t + 31 (0)172 641 470
press@wolterskluwer.com

Investors/Analysts
Meg Geldens
Investor Relations
t + 31 (0)172 641 407
ir@wolterskluwer.com

Forward-looking Statements

This report contains forward-looking statements. These statements may be identified by words such as "expect", "should", "could", "shall" and similar expressions. Wolters Kluwer cautions that such forward-looking statements are qualified by certain risks and uncertainties that could cause actual results and events to differ materially from what is contemplated by the forward-looking statements. Factors which could cause actual results to differ from these forward-looking statements may include, without limitation, general economic conditions; conditions in the markets in which Wolters Kluwer is engaged; behavior of customers, suppliers, and competitors; technological developments; the implementation and execution of new ICT systems or outsourcing; and legal, tax, and regulatory rules affecting Wolters Kluwer's businesses, as well as risks related to mergers, acquisitions, and divestments. In addition, financial risks such as currency movements, interest rate fluctuations, liquidity, and credit risks could influence future results. The foregoing list of factors should not be construed as exhaustive. Wolters Kluwer disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.