

A white flag with the Wolters Kluwer logo and name printed on it, waving in the wind. The logo is a circular emblem composed of a grid of colored squares (blue, green, red, and yellow) arranged in a stylized pattern.

Cloud Computing

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CEO Corporate & Financial Services

Investor/Analyst Day: Innovation & Technology

September 25, 2008

London



Wolters Kluwer

Agenda

- What is Cloud Computing
- Challenges and Vision
- Business Impact of Innovation



Like Wolters Kluwer, our customers have strong reasons to outsource more of their IT infrastructure and software

Competition

Competition is driving a need for businesses to implement new applications faster

Internal Resource Constraints

Professional needs for new software applications are expanding faster than the internal IT resources required to implement and maintain them

Installation and Maintenance Burdens

Laborious, costly, and disruptive software installation is required to implement, maintain, and upgrade applications

Managing IT Risks

Remote access for employees, partners, or customers creates risks for internal IT security

Need for Cost Flexibility

Traditional fixed-cost pricing models don't allow customers to scale software costs in response to growth or contraction of their own businesses



"Cloud Computing" is the next step in deploying IT resources, and benefits Wolters Kluwer as both a consumer and provider of software applications to professional markets



Deployment Model

Delivery of applications remotely on shared basis via the Internet
-- rather than via installed software and IT infrastructure

Business Model

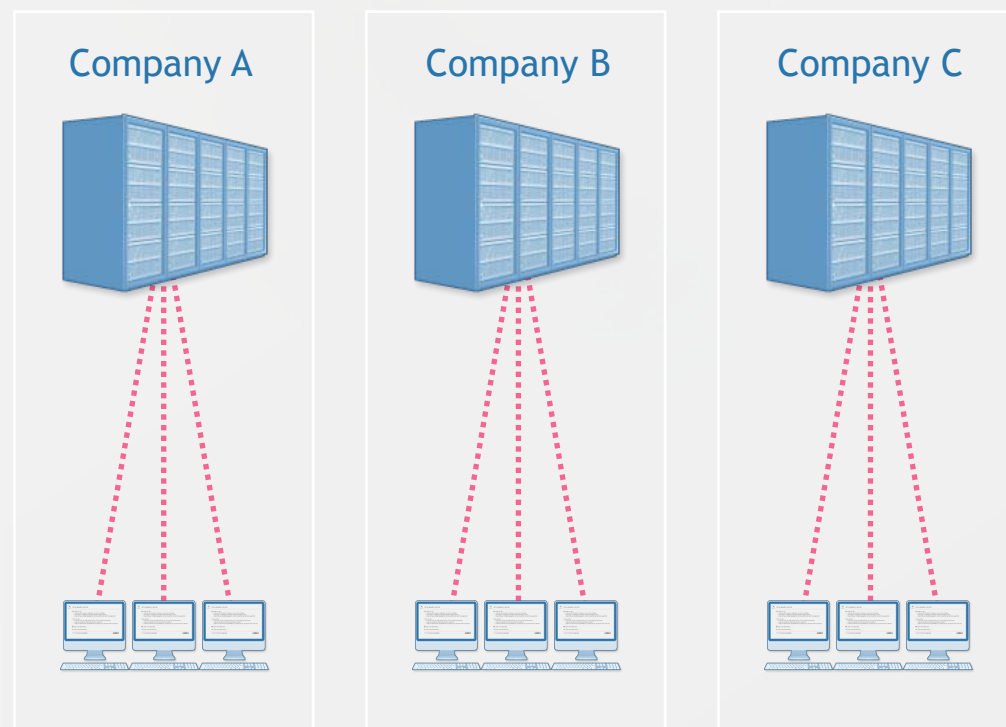
Applications and supporting IT resources (network, hardware, software) consumed as a "service"
-- rather than managed internally as assets (rent vs. own)



We already exploit cloud computing by delivering “software as a service” (SaaS), giving our customers the functionality of installed software, but through a shared, hosted service over the Internet

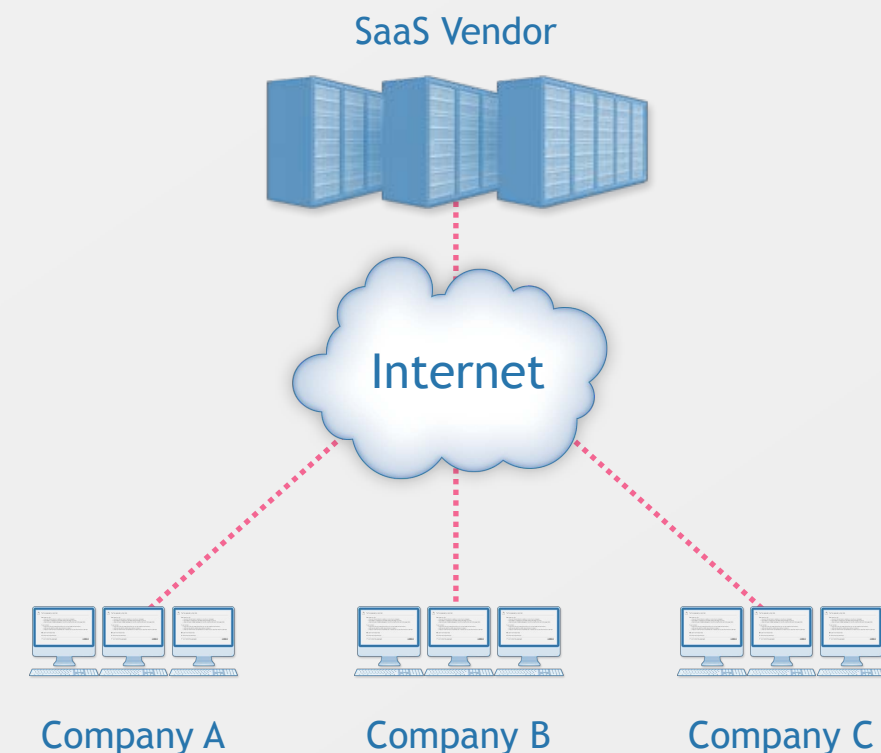
Traditional Software Model

Proprietary internal IT resources



Software as a Service (SaaS) Model

Remote, shared services



SaaS provides clear operational and financial benefits in how customers deploy, manage, and pay for software

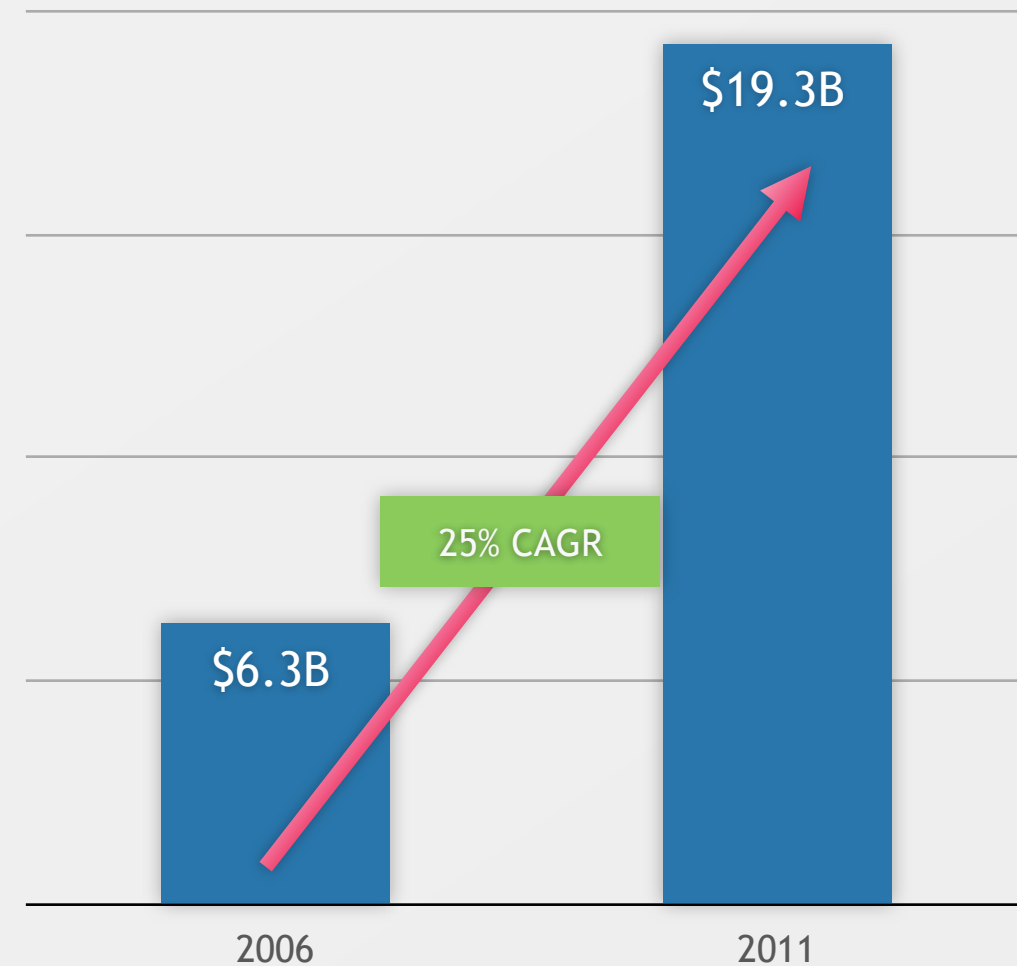
**Software as
a Service
(SaaS)**

- Remotely-hosted services can be deployed, supported, and upgraded more easily and cheaply
- Capacity expands dynamically as needed -- without need to own infrastructure necessary to support peak loads
- Total ownership costs are reduced through shared economics
- Remote users are easy to install and support
- “Utility” pricing reduces capital outlay and smoothes cost of ownership

Gartner Group predicts that SaaS will grow to \$19.3B by the end of 2011

Software as
a Service
(SaaS)

SaaS Forecast Revenue Growth



SaaS increases our value to customers and our business performance

Implement
Shared, Hosted Software

Add New
Functionality

Exploit
Networking

Customer Benefits

- Faster, cheaper implementation
- Lower total cost of ownership
- Remote access
- Increased user productivity
- Faster enhancements
- Upgrade without installing new software
- Applications extended beyond the enterprise to customers' partners and clients

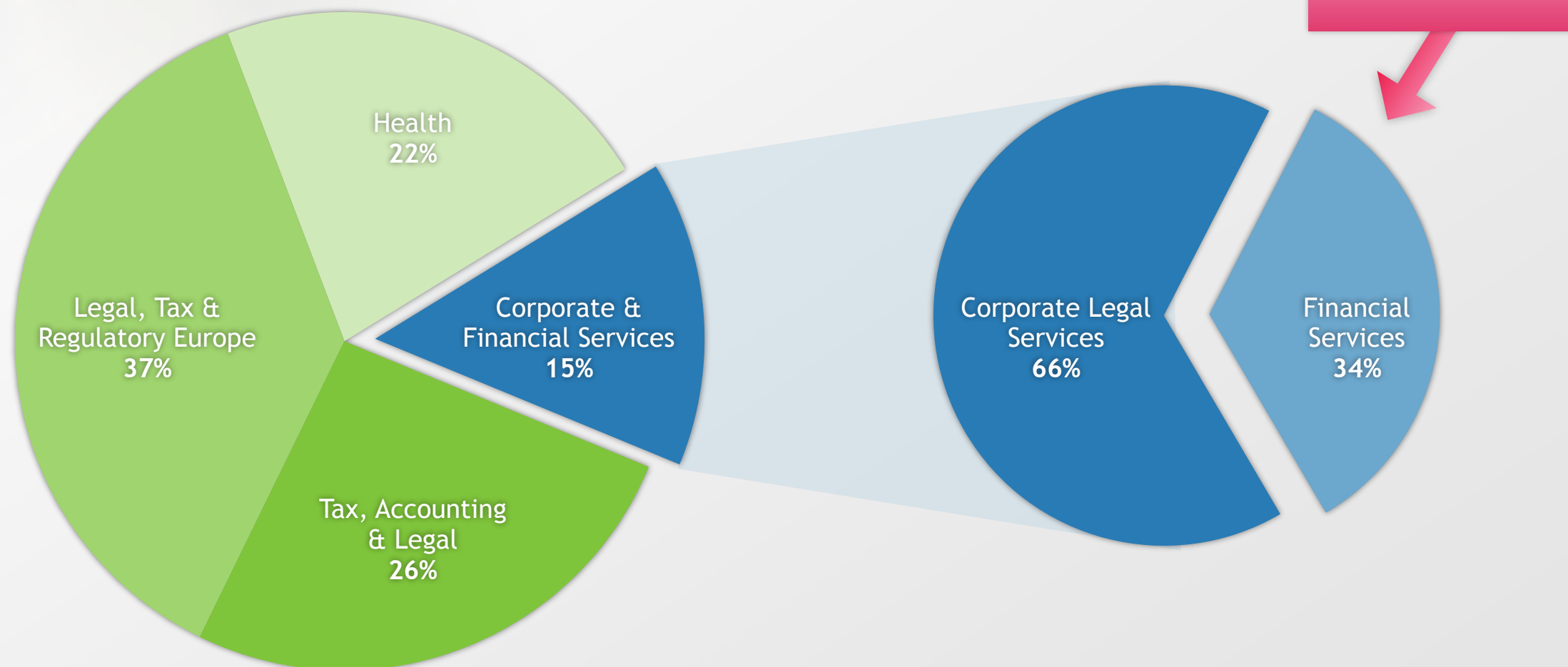
Wolters Kluwer Benefits

- Lower software development and maintenance costs
- New users added faster
- Greater user satisfaction
- Faster time to market
- Lower enhancement costs
- Incremental revenues
- New users
 - via our customers' extended enterprises
- Higher customer switching barriers
- Higher retention



AppOne - A Case Study in Software as a Service

2007 Revenue: €3,413 million



AppOne provides credit options to the U.S. used auto market

- A platform that helps independent used auto dealerships obtain loans for their customers
- Connects independent dealerships with lenders to provide finance and aftermarket products otherwise not readily available to them
- Gives lenders ready access to a fragmented independent dealer market

A large market...

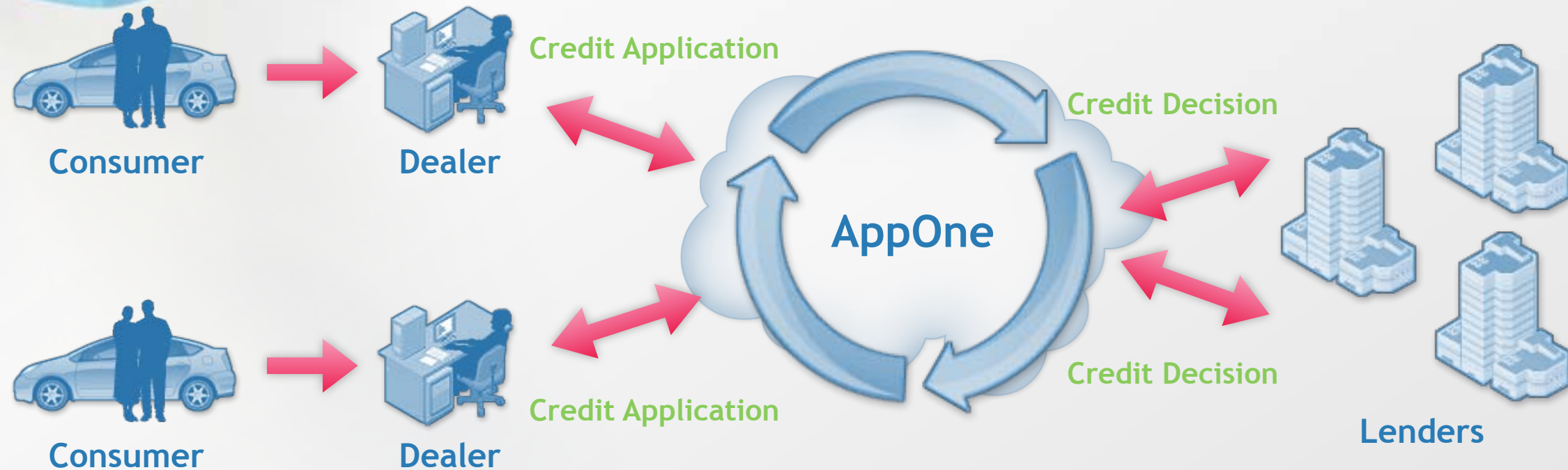
- Independent used car dealers: 40,000
- Used car sales per year: 40 million units
- Used vehicles sold by independent dealers: 12.8 million units (32%)

... But a fragmented market

- 88% of independent dealers finance 20 or less units per month
- More than 250 lenders split volume from the largest 12% of independent dealerships



AppOne enables used auto dealers to facilitate loans for consumers and for lenders to reliably access an under-served market



Dealer needs...

- Get quick loan approval for consumer
- Complete loan process with minimal labor
- Upsell additional services (e.g., insurance)

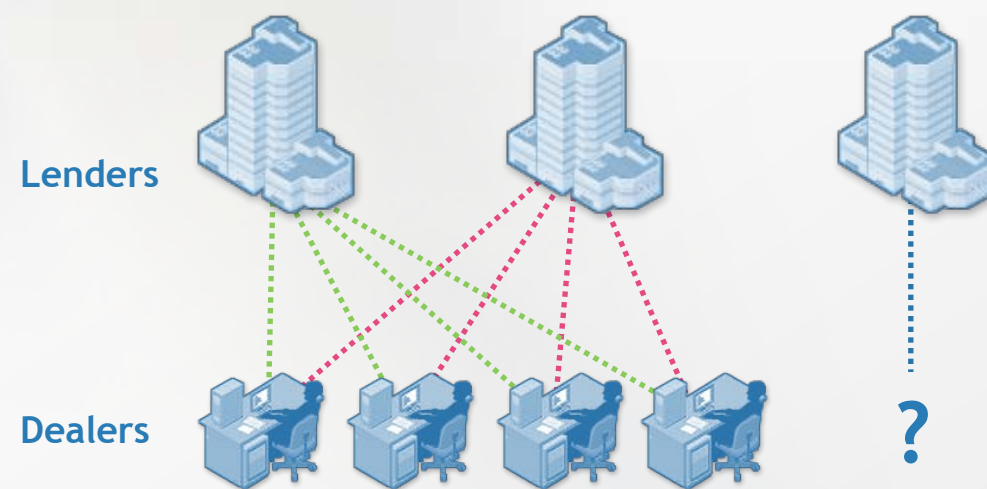
Lender needs...

- Gain access to fragmented market of dealers
- Obtain complete, correct, compliant loan applications
- Minimize loan loss risk

AppOne is re-shaping how lenders and used car dealers conduct business

Before AppOne

Local, limited credit relationships



Burdens

- Find/establish/maintain individual lender-dealer relationships
- Different documentation and compliance for each lender
- Training by each lender required

With AppOne

National, broadened credit relationships



Benefits

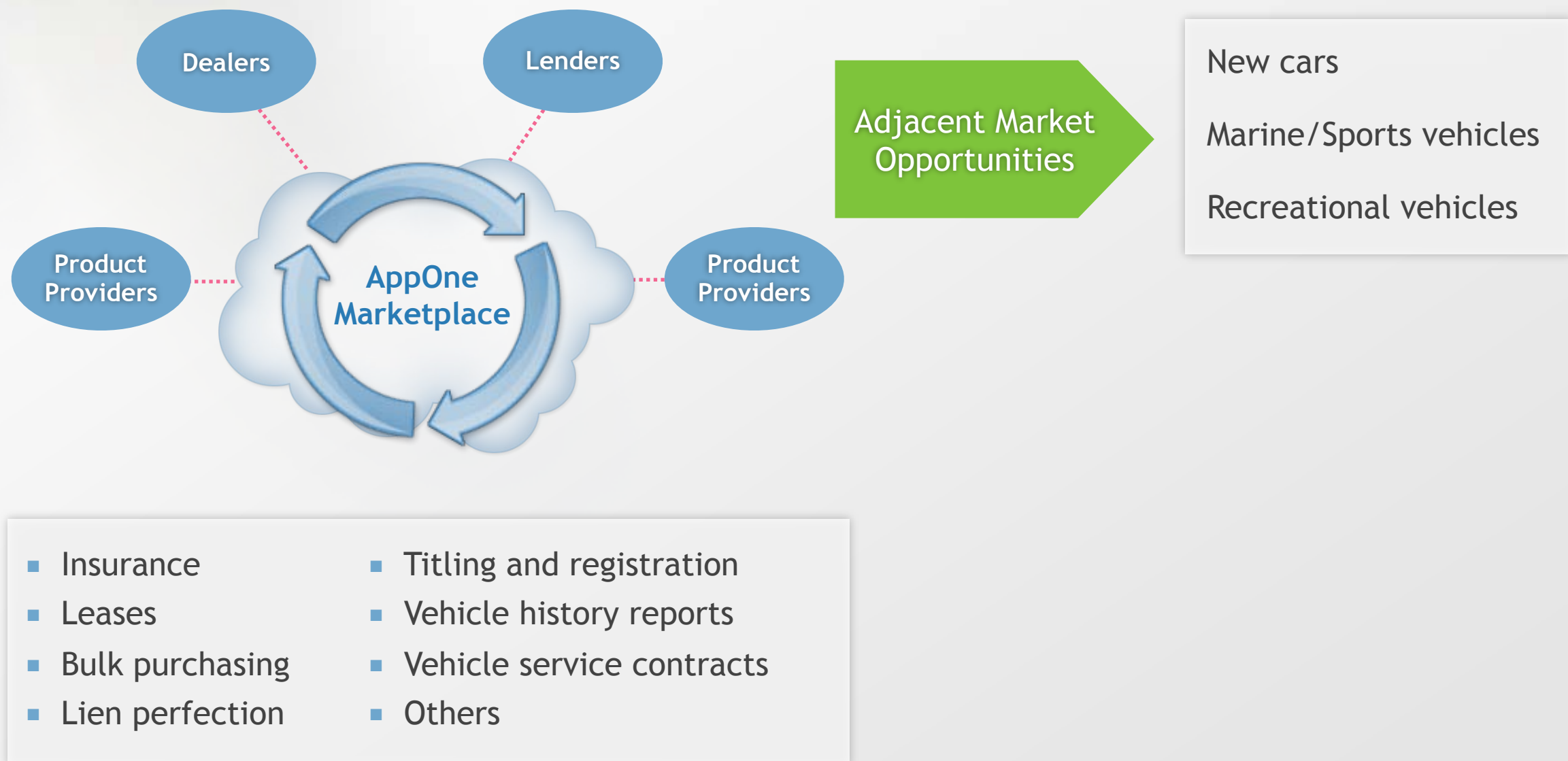
- Increased access among dealers and lenders
- Higher loan completion due to application pre-screening
- Improved, centralized compliance
- Fewer errors
- Upsell opportunities through marketplace

AppOne is becoming a marketplace for commerce among dealers, lenders, and product and service providers

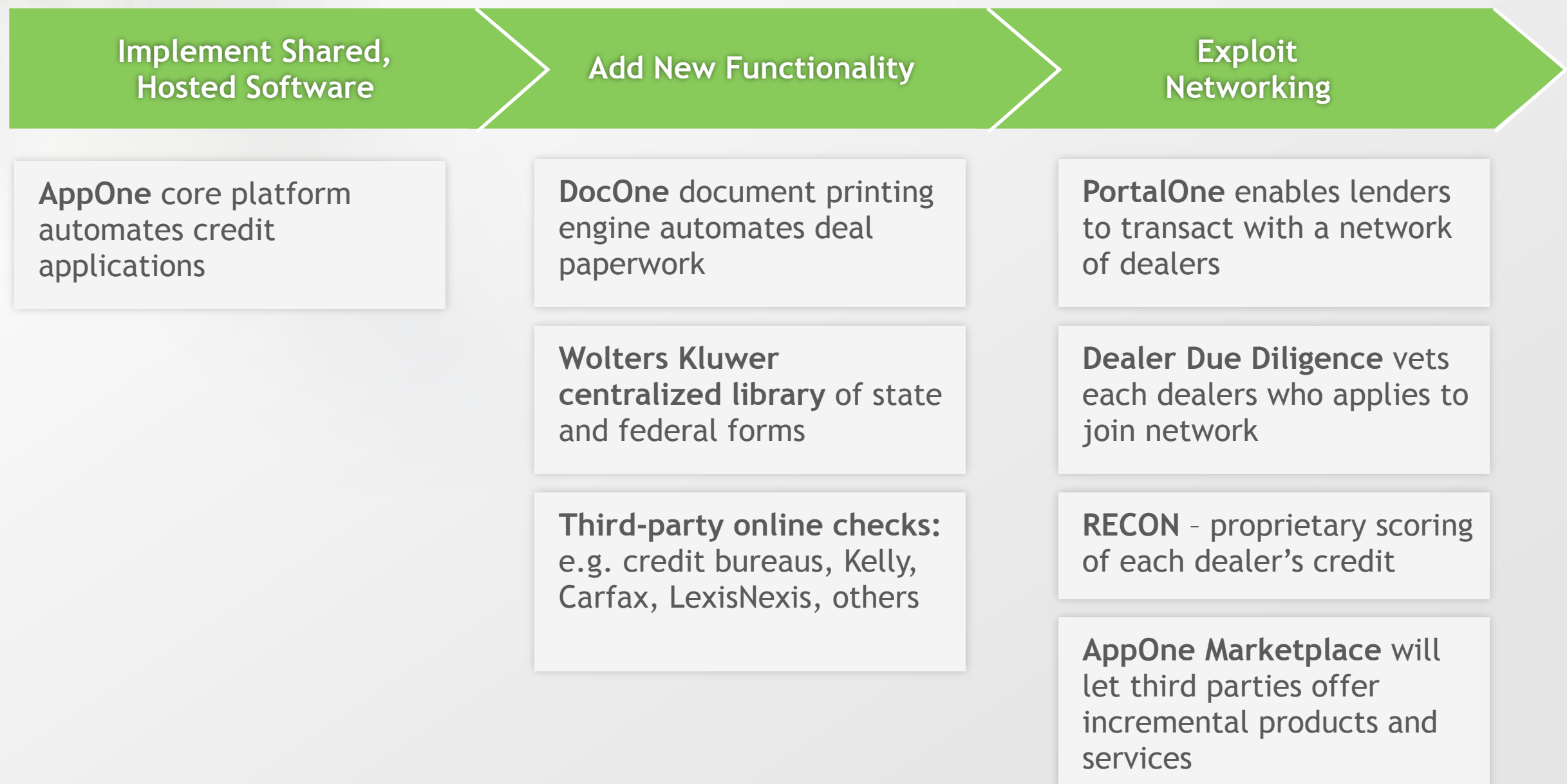


- Insurance
- Leases
- Bulk purchasing
- Lien perfection
- Titling and registration
- Vehicle history reports
- Vehicle service contracts
- Others

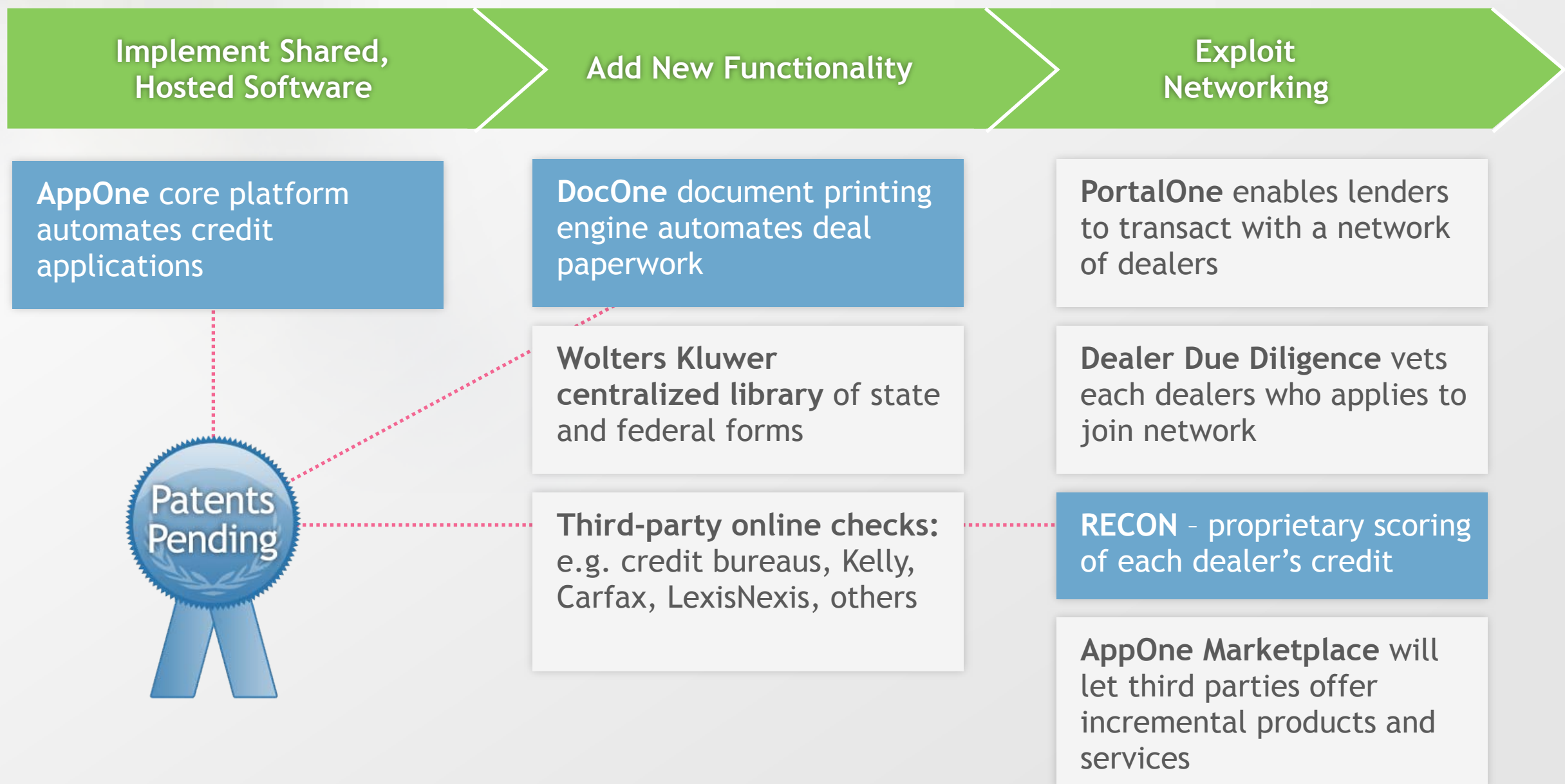
AppOne is positioned to expand into adjacent markets for consumer lending



AppOne's evolution reflects Wolters Kluwer's vision that SaaS can enhance customer value and build competitive barriers by exploiting the power of networking

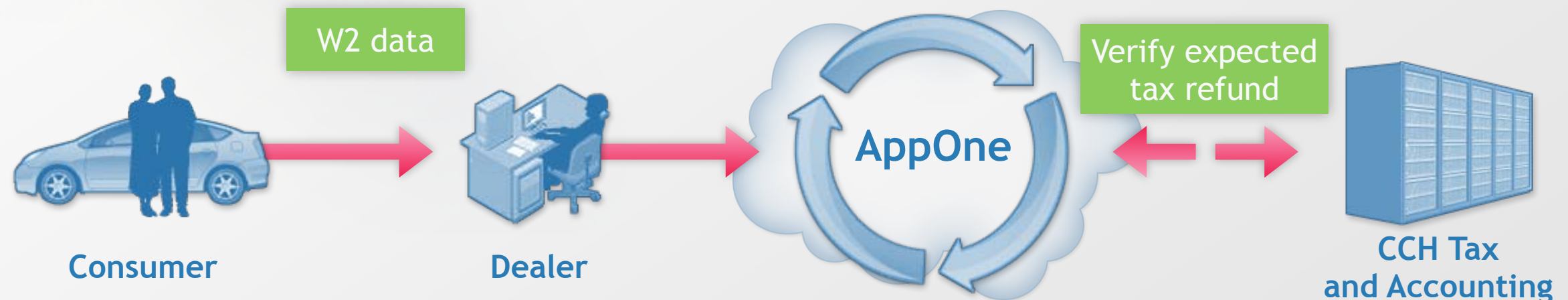


We have filed patents on three elements of AppOne's business



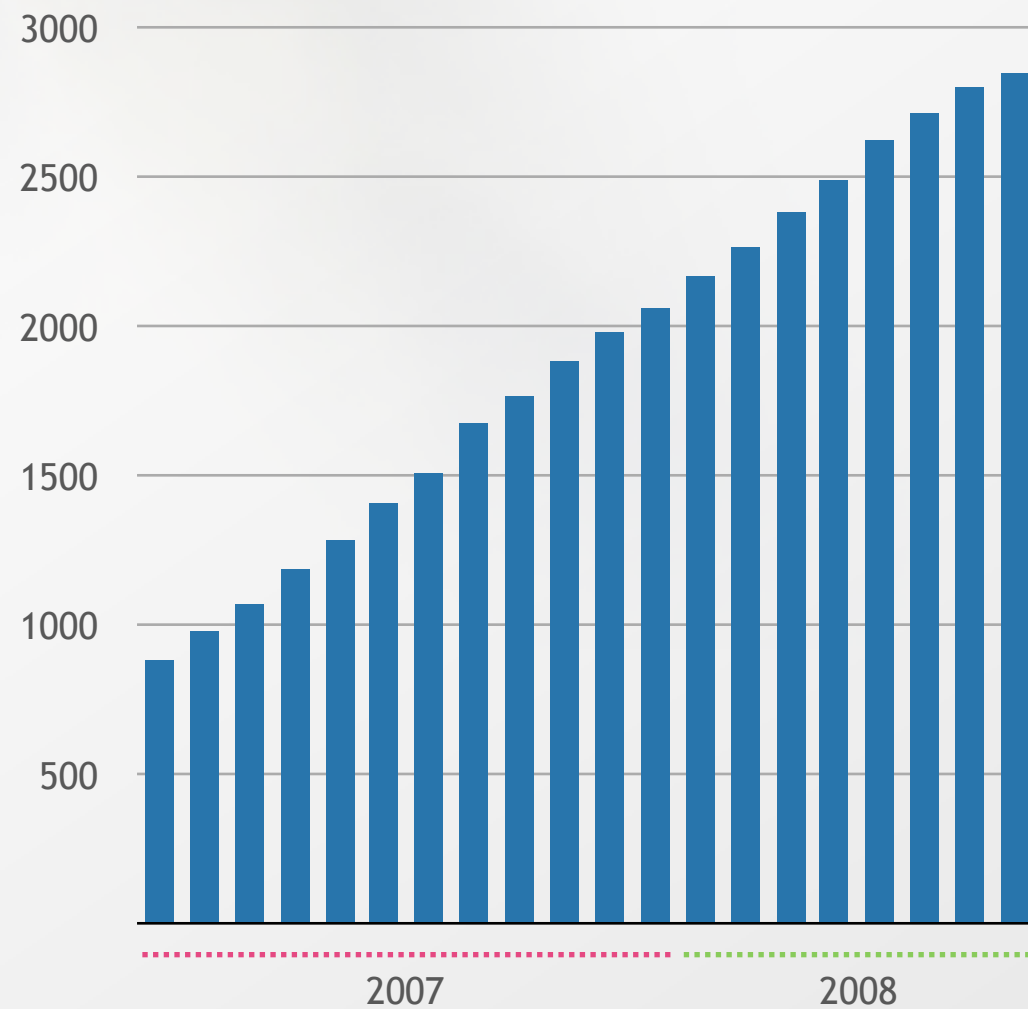
SaaS also lets us take advantage of synergies between Wolters Kluwer businesses

For example, **RefundOne**, a collaboration between AppOne and CCH Tax and Accounting, helps dealers facilitate auto loans using a consumer's expected tax refund



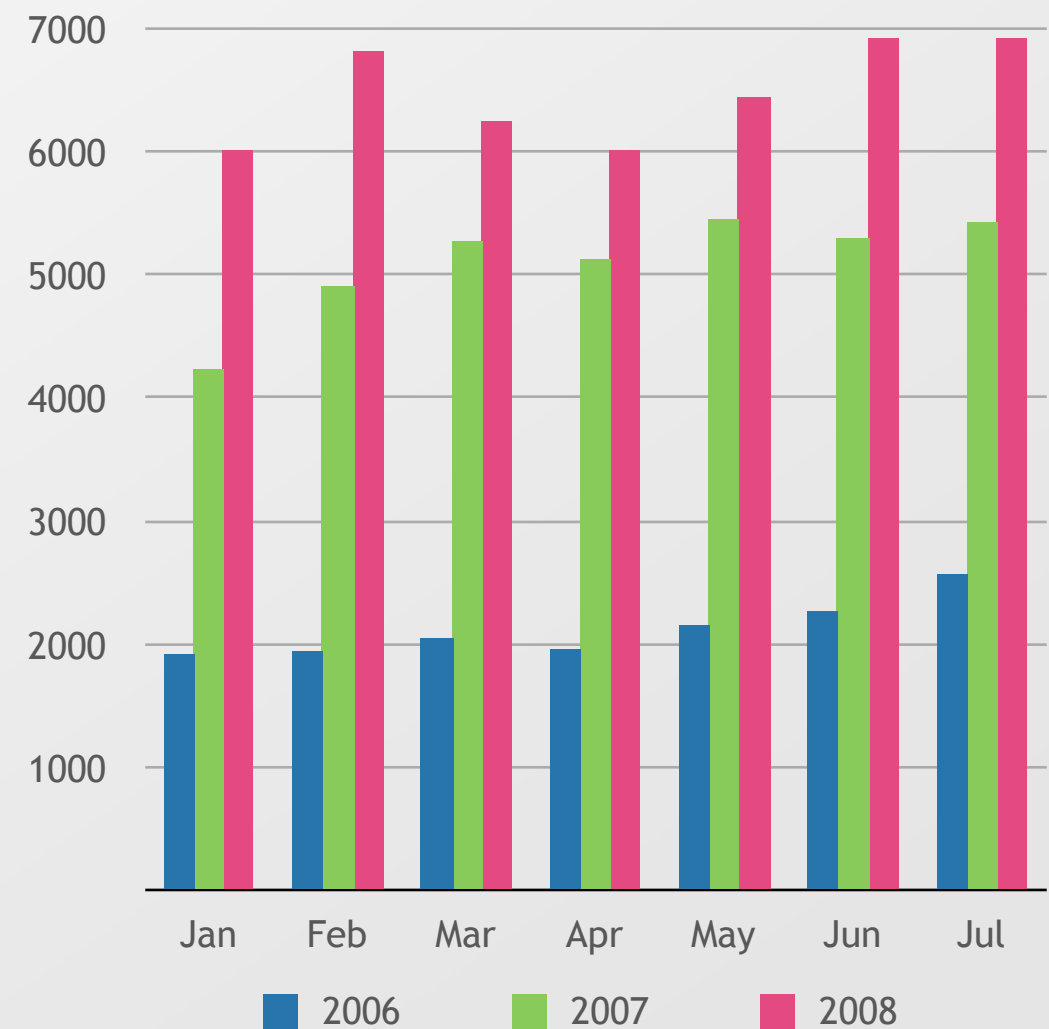
SaaS is enabling AppOne to expand its installed base of dealers rapidly and grow the number of loan applications

Growth Of Dealers Using AppOne



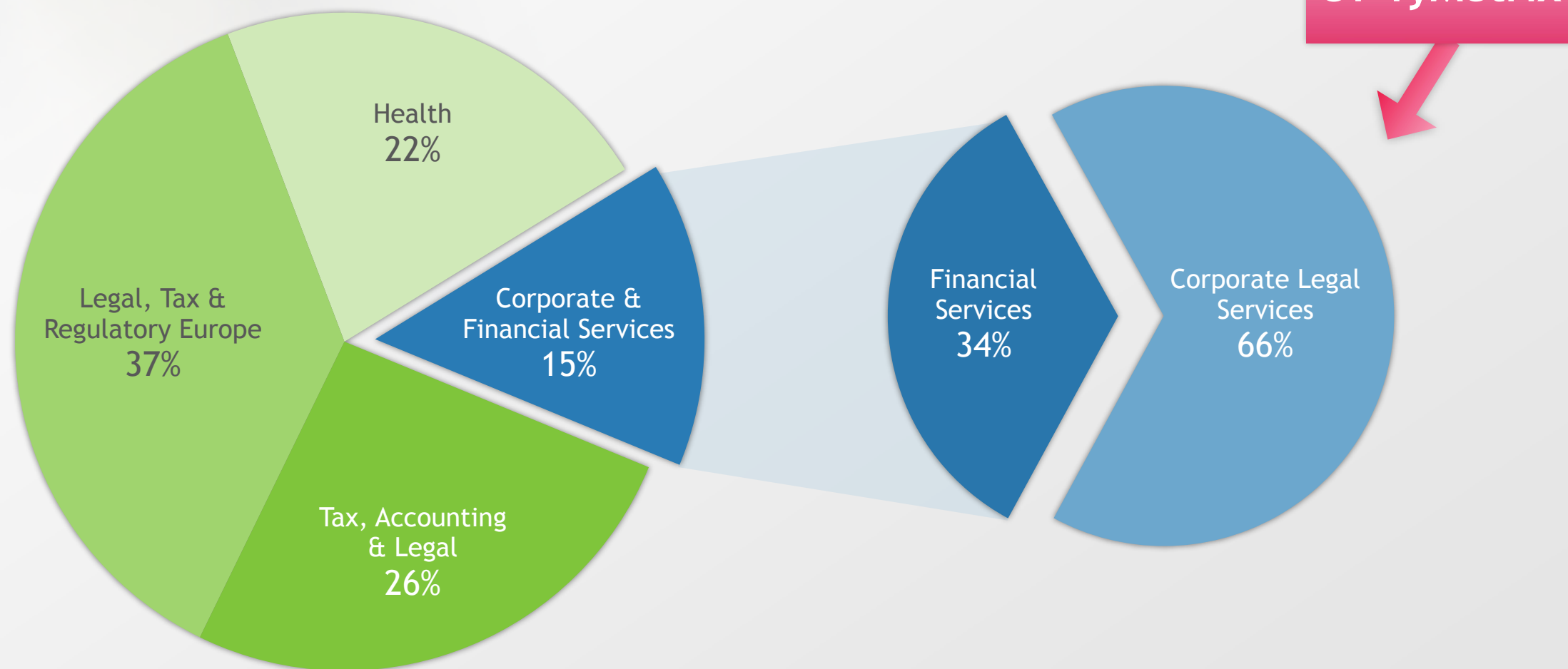
Applications Flowing Through AppOne

Same Month Comparison 2006-2008

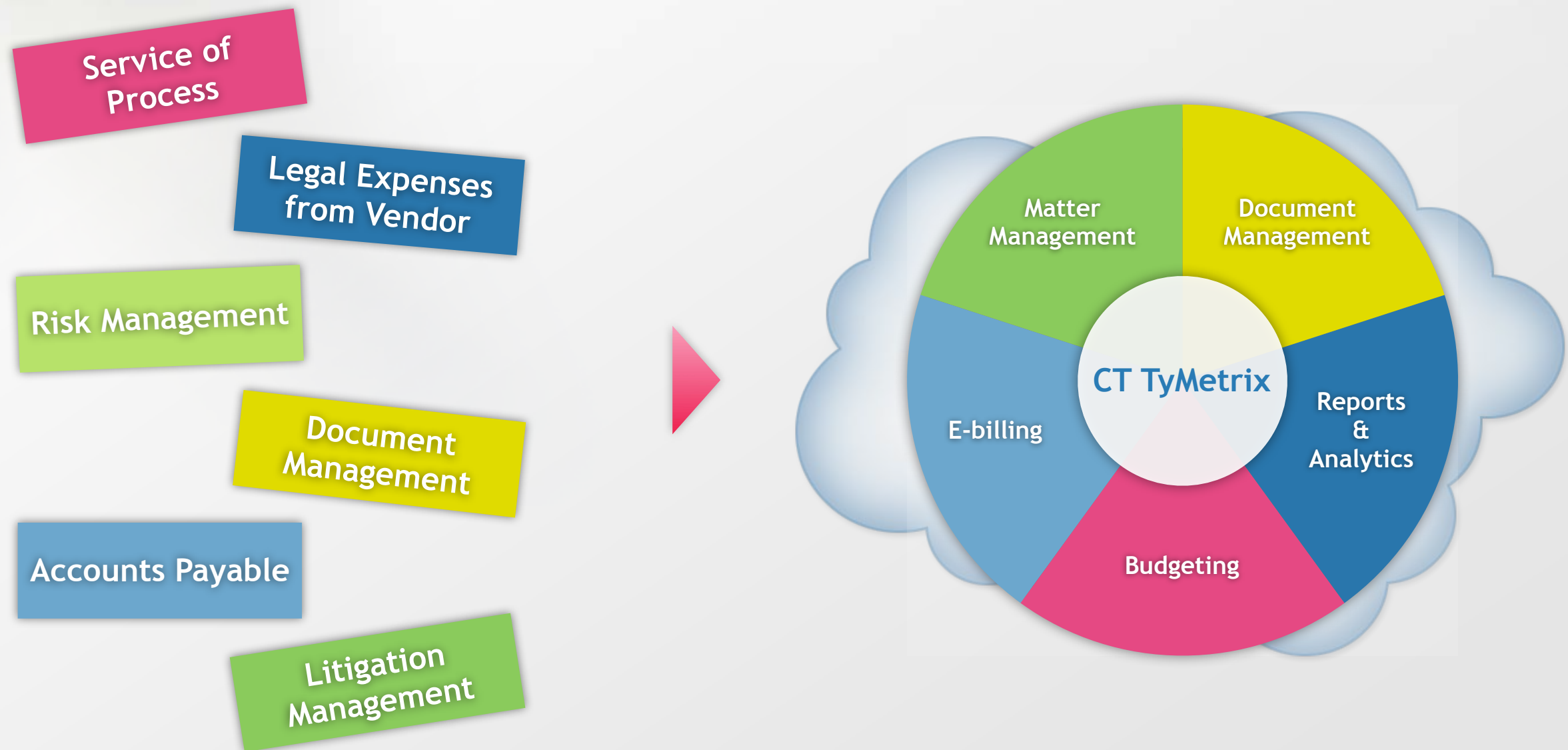


CT TyMetrix - A Case Study in Software as a Service

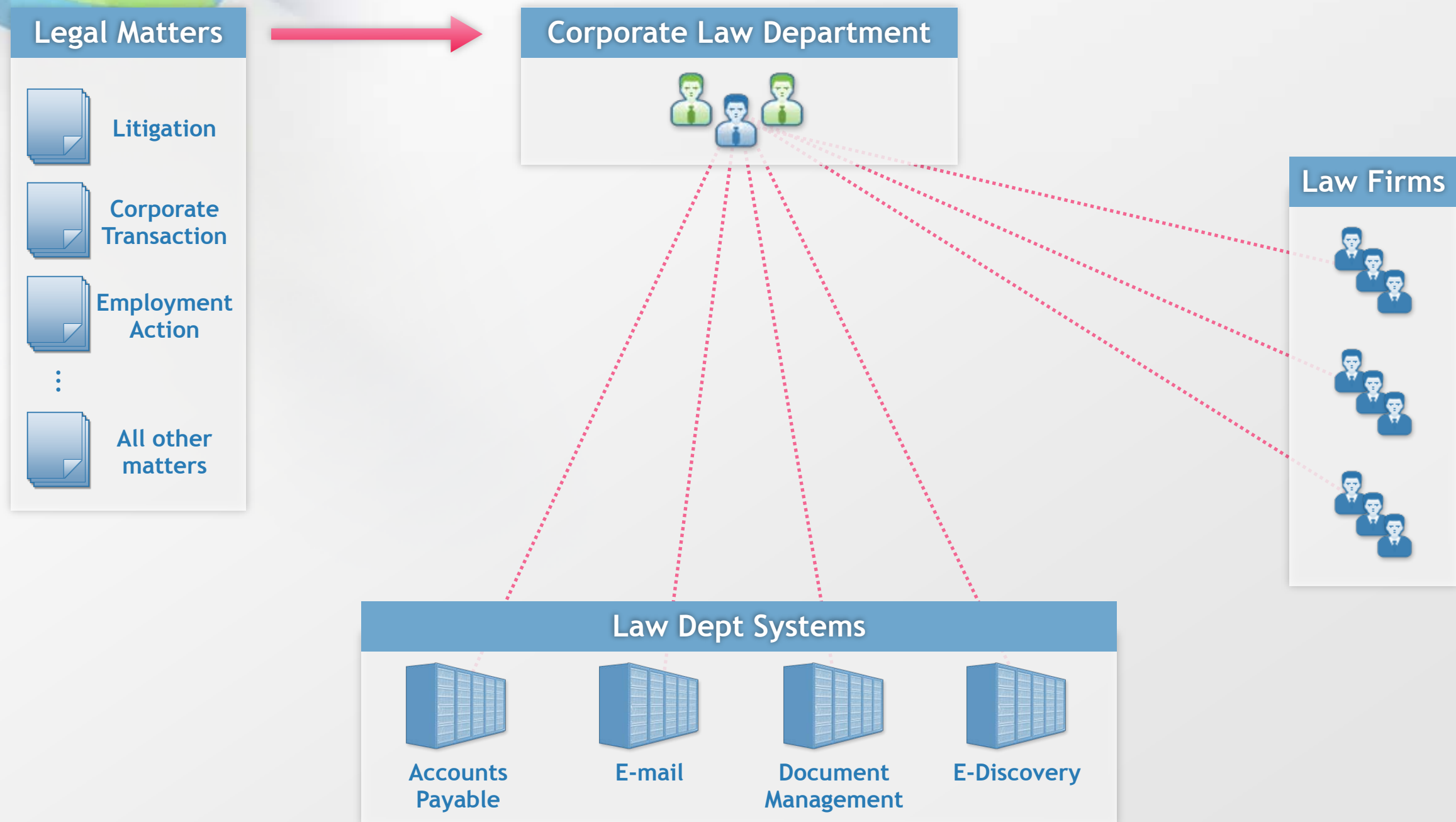
2007 Revenue: €3,413 million



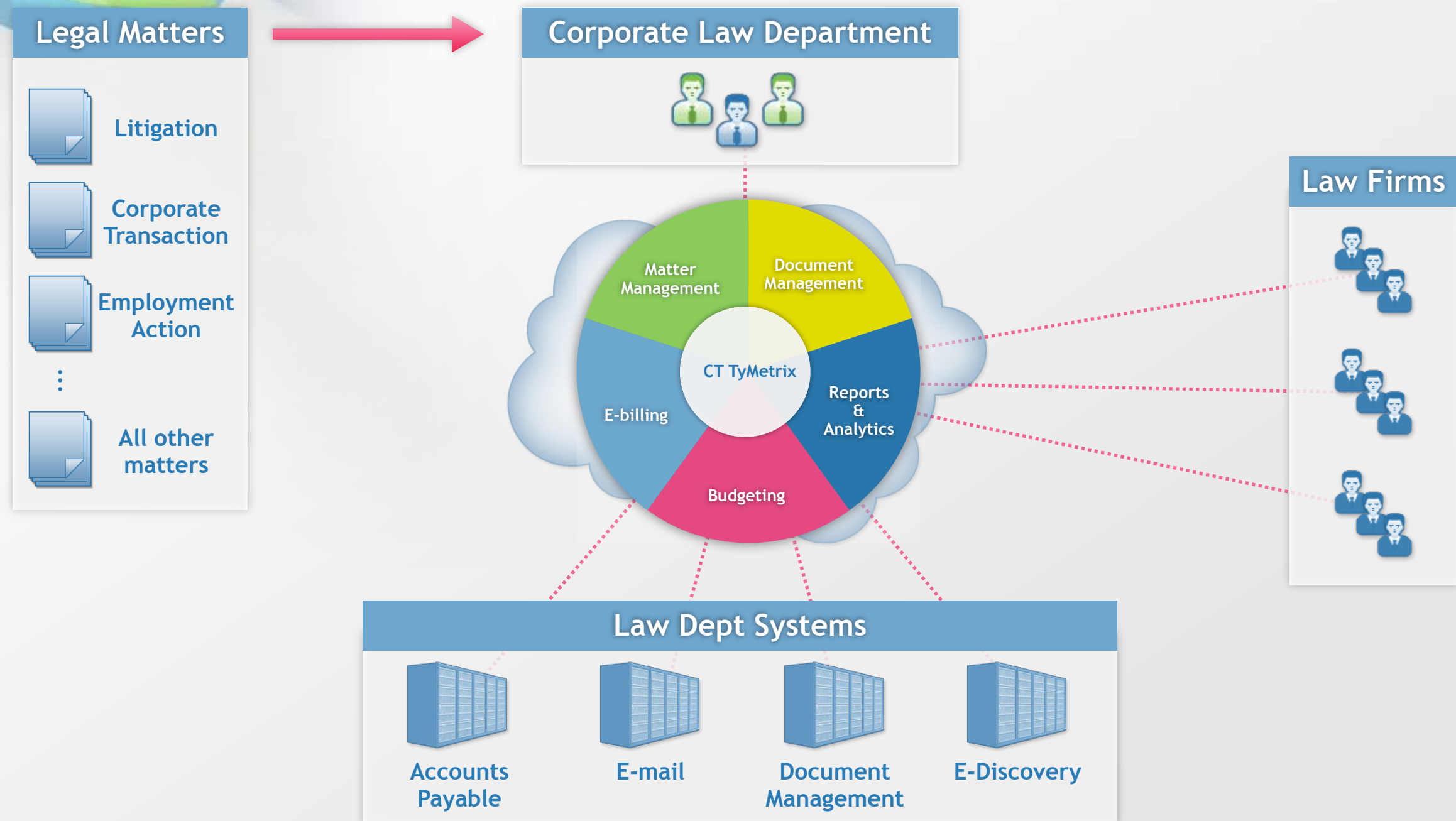
CT TyMetrix was the first vendor in its market to use a SaaS model, replacing siloed software packages with a unified productivity suite for corporate law departments



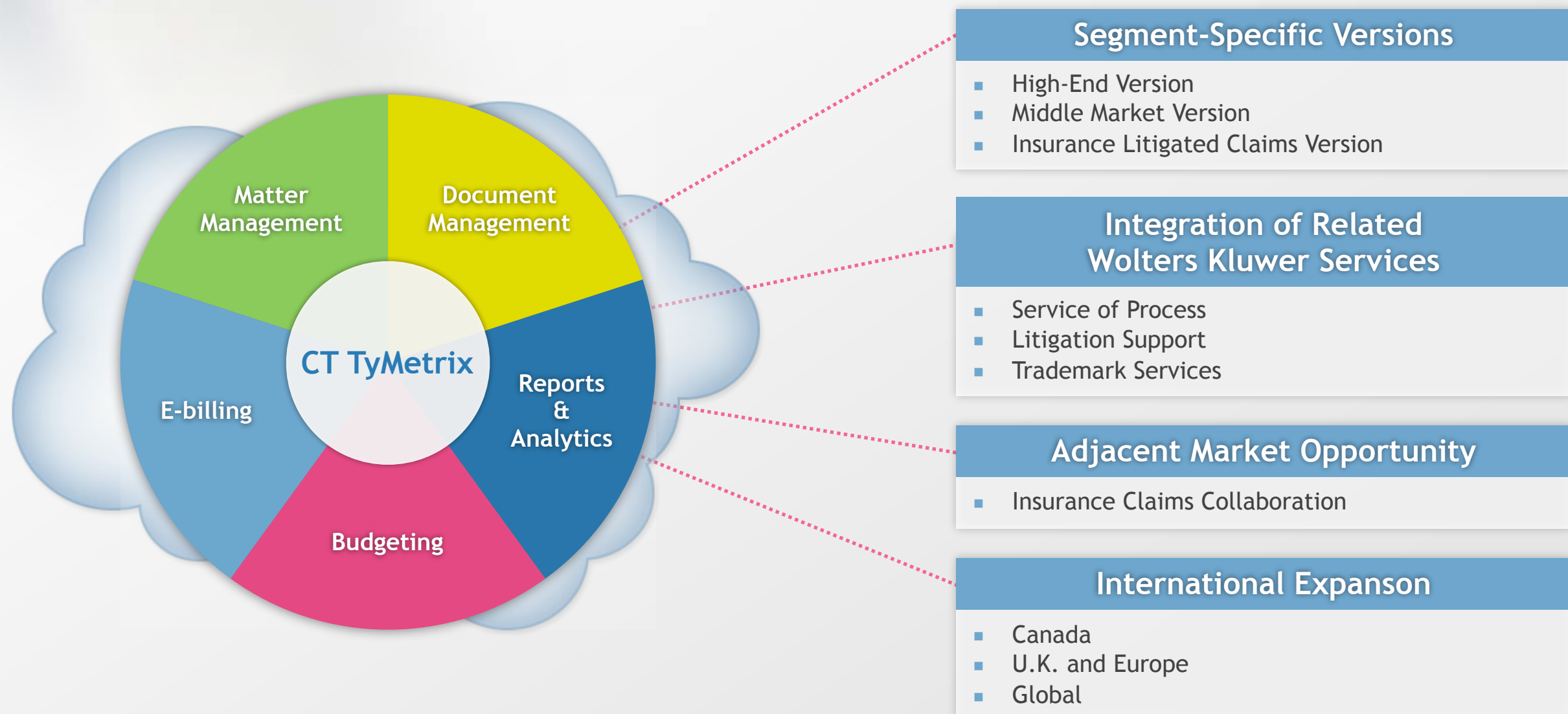
SaaS has proven to be an attractive model for CT TyMetrix customers



SaaS has proven to be an attractive model for CT TyMetrix customers

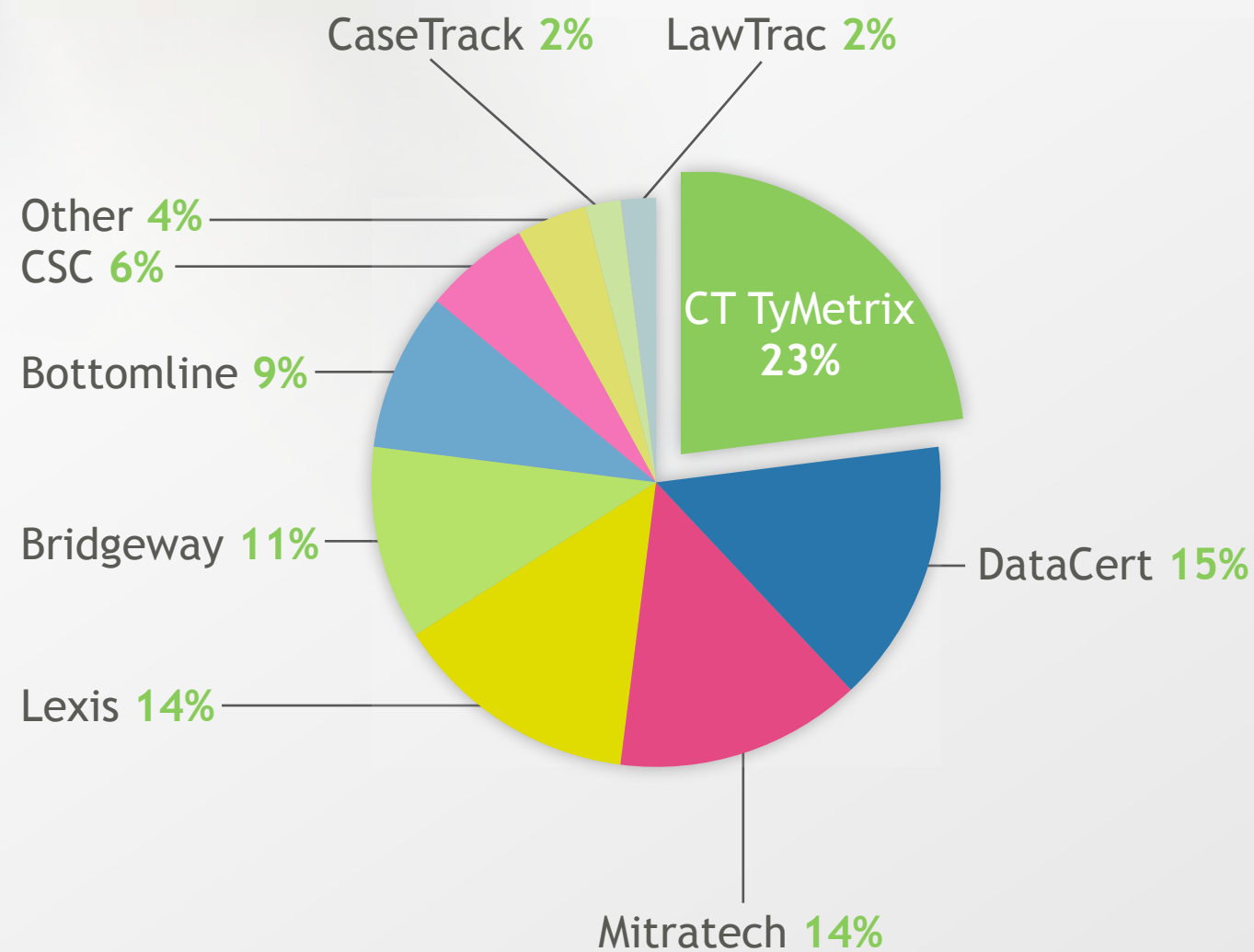


SaaS has allowed CT TyMetrix to serve different segments of our existing corporate law market, expand into adjacent markets, and offer our services internationally

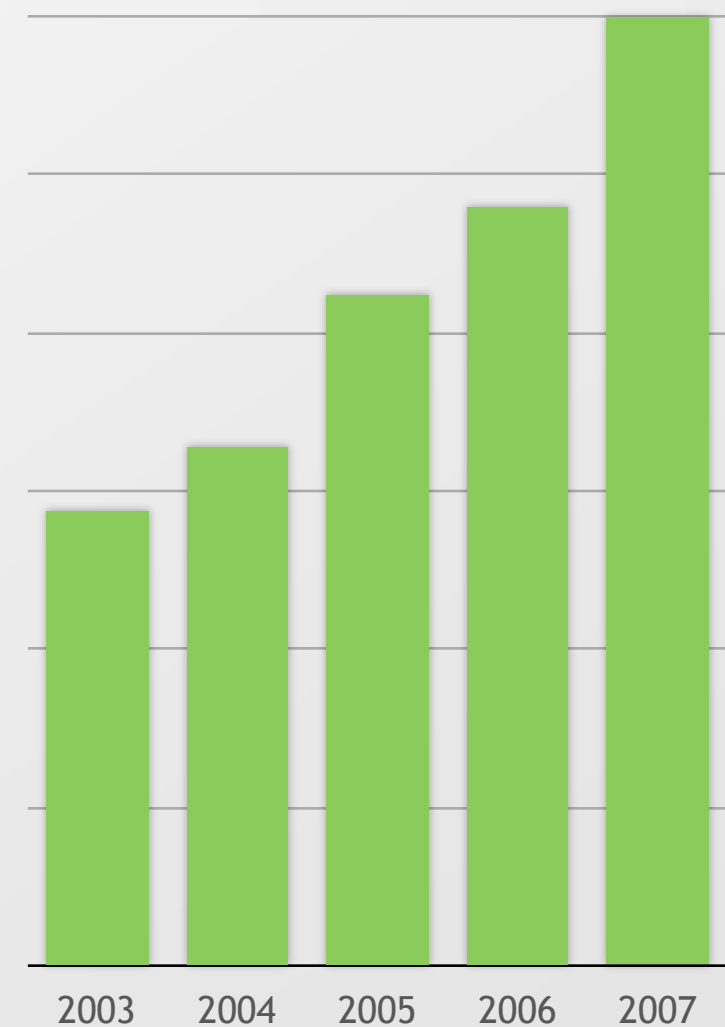


SaaS has helped us drive CT TyMetrix's rapid growth and become the market leader

Market Share by Revenue

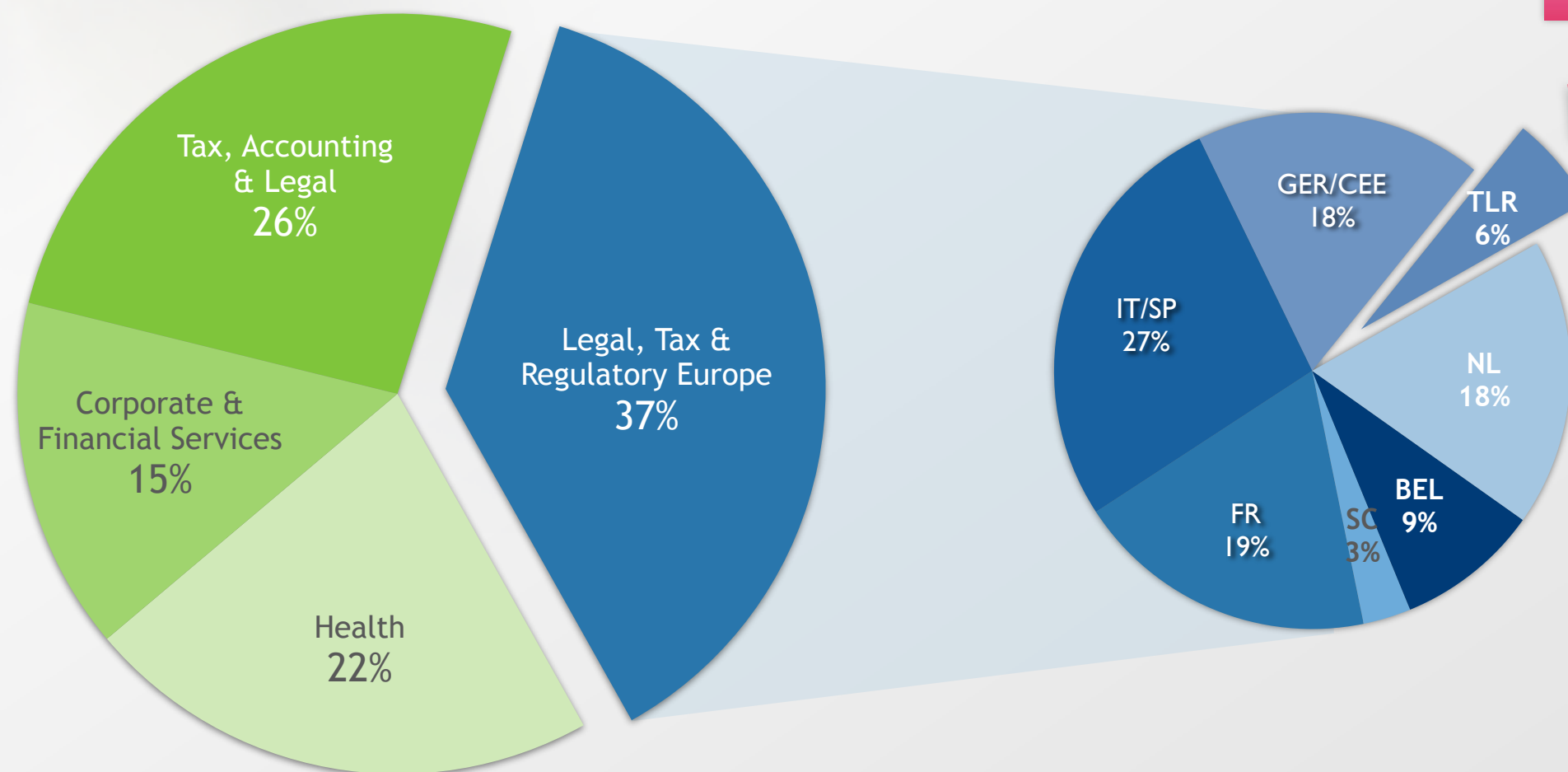


Number of Clients Doubled Since 2003

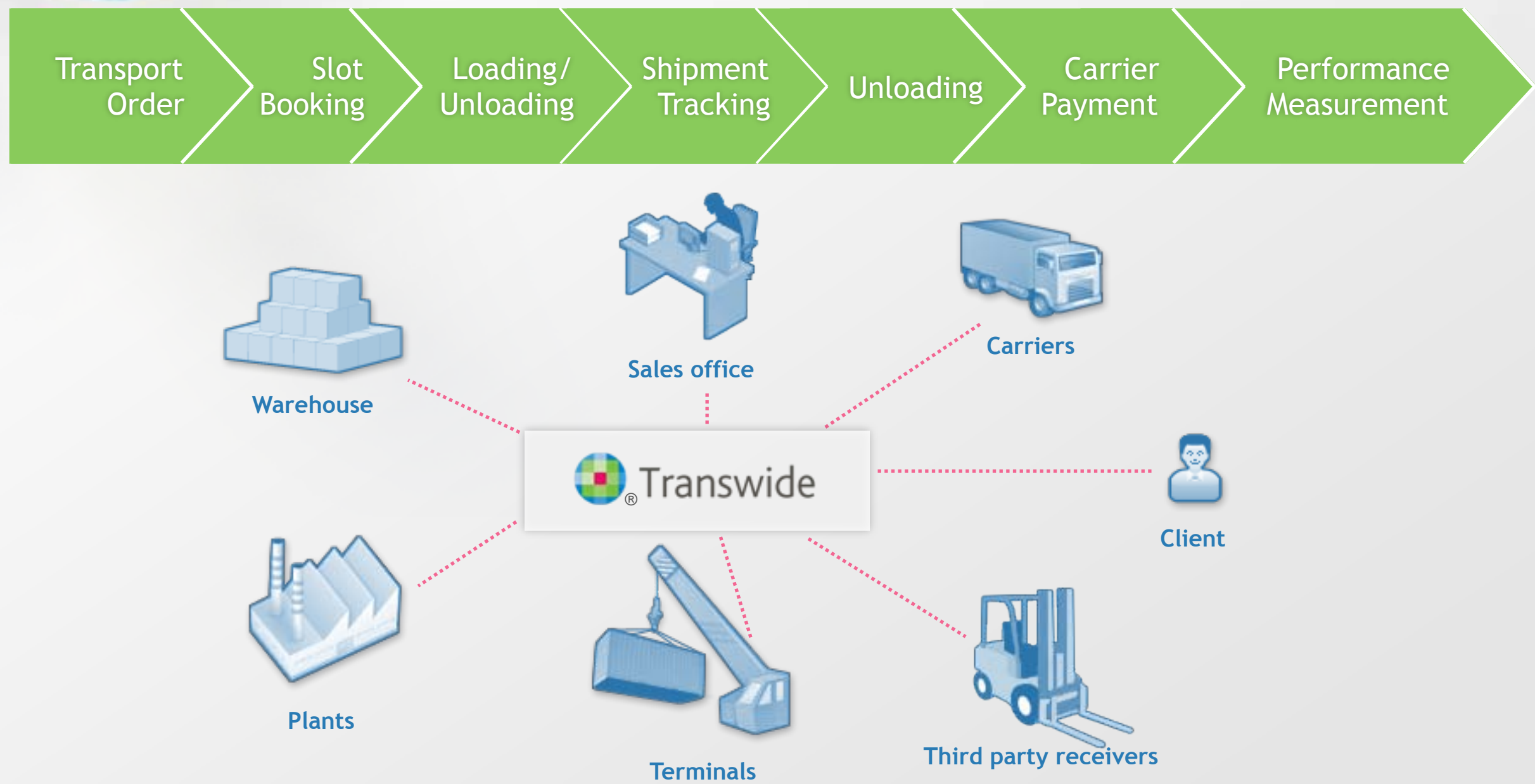


Transwide - A Case Study in Software as a Service

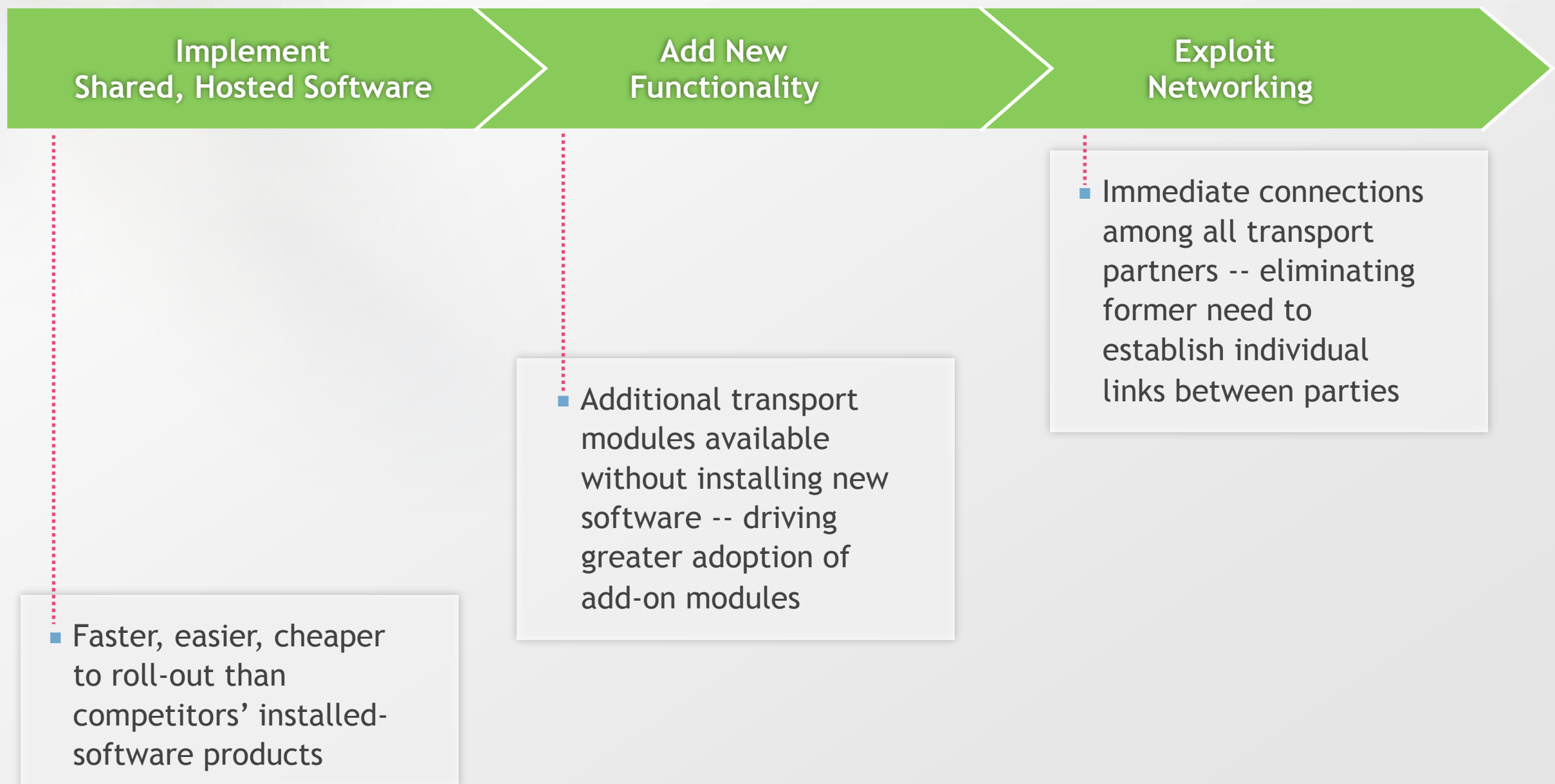
2007 Revenue: €3,413 million



Transwide uses a SaaS model to connect all parties in the logistics ecosystem and facilitate the full range of shipping transactions

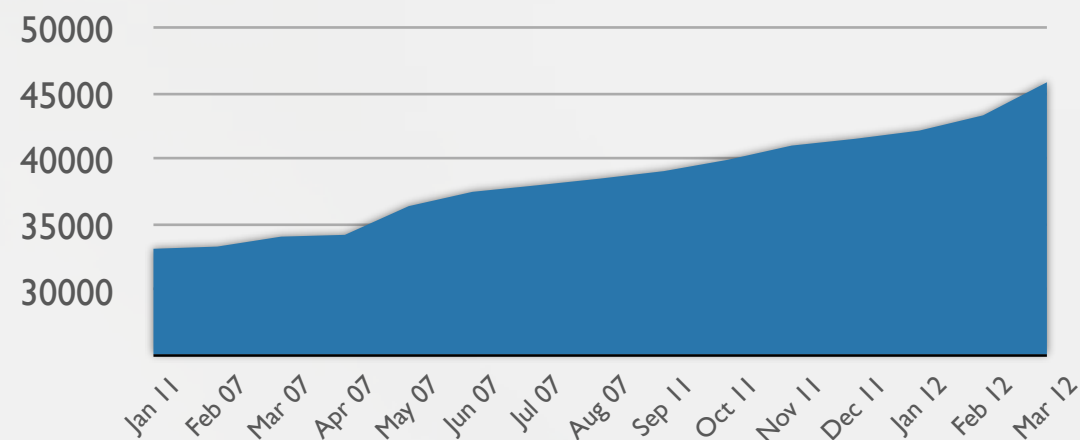


SaaS deployment gives Transwide and its customers important benefits not available with previous installed-software offerings

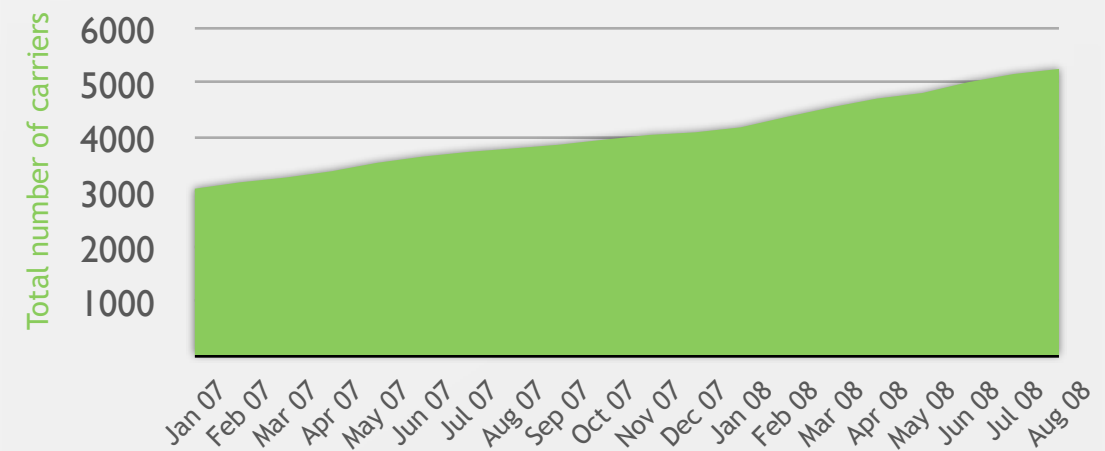


The SaaS model has created network effects and driven rapid growth

45000+ users



5000+ carriers

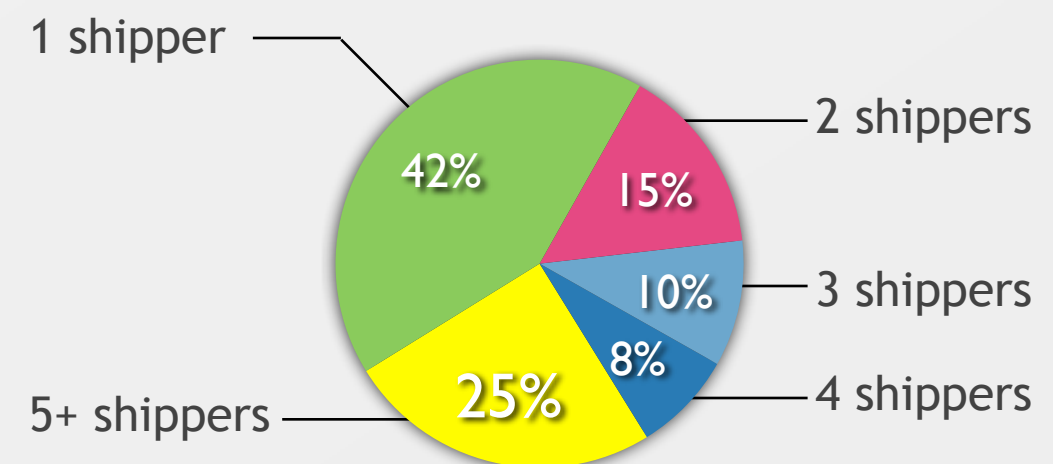


76% use Transwide every day

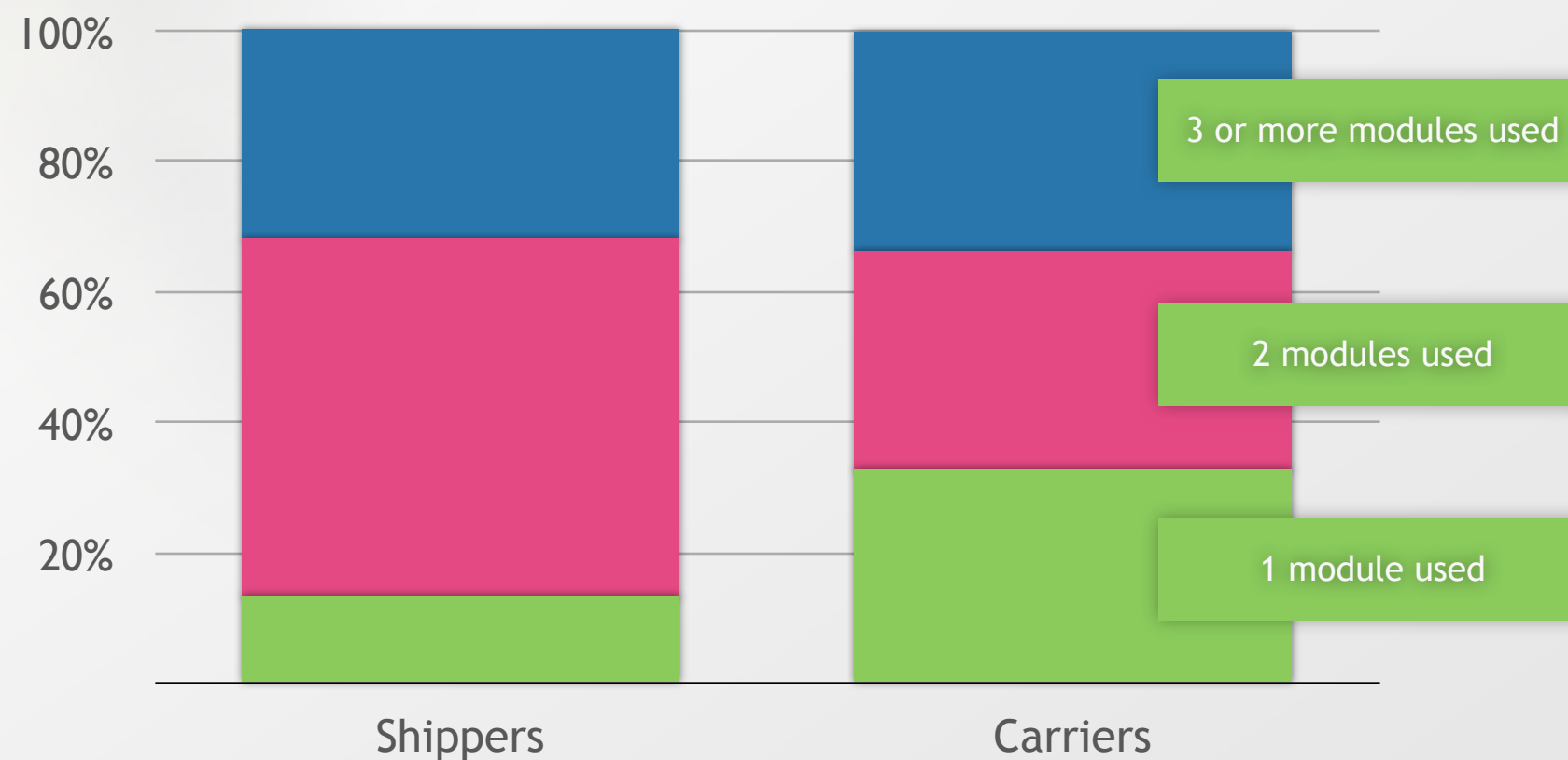
Number of shippers and carriers doubled since 2006

One third of carriers have relationships with four or more shippers

Percentage of Carriers Serving Multiple Shippers

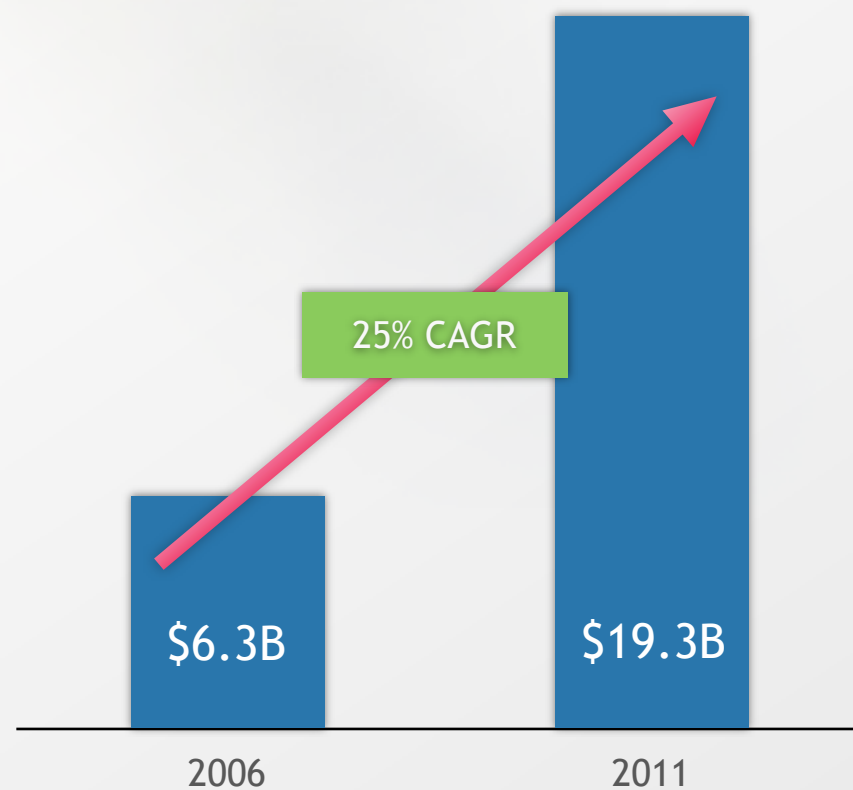


The SaaS model encourages customers to subscribe to and deploy multiple Transwide modules

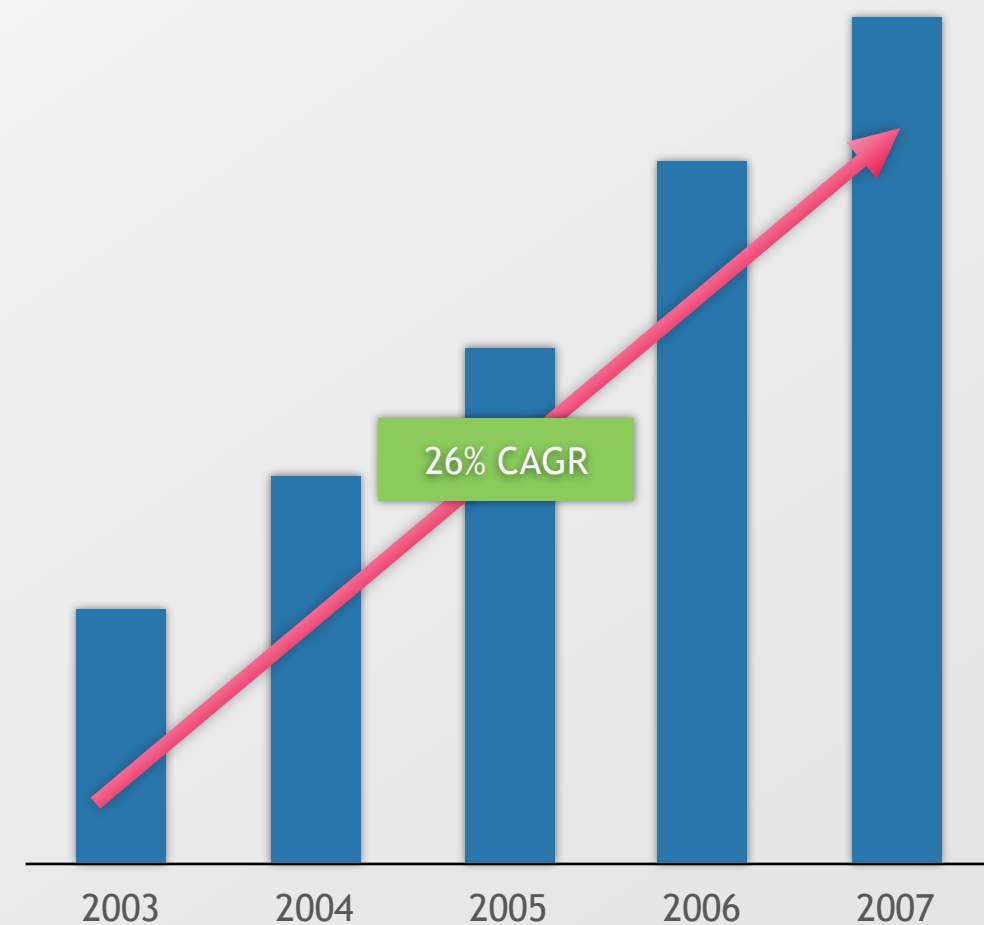


Wolters Kluwer's SaaS businesses are growing well

Gartner Group Projection of SaaS Growth



Historical Growth of Wolters Kluwer's SaaS Businesses



SaaS requires in-depth knowledge of user needs to achieve a common solution that can satisfy a critical mass of users



Conventional enterprise software:
multiple versions / customization

Wolters Kluwer's Customer Insight Process



SaaS: single, unified platform



We will continue to invest in translating customer needs into shared solutions, especially those supporting workflows and networks of commercial relationships

- Deep understanding of customer needs and workflows translates into successful solutions through our proven **Customer Insight** process
- Exploiting synergies between various Wolters Kluwer businesses brings added efficiencies and value to our customers
- Extending applications with connectivity to establish “marketplaces” creates competitive barriers to entry



Questions?