

# Wolters Kluwer Growth Spotlight: Corporate Legal Services

**Richard Flynn**

Group President and CEO  
Wolters Kluwer  
Corporate Legal Services



Wolters Kluwer

May 22, 2012

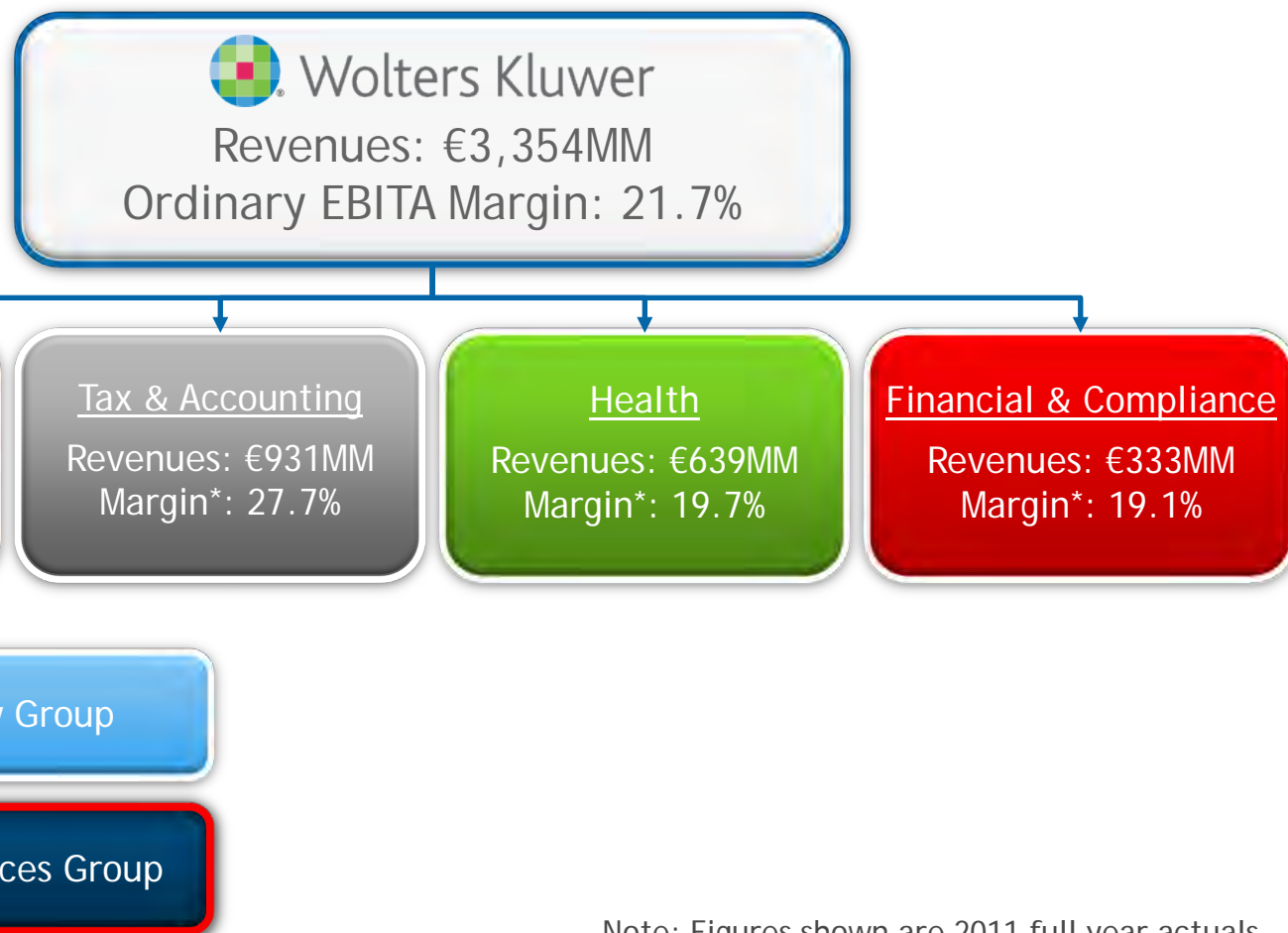
# Forward-looking Statements

*This presentation 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, 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.*

*Unless otherwise stated, this presentation is based on continuing operations, excluding the announced divestment of the pharma business. Comparative information is presented accordingly. Growth rates are cited at constant currencies unless otherwise noted.*

# Wolters Kluwer Overview

## Global Operating Structure



Note: Figures shown are 2011 full year actuals.  
\*Reflects Ordinary EBITA margins.

# Corporate Legal Services Group

## Portfolio Overview





# CLS Purpose

Examples: *Mission Critical Partner*

## Regional Bank Making a \$20M Commercial Loan

### Need to Know

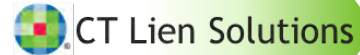
Are there prior claims on the collateral?

Is my claim on assets secured?

### Risks

Could jeopardize lender's ability to seize asset in the event of default

Assets could be pledged to another party, subordinating lender's claim



### Solution

Search for state & county liens/judgments, civil suits and bankruptcies

File original financing statement to perfect the security

## Toy Maker Planning Global Product launch

### Need to Know

What are the trademark infringement risks?

Will my brand be diluted or infringed?

### Risks

Owner of a similar mark may block your right to use and seek punitive damages

Brand rights may be diluted or infringed by other parties and their brands












### Solution

Search global trademark offices and thousands of common law sources

Global trademark and domain name "watching" alert owner to potential infringement

# Market Overview

*Strong Market Leadership*

	Compliance & Governance	Lien Management	Brand Management	Legal Spend Management
<b>Position</b>	#1 Registered Agent	#1 in UCC Search & Filing	#2 Trademark Research	#1 Legal e-Billing Software
<b>Brands</b>	 CT Corporation  	 CT Lien Solutions  iLien	 Corsearch	 TyMetrix  T360°  LegalVIEW
<b>Competitors</b>	Corporation Service Company, Regional/Online Providers		Thomson Compumark, Corporation Service Company	Datacert, Serengeti Law (Thomson), Mitrastech

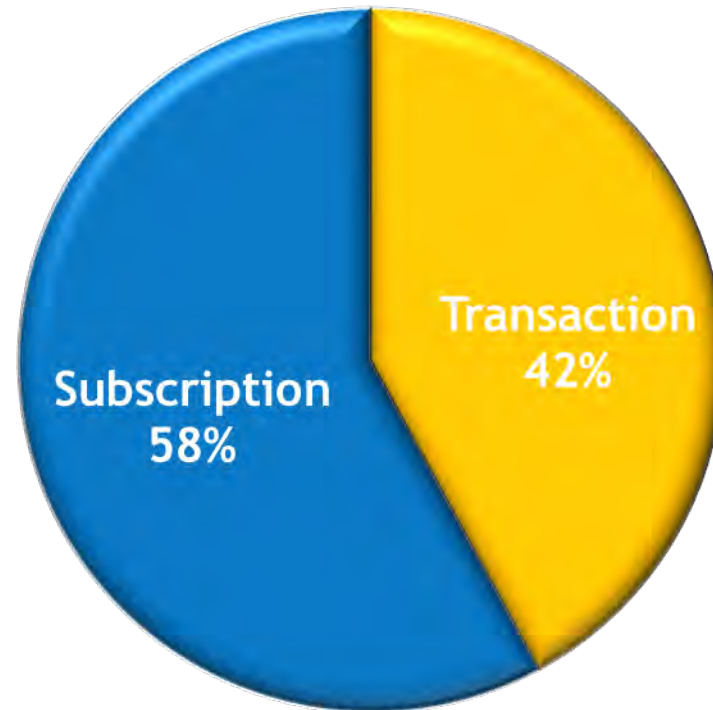
# Economic Drivers and Revenue Profile

*Diverse Demand Factors; Stable Revenue Base*

## Economic Drivers

- Business Formation & Expansion
- Mergers & Acquisitions
- Commercial Lending
- Asset Leasing
- New Product Development
- Litigation
- Government Regulation

## Revenue Mix



# Competitive Advantage

*Powerful Value Bundle*



Difficult to replicate  
service bundle

Deeply embedded in  
"mission critical"  
customer workflows

Long-standing  
customer  
relationships



# Strong Growth Fundamentals

*Favorable Macro Trends Create Growth Opportunities*



# Growth Strategy

## *Balanced Approach to Profitable Growth*

### 1. Product Innovation

- Differentiated Service Levels
- Product Line Extensions

### 2. Geographic Expansion

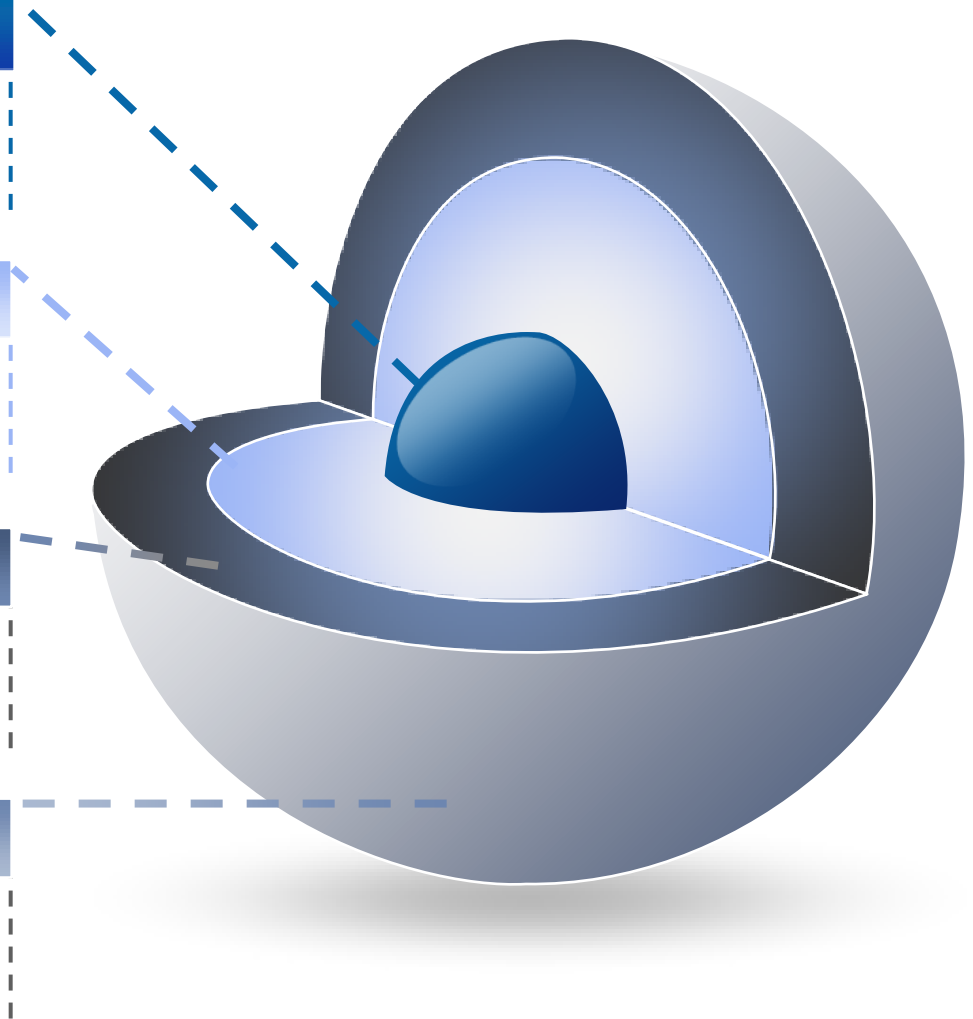
- Extending into High-Growth Markets
- Driving Global Adoption of US Offerings

### 3. Strategic Acquisitions

- NRAI
- Edital

### 4. New Business Models

- Big Data Opportunities



# Product Innovation

*Differentiated Service Levels*

Compliance &  
Governance

## Business Lifecycle



## State Annual Report Filing

On Demand Prep & Filing Service

Corporation



Government



# Product Innovation

*Differentiated Service Levels*

Compliance &  
Governance

## Business Lifecycle



## State Annual Report Filing

On Demand Prep & Filing Service

Self-Service E-Filing Application

Corporation



CTAdvantage.com

Government



# Product Innovation

*Differentiated Service Levels*

Compliance &  
Governance

## Business Lifecycle



## State Annual Report Filing

On Demand Prep & Filing Service

Self-Service E-Filing Application

Fully Managed Service  
(100% Outsourced)

Corporation



Government





# Product Innovation

Product Line Extensions

Lien  
Management

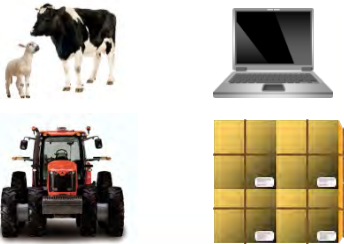
## Lien Management Workflow

Perform Lien  
Due Diligence

File a Lien  
on the Asset

Manage Lien  
for Life of Loan

### UCC Records



### Mortgage Records



### DMV Records

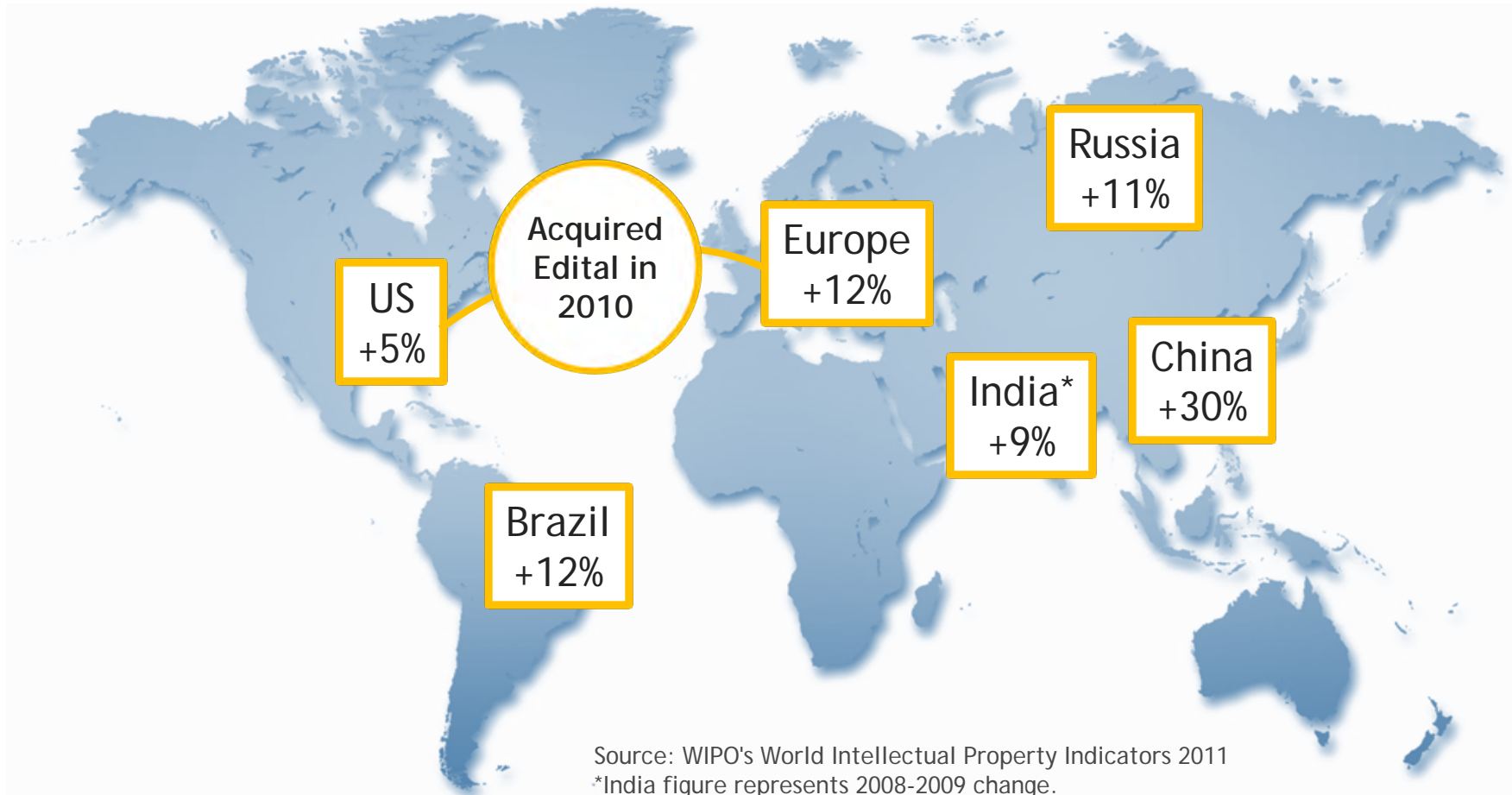


# Geographic Expansion

*Extending Into High-Growth Markets*

Brand  
Management

## Global Trademark Applications, 2009-10 Growth



# Geographic Expansion

*Driving Global Adoption of US Offerings*

Legal Spend  
Management

## Organic Build & Expansion

- Established UK office in 2006 to better serve emerging European legal spend management market
- First wins with European operations of US multinational customers
- Accelerating success with European-based prospects
- Now serving customers in four countries

## Select European Clients

 **LouisDreyfus**  
Commodities

**PHILIPS**

sense and simplicity

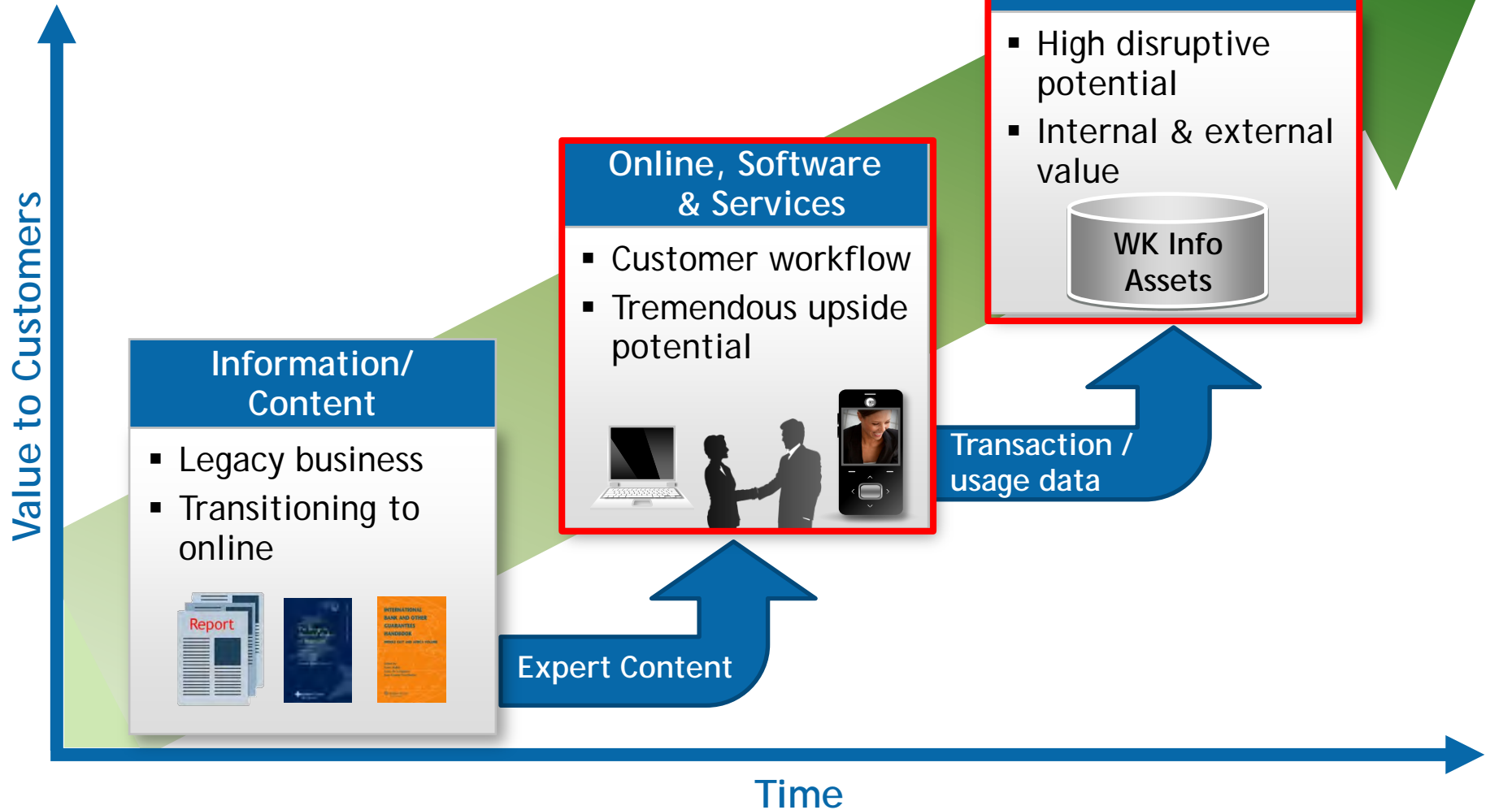
 **Ladbrokes** PLC

 **SOCIETE  
GENERALE**

 **Nationwide**

# Wolters Kluwer Portfolio Transformation

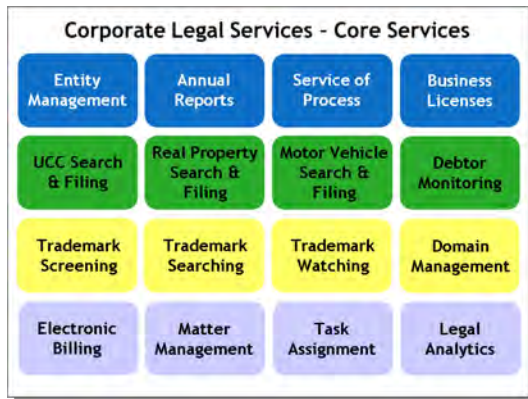
*Reinvention to Drive Value for Customers*



# CLS Big Data Opportunities

*Innovation Lab R&D*

## Core Services



## Big Data Byproducts

20M+ Entity Records

10M+ Service of Process

55M+ UCC-1 Filing Records

52M+ Trademark Records

225M+ Domain Names

**\$27B+ Legal Invoice Data**

## Market Potential



Conducting a range of concept testing to identify the next new business opportunities



# TyMetrix Legal Analytics

*Concept to Market in One Year*

## T360° Invoice Data



## TyMetrix LegalVIEW Open Database



## Products & Services



*“I don't know where to begin. The data is incredible...”*

- Leonard ('Lenny') Gail, Massey & Gail

# Media Coverage

*Favorable Market Response*

## **New York Law Journal**

### **Mid-Sized Firms Show Caution in Boosting Billing Rates**

April 19, 2012  
By Christine Simmons

## **POLITICO**

### **TOP LAWYERS: \$873 PER HOUR**

April 16, 2012  
By Ben White

## **THE WALL STREET JOURNAL**

### **Biggest Lawyers Grab Fee Bounty**

April 16, 2012  
By Jennifer Smith



### **Why Law Firms Are Like Hotels: 'Rack Rates' Are Negotiable, Real Rates Vary by Client**

May 26, 2010  
By Debra Cassens Weiss

# Corporate Legal Services Summary

*Market Leader ... Well Positioned for Growth*

Significant driver of growth and profitability for Wolters Kluwer

Strong brand awareness as recognized market leaders

Well positioned to capitalize on favorable legal services macro trends

Solid growth fundamentals driven by product innovation and market expansion

Leveraging assets in innovative ways to create new market opportunities



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# Appendix



# Select Economic Drivers

## Historical Trends

**M&A Value  
(\$ Billions)**  
*(Thomson-Reuters)*



**Commercial &  
Industrial Loans (\$B)**  
*(Federal Reserve)*



**DE New  
Formations ('000s)**  
*(DE Secretary of State)*



**USPTO TM  
Filings ('000s)**  
*(U.S. Patent & TM Office)*

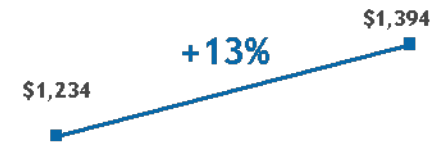
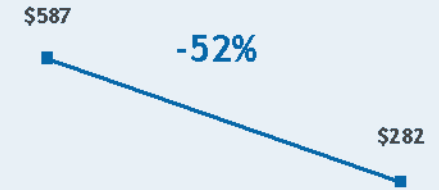


2009

2010

2011

## 2012 YTD\* Trends



2011 YTD

2012 YTD