John Wiley & Sons, Inc., Reports Third Quarter Fiscal Year 2012 Results

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<table>
<thead>
<tr>
<th>$ millions</th>
<th>FY12</th>
<th>FY11</th>
<th>Change Excluding FX</th>
<th>Change Including FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>$451</td>
<td>$448</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Nine Months</td>
<td>$1,328</td>
<td>$1,298</td>
<td>0.30%</td>
<td>2%</td>
</tr>
<tr>
<td>Adjusted EPS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>0.91</td>
<td>0.84</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>Nine Months</td>
<td>2.42</td>
<td>2.37</td>
<td>-1%</td>
<td>2%</td>
</tr>
<tr>
<td>GAAP EPS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>1.03</td>
<td>0.74</td>
<td>37%</td>
<td>39%</td>
</tr>
<tr>
<td>Nine Months</td>
<td>2.69</td>
<td>2.34</td>
<td>12%</td>
<td>15%</td>
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</table>

Adjusted EPS growth for the third quarter excludes a $0.12 per share one-time tax benefit in FY12 related to the release of a tax reserve previously recorded as part of the 2007 Blackwell acquisition and a $0.10 per share bad debt charge related to Borders in the third quarter of FY11. Adjusted EPS for the first nine months also excludes a $0.14 and $0.07 per share deferred tax benefit due to changes in the U.K. statutory tax rates in fiscal year 2012 and 2011, respectively.

John Wiley and Sons, Inc. (NYSE: JWA and JWB), a global provider of content and workflow solutions in areas of scientific, technical, medical, and scholarly research; professional and personal development; and education today announced results for the third quarter of fiscal year 2012:

- **Revenue** growth of 1% including and excluding foreign exchange (or “FX”).
- **Revenue by segment, including FX**: STMS +3%, P/T -6% and Education +2%
- **Adjusted EPS** grew 8% to $0.91, or 6% excluding FX. Growth was driven by top-line results, prudent expense management and lower interest expense and income taxes.
- **Shared Services and Administrative Costs** excluding FX, were up 3% to $91 million, driven principally by technology spending to support investments in digital products and infrastructure.
- **Outlook**: Reaffirming FY12 revenue guidance of low single-digit growth excluding FX and EPS guidance in a range from $3.15 to $3.20 including the effect of FX and excluding the unusual tax benefits.
- **Acquisition**: In February, Wiley acquired Inscape Holdings, a leading global provider of workplace learning solutions, for $85 million in cash. Inscape will be integrated into Wiley’s Professional/Trade business where it will combine Wiley’s extensive reservoir of valuable content and its global reach in leadership and training with Inscape’s technology, distribution network, and talent expertise, including the innovative EPIC online assessment-delivery platform and an elite network of nearly 1,700 independent consultants, trainers, and coaches. Annually, Inscape generates approximately $20 million in revenue.
- **Divestment**: On March 7, 2012, Wiley announced that it intends to explore opportunities to sell a number of its consumer print and digital publishing assets in its Professional/Trade business as they no longer align with the company’s long-term business strategy. Fiscal Year 2011 revenue associated with the assets to be sold was approximately $85 million with a direct contribution to profit, before shared-service expenses, of approximately $6 million. Assets include travel (including the well-known Frommer’s brand), culinary, general interest, nautical, pets, crafts, Webster’s New World, and CliffsNotes. Wiley will re-deploy resources in its Professional/Trade business to build on its global market-leading positions in business, finance, accounting, leadership, technology, architecture, psychology, education, and through the For Dummies brand.
- **Share Repurchases**: Wiley repurchased $20,000 shares this quarter at a cost of $23 million. The Company has 2.9 million authorized shares remaining in its program.
Management Commentary

“Growth in STMS and Global Education was partially offset by weakness in our Professional/Trade business. Unfavorable comparables to the prior year as a result of the bankruptcy of Borders in December 2010 weighed heavily on our Professional/Trade results this quarter,” said Stephen M. Smith, President and CEO.

Mr. Smith continued, “After conducting a strategic review of the Professional/Trade business, we have decided to explore opportunities to divest several consumer print and digital publishing assets to focus on information and solutions for professionals and lifelong learners. To that end we recently acquired Inscape Holdings, a leading provider of workplace learning and assessment solutions. The acquisition will combine Wiley’s valuable content and global reach in leadership and training with Inscape’s online assessment-delivery platforms, talent expertise and network of 1,700 independent consultants, trainers, and coaches.”

“In STMS, we are encouraged by calendar year 2012 journal renewals, which are proceeding slightly better than expected. Book sales have been softer than we expected but most of our leading indicators are positive, including our society wins and online usage. Global Education showed modest growth this quarter.”

“While the global economic environment remains difficult, we are very optimistic about the opportunities we see in research, professional development, and education. We are excited with our recent acquisition, which will allow us to provide content-enabled services in leadership and training, globally. And we are focused on reducing costs and improving efficiencies across the business.”

Outlook

Mr. Smith concluded, “Based on results for the first nine months and other leading indicators, we are maintaining our full year revenue guidance of low single-digit growth, excluding FX and our EPS guidance of $3.15 to $3.20, including FX and excluding the unusual tax benefits.”

Foreign Exchange

Any references to “currency neutral,” “excluding foreign exchange (FX),” and “performance basis” exclude the effect of foreign exchange transactions and translation. Unless otherwise noted, the impact of foreign exchange on the variance explanations presented is insignificant. The weighted average foreign exchange translation rates reflected in Wiley’s income statement during fiscal year 2011 were approximately 1.56 Sterling and 1.33 Euro.

SCIENTIFIC, TECHNICAL, MEDICAL, AND SCHOLARLY (STMS)

- Third quarter revenue +3% including and excluding FX
- Third quarter contribution to profit +2% including and +1% excluding FX
- Calendar year 2012 journal subscription renewals proceeding slightly better than expected; 75% of targeted full year business closed at quarter-end, up from 73% at the same period last year.

STMS revenue for the quarter was up 3% to $245 million, including and excluding foreign exchange. Journal subscription revenue, digital book and reference sales and advertising were partially offset by lower journal reprint revenue. Direct contribution to profit for the quarter grew 2% to $99 million, including and excluding FX, due to top line results, partially offset by higher royalties.

Society Partnerships

- Two new society journals were signed in the quarter with combined annual revenue of $1.4 million; 22 new journals signed in the first nine months.
- 39 renewals/extensions were signed in the quarter with $20 million in combined annual revenue; 87 journals renewed in the first nine months.
- Two journals lost in the quarter with combined annual revenue of $633,000; six journals lost year-to-date.

New Society Contracts

- Journal of the American Heart Association for the American Heart Association - the first open access online-only journal for the AHA. The online journal has been launched on-time and on-budget. This is a new society relationship for STMS, and one that was enabled by our Gold (Funded) Open Access publishing capabilities.
- British Educational Research Journal (BERJ) and a new-start review journal for the British Educational Research Association (BERA.) BERA is the largest educational research organization outside of the U.S., with 1,800 members.

Alliances

- Wiley has been selected as preferred publisher by both the Society for Information Display (SID) and the American

Online Library Usage and Other Digital Initiatives

- Overall, full-text accesses (FTAs) on Wiley Online Library grew by 12% for the quarter. Total visits were up 19% compared to the previous quarter.
- Wiley completed and deployed custom Web sites for six of its society partners.

PROFESSIONAL/TRADE (P/T)

- Third quarter revenue fell 6%, or 5% excluding FX.
- e-book revenue nearly doubled to $9 million, or 9% of P/T revenue overall.
- Acquisition of Inscape for workplace learning and assessment in February
- Planned divestment of consumer lines, including travel, cooking, general interest, nautical, pets, crafts, Webster’s New World, and CliffsNotes.

P/T revenue fell 6% to $108 million, or 5% excluding FX primarily due to softness in the consumer line, primarily cooking and travel, and business. The decline was a result of the loss of comparable sales from the prior year to Borders through December, a weak global economy, and soft retail sales.

Adjusted direct contribution to profit, which excludes a $9 million third quarter fiscal year 2011 bad-debt charge related to Border's, fell 7% to $28 million, reflecting lower revenue partially mitigated by cost saving initiatives.

Results by Major Category (excluding FX)

- Business down 10% to $33 million, with solid growth in digital sales
- Consumer fell 10% to $34 million due in large part to Borders
- Technology grew 2% to $23 million
- Professional Education grew 7% at $6 million
- Architecture down 3% at $7 million
- Psychology grew 4% at $3 million

Digital Revenue

- e-book sales increased $4.5 million in the quarter to $9 million, accounting for 9% of P/T revenue. Strong growth at Amazon, Barnes & Noble, and Apple drove results.

New Titles/Products of Note

- Business and Finance: *GMAT Business Ready* is a digital "boot camp" product for GMAC, aimed primarily at students starting business school. The product contains four modules (Accounting, Finance, Statistics, and Quantitative Skills) that can be purchased separately or in combination. *The Advantage Audit Guides* are workflow tools that allow users to download targeted business forms to use when performing an audit. *The CPA Test Bank* is an online test-preparation product that is targeted to users studying for the CPA exam. It consists of sample test questions, and enables users to create and take exams in various modes, see their results and track their progress.
- Technology: *iPad 2 For Dummies, 3e* by Edward C. Baig and Bob LeVitus; *iPhone 4S Portable Genius, 2e* by Paul McFedries; *Liars and Outliers* by Bruce Schneier.
- Consumer: *Small Business For Dummies, 4e* by Eric Tyson and Jim Schell; *The Paleo Answer; Frommer’s France Day by Day* by Frommer’s Toronto; *Better Homes & Gardens Ultimate Low-Calorie Cookbook*, *Weight Watchers One-Pot Cookbook*, and the Digital Edition of America’s The Professional Chef, 9e.
- Professional Education: *Teach Like A Champion Field Guide*, a follow-on guide to Doug Lemov’s highly successful *Teach Like A Champion*.
- Architecture: *Meggs’ History of Graphic Design 5e* in print and multiple e-formats
- Mobile Apps: *Stock Traders Almanac 2012 - Calendar and Market Data Tool*, based on over 40 years of research, features complete historical market data for every trading day of 2012, providing timing triggers for market cycles and seasons, as well as probabilities for each trading day, week, and month.

GLOBAL EDUCATION

- Third quarter revenue up 2% including and excluding FX
- Third quarter contribution to profit up 5% including and excluding FX
- Non-traditional and digital revenue, which includes WileyPLUS, fell 3% to $28 million, accounting for 29% of total Global
Education revenue; year-to-date total non-traditional and digital revenue has grown 5% to $73.4 million.

Third quarter Global Education revenue was up 2% to $98 million, both including and excluding FX. Growth of 4% in North America offset a decline in EMEA.

Direct contribution to profit grew 5% to $42 million due to top line results and lower accrued incentive compensation.

Global Revenue
- **Americas** was up 4% to $66 million
- **EMEA** fell 9% to $5.3 million
- **Asia-Pacific** grew 1% to $26 million

WileyPLUS and Other Non-traditional and Digital Revenue Products
WileyPLUS billings picked up in the third quarter, growing 7% overall with solid growth in digital-only billings. Year-to-date WileyPLUS billings remain 3% down versus prior year, primarily as a result of the significant drop in for-profit college enrollments. WileyPLUS revenue for the quarter and year-to-date period declined approximately 6% compared with the prior year period. Year-to-date revenue from e-books, digital content sold directly to institutions, binder editions, and custom publishing increased 12% to $50 million.

We launched our WileyPLUS integration with Blackboard Learn in January. We are currently field testing the integration in over 50 courses. Beginning next fall, WileyPLUS users at schools that also use the current release of Blackboard Learn as their learning management system will be able to seamlessly integrate and customize their Blackboard courses with WileyPLUS, including instructor assignments, student homework, Wiley-provided resources and their own materials. Through this new service we expect to convert more print users to WileyPLUS. We believe this will increase direct e-commerce sales by allowing students to purchase WileyPLUS directly through their instructors' Blackboard course site.

Note:
The Company provides cash flow and income measures referred to as adjusted EPS and free cash flow, which exclude certain items. Management believes the exclusion of such items provides additional information to facilitate the analysis of results. These non-GAAP measures are not intended to replace the financial results reported in accordance with GAAP.

Conference Call
- Scheduled for today, March 8, at 10:00 a.m. (EST). Wiley will discuss financial results for the third quarter of fiscal year 2012.
- U.S. callers, please dial (866) 200-6965 and enter the participant code 30095282#.
- International callers, please dial (646) 216-7221 and enter the participant code 30095282#.
- A replay of the conference call will be available through March 15, 2012, and may be accessed by calling (866) 206-0173 and entering pin code 269999#. Additionally, an archive of the webcast will be available for a period of up to 14 days.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995
This release contains certain forward-looking statements concerning the Company's operations, performance, and financial condition. Reliance should not be placed on forward-looking statements, as actual results may differ materially from those in any forward-looking statements. Any such forward-looking statements are based upon a number of assumptions and estimates that are inherently subject to uncertainties and contingencies, many of which are beyond the control of the Company, and are subject to change based on many important factors. Such factors include, but are not limited to (i) the level of investment in new technologies and products; (ii) subscriber renewal rates for the Company's journals; (iii) the financial stability and liquidity of journal subscription agents; (iv) the consolidation of book wholesalers and retail accounts; (v) the market position and financial stability of key online retailers; (vi) the seasonal nature of the Company's educational business and the impact of the used-book market; (vii) worldwide economic and political conditions; (viii) the Company's ability to protect its copyrights and other intellectual property worldwide; (ix) the ability of the Company to successfully integrate acquired operations and realize expected opportunities; and (x) other factors detailed from time to time in the Company's filings with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any such forward-looking statements to reflect subsequent events or circumstances.

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