Wiley

Released on Wiley News Room - Press Releases, News, Events & Media (http://newsroom.wiley.com) on December 08, 2015

Wiley Reports Second Quarter Fiscal Year 2016 Results

Release Date:
Tuesday, December 8, 2015 8:00 am EST

Terms:
All Corporate News, Earnings Releases

Dateline City:
HOBOKEN, N.J.

- Revenue of $433 million, down 5% over prior year on a constant currency basis, including the impact of a $10 million journal backfile sale in the prior year period
- Journal subscription revenue of $163 million, down 1% on a constant currency basis, including the trailing effects of the Swets subscription agency bankruptcy
- Adjusted EPS of $0.78, down 10% on a constant currency basis, including the $0.10 impact of the large journal backfile sale in the prior year period
- First half revenue and adjusted EPS down 2% and 1%, respectively, on a constant currency basis
- Full-year adjusted EPS outlook reaffirmed but revenue growth outlook revised to flat, excluding the impact of foreign exchange and the shift to time-based journal subscription agreements

Wiley, a global provider of knowledge and learning solutions that improve outcomes in research, professional practice, and education, today announced the following results for the second quarter of fiscal year 2016:

<table>
<thead>
<tr>
<th>$ millions</th>
<th>FY16</th>
<th>FY15</th>
<th>Excluding FX</th>
<th>Including FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>$433.4</td>
<td>$477.0</td>
<td>(5%)</td>
<td>(9%)</td>
</tr>
<tr>
<td>6 Months</td>
<td>$856.3</td>
<td>$914.9</td>
<td>(2%)</td>
<td>(6%)</td>
</tr>
<tr>
<td>Adjusted EPS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>$0.78</td>
<td>$0.90</td>
<td>(10%)</td>
<td>(13%)</td>
</tr>
<tr>
<td>6 Months</td>
<td>$1.36</td>
<td>$1.46</td>
<td>(1%)</td>
<td>(7%)</td>
</tr>
<tr>
<td>GAAP EPS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>$0.74</td>
<td>$0.90</td>
<td>(18%)</td>
<td></td>
</tr>
<tr>
<td>6 Months</td>
<td>$1.29</td>
<td>$1.46</td>
<td>(12%)</td>
<td></td>
</tr>
</tbody>
</table>

Please see the attached financial schedules for more detail

Management Commentary

“As anticipated, second quarter results reflect a challenging comparison to the prior-year period due to an unusually large backfile sale in that prior period,” said Mark A. Allen, Wiley’s President and CEO. “In addition, the quarter was adversely impacted by substantially weaker demand for college textbooks and custom education material. For the six months, revenue and adjusted EPS were down modestly, with research journal revenue showing steady performance excluding the prior year backfile sale. Meanwhile, we continue to make good progress in the integration of our books businesses, our continued shift to a more variable cost model and the implementation of our cost benchmarking initiative.”

Fiscal Year 2016 Outlook

Wiley is reaffirming its fiscal year 2016 adjusted EPS outlook for flat performance but lowering its revenue outlook from low-single digit growth to flat; both are on a constant currency basis and exclude the adverse transitional impact of shifting to time-based journal subscription agreements. As previously announced, Wiley is moving to time-based digital journal subscription agreements for calendar year 2016. The change will shift roughly $35 million of revenue and $0.35 of EPS from FY16 to FY17, with recurring effect annually thereafter. Most of the revenue and earnings impact will occur in the third quarter, and the change will not impact cash flow. Included in the FY16 EPS guidance is an incremental expense impact of more than $0.15 for the enterprise resource planning system (ERP) implementation as compared to FY15.

Foreign Exchange (FX)

Wiley generates half of its revenue from outside the United States, and is therefore exposed to a stronger dollar, particularly in relation to the euro and pound sterling. For fiscal year 2015, the weighted average rates for sterling and the euro were 1.60 and 1.25, respectively, on a US dollar equivalent basis. The weighted average rates for the first half of fiscal 2016 were 1.55 and 1.12, respectively. Throughout this report, references are made to variances “excluding foreign exchange” or “on a constant currency basis,” such amounts exclude both currency translation effects and transactional gains and losses.

Adjusted Results

The Company provides financial measures referred to as “adjusted” revenue, contribution to profit, and EPS, which exclude restructuring charges. Variances to adjusted revenue, contribution to profit, and EPS are on a constant currency basis unless otherwise noted. 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.

Second Quarter and First Half Summary

- Second quarter revenue declined 5% on a constant currency basis to $433.4 million due to a $10 million journal backfile sale in the prior year period and declines in book revenue across the three segments. Together, Journal Subscriptions and Author-Funded Access were flat compared to prior year, including the trailing effects of the Swets
bankruptcy. Online Program Management and Online Test Preparation grew 18% and 13%, respectively. Second quarter revenue on a US GAAP basis declined 9% primarily due to an adverse currency impact of $19 million. First half revenue declined 2% on a constant currency basis to $856.3 million, or 6% on a US GAAP basis.

- Second quarter adjusted earnings per share (EPS) declined 10% on a constant currency basis to $0.78 due to the high-margin journal backfile sale in the prior year period, higher technology expense related to ERP planning and deployment, and investment in online program management, partially offset by incremental cost savings from restructuring programs. Adjusted EPS excludes restructuring charges and credits, as further described in the attached reconciliation of US GAAP to Adjusted EPS. Second quarter EPS on a US GAAP basis declined 18% to $0.74. US GAAP EPS includes a $0.03 adverse impact from foreign exchange and a $0.04 per share restructuring charge in the quarter. First half Adjusted EPS declined 1% on a constant currency basis to $1.36, or 12% on a US GAAP basis.

- Free Cash Flow was a use of $121.7 million for the first half of the year as compared to a use of $140.7 million in the prior year period due to lower net income, working capital timing, and higher capital spending related to the ERP and related systems deployment. Note that free cash flow is seasonally negative in the first half of Wiley's fiscal year and is generally the result of the timing of annual journal subscription cash collections.

- Restructuring Charge: Wiley recorded a $3.7 million pre-tax restructuring charge in the quarter ($0.04 per share) principally related to process re-engineering consulting costs. After the quarter closed, Wiley completed an agreement to move its US-based print textbook fulfillment operations to Cengage Learning, with the aim of closing its New Jersey distribution facility by April 2016. The exit from the facility will result in near-term restructuring charges as activities progress.

- Share Repurchases: Wiley repurchased 637,717 shares this quarter at a cost of $32.0 million, an average of $50.15 per share. Approximately 3.3 million shares remain in the current authorization program.

**PROFESSIONAL DEVELOPMENT**

- Revenue: Second quarter revenue of $238.4 million was down 5% on a constant currency basis due to the $10 million journal backfile sale in the prior year period and an 11% decline in Books and References revenue, which offset steady performance in journal Subscriptions and Author-Funded Access, in combination. For the first six months, Research revenue was down 3% at constant currency.

- Calendar Year 2015 Journal Subscriptions: At the end of October, calendar year 2015 Journal Subscriptions were up 0.3% on a constant currency basis, with nearly all targeted business under contract for the 2015 calendar year.

- Adjusted Contribution to Profit: Second quarter adjusted contribution to profit of $67.6 million declined 11% on a constant currency basis mainly due to the high-margin journal backfile sale in the prior year, as well as higher allocated marketing and technology shared service costs, partially offset by savings from restructuring and strategic vendor sourcing initiatives. For the six months, adjusted contribution to profit was down 5% at constant currency.

- Society Business: Seven society journals were renewed during the quarter, worth approximately $9.9 million in combined annual revenue, and one was not renewed, worth $0.3 million annually.

**EDUCATION**

- Revenue: Second quarter revenue declined 3% on a constant currency basis to $99.2 million with organic growth in Online Test Preparation (+13%) and Corporate Learning (+7%) offset by a 6% decline in Books. The Assessment business rose 4%, with post-hire assessment growth offsetting an expected decline in pre-hire assessment revenue following portfolio actions to focus on longer-term profitable growth. For the six months, Professional Development revenue grew 3% due to growth in Corporate Learning, which included two additional months of revenue (approximately $5 million), due to a prior-year reporting lag, and strong double-digit growth in Online Test Preparation (+27%).

- Adjusted Contribution to Profit: Excluding foreign exchange, adjusted contribution to profit rose 95% for the quarter and more than doubled for the year. Performance was impacted by lower revenue offset by efficiency gains from restructuring and cost synergies within the Talent Solutions businesses. Six month performance includes two additional months of operating results from the CrossKnowledge acquisition.

- Acquisitions: In October, Wiley announced the acquisition of Chartered Financial Analyst (CFA) content and AnalystSuccess.com from The American College of Financial Services. Terms were not disclosed. The acquisition positions Wiley as a market leader for CFA Test Preparation courses on its Efficient Learning Systems platform. In addition to the CFA, Wiley provides advanced online test preparation for the CPA, CMA, CIA, and PMP designations.

- Test Preparation Partnership: Wiley recently announced a partnership with ACT, the nation's leader in college and career readiness, to enhance our collective test prep product offerings. Wiley will become the exclusive publisher for ACT's The Real ACT® Prep Guide beginning in January 2016. As producer of the ACT test and ACT WorkKeys®, among other respected assessment programs, ACT is committed to providing insights that help individuals better prepare for success throughout their lives - from education through career.

- Junior Achievement Program: CrossKnowledge and Junior Achievement USA® recently announced a joint partnership that will bring digital learning solutions to thousands of students and educators. As part of the agreement, CrossKnowledge has donated the use of its Learning Management System (LMS) to Junior Achievement USA for the next five years (starting in 2016) through the CrossKnowledge Foundation. It is estimated that nearly 300,000 Junior Achievement users will access CrossKnowledge programs in 2016, and that figure is expected to reach 1.6 million in 2020.

**Online Program Management (formerly Deltak)**

- Online Program Management (formerly Deltak): Wiley added one university partner in the quarter – Nottingham Trent University (England) – and six new degree programs spanning business and nursing. Nottingham Trent is one of the largest universities in the UK with over 28,000 students. At the end of October, Wiley had 39 partners under contract and 216 online degree programs.

- Distribution Partnership: In November, Wiley entered into an agreement to outsource its US-based print textbook fulfillment operations to Cengage Learning, with the aim of creating a more efficient and variable cost model for print products. Under this agreement, the Company plans to exit its New Jersey distribution center in the spring of 2016.

**Earnings Conference Call**

- Scheduled for today, December 8, at 10:00 a.m. (EST)
- Access the webcast at www.wiley.com › investor Relations › Events and Presentations, or via the dial-in at (888) 438-5525 and enter the participant code 469774#
- U.S. callers, please dial (888) 438-5525 and enter the participant code 469774#
- 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 statement. 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) the level of subscription in new titles 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 loss of key authors; (vi) cyclicality of the book publishing industry and food and beverage business and the impacted 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) 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.
JOHN WILEY & SONS, INC.
UNAUDITED SUMMARY OF OPERATIONS
FOR THE SECOND QUARTER AND SIX MONTHS ENDED
OCTOBER 31, 2015 AND 2014
(in thousands, except per share amounts)

### SECOND QUARTER ENDED OCTOBER 31,

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>2014</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$ 433,362</td>
<td>433,362</td>
<td>476,972</td>
<td>$ 476,972</td>
<td>476,972</td>
<td>-9%</td>
<td>-5%</td>
</tr>
<tr>
<td>Costs and Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>116,764</td>
<td>116,764</td>
<td>134,541</td>
<td>134,541</td>
<td>134,541</td>
<td>-13%</td>
<td>-10%</td>
</tr>
<tr>
<td>Operating and Administrative</td>
<td>239,987</td>
<td>239,987</td>
<td>253,328</td>
<td>253,328</td>
<td>253,328</td>
<td>-5%</td>
<td>-1%</td>
</tr>
<tr>
<td>Restructuring Charges (A)</td>
<td>3,694</td>
<td>(3,694)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>12,652</td>
<td>12,652</td>
<td>13,099</td>
<td>13,099</td>
<td>-3%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Total Costs and Expenses</td>
<td>373,097</td>
<td>(3,694)</td>
<td>369,403</td>
<td>400,968</td>
<td>-</td>
<td>400,968</td>
<td>-7%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>60,265</td>
<td>3,694</td>
<td>63,959</td>
<td>76,004</td>
<td>-</td>
<td>76,004</td>
<td>-21%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>13.9%</td>
<td>14.8%</td>
<td>15.9%</td>
<td>15.9%</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Expense</td>
<td>(4,324)</td>
<td>(4,324)</td>
<td>(4,506)</td>
<td>(4,506)</td>
<td>-</td>
<td>-</td>
<td>-4%</td>
</tr>
<tr>
<td>Foreign Exchange Gain</td>
<td>38</td>
<td>38</td>
<td>210</td>
<td>210</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Income and Other</td>
<td>644</td>
<td>644</td>
<td>1,108</td>
<td>1,108</td>
<td>-42%</td>
<td>-42%</td>
<td></td>
</tr>
<tr>
<td>Income Before Taxes</td>
<td>56,623</td>
<td>3,694</td>
<td>60,317</td>
<td>72,816</td>
<td>-</td>
<td>72,816</td>
<td>-22%</td>
</tr>
<tr>
<td>Provision for Income Taxes (A)</td>
<td>13,023</td>
<td>1,348</td>
<td>14,371</td>
<td>19,039</td>
<td>-</td>
<td>19,039</td>
<td>-32%</td>
</tr>
<tr>
<td>Net Income</td>
<td>$ 43,600</td>
<td>2,346</td>
<td>45,946</td>
<td>$ 53,777</td>
<td>-</td>
<td>53,777</td>
<td>-19%</td>
</tr>
<tr>
<td>Earnings Per Share- Diluted (A)</td>
<td>$ 0.74</td>
<td>0.04</td>
<td>0.78</td>
<td>0.90</td>
<td>-</td>
<td>0.90</td>
<td>-18%</td>
</tr>
<tr>
<td>Average Shares - Diluted</td>
<td>58,790</td>
<td>58,790</td>
<td>58,790</td>
<td>59,756</td>
<td>59,756</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### SIX MONTHS ENDED OCTOBER 31,

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>2014</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$ 856,343</td>
<td>856,343</td>
<td>914,889</td>
<td>$ 914,889</td>
<td>914,889</td>
<td>-6%</td>
<td>-2%</td>
</tr>
<tr>
<td>Costs and Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>236,493</td>
<td>236,493</td>
<td>258,594</td>
<td>258,594</td>
<td>258,594</td>
<td>-9%</td>
<td>-5%</td>
</tr>
<tr>
<td>Operating and Administrative</td>
<td>482,485</td>
<td>482,485</td>
<td>505,062</td>
<td>505,062</td>
<td>505,062</td>
<td>-4%</td>
<td>0%</td>
</tr>
<tr>
<td>Restructuring Charges (Credits) (A)</td>
<td>7,119</td>
<td>(7,119)</td>
<td>-</td>
<td>(155)</td>
<td>155</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>25,072</td>
<td>25,072</td>
<td>25,754</td>
<td>25,754</td>
<td>-3%</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>Total Costs and Expenses</td>
<td>751,169</td>
<td>(7,119)</td>
<td>744,050</td>
<td>789,255</td>
<td>155</td>
<td>789,410</td>
<td>-5%</td>
</tr>
<tr>
<td>-------------------------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>-----</td>
<td>---------</td>
<td>-----</td>
</tr>
<tr>
<td>Operating Income</td>
<td>105,174</td>
<td>7,119</td>
<td>112,293</td>
<td>125,634</td>
<td>(155)</td>
<td>125,479</td>
<td>-16%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>12.3%</td>
<td>13.1%</td>
<td>13.7%</td>
<td>13.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Expense</td>
<td>(7,897)</td>
<td>(7,897)</td>
<td>(8,650)</td>
<td>(8,650)</td>
<td></td>
<td></td>
<td>-9%</td>
</tr>
<tr>
<td>Foreign Exchange (Loss) Gain</td>
<td>(42)</td>
<td>(42)</td>
<td>45</td>
<td>45</td>
<td></td>
<td></td>
<td>-8%</td>
</tr>
<tr>
<td>Income Before Taxes</td>
<td>98,543</td>
<td>7,119</td>
<td>105,662</td>
<td>118,447</td>
<td>(155)</td>
<td>118,292</td>
<td>-17%</td>
</tr>
<tr>
<td>Provision for Income Taxes (A)</td>
<td>22,486</td>
<td>2,767</td>
<td>25,253</td>
<td>31,024</td>
<td>(24)</td>
<td>31,000</td>
<td>-28%</td>
</tr>
<tr>
<td>Net Income</td>
<td>$ 76,057</td>
<td>4,352</td>
<td>80,409</td>
<td>87,423</td>
<td>(131)</td>
<td>87,292</td>
<td>-13%</td>
</tr>
</tbody>
</table>

Earnings Per Share- Diluted (A) $ 1.29 0.07 1.36 1.46 - 1.46 -12% -1%
Average Shares - Diluted 59,090 59,090 59,090 59,777 59,777 59,777

See the accompanying Notes to Unaudited Financial Statements for a description of each Adjustment.

JOHN WILEY & SONS, INC.
FOR THE SECOND QUARTER AND SIX MONTHS ENDED
OCTOBER 31, 2015 AND 2014

RECONCILIATION OF US GAAP TO ADJUSTED EPS - DILUTED (UNAUDITED)

<table>
<thead>
<tr>
<th></th>
<th>Second Quarter Ended</th>
<th>Six Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>October 31, 2015</td>
<td>October 31, 2014</td>
</tr>
<tr>
<td>US GAAP Earnings Per Share - Diluted</td>
<td>$ 0.74 $ 0.90</td>
<td>$ 1.29 $ 1.46</td>
</tr>
<tr>
<td>Adjusted to exclude the following:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring Charges (A)</td>
<td>0.04 -</td>
<td>0.07 -</td>
</tr>
<tr>
<td>Adjusted Earnings Per Share - Diluted</td>
<td>$ 0.78 $ 0.90</td>
<td>$ 1.36 $ 1.46</td>
</tr>
</tbody>
</table>

NOTES TO UNAUDITED FINANCIAL STATEMENTS

Adjustments:

(A) RESTRUCTURING CHARGES: The adjusted results for the three and six months ended October 31, 2015 exclude restructuring charges related to the Company’s Restructuring and Reinvestment Program of $3.7 million or $0.04 per share, and $7.1 million or $0.07 per share, respectively. The adjusted results for the six months ended October 31, 2014 exclude a restructuring credit of $(0.2) million.

Non-GAAP Financial Measures:

In addition to providing financial results in accordance with GAAP, the Company has provided adjusted financial results that exclude the impact of other nonrecurring items described in more detail throughout this press release. These non-GAAP financial measures are labeled as “Adjusted” and are used for evaluating the results of operations for internal purposes. These non-GAAP measures are not intended to replace the presentation of financial results in accordance with GAAP. Rather, the Company believes the exclusion of such items provides additional information to investors to facilitate the comparison of past and present operations. Unless otherwise noted, adjusted amounts in the attached schedules include foreign exchange.
## Second Quarter Ended October 31, 2015

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>$ 238,388</td>
<td>-</td>
<td>238,388</td>
<td>$ 264,825</td>
<td>-</td>
<td>264,825</td>
<td>-10%</td>
<td>-5%</td>
</tr>
<tr>
<td>Professional Development</td>
<td>99,166</td>
<td>-</td>
<td>99,166</td>
<td>105,667</td>
<td>-</td>
<td>105,667</td>
<td>-6%</td>
<td>-3%</td>
</tr>
<tr>
<td>Education</td>
<td>95,808</td>
<td>-</td>
<td>95,808</td>
<td>106,480</td>
<td>-</td>
<td>106,480</td>
<td>-10%</td>
<td>-8%</td>
</tr>
<tr>
<td>Total</td>
<td>$ 433,362</td>
<td>-</td>
<td>433,362</td>
<td>$ 476,972</td>
<td>-</td>
<td>476,972</td>
<td>-9%</td>
<td>-5%</td>
</tr>
<tr>
<td><strong>Direct Contribution to Profit</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>$ 110,881</td>
<td>496</td>
<td>111,377</td>
<td>$ 122,744</td>
<td>-</td>
<td>122,744</td>
<td>-10%</td>
<td>-5%</td>
</tr>
<tr>
<td>Professional Development</td>
<td>41,497</td>
<td>195</td>
<td>41,692</td>
<td>37,597</td>
<td>-</td>
<td>37,597</td>
<td>10%</td>
<td>14%</td>
</tr>
<tr>
<td>Education</td>
<td>35,849</td>
<td>205</td>
<td>36,054</td>
<td>40,741</td>
<td>-</td>
<td>40,741</td>
<td>-12%</td>
<td>-9%</td>
</tr>
<tr>
<td>Total</td>
<td>$ 188,227</td>
<td>896</td>
<td>189,123</td>
<td>$ 201,082</td>
<td>-</td>
<td>201,082</td>
<td>-6%</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>Contribution to Profit (After Allocated Shared Services and Admin. Costs)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>$ 67,099</td>
<td>496</td>
<td>67,595</td>
<td>$ 80,218</td>
<td>-</td>
<td>80,218</td>
<td>-16%</td>
<td>-11%</td>
</tr>
<tr>
<td>Professional Development</td>
<td>18,757</td>
<td>195</td>
<td>18,952</td>
<td>9,799</td>
<td>-</td>
<td>9,799</td>
<td>91%</td>
<td>95%</td>
</tr>
<tr>
<td>Education</td>
<td>15,366</td>
<td>205</td>
<td>15,571</td>
<td>19,729</td>
<td>-</td>
<td>19,729</td>
<td>-22%</td>
<td>-19%</td>
</tr>
<tr>
<td>Total</td>
<td>$ 101,222</td>
<td>896</td>
<td>102,118</td>
<td>$ 109,746</td>
<td>-</td>
<td>109,746</td>
<td>-8%</td>
<td>-3%</td>
</tr>
<tr>
<td><strong>Unallocated Shared Services and Admin. Costs</strong></td>
<td>(40,957)</td>
<td>2,798</td>
<td>(38,159)</td>
<td>(33,742)</td>
<td>-</td>
<td>(33,742)</td>
<td>21%</td>
<td>19%</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>$ 60,265</td>
<td>3,694</td>
<td>63,959</td>
<td>$ 76,004</td>
<td>-</td>
<td>76,004</td>
<td>-21%</td>
<td>-13%</td>
</tr>
</tbody>
</table>

## Total Shared Services and Admin. Costs by Function

<table>
<thead>
<tr>
<th>Distribution and Operation Services</th>
<th>US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (22,111)</td>
<td>1,208</td>
<td>(20,903)</td>
<td>(22,706)</td>
<td>-</td>
<td>(22,706)</td>
<td>-3%</td>
<td>-3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology and Content Management</td>
<td>(62,030)</td>
<td>(379)</td>
<td>(62,409)</td>
<td>(60,181)</td>
<td>-</td>
<td>(60,181)</td>
<td>3%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td>(11,318)</td>
<td>(496)</td>
<td>(11,814)</td>
<td>(12,644)</td>
<td>-</td>
<td>(12,644)</td>
<td>-10%</td>
<td>-2%</td>
<td></td>
</tr>
<tr>
<td>Other Administration</td>
<td>(32,503)</td>
<td>2,465</td>
<td>(30,038)</td>
<td>(29,547)</td>
<td>-</td>
<td>(29,547)</td>
<td>10%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ (127,962)</td>
<td>2,798</td>
<td>(125,164)</td>
<td>(125,078)</td>
<td>-</td>
<td>(125,078)</td>
<td>2%</td>
<td>4%</td>
<td></td>
</tr>
</tbody>
</table>

## Six Months Ended October 31, 2015

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>$ 475,778</td>
<td>-</td>
<td>475,778</td>
<td>$ 519,695</td>
<td>-</td>
<td>519,695</td>
<td>-8%</td>
<td>-3%</td>
</tr>
<tr>
<td>Professional Development</td>
<td>197,831</td>
<td>-</td>
<td>197,831</td>
<td>197,994</td>
<td>-</td>
<td>197,994</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Education</td>
<td>182,734</td>
<td>-</td>
<td>182,734</td>
<td>197,200</td>
<td>-</td>
<td>197,200</td>
<td>-7%</td>
<td>-5%</td>
</tr>
<tr>
<td>Total</td>
<td>$ 856,343</td>
<td>-</td>
<td>856,343</td>
<td>$ 914,889</td>
<td>-</td>
<td>914,889</td>
<td>-6%</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>Direct Contribution to Profit</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>$ 217,694</td>
<td>866</td>
<td>218,560</td>
<td>$ 237,478</td>
<td>(185)</td>
<td>237,293</td>
<td>-8%</td>
<td>-3%</td>
</tr>
</tbody>
</table>
JOHN WILEY & SONS, INC.
SEGMENT REVENUE by PRODUCT/SERVICE
FOR THE SECOND QUARTER AND SIX MONTHS ENDED
OCTOBER 31, 2015 AND 2014
(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Second Quarter</th>
<th>Six Months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ended October 31,</td>
<td>Ended October 31,</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>% of Revenue excl. FX</td>
</tr>
<tr>
<td>RESEARCH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Journal Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Journal Subscriptions</td>
<td>$162,796</td>
<td>68%</td>
</tr>
<tr>
<td></td>
<td>$320,004</td>
<td>67%</td>
</tr>
<tr>
<td>Author-Funded Access</td>
<td>6,180</td>
<td>3%</td>
</tr>
<tr>
<td>Licensing, Reprints,</td>
<td>11,872</td>
<td>30%</td>
</tr>
<tr>
<td>Backfiles, and Other</td>
<td>36,484</td>
<td>15%</td>
</tr>
<tr>
<td>Total Journal Revenue</td>
<td>205,460</td>
<td>86%</td>
</tr>
</tbody>
</table>

Books and References:
<table>
<thead>
<tr>
<th>Segment</th>
<th>Second Quarter Ended</th>
<th>Six Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>October 31, 2015</td>
<td>October 31, 2014</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td><strong>Print Books</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>23,065</td>
<td>26,161</td>
</tr>
<tr>
<td><strong>Digital Books</strong></td>
<td>7,750</td>
<td>9,800</td>
</tr>
<tr>
<td><strong>Licensing and Other</strong></td>
<td>2,113</td>
<td>2,595</td>
</tr>
<tr>
<td><strong>Total Books and References</strong></td>
<td>32,928</td>
<td>38,556</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$238,388</td>
<td>$264,825</td>
</tr>
<tr>
<td><strong>PROFESSIONAL DEVELOPMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Knowledge Services:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Print Books</strong></td>
<td>49,246</td>
<td>53,028</td>
</tr>
<tr>
<td><strong>Digital Books</strong></td>
<td>11,938</td>
<td>14,120</td>
</tr>
<tr>
<td><strong>Online Test Preparation and Certification</strong></td>
<td>6,269</td>
<td>5,538</td>
</tr>
<tr>
<td><strong>Other Knowledge Service Revenue</strong></td>
<td>5,467</td>
<td>6,541</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>72,020</td>
<td>79,227</td>
</tr>
<tr>
<td><strong>Talent Solutions:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Assessment</strong></td>
<td>15,758</td>
<td>15,187</td>
</tr>
<tr>
<td><strong>Corporate Learning</strong></td>
<td>10,488</td>
<td>11,253</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>26,246</td>
<td>26,440</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$99,166</td>
<td>$105,667</td>
</tr>
<tr>
<td><strong>EDUCATION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Books:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Print Textbooks</strong></td>
<td>31,059</td>
<td>41,700</td>
</tr>
<tr>
<td><strong>Digital Books</strong></td>
<td>8,889</td>
<td>8,500</td>
</tr>
<tr>
<td><strong>Custom Material</strong></td>
<td>39,948</td>
<td>50,200</td>
</tr>
<tr>
<td><strong>Course Workflow (WileyPLUS)</strong></td>
<td>12,290</td>
<td>16,400</td>
</tr>
<tr>
<td><strong>Online Program Management (Deltak)</strong></td>
<td>18,446</td>
<td>18,400</td>
</tr>
<tr>
<td><strong>Other Education Revenue</strong></td>
<td>23,195</td>
<td>19,699</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>52,222</td>
<td>43,616</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$95,808</td>
<td>$106,480</td>
</tr>
<tr>
<td><strong>Note:</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**UNAUDITED ADJUSTED CONTRIBUTION TO PROFIT**
INCLUDING ALLOCATED SHARED SERVICES AND ADMINISTRATIVE COSTS
FOR THE SECOND QUARTER AND SIX MONTHS ENDED
OCTOBER 31, 2015 AND 2014
(in thousands)
### Research:

| Direct Contribution to Profit | 110,881 | 122,744 | -10% | -5% | 217,694 | 237,478 | -8% | -3% |
| Restructuring Charges (Credits) (A) | 496 | - | 866 | (185) |
| Adjusted Direct Contribution to Profit | 111,377 | 122,744 | -9% | -5% | 218,560 | 237,293 | -8% | -3% |

### Allocated Shared Services and Admin. Costs:

| Distribution and Operation Services | (10,085) | (11,441) | -12% | -7% | (20,264) | (23,419) | -13% | -7% |
| Technology and Content Management | (25,749) | (24,632) | 5% | 7% | (49,805) | (49,575) | 0% | 4% |
| Occupancy and Other | (7,948) | (6,543) | 23% | 31% | (14,957) | (14,307) | 5% | 12% |
| Adjusted Contribution to Profit (after allocated) | 67,595 | 80,218 | -16% | -11% | 133,534 | 149,992 | -11% | -5% |

### Professional Development:

| Direct Contribution to Profit | 41,497 | 37,597 | 10% | 13% | 82,778 | 70,509 | 17% | 20% |
| Restructuring Charges (A) | 195 | - | 205 | 245 |
| Adjusted Direct Contribution to Profit | 41,692 | 37,597 | 11% | 14% | 82,983 | 70,754 | 17% | 20% |

### Education:

| Direct Contribution to Profit | 35,849 | 40,741 | -12% | -10% | 59,137 | 69,304 | -15% | -11% |
| Restructuring Charges (A) | 205 | - | 194 | 51 |
| Adjusted Direct Contribution to Profit | 36,054 | 40,741 | -12% | -9% | 59,331 | 69,355 | -14% | -11% |

### Adjusted Contribution to Profit (after allocated):

| Distribution and Operation Services | (3,740) | (3,213) | 16% | 26% | (7,165) | (6,545) | 9% | 16% |
| Technology and Content Management | (12,592) | (14,197) | -11% | -10% | (23,810) | (27,536) | -14% | -11% |
| Occupancy and Other | (4,151) | (3,602) | 15% | 18% | (8,095) | (6,798) | 19% | 22% |
| Adjusted Contribution to Profit (after allocated) | 15,571 | 19,729 | -21% | -19% | 20,261 | 28,476 | -29% | -25% |
Total
Adjusted
Contribution
to Profit
(after
allocated
Shared
Services and
Admin. Costs)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>102,118</td>
<td>109,746</td>
<td>191,766</td>
<td>196,035</td>
</tr>
<tr>
<td>Adjusted</td>
<td>-7%</td>
<td>-3%</td>
<td>-2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Unallocated
Shared
Services and
Admin. Costs

<table>
<thead>
<tr>
<th></th>
<th>(40,957)</th>
<th>(33,742)</th>
<th>(85,327)</th>
<th>(70,290)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unallocated</td>
<td>21%</td>
<td>28%</td>
<td>21%</td>
<td>28%</td>
</tr>
</tbody>
</table>

 Restructuring
Charges
(Credits) (A)

|             | 2,798   | -       | 5,054   | (266)   |

Adjusted
Unallocated
Shared
Services and
Admin. Costs

<table>
<thead>
<tr>
<th></th>
<th>(38,159)</th>
<th>(33,742)</th>
<th>(79,473)</th>
<th>(70,556)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted</td>
<td>13%</td>
<td>19%</td>
<td>13%</td>
<td>19%</td>
</tr>
</tbody>
</table>

Adjusted
Operating
Income

<table>
<thead>
<tr>
<th></th>
<th>63,959</th>
<th>76,004</th>
<th>112,293</th>
<th>125,479</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-16%</td>
<td>-13%</td>
<td>-11%</td>
<td>-6%</td>
</tr>
</tbody>
</table>

(A) See the accompanying Notes to Unaudited Financial Statements for a description of each Adjustment.

Note: As part of Wiley's restructuring and reorganization program the Company consolidated certain decentralized business functions (Sales Support, Marketing Services, etc.) into global shared service functions. These newly centralized service groups enable significant cost reduction opportunities, including efficiencies gained from standardized technology and centralized management. The cost of these functions were previously reported as direct operating expenses in each business segment but are now reported within the shared service functions and then allocated to each business segment above. Prior year amounts have been restated to reflect the same reporting methodology.

JOHN WILEY & SONS, INC.

UNAUDITED STATEMENTS OF FINANCIAL POSITION

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>October 31,</th>
<th>April 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>$308,235</td>
<td>198,912</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>183,447</td>
<td>204,424</td>
</tr>
<tr>
<td>Inventories</td>
<td>58,154</td>
<td>70,941</td>
</tr>
<tr>
<td>Prepaid and other</td>
<td>68,951</td>
<td>66,233</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>618,787</td>
<td>540,510</td>
</tr>
<tr>
<td>Product Development Assets</td>
<td>55,432</td>
<td>58,851</td>
</tr>
<tr>
<td>Technology, Property and Equipment</td>
<td>205,362</td>
<td>190,811</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>915,174</td>
<td>992,618</td>
</tr>
<tr>
<td>Goodwill</td>
<td>965,571</td>
<td>1,003,290</td>
</tr>
<tr>
<td>Income Tax Deposits</td>
<td>59,810</td>
<td>64,036</td>
</tr>
<tr>
<td>Other Assets</td>
<td>62,691</td>
<td>62,659</td>
</tr>
<tr>
<td>Total Assets</td>
<td>2,882,827</td>
<td>2,912,775</td>
</tr>
</tbody>
</table>

Current Liabilities

|                        |              |           |           |
| Short-term debt        | 150,000      | 50,000    | 100,000   |
| Accounts and royalties payable | 161,282     | 180,033   | 161,465   |
| Deferred revenue       | 150,716      | 163,902   | 372,051   |
| Accrued employment costs | 61,790     | 66,737    | 93,922    |
| Accrued income taxes   | 9,654        | 10,127    | 9,484     |
| Accrued pension liability | 4,602       | 4,625     | 4,594     |
| Other accrued liabilities | 55,355      | 52,976    | 62,167    |
| Total Current Liabilities | 593,399     | 528,400   | 803,683   |

Long-Term Debt

|                        | 739,051      | 749,513   | 650,090   |

Accrued Pension Liability

|                        | 196,094      | 155,497   | 209,727   |

Deferred Income Tax Liabilities

|                        | 203,499      | 234,685   | 198,947   |

Other Long-Term Liabilities

|                        | 83,111       | 82,278    | 86,756    |

Shareholders’ Equity

|                        | 1,067,673    | 1,162,402 | 1,055,040 |

Total Liabilities & Shareholders’ Equity

|                        | $2,882,827   | 2,912,775 | 3,004,243 |
### UNAUDITED STATEMENTS OF FREE CASH FLOW

(in thousands)

<table>
<thead>
<tr>
<th>Activity</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$76,057</td>
<td>$87,423</td>
</tr>
<tr>
<td>Amortization of intangibles</td>
<td>25,072</td>
<td>25,754</td>
</tr>
<tr>
<td>Amortization of composition costs</td>
<td>19,967</td>
<td>20,810</td>
</tr>
<tr>
<td>Depreciation of technology, property and equipment</td>
<td>32,820</td>
<td>30,510</td>
</tr>
<tr>
<td>Restructuring charges (credits)</td>
<td>7,119</td>
<td>(155)</td>
</tr>
<tr>
<td>Restructuring payments</td>
<td>18,339</td>
<td>16,267</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>8,112</td>
<td>8,118</td>
</tr>
<tr>
<td>Excess tax benefits from share-based compensation</td>
<td>(527)</td>
<td>(1,774)</td>
</tr>
<tr>
<td>Royalty advances</td>
<td>(45,553)</td>
<td>(47,997)</td>
</tr>
<tr>
<td>Earned royalty advances</td>
<td>60,163</td>
<td>64,939</td>
</tr>
<tr>
<td>Other non-cash charges and credits</td>
<td>18,115</td>
<td>20,436</td>
</tr>
<tr>
<td>Change in deferred revenue</td>
<td>(225,115)</td>
<td>(223,731)</td>
</tr>
<tr>
<td>Net change in operating assets and liabilities</td>
<td>(84,410)</td>
<td>(62,202)</td>
</tr>
<tr>
<td>Cash Used for Operating Activities</td>
<td>(126,519)</td>
<td>(94,136)</td>
</tr>
<tr>
<td><strong>Investments in organic growth:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Composition spending</td>
<td>(20,033)</td>
<td>(16,934)</td>
</tr>
<tr>
<td>Additions to technology, property and equipment</td>
<td>(46,177)</td>
<td>(29,584)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>(192,729)</td>
<td>(140,654)</td>
</tr>
<tr>
<td><strong>Other Investing and Financing Activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions, net of cash</td>
<td>(16,681)</td>
<td>(172,145)</td>
</tr>
<tr>
<td>Escrowed proceeds from sale of consumer publishing programs</td>
<td>-</td>
<td>1,100</td>
</tr>
<tr>
<td>Repayment of long-term debt</td>
<td>(112,641)</td>
<td>(228,051)</td>
</tr>
<tr>
<td>Borrowings of long-term debt</td>
<td>201,600</td>
<td>325,070</td>
</tr>
<tr>
<td>Borrowings of short-term Debt</td>
<td>50,000</td>
<td>-</td>
</tr>
<tr>
<td>Change in book overdrafts</td>
<td>285</td>
<td>(8,123)</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>(35,166)</td>
<td>(34,402)</td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>(44,703)</td>
<td>(41,534)</td>
</tr>
<tr>
<td>Proceeds from exercise of stock options and other</td>
<td>465</td>
<td>18,876</td>
</tr>
<tr>
<td>Excess tax benefits from share-based compensation</td>
<td>527</td>
<td>1,774</td>
</tr>
<tr>
<td>Cash Provided by (Used for) Investing and Financing Activities</td>
<td>43,686</td>
<td>(137,435)</td>
</tr>
<tr>
<td><strong>Effects of Exchange Rate Changes on Cash</strong></td>
<td>(163)</td>
<td>(9,376)</td>
</tr>
<tr>
<td><strong>Decrease in Cash and Cash Equivalents for Period</strong></td>
<td>(149,206)</td>
<td>(287,465)</td>
</tr>
</tbody>
</table>

### RECONCILIATION TO GAAP PRESENTATION

<table>
<thead>
<tr>
<th>Activity</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investing Activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Composition spending</td>
<td>(20,033)</td>
<td>(16,934)</td>
</tr>
<tr>
<td>Additions to technology, property and equipment</td>
<td>(46,177)</td>
<td>(29,584)</td>
</tr>
<tr>
<td>Acquisitions, net of cash</td>
<td>(16,681)</td>
<td>(172,145)</td>
</tr>
<tr>
<td>Escrowed proceeds from sale of consumer publishing programs</td>
<td>-</td>
<td>1,100</td>
</tr>
<tr>
<td>Cash Used for Investing Activities</td>
<td>(82,891)</td>
<td>(217,563)</td>
</tr>
<tr>
<td><strong>Financing Activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Used for Investing and Financing Activities</td>
<td>$43,686</td>
<td>(137,435)</td>
</tr>
<tr>
<td>Excluding:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions, net of cash</td>
<td>(16,681)</td>
<td>(172,145)</td>
</tr>
<tr>
<td>Escrowed proceeds from sale of consumer publishing programs</td>
<td>-</td>
<td>1,100</td>
</tr>
<tr>
<td>Cash Provided by Financing Activities</td>
<td>$60,367</td>
<td>33,610</td>
</tr>
</tbody>
</table>

**Note:** The Company's management evaluates performance using free cash flow. The Company believes free cash flow provides a meaningful and comparable measure of performance. Since free cash flow is not a measure calculated in accordance with GAAP, it should not be considered as a substitute for other GAAP measures, including cash used for or provided by operating activities, investing activities and financing activities, as an indicator of performance.
Contact:
John Wiley & Sons, Inc.
Brian Campbell, 201-748-6874
Investor Relations
brian.campbell@wiley.com

Ticker Slug:
Ticker: JWA
Exchange: NYSE
Ticker: JWB
Exchange: NYSE