Wiley Reports Fourth Quarter and Fiscal Year 2016 Results

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Dateline City:
HOBOKEN, N.J.

- Full year revenue and EPS results match guidance for flat revenue and EPS excluding the transitional (non-cash) impact of shifting to time-based journal subscriptions, foreign exchange, and certain charges and credits
- Percent of full-year revenue from digital products and services increased to 63% from 60% in the prior year. Percent of full-year revenue from print books declined to 23% from 25%
- Calendar year 2016 Journal Subscriptions up 1% on a constant currency basis with approximately 95% of targeted business under contract

HOBOKEN, N.J.--(BUSINESS WIRE)--John Wiley & Sons, Inc. (NYSE:JWa and JWb), a global provider of knowledge and learning solutions that improve outcomes in research, professional practice, and education, today announced the following results for the fourth quarter and twelve months of fiscal year 2016:

<table>
<thead>
<tr>
<th></th>
<th>$ millions</th>
<th>FY16</th>
<th>FY15</th>
<th>Excluding FX</th>
<th>Including FX</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>$434.3</td>
<td>$441.6</td>
<td></td>
<td>(1%)</td>
<td>(2%)</td>
</tr>
<tr>
<td>Full Year</td>
<td>$1,727.0</td>
<td>$1,822.4</td>
<td></td>
<td>(2%)</td>
<td>(5%)</td>
</tr>
<tr>
<td><strong>GAAP EPS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>$0.59</td>
<td>$0.79</td>
<td></td>
<td>(25%)</td>
<td></td>
</tr>
<tr>
<td>Full Year</td>
<td>$2.48</td>
<td>$2.97</td>
<td></td>
<td>(16%)</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted EPS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>$0.67</td>
<td>$0.81</td>
<td></td>
<td>(19%)</td>
<td>(17%)</td>
</tr>
<tr>
<td>Full Year</td>
<td>$2.70</td>
<td>$3.26</td>
<td></td>
<td>(13%)</td>
<td>(17%)</td>
</tr>
</tbody>
</table>

Note: Results include transitional adverse impact of shift to time-based journal subscriptions ($8 million revenue and $0.10 of EPS in fourth quarter; $37 million of revenue and $0.42 of EPS in full year. There is no cash impact from the change. Adjusted results exclude restructuring charges and certain tax benefits as more fully described in the attached financial schedules.

Management Commentary

“Our fourth quarter results capped the fiscal year in line with our guidance for revenue and earnings,” said Mark Allin, President and CEO. “We continued to make good progress in our transition to a digital knowledge and learning company, with nearly two-thirds of our revenue now generated from digital products and services. Our solutions businesses again delivered double-digit top line growth, notably online test preparation, corporate learning, and online program management, offsetting much of the market-driven revenue decline in traditional book publishing. Finally, our journals business achieved marginal revenue growth for the year, driven by steady subscription results and double digit growth in author-funded access.”

Fiscal Year 2017 Outlook

Operationally, Wiley’s fiscal year 2017 outlook is for revenue to be flat and adjusted EPS to be down by mid single-digits excluding both foreign exchange and the favorable impact from shifting to time-based journal subscription agreements (+$37 million in revenue and +$0.42 in EPS). The revenue projection anticipates continued modest growth in journals and
double-digit growth in Solutions to be largely offset by further declines in Book publishing. The Adjusted EPS projection reflects marginally lower operating income due to the continued book decline and investment in Solutions growth, as well as higher taxes and an anticipated rate hike impact on interest expense.

**Foreign Exchange (FX)**

Wiley generates half of its revenue from outside the United States, and is therefore exposed to foreign exchange rate fluctuations, 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 fiscal 2016 were 1.50 and 1.11, respectively. Note that foreign exchange was adverse to full year revenue and EPS by $61 million and $0.13, 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" contribution to profit and EPS, which exclude restructuring charges and certain tax benefits. Variances to adjusted contribution to profit and EPS are on a constant currency basis unless otherwise noted. The Company 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.

**Fourth Quarter Summary**

- **Revenue**: Declined 1% on a constant currency basis to $434.3 million but rose 1% excluding both currency and the shift to time-based journal subscriptions ($8 million transitional impact). Operational performance was driven by growth in journal subscriptions (+1%), and double-digit growth in Corporate Learning (+35%), Author-Funded Access (+30%), WileyPLUS Course Workflow (+26%), and Online Program Management (+18%). The positive operational performance offset a 23% decline in Education textbooks and an 8% decline in Research Books and References. On a US GAAP basis, revenue declined 2% due to the unfavorable impact of foreign exchange and the transitional impact of shifting to time-based journal subscriptions.

- **Adjusted EPS**: Declined 6% excluding both currency and the shift to time-based journal subscriptions ($0.10 transitional impact). Adjusted EPS excludes restructuring charges in the current and prior year related to the outsourcing of US distribution operations, and the implementation of other operational efficiency initiatives. In addition, adjusted EPS excludes a prior year non-recurring tax benefit (+$3.1 million) on the write-up of certain foreign tax assets to fair market value. The adjusted EPS decline was mainly due to higher technology costs and investments to build share in Online Program Management and Corporate Learning. Fourth quarter EPS on a US GAAP basis declined 25% to $0.59.

- **Share Repurchases**: Wiley repurchased 216,186 shares this quarter at a cost of $10.3 million, an average of $47.52 per share. Approximately 747,000 shares remain in the current repurchase authorization.

**Fiscal Year Summary**

- **Revenue**: Declined 2% on a constant currency basis to $1,727.0 million but was flat excluding both currency and the shift to time-based journal subscriptions ($37 million transitional impact). Steady performance in journal subscriptions and double-digit growth in Author-Funded Access (+21%), Online Test Preparation (+27%), Online Program Management (+18%), Corporate Learning (+31%), and WileyPLUS Course Workflow (+10%) offset declines in Education books (-15%), Professional Development books (-4%), and Research Books and References (-1%). Wiley's percentage of revenue from print books decreased from 25% in FY15 to 23% in FY16. On a US GAAP basis, revenue declined 5% due to unfavorable impact of foreign exchange and the transitional impact of shifting to time-based journal subscriptions.

- **Adjusted EPS**: Declined 13% on a constant currency basis to $2.70 but was flat excluding both currency and the shift to time-based journal subscriptions ($0.42 transitional impact). Adjusted EPS excludes restructuring charges in the current and prior year related to the books businesses, the outsourcing of US distribution operations, and the implementation of other operational efficiency initiatives. It also excludes a deferred tax benefit (+$5.9 million) recorded in fiscal year 2016 related to a future reduction in the UK income tax rate and a prior year non-recurring tax benefit (+$3.1 million) related to the write-up of certain foreign tax assets to fair market value. Gross profit improvement and cost savings from the restructuring programs were offset by continued investment in Online Program Management and Corporate Learning, an increase in technology expense related to digital product development and the Enterprise Resource Planning (ERP) implementation, and higher employment costs. Full year GAAP EPS declined 16% to $2.48.

- **Adjusted shared services and administrative costs**: rose 6% for the year to $518 million mainly due to investment in ERP as unallocated shared services and costs were reclassified.

- **Free Cash Flow**: Was $219.0 million for the full year compared to $246.6 million in fiscal 2015 primarily due to the increase in capital investment (+$25 million) related to the ERP deployment and other systems. Cash from operations of $350.0 million was flat as expected. Wiley expects capex to increase again in fiscal 2017 primarily due to the Hoboken office transformation.

- **Share Repurchases**: In fiscal year 2016, Wiley repurchased 1.4 million shares for $70 million, an average cost of $48.86. As of April 30, the Company had nearly 747,000 shares remaining in the repurchase program announced in June 2013.

- **Dividend**: In June 2015, Wiley increased its quarterly dividend by 3% to $0.30, or $1.20 annualized. It was the 22nd consecutive annual increase.

- **Net Debt and Cash Position**: Net debt (long-term debt less cash and cash equivalents) at the end of April was $241.2 million, down from $292.6 million at the end of the prior year. Cash and cash equivalents as of April 30, 2016 were $363.8 million.

- **Credit Facility**: On March 1, Wiley amended its existing revolving credit agreement, increasing its capacity to $1.1 billion and extending the term by five years to March 2021.

**RESEARCH**

- **Revenue**: Fourth quarter revenue of $264.8 million was down 3% on a constant currency basis and flat excluding the $8 million transitional impact from the shift to time-based journal subscriptions. Steady performance in journal subscriptions and double-digit growth in Author-Funded Access (+30%) offset a decline in Books and References (-8%). For the full year, Research revenue was flat to prior year at constant currency and excluding the impact of the shift to time-based journal subscriptions. Full year journal subscriptions results were adversely impacted by the trailing effects of the Swets subscription agency bankruptcy (-$3 million).

- **Calendar Year 2016 Journal Subscriptions**: At the end of April, calendar year 2016 journal subscriptions were up 1% on a constant currency basis, with approximately 95% of targeted business under contract for the 2016 calendar year.

- **Society Business**: Two new society contracts were signed in the quarter with combined annual revenue of $4 million; four were renewed with combined annual revenue of $1 million; and two were not renewed with combined annual
revenue of $3 million. For calendar year 2016, six new society contracts were signed (+$12 million of annual revenue) and eighteen were not renewed (-$11 million), for a net gain of $1 million in annual revenue. This compares to an annualized revenue loss of $4 million in calendar year 2015. Additionally, calendar year 2016 includes renewals of 87 contracts with combined annual revenue of $54 million.

- **Adjusted Contribution to Profit (CTP):** Fourth quarter adjusted CTP of $87.1 million declined 11% on a constant currency basis but was flat excluding currency and the margin impact from shifting to time-based journal subscriptions. CTP performance was adversely impacted by charges for bad debt in Venezuela (-$1 million) and an unfavorable court ruling related to royalty rights in Germany (-$1 million). For the year, adjusted CTP was down 10% at constant currency but up 2% excluding currency and the shift to time-based journal subscriptions. Fourth quarter and full year CTP on a US GAAP basis were down 11% and 14%, respectively.

### PROFESSIONAL DEVELOPMENT

- **Revenue:** Fourth quarter revenue rose 3% on a constant currency basis to $103.1 million primarily due to double-digit growth in Corporate Learning (+35%), with gains spread broadly across France, the US, and Central and South American markets. Revenue growth in Digital Books (+6%) and Online Test Preparation (+4%) offset a 4% decline in Print Books. For the year, Professional Development revenue grew 2% due to growth in Corporate Learning (+31%) and Online Test Preparation (+27%), offsetting a decline in Books (-4%).

- **Adjusted Contribution to Profit (CTP):** Adjusted CTP rose 71% on a constant currency basis to $20.5 million due to continued efficiency gains and restructuring savings. Fourth quarter and full year CTP on a US GAAP basis were up 72% and 95%, respectively.

### EDUCATION

- **Revenue:** Fourth quarter revenue increased 1% on a constant currency basis to $66.5 million, with double-digit growth in WileyPLUS Course Workflow (+26%) and Online Program Management (+18%) offsetting a decline in Textbooks (-23%). For the year, Education revenue declined 2% at constant currency to $357.5 million.

- **Adjusted Contribution to Profit (CTP):** Fourth quarter adjusted CTP improved 6% on a constant currency basis to a seasonal loss of $7.5 million, reflecting cost savings and margin improvement, partially offset by continued investment in new programs for Online Program Management and lower Textbook revenue. For the year, Education CTP was down 17% at constant currency to $37.1 million, reflecting the Textbook revenue decline and investment in Online Program Management. Fourth quarter and full year CTP on a US GAAP basis were down 11% and 23%, respectively.

- **Online Program Management (formerly Deltak):** Wiley added four new degree new degree programs in the quarter. At the end of April, Wiley had 226 online degree programs under contract compared to 209 at the end of the prior year period. Wiley’s partner count stands at 38.

- **WileyPLUS alliance:** In March, Wiley and CareerShift announced a collaboration agreement to bring personalized career search resources to business students. This alliance will make searching for jobs easier and more efficient for students who use WileyPLUS platforms with their Wiley business textbooks in accounting and management. Wiley’s association with CareerShift will offer WileyPLUS students free access to CareerShift’s search tools for planning and executing job searches.

### Earnings Conference Call

- Scheduled for today, June 14, at 10:00 a.m. (EDT)
- Access the webcast at www.wiley.com > Investor Relations > Events and Presentations, or http://www.wiley.com/WileyCDA/Section/id-370238.html
- U.S. callers, please dial (888) 427-9419 and enter the participant code 3051041#.
- International callers, please dial (719) 325-2495 and enter the participant code 3051041#.
- 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.

### About Wiley

Wiley is a global provider of knowledge and knowledge-enabled services that improve outcomes in areas of research, professional practice, and education. Through the Research segment, the Company provides digital and print scientific, technical, medical, and scholarly journals, reference works, books, database services, and advertising. The Professional Development segment provides digital and print books, online assessment and training services, and test preparation and certification. In Education, Wiley provides education solutions including online program management services for higher education institutions and course management tools for instructors and students, as well as digital and print content.

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**JOHN WILEY & SONS, INC.**

**UNAUDITED SUMMARY OF OPERATIONS**

**FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED APRIL 30, 2016 AND 2015**

(in thousands, except per share amounts)

<table>
<thead>
<tr>
<th>FOURTH QUARTER ENDED APRIL 30,</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>US GAAP</td>
<td>Adjustments (A-B)</td>
<td>Adjusted</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------</td>
<td>-------------------</td>
<td>----------</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$434,301</td>
<td>-</td>
<td>434,301</td>
</tr>
<tr>
<td><strong>Costs and Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>109,198</td>
<td>-</td>
<td>109,198</td>
</tr>
<tr>
<td>Operating and Administrative</td>
<td>261,491</td>
<td>-</td>
<td>261,491</td>
</tr>
<tr>
<td>Restructuring Charges (A)</td>
<td>7,779</td>
<td>(7,779)</td>
<td>-</td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>12,513</td>
<td>-</td>
<td>12,513</td>
</tr>
<tr>
<td><strong>Total Costs and Expenses</strong></td>
<td>390,981</td>
<td>(7,779)</td>
<td>383,202</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>43,320</td>
<td>7,779</td>
<td>51,099</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>10.0%</td>
<td>11.8%</td>
<td>13.1%</td>
</tr>
<tr>
<td><strong>Interest Expense</strong></td>
<td>(4,220)</td>
<td>-</td>
<td>(4,220)</td>
</tr>
<tr>
<td>Foreign Exchange Gain</td>
<td>(916)</td>
<td>-</td>
<td>(916)</td>
</tr>
<tr>
<td>Interest Income and Other</td>
<td>820</td>
<td>-</td>
<td>820</td>
</tr>
<tr>
<td><strong>Income Before Taxes</strong></td>
<td>39,004</td>
<td>7,779</td>
<td>46,783</td>
</tr>
<tr>
<td><strong>Provision for Income Taxes (A-B)</strong></td>
<td>4,797</td>
<td>3,010</td>
<td>7,807</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$34,207</td>
<td>4,769</td>
<td>38,976</td>
</tr>
<tr>
<td><strong>Earnings Per Share- Diluted (A-B)</strong></td>
<td>0.59</td>
<td>0.08</td>
<td>0.67</td>
</tr>
<tr>
<td>Average Shares - Diluted</td>
<td>58,089</td>
<td>58,089</td>
<td>58,089</td>
</tr>
</tbody>
</table>

**TWELVE MONTHS ENDED APRIL 30.**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>Adjustments (A-B)</th>
<th>Adjusted</th>
<th>2015</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$1,727,037</td>
<td>-</td>
<td>1,727,037</td>
<td>1,822,440</td>
<td>-</td>
<td>1,822,440</td>
<td>-5%</td>
</tr>
<tr>
<td><strong>Costs and Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>465,917</td>
<td>-</td>
<td>465,917</td>
<td>499,683</td>
<td>-</td>
<td>499,683</td>
<td>-7%</td>
</tr>
<tr>
<td>Operating and Administrative</td>
<td>994,632</td>
<td>-</td>
<td>994,632</td>
<td>1,005,000</td>
<td>-</td>
<td>1,005,000</td>
<td>-1%</td>
</tr>
<tr>
<td>Restructuring Charges (Credits) (A)</td>
<td>28,611</td>
<td>(28,611)</td>
<td>-</td>
<td>28,804</td>
<td>(28,804)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>49,764</td>
<td>-</td>
<td>49,764</td>
<td>51,214</td>
<td>-</td>
<td>51,214</td>
<td>-3%</td>
</tr>
</tbody>
</table>
Total Costs and Expenses 1,538,924 (28,611) 1,510,313 1,584,701 (28,804) 1,555,897 -3% 0%
Operating Income 188,113 28,611 216,724 237,739 28,804 266,543 -21% -15%
Operating Margin 10.9% 12.5% 13.0% 14.6%
Interest Expense (16,707) - (16,707) (17,077) - (17,077) -2% -2%
Foreign Exchange (Loss) Gain 473 - 473 1,742 - 1,742
Interest Income and Other 2,914 - 2,914 3,057 - 3,057 -5% -5%
Income Before Taxes 174,793 28,611 203,404 225,461 28,804 254,265 -22% -16%
Provision for Income Taxes (A-B) 29,011 15,777 44,788 48,593 11,599 60,192 -40% -21%
Net Income $ 145,782 12,834 158,616 176,868 17,205 194,073 -18% -14%
Earnings Per Share- Diluted (A-B) $ 2.48 0.22 2.70 2.97 0.29 3.26 -16% -13%
Average Shares - Diluted 58,734 58,734 58,734 59,594 59,594 59,594

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

JOHN WILEY & SONS, INC.
FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED APRIL 30, 2016 AND 2015

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

<table>
<thead>
<tr>
<th></th>
<th>Fourth Quarter Ended April 30,</th>
<th>Twelve Months Ended April 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2015</td>
</tr>
<tr>
<td>US GAAP Earnings Per Share - Diluted</td>
<td>$ 0.59</td>
<td>$ 0.79</td>
</tr>
<tr>
<td>Adjusted to exclude the following:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring Charges (A)</td>
<td>-0.08</td>
<td>-0.07</td>
</tr>
<tr>
<td>Deferred Income Tax Benefit on UK Rate Change (B)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-recurring Tax Benefit (C)</td>
<td>-0.05</td>
<td>-0.05</td>
</tr>
<tr>
<td>Adjusted Earnings Per Share - Diluted</td>
<td>$ 0.67</td>
<td>$ 0.81</td>
</tr>
</tbody>
</table>

NOTES TO UNAUDITED FINANCIAL STATEMENTS

Adjustments:
a Restructuring Charges: The adjusted results for the three and twelve months ended April 30, 2016 exclude restructuring charges related to the Company's Restructuring and Reinvestment Program of $7.8 million or $0.08 per share, and $28.6 million or $0.32 per share, respectively. The adjusted results for the three and twelve months ended April 30, 2015 exclude a restructuring charge of $4.9 million or $0.07 per share, and $28.8 million or $0.34 per share, respectively.

b Deferred Income Tax Benefit on UK Rate Change: The adjusted results for the twelve months ended April 30, 2016 exclude deferred tax benefits of $5.9 million, or $0.10 per share, associated with tax legislation enacted in fiscal year 2016 in the United Kingdom that reduced the U.K. corporate income tax rates by 2%. The benefits reflect the remeasurement of the Company's deferred tax balances to the new income tax rates of 19% effective April 1, 2017 and 18% effective April 1, 2020 and had no current cash tax impact.

c NON-RECURRING TAX BENEFIT: The adjusted results for the three and twelve months ended April 30, 2015 reflect a non-recurring tax benefit of $3.1 million or $0.05 per share related to tax deductions claimed on the write-up of certain foreign tax assets to fair market value.

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.

JOHN WILEY & SONS, INC.
UNAUDITED SEGMENT RESULTS
FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED
APRIL 30, 2016 AND 2015
(in thousands)

FOURTH QUARTER ENDED APRIL 30,

<table>
<thead>
<tr>
<th></th>
<th>2016 US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>2015 US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>$264,757</td>
<td>-</td>
<td>264,757</td>
<td>274,646</td>
<td>-</td>
<td>274,646</td>
<td>-4% -3%</td>
</tr>
<tr>
<td>Professional</td>
<td>103,051</td>
<td>-</td>
<td>103,051</td>
<td>100,442</td>
<td>-</td>
<td>100,442</td>
<td>3% 3%</td>
</tr>
<tr>
<td>Development</td>
<td>66,493</td>
<td>-</td>
<td>66,493</td>
<td>66,558</td>
<td>-</td>
<td>66,558</td>
<td>0% 1%</td>
</tr>
<tr>
<td>Education</td>
<td>66,493</td>
<td>-</td>
<td>66,493</td>
<td>100,442</td>
<td>-</td>
<td>100,442</td>
<td>3% 3%</td>
</tr>
<tr>
<td>Total</td>
<td>$434,301</td>
<td>-</td>
<td>434,301</td>
<td>441,646</td>
<td>-</td>
<td>441,646</td>
<td>-2% -1%</td>
</tr>
</tbody>
</table>

Direct Contribution to Profit

<table>
<thead>
<tr>
<th></th>
<th>2016 US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>2015 US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>$129,877</td>
<td>(279)</td>
<td>129,598</td>
<td>140,354</td>
<td>233</td>
<td>140,587</td>
<td>-7% -7%</td>
</tr>
<tr>
<td>Professional</td>
<td>43,798</td>
<td>690</td>
<td>44,488</td>
<td>36,950</td>
<td>552</td>
<td>37,502</td>
<td>19% 19%</td>
</tr>
<tr>
<td>Development</td>
<td>14,841</td>
<td>(8)</td>
<td>14,833</td>
<td>11,625</td>
<td>487</td>
<td>12,112</td>
<td>28% 25%</td>
</tr>
<tr>
<td>Education</td>
<td>(7,479)</td>
<td>(8)</td>
<td>(7,487)</td>
<td>(8,439)</td>
<td>487</td>
<td>(7,952)</td>
<td>-11% -6%</td>
</tr>
<tr>
<td>Total</td>
<td>$188,516</td>
<td>403</td>
<td>188,919</td>
<td>188,929</td>
<td>1,272</td>
<td>190,201</td>
<td>0% 0%</td>
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Contribution to Profit (After Allocated Shared Services and Admin. Costs)

<table>
<thead>
<tr>
<th></th>
<th>2016 US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>2015 US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
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<td>Research</td>
<td>$87,427</td>
<td>(279)</td>
<td>87,148</td>
<td>97,868</td>
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<td>98,101</td>
<td>-11% -11%</td>
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<tr>
<td>Professional</td>
<td>19,768</td>
<td>690</td>
<td>20,458</td>
<td>11,508</td>
<td>552</td>
<td>12,060</td>
<td>72% 71%</td>
</tr>
<tr>
<td>Development</td>
<td>(7,479)</td>
<td>(8)</td>
<td>(7,487)</td>
<td>(8,439)</td>
<td>487</td>
<td>(7,952)</td>
<td>-11% -6%</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>2015</td>
<td>% Change</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>US GAAP</td>
<td>Adjustments (A)</td>
<td>Adjusted</td>
<td>US GAAP</td>
<td>Adjustments (A)</td>
<td>Adjusted</td>
<td>US GAAP</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>$ 965,254</td>
<td>-</td>
<td>965,254</td>
<td>1,040,795</td>
<td>-</td>
<td>1,040,795</td>
<td>-7%</td>
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<td>-</td>
<td>404,281</td>
<td>407,023</td>
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<td>-</td>
<td>357,502</td>
<td>374,622</td>
<td>-</td>
<td>374,622</td>
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<tr>
<td>Total</td>
<td>$1,727,037</td>
<td>-</td>
<td>1,727,037</td>
<td>1,822,440</td>
<td>-</td>
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<td>-5%</td>
</tr>
<tr>
<td><strong>Direct Contribution to Profit</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>$ 440,301</td>
<td>5,048</td>
<td>445,349</td>
<td>487,285</td>
<td>4,555</td>
<td>491,840</td>
<td>-10%</td>
</tr>
<tr>
<td>Professional</td>
<td>167,023</td>
<td>2,277</td>
<td>169,300</td>
<td>143,157</td>
<td>4,385</td>
<td>147,542</td>
<td>17%</td>
</tr>
<tr>
<td>Development</td>
<td>118,375</td>
<td>1,206</td>
<td>119,581</td>
<td>127,729</td>
<td>1,571</td>
<td>129,300</td>
<td>-7%</td>
</tr>
<tr>
<td>Total</td>
<td>$ 725,699</td>
<td>8,531</td>
<td>734,230</td>
<td>758,171</td>
<td>10,511</td>
<td>768,682</td>
<td>-4%</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>
</tr>
<tr>
<td>Research</td>
<td>$ 272,995</td>
<td>5,048</td>
<td>278,043</td>
<td>315,774</td>
<td>4,555</td>
<td>320,329</td>
<td>-14%</td>
</tr>
<tr>
<td>Professional</td>
<td>74,548</td>
<td>2,277</td>
<td>76,825</td>
<td>38,137</td>
<td>4,385</td>
<td>42,522</td>
<td>95%</td>
</tr>
<tr>
<td>Development</td>
<td>35,868</td>
<td>1,206</td>
<td>37,074</td>
<td>46,644</td>
<td>1,571</td>
<td>48,215</td>
<td>-23%</td>
</tr>
<tr>
<td>Total</td>
<td>$ 383,411</td>
<td>8,531</td>
<td>391,942</td>
<td>400,555</td>
<td>10,511</td>
<td>411,066</td>
<td>-4%</td>
</tr>
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</table>

Unallocated Shared Services and Admin. Costs
### Admin. Costs

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(195,298)</td>
<td>20,080</td>
<td>(175,218)</td>
<td>162,816</td>
</tr>
</tbody>
</table>

### Operating Income

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$188,113</td>
<td>28,611</td>
<td>216,724</td>
<td>237,739</td>
</tr>
</tbody>
</table>

### Total Shared Services and Admin. Costs by Function

<table>
<thead>
<tr>
<th>Distribution and Operation Services</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$537,586</td>
<td>20,080</td>
<td>(517,506)</td>
<td>(520,432)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technology and Content Management</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>(93,246)</td>
<td>10,137</td>
<td>(83,109)</td>
<td>(93,591)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Finance</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>(261,359)</td>
<td>3,537</td>
<td>(257,822)</td>
<td>(247,472)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Administration</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>(129,709)</td>
<td>2,932</td>
<td>(126,777)</td>
<td>(126,428)</td>
</tr>
</tbody>
</table>

Note: As part of Wiley’s Restructuring and Reinvestment Program, the Company consolidated its Marketing Services functions into a single global shared service function. This newly centralized service group enables 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 Shared Services and Administrative Costs and then allocated to each business segment above. Prior year amounts have been restated to reflect the same reporting methodology.

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

### UNAUDITED ADJUSTED CONTRIBUTION TO PROFIT INCLUDING ALLOCATED SHARED SERVICES AND ADMINISTRATIVE COSTS

**FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED APRIL 30, 2016 AND 2015**

<table>
<thead>
<tr>
<th></th>
<th>Fourth Quarter Ended April 30,</th>
<th>Twelve Months Ended April 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2015</td>
</tr>
<tr>
<td>Research:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Contribution to Profit</td>
<td>129,877</td>
<td>140,354</td>
</tr>
<tr>
<td>Restructuring Charges (Credits) (A)</td>
<td>(279)</td>
<td>233</td>
</tr>
<tr>
<td>Adjusted Direct Contribution to Profit</td>
<td>129,598</td>
<td>140,587</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Allocated Shared Services and Admin. Costs: Distribution and Operation Services</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>(9,573)</td>
<td>(10,479)</td>
<td>-9%</td>
<td>-7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technology and Content Management</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>(25,272)</td>
<td>(23,456)</td>
<td>8%</td>
<td>9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Occupancy and Other</th>
<th>2016</th>
<th>2015</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>(7,605)</td>
<td>(8,551)</td>
<td>-11%</td>
<td>-10%</td>
</tr>
</tbody>
</table>
### Adjusted Contribution to Profit (after allocated)

<table>
<thead>
<tr>
<th></th>
<th>87,148</th>
<th>98,101</th>
<th>-11%</th>
<th>-11%</th>
<th>278,043</th>
<th>320,329</th>
<th>-13%</th>
<th>-10%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shared Services and Admin. Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Professional Development:

| Direct Contribution to Profit | 43,798  | 36,950  | 19%  | 19%  | 167,023 | 143,157 | 17%  | 19%  |
| Restructuring Charges (A)     | 690     | 552     |      |      | 2,277   | 4,385   |      |      |
| **Adjusted Direct Contribution to Profit** | 44,488  | 37,502  | 19%  | 19%  | 169,300 | 147,542 | 15%  | 17%  |

| **Allocated Shared Services and Admin. Costs:** |        |        |      |      |         |         |      |      |
| Distribution and Operation Services | (7,544) | (7,167) | 5%   | 7%   | (28,364) | (30,838) | -8%  | -5%  |
| Technology and Content Management | (10,548) | (12,334) | -14% | -14% | (40,951) | (48,002) | -15% | -13% |
| Occupancy and Other               | (5,938) | (5,941) | 0%   | 0%   | (23,160) | (26,180) | -12% | -8%  |
| **Adjusted Contribution to Profit (after allocated)** | 20,458  | 12,060  | 70%  | 71%  | 76,825  | 42,522  | 81%  | 84%  |

### Education:

| Direct Contribution to Profit | 14,841  | 11,625  | 28%  | 30%  | 118,375 | 127,729 | -7%  | -3%  |
| Restructuring Charges (A)     | (8)     | 487     |      |      | 1,206   | 1,571   |      |      |
| **Adjusted Direct Contribution to Profit** | 14,833  | 12,112  | 22%  | 25%  | 119,581 | 129,300 | -8%  | -4%  |

| **Allocated Shared Services and Admin. Costs:** |        |        |      |      |         |         |      |      |
| Distribution and Operation Services | (3,931) | (2,977) | 32%  | 35%  | (15,207) | (12,863) | 18%  | 24%  |
| Technology and Content Management | (14,375) | (13,625) | 6%   | 7%   | (51,612) | (54,272) | -5%  | -3%  |
| Occupancy and Other               | (4,014) | (3,462) | 16%  | 16%  | (15,688) | (13,950) | 12%  | 15%  |
| **Adjusted Contribution to Profit (after allocated)** | (7,487) | (7,952) | 6%   | 6%   | 37,074  | 48,215  | -23% | -17% |

### Total Adjusted Contribution to Profit (after)

|                  | 100,119 | 102,209 | -2%  | -2%  | 391,942 | 411,066 | -5%  | -1%  |
allocated
Shared
Services and
Admin. Costs)

Unallocated
Shared
Services and
Admin. Costs:

<table>
<thead>
<tr>
<th>Unallocated Shared Services and Admin. Costs</th>
<th>Restructuring Charges (Credits) (A)</th>
<th>Adjusted Unallocated Shared Services and Admin. Costs</th>
<th>Adjusted Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>(56,396) (42,874) 32% 33% (195,298) (162,816) 20% 24%</td>
<td>7,376 3,653</td>
<td>(49,020) (39,221) 25% 27% (175,218) (144,523) 21% 25%</td>
<td>(51,099) (62,988) -19% -20% 216,724 266,543 -19% -15%</td>
</tr>
</tbody>
</table>

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

Note: As part of Wiley's Restructuring and Reinvestment Program, the Company consolidated its Marketing Services functions into a single global shared service function. This newly centralized service group enables 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 Shared Services and Administrative Costs and then allocated to each business segment above. Prior year amounts have been restated to reflect the same reporting methodology.

JOHN WILEY & SONS, INC.
SEGMENT REVENUE by PRODUCT/SERVICE FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED APRIL 30, 2016 AND 2015 (in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Fourth Quarter Ended April 30, 2016</th>
<th></th>
<th>% of Revenue</th>
<th>% Change excl. FX</th>
<th>Twelve Months Ended April 30, 2016</th>
<th></th>
<th>% of Revenue</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESEARCH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Journal Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Journal Subscriptions</td>
<td>$168,458</td>
<td>175,568</td>
<td>64%</td>
<td>-3%</td>
<td>$611,403</td>
<td>672,218</td>
<td>63%</td>
<td>-6%</td>
</tr>
<tr>
<td>Author-Funded Access</td>
<td>7,370</td>
<td>5,828</td>
<td>3%</td>
<td>30%</td>
<td>25,669</td>
<td>22,388</td>
<td>3%</td>
<td>21%</td>
</tr>
<tr>
<td>Licensing, Reprints, Backfiles, and Other</td>
<td>51,435</td>
<td>51,709</td>
<td>19%</td>
<td>1%</td>
<td>178,542</td>
<td>188,326</td>
<td>18%</td>
<td>0%</td>
</tr>
<tr>
<td>Total Journal Revenue</td>
<td>227,263</td>
<td>233,105</td>
<td>86%</td>
<td>-2%</td>
<td>815,614</td>
<td>882,932</td>
<td>84%</td>
<td>-4%</td>
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<td>Books and References:</td>
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<td></td>
</tr>
<tr>
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<td>21,190</td>
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<td>-8%</td>
<td>90,586</td>
<td>99,746</td>
<td>9%</td>
<td>-6%</td>
</tr>
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<td>5%</td>
<td>-14%</td>
<td>44,788</td>
<td>42,512</td>
<td>5%</td>
<td>9%</td>
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<td>6%</td>
<td>14,266</td>
<td>15,605</td>
<td>1%</td>
<td>0%</td>
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<tr>
<td>Total Books and References</td>
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</tr>
<tr>
<td>Segment</td>
<td>Revenue 2022</td>
<td>Revenue 2021</td>
<td>Change</td>
<td>% Change</td>
<td></td>
<td></td>
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<td>---------------------------------</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>$264,757</td>
<td>$274,646</td>
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<td>-3%</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$965,254</td>
<td>$1,040,795</td>
<td>100%</td>
<td>-3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>PROFESSIONAL DEVELOPMENT</td>
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<td></td>
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<tr>
<td>Knowledge Services:</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
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<tr>
<td>Print Books</td>
<td>$41,917</td>
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<td>-4%</td>
<td>41%</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Digital Books</td>
<td>14,171</td>
<td>13,505</td>
<td>14%</td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online Test Preparation and</td>
<td>7,186</td>
<td>6,889</td>
<td>7%</td>
<td>4%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Certification</td>
<td></td>
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<tr>
<td>Other Knowledge Service Revenue</td>
<td>10,059</td>
<td>9,616</td>
<td>10%</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>73,333</td>
<td>74,092</td>
<td>71%</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talent Solutions:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessment</td>
<td>15,224</td>
<td>15,835</td>
<td>15%</td>
<td>-4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Learning</td>
<td>14,494</td>
<td>10,515</td>
<td>14%</td>
<td>35%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>29,718</td>
<td>26,350</td>
<td>29%</td>
<td>12%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$103,051</td>
<td>$100,442</td>
<td>100%</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$404,281</td>
<td>$407,023</td>
<td>100%</td>
<td>2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EDUCATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Books:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Print Textbooks</td>
<td>$10,933</td>
<td>17,792</td>
<td>16%</td>
<td>-34%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital Books</td>
<td>8,818</td>
<td>8,840</td>
<td>13%</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>19,751</td>
<td>26,632</td>
<td>30%</td>
<td>-23%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Custom Material</td>
<td>509</td>
<td>1,062</td>
<td>1%</td>
<td>-52%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Course Workflow (WileyPLUS)</td>
<td>17,185</td>
<td>13,645</td>
<td>26%</td>
<td>26%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online Program Management</td>
<td>26,716</td>
<td>22,612</td>
<td>40%</td>
<td>18%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Deltak)</td>
<td></td>
<td></td>
<td></td>
<td>27%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Education Revenue</td>
<td>2,332</td>
<td>2,607</td>
<td>4%</td>
<td>-11%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$66,493</td>
<td>$66,558</td>
<td>100%</td>
<td>1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$357,502</td>
<td>$374,622</td>
<td>100%</td>
<td>-2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Segment Revenue Categorization

JOHN WILEY & SONS, INC.
UNAUDITED STATEMENTS OF FINANCIAL POSITION
(in thousands)
### April 30, 2016

**Current Assets**

<table>
<thead>
<tr>
<th>Asset</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>$363,806</td>
<td>457,441</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>167,638</td>
<td>147,183</td>
</tr>
<tr>
<td>Inventories</td>
<td>57,779</td>
<td>63,779</td>
</tr>
<tr>
<td>Prepaid and other</td>
<td>81,456</td>
<td>72,516</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>670,679</td>
<td>740,919</td>
</tr>
</tbody>
</table>

**Product Development Assets**

<table>
<thead>
<tr>
<th>Asset</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology, Property and Equipment</td>
<td>214,770</td>
<td>193,010</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>877,007</td>
<td>917,621</td>
</tr>
<tr>
<td>Goodwill</td>
<td>951,663</td>
<td>962,367</td>
</tr>
<tr>
<td>Income Tax Deposits</td>
<td>62,912</td>
<td>57,098</td>
</tr>
<tr>
<td>Other Assets</td>
<td>71,939</td>
<td>63,639</td>
</tr>
<tr>
<td>Total Assets</td>
<td>2,921,096</td>
<td>3,004,243</td>
</tr>
</tbody>
</table>

### Unaudited Statements of Free Cash Flow

**Twelve Months Ended April 30,**

<table>
<thead>
<tr>
<th>Activity</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$145,782</td>
<td>176,868</td>
</tr>
<tr>
<td>Amortization of intangibles</td>
<td>49,764</td>
<td>51,214</td>
</tr>
<tr>
<td>Amortization of composition costs</td>
<td>39,658</td>
<td>40,639</td>
</tr>
<tr>
<td>Depreciation of technology, property and equipment</td>
<td>66,427</td>
<td>62,072</td>
</tr>
<tr>
<td>Restructuring charges (credits)</td>
<td>28,611</td>
<td>28,804</td>
</tr>
<tr>
<td>Restructuring payments</td>
<td>(29,864)</td>
<td>(32,341)</td>
</tr>
<tr>
<td>Deferred income tax benefit on UK rate change</td>
<td>(5,859)</td>
<td>-</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>16,105</td>
<td>13,617</td>
</tr>
<tr>
<td>Excess tax benefits from share-based compensation</td>
<td>(1,027)</td>
<td>(3,191)</td>
</tr>
<tr>
<td>Royalty advances</td>
<td>(110,135)</td>
<td>(104,876)</td>
</tr>
<tr>
<td>Earned royalty advances</td>
<td>109,102</td>
<td>110,054</td>
</tr>
<tr>
<td>Other non-cash charges and credits</td>
<td>15,786</td>
<td>14,553</td>
</tr>
<tr>
<td>Change in deferred revenue</td>
<td>66,983</td>
<td>3,913</td>
</tr>
<tr>
<td>Net change in operating assets and liabilities</td>
<td>(41,376)</td>
<td>(6,204)</td>
</tr>
<tr>
<td>Cash Provided by Operating Activities</td>
<td>349,957</td>
<td>355,122</td>
</tr>
</tbody>
</table>
Investments in organic growth:

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Composition spending</td>
<td>(37,272)</td>
<td>(39,421)</td>
</tr>
<tr>
<td>Additions to technology, property and equipment</td>
<td>(93,705)</td>
<td>(69,121)</td>
</tr>
</tbody>
</table>

Free Cash Flow

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Cash Flow</td>
<td>218,980</td>
<td>246,580</td>
</tr>
</tbody>
</table>

Other Investing and Financing Activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisitions, net of cash</td>
<td>(20,418)</td>
<td>(172,229)</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>(460,085)</td>
<td>(711,654)</td>
</tr>
<tr>
<td>Repayment of short-term debt</td>
<td>(150,000)</td>
<td>-</td>
</tr>
<tr>
<td>Borrowings of long-term debt</td>
<td>415,000</td>
<td>659,369</td>
</tr>
<tr>
<td>Borrowings of short-term debt</td>
<td>50,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Change in book overdrafts</td>
<td>1,725</td>
<td>(6,711)</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>(69,896)</td>
<td>(68,498)</td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>(69,977)</td>
<td>(61,981)</td>
</tr>
<tr>
<td>Debt Issuance Costs</td>
<td>(3,362)</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds from exercise of stock options and other</td>
<td>-</td>
<td>25,326</td>
</tr>
<tr>
<td>Excess tax benefits from share-based compensation</td>
<td>1,027</td>
<td>3,191</td>
</tr>
<tr>
<td>Cash Used for Investing and Financing Activities</td>
<td>(306,081)</td>
<td>(232,087)</td>
</tr>
</tbody>
</table>

Effects of Exchange Rate Changes on Cash

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effects of Exchange Rate Changes on Cash</td>
<td>(6,534)</td>
<td>(43,429)</td>
</tr>
</tbody>
</table>

Decrease in Cash and Cash Equivalents for Period

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in Cash and Cash Equivalents for Period</td>
<td>$ (93,635)</td>
<td>(28,936)</td>
</tr>
</tbody>
</table>

**RECONCILIATION TO GAAP PRESENTATION**

**Investing Activities:**

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Composition spending</td>
<td>$ (37,272)</td>
<td>(39,421)</td>
</tr>
<tr>
<td>Additions to technology, property and equipment</td>
<td>(93,705)</td>
<td>(69,121)</td>
</tr>
<tr>
<td>Acquisitions, net of cash</td>
<td>(20,418)</td>
<td>(172,229)</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>$ (151,395)</td>
<td>(279,671)</td>
</tr>
</tbody>
</table>

**Financing Activities:**

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Used for Investing and Financing Activities</td>
<td>$ (306,081)</td>
<td>(232,087)</td>
</tr>
</tbody>
</table>

Excluding:

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisitions, net of cash</td>
<td>(20,418)</td>
<td>(172,229)</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 Financing Activities</td>
<td>$ (285,663)</td>
<td>(60,958)</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.

**Language:**

English

**Contact:**

Investors:
John Wiley & Sons, Inc.
Brian Campbell, 201-748-6874
Investor Relations
brian.campbell@wiley.com

Ticker Slug: