Wiley Reports First Quarter Fiscal Year 2017 Results

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HOBOKEN, N.J.

Revenue of $404 million, down 2% over prior year on a constant currency basis (-4% US GAAP)
Journal revenue up 2% on a constant currency basis and excluding the favorable impact of shifting to time-based subscriptions
Adjusted EPS of $0.52, down 9% on a constant currency basis (-4% US GAAP)
Signed agreement to acquire Atypon, an industry-leading provider of software and services that enable scholarly societies to publish and manage their content on the web

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 first quarter of fiscal year 2017:

<table>
<thead>
<tr>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ millions</td>
</tr>
<tr>
<td>Revenue</td>
</tr>
<tr>
<td>EPS:</td>
</tr>
<tr>
<td>GAAP</td>
</tr>
<tr>
<td>Adjusted</td>
</tr>
</tbody>
</table>

Note: Results include a favorable transitional impact of shift to time-based journal subscriptions ($4 million revenue and $0.05 of EPS). There is no cash impact from the change. Adjusted results exclude restructuring charges and credits as more fully described in the attached financial schedules.

Management Commentary

“Our largest and most profitable business, Research journals, delivered 2% revenue growth for the quarter, excluding the impact of moving to time-based subscriptions in calendar year 2016,” said Mark Allin, Wiley’s President and CEO. “To further enhance our position in Research journals, we signed an agreement to acquire Atypon, a leading provider of research publishing software and services. The acquisition will enable us to immediately accelerate our technology roadmap and provide advanced service offerings to scholarly societies and publishers. Meanwhile, our digital solutions businesses continued to post double-digit revenue growth rates, while traditional book publishing remained under considerable market pressure, particularly in Education.”

Fiscal Year 2017 Outlook

Wiley reaffirms its fiscal year 2017 operational outlook of flat revenue and a mid-single digit decline in adjusted EPS excluding foreign exchange, the favorable impact from shifting to time-based journal subscription agreements (+$37 million in revenue and +$0.42 in EPS), and the partial year revenue contribution (approximately +$20 million) and EPS dilution (approximately -$0.15) of the Atypon acquisition. The Atypon-related dilution includes the impacts of acquisition accounting (partial write-
down of deferred revenue, amortization of acquired intangibles) and costs associated with initiating the migration of Wiley Online Library to Atypon's Literatum platform.

Income Tax Appeal in Germany

A hearing was conducted in the German Federal Court today regarding Wiley’s 2014 tax appeal, and a final judgement is expected over the coming weeks. The appeal is related to a 2003 merger of several of German subsidiaries into one operating entity, which enabled the Company to increase (“step-up”) the tax deductible net asset basis of the merged subsidiaries to fair market value. In May 2012, the German tax authorities filed a challenge to this tax position. Under the rules for the appeal, Wiley has been required to make deposits totaling $62 million to-date, including related interest. If Wiley is successful in defending its position, the tax deposits will be returned with 6% simple interest. If Wiley’s tax position is denied, deposited funds will not be returned and a related charge of approximately $60 million, predominantly non-cash, will be incurred. No further appeals are available beyond the current proceedings.

Foreign Exchange (FX)

Note that foreign exchange was adverse to first quarter revenue and EPS by $9 million and $0.01, respectively. 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. The weighted average rates for fiscal 2016 were 1.50 and 1.11, 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. 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.

First Quarter Summary

- First quarter revenue declined 4% on a US GAAP basis to $404.3 million. Revenue decline 2% excluding the unfavorable impact of foreign exchange. Performance was driven by growth in Journal Revenue (+2% excluding a $4 million favorable impact from the shift to time-based journal subscriptions), Online Program Management (+13%), Corporate Learning (+20%), Online Test Preparation (+23%), and Author-Funded Access (+39%), which was offset by weakness in Books and 2% excluding the unfavorable impact of currency.

- First quarter EPS declined 4% on a US GAAP basis to $0.53. Adjusted EPS declined 9% on a constant currency basis. Adjusted EPS excludes restructuring charges and credits as further described in the attached reconciliation of US GAAP to Adjusted EPS. The decrease in Adjusted EPS was due to the revenue decline and higher technology costs (+$10 million), including investment in Wiley’s ERP deployment and related systems, partially offset by one-time favorable items related to certain employee benefit plans (+$8 million).

- Wiley Signs Definitive Agreement to Acquire Atypon for $120 million. Atypon, a publishing-software and service provider based in Santa Clara, California, enables scholarly societies and publishers to deliver, host, enhance, market, and manage their content on the web. Atypon’s Literatum platform hosts nearly 9,000 journals, 13 million journal articles, and more than 1,800 publication web sites for over 200 societies and publishers. Atypon generated over $31 million in calendar year 2015 revenue. The transaction is expected to close with an effective date of October 1.

- Net Debt and Cash Position: Net debt (long-term debt less cash and cash equivalents) at the end of July was $467.1 million, down from $481.1 million at the end of the prior year period. Cash and cash equivalents as of July 31, 2016 were $185.9 million.

- Free Cash Flow was a use of $165.5 million for the quarter compared to a use of $154.6 million in the prior year period mainly due to lower cash earnings from operations and higher incentive payments. Note that free cash flow is seasonally negative in the first half of Wiley’s fiscal year principally due to the timing of cash collections for annual journal subscriptions.

- Share Repurchases: Wiley repurchased 221,305 shares this quarter at a cost of $11.3 million, an average of $51.01 per share. Over 4.5 million shares remain in authorized repurchase programs, including a 4 million share repurchase program approved in June.

- Dividend: In June, the Board of Directors increased Wiley’s quarterly cash dividend by 3.3% to $0.31 per share on its Class A and Class B Common Stock. It was the 23rd consecutive annual increase and raised the annualized dividend payout to $1.24 per share.

RESEARCH

- Revenue: First quarter revenue of $234.4 million rose 2% on a constant currency basis. Results were driven by 4% growth in Journal Revenue, with 3% growth in Journal Subscriptions (primarily due to a $4 million favorable impact from the shift to time-based journal subscriptions) and 39% growth in Author-Funded Access. Books and References revenue was down 12%. Overall, Research revenue on a US GAAP basis declined 1% reflecting the unfavorable impact of currency.

- Adjusted Contribution to Profit: First quarter adjusted contribution to profit of $63.2 million was essentially flat on a constant currency basis. Contributions from revenue growth were offset by
higher technology costs and other spending to support society journals. Excluding the favorable impact of time-based subscriptions, adjusted contribution to profit declined 6%. Contribution to profit on a US GAAP basis declined 3% reflecting the unfavorable impact of currency.

- **Calendar Year 2016 Journal Subscriptions**: As of the end of July, calendar year 2016 journal Subscriptions increased 1% on a constant currency basis, with 98% of targeted business contracted for the 2016 calendar year.

- **Society Business**: Three new society contracts were signed in the quarter with combined annual revenue of $2.9 million; 13 were renewed with combined annual revenue of $13.2 million; and four with combined annual revenue of $1.3 million were not renewed.

- **Journal Impact Index**: In July 2016, Wiley announced an increase in impact factors across more than half of its indexed titles. According to the 2015 Journal Citation Reports (JCR), recently released by Thomson Reuters, 58% of Wiley journals increased their impact factor from 2014 to 2015. Wiley had 1,204 journals indexed (73% of the Wiley portfolio), an increase on the previous year, with 11 Wiley titles receiving their first impact factor in this year's JCR release. In addition, 26 Wiley journals achieved a top-category rank, including CA-A Cancer Journal for Clinicians (Impact Factor of 131.7, ranked #1 in Oncology), World Psychiatry (Impact Factor of 20.2, ranked #1 in Psychiatry), and Biological Reviews (Impact Factor of 10.7, ranked #1 in Biology). The Thomson Reuters index is a barometer of journal influence across the research community.

**PROFESSIONAL DEVELOPMENT**

- **Revenue**: First quarter revenue declined 2% on a constant currency basis to $96.1 million with growth in Corporate Learning (+20%), Online Test Preparation (+23%), and Assessment (+2%) more than offset by the decline in Books (10%). Revenue on a US GAAP basis fell 3% with results impacted by unfavorable foreign exchange.

- **Adjusted Contribution to Profit**: First quarter adjusted contribution rose 7% due to continued efficiency gains. Contribution to Profit on a US GAAP basis grew 3%.

- **Partnerships**: In August, Wiley announced a publishing agreement with Amazon Web Services (AWS) to introduce official study guide learning tools for the AWS Certification Program. The AWS Certification Program recognizes IT professionals that possess the skills and technical knowledge necessary for building and maintaining applications and services on the AWS Cloud. To earn an AWS Certification, individuals must demonstrate their proficiency in a particular area by passing an AWS Certification Exam.

**EDUCATION**

- **Revenue**: First quarter revenue declined 14% on a constant currency basis to $73.8 million as declines in Books (-28%) and Custom Material (-15%) offset growth in Online Program Management (+13%). The decline in textbooks and other course materials reflects the continued weakness in overall textbook demand and further share gain in textbook rental. Revenue on a US GAAP basis fell 15%.

- **Contribution to Profit**: First quarter contribution to profit on an adjusted and US GAAP basis declined to a loss of $2 million, driven by the revenue decline.

- **Online Program Management**: As of July 31, 2016, Wiley had 37 university partners and 232 programs under contract, compared to 38 partners and 226 programs at the end of last quarter. Ten (10) new programs were contracted with existing partners in the quarter; one partnership and four programs expired in the quarter.

### Earnings Conference Call

- Scheduled for today, September 7, at 10:00 a.m. (EDT)
- Access the webcast at [www.wiley.com > Investor Relations > Events and Presentations](http://www.wiley.com/WileyCDA/Section/id-370238.html)
- U.S. callers, please dial (888) 430-8669 and enter the participant code 6085207#
- International callers, please dial (719) 457-2695 and enter the participant code 6085207#
- 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 prep 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 print and digital content.

**JOHN WILEY & SONS, INC.**
**UNAUDITED SUMMARY OF OPERATIONS**
**FOR THE FIRST QUARTER ENDED**
**JULY 31, 2016 AND 2015**
(in thousands, except per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>2016 US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted US GAAP</th>
<th>Adjustments (A)</th>
<th>Adjusted US GAAP</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$404,285</td>
<td></td>
<td>404,285</td>
<td></td>
<td>422,981</td>
<td>-4 %</td>
</tr>
<tr>
<td>Costs and Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-2 %</td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>113,169</td>
<td></td>
<td>113,169</td>
<td></td>
<td>119,729</td>
<td>-5 %</td>
</tr>
<tr>
<td>Operating and</td>
<td>235,649</td>
<td></td>
<td>235,649</td>
<td></td>
<td>242,498</td>
<td>-3 %</td>
</tr>
<tr>
<td>Administrative</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-1 %</td>
</tr>
<tr>
<td>Restructuring</td>
<td>(920)</td>
<td>920</td>
<td>-</td>
<td>3,425</td>
<td>(3,425)</td>
<td>-</td>
</tr>
<tr>
<td>(Credits) Charges (A)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of</td>
<td>12,573</td>
<td></td>
<td>12,573</td>
<td></td>
<td>12,420</td>
<td>1 %</td>
</tr>
<tr>
<td>Intangibles</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5 %</td>
</tr>
<tr>
<td>Total Costs</td>
<td>360,471</td>
<td>920</td>
<td>361,391</td>
<td>380,072</td>
<td>(3,425)</td>
<td>-5 %</td>
</tr>
<tr>
<td>and Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-1 %</td>
</tr>
<tr>
<td>Operating Income</td>
<td>43,814</td>
<td>(920)</td>
<td>42,894</td>
<td>44,909</td>
<td>3,425</td>
<td>-2 %</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>10.8 %</td>
<td></td>
<td>10.6 %</td>
<td>10.6 %</td>
<td>11.4 %</td>
<td></td>
</tr>
<tr>
<td>Interest Expense</td>
<td>(4,071)</td>
<td></td>
<td>(4,071)</td>
<td>(3,573)</td>
<td>(3,573)</td>
<td>14 %</td>
</tr>
<tr>
<td>Foreign Exchange</td>
<td>221</td>
<td></td>
<td>221</td>
<td>(80)</td>
<td>(80)</td>
<td></td>
</tr>
<tr>
<td>Gain</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Income and</td>
<td>377</td>
<td></td>
<td>377</td>
<td>664</td>
<td>664</td>
<td>-43 %</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-43 %</td>
</tr>
<tr>
<td>Income Before Taxes</td>
<td>40,341</td>
<td>(920)</td>
<td>39,421</td>
<td>41,920</td>
<td>3,425</td>
<td>-4 %</td>
</tr>
<tr>
<td>Provision for</td>
<td>9,327</td>
<td>(263)</td>
<td>9,064</td>
<td>9,463</td>
<td>1,419</td>
<td>-1 %</td>
</tr>
<tr>
<td>Income Taxes (A)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-15 %</td>
</tr>
<tr>
<td>Net Income</td>
<td>$31,014</td>
<td>(657)</td>
<td>30,357</td>
<td>32,457</td>
<td>2,006</td>
<td>-4 %</td>
</tr>
<tr>
<td>Earnings Per Share-</td>
<td>$0.53</td>
<td>(0.01)</td>
<td>0.52</td>
<td>0.55</td>
<td>0.03</td>
<td>-4 %</td>
</tr>
<tr>
<td>Diluted (A)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-9 %</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
JOHN WILEY & SONS, INC.
FOR THE FIRST QUARTER ENDED
JULY 31, 2016 AND 2015

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

<table>
<thead>
<tr>
<th>First Quarter Ended</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>July 31,</td>
</tr>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>US GAAP Earnings Per Share - Diluted</td>
<td>$ 0.53</td>
</tr>
<tr>
<td>Adjusted to exclude the following:</td>
<td></td>
</tr>
<tr>
<td>Restructuring (Credits) Charges (A)</td>
<td>(0.01)</td>
</tr>
<tr>
<td>Adjusted Earnings Per Share - Diluted</td>
<td>$ 0.52</td>
</tr>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td>US GAAP Earnings Per Share - Diluted</td>
<td>$ 0.55</td>
</tr>
<tr>
<td>Adjusted to exclude the following:</td>
<td></td>
</tr>
<tr>
<td>Restructuring (Credits) Charges (A)</td>
<td>0.03</td>
</tr>
<tr>
<td>Adjusted Earnings Per Share - Diluted</td>
<td>$ 0.58</td>
</tr>
</tbody>
</table>

NOTES TO UNAUDITED FINANCIAL STATEMENTS

Adjustments:
Restructuring (Credits) Charges: The adjusted results for the three months ended July 31, 2016 and 2015 exclude restructuring (credits) charges related to the Company's Restructuring and Reinvestment Program of $(0.9) million or $(0.01) per share, and $3.4 million or $0.03 per share, respectively. The first quarter of fiscal year 2017 credit reflects the true-up of facility lease reserves.

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 FIRST QUARTER ENDED
JULY 31, 2016 AND 2015
(in thousands)

FIRST QUARTER ENDED JULY 31,
### Revenue

<table>
<thead>
<tr>
<th>Function</th>
<th>2022 ($1)</th>
<th>2021 ($1)</th>
<th>Change</th>
<th>% Change 1</th>
<th>% Change 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>234,441</td>
<td>237,390</td>
<td>-2935</td>
<td>-1%</td>
<td>2%</td>
</tr>
<tr>
<td>Professional</td>
<td>96,066</td>
<td>98,665</td>
<td>-2600</td>
<td>-3%</td>
<td>-2%</td>
</tr>
<tr>
<td>Development</td>
<td>73,778</td>
<td>86,926</td>
<td>-13148</td>
<td>-15%</td>
<td>-14%</td>
</tr>
<tr>
<td>Total</td>
<td>404,285</td>
<td>422,981</td>
<td>-18736</td>
<td>-4%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

### Direct Contribution to Profit

<table>
<thead>
<tr>
<th>Function</th>
<th>2022 ($1)</th>
<th>2021 ($1)</th>
<th>Change</th>
<th>% Change 1</th>
<th>% Change 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>106,417</td>
<td>106,614</td>
<td>-197</td>
<td>-3%</td>
<td>0%</td>
</tr>
<tr>
<td>Professional</td>
<td>39,884</td>
<td>40,236</td>
<td>-352</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Development</td>
<td>17,716</td>
<td>23,289</td>
<td>-5573</td>
<td>-24%</td>
<td>-23%</td>
</tr>
<tr>
<td>Total</td>
<td>164,017</td>
<td>171,184</td>
<td>-7167</td>
<td>-4%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

### Contribution to Profit (After Allocated Shared Services)

<table>
<thead>
<tr>
<th>Function</th>
<th>2022 ($1)</th>
<th>2021 ($1)</th>
<th>Change</th>
<th>% Change 1</th>
<th>% Change 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>63,310</td>
<td>65,448</td>
<td>-2138</td>
<td>-3%</td>
<td>0%</td>
</tr>
<tr>
<td>Professional</td>
<td>19,618</td>
<td>19,023</td>
<td>595</td>
<td>3%</td>
<td>7%</td>
</tr>
<tr>
<td>Development</td>
<td>1,992</td>
<td>5,022</td>
<td>-3030</td>
<td>-138%</td>
<td>-138%</td>
</tr>
<tr>
<td>Total</td>
<td>80,936</td>
<td>89,493</td>
<td>-8531</td>
<td>-9%</td>
<td>-7%</td>
</tr>
</tbody>
</table>

### Unallocated Shared Services and Admin. Costs

<table>
<thead>
<tr>
<th>Function</th>
<th>2022 ($1)</th>
<th>2021 ($1)</th>
<th>Change</th>
<th>% Change 1</th>
<th>% Change 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution and Operation Services</td>
<td>(19,542) 13</td>
<td>(19,529) (20,649) 757</td>
<td>(19,892) -5</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Technology and Content Management</td>
<td>(70,140) 70</td>
<td>(70,070) (61,944) 1,152</td>
<td>(60,792) 13</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td>(11,404) (155)</td>
<td>(11,559) (13,470) 71</td>
<td>(13,399) -15</td>
<td>-12%</td>
<td></td>
</tr>
<tr>
<td>Other Administration</td>
<td>(19,117) (1,132)</td>
<td>(20,249) (30,212) 1,076</td>
<td>(29,136) -37</td>
<td>-29%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>(120,203) (1,204)</td>
<td>(121,407) (126,275) 3,056</td>
<td>(123,219) -5</td>
<td>0%</td>
<td></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.

UNAUDITED ADJUSTED CONTRIBUTION TO PROFIT INCLUDING ALLOCATED SHARED SERVICES AND ADMINISTRATIVE COSTS FOR THE FIRST QUARTER ENDED JULY 31, 2016 AND 2015
(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>First Quarter Ended</th>
<th>% Change</th>
<th>% Change excl. FX</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>July 31, 2016</td>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>Research:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Contribution to Profit</td>
<td>$106,417</td>
<td>106,614</td>
<td>0%</td>
</tr>
<tr>
<td>Restructuring Charges (Credits) (A)</td>
<td>(69)</td>
<td>370</td>
<td></td>
</tr>
<tr>
<td>Adjusted Direct Contribution to Profit</td>
<td>106,348</td>
<td>106,984</td>
<td>-1%</td>
</tr>
<tr>
<td>Allocated Shared Services and Admin. Costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution and Operation Services</td>
<td>(9,386)</td>
<td>(10,245)</td>
<td>-8%</td>
</tr>
<tr>
<td>Technology and Content Management</td>
<td>(28,272)</td>
<td>(24,056)</td>
<td>18%</td>
</tr>
<tr>
<td>Occupancy and Other</td>
<td>(5,449)</td>
<td>(7,235)</td>
<td>-25%</td>
</tr>
<tr>
<td>Adjusted Contribution to Profit (after allocated Shared Services and Admin. Costs)</td>
<td>$63,241</td>
<td>65,448</td>
<td>-3%</td>
</tr>
<tr>
<td>Professional Development:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Contribution to Profit</td>
<td>$39,884</td>
<td>41,281</td>
<td>-3%</td>
</tr>
<tr>
<td>Restructuring Charges (A)</td>
<td>352</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Adjusted Direct Contribution to Profit</td>
<td>40,236</td>
<td>41,291</td>
<td>-3%</td>
</tr>
<tr>
<td>Allocated Shared Services and Admin. Costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution and Operation Services</td>
<td>(5,842)</td>
<td>(6,871)</td>
<td>-15%</td>
</tr>
<tr>
<td>Technology and Content Management</td>
<td>(9,856)</td>
<td>(9,804)</td>
<td>1%</td>
</tr>
<tr>
<td>Occupancy and Other</td>
<td>(4,568)</td>
<td>(5,593)</td>
<td>-18%</td>
</tr>
<tr>
<td>Adjusted Contribution to Profit (after allocated Shared Services and Admin. Costs)</td>
<td>$19,970</td>
<td>19,023</td>
<td>5%</td>
</tr>
<tr>
<td>Education:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Contribution to Profit</td>
<td>$17,716</td>
<td>23,289</td>
<td>-24%</td>
</tr>
<tr>
<td>Restructuring Charges (A)</td>
<td>1</td>
<td>(11)</td>
<td></td>
</tr>
<tr>
<td>Adjusted Direct Contribution to Profit</td>
<td>17,717</td>
<td>23,278</td>
<td>-24%</td>
</tr>
<tr>
<td>Allocated Shared Services and Admin. Costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution and Operation Services</td>
<td>(3,270)</td>
<td>(3,425)</td>
<td>-5%</td>
</tr>
<tr>
<td>Technology and Content Management</td>
<td>(12,952)</td>
<td>(10,887)</td>
<td>19%</td>
</tr>
<tr>
<td>Occupancy and Other</td>
<td>(3,486)</td>
<td>(3,944)</td>
<td>-12%</td>
</tr>
<tr>
<td>Adjusted Contribution to Profit (after allocated Shared Services and Admin. Costs)</td>
<td>$(1,991)</td>
<td>5,022</td>
<td>140%</td>
</tr>
<tr>
<td>Total Adjusted Contribution to Profit (after allocated Shared Services and Admin. Costs)</td>
<td>$81,220</td>
<td>89,493</td>
<td>-9%</td>
</tr>
</tbody>
</table>
allocated Shared Services and Admin. Costs)

Unallocated Shared Services and Admin. Costs:

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
<th>% of 2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unallocated Shared Services and Admin. Costs</td>
<td>$(37,122)</td>
<td>$(44,215)</td>
<td></td>
<td>-16%</td>
</tr>
<tr>
<td>Restructuring Charges (Credits) (A)</td>
<td>(1,204)</td>
<td>3,056</td>
<td></td>
<td>-13%</td>
</tr>
<tr>
<td>Adjusted Unallocated Shared Services and Admin.</td>
<td>$(38,326)</td>
<td>$(41,159)</td>
<td></td>
<td>-7%</td>
</tr>
<tr>
<td>Costs</td>
<td></td>
<td></td>
<td></td>
<td>-4%</td>
</tr>
<tr>
<td>Adjusted Operating Income</td>
<td>$42,894</td>
<td>48,334</td>
<td></td>
<td>-11%</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 FIRST QUARTER ENDED
JULY 31, 2016 AND 2015
(in thousands)

<table>
<thead>
<tr>
<th>Service</th>
<th>2016</th>
<th>2015</th>
<th>% of 2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESEARCH</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Journal Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Journal Subscriptions</td>
<td>$160,081</td>
<td>159,068</td>
<td>68%</td>
<td>3%</td>
</tr>
<tr>
<td>Author-Funded Access</td>
<td>7,513</td>
<td>5,692</td>
<td>3%</td>
<td>39%</td>
</tr>
<tr>
<td>Licensing, Reprints, Backfiles, and Other</td>
<td>37,362</td>
<td>37,626</td>
<td>16%</td>
<td>3%</td>
</tr>
<tr>
<td>Total Journal Revenue</td>
<td>204,956</td>
<td>202,386</td>
<td>87%</td>
<td>4%</td>
</tr>
<tr>
<td>Books and References:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Print Books</td>
<td>18,568</td>
<td>23,382</td>
<td>8%</td>
<td>-17%</td>
</tr>
<tr>
<td>Digital Books</td>
<td>8,441</td>
<td>8,827</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>Licensing and Other</td>
<td>2,476</td>
<td>2,795</td>
<td>1%</td>
<td>-4%</td>
</tr>
<tr>
<td>Total Books and References Revenue</td>
<td>29,485</td>
<td>35,004</td>
<td>13%</td>
<td>-12%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$234,441</td>
<td>237,390</td>
<td>100%</td>
<td>2%</td>
</tr>
</tbody>
</table>

PROFESSIONAL DEVELOPMENT

Knowledge Services:
<table>
<thead>
<tr>
<th>Service</th>
<th>2016</th>
<th>2015</th>
<th>% of 2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print Books</td>
<td>$41,513</td>
<td>48,712</td>
<td>43%</td>
<td>-13%</td>
</tr>
<tr>
<td>Digital Books</td>
<td>11,194</td>
<td>10,633</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>Online Test Preparation and Certification</td>
<td>9,707</td>
<td>7,906</td>
<td>10%</td>
<td>23%</td>
</tr>
<tr>
<td>Other Knowledge Service Revenue</td>
<td>4,724</td>
<td>5,391</td>
<td>5%</td>
<td>-11%</td>
</tr>
<tr>
<td></td>
<td>67,138</td>
<td>72,642</td>
<td>70%</td>
<td>-6%</td>
</tr>
</tbody>
</table>

Talent Solutions:
<table>
<thead>
<tr>
<th>Service</th>
<th>2016</th>
<th>2015</th>
<th>% of 2015</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment</td>
<td>13,522</td>
<td>13,275</td>
<td>14%</td>
<td>2%</td>
</tr>
<tr>
<td>Corporate Learning</td>
<td>15,406</td>
<td>12,748</td>
<td>16%</td>
<td>20%</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------------</td>
<td>---------------</td>
<td>---------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$ 96,066</td>
<td>$ 98,665</td>
<td>100%</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>EDUCATION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Books:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Print Textbooks</td>
<td>$23,489</td>
<td>34,544</td>
<td>32%</td>
<td>-31%</td>
</tr>
<tr>
<td>Digital Books</td>
<td>4,836</td>
<td>5,754</td>
<td>7%</td>
<td>-14%</td>
</tr>
<tr>
<td></td>
<td>28,325</td>
<td>40,298</td>
<td>38%</td>
<td>-28%</td>
</tr>
<tr>
<td>Custom Material</td>
<td>19,398</td>
<td>22,743</td>
<td>26%</td>
<td>-15%</td>
</tr>
<tr>
<td>Course Workflow (WileyPLUS)</td>
<td>866</td>
<td>1,020</td>
<td>1%</td>
<td>-15%</td>
</tr>
<tr>
<td>Online Program Management (Deltak)</td>
<td>23,172</td>
<td>20,502</td>
<td>31%</td>
<td>13%</td>
</tr>
<tr>
<td>Other Education Revenue</td>
<td>2,017</td>
<td>2,363</td>
<td>3%</td>
<td>-10%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$73,778</td>
<td>86,926</td>
<td>100%</td>
<td>-14%</td>
</tr>
</tbody>
</table>

**Note: Segment Revenue Categorization**

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

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>July 31, 2016</th>
<th>April 30, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>$185,894</td>
<td>369,413</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>213,968</td>
<td>202,570</td>
</tr>
<tr>
<td>Inventories</td>
<td>54,822</td>
<td>58,680</td>
</tr>
<tr>
<td>Prepaid and other</td>
<td>119,392</td>
<td>76,276</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>574,076</td>
<td>706,939</td>
</tr>
<tr>
<td>Product Development Assets</td>
<td>64,122</td>
<td>61,623</td>
</tr>
<tr>
<td>Technology, Property and Equipment</td>
<td>214,740</td>
<td>198,889</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>831,249</td>
<td>919,996</td>
</tr>
<tr>
<td>Goodwill</td>
<td>916,690</td>
<td>971,407</td>
</tr>
<tr>
<td>Income Tax Deposits</td>
<td>62,200</td>
<td>58,877</td>
</tr>
<tr>
<td>Other Assets</td>
<td>80,185</td>
<td>63,869</td>
</tr>
<tr>
<td>Total Assets</td>
<td>2,743,262</td>
<td>2,981,600</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Liabilities</th>
<th>July 31, 2016</th>
<th>April 30, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term debt</td>
<td>-</td>
<td>100,000</td>
</tr>
<tr>
<td>Accounts and royalties payable</td>
<td>138,397</td>
<td>142,741</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>321,616</td>
<td>281,136</td>
</tr>
<tr>
<td>Accrued employment costs</td>
<td>55,241</td>
<td>59,910</td>
</tr>
<tr>
<td>Accrued income taxes</td>
<td>3,368</td>
<td>9,605</td>
</tr>
<tr>
<td>Accrued pension liability</td>
<td>5,467</td>
<td>4,603</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>69,042</td>
<td>61,839</td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>593,131</td>
<td>659,834</td>
</tr>
<tr>
<td>Long-Term Debt</td>
<td>653,000</td>
<td>750,473</td>
</tr>
<tr>
<td>Accrued Pension Liability</td>
<td>206,814</td>
<td>202,230</td>
</tr>
<tr>
<td>Deferred Income Tax Liabilities</td>
<td>191,388</td>
<td>205,004</td>
</tr>
<tr>
<td>Other Long-Term Liabilities</td>
<td>82,521</td>
<td>83,395</td>
</tr>
<tr>
<td>Shareholders’ Equity</td>
<td>1,016,408</td>
<td>1,080,664</td>
</tr>
<tr>
<td>Total Liabilities &amp; Shareholders’ Equity</td>
<td>$2,743,262</td>
<td>2,981,600</td>
</tr>
</tbody>
</table>

JOHN WILEY & SONS, INC.
UNAUDITED STATEMENTS OF FREE CASH FLOW
Three Months Ended
July 31, 2016 2015

Operating Activities:
Net income $31,014 32,457
Amortization of intangibles 12,573 12,420
Amortization of composition costs 9,731 9,650
Depreciation of technology, property and equipment 17,125 16,491
Restructuring charges (credits) (920 ) 3,425
Restructuring payments (6,461 ) (9,022 )
Share-based compensation expense 264 3,898
Restructuring payments (6,461 ) (9,022 )
Earnings on royalty advances (37,267 ) (32,060 )
Other non-cash charges and credits 16,798 14,447
Change in deferred revenue (88,434 ) (95,940 )
Net change in operating assets and liabilities (132,491 ) (118,654 )
Cash Used for Operating Activities (136,712 ) (124,082 )

Investments in organic growth:
Composition spending (7,989 ) (8,284 )
Additions to technology, property and equipment (20,778 ) (22,283 )

Free Cash Flow (165,479 ) (154,649 )

Other Investing and Financing Activities:
Acquisitions, net of cash (8,600 ) (2,221 )
Repayment of long-term debt (153,707 ) (33,717 )
Borrowings of long-term debt 201,700 134,100
Change in book overdrafts (12,261 ) (5,671 )
Cash dividends (17,914 ) (17,609 )
Purchase of treasury shares (11,289 ) (12,723 )
Proceeds from exercise of stock options and other 13,429 375
Excess tax benefits from share-based compensation 260 503
Cash Provided by Investing and Financing Activities 11,618 63,037

Effects of Exchange Rate Changes on Cash (24,051 ) 3,584
Decrease in Cash and Cash Equivalents for Period $(177,912 ) (88,028 )

RECONCILIATION TO GAAP PRESENTATION

Investing Activities:
Composition spending $(7,989 ) (8,284 )
Additions to technology, property and equipment (20,778 ) (22,283 )
Acquisitions, net of cash (8,600 ) (2,221 )
Cash Used for Investing Activities $(37,367 ) (32,788 )

Financing Activities:
Cash Used for Investing and Financing Activities $11,618 63,037
Excluding:
Acquisitions, net of cash (8,600 ) (2,221 )
Cash Provided by Financing Activities $20,218 65,258

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.
English
Contact:
Investors:
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