

JOHN WILEY & SONS, INC.
UNAUDITED SUMMARY OF OPERATIONS
FOR THE THIRD QUARTER AND NINE MONTHS ENDED
JANUARY 31, 2014 AND 2013
(in thousands, except per share amounts)

THIRD QUARTER ENDED JANUARY 31,

	2014			2013			% Change	
	US GAAP	Adjustments (A,B)	Adjusted	US GAAP	Adjustments (B-D)	Adjusted	US GAAP	Adjusted excl. FX
Revenue	\$ 457,933	-	457,933	472,435	(13,858)	458,577	-3%	1%
Costs and Expenses								
Cost of Sales	130,563	-	130,563	141,794	(9,143)	132,651	-8%	-1%
Operating and Administrative	238,569	-	238,569	235,857	(2,678)	233,179	1%	3%
Restructuring Charges (A)	4,256	(4,256)	-	-	-	-		
Amortization of Intangibles	11,165	-	11,165	11,158	-	11,158	0%	0%
Total Costs and Expenses	384,553	(4,256)	380,297	388,809	(11,821)	376,988	-1%	1%
Operating Income	73,380	4,256	77,636	83,626	(2,037)	81,589	-12%	-3%
Operating Margin	16.0%		17.0%	17.7%		17.8%		
Interest Expense	(3,485)	-	(3,485)	(3,827)	-	(3,827)	-9%	-9%
Foreign Exchange Gain (Loss)	29	-	29	(1,147)	-	(1,147)	-103%	2%
Interest Income and Other	466	-	466	342	-	342	36%	36%
Income Before Taxes	70,390	4,256	74,646	78,994	(2,037)	76,957	-11%	-3%
Provision (Benefit) for Income Taxes (A-D)	17,901	1,347	19,248	21,894	(775)	21,119	-18%	-9%
Net Income	\$ 52,489	2,909	55,398	57,100	(1,262)	55,838	-8%	0%
Earnings Per Share- Diluted	\$ 0.88	0.05	0.93	0.95	(0.02)	0.93	-7%	0%
Average Shares - Diluted	59,713	59,713	59,713	60,254	60,254	60,254		

NINE MONTHS ENDED JANUARY 31,

	2014			2013			% Change	
	US GAAP	Adjustments (A,B,E)	Adjusted	US GAAP	Adjustments (A-E)	Adjusted	US GAAP	Adjusted excl. FX
Revenue	\$ 1,318,106	-	1,318,106	1,314,924	(40,359)	1,274,565	0%	4%
Costs and Expenses								
Cost of Sales	380,706	-	380,706	398,592	(25,505)	373,087	-4%	3%
Operating and Administrative	713,090	-	713,090	689,833	(12,118)	677,715	3%	6%
Restructuring Charges (A)	27,327	(27,327)	-	4,841	(4,841)	-		
Impairment Charges (B)	4,786	(4,786)	-	15,521	(15,521)	-		
Amortization of Intangibles	33,066	-	33,066	30,404	(53)	30,351	9%	9%
Total Costs and Expenses	1,158,975	(32,113)	1,126,862	1,139,191	(58,038)	1,081,153	2%	5%
Gain on Sale of Travel Publishing Program (C)	-	-	-	9,829	(9,829)	-		
Operating Income	159,131	32,113	191,244	185,562	7,850	193,412	-14%	0%
Operating Margin	12.1%		14.5%	14.1%		15.2%		
Interest Expense	(10,348)	-	(10,348)	(9,557)	-	(9,557)	8%	8%
Foreign Exchange Gain (Loss)	329	-	329	(1,599)	-	(1,599)	-121%	-2%
Interest Income and Other	2,095	-	2,095	1,569	-	1,569	34%	34%
Income Before Taxes	151,207	32,113	183,320	175,975	7,850	183,825	-14%	0%
Provision (Benefit) for Income Taxes (A-E)	26,588	21,126	47,714	39,701	11,068	50,769	-33%	-5%
Net Income	\$ 124,619	10,987	135,606	136,274	(3,218)	133,056	-9%	3%
Earnings Per Share- Diluted	\$ 2.10	0.19	2.28	2.26	(0.05)	2.20	-7%	4%
Average Shares - Diluted	59,388	59,388	59,388	60,349	60,349	60,349		

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

JOHN WILEY & SONS, INC.
FOR THE THIRD QUARTER AND NINE MONTHS ENDED
JANUARY 31, 2014 AND 2013

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

	Third Quarter Ended January 31,		Nine Months Ended January 31,	
	2014	2013	2014	2013
US GAAP Earnings Per Share - Diluted	\$ 0.88	\$ 0.95	\$ 2.10	\$ 2.26
Adjusted to exclude the following:				
Restructuring Charges (A)	(0.05)	-	(0.31)	(0.06)
Impairment Charges (B)	-	-	(0.06)	(0.16)
Gain on Sale of Travel Publishing Program (C)	-	-	-	0.10
Operational Results of Divested Consumer Programs (D)	-	0.02	-	0.03
Deferred Income Tax Benefit on UK Rate Change (E)	-	-	0.18	0.14
Adjusted Earnings Per Share - Diluted	<u>\$ 0.93</u>	<u>\$ 0.93</u>	<u>\$ 2.28</u>	<u>\$ 2.20</u>

NOTES TO UNAUDITED FINANCIAL STATEMENTS

Adjustments:

- (A) **RESTRUCTURING CHARGES:** The adjusted results for the three and nine months ended January 31, 2014 and the nine months ended January 31, 2013 exclude restructuring charges related to the Company's Restructuring and Reinvestment Program of \$4.3 million (\$2.9 million after tax, \$0.05 per share), \$27.3 million (\$18.3 million after tax, \$0.31 per share) and \$4.8 million (\$3.5 million after tax, \$0.06 per share), respectively.
- (B) **Impairment Charges:** The adjusted results for the nine months ended January 31, 2014 exclude asset impairment charges related to certain technology investments of \$4.8 million (\$3.4 million after tax, \$0.06 per share). The adjusted results for the nine months ended January 31, 2013 exclude asset impairment charges related to the divested Professional Development consumer publishing programs of \$15.5 million (\$9.6 million after tax, \$0.16 per share).
- (C) **Gain on Sale of Travel Publishing Program:** The adjusted results for the nine months ended January 31, 2013 exclude a gain on sale of the travel publishing program of \$9.8 million (\$6.2 million after tax, \$0.10 per share).
- (D) **Operating Results of Divested Consumer Programs:** The adjusted results for the three and nine months ended January 31, 2013 exclude the operating results of the divested Professional Development consumer publishing programs sold in fiscal year 2013.
- (E) **Deferred Income Tax Benefit on UK Rate Change:** The adjusted results for the nine months ended January 31, 2014 and 2013 exclude deferred tax benefits of \$10.6 million (\$0.18 per share) and \$8.4 million (\$0.14 per share), respectively. The tax benefits are associated with tax legislation enacted in the United Kingdom that reduced the U.K. corporate income tax rates by 3% and 2%, respectively. The benefits reflect the remeasurement of the Company's deferred tax balances to the new income tax rates of 21% effective April 1, 2014 and 20% effective April 1, 2015 and had no current cash tax impact.

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 THIRD QUARTER AND NINE MONTHS ENDED
JANUARY 31, 2014 AND 2013
(in thousands)

THIRD QUARTER ENDED JANUARY 31.

	2014			2013			% Change	
	US GAAP	Adjustments (A,B)	Adjusted	US GAAP	Adjustments (B-D)	Adjusted	US GAAP	Adjusted excl. FX
Revenue								
Research	\$ 248,797	-	248,797	240,902	-	240,902	3%	3%
Professional Development	94,201	-	94,201	113,106	(13,858)	99,248	-17%	-5%
Education	114,935	-	114,935	118,427	-	118,427	-3%	0%
Total	\$ 457,933	-	457,933	472,435	(13,858)	458,577	-3%	1%
Direct Contribution to Profit								
Research	\$ 103,244	(782)	102,462	100,369	-	100,369	3%	2%
Professional Development	31,740	(833)	30,907	30,780	(2,037)	28,743	3%	8%
Education	44,505	117	44,622	48,376	-	48,376	-8%	-4%
Total	\$ 179,489	(1,498)	177,991	179,525	(2,037)	177,488	0%	1%
Contribution to Profit (After Allocated Shared Services and Admin. Costs)								
Research	\$ 69,799	(782)	69,017	67,715	-	67,715	3%	2%
Professional Development	12,760	(833)	11,927	11,877	(2,037)	9,840	-	21%
Education	30,377	117	30,494	35,055	-	35,055	-13%	-9%
Total	\$ 112,936	(1,498)	111,438	114,647	(2,037)	112,610	-1%	0%
Unallocated Shared Services and Admin. Costs	(39,556)	5,754	(33,802)	(31,021)	-	(31,021)	28%	10%
Operating Income	\$ 73,380	4,256	77,636	83,626	(2,037)	81,589	-12%	-3%
Total Shared Services and Admin. Costs by Function								
Distribution	\$ (24,384)	17	(24,367)	(25,911)	-	(25,911)	-6%	-5%
Technology Services	(46,154)	2,283	(43,871)	(42,381)	-	(42,381)	9%	4%
Finance	(11,842)	882	(10,960)	(10,273)	-	(10,273)	15%	8%
Other Administration	(23,729)	2,572	(21,157)	(17,334)	-	(17,334)	37%	23%
Total	\$ (106,109)	5,754	(100,355)	(95,899)	-	(95,899)	11%	5%

NINE MONTHS ENDED JANUARY 31.

	2014			2013			% Change	
	US GAAP	Adjustments (A,B)	Adjusted	US GAAP	Adjustments (A-D)	Adjusted	US GAAP	Adjusted excl. FX
Revenue								
Research	\$ 747,532	-	747,532	726,679	-	726,679	3%	3%
Professional Development	270,832	-	270,832	316,360	(40,359)	276,001	-14%	-1%
Education	299,742	-	299,742	271,885	-	271,885	10%	12%
Total	\$ 1,318,106	-	1,318,106	1,314,924	(40,359)	1,274,565	0%	4%
Direct Contribution to Profit								
Research	\$ 309,832	4,590	314,422	300,624	2,966	303,590	3%	4%
Professional Development	76,759	4,834	81,593	71,949	4,263	76,212	7%	8%
Education	102,687	375	103,062	99,150	169	99,319	4%	6%
Total	\$ 489,278	9,799	499,077	471,723	7,398	479,121	4%	5%
Contribution to Profit (After Allocated Shared Services and Admin. Costs)								
Research	\$ 206,230	4,590	210,820	199,663	2,966	202,629	3%	5%
Professional Development	17,944	4,834	22,778	11,296	4,263	15,559	-	48%
Education	59,019	375	59,394	60,063	169	60,232	-2%	2%
Total	\$ 283,193	9,799	292,992	271,022	7,398	278,420	4%	7%
Unallocated Shared Services and Admin. Costs	(124,062)	22,314	(101,748)	(85,460)	452	(85,008)	45%	21%
Operating Income	\$ 159,131	32,113	191,244	185,562	7,850	193,412	-14%	0%
Total Shared Services and Admin. Costs by Function								
Distribution	\$ (75,937)	2,591	(73,346)	(77,589)	193	(77,396)	-2%	-4%
Technology Services	(147,124)	13,243	(133,881)	(115,162)	256	(114,906)	28%	17%
Finance	(33,174)	882	(32,292)	(31,263)	-	(31,263)	6%	4%
Other Administration	(73,912)	5,598	(68,314)	(62,147)	3	(62,144)	19%	11%
Total	\$ (330,147)	22,314	(307,833)	(286,161)	452	(285,709)	15%	8%

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

**UNAUDITED ADJUSTED CONTRIBUTION TO PROFIT
INCLUDING ALLOCATED SHARED SERVICES AND ADMINISTRATIVE COSTS
FOR THE THIRD QUARTER AND NINE MONTHS ENDED
JANUARY 31, 2014 AND 2013
(in thousands)**

	Third Quarter Ended January 31,				Nine Months Ended January 31,			
	2014	2013	% Change	% Change excl. FX	2014	2013	% Change	% Change excl. FX
Research:								
Direct Contribution to Profit	\$ 103,244	100,369	3%	3%	309,832	300,624	3%	4%
Restructuring Charges (Credits) (A)	(782)	-			4,590	2,966		
Adjusted Direct Contribution to Profit	<u>102,462</u>	<u>100,369</u>	2%	2%	<u>314,422</u>	<u>303,590</u>	4%	4%
Allocated Shared Services and Admin. Costs:								
Distribution	(11,011)	(11,495)	-4%	-4%	(33,714)	(34,813)	-3%	-3%
Technology	(17,727)	(16,517)	7%	7%	(54,307)	(49,736)	9%	9%
Occupancy and Other	(4,707)	(4,642)	1%	1%	(15,581)	(16,412)	-5%	-4%
Adjusted Contribution to Profit (after allocated Shared Services and Admin. Costs)	<u>\$ 69,017</u>	<u>67,715</u>	2%	2%	<u>210,820</u>	<u>202,629</u>	4%	5%
Professional Development:								
Direct Contribution to Profit	\$ 31,740	30,780	3%	4%	76,759	71,949	7%	8%
Restructuring Charges (Credits) (A)	(833)	-			4,834	1,254		
Impairment Charges (B)	-	-			-	15,521		
Gain on Sale of Travel Publishing Program (C)	-	-			-	(9,829)		
Direct Contribution to Profit - Divested Consumer Publishing Programs (D)	-	(2,037)			-	(2,683)		
Adjusted Direct Contribution to Profit	<u>30,907</u>	<u>28,743</u>	8%	8%	<u>81,593</u>	<u>76,212</u>	7%	8%
Allocated Shared Services and Admin. Costs:								
Distribution	(9,320)	(10,196)	-9%	-7%	(27,861)	(30,937)	-10%	-9%
Technology	(7,543)	(7,238)	4%	4%	(23,260)	(21,662)	7%	7%
Occupancy and Other	(2,117)	(1,469)	44%	44%	(7,694)	(8,054)	-4%	-3%
Adjusted Contribution to Profit (after allocated Shared Services and Admin. Costs)	<u>\$ 11,927</u>	<u>9,840</u>	21%	21%	<u>22,778</u>	<u>15,559</u>	46%	48%
Education:								
Direct Contribution to Profit	\$ 44,505	48,376	-8%	-4%	102,687	99,150	4%	6%
Restructuring Charges (A)	117	-			375	169		
Adjusted Direct Contribution to Profit	<u>44,622</u>	<u>48,376</u>	-8%	-4%	<u>103,062</u>	<u>99,319</u>	4%	6%
Allocated Shared Services and Admin. Costs:								
Distribution	(4,012)	(4,074)	-2%	1%	(11,755)	(11,646)	1%	4%
Technology	(8,429)	(8,049)	5%	6%	(25,802)	(22,548)	14%	15%
Occupancy and Other	(1,687)	(1,198)	41%	49%	(6,111)	(4,893)	25%	27%
Adjusted Contribution to Profit (after allocated Shared Services and Admin. Costs)	<u>\$ 30,494</u>	<u>35,055</u>	-13%	-9%	<u>59,394</u>	<u>60,232</u>	-1%	2%
Total Adjusted Contribution to Profit (after allocated Shared Services and Admin. Costs)	\$ 111,438	112,610	-1%	0%	292,992	278,420	5%	7%
Unallocated Shared Services and Admin. Costs:								
Unallocated Shared Services and Admin. Costs	(39,556)	(31,021)	28%	28%	(124,062)	(85,460)	45%	46%
Restructuring Charges (A)	5,754	-			17,528	452		
Impairment Charges (B)	-	-			4,786	-		
Adjusted Unallocated Shared Services and Admin. Costs	<u>\$ (33,802)</u>	<u>(31,021)</u>	9%	10%	<u>(101,748)</u>	<u>(85,008)</u>	20%	21%
Adjusted Operating Income	\$ 77,636	81,589	-5%	-3%	191,244	193,412	-1%	0%

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

JOHN WILEY & SONS, INC.
SEGMENT REVENUE STATISTICS
FOR THE THIRD QUARTER AND NINE MONTHS ENDED
JANUARY 31, 2014 AND 2013
(in millions)

RESEARCH	Third Quarter Ended January 31,				Nine Months Ended January 31,			
	2014	2013	% of Revenue	% Change excl. FX	2014	2013	% of Revenue	% Change excl. FX
Revenue by Product/Service:								
Journal Subscriptions	\$ 154,035	143,768	62%	7%	\$ 478,374	461,611	64%	4%
Print Books	30,990	37,078	12%	-16%	89,483	101,279	12%	-11%
Digital Books	12,636	11,092	5%	12%	31,588	25,130	4%	25%
Open Access	4,347	1,310	2%	232%	11,538	3,691	2%	213%
Other (includes Reprints, Backfiles, Rights, Advertising)	46,789	47,654	19%	-2%	136,549	134,968	18%	2%
Total Revenue	\$ 248,797	240,902	100%	3%	\$ 747,532	726,679	100%	3%
Revenue by Subject Category:								
Medicine	\$ 68,264	69,275	27%	-1%	\$ 212,926	212,763	28%	2%
Physical Sciences & Engineering	71,643	69,788	29%	1%	209,469	205,684	28%	1%
Life Sciences	61,639	54,128	25%	13%	186,533	167,657	25%	12%
Social Sciences & Humanities	46,252	46,807	19%	-1%	135,548	137,760	18%	-1%
Other	999	904	0%	11%	3,056	2,815	0%	9%
Total Revenue	\$ 248,797	240,902	100%	3%	\$ 747,532	726,679	100%	3%

PROFESSIONAL DEVELOPMENT	Third Quarter Ended January 31,				Nine Months Ended January 31,			
	2014	2013	% of Revenue	% Change excl. FX (a)	2014	2013	% of Revenue	% Change excl. FX (a)
Revenue by Product/Service:								
Print Books	\$ 64,757	71,465	69%	-9%	\$ 183,392	199,068	68%	-7%
Digital Books	11,459	10,507	12%	9%	34,352	28,801	13%	20%
Online Training & Assessment	8,792	7,336	9%	20%	26,713	21,047	10%	27%
Other (includes Rights, Translations, Advertising)	9,193	9,940	10%	-7%	26,375	27,085	10%	-2%
Divested Consumer Publishing Programs	-	13,858	-	-	-	40,359	-	-
Total Revenue	\$ 94,201	113,106	100%	-5%	\$ 270,832	316,360	100%	-1%
Revenue by Subject Category:								
Business	\$ 42,298	42,048	45%	1%	\$ 123,263	119,360	46%	4%
Technology	21,863	24,747	23%	-11%	57,397	63,945	21%	-10%
Consumer	10,709	12,642	11%	-15%	30,467	33,729	11%	-9%
Professional Education	6,515	5,939	7%	11%	22,743	21,295	8%	7%
Architecture	6,685	6,764	7%	-1%	18,286	19,211	7%	-4%
Psychology	4,576	3,694	5%	24%	12,812	10,430	5%	23%
Other	1,555	3,414	2%	-52%	5,864	8,031	2%	-23%
Divested Consumer Publishing Programs	-	13,858	-	-	-	40,359	-	-
Total Revenue	\$ 94,201	113,106	100%	-5%	\$ 270,832	316,360	100%	-1%

Note (a) - Variance excludes the revenue of the divested Professional Development consumer publishing programs sold in fiscal year 2013.

EDUCATION	Third Quarter Ended January 31,				Nine Months Ended January 31,			
	2014	2013	% of Revenue	% Change excl. FX	2014	2013	% of Revenue	% Change excl. FX
Revenue by Product/Service:								
Print Textbooks	\$ 54,358	62,395	47%	-8%	\$ 140,932	159,875	47%	-9%
Binder and Custom Products	12,896	12,463	11%	3%	43,970	39,260	15%	12%
Online Program Management (Deltak)	19,145	17,145	17%	12%	50,396	17,145	17%	15%
Digital Books	7,964	8,803	7%	-8%	21,524	19,002	7%	15%
WileyPLUS	18,578	15,554	16%	20%	35,590	29,105	12%	23%
Other	1,994	2,067	2%	1%	7,330	7,498	2%	4%
Total Revenue	\$ 114,935	118,427	100%	0%	\$ 299,742	271,885	100%	12%
Revenue by Subject Category:								
Business	\$ 26,259	26,620	23%	1%	\$ 66,355	64,440	22%	5%
Sciences	16,587	17,101	14%	-1%	53,564	53,402	18%	1%
Social Sciences	14,444	15,193	13%	-4%	40,271	41,814	13%	-3%
Engineering & Computer Science	12,865	14,388	11%	-9%	32,772	37,479	11%	-11%
Mathematics & Statistics	6,843	6,981	6%	-2%	21,899	21,366	7%	3%
Schools (Australia K-12)	13,906	17,040	12%	-7%	24,341	25,174	8%	9%
Online Program Management (Deltak)	19,145	17,145	17%	17%	50,396	17,145	17%	17%
Other	4,886	3,959	4%	26%	10,144	11,065	3%	-7%
Total Revenue	\$ 114,935	118,427	100%	0%	\$ 299,742	271,885	100%	12%

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

	January 31,		April 30,
	2014	2013	2013
Current Assets			
Cash & cash equivalents	\$ 315,985	285,858	334,140
Accounts receivable	205,796	238,112	161,731
Inventories	79,168	85,999	82,017
Prepaid and other	60,540	53,552	57,083
Total Current Assets	661,489	663,521	634,971
Product Development Assets	89,142	99,186	87,876
Technology, Property and Equipment	181,092	193,856	189,625
Intangible Assets	961,931	989,534	954,957
Goodwill	856,707	844,673	835,540
Income Tax Deposits	61,086	34,055	45,868
Other Assets	61,799	56,059	57,538
Total Assets	2,873,246	2,880,884	2,806,375
Current Liabilities			
Accounts and royalties payable	205,154	199,621	143,313
Deferred revenue	279,681	287,063	362,970
Accrued employment costs	88,514	57,116	85,306
Accrued income taxes	6,802	15,478	16,093
Accrued pension liability	4,386	3,606	4,359
Other accrued liabilities	48,017	57,843	55,128
Total Current Liabilities	632,554	620,727	667,169
Long-Term Debt	634,000	734,800	673,000
Accrued Pension Liability	195,037	141,855	204,362
Deferred Income Tax Liabilities	199,660	214,480	197,526
Other Long-Term Liabilities	76,005	72,531	75,962
Shareholders' Equity	1,135,990	1,096,491	988,356
Total Liabilities & Shareholders' Equity	\$ 2,873,246	2,880,884	2,806,375

JOHN WILEY & SONS, INC.
UNAUDITED STATEMENTS OF FREE CASH FLOW
(in thousands)

	Nine Months Ended January 31,	
	2014	2013
Operating Activities:		
Net income	\$ 124,619	136,274
Amortization of intangibles	33,066	30,404
Amortization of composition costs	33,940	39,047
Depreciation of technology, property and equipment	43,596	41,124
Restructuring charges	27,327	4,841
Impairment charges	4,786	15,521
Gain on sale of travel publishing program	-	(9,829)
Deferred tax benefits on U.K. rate changes	(10,634)	(8,402)
Stock-based compensation expense	10,995	9,998
Excess tax benefits from stock-based compensation	2,880	(1,129)
Royalty advances	(83,237)	(83,317)
Earned royalty advances	77,663	69,726
Other non-cash charges and credits	12,547	31,570
Change in deferred revenue	(91,174)	(52,302)
Income tax deposit	(10,433)	(29,705)
Net change in operating assets and liabilities, excluding acquisitions	<u>(22,144)</u>	<u>(31,666)</u>
Cash Provided by Operating Activities	153,797	162,155
Investments in organic growth:		
Composition spending	(30,460)	(35,599)
Additions to technology, property and equipment	<u>(38,733)</u>	<u>(41,606)</u>
Free Cash Flow	84,604	84,950
Other Investing and Financing Activities:		
Acquisitions, net of cash	(5,150)	(258,735)
Proceeds from sale of consumer publishing programs	-	28,600
Repayment of long-term debt	(486,600)	(318,600)
Borrowings of long-term debt	447,600	578,400
Change in book overdrafts	(21,859)	(20,984)
Cash dividends	(44,182)	(43,252)
Purchase of treasury shares	(38,533)	(45,172)
Proceeds from exercise of stock options and other	48,540	24,232
Excess tax benefits from stock-based compensation	(2,880)	1,129
Cash Used for Investing and Financing Activities	<u>(103,064)</u>	<u>(54,382)</u>
Effects of Exchange Rate Changes on Cash	<u>305</u>	<u>(4,540)</u>
(Decrease) Increase in Cash and Cash Equivalents for Period	<u>\$ (18,155)</u>	<u>26,028</u>

RECONCILIATION TO GAAP PRESENTATION

Investing Activities:		
Composition spending	\$ (30,460)	(35,599)
Additions to technology, property and equipment	(38,733)	(41,606)
Acquisitions, net of cash	(5,150)	(258,735)
Proceeds from sale of consumer publishing programs	-	28,600
Cash Used for Investing Activities	<u>\$ (74,343)</u>	<u>(307,340)</u>
Financing Activities:		
Cash Used for Investing and Financing Activities	\$ (103,064)	(54,382)
Excluding:		
Acquisitions, net of cash	(5,150)	(258,735)
Proceeds from sale of consumer publishing programs	-	28,600
Cash (Used for) Provided by Financing Activities	<u>\$ (97,914)</u>	<u>175,753</u>

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.