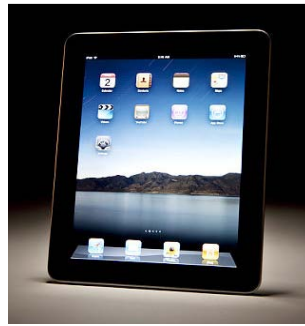


John Wiley & Sons Investor Day



September 23, 2011



Safe Harbor Statement

This presentation 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.



Agenda

1. Business Update & Outlook

Steve Smith

2. Scientific, Technical, Medical, Scholarly

Steve Miron

3. Professional/Trade

Mark Allin

4. Higher Education

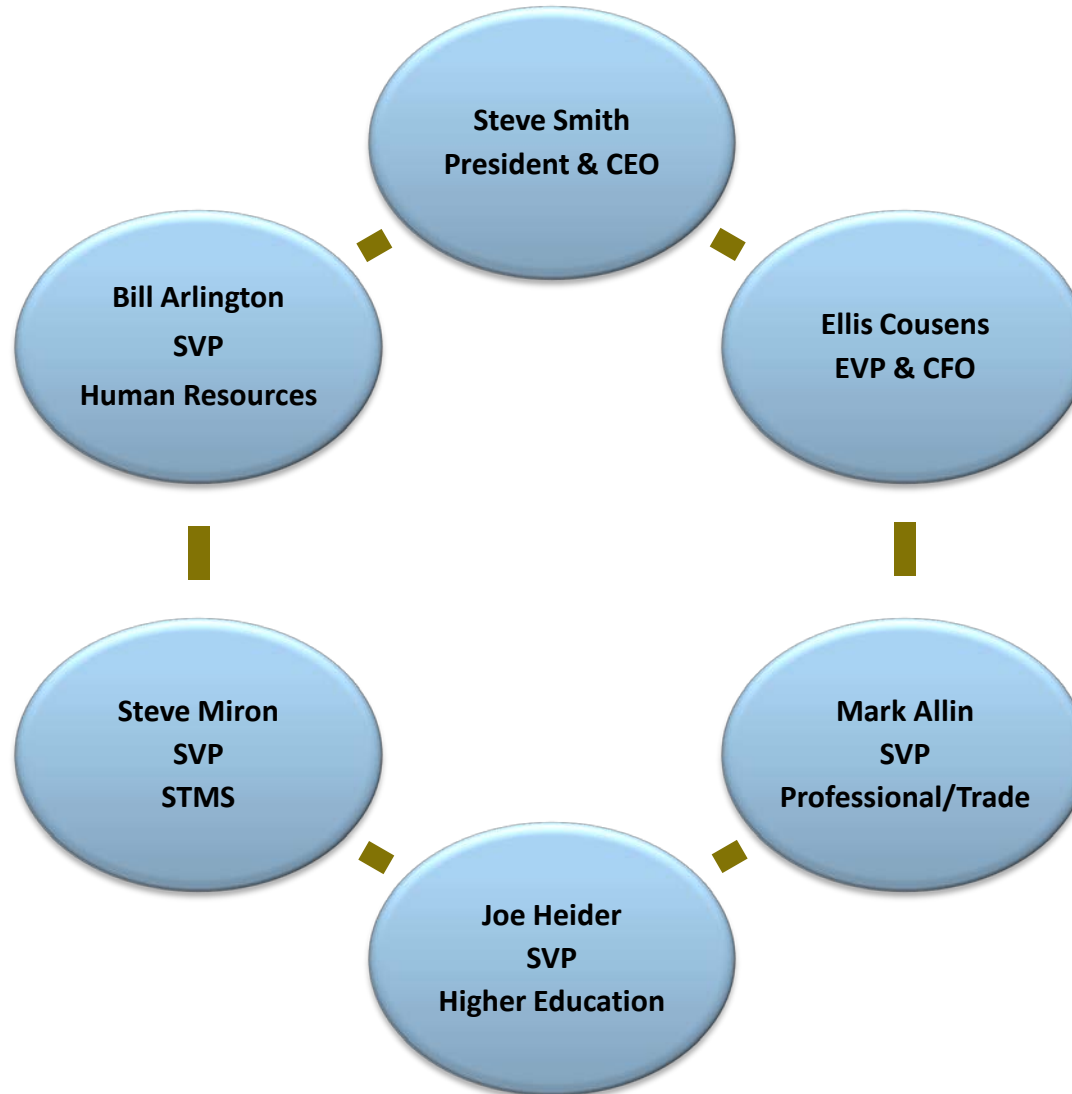
Joe Heider

5. Financials & Digital Transformation

Ellis Cousens



Executive Leadership Team





Highlights

- Stable growth throughout recession
- Free cash flow doubled since 2007
- ~ 40% of revenue from digital products
 - New revenue opportunities, markets, business models
 - Higher margin/lower working capital
 - Improved end-user visibility
- Emerging markets growth



Growth Drivers

- Demand for skilled & educated labor force
 - Investment in R&D and education worldwide
 - Emphasis on outcomes-based learning
 - Demand for professional development & certification
- Technology enabling access, discoverability & new business models
 - Content-enabled services
- Emerging markets – source of content, revenue & capabilities



Digital Strategy

Existing Content

Category Leadership

Existing Relationships

Authors,
Researchers
Societies
Instructors
Administrators
Self-learners

New Capabilities

Software
Sales Channels
Pedagogy

New Services

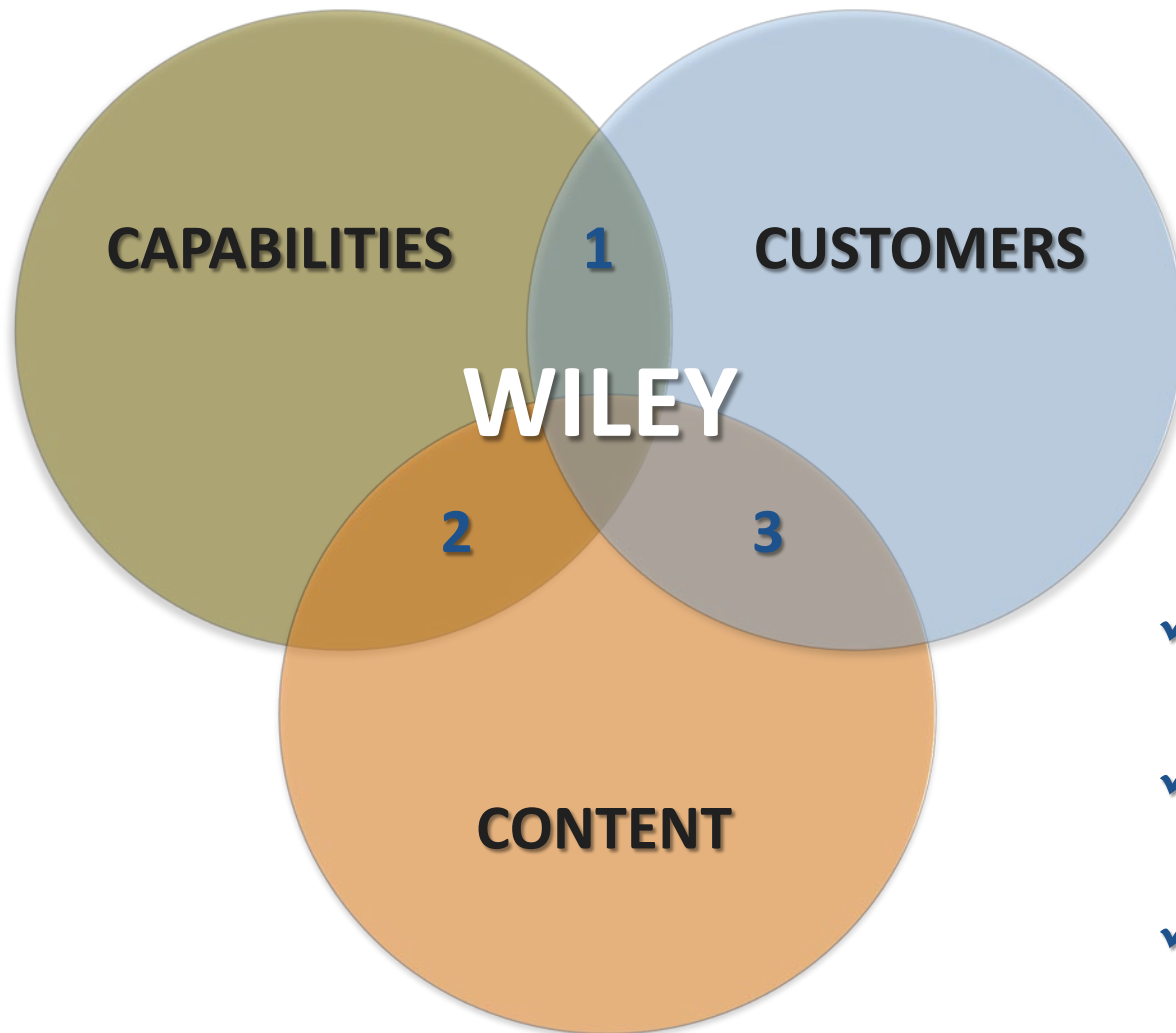
Increased value proposition
New revenue
Recurring/predictable
Customer data
Customer retention
Cross-sell

New & Existing Customers





Adjacent Opportunities



- ✓ BUILD
- ✓ PARTNER
- ✓ ACQUIRE



WILEY

Content-Enabled Services

Service	Customer	Revenue Model	What's Needed
Content Enrichment – semantic search – databases	– Clinicians – Researcher – Practitioners	– Online subscriptions – Fee-based	– Semantic-tagging capability – Enhanced search software
Online Advertising Online Job Network	– Healthcare professionals – Researchers	– Advertising revenue – Direct-response sales	– Online advertising program – Increased online presence • select fields
Online Training & Test Prep	– Accountant/CPA – Finance grads/CFA – Tax prep	– Fee-based – Subscription	– Sales channel capability – Training software

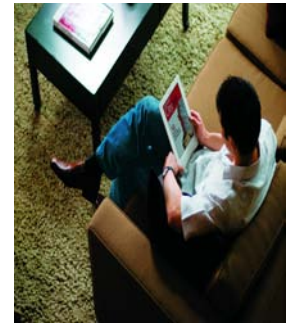
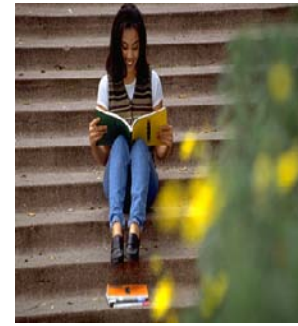


WILEY

Content-Enabled Services

Service	Customer	Revenue Model	What's Needed
eLearning for professionals	<ul style="list-style-type: none">– Clinicians– Healthcare partners– Software developers	<ul style="list-style-type: none">– Fee-based– Subscription	<ul style="list-style-type: none">– Sales channel capability– eLearning software
Curriculum Development	<ul style="list-style-type: none">– Higher education institutions	<ul style="list-style-type: none">– Fee-based	<ul style="list-style-type: none">– Program development– Some software development

Scientific, Technical, Medical, Scholarly



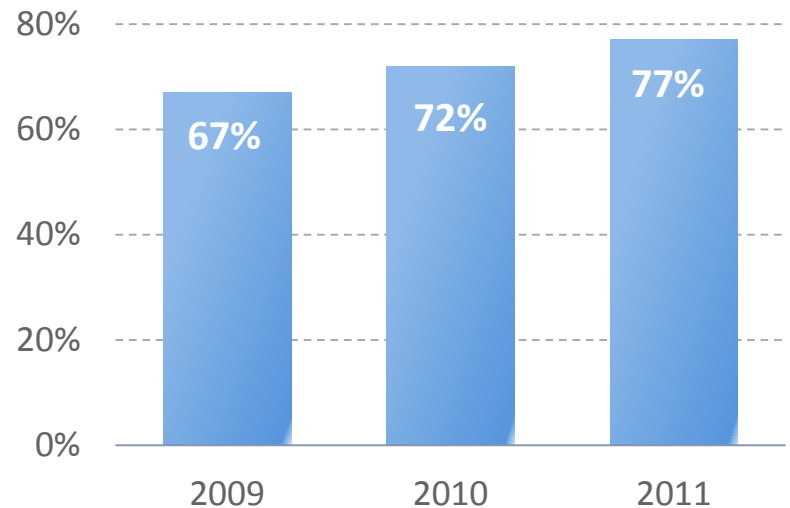


Growing Demand for Products & Services

Key STMS Leading Indicators

- Growth in journal article submissions (+9 in FY11)
- Growth in journal article citations (Impact Factor improvement)
- New customers & markets
- Migration to collection licenses
- New society publishing partnerships
- Growth in usage (+62% since launch of Wiley Online Library in August 2010)

% Journals under Collection License



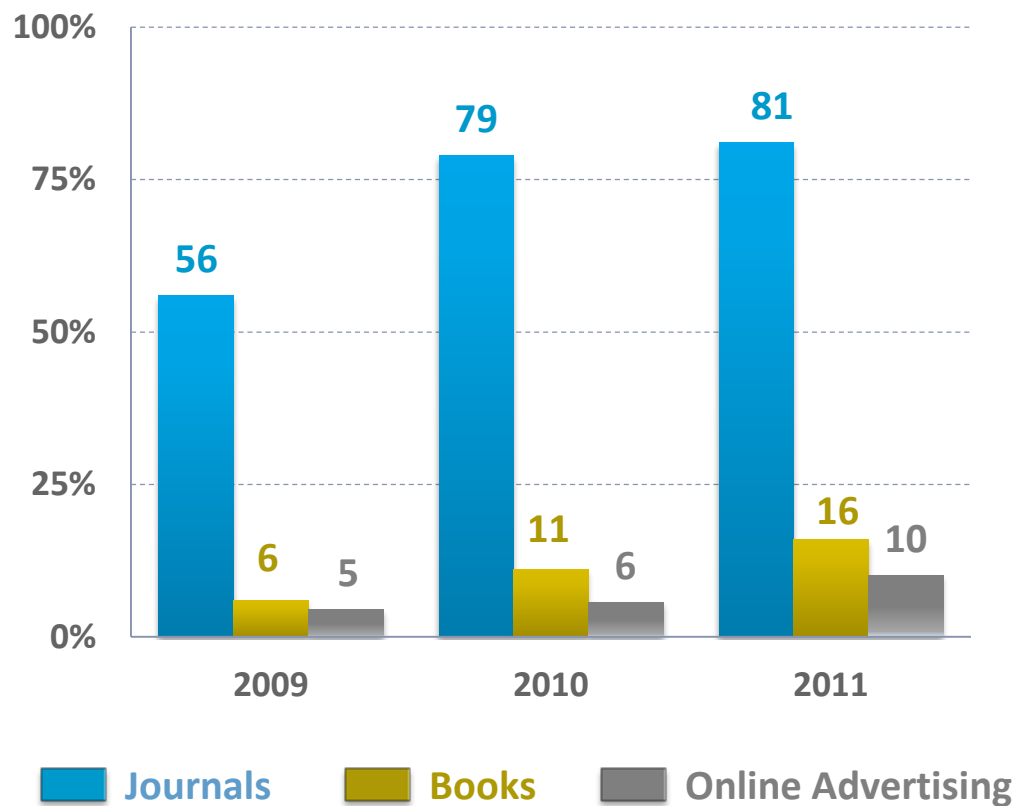
Society Activity FY10 – FY11

	# Journals	Est. Annual Revenue
Wins	69	\$20m
Renewals	190	\$104m
Losses	6	\$2m



Growing Digital Revenue

Digital % of STMS Revenue



60% Digital Revenue

Gross Margin Differential

Online Journals

Print + 18%

Online Books

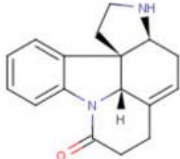
Print + 16%





Online Advertising

Print + 20%

Wiley Smart Chemistry Branding/Identity expand close

Compound Record: **Rawal's key building block**



-  Alert me on new articles
-  Find commercial availability
-  Save to My Compounds
-  Export structure or image

Search for this structure on:

Wiley Online Library

OVERVIEW
SPECTRA
REACTIONS
PREPARATION
TOXICOLOGY
CRYSTALLOGRAPHY

Common Name: Rawal's key building block

Formula: C₁₇H₁₈N₂O

Composition: C(76.66%), H(6.18%), N(10.52%), O (6.01%)

Molecular Weight: 266.3376

Exact mass: 266.141913208

Physical Appearance: clear solid

Melting Point: 248°C

Boiling Point: 270°-280°C

Other articles that contain this structure:

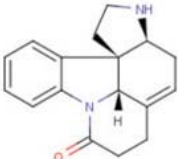
The crystal structure of strychnidine succinate shows similar self-assembly to strychnine salts
ACTA CRYSTALLOGRAPHICA SECTION E
Volume 62, Issue 2, February 2006, Pages: o694–o696, Jan K. Maurin, Tadeusz Lis, Anna Zawadzka and Zbigniew Czarnocki
[Abstract](#) | [Full Article \(HTML\)](#) | [PDF\(220K\)](#)

Taurine elevates dopamine levels in the rat nucleus accumbens; antagonism by strychnine
EUROPEAN JOURNAL OF NEUROSCIENCE
Volume 23, Issue 12, June 2006, Pages: 3225–3229, Mia

Structure Descriptors

Isomers and Conformation

Stereoisomers



Physical Properties

Chemical and Pharmacological Properties

Definition

A new set of tools that tags, stores & tracks content & enables the development of a new generation of product offerings

Benefits

- Drive discoverability & usage
- Enable new product creation
- Access to new budgets
- Attract society partnerships

Investment Required

- Content capture & enrichment (reduced software development time & expense)
- Opportunities to partner



Content-Enabled Services: Advanced e-Learning

Content

Brands

Training

Practice
Improvement

Accreditation

Society Partnerships

Capabilities

Continuing Professional Development (CPD):
e-learning services for research-based professions



Content-Enabled Services: Online Advertising

Opportunity

- 10m unique visitors per month
- Up to 1 million visits per day
- Attractive user base for advertisers
- Significant margins

Revenue Streams

- Wiley Online Library
- Wiley Job Network (launched September 2011)
- Webinars, sponsored websites, online conferences
- Other sponsored services

Investments

- Wiley Online Library (launched in Aug 2010)
- Modest incremental investments



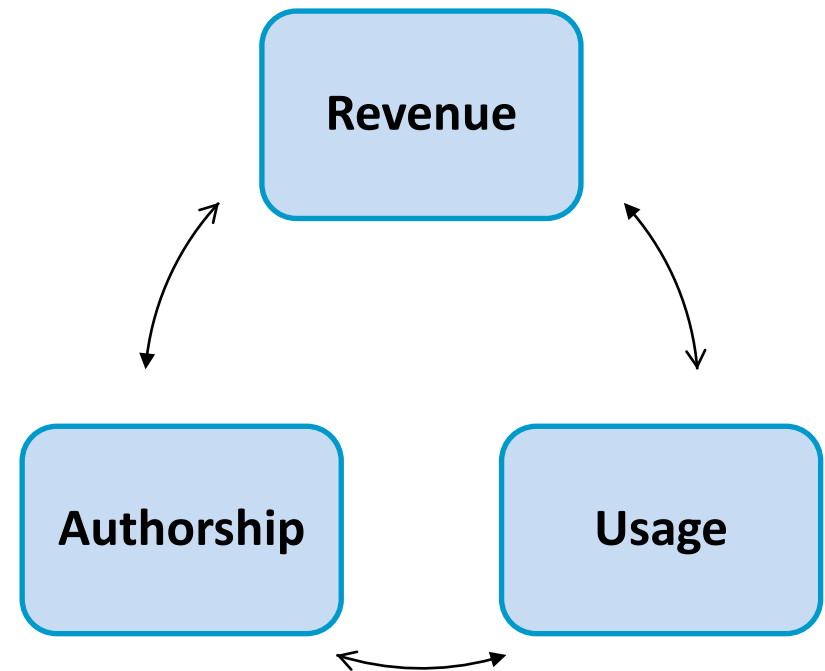
Strategy & FY14 Outlook

- Grow online usage (double by FY14)
- Drive overall digital revenue to ~70% of total
- Drive digital book revenue to ~35% of total
- Grow online advertising revenue
- Expand open access, e-learning & other new revenue streams
- Exploit society publishing as platform for growth
- Capitalize on opportunities in high-growth regions

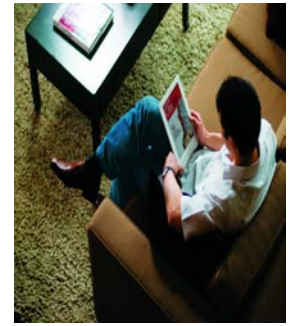
China – Growth Momentum

Global Ranking STMS	2000	2010
Revenue	-	6
Usage	-	2
Journal Authorship	-	2

Virtuous Circle



Professional/Trade





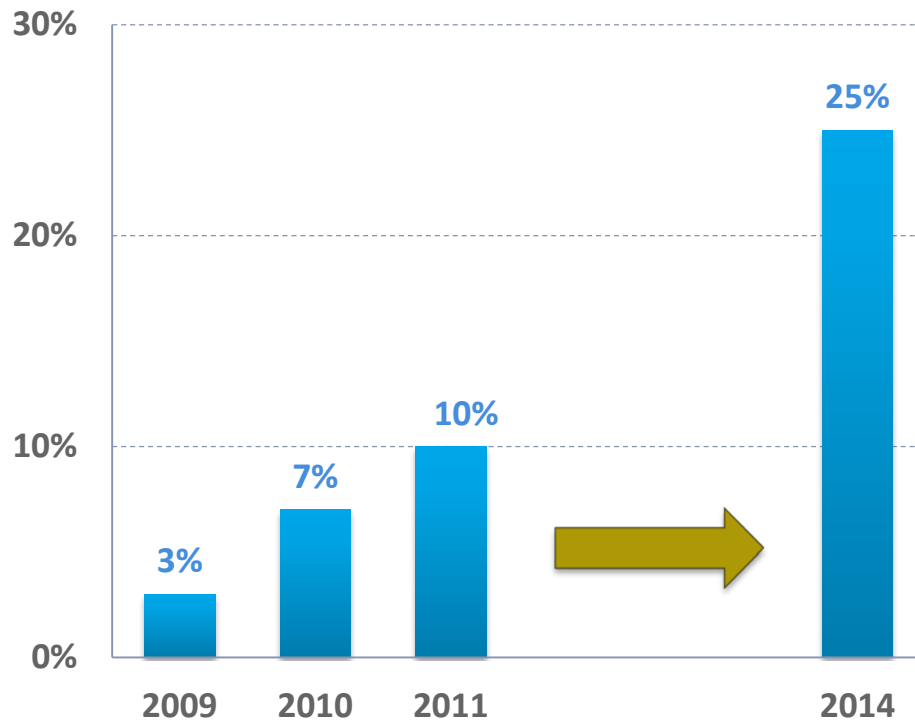
P/T Market Share

Category	Market Share Rank (US)	Key Brands/Titles/Authors
Business - Leadership - Management - Investments	1-3	Jossey-Bass, Fisher Investment Press, JK Lasser, For Dummies, Pfeiffer, Bogle
Technology	1	Sybex, Wrox, For Dummies, etc.
Psychology	1	
Architecture	3	Architectural Graphic Standards
Education	2-3	Doug Lemov's "Teach Like a Champion"
Travel	1	Frommer's & Unofficial Guides
Cooking	2-3	Better Homes and Gardens, Weight Watchers, Pillsbury, Betty Crocker, Culinary Institute of America, etc.



P/T Digital Revenue

P/T Digital % of Revenue



Gross Margin	
<u>Print Books</u>	<u>eBooks</u>
60%	75%

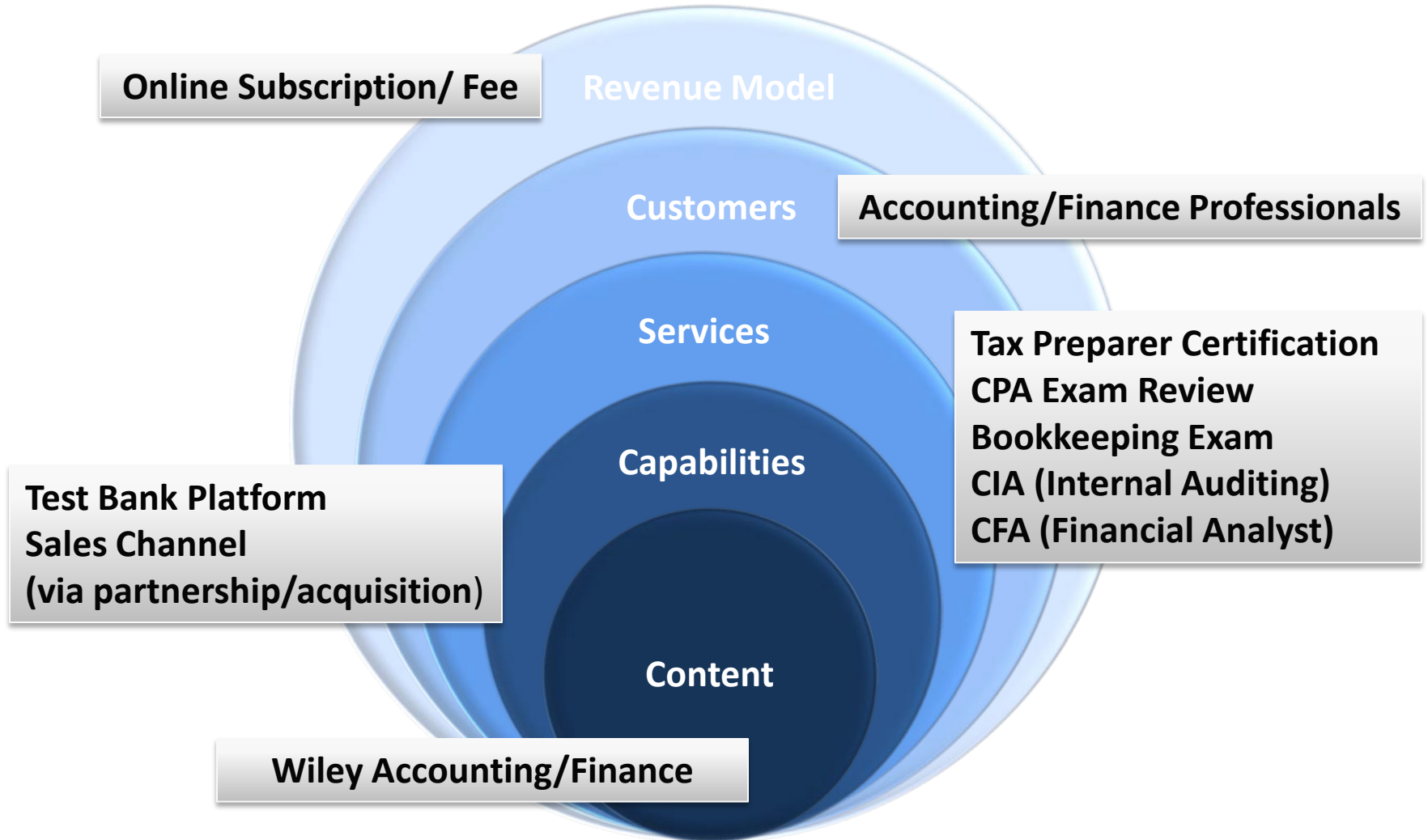


Strategy & FY14 Outlook

- Accelerate digital transformation (to 25% of total)
 - ebooks
 - vertical websites
 - e-learning/assessment programs
 - workflow tools & services
- Develop robust direct to customer capability
- Develop & grow industry leading brands & franchises
- Deepen penetration in high-growth regions

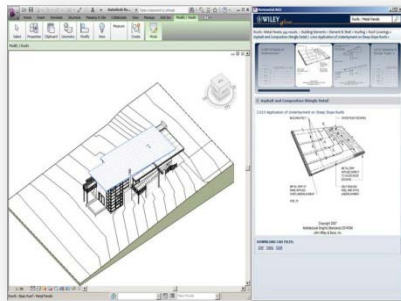


Content-Enabled Services: Test Prep



Architecture Workflow Solution

- What is it?
 - Subscription-based software
 - For architects & construction professionals
 - Model integration, standards, rules of thumb



- Distribution
 - Direct to architects, consultants, higher education institutions
 - Through resellers
 - Through licensing

Learning Community for Software Developers

- What is it?
 - Subscription-based website “content community”
 - Comprehensive library of learning materials
 - Digital books, videos, webinars, resources, social networking
- Opportunity
 - Increased demand for online training in programming & development (in both corporate & university environments)
- Distribution
 - Direct to higher education institutions & corporations
 - Direct to consumer

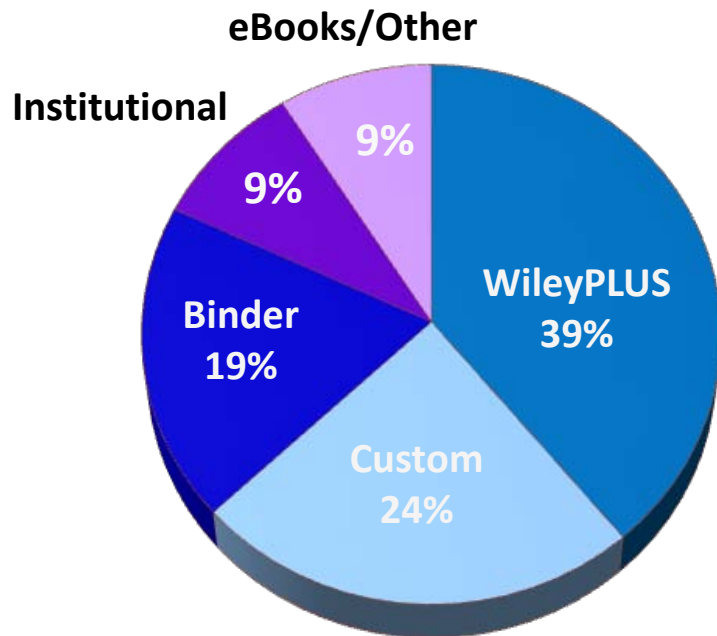
Higher Education



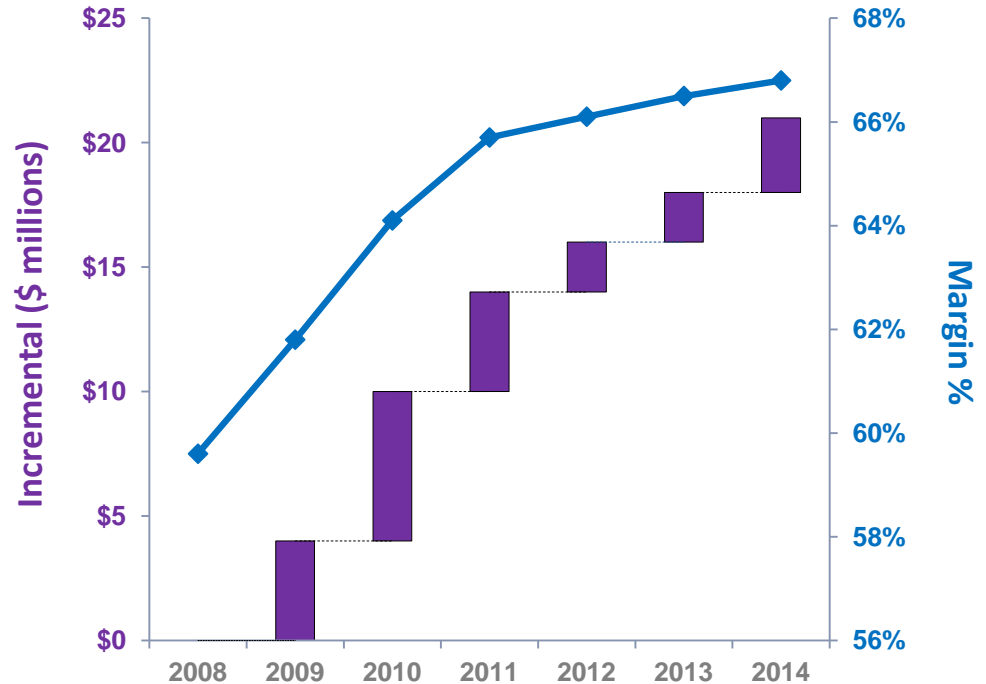


Higher Education Update

Digital & Non-traditional Revenue (27% of revenue)



Overall Gross Margin Trend





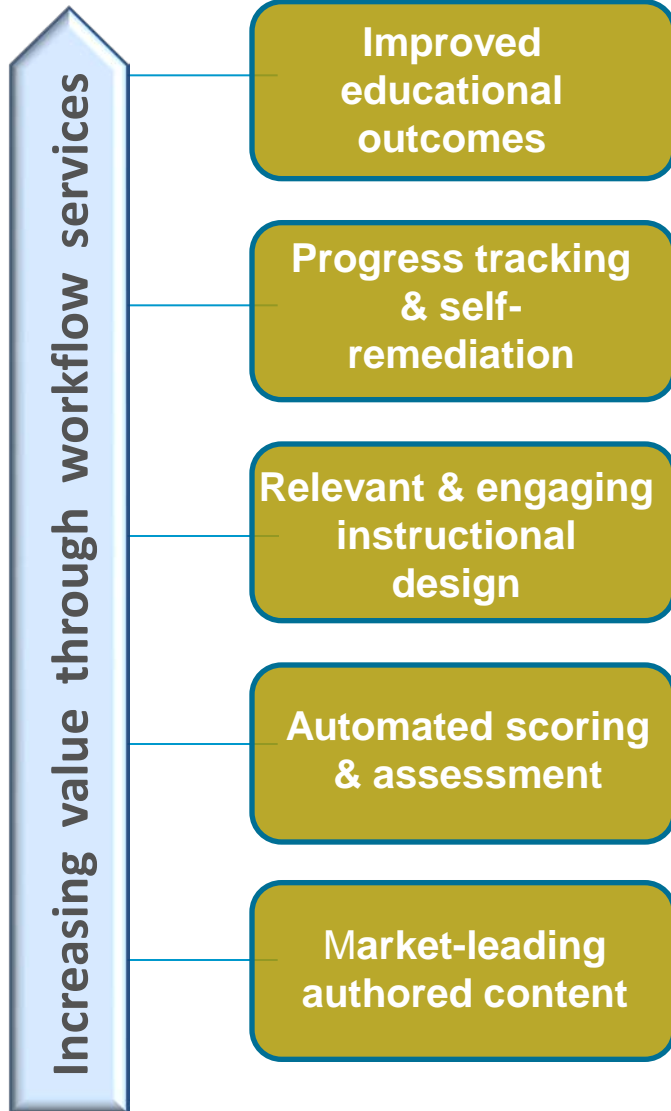
Advantage of Digital Products

Lifecycle of a Single Course

Print Units		Digital Units	Difference
Year One	80	100	20
Year Two	40	100	60
Year Three	25	100	75
Cumulative Units	145	300	155
Price per unit	\$100	\$51	(49)
Total Revenue	\$14,500	\$15,300	6%



Content-Enabled Services: WileyPLUS



- ✓ Renewable revenue & margin improvement
- ✓ Initial model: adoption sales to existing customer base with improved sell-through & customer retention
- ✓ Future models: digital tutorial & institutional remediation products; custom online courses & direct student sales

Curriculum Development

Increasing value through program services

New program
& course
development

Program &
course revisions

Instructional
design &
assessment

Curriculum guides,
course competency
& outcomes

Custom instructor
materials, test &
rubric development

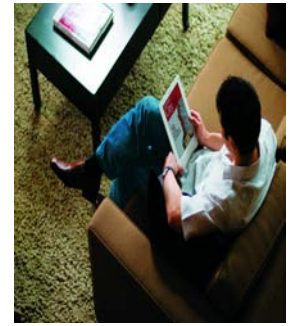
- ✓ Demand increasing: 240% annual growth in customer requests
- ✓ Current Model: service offering priced & packaged with product sales
- ✓ Future Models: higher value services offered & priced independently of product sales



Strategy & FY14 Outlook

- Drive overall digital revenue to ~25% of total
- Drive non-traditional + digital revenue to ~40% of total
- Grow institutional and direct-to-student sales
- Grow services as a larger percentage of revenue
- Grow revenue in high-growth regions

Financial Update





Digital Transformation

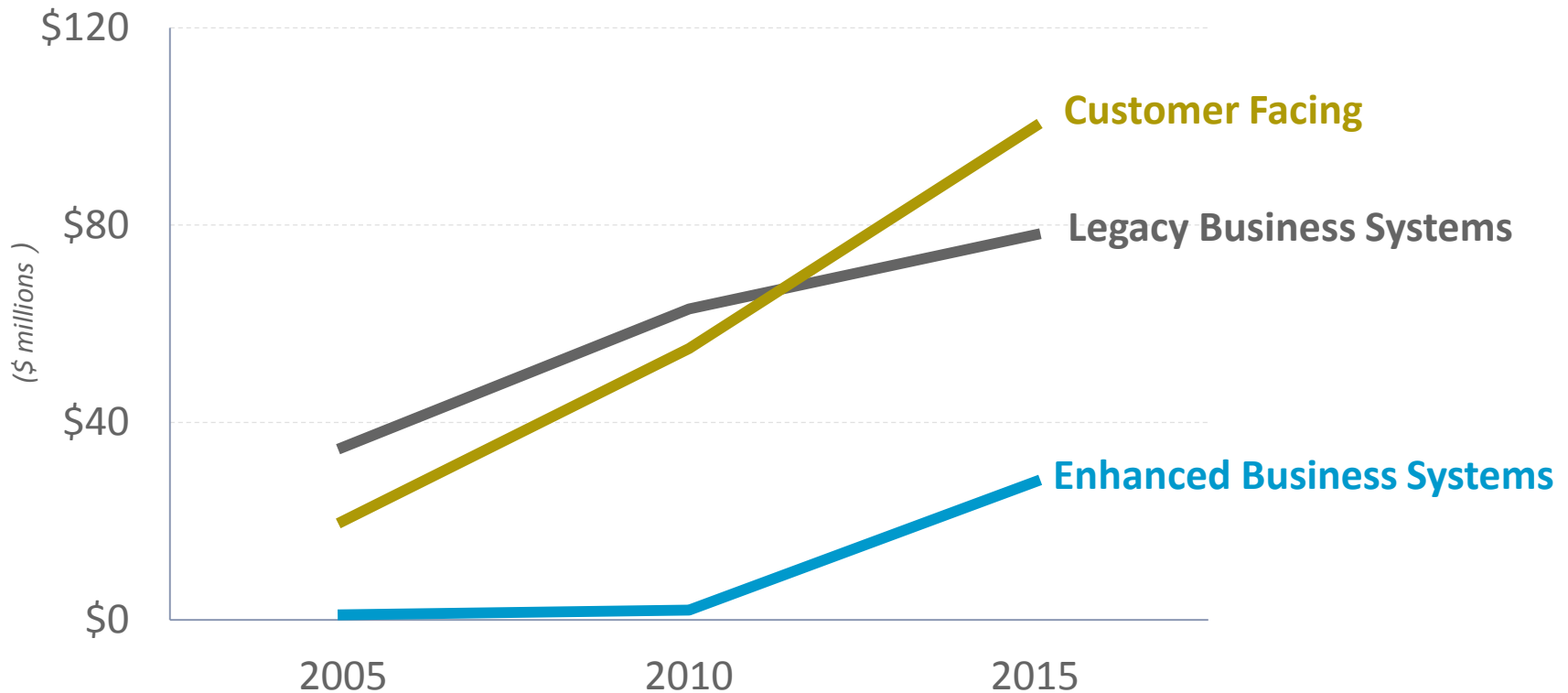
- Longer-term, technology spending growth trend mid-teens
 - customer-facing spend key driver
 - legacy support systems – declining efficiency, high maintenance
 - enhanced support systems – flexible, new business models, print business



Digital Transformation

ILLUSTRATIVE

Technology Spend



Digital %
Revenue

< 15%

~ 35%

~ 50%

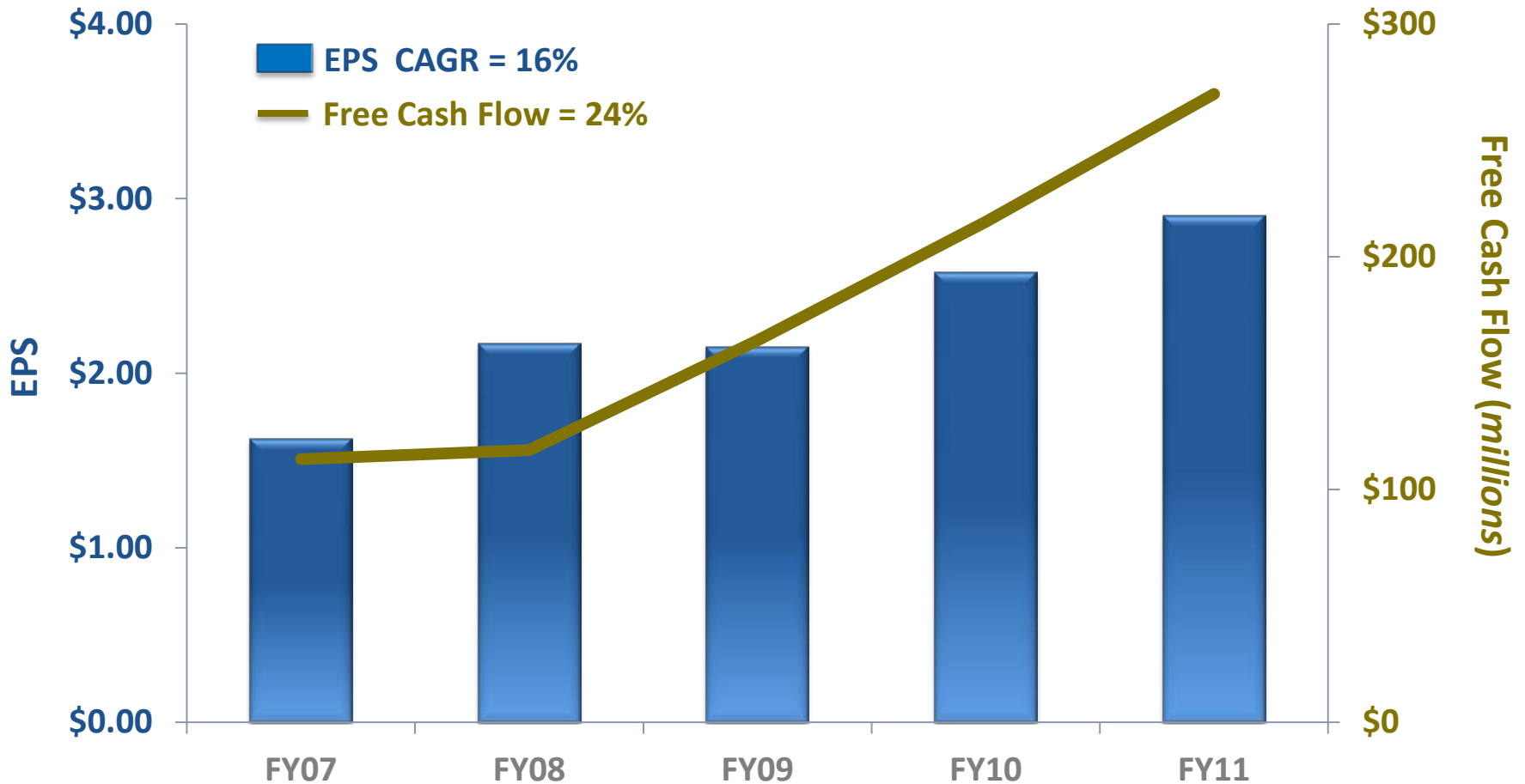


Digital Transformation

- Incremental gross margin dollars digital/print mix offsetting incremental technology dollars next ~2-3 years
 - expect operating margin accretion from digital next ~2-3 years
 - additional operating margin benefits from offshoring & outsourcing

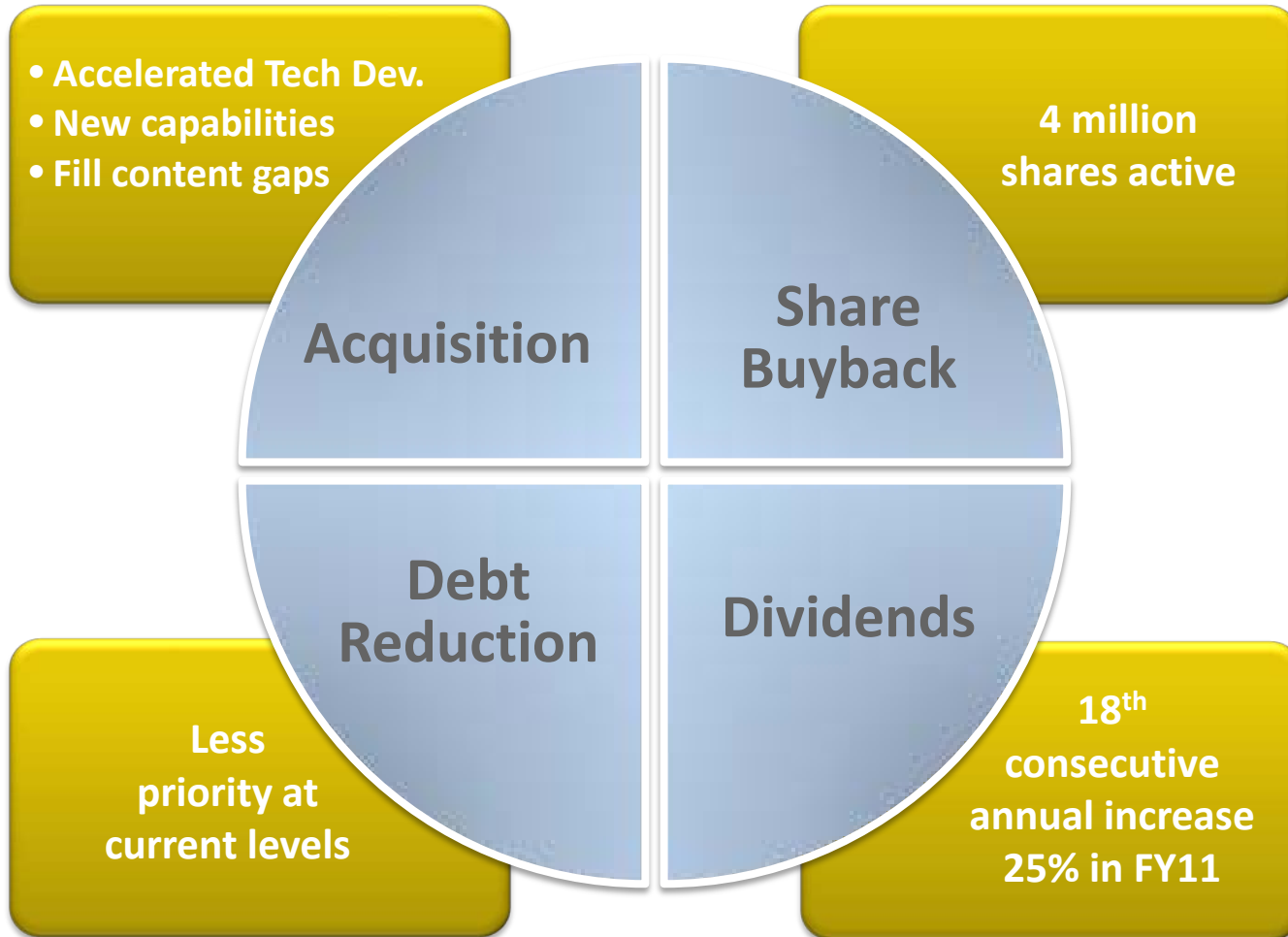


Financial Highlights

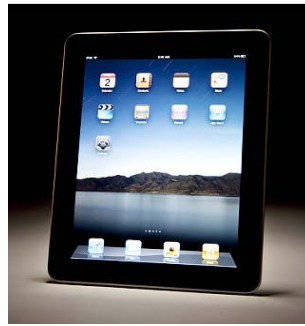




Balanced Cash Allocation



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