



WILEY

Driving the World Forward  
with Research & Education

## Safe Harbor Statement

This presentation contains certain forward-looking statements concerning the Company's Fiscal Year 2020 Outlook, Fiscal Year 2022 Target, 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; (x) achievement of targeted run rate savings through restructuring actions; (xi) and 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

## Non-GAAP Measures

In this presentation, management provides the following non-GAAP performance measures:

- Adjusted Earnings Per Share ("Adjusted EPS");
- Free Cash Flow less Product Development Spending;
- Adjusted Revenue;
- Adjusted Operating Income and margin;
- Adjusted Contribution to Profit ("Adjusted CTP") and margin;
- Adjusted EBITDA;
- Organic growth; and
- Results on a constant currency ("CC") basis.

Management believes non-GAAP financial measures, which exclude the impact of restructuring charges and credits and other items, provide supplementary information to support analyzing operating results and earnings and are commonly used by shareholders to measure our performance. **Free Cash Flow less Product Development Spending** helps assess our ability over the long term to create value for our shareholders. **Results on a constant currency basis** removes distortion from the effects of foreign currency movements to provide better comparability of our business trends from period to period. We measure our performance before the impact of foreign currency (or at "constant currency" "CC"), which means that we apply the same foreign currency exchange rates for the current and equivalent prior period. We have not provided our 2020 outlook, or 2022 Target for the most directly comparable U.S. GAAP financial measures, as they are not available without unreasonable effort due to the high variability, complexity, and low visibility with respect to certain items, including restructuring charges and credits, gains and losses on foreign currency, and other gains and losses. These items are uncertain, depend on various factors, and could be material to our results computed in accordance with U.S. GAAP.



# WILEY

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*Advancing knowledge and  
learning through 213 years  
and seven generations*





# WILEY

**\$1.83B**

Revenue

**\$356M**

Adjusted EBITDA

**80%**

Digital

**\$173M**

Free Cash Flow

**55%**

Recurring

**1.6x**

Net Debt /  
Adjusted EBITDA

# The Wiley Story

- Favorable long-term market fundamentals
- Must-have content, brands, platforms, and services
- Strong balance sheet and cash flow characteristics
- Strategic investments and optimization gaining traction
- Consistent record of returning cash to shareholders



We empower researchers, learners,  
universities and corporations to achieve  
their goals in an everchanging world

# Content, platforms and services that have impact

# WILEY

*Driving the world forward with Research and Education*

## WILEY RESEARCH

*Driving the discovery, usage and impact of scholarly research*

### Research Publishing & Platforms

- Research publishing
- Researcher tools and services
- Content delivery platforms
- Corporate media services
- Digital content and data products

## WILEY EDUCATION

*Enabling powerful learning for personal and professional growth*

### Academic & Professional Learning

- Content & courseware
- Test preparation courses
- Prof. development books
- Prof. development programs
- Corporate e-learning services

### Education Services

- University program services
- Certifications & short courses
- Employer education solutions

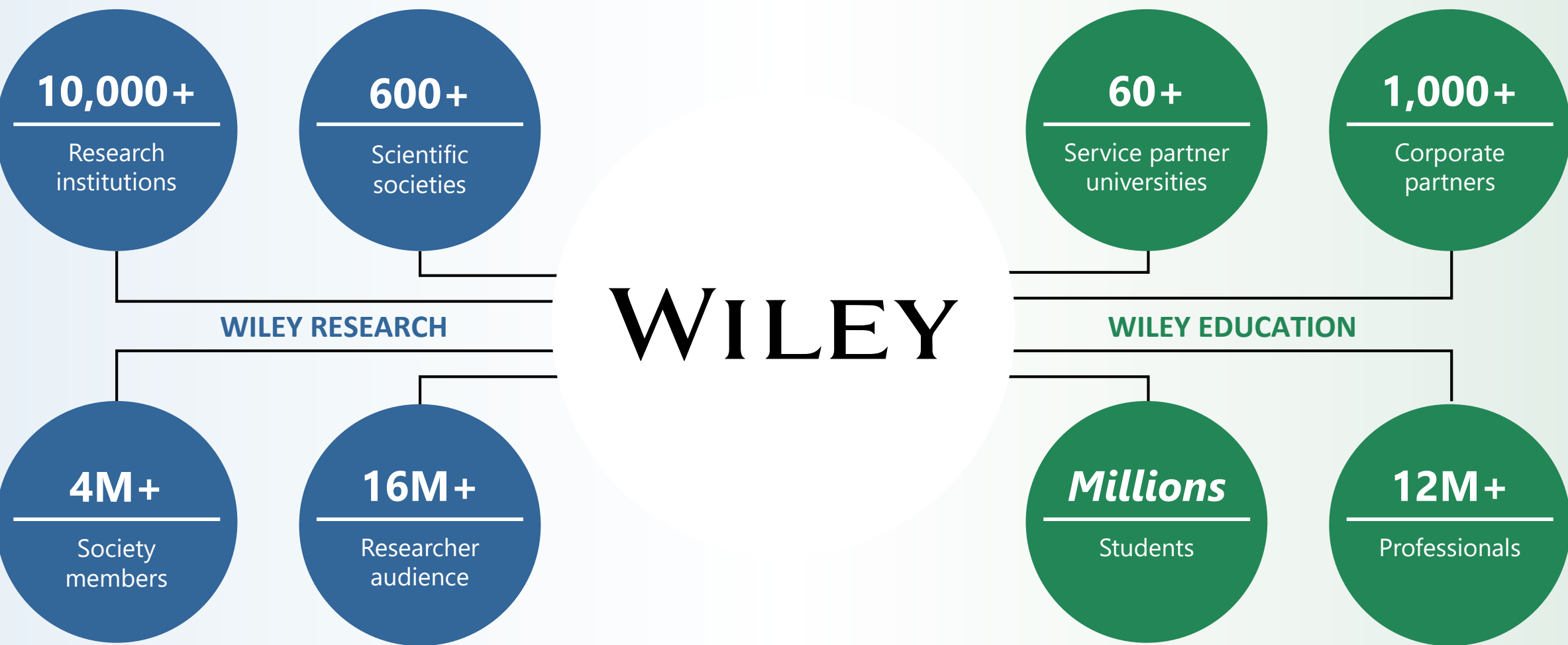
**Researchers**

**Learners**

**Institutions**

**Corporations**

# Unmatched global network





# Portfolio of leading brands and partners

## Brands

## Universities

## Societies

## Corporations

WileyPLUS

alta  
A Wiley Brand



zyBooks



CROSSKNOWLEDGE  
A Wiley Brand

GMAT™

SYBEX®  
A Wiley Brand



CPAexcel®



ACT®



INDIANA UNIVERSITY

University of Kentucky

UNIVERSITY OF DELAWARE



GEORGE MASON UNIVERSITY

PURDUE UNIVERSITY

UTICA COLLEGE



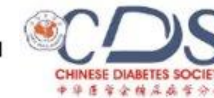
THE UNIVERSITY OF SCRANTON  
A JESUIT UNIVERSITY



American Heart Association  
Learn and Live



AGU  
American Geophysical Union



shm  
Society of Hospital Medicine



General Electric



PETROBRAS



Alcatel-Lucent



L'ORÉAL

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# Pursuing strategic M&A

Augment strategy

Gain capabilities

Leverage scale

Aug 2016

ATYPON

Research content platform leadership

Nov 2017

LEARNINGHOUSE

Partner and program scale  
Full education delivery capability

May 2018

M Au

Researcher workflow tools  
Collaboration network

May 2019

KNEWTON

Proven adaptive learning platform

July 2019

zyBooks

Low-cost, high-impact content

Note: Manuscript acquisition closed September 2017

# Strong foundation for long-term performance

The  
Wiley **Culture**

Strong Core  
**Markets**

Leading **Brands**  
**and Products**

Broad  
**Global Reach**

Portfolio  
**Synergy**

**Optimization**  
Opportunity

**Governance**  
and Stewardship

Strong  
**Balance Sheet**

# Why Wiley Wins



## Research Publishing & Platforms

- Diverse revenue streams
- Lead in Open Access
- Platform innovation and expansion

## Academic & Professional Learning

- High-demand careers
- High-impact, affordable courseware
- Product and services synergies

## Education Services

- Partner and program growth
- Reduced enrollment costs
- Flexible service models

## Business Optimization

- System and process improvement
- Organizational effectiveness
- Expense reduction



A man with a beard, wearing a light grey sweater, is focused on working on a circuit board. He is holding a white pen and appears to be marking or testing the components. In the background, another person in a lab coat is visible, working on a similar task. The setting is a laboratory or workshop with various equipment and tools.

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with Research & Education

## Research

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*Driving the discovery, usage  
and impact of scholarly research*

# Wiley is at the center of the global research ecosystem

## Research Platforms

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- **#1** research publishing platform
- **50%+** of world's research hosted
- **100%** of world's researchers
- **3.5B** sessions a year
- **200+** publishing customers

## Research Publishing

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- **Top 3** research publisher
- **1650** scholarly journals
- **665K** article submissions / year
- **609** societies with **4M** members
- **25K** universities, corporations

# The needs of researchers, libraries and funders are evolving

## Researchers

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- Publishing in **high-quality journals**
- **Fast publishing** to biggest impact
- Access to content **anytime, anywhere**
- **Compliance** with funder OA policies

## Libraries and Funders

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- **Constrained** library budgets
- Flexibility in **business models**
- **Progress** on Open Access, Open Research
- **Filling the gap** for scale players

***Shift from “pay to read” to “pay to publish and read”***

# Why Wiley Wins in Research



**High-quality publishing** program and portfolio

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Increasing publishing **volume and share**

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Enhanced **value for researchers** and authors

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**Diversified revenue** streams

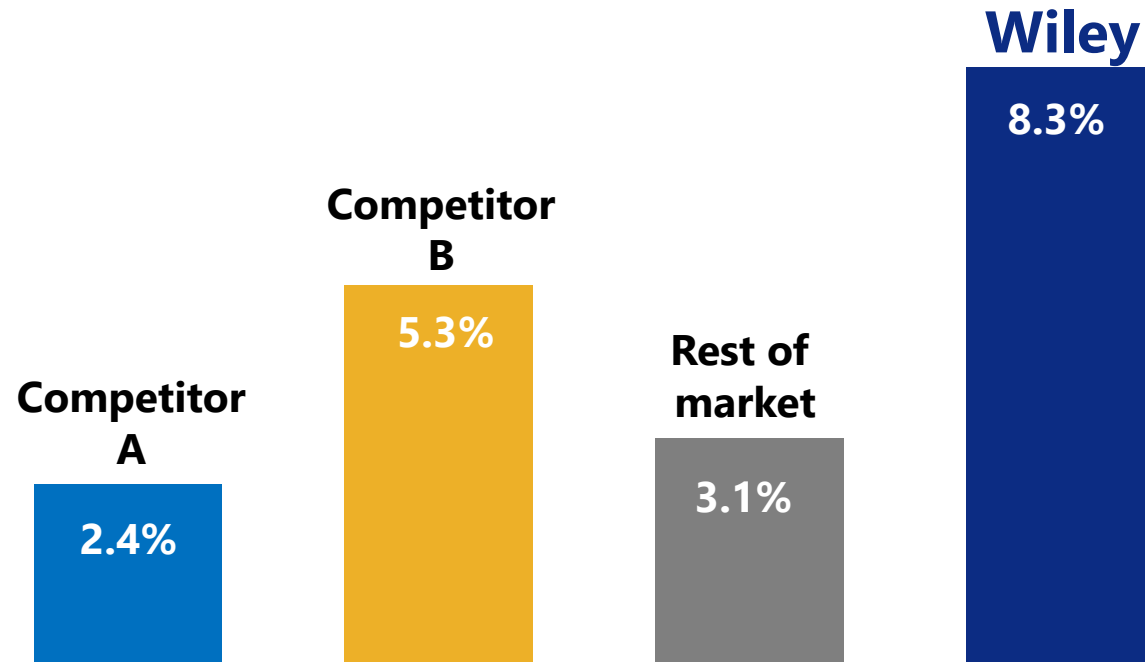
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**Optimized publishing** operations



# Article output underpins our business, supporting stronger growth

## 2016-2018 Article CAGR

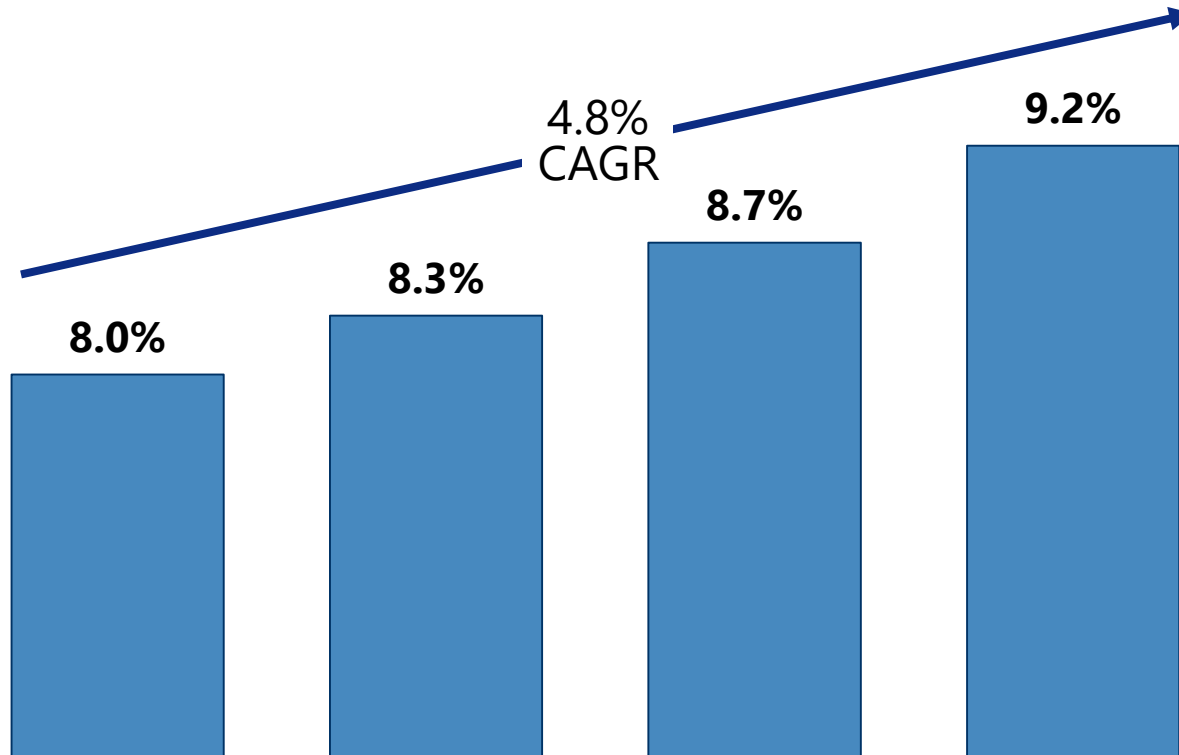


## Market Leadership Benefits

- Open Access revenue (Price x Quantity)
- Subscription value proposition
- Demand for platform and author services
- Increased author and corporate revenue

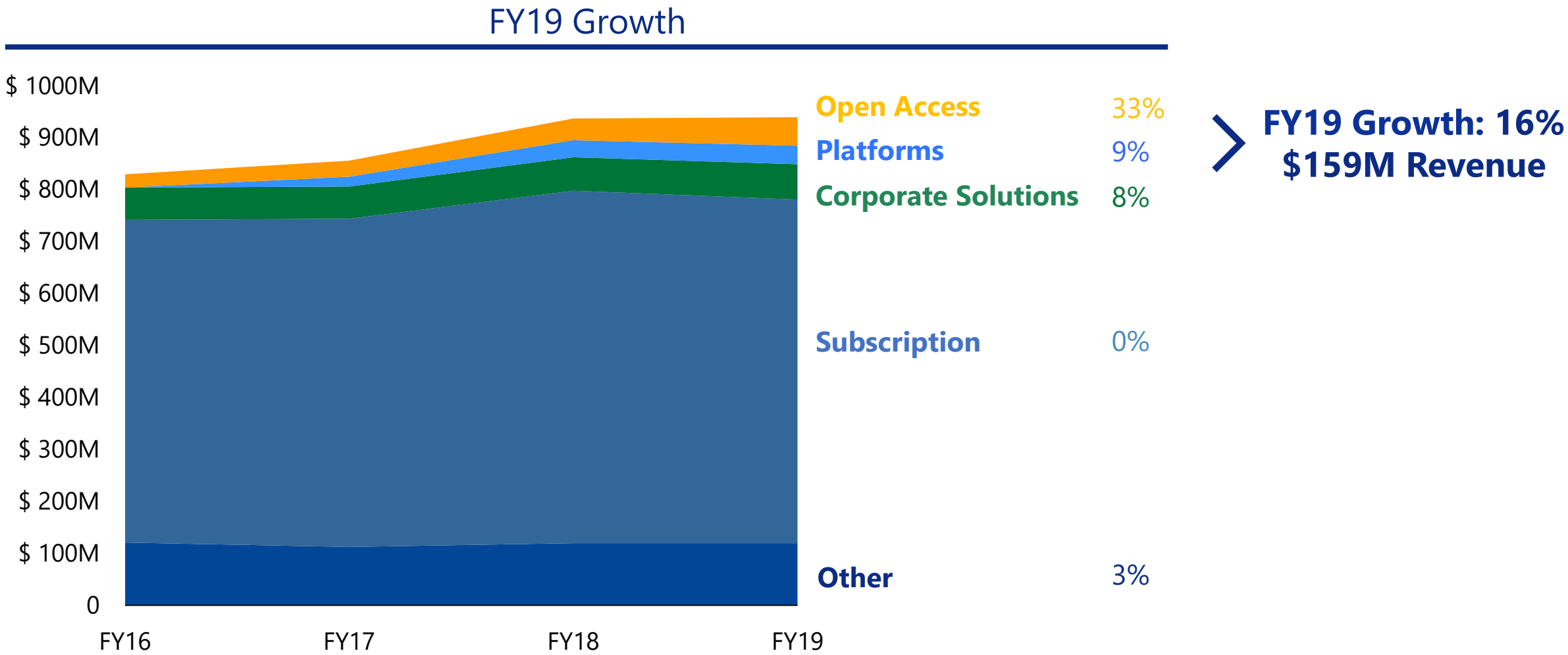
# Wiley is growing market share

Wiley Market Share of Articles



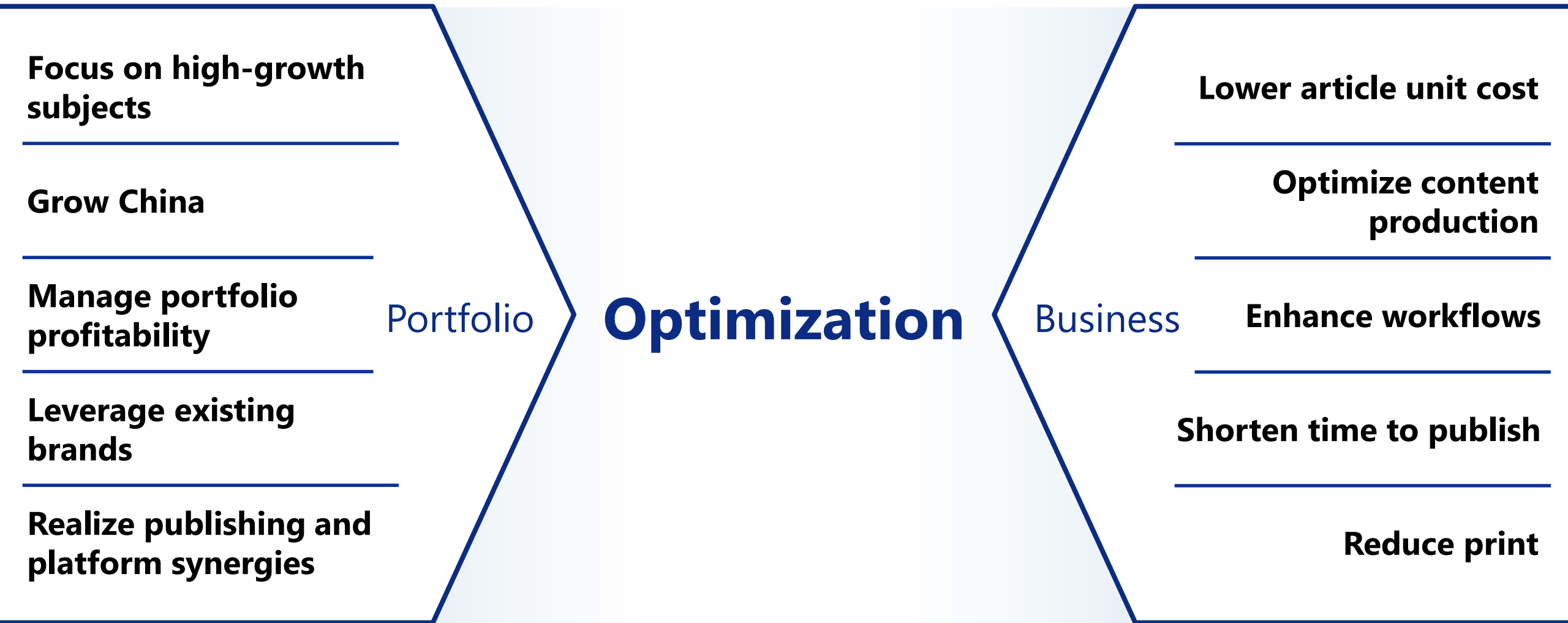
- Up-front payments support strong cash flow
- Multi-year deals with recurring Subscription and Open Access revenue
- Volume-based with potential to materially grow revenue
- Strong reputational impact puts Wiley at the forefront of OA

# New revenue streams are driving overall growth



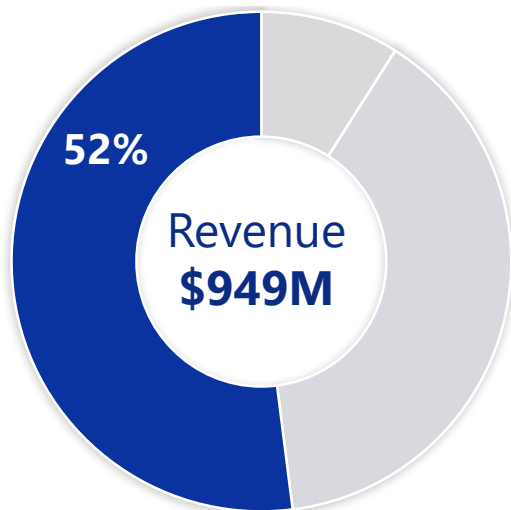
Shown: Annual revenue for the Research segment of John Wiley & Sons, Inc. Data source: internal financial reporting system. Percentages show revenue growth in FY19 over prior year at constant currency

# Optimization efforts drive revenue growth and efficiency





## FY20 Financial Snapshot



Adjusted EBITDA  
Margin  
**35%**

## Key Takeaways

- Essential brands, platform, and reputation
- Solid core market with OA accelerating growth
- Outpacing market in article growth, driving revenues in OA, Corporate Solutions and Platforms
- Diversified revenue streams
- Business optimization leading to operational efficiency and improved product and service quality

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# Academic & Professional Learning

*Enabling powerful learning  
for personal and professional growth*

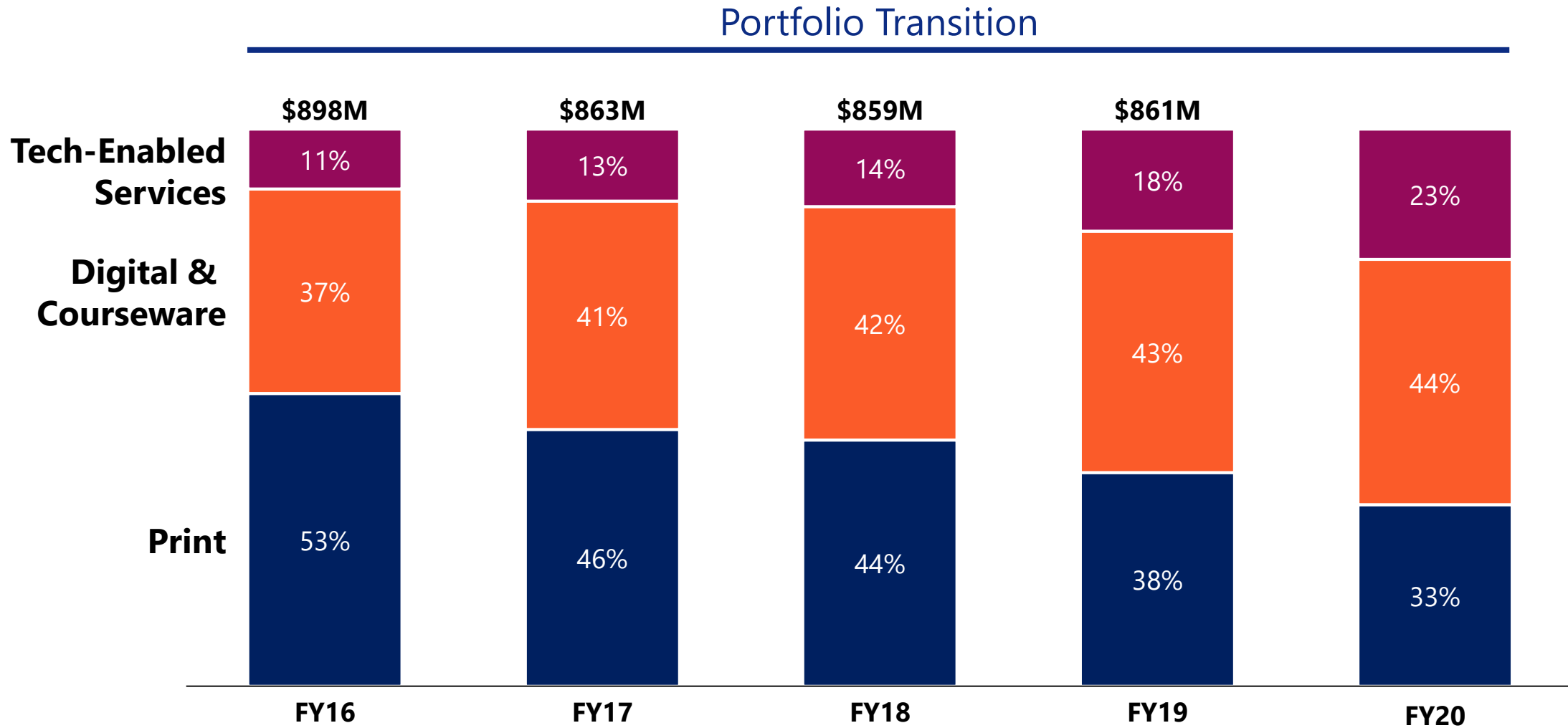


# Wiley Education delivers outcomes that drive lifelong career success



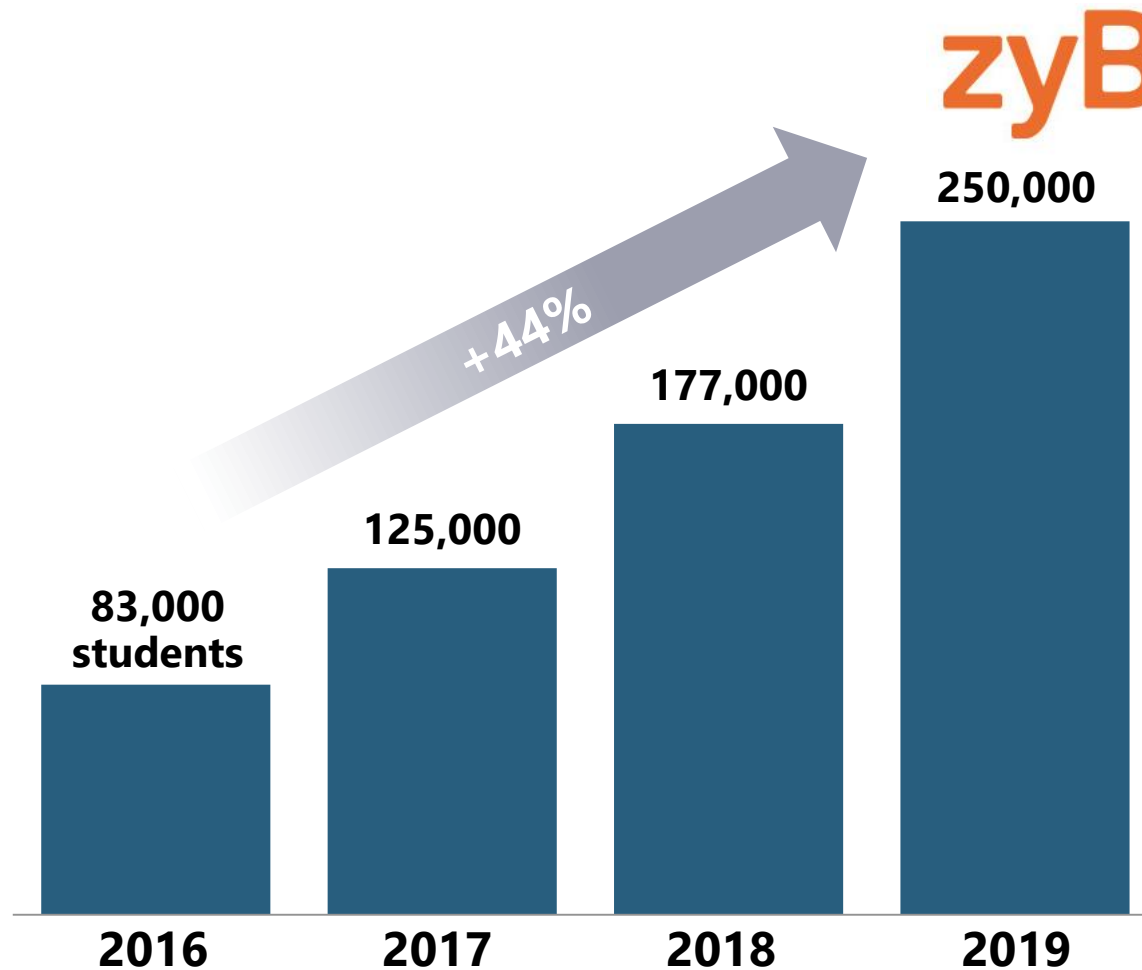
- Effective, affordable courseware
- High-stakes test preparation
- Professional development
- Degrees and certifications

# Wiley Education revenue is now predominantly from digital and tech-enabled services





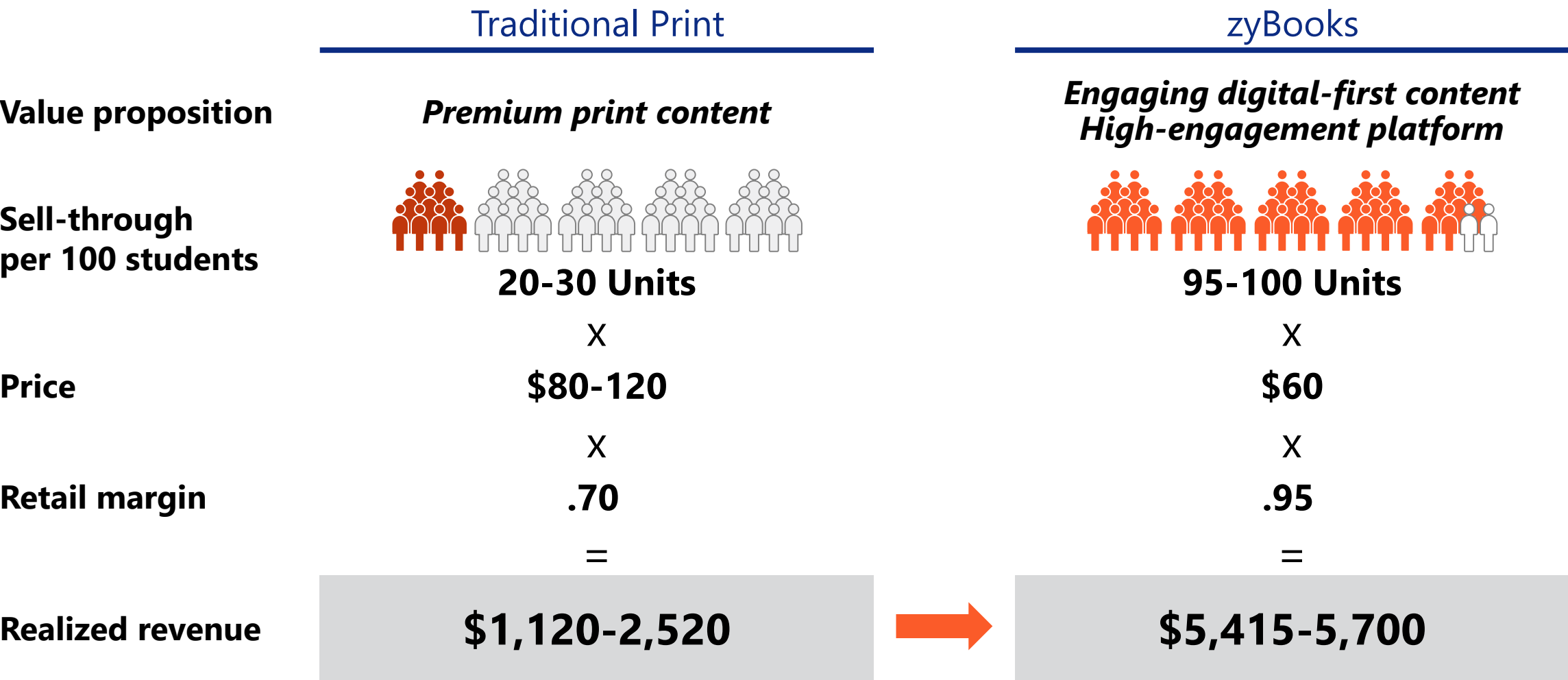
# Higher Education: Investing in technology that drives learning outcomes and enhanced value



**zyBooks**  
A Wiley Brand

- ***Rapidly growing in high-growth subjects***
- Leader in computer science courseware
- Fully interactive learning content
- *Less text, more action* drives student success
- Lower price / unit with 90%+ sell-through

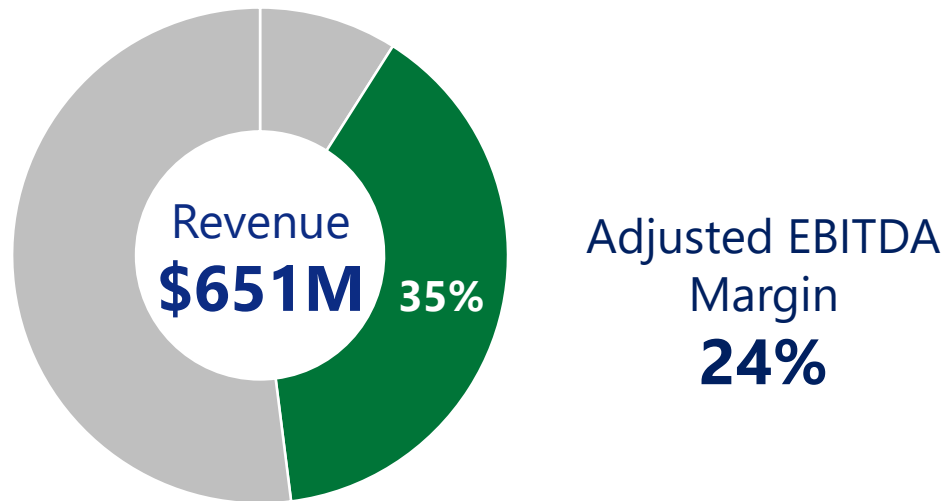
# Rebalancing price & value is a win-win for students and Wiley



# Academic & Professional

## FY20 Financial Snapshot

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## Key Takeaways

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- Rising demand for high-quality courseware
- Market leader in critical career and skills areas
- Improving price-value unlocks growth potential



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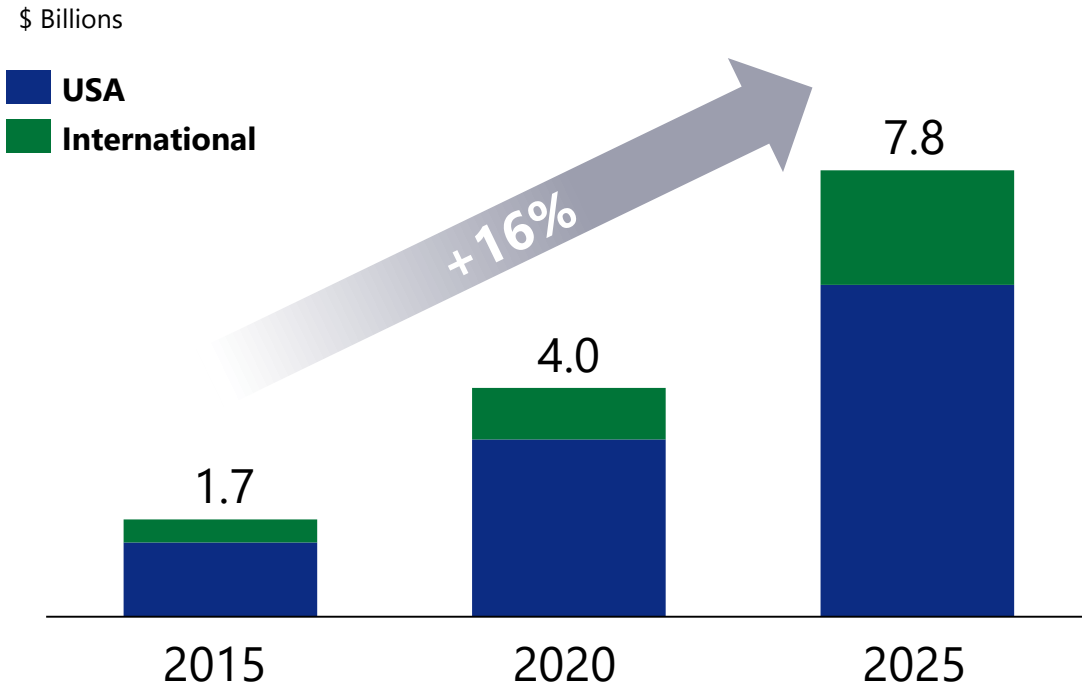
# Education Services

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*Enabling powerful learning  
for personal and professional growth*

# The Education Services market continues to grow rapidly

## OPX Global Market



## Growth Drivers

- Rising demand for online and non-traditional education
- Increasing competition for students
- Partner need for innovation and revenue
- Partner lack capital to invest
- Low current service penetration: <15%

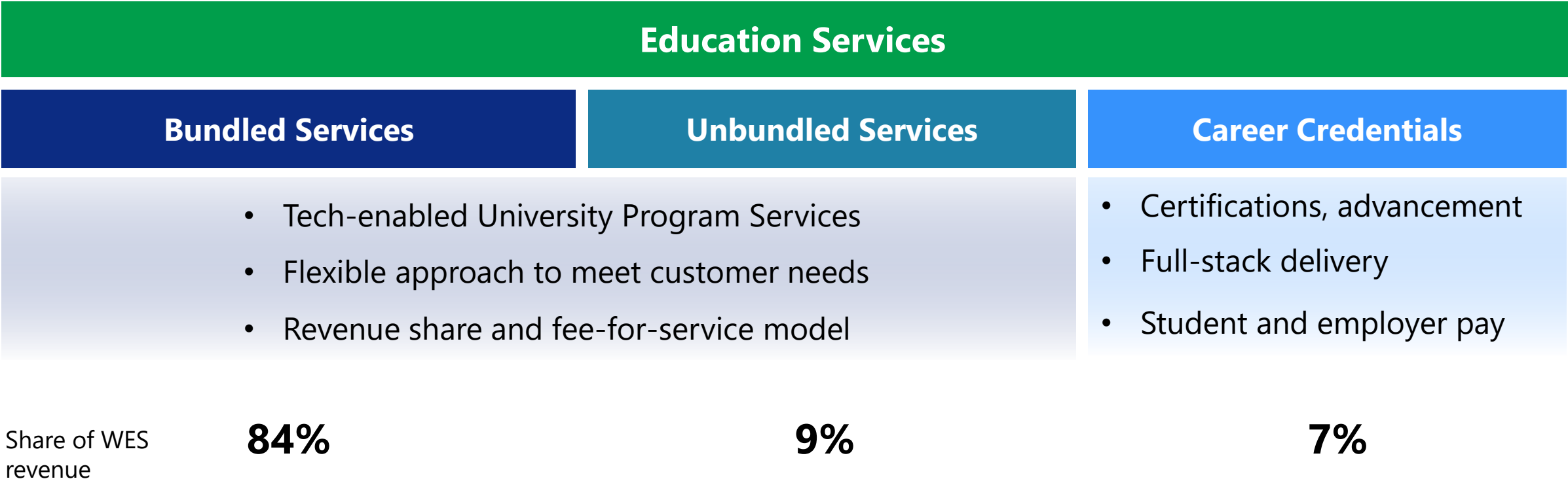
**\* OPM, OPE, MOOC-OPM, emerging models. Excludes short courses**

Source: Holon IQ, Total Global OPX Revenue, Sep 2019. Holon IQ market definition: Global OPX: the entire spectrum of services models supporting Universities in the design, development and delivery of online higher education.

# Broad range of services and flexible partnership models

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# The Wiley network is large, diverse and growing

**65+**

University Partners

**800+**

Degree Programs

**35,000+**

Enrollments

**5,000+**

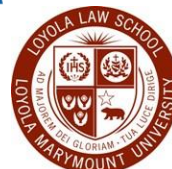
Course Catalog

**50,000+**

Total Graduates



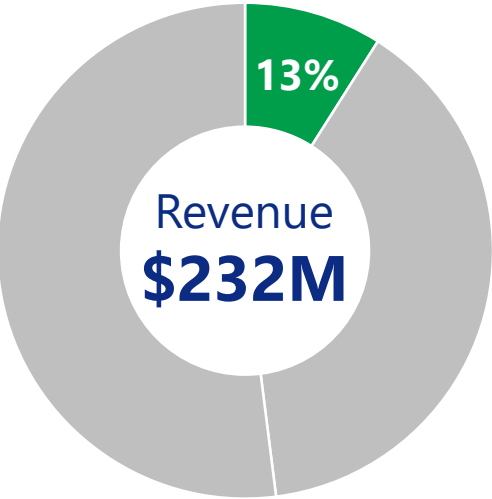
Online



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# Education Services

## FY20 Financial Snapshot



	FY19	FY20	FY22 Target
Adjusted EBITDA %	3%	9%	15%

## Key Takeaways

- **Market leader with gold-standard reputation**
- Broad portfolio of partners, programs, services and partnership models
- Accelerating growth from market expansion and Wiley growth strategies
- Strong growth with increasing profitability



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# Financial Performance

*Positioned for ongoing success*

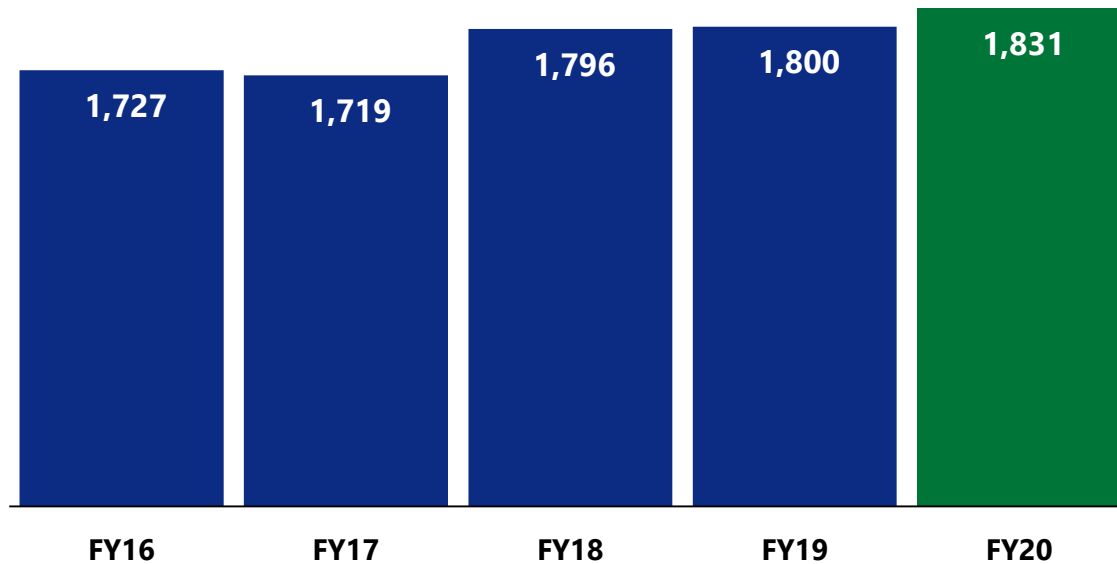
# Strong fundamentals

- Revenue base powered by favorable market positions and broad recurring revenue
- Optimization initiatives yield step-function gains in operational effectiveness and sustainable margin improvements
- Modest leverage and strong cash generation enabling investment
- Demonstrated record of prudent capital allocation; dividends, share repurchases, and acquisitions historically funded by cash from operations

# Solid revenue base, increased investment to accelerate growth

## Revenue

*\$ millions*



## Revenue base

- Favorable market positions
- 80% digital and tech-enabled services
- 55% recurring revenue

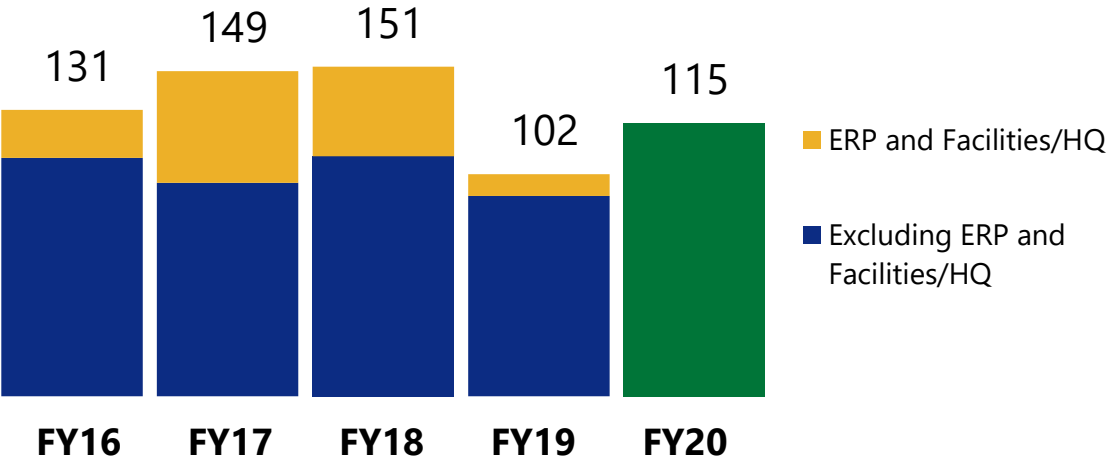
## Investments

- Increased Research volume and efficiency
- High-demand, high-impact courseware
- Scale and breadth in Education Services
- Business optimization initiatives

# Favorable free cash flow performance over time

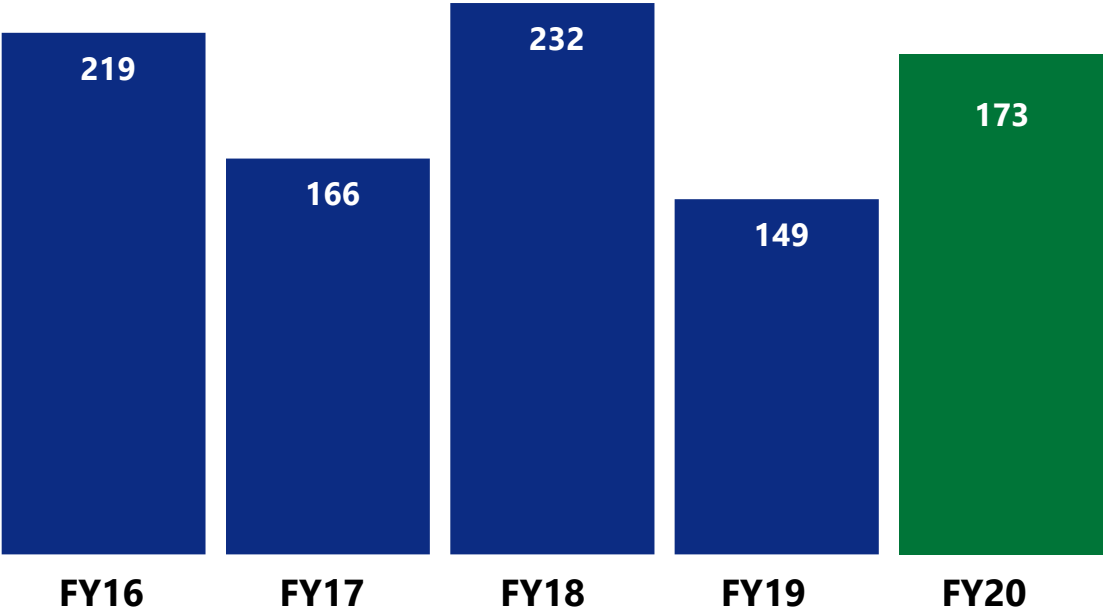
Capital Expenditures and Product Development

\$ millions



Free Cash Flow<sup>1</sup>

\$ millions

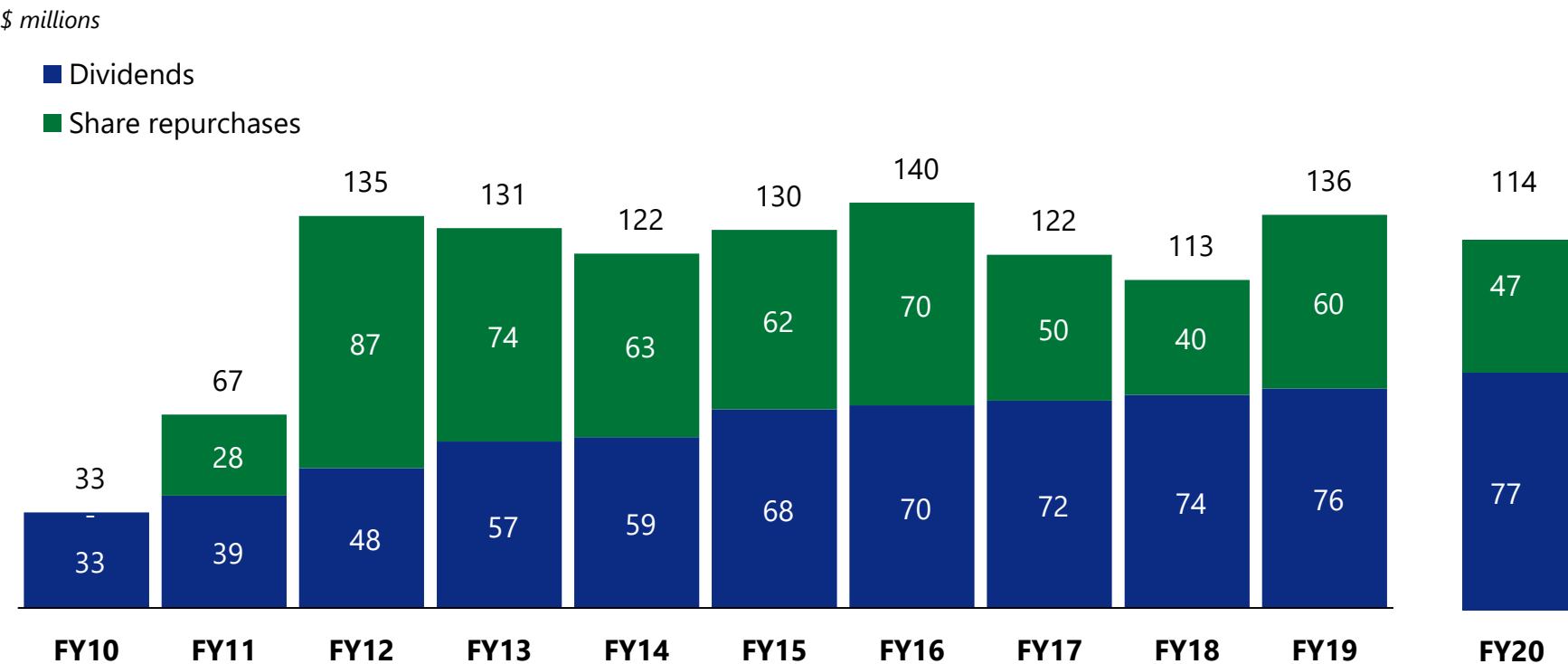


<sup>1</sup> Free cash flow defined as cash from operations less capital expenditures and product development spending  
FY16-19 are reflected in reported currency



# Long history of strong cash returns to shareholders

## Dividend and Share Repurchases



3.9%

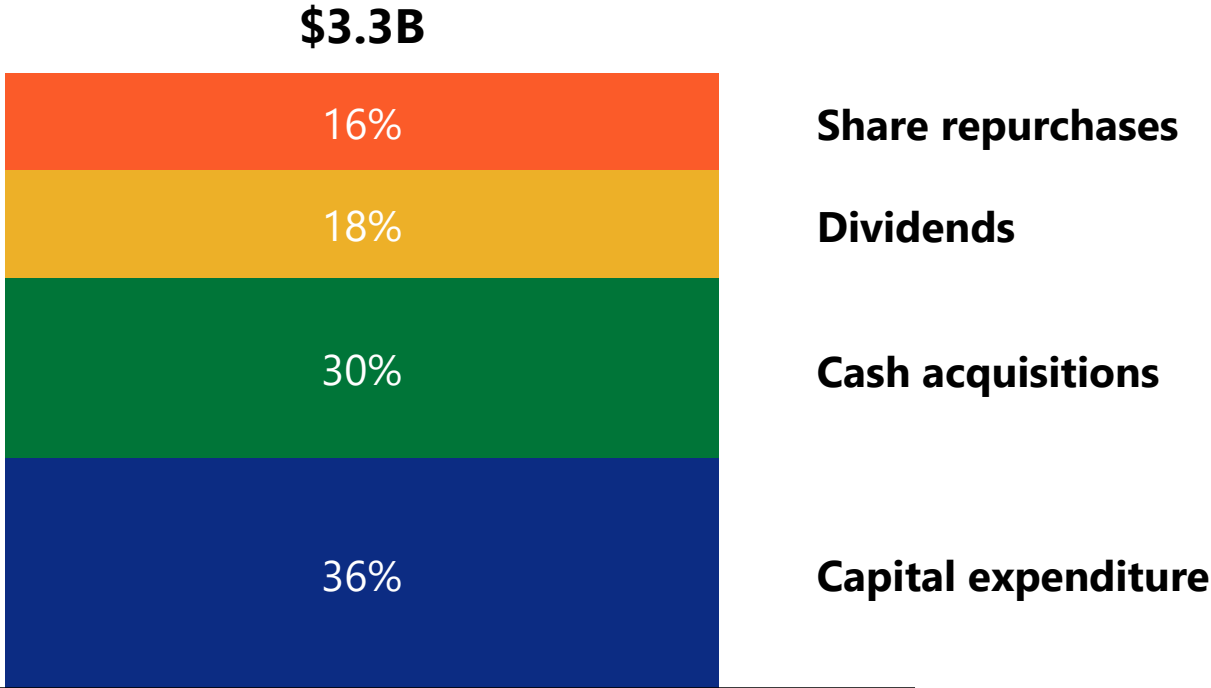
Current  
dividend yield

*As of 07 / 22 / 20*

FY10-20 are reflected in reported currency

# Prudent and balanced approach to capital allocation

FY10-FY19 Historical Capital Allocation



Net use of capital

100%  
of capital outlays  
*effectively funded by cash  
from operations<sup>1</sup>*

<sup>1</sup> Revolving credit facility applied at time of purchase and subsequently repaid with cash from operations  
FY10-19 are reflected in reported currency