

**FORM 10-Q**

**Thomson StreetEvents<sup>SM</sup>**

## **SEC Filing**

**WILEY JOHN SONS, INC. - JW.A**

**Filing Date:** March 16, 2004

**Filing Period:** January 31, 2004

### **DESCRIPTION**

Quarterly report which provides a continuing view of a company's financial position

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### PART II

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d)  
OF THE SECURITIES EXCHANGE ACT 1934

For the quarterly period ended January 31, 2004 Commission File No. 1-11507

OR

TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d)  
OF THE SECURITIES ACT OF 1934  
For the transition period from to

JOHN WILEY & SONS, INC.  
(Exact name of Registrant as specified in its charter)

NEW YORK	13-5593032
-----	-----
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
111 RIVER STREET, HOBOKEN, NJ	07030
-----	-----
(Address of principal executive offices)	Zip Code
Registrant's telephone number, including area code	(201) 748-6000
	-----

NOT APPLICABLE  
Former name, former address, and former fiscal year,  
if changed since last report

Indicate by check mark, whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

The number of shares outstanding of each of the Registrant's classes of common stock as of January 31, 2004 were:

Class A, par value \$1.00 - 50,735,247  
Class B, par value \$1.00 - 11,307,164

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JOHN WILEY & SONS, INC.

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JOHN WILEY & SONS, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
(In thousands)  
(UNAUDITED)

	January 31,		April 30,
	2004	2003	2003
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 93,051	31,941	\$ 33,241
Accounts receivable	153,818	135,816	110,038
Taxes receivable	345	4,238	9,657
Inventories	81,288	80,545	83,337
Deferred income tax benefits	25,971	33,331	26,028
Prepaid expenses	9,408	10,566	11,524
<b>Total Current Assets</b>	363,881	296,437	273,825
Product Development Assets	60,115	62,107	60,842
Property and Equipment	119,313	109,756	114,870
Intangible Assets	280,714	280,142	280,872
Goodwill	195,705	193,392	192,186
Deferred Income Tax Benefits	3,552	11,410	2,800
Other Assets	22,259	20,459	20,558
<b>Total Assets</b>	\$ 1,045,539	973,703	\$ 945,953
<b>Liabilities &amp; Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Current portion of long-term debt and notes payable	\$ -	35,000	\$ 35,000
Accounts and royalties payable	100,397	99,106	71,296
Deferred subscription revenue	138,170	126,642	121,373
Accrued income taxes	20,120	21,753	7,953
Accrued pension liability	12,780	1,788	8,271
Other accrued liabilities	58,918	62,395	69,353
<b>Total Current Liabilities</b>	330,385	346,684	313,246
Long-Term Debt	200,000	200,000	200,000
Accrued Pension Liability	51,444	31,488	54,909
Other Long-Term Liabilities	30,631	28,503	28,190
Deferred Income Taxes	6,085	15,004	5,604
<b>Shareholders' Equity</b>			
Class A & Class B common stock	83,191	83,191	83,191
Additional paid-in-capital	42,340	30,976	34,103
Retained earnings	435,635	363,753	368,963
Accumulated other comprehensive income (loss)	4,443	7,386	(7,171)
Unearned deferred compensation	(1,814)	(1,444)	(1,283)
Treasury stock	(136,801)	(131,838)	(133,799)
<b>Total Shareholders' Equity</b>	426,994	352,024	344,004
<b>Total Liabilities &amp; Shareholders' Equity</b>	\$ 1,045,539	973,703	\$ 945,953

The accompanying Notes are an integral part of the condensed consolidated financial statements.

	2004	2003	2004	2003
Revenue	\$ 242,357	221,196	\$ 690,897	650,641
Costs and Expenses				
Cost of sales	81,979	72,674	232,270	218,646
Operating and administrative expenses	114,011	109,122	337,350	318,860
Amortization of intangibles	2,517	2,548	7,382	7,259
Unusual Item - Relocation related expenses	-	-	-	2,465
Total Costs and Expenses	198,507	184,344	577,002	547,230
Operating Income	43,850	36,852	113,895	103,411
Interest Income and Other - Net	58	713	873	1,234
Interest Expense	(1,278)	(2,086)	(3,965)	(6,468)
Income Before Taxes	42,630	35,479	110,803	98,177
Provision For Income Taxes	11,286	11,259	32,011	19,196
Net Income	\$ 31,344	24,220	\$ 78,792	78,981
Income Per Share				
Diluted	\$ 0.50	0.39	\$ 1.25	1.25
Basic	\$ 0.51	0.39	\$ 1.27	1.28
Cash Dividends Per Share				
Class A Common	\$ 0.07	0.05	\$ 0.20	0.15
Class B Common	\$ 0.07	0.05	\$ 0.20	0.15
Average Shares				
Diluted	63,086	62,575	63,069	63,202
Basic	61,823	61,447	61,800	61,505

The accompanying Notes are an integral part of the condensed consolidated financial statements.

JOHN WILEY & SONS, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW - UNAUDITED  
(In thousands)

For The Nine Months  
Ended January 31,

	2004	2003
Operating Activities		
Net income	\$ 78,792	78,981
Adjustments to reconcile net income to cash provided by (used for) operating activities		
Amortization of intangibles	7,382	7,259
Amortization of composition costs	23,386	22,019
Depreciation of property and equipment	21,072	17,903
Change in deferred income taxes	1,221	(10,474)
Non-cash charges & other	44,331	38,380
Change in deferred subscription revenue	12,146	2,413
Net change in operating assets and liabilities	(14,345)	(18,207)
Cash Provided by Operating Activities	173,985	138,274
Investing Activities		
Additions to product development assets	(41,366)	(36,452)
Additions to property and equipment	(20,852)	(51,476)
Acquisition of publishing assets	(3,066)	(7,835)
Cash Used for Investing Activities	(65,284)	(95,763)
Financing Activities		
Repayment of debt	(35,000)	(30,000)
Purchase of treasury stock	(7,013)	(10,380)
Cash dividends	(12,126)	(9,259)
Proceeds from exercise of stock options	4,012	1,990
Cash Used for Financing Activities	(50,127)	(47,649)
Effects of Exchange Rate Changes on Cash	1,236	(2,626)
Cash and Cash Equivalents		
Increase (Decrease) for Period	59,810	(7,764)
Balance at Beginning of Period	33,241	39,705
Balance at End of Period	\$ 93,051	31,941

Supplemental Information

Businesses Acquired:		
Fair value of assets acquired	\$ 3,066	7,865
Liabilities assumed	-	(30)
	-----	-----
Cash Paid for Businesses Acquired	\$ 3,066	7,835
	=====	=====
Cash Paid (Refunded) During the Period for:		
Interest	\$ 3,544	9,689
Income taxes - Net	\$ 10,776	(1,194)

The accompanying Notes are an integral part of the condensed consolidated financial statements.

JOHN WILEY & SONS, INC., AND SUBSIDIARIES  
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to present fairly the consolidated financial position of John Wiley & Sons, Inc., and Subsidiaries (the "Company") as of January 31, 2004 and 2003, and results of operations and cash flows for the three month and nine month periods ended January 31, 2004 and 2003. The results for the three months and nine months ended January 31, 2004 are not necessarily indicative of the results to be expected for the full year. These statements should be read in conjunction with the most recent audited financial statements contained in the Company's Form 10-K for the fiscal year ended April 30, 2003.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Certain prior-year amounts have been reclassified to conform to the current year's presentation. Subscriber receivables for January 31, 2004, January 31, 2003 and April 30, 2003 of \$24.6 million, \$21.9 million and \$10.0 million, respectively, are netted against Deferred Subscription Revenue in the Condensed Consolidated Statements of Financial Position to reflect deferred subscription revenue only for subscriptions where cash has been received.

Stock-Based Compensation: Stock options and restricted stock grants are accounted for in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and the disclosure-only provisions of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation," as amended by SFAS No. 148, "Accounting for Stock Based Compensation - Transition and Disclosure." Accordingly, the Company recognizes no compensation expense for fixed stock option grants since the exercise price is equal to the fair value of the shares at date of grant. For restricted stock grants, compensation cost is generally recognized ratably over the vesting period based on the fair value of shares.

Pro forma information under SFAS No. 123 and SFAS No. 148

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The per share value of options granted in connection with the Company's stock option plans during the following periods are estimated using the Black Scholes option pricing model with the following weighted average assumptions:

	For the Three and Nine Months Ending January 31,	
	----- 2004 -----	----- 2003 -----
Expected life of options (years)	8.1	8.0
Risk-free interest rate	2.9%	4.9%
Volatility	30.7%	34.3%
Dividend yield	1.0%	0.8%
Per share fair value of options granted	\$8.97	\$11.09

For purposes of the following pro forma disclosure, the fair value of the awards was estimated at the date of grant using the Black Scholes option-pricing model and amortized to expense over the expected life of the options.

	For the Three Months Ending January 31,		For the Nine Months Ending January 31,	
	2004	2003	2004	2003
Net income as reported	\$31,344	24,220	\$78,792	78,981
Stock-based compensation, net of tax, included in the determination of net income as reported -				
Restricted stock plans	511	455	1,461	940
Director stock plan	16	26	31	(26)
Stock-based compensation costs, net of tax, that would have been included in the determination of net income had the fair value-based method been applied	(1,643)	(1,445)	(4,861)	(3,805)
Pro forma net income	\$30,228	23,256	\$75,423	76,090
Reported earnings per share				
Diluted	\$0.50	0.39	\$1.25	1.25
Basic	\$0.51	0.39	\$1.27	1.28
Pro forma earnings per share				
Diluted	\$0.48	0.37	\$1.20	1.20
Basic	\$0.49	0.38	\$1.22	1.24

## 2. Comprehensive Income

Comprehensive income was as follows (in thousands):

	For the Three Months Ending January 31,		For the Nine Months Ending January 31,	
	2004	2003	2004	2003
Net income	\$31,344	24,220	78,792	78,981
Change in other comprehensive income (loss), net of taxes:				
Derivative cash flow hedges				
Realized gain(loss)	121	-	215	-
Unrealized gain(loss)	(31)	-	(402)	168
Foreign currency translation adjustments	3,338	6,834	11,801	9,923
Comprehensive income	\$34,772	31,054	\$90,406	89,072

A reconciliation of accumulated other comprehensive gain (loss) follows (in thousands):

	Three Months Ended January 31, 2004		
	Beginning Balance	Change for Period	Ending Balance
Derivative cash flow hedges, net of tax	\$ (277)	90	(187)
Foreign currency translation adjustment	18,597	3,338	21,935
Minimum pension liability, net of tax	(17,305)	-	(17,305)
Total	\$1,015	3,428	4,443

Nine Months Ended January 31, 2004

	Beginning Balance	Change for Period	Ending Balance
Derivative cash flow hedges, net of tax	\$0	(187)	(187)
Foreign currency translation adjustment	10,134	11,801	21,935
Minimum pension liability, net of tax	(17,305)	-	(17,305)
Total	\$ (7,171)	11,614	4,443

3. Weighted Average Shares for Earning Per Share

A reconciliation of the shares used in the computation of income per share follows (in thousands):

	For the Three Months Ending January 31,		For the Nine Months Ending January 31,	
	2004	2003	2004	2003
Weighted average shares outstanding	62,104	61,656	62,057	61,682
Less: Unearned deferred compensation shares	(281)	(209)	(257)	(177)
Shares used for basic income per share	61,823	61,447	61,800	61,505
Dilutive effect of stock options and other stock awards	1,263	1,128	1,269	1,697
Shares used for diluted income per share	63,086	62,575	63,069	63,202

For the three and nine months ended January 31, 2003 and 2002, options to purchase shares of Class A common stock of zero and 2.1 million, respectively, have been excluded from the shares used for diluted income per share as their inclusion would have been anti-dilutive.

4. Inventories

Inventories were as follows (in thousands):

	As of January 31,		As of April 30,
	2004	2003	2003
Finished goods	\$73,635	71,345	\$76,452
Work-in-process	5,711	6,927	5,643
Paper, cloth and other	5,797	6,186	4,798
LIFO reserve	85,143 (3,855)	84,458 (3,913)	86,893 (3,556)
Total inventories	\$81,288	80,545	\$83,337

5. Acquisitions

The Company invested \$3.1 million in acquisitions during the current nine month period including payments to complete prior year acquisitions, the purchase of publishing rights to higher education titles and publishing rights to several STM journals.

In the first nine months of fiscal year 2003 the Company made three acquisitions totaling approximately \$7.8 million including a \$6.5 million

acquisition of teacher education titles from Prentice Hall Direct/Pearson Education.

6. Recent Accounting Standards

In December 2003, the Financial Accounting Standards Board (FASB) revised interpretation No. 46 Consolidation of Variable Interest Entities (Fin 46R), an Interpretation of ARB No. 51. Public companies must apply the revised interpretation immediately to entities created after January 31, 2003, no later than the end of the first reporting period that ends after December 15, 2003 and no later than the first reporting period that ends after March 15, 2004 for all other entities. Fin 46 did not have and is not expected to have a material impact on the Company's financial position or results of operations.

In April 2003, the FASB issued SFAS 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities". SFAS 149 amends and clarifies accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS 133. The amendments set forth in SFAS 149 require that contracts with comparable characteristics be accounted for similarly. SFAS 149 is generally effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. The guidance is to be applied prospectively. SFAS 149 did not have a material impact on the Company's financial position or results of operations.

In May 2003, the FASB issued Statement No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". The statement requires that certain financial instruments be classified as liabilities, instead of equity, in statements of financial position. SFAS 150 was effective August 1, 2003 and did not have an impact on the Company's financial position or results of operations.

7. Segment Information

The Company is a global publisher of print and electronic products, providing must-have content and services to customers worldwide. Core businesses include professional and consumer books and subscription services; scientific, technical, and medical journals, encyclopedias, books and online products and services; and educational materials for undergraduate and graduate students, and lifelong learners. The Company has publishing, marketing, and distribution centers in the United States, Canada, Europe, Asia, and Australia. The Company's reportable segments are based on the management reporting structure used to evaluate performance. Segment information is as follows:

	Three Months Ended January 31,					
	2004			2003		
	External Customers	Inter-segment Sales	Total	External Customers	Inter-segment Sales	Total
(thousands)						
Revenue						
U.S. segments:						
Professional/Trade	\$75,522	9,085	84,607	\$72,809	8,999	81,808
Scientific, Technical, and Medical	40,468	2,016	42,484	37,486	2,194	39,680
Higher Education	40,415	6,407	46,822	37,222	6,383	43,605
European segment	54,189	4,676	58,865	46,075	3,719	49,794
Asia, Australia & Canada	31,763	513	32,276	27,604	255	27,859
Eliminations	-	(22,697)	(22,697)	-	(21,550)	(21,550)
Total revenue	\$242,357	-	242,357	\$221,196	-	221,196
Direct Contribution to Profit						
U.S. segments:						
Professional/Trade			\$23,372			\$24,220
Scientific, Technical, and Medical			19,633			17,188
Higher Education			17,835			15,318
European segment			18,078			14,996
Asia, Australia & Canada			10,420			7,063
Total direct contribution to profit			89,338			78,785
Shared services and administrative costs						
Distribution			(11,578)			(11,651)
Information technology			(12,259)			(10,898)
Finance			(6,480)			(6,799)
Other administration			(15,171)			(12,585)

Total shared services and administration costs	(45,488)	(41,933)
Operating income	43,850	36,852
Interest expense and other - net	(1,220)	(1,373)
Income before taxes	\$42,630	\$35,479

Nine Months Ended January 31,

	2004			2003		
	External Customers	Inter-segment Sales	Total	External Customers	Inter-segment Sales	Total
Revenue						
U.S. segments:						
Professional/Trade	\$222,210	25,072	247,282	\$216,712	24,936	241,648
Scientific, Technical, and Medical	121,519	5,366	126,885	118,463	6,090	124,553
Higher Education	110,134	22,130	132,264	104,223	20,872	125,095
European segment	157,363	12,103	169,466	140,913	11,850	152,763
Asia, Australia & Canada	79,671	1,078	80,749	70,330	624	70,954
Eliminations	-	(65,749)	(65,749)	-	(64,372)	(64,372)
Total revenue	\$690,897	-	690,897	\$650,641	-	650,641
Direct Contribution to Profit						
U.S. segments:						
Professional/Trade			\$66,942			\$66,004
Scientific, Technical, and Medical			60,852			57,905
Higher Education			46,454			42,101
European segment			52,730			48,071
Asia, Australia & Canada			20,043			14,725
Total direct contribution to profit			247,021			228,806
Shared services and administrative costs						
Distribution			(34,430)			(34,115)
Information technology			(36,488)			(30,085)
Finance			(20,720)			(20,910)
Other administration			(41,488)			(37,820)
Total shared services and administration costs			(133,126)			(122,930)
Unusual item - relocation expenses			-			(2,465)
Operating income			113,895			103,411
Interest expense and other - net			(3,092)			(5,234)
Income before taxes			\$110,803			\$98,177

8. Intangible Assets

Intangible Assets consist of the following (in thousands):

	As of January 31,		As of
	2004	2003	April 30,
Intangible assets not subject to amortization			2003
Branded trade marks	\$57,900	57,900	\$57,900
Acquired publication rights	117,900	113,337	115,585
Total intangible assets not subject to amortization	175,800	171,237	173,485
Net, intangible assets subject to amortization, principally acquired publication rights	104,914	108,905	107,387
Total	\$280,714	280,142	\$280,872

The Company evaluated its goodwill and indefinite life intangible assets in accordance with SFAS No. 142 during the third quarter of fiscal year 2004. No impairment reserve was required.

9. Derivative Financial Instruments

Under certain circumstances, the Company enters into derivative financial instruments in the form of forward contracts as a hedge against foreign currency fluctuation of specific transactions, including inter-company purchases. The Company does not use derivative financial instruments for trading or speculative purposes.

During the first quarter of fiscal year 2004 the Company entered into forward contracts to hedge potential foreign currency volatility on a portion of fiscal year 2004 inventory purchases. The contracts have been designated as cash flow hedges and are considered by management to be highly effective. Several derivative foreign exchange contracts settled during the second and third quarters resulting in an exchange loss of approximately \$0.2 million, which will be recognized in cost of sales as the inventory is sold. The remaining contracts expire through April 2004. During the nine months ending January 31, 2004 there was no material ineffectiveness related to the cash flow hedges, and the estimated amount of gains or losses expected to be recognized into earnings over the current fiscal year are not material. The outstanding contracts are as follows:

Currency Sold	Currency Purchased	Notional Value	Average Contract Rate
Canadian dollar	US \$	US\$4,000,000	1.4163

10. Special Items

The Company completed the relocation of its headquarters to Hoboken, N.J. in the first quarter of fiscal year 2003. A charge for costs associated with the relocation of \$2.5 million, or \$1.5 million after tax equal to \$0.02 per diluted share, was reported.

During the second quarter of fiscal year 2003, the Company completed the merger of several of its European subsidiaries into a new entity, which enabled the Company to increase the tax-deductible net asset basis of the merged subsidiaries to fair market value creating a tax asset greater than the related book value. The increase in tax basis resulted in a \$12.0 million tax benefit, equal to \$0.19 per diluted share, which was reported as a deferred tax asset.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS -

THIRD QUARTER ENDED JANUARY 31, 2004

Revenue for the third quarter increased 10% to \$242.4 million from \$221.2 million in the prior year driven by Scientific, Technical and Medical journals, Professional/Trade books, Higher Education textbooks and educational materials, and foreign exchange translation benefits. Revenue for the quarter increased 5% excluding foreign exchange translation gains.

Earnings per diluted share of \$0.50 and net income of \$31.3 million for the third quarter of fiscal year 2004 increased over the previous year's results by 28% and 29%, respectively, reflecting the positive effects of operations, a foreign exchange benefit, the favorable resolution of certain state and federal tax matters, and an adjustment to accrued foreign taxes. Excluding the net tax benefit of \$3.0 million, or \$0.05 per diluted share, reported in the current quarter, earnings per diluted share of \$0.45 and net income of \$28.3 million for the third quarter increased 16% and 17%, respectively.

Gross profit as a percentage of revenue declined during the quarter to 66.2% from 67.1% in the prior year's quarter, principally due to higher provisions for inventory and author advances, and a change in product mix.

Operating and administrative expenses for the third quarter were essentially flat with the prior year, excluding the negative effect of foreign currency translation. Third quarter operating income of \$43.9 million increased 19%, or 13% excluding foreign exchange from \$36.9 million in the prior year's third quarter.

Taxes

The Company's effective tax rates for the third quarter of fiscal 2004 and 2003 were 26.5% and 31.7%, respectively. Excluding the net tax benefits described above, the effective tax rate for the third quarter of fiscal year 2004 was 33.6% compared to 31.7% for the third quarter of fiscal year 2003, reflecting an increase in the proportion of earnings from

higher-taxed jurisdictions.

In January 2002, the World Trade Organization ruled that the Extra Territorial Income exclusion ("ETI", formerly the Foreign Sales Corporation) was an export subsidy inconsistent with U.S. obligations under international trade agreements. The ETI provides a tax benefit to Wiley and other U.S. corporations by excluding from taxable income certain foreign trading income. Currently, there are two bills proposed to the U.S. Congress which repeal the ETI tax benefit and replace it with an alternative tax benefit available to all U.S. manufacturers. As noted in the Company's fiscal year 2003 annual report filed with the SEC on form 10K, the ETI tax benefit to the Company, improved the effective tax rate by 2%. At the filing of the 10Q the proposed bills have not yet been acted upon by Congress.

#### SEGMENT RESULTS

##### Professional/Trade (P/T)

-----  
U.S. P/T revenue of \$84.6 million for the third quarter improved 3% over the comparable prior year period with the business, architecture, culinary, education, and consumer programs exhibiting strength throughout the holiday season. The direct contribution margin declined from 29.6% to 27.6%

principally due to product mix, higher provisions for author advances, and additional costs associated with selling P/T products in the higher education market.

P/T's business program rebounded nicely in a slowly improving market, building momentum throughout the quarter with solid performances from a wide range of titles. Several Wiley business titles appeared on major bestseller lists, including J.K. Lasser's Income Tax 2004; Bonner/Financial Reckoning Day (#1 on The New York Times Hardcover Business Bestseller List in December); Scheinfeld and Allen/The 11th Element; Lencioni/Five Dysfunctions of a Team; George/Authentic Leadership (on The Economist "Best Books of 2003" list); Gitomer/The Sales Bible; and Kouzes and Posner/The Leadership Challenge.

Notable recent publications include How to Make Money in Stocks Desk Diary 2004 by Investors Business Daily founder William O'Neil; a new version of the widely acclaimed training and assessment tool, Leadership Practices Inventory Online; and four titles from Wiley's relationship with Morningstar, the renowned provider of stock and mutual fund news and analyses: The Morningstar Guide to Mutual Funds: 5-Star Strategies for Success; The Five Rules for Successful Stock Investing: Morningstar's Guide to Building Wealth and Winning in the Market; Morningstar Funds 500: 2004; and Morningstar Stocks 500: 2004.

In December, the Company signed an agreement with Mergent, Inc. (formerly Moody's financial services division) to publish Mergent's Dividend Achievers, Handbook of Common Stocks, and Handbook of NASDAQ Stocks. Although market conditions continue to be challenging, Wiley's computer books program gained momentum during the quarter. Key titles that published recently include Collier/eBay For Dummies; LeVitus/Mac OS Panther For Dummies, and MaranGraphics/Teach Yourself VISUALLY(TM) Mac OS Panther v.10.3.

Frommer's, Wiley's market-leading travel program, experienced significant reordering by major U.S. accounts and strong sales of European travel titles. Frommers.com hit a record high of 16 million page views in January. The Company's CliffsNotes and For Dummies lines and the culinary category also exhibited strength.

P/T capitalized on the success of The Lord of the Rings by promoting The Origins of Tolkien's Middle-earth For Dummies at movie theaters in targeted cities. In addition, P/T benefited from the publication of its new biography, Ravina/The Last Samurai, which coincided with the release of the movie with the same title. Alan Dershowitz's, The Case for Israel, reached the top of The New York Times Expanded Hardcover Bestseller list. All the Shah's Men by Stephen Kinzer was the History selection on The Economist "Best Books of 2003" list.

An unprecedented number of the Company's cookbooks were honored in holiday round-ups of the best cookbooks of 2003, notably Wolfert/Slow Mediterranean Kitchen; Delouvrier/Mastering Simplicity; and Revsin/Come for Dinner. The paperback edition of Eades/30 Day Low Carb Diet Solution released successfully during the quarter, as did the third edition of National Restaurant Association Educational Foundation's flagship books on food sanitation, ServSafe. Civitello/Cuisine and Culture was awarded the Gourmand World Cookbook Award and was also named as one of the top three

culinary books by Sante magazine.

At the Association of American Publishers - Professional and Scholarly Publishing Annual Awards program, McGowan and Kruse/Interior Graphic Standards won the Architecture & Urban Studies category and Weiner/Handbook of Psychology won the Multi-Volume Reference/Humanities category.

#### Scientific, Technical And Medical (STM)

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U.S. STM revenue increased 7% to \$42.5 million from \$39.7 million in prior year's third quarter mainly due to new society journals (such as Hepatology and Liver Transplantation), the Polymer Backfile Collection, ArticleSelect, and online books in electronics and electrical engineering. The third quarter direct contribution margin improved to 46.2% from 43.3% compared to the prior year's third quarter principally due to cost savings and the sale of higher margin products. Globally, STM journal revenue increased approximately 13% in the quarter.

The Wiley InterScience annual license renewal process is well underway and proceeding as anticipated. Several new licenses were also signed, including the Universidad Nacional Autonoma de Mexico, Alerta al Conociemeiento Consortium in Chile, University of South Florida, University of Kansas, University of Tampa, Procter & Gamble, BUGALICIA (Galician Academic Consortium), University of Innsbruck, Halle University, Technical University of Berlin, Korea Institute of Science & Technology, and the National Defense University in Taiwan.

Wiley's STM digital access business, which utilizes the Wiley InterScience platform, continued to add content and functionality for customers to meet their information needs. Wiley InterScience customer usage statistics are compliant with COUNTER (Continuing Online Usage of Networked Electronic Resources--www.projectcounter.org), an international initiative designed to serve librarians, publishers, and information intermediaries by facilitating the recording and exchange of online usage statistics. By adopting this new industry standard, Wiley InterScience will enable customers to make direct comparison between the usage of its journals and those of other publishers.

Wiley InterScience extended its Pay Per View and Article Select options to include access to its extensive range of online reference works. Previously available only for access to online books and journal content, these services allow librarians, scientists, and other researchers to obtain individual articles and chapters from publications for which they do not hold subscriptions. Providing a wide range of access options is part of the Company's strategy to offer customers greater flexibility and choice.

Wiley continues to extend its publishing services to learned societies and their members by forming new partnerships with numerous prominent national, regional, and international societies. The Company formed a publishing partnership with the Society of Plastics Engineers (SPE) to provide all publishing services for its technical journals -Polymer Engineering & Science, Polymer Composites, and Journal of Vinyl & Additive Technology. During the quarter, the Company also renewed its agreement with the Society for Bioelectromagnetics to publish its journal Bioelectromagnetics.

Although the STM book market continues to be soft, there were some bright spots. Sales of online major reference works and OnlineBooks were strong. Early in the fourth quarter, Wiley signed an agreement to distribute Merck's four professional manuals in the U.S. - The Merck Manual, The Merck Veterinary Manual, The Merck Manual of Geriatrics, and The Merck Index. Widely considered to be among the most trusted resources for medical and scientific information, these highly regarded titles will be excellent additions to Wiley's comprehensive offerings.

At the Association of American Publishers - Professional and Scholarly Publishing Annual Awards program, four STM publications were recognized, including the Potter and Colman/Handbook of Weather, Climate, and Water (Geology and Earth Science category); Hurdeman/The Worldwide History of Telecommunications (History of Science category); Horvath/Encyclopedia of Catalysis (Multi-Volume Reference/Sciences category); and Organic Synthesis (Electronic Product/Science category).

In January, the Wiley Foundation announced that the third annual Wiley Prize in the Biomedical Sciences was awarded to C. David Allis, Ph.D., the newly appointed Professor, Laboratory of Chromatin Biology and Epigenetics at the Rockefeller University in New York. Dr. Allis was recognized for his significant discovery on gene activity. His work has already led to advances in the treatment of leukemia.

#### Higher Education

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Third quarter U.S. Higher Education revenue of \$46.8 million increased 7% as compared to the prior year's third quarter. Programs in business, the sciences and social sciences drove these results while engineering math and computer science continue to exhibit little or no growth. The third quarter direct contribution margin was 38.1% compared to 35.1% in the prior year's third quarter due to lower unit costs, cost containment, product mix and the benefits of selling P/T products through the Higher Education sales force.

Top selling titles during the quarter included Tortora/Anatomy and Physiology; Kieso/Intermediate Accounting; Weygandt/Principles of Financial Accounting; Solomons/Organic Chemistry; Huffman/Psychology; DeBlij/Regions and Halliday/Fundamentals of Physics, which published its 7th edition during the quarter.

During the quarter, Wiley signed a strategically important contract with Paul M. Romer of Stanford University's Graduate School of Business. Dr. Romer is one of the nation's leading economists and a primary developer of New Growth Theory, a body of work that provides a fresh foundation for thinking about wealth creation. He was the recipient of Stanford's Distinguished Teaching Award in 1999. He will author a new textbook in intermediate macroeconomics that will serve as a catalyst for growth in Higher Education's economics program. As important as the textbook agreement, Wiley also signed an agreement with Aplia, the educational software company that Dr. Romer founded. Aplia uses Web technology to create educational tools for students that will afford them the opportunity to increase productivity and success. Intermediate Macroeconomics will be the first Wiley offering to be integrated with Aplia courseware.

At the end of the quarter, Higher Education announced a collaboration agreement with the Society of Manufacturing Engineers (SME), a leading professional society supporting manufacturing education, to develop content that brings real world manufacturing into the academic classroom. Through this exclusive agreement, Wiley and SME have adapted material from the highly acclaimed SME Fundamental Manufacturing Processes video series and are distributing it on DVD with Wiley engineering texts.

#### Europe -----

Third quarter revenue for Wiley's European operations of \$58.9 million was up 18% over prior year, or 9% excluding foreign currency translation gains. Strong performance from Wiley's worldwide journals continued to mitigate the combined effect of the sluggish book and advertising markets. The direct contribution to profit of \$18.1 million was 21% above the prior year, or 19% excluding the impact of foreign exchange, principally due to favorable product mix and cost savings. Contribution margin improved 0.6% over the prior year's third quarter to 30.7% from 30.1%.

Despite of the impact of the Rowecom bankruptcy, Wiley Europe's STM journals program exhibited strong growth throughout Europe. Wiley-VCH reported solid performances from Angewandte Chemie, Helvetica Chimica Acta, the Macro journals and the Advanced Materials and Advanced Functional Materials journals. In addition, journal revenue began to benefit from the contribution of new businesses such as the Cochrane Library database, the British Journal of Surgery, and the journal of Ultrasound in Obstetrics and Gynecology.

In addition to the aforementioned new Wiley InterScience licenses, during the quarter Wiley Europe signed major Enhanced Access Licenses, with the UK Academic Consortium, an Italian Consortium and the Friedrich-Althoff Konsortium in Germany.

Building on the success of the release of The Polymer Backfile Collection, Wiley Europe released the Angewandte Chemie Backfile Collection late in the third quarter. The early market response is very encouraging.

The STM and P/T book programs showed good performance against prior year, driven primarily by improvements in the U.K., Benelux, Eastern Europe, and Greece and through online booksellers. The For Dummies list in the U.K. got off to a good start with the successful release of British History For Dummies and CVs For Dummies. England's success as Rugby World Cup winner fueled sales of Rugby For Dummies. For Dummies titles developed in the U.S., especially consumer technology titles such as Windows XP For Dummies, Internet For Dummies, and PC For Dummies, also sold well.

Wiley Europe experienced a pick up in sales of STM books, with the release of such titles as Alberts/Molekularbiologie der Zelle and Brown/Encyclopedia of Optics, as well as a number of major reference works, including Schreiber and Harvard/Handbook of Clinical Biology and Handbook of RNA Biochemistry. The third quarter saw a number of key adoptions of

higher education learning materials in the UK and continental Europe. Tortora/Anatomy and Physiology was the top-selling title in these regions during this period.

During the quarter, The British Journal of Surgery added the Swiss Surgical Society to the growing number of European societies with which it is affiliated, further strengthening its position as the premier surgical journal throughout Europe. Wiley acquired European Transactions in Electrical Power, a bimonthly primary research journal published in collaboration with several European societies. Journal. Four psychology titles won British Medical Association awards: Stallard/Think Good, Feel Good, Graham/Substance Misuse in Psychosis, Ballard/Understanding Menopause and McMurran/Motivating Offenders to Change.

#### Asia, Australia & Canada

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Wiley's revenue in Asia, Australia and Canada advanced 16% in the third quarter. Excluding the benefit of foreign currency, revenue was essentially flat for the quarter. Contribution margin increased to 32.3% from 25.4% in the prior year. Solid indigenous publishing results in Australia were offset by a soft holiday season for P/T in Canada and a weak retail market in Asia.

Several important Wiley InterScience licenses were signed in India during the quarter. Wiley Asia formed an alliance with Citibank to develop personal finance books for Asia. The first title, Growing Your Money, will publish next year with Citibank already committed to purchase a substantial number of copies. Revenue from Wiley Asia's translation business continued to grow at a rapid rate.

In Australia, tertiary (higher education), school, and P/T performed well during the third quarter. In November, Wiley Australia again won Tertiary Publisher of the Year, a prestigious award given by the Australian Campus Booksellers Association each year for excellence in customer service, distribution, sales representation, product and marketing initiatives and trade terms. Wiley has won this award consistently during the past several years. In addition, Wiley Australia was awarded the Employer of Choice citation for the third consecutive year.

Wiley Canada's performance during the quarter was somewhat disappointing, as growth in higher education could not compensate for slow P/T sales. There was good news in the quarter, however, including robust sales of Dreyden/The Game, 20th Anniversary Edition and solid backlist sales of business and international titles.

#### Shared Services and Administrative Costs

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Shared services and administrative costs increased 8% to \$45.5 million or 5% excluding the impact of foreign exchange for the third quarter mainly due to higher depreciation from technology investments to support the Company's ongoing migration to digital products and distribution.

#### NINE MONTHS ENDED JANUARY 31, 2004

Revenue for the nine months of fiscal year 2004 increased 6%, or 3% excluding foreign currency translation gains. Net income and earnings per diluted share for the nine-month period of fiscal year 2004 and 2003 were \$79 million and \$1.25, respectively. Earnings per diluted share and net income for the nine-month period increased 11% excluding charges reported in the prior year related to the Company's relocation to Hoboken, New Jersey and certain tax benefits in fiscal year 2004 and 2003. Operating income increased 10% to \$113.9 million, or 7% excluding the impact of foreign exchange. Operating and administrative expenses increased 6% over last year's period, or 2% excluding the negative effect of foreign currency translation. The increase was primarily due to higher depreciation on technology investment associated with the transition of certain aspects of the business from print to electronic delivery, higher pension costs and higher sales volume.

During the third quarter of fiscal year 2004, the Company recognized net tax benefits of \$3.0 million, or \$0.05 per diluted share, related to the resolution of certain state and federal tax matters as well as an adjustment to accrued foreign taxes. Excluding these items earnings per diluted share was \$1.20 through the first nine months of the fiscal year.

The decrease of \$2.1 million in interest expense from the prior year period is a result of lower average outstanding debt and interest rates.

Special Items

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In the first quarter of fiscal year 2003, the Company completed the relocation of its headquarters to Hoboken, N.J. A charge for costs associated with the relocation of \$2.5 million, or \$1.5 million after-tax equal to \$0.02 per diluted share, was reported in last year's first quarter.

During the second quarter of fiscal year 2003, the Company completed the merger of several of its European subsidiaries into a new entity, which enabled the Company to increase the tax-deductible net asset basis of the merged subsidiaries to fair market value creating a tax asset greater than the related book value. The increase in tax basis resulted in a \$12.0 million tax benefit, equal to \$0.19 per diluted share, which was reported as a deferred tax asset.

Management believes the non-GAAP financial measures, which exclude the relocation charge and the tax benefit, provide a meaningful comparison of the Company's year-over-year results. These measures improve investors' ability to understand the Company's performance and future expectations. As required by the SEC, the Company provides the below reconciliation to the

most directly reported amounts under GAAP. Pro forma results of operations for the nine months, excluding the relocation charges and tax benefits, were as follows:

	For the Nine Months Ending January 31,	
	2004	2003
	-----	-----
Operating income as reported	\$ 113,895	103,411
Relocation charge	-	2,465
	-----	-----
Pro forma operating income	\$ 113,895	105,876
	=====	=====
Net income as reported	\$ 78,792	78,981
Relocation charge, net of taxes	-	1,479
Tax benefits	-	(12,025)
	-----	-----
Pro forma net income	\$ 78,792	68,435
	=====	=====
Income per diluted share as reported	\$ 1.25	1.25
Relocation charge, net of taxes	-	0.02
Tax benefits	-	(0.19)
Pro forma income per diluted share	\$ 1.25	1.08
	=====	=====

Taxes

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The effective tax rates reported for the first nine months of fiscal year 2004 and 2003 were 28.9% and 19.6%, respectively. Excluding the net tax benefits in fiscal year 2004 and 2003 described above, the effective tax rates for the first nine months of fiscal year 2004 and 2003 were 31.6% and 31.8%, respectively.

SEGMENT RESULTS

Professional/Trade (P/T)

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U.S. P/T revenue for the first nine months of fiscal year 2004 of \$247.3 million increased 2% from \$241.6 million, reflecting growth in business, and culinary and architecture sales, partially offset by lower backlist sales of technology and consumer titles. The contribution margin in the first nine months of fiscal year 2004 was 27.1% compared to 27.3% in the prior year reflecting higher provisions for author advances and additional sales costs associated with selling P/T products in the higher education

outlet.

Scientific, Technical And Medical (STM)  
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U.S. STM revenue for the first nine months of fiscal year 2004 was \$126.9 million compared to \$124.6 million in the prior year. Higher journal revenue was partially offset by the adverse effect of the Rowecom bankruptcy and lower advertising revenue. The contribution margin was 48.0% for the first nine months of fiscal year 2004 compared to 46.5% in the prior year reflecting cost savings and higher journal revenue. Globally, STM journal revenue for the first nine months of fiscal 2004 increased approximately 8% over the prior year period.

Higher Education  
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U.S. Higher Education revenue for the first nine months of fiscal year 2004 of \$132.3 million increased 6% from \$125.1 million due to higher science, social science and business sales. The contribution margin increased 1.4% to 35.1% from 33.7% for the first nine months of fiscal year 2004 reflecting cost savings, lower unit cost product mix and the benefits of selling P/T products through the Higher Education sales force.

Europe  
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European revenue of \$169.5 million in the first nine months of fiscal year 2004 increased 11% over the prior year, or 3% excluding the foreign exchange translation benefit. STM journal improvement was partially offset by sluggish STM and P/T book sales, primarily in the U.K. For the first nine months of fiscal year 2004, the contribution margin excluding foreign exchange improved 1.3% to 32.8% from 31.5% from the prior year reflecting higher journal revenue and cost savings. Including foreign exchange, the contribution margin decreased to 31.1%.

Asia, Australia & Canada  
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Asia, Australia and Canada revenue increased 14% to \$80.7 million for the first nine months of fiscal year 2004, or 1% excluding foreign exchange translation gains. Excluding foreign exchange translation gains, the contribution margin was 19.8% compared to 20.7% in the prior year for the first nine months of fiscal year 2004 reflecting a soft P/T market in Canada. Including foreign exchange, the contribution margin increased 4.0% to 24.8% from 20.7%.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operating activities for the first nine months of fiscal year 2004 improved to \$174.0 million, as compared to \$138.3 million in the prior fiscal year period. Higher cash earnings and higher prepaid subscriptions associated with the company's STM journal business was partially offset by lower accounts payable due to timing.

Investing activities used \$65.3 million for the first nine months of fiscal year 2004 as compared to \$95.8 million in the prior year period. Current year investing activities include \$41.4 million for product development and \$20.9 million of property and equipment expenditures, the majority of which was for investments in technology. Prior year capital spending included approximately \$31.6 million of cost for the relocation of the Company's headquarters and new facilities. Capital spending on product development for the full fiscal year 2004 is projected to be \$60 million. Capital spending for property and equipment is projected to be approximately \$35 million.

Financing activities in the nine month periods of fiscal year 2004 and 2003 include scheduled term loan repayments of \$35 million and \$30 million. In the first quarter, the Company announced a 30% increase in its quarterly dividend to shareholders from \$0.05 per share to \$0.065 per share in response to the recent change in tax laws affecting the taxability of dividends. The increased dividend was effective on July 17, 2003.

Although the Condensed Statement of Financial Position as of January 31, 2003 indicates working capital of \$33.5 million, current liabilities includes deferred income related to journal subscriptions for which a significant portion of the cash has been received and will be recognized in

revenue as the journals are delivered to customers. The Company believes its cash balances together with existing credit facilities are sufficient to meet its obligations. At January 31, 2004 the Company had \$200.0 million of variable rate loans outstanding, which approximated fair value and \$120 million available under its revolving credit facilities.

"Safe Harbor" Statement under the

Private Securities Litigation Reform Act of 1995

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This report 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; and (viii) 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.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

#### Market Risk

The Company is exposed to market risk primarily related to interest rates, foreign exchange and credit risk. It is the Company's policy to monitor these exposures and to use derivative financial instruments and/or insurance contracts from time to time to reduce fluctuations in earnings and cash flows when it is deemed appropriate to do so. The Company does not use derivative financial investments for trading or speculative purposes.

#### Interest Rates

The Company did not use any derivative financial investments to manage this exposure. The weighted average interest rate as of January 31, 2004 was approximately 2.0%. A hypothetical 1% change in interest rates on the Company's debt would affect annual net income and cash flow by approximately \$1.2 million.

#### Foreign Exchange Rates

Under certain circumstances, the Company enters into derivative financial instruments in the form of forward contracts as a hedge against foreign currency fluctuation of specific transactions, including inter-company purchases. The Company does not use derivative financial instruments for trading or speculative purposes.

During the first quarter of fiscal year 2004 the Company entered into derivative contracts to hedge potential foreign currency volatility on a portion of fiscal year 2004 inventory purchases. The contracts have been designated as cash flow hedges and are considered by management to be highly effective. Several derivative foreign exchange contracts settled during the second and third quarters resulting in a loss of approximately \$0.2 million, which will be recognized in cost of sales as the inventory is sold. The remaining contracts expire through April 2004. During the period ending January 31, 2003 there was no material ineffectiveness related to the cash flow hedges, and the estimated amount of gains or losses expected to be reclassified into earnings over the current fiscal year are not material. The outstanding contracts are as follows:

Currency Sold	Currency Purchased	Notional Value	Average Contract Rate
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Canadian dollar	US \$	US\$4,000,000	1.4163

#### Credit Risk

The Company's business is not dependent upon a single customer; however,

the industry has experienced a significant concentration in national, regional, and online bookstore chains in recent years. Although no one book customer accounted for more than 6% of total fiscal year 2003 consolidated revenue, the top ten book customers accounted for approximately 26% of total fiscal year 2003 consolidated revenue and approximately 45% of total gross trade accounts receivable at April 30, 2003. To mitigate its credit risk exposure, the Company obtains credit insurance where available and economically justifiable.

In the journal publishing business, subscriptions are primarily sourced through independent subscription agents who, acting as agents for library customers, facilitate ordering by consolidating the subscription orders/billings of each subscriber with various publishers. Monies are generally collected in advance from subscribers by the subscription agents and are remitted to the journal publisher, including the Company, generally prior to the commencement of the subscriptions. Although at fiscal year-end the Company had minimal credit risk exposure to these agents, future calendar-year subscription receipts from these agents are highly dependent on their financial condition and liquidity. Subscription agents accounted for approximately 16% of total fiscal year 2003 consolidated revenue and no one agent accounted for more than 6% of total fiscal year 2003 consolidated revenue. Insurance for these accounts is not commercially feasible and/or available. A journal subscription agent, Rowecom, Inc., filed for bankruptcy in January 2003. The bankruptcy affected STM journal revenue in calendar year 2003 and was immaterial to the Company.

#### ITEM 4. CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission's rules and regulations. The Company's Chief Executive Officer and Chief Financial Officer, together with the Chief Accounting Officer and other members of the Company's management, have conducted an evaluation of these disclosure controls and procedures as of a date within 90 days prior to the date of filing this report. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective. There were no significant changes in the Company's internal controls or in other factors that could significantly affect such internal controls subsequent to this evaluation. Accordingly, no corrective actions were required or undertaken with respect to the internal controls.

#### PART II - OTHER INFORMATION

##### ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

99.1 - 18 U.S.C. Section 1350 Certificate by the President and Chief Executive Officer

99.2 - 18 U.S.C. Section 1350 Certificate by the Chief Financial and Operations Officer

(b) The following reports on Form 8-K were furnished to the Securities and Exchange Commission since the filing of the Company's 10-K on June 30, 2003.

i. Earnings release on the first quarter fiscal 2004 results issued on form 8-K dated September 3, 2003, which include the condensed financial statements of the Company.

ii. Earnings release on the second quarter fiscal 2004 results issued on form 8-K dated December 1, 2003, which include the condensed financial statements of the Company.

iii. Earnings release on the third quarter fiscal 2004 results issued on form 8-K dated March 1, 2004, which include the condensed financial statements of the Company.

The following reports on Form 8-K were filed with the Securities and Exchange Commission since the filing of the Company's 10-K on June 30, 2003.

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized

JOHN WILEY & SONS, INC.  
Registrant

By           /s/ William J. Pesce  
-----  
William J. Pesce  
President and  
Chief Executive Officer

By           /s/ Ellis E. Cousens  
-----  
Ellis E. Cousens  
Executive Vice President and  
Chief Financial & Operations Officer

By           /s/ Edward J. Melando  
-----  
Edward J. Melando  
Vice President, Controller and  
Chief Accounting Officer

Dated:   March 12, 2004

CERTIFICATIONS

I, William J. Pesce, certify that:

- I have reviewed this quarterly report on Form 10-Q of John Wiley & Sons, Inc.;
- Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report; and
- Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
- The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during

the period in which this quarterly report is being prepared;

- b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
  - c) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting and
- The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

By                    /s/ William J. Pesce  
-----  
William J. Pesce  
President and  
Chief Executive Officer

Dated: March 12, 2004

I, Ellis E. Cousens, certify that

- I have reviewed this quarterly report on Form 10-Q of John Wiley & Sons, Inc.;
- Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report; and
- Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
- The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
  - c) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting and



Sarbanes-Oxley Act of 2002, that based on my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15 (d) of the Securities Exchange Act of 1934 (as amended), as applicable; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/Ellis E. Cousens  
Ellis E. Cousens  
Executive Vice President and  
Chief Financial & Operations Officer

Dated: March 12, 2004