

WILEY JOHN & SONS INC

FORM 10-K (Annual Report)

Filed 7/1/1997 For Period Ending 4/30/1997

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CIK	0000107140
Industry	Printing & Publishing
Sector	Services
Fiscal Year	04/30

FORM 10-K

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: April, 30, 1997

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 (FEE REQUIRED)

For the transition period from to
Commission file number 1-11507

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 605 Third Avenue, New York, NY	I.R.S. Employer Identification No. 10158-0012
-----	-----
Address of principal executive offices	Zip Code
Registrant's telephone number including area code	(212) 850-6000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Class A Common Stock, par value \$1.00 per share	New York Stock Exchange
Class B Common Stock, par value \$1.00 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

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 X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K

The number of shares outstanding of the Registrant's Class A and Class B Common Stock, par value \$1.00 per share as of May 31, 1997, was 12,746,220 and 3,166,058 respectively, and the aggregate market value of such shares of Common Stock held by non-affiliates of the Registrant as of such date was \$389,905,158 based upon the closing market price of the Class A and Class B Common Stock.

DOCUMENTS INCORPORATED BY REFERENCE

The Registrant's Definitive proxy Statement to be filed with the Commission on or about August 8, 1997 for the Annual Meeting of Shareholders to be held on September 18, 1997, (the "1997 Proxy Statement") is, to the extent noted below, incorporated by reference in Part III.

PART I

Item 1. Business

The Company is a New York corporation incorporated on January 15, 1904. (As used herein the term "Company" means John Wiley & Sons, Inc., and its subsidiaries and affiliated companies, unless the context indicates otherwise).

The Company operates in one business segment, namely publishing, which develops, publishes, and markets products in print and electronic formats including textbooks, professional and reference works, consumer books, journals, and other subscription-based products, for the educational, scientific, technical, professional and trade markets in the United States and internationally.

Textbooks are produced primarily for use in formal instruction in the college and university markets, as well as the secondary school market in Australia, while professional and reference books, encyclopedias, dictionaries, and periodicals are intended primarily for practicing and research professionals and for libraries. Some of these, as well as nonfiction consumer publications, are also marketed to the general public. In addition, the Company markets and distributes books from other publishers. The Company also develops and markets electronic versions of certain of its print products, as well as computer software and electronic data bases for educational use and professional research and training. Book publications are primarily in the areas of pure and applied science, engineering, architecture, the social sciences, biomedicine, accounting, law, computer science and business administration. Journal publications are primarily in the scientific and technical, and biomedical research areas.

In fiscal 1997, the Company acquired a 90% interest in the German based VCH Publishing Group (VCH) for approximately \$99 million in cash. VCH is a leading scientific, technical, and professional publisher of journals and books in such disciplines as chemistry, architecture, civil engineering and law.

The Company is on the Internet with a World Wide Web site located at <http://www.wiley.com>.

Domestic Publishing Operations

Adopted textbooks (i.e., textbooks prescribed for course use) are sold primarily to bookstores serving educational institutions in the United States (i.e., college bookstores). The Company employs college sales representatives who call upon faculty members responsible for selecting books to be used in courses, and upon the college bookstores which serve such institutions and their students. Approximately 2,200 domestic college bookstore accounts are active customers. Textbook sales are generally made on a fully returnable basis.

The textbook business is seasonal with the majority of textbook sales occurring during June through August and November through January. Significant amounts of inventory are acquired prior to those periods in order to meet customer delivery requirements. There is an active used textbook market which negatively affects the sales of new textbooks.

Professional and consumer book sales consist of sales to trade bookstores serving the general public, to wholesalers who supply such bookstores, to certain college bookstores for their non-textbook requirements, to individual professional practitioners, and to research institutions, jobbers, libraries (including public, professional, academic, and other special libraries), industrial organizations, and governmental agencies. The Company employs sales representatives who call upon independent bookstores, along with national and regional chain bookstores, wholesalers and jobbers in the United States. Trade sales to bookstores, wholesalers and jobbers are generally made on a fully returnable basis.

Sales of professional and consumer books also result from direct mail campaigns, telemarketing, on-line access, and advertising and reviews in periodicals. The mailings and advertising are intended to promote sales through bookstores and jobbers, as well as to solicit sales directly.

Journal subscriptions result primarily from direct mail and other advertising and promotional campaigns, renewals which are solicited annually either directly or by companies commonly referred to as independent subscription agents, and memberships in the professional societies for those journals that are sponsored by such societies.

The Company also receives licensing revenues from photocopies and electronic uses and reproductions of journal articles and other materials.

Domestic publishing products, other than journals, are distributed from a Company operated warehouse located in New Jersey. Journals are mailed to subscribers directly from the independent printers.

International Publishing Operations

The Company's publications are sold throughout most of the world through subsidiaries located in Europe, Canada, Australia, and Asia, or through agents, or directly from New York. These subsidiaries market their own indigenous publications, as well as publications produced by the domestic operations and other subsidiaries and affiliates.

The Export Sales Department in New York markets the Company's publications through agents as well as foreign sales representatives in countries not served by a foreign subsidiary. John Wiley & Sons International Rights, Inc. sells foreign reprint and translations rights. The Company publishes, or licenses others to publish, its products which are distributed throughout the world in 35 foreign languages.

Approximately 48% of the Company's fiscal 1997 revenues were derived from non-U.S. markets.

Publishing Procedures

The Company usually enters into agreements with authors which state the terms and conditions under which the respective authors' materials will be published and under which other related rights may be exercised, the name in which the copyright will be registered, the basis for any royalties, and other matters. The Company continues to add new titles, revise existing titles, and discontinue the sale of others in the normal course of its business.

Most of the authors of the books and other products published are compensated by royalties which vary with the nature of the product and its anticipated sales potential. In general, royalties for textbooks and consumer books are higher than royalties for research and reference works. The Company makes advances against future royalties to authors of certain of its publications.

Materials for publication are obtained from authors throughout most of the world through the efforts of an editorial staff, outside editorial advisors, and advisory boards. Most materials originate with their authors, but many are prepared as a result of suggestions or solicitations by editors or advisors. The Company's general practice is to revise its basic textbooks every three to five years, if warranted, and to revise other titles as appropriate. Approximately 41% of the Company's fiscal 1997 domestic book publishing revenues were from titles published or revised in that fiscal year. Subscription-based products, other than journals, are updated more frequently on a regular schedule.

Most journals are owned by the Company, in which case they may or may not be sponsored by a professional society. Some are owned by such societies and published by the Company under an agreement. Societies which sponsor or own such journals generally receive a royalty and/or other consideration which varies with the nature of the relationship. The Company usually enters into agreements with the editors of journals which state the duties of the editors, and the fees and expenses for their services. Contributions of journal articles transfer publication rights to the Company or professional society, as applicable. Journal revenues represented approximately 36% of the Company's fiscal 1997 revenues.

The Company's publishing business is not dependent upon a single customer, the loss of whom could have a material adverse effect. The book publishing business has witnessed a significant growth in national and regional bookstore chains in recent years, however, no one customer accounts for more than 5% of total consolidated revenues. The journal subscription business is primarily sourced through independent subscription agents who facilitate the journal ordering process by consolidating the subscription orders/billings of each subscriber with various publishers. Monies are collected in advance from subscribers by the subscription agents and are remitted to the journal publishers, 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 position and liquidity. Subscription agents account for approximately 25% of total consolidated revenues and no one agent accounts for more than 6% of total consolidated revenues.

The Company performs marketing and distribution services for other publishers under agency arrangements. It also engages in co-publishing of titles with foreign publishers and in publication of adaptations of works from other publishers for particular markets.

Like most other publishers, the Company generally contracts with independent printers and binderies for their services. The Company purchases its paper from printers and from independent suppliers. Paper prices decreased during fiscal 1997 compared with the increases experienced in prior years. The Company believes that adequate printing and binding facilities, and sources of paper and other required materials are available to it, and that it is not dependent upon any single supplier.

The Company produces electronic versions of some of its products including software, video, CD-ROM, and through on-line services. Approximately 450 products are available in electronic formats, of which 100 are primary stand-alone products with the remainder representing supplemental products in support of other print products. The Company believes that the demand for new electronic technology products will increase. Accordingly, to properly service its customers and to remain competitive, the Company anticipates it will be necessary to increase its expenditures related to such new technologies over the next several years, including distributing virtually all of the Company's journals as full-text electronic files over the Internet.

Copyrights, Patents, Trademarks, and Environment

Substantially all of the Company's publications are protected by copyright, either in its own name, in the name of the author of the work, or in the name of the sponsoring professional society. Such copyrights protect the Company's exclusive right to publish the work in the United States and in many countries abroad for specified periods: in most cases the author's life plus 50 years, but in any event a minimum of 28 years for works published prior to 1978 and 35 years for works published thereafter.

The Company does not own any other material patents, franchises, or concessions, but does have registered trademarks and service marks in connection with its publishing businesses. The Company's operations are generally not affected by environmental legislation.

Competition Within the Publishing Industry

The sectors of the publishing industry in which the Company is engaged are highly competitive. The principal competitive criteria for the publishing industry are believed to be product quality, suitability of format and subject matter, author reputation, price, timely availability of both new titles and revisions of existing texts and, for textbooks and certain trade books, timely delivery of products to retail outlets. Recent years have seen a consolidation trend within the publishing industry, including several publishing companies having been acquired by larger publishers and other companies.

Based upon currently available industry statistics, the Company believes that of books published and sold in the United States, it accounts for approximately 3% of the total sales of such university and college textbooks, and approximately 3% of the total sales of such professional books.

The Company knows of no reliable industry statistics which would enable it to determine its share of the various foreign markets in which it operates. The Company believes that the percentage of its total book publishing sales in markets outside the United States is higher than that of most of the United States publishers. The Company also believes it is in the top rank of publishers of scientific and technical journals worldwide, as well as the leading commercial chemistry publisher at the research level, and one of the four largest publishers of university and college textbooks for the "hardside" disciplines, i.e. engineering, sciences and mathematics.

Employees

As of April 30, 1997, the Company employed approximately 2,170 persons on a full-time basis worldwide, none of whom are unionized. Management considers relations with its employees to be generally satisfactory.

Financial Information About Industry Segments

The note entitled - "Segment Information" of the Notes to Consolidated Financial Statements listed in the attached index is incorporated herein by reference.

Financial Information about Foreign and Domestic Operations and Export Sales

The note entitled - "Segment Information" of the Notes to Consolidated Financial Statements listed in the attached index is incorporated herein by reference.

Executive Officers

Set forth below as of April 30, 1997 are the names and ages of all executive officers of the Company, the period during which they have been officers, and the offices presently held by each of them.

Name and Age	Officer Since	Present Office
Bradford Wiley II 56	1993	Chairman of the Board since January 1993 and a Director (previously Editor, College Division)
Charles R. Ellis 61	1988	President and Chief Executive Officer since June 1990 and a Director
William J. Pesce 46	1989	Chief Operating Officer since May 1997 (previously Executive Vice President and Group President, Educational & International Publishing; Senior Vice President, Educational & International Publishing Group and Senior Vice President, Educational Publishing Group)
Stephen A. Kippur 50	1986	Executive Vice President and Group President, PRT since June 1996 (previously Senior Vice President, Professional, Reference & Trade Publishing Group)
Richard S. Rudick 58	1978	Senior Vice President, General Counsel since June 1989
Robert D. Wilder 48	1986	Executive Vice President and Chief Financial and Support Operations Officer since June 1996 (previously Senior Vice President, Chief Financial Officer)
William Arlington 48	1990	Senior Vice President, Human Resources since June 1996 (previously Vice President, Human Resources)
Peter W. Clifford 51	1989	Senior Vice President, Finance, Corporate Controller and Chief Accounting Officer since June 1996 (previously Vice President, Finance and Controller)
Deborah E. Wiley 51	1982	Senior Vice President, Corporate Communications since June 1996 and a Director (previously Vice President and Director of Corporate Communications)
Timothy B. King 56	1996	Senior Vice President, Planning and Development since June 1996 (previously Vice President, Planning and Development)

Each of the officers listed above will serve until the next organizational meeting of the Board of Directors of the Company and until each of the respective successors is duly elected and qualified. Deborah E. Wiley is the sister of Bradford Wiley II. There is no other family relationship among any of the aforementioned individuals.

Item 2. Properties

The Company's publishing businesses occupy office, warehouse, and distribution centers in various parts of the world, as listed below (excluding those locations with less than 10,000 square feet of floor area, none of which is considered material property).

Location	Purpose	Approximate Square Feet	Lease Expiration Date

Leased-Domestic:			
New York	Executive and Editorial Offices	230,000	2003
New Jersey	Distribution Center and Office	170,000	2003
New Jersey	Warehouse	132,000	2002
Colorado	Office	17,000	2000
Owned-Foreign:			
Germany	Office and Warehouse	66,000	
Leased-Foreign:			
Australia	Office	16,000	1998
	Warehouse	26,000	2000
Canada	Office	14,000	2001
	Warehouse	41,000	2001
England	Office	49,000	2009
	Warehouse	68,000	2012
Germany	Office	23,000	1999
Singapore	Office and Warehouse	53,000	1999

All of the buildings and the equipment owned or leased are believed to be in good condition and are generally fully utilized. The Company considers its facilities overall to be adequate for its present and near-term anticipated needs.

Item 3. Legal Proceedings

The Company is involved in routine litigation in the ordinary course of its business. In the opinion of management, the ultimate resolution of all pending litigation will not have a material effect upon the financial condition or results of operations of the Company.

**Item 4. Submission of Matters to a
Vote of Security Holders**

No matters were submitted to the Company's security holders during the last quarter of the fiscal year ended April 30, 1997.

PART II**Item 5. Market for the Company's Common
Equity and Related Stockholder Matters**

The Quarterly Share Prices, Dividends and Related Stockholder Matters listed in the attached index are incorporated herein by reference.

Item 6. Selected Financial Data

The Selected Financial Data listed in the attached index is incorporated herein by reference.

**Item 7. Management's Discussion and Analysis of
Financial Condition and Results of Operations**

Management's Discussion and Analysis of Financial Condition and Results of Operations listed in the attached index is incorporated herein by reference.

Item 8. Financial Statements and Supplementary Data

The financial statements and supplementary data listed in the attached index are incorporated herein by reference.

**Item 9. Changes in and Disagreements with
Accountants on Accounting and Financial Disclosure**

None.

PART III

Item 10. Directors and Executive Officers

The information regarding the Board of Directors on pages 4 to 11 of the 1997 Proxy Statement is incorporated herein by reference, and information regarding Executive Officers appears in Part I of this report.

Item 11. Executive Compensation

The information on pages 11 to 17 of the 1997 Proxy Statement is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information on pages 2, 3, 9, and 10 of the 1997 Proxy Statement is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions

The information on page 5 of the 1997 Proxy Statement is incorporated herein by reference.

PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a) Financial Statements and Schedules

(1) List of Financial Statements filed. The financial statements listed in the attached index are filed as part of this Report.

(2) List of Financial Statement Schedules filed. The financial statement schedules listed in the attached index are filed as part of this Report.

(b) Reports on Form 8-K. No reports on form 8-K were filed during the quarter ended April 30, 1997.

(c) Exhibits

2.1 Purchase and Assignment Agreement dated May 7, 1996 among the Company and VCH Publishing Limited Partnership (incorporated by reference to the Company's Report on Form 8-K dated as of June 13, 1996).

2.2 Purchase and Assignment Agreement dated May 7, 1996 among the Company and Gesellschaft Deutscher Chemiker e.V. and Deutsche Pharmazeutische Gesellschaft e.V. (incorporated by reference to the Company's Report on Form 8-K dated as of June 13, 1996).

3.1 Restated Certificate of Incorporation (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1992).

3.2 Certificate of Amendment of the Certificate of Incorporation dated October 13, 1995 (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1996)

3.3 Restated By-Laws dated as of July 1994 (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1995).

4.1 Form of agreement between the Company and certain employees restricting transfer of Class B Common Stock (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended January 31, 1986).

- 10.1 Credit agreement dated as of November 15, 1996 among the Company, the Banks from time to time parties hereto, and Morgan Guaranty Trust Company of New York, as Agent (incorporated by reference to the Company's report on Form 10-Q for the quarterly period ended October 31, 1996).
- 10.2 1991 Key Employee Stock Plan (incorporated by reference to the Company's Definitive Proxy Statement dated August 8, 1991).
- 10.3 Amendment to 1991 Key Employee Stock plan dated as of September 19, 1996 (incorporated by reference to the Company's Definitive Proxy Statement dated August 9, 1996).
- 10.4 1982 and 1987 Incentive Stock Option and Performance Stock Plans (incorporated by reference to the Company's Definitive Proxy Statements dated July 30, 1982 and August 10, 1987).
- 10.5 Amendment to 1982 Stock Option and Performance Stock Plan dated as of September 19, 1985 (incorporated by reference to the Company's Report on Form 8-K dated as of September 19, 1985).
- 10.6 Amendment to 1982 Incentive Stock Option and Performance Stock Plan dated as of March 2, 1989 (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1989).
- 10.7 Amendment to 1987 Incentive Stock Option and Performance Stock Plan dated as of March 2, 1989 (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1989).
- 10.8 1990 Director Stock Plan as Amended and Restated as of June 22, 1995 (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1996).
- 10.9 1989 Supplemental Executive Retirement Plan (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1989).
- 10.10 Agreement of Lease dated as of May 16, 1985 between Fisher 40th & 3rd Company and Hawaiian Realty, Inc., Landlord, and the Company, Tenant (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1985).
- 10.11 Form of the Fiscal Year 1995 Executive Long-Term Incentive Plan (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1994).
- 10.12 Form of the Fiscal Year 1996 Executive Long-Term Incentive Plan (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1995).

- 10.13 Form of the Fiscal Year 1997 Executive Long-Term Incentive Plan (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1996).
- 10.14 Form of the Fiscal Year 1997 Executive Annual Incentive Plan (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1996).
- 10.15 Senior Executive Employment Agreement amended as of March 29, 1995 between Charles R. Ellis and the Company (incorporated by reference to the Company's Report on Form 10-K for the year ended April 30, 1995).
- 10.16 Restricted Stock Award Agreement dated as of June 23, 1994 between Charles R. Ellis and the Company (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.17 Senior Executive Employment Agreement dated as of July 1, 1994 between Stephen A. Kippur and the Company (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.18 Amendment No. 1 to Stephen A. Kippur's Senior Executive Employment Agreement dated as of July 1, 1994 (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.19 Restricted Stock Award Agreement dated as of June 23, 1994 between Stephen A. Kippur and the Company (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.20 Senior Executive Employment Agreement dated as of July 1, 1994 between William J. Pesce and the Company (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.21 Amendment No. 1 to William J. Pesce's Senior Executive Employment Agreement dated as of July 1, 1994 (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.22 Restricted Stock Award Agreement dated as of June 23, 1994 between William J. Pesce and the Company (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.23 Senior Executive Employment Agreement dated as of July 1, 1994 between Robert D. Wilder and the Company (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).

- 10.24 Amendment No. 1 to Robert D. Wilder's Senior Executive Employment Agreement dated as of July 1, 1994 (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.25 Restricted Stock Award Agreement dated as of June 23, 1994 between Robert D. Wilder and the Company (incorporated by reference to the Company's Report on Form 10-Q for the quarterly period ended July 31, 1995).
- 10.26 Employment agreement letter dated as of January 16, 1997 between Richard S. Rudick and the Company.
- 22 List of Subsidiaries of the Company.
- 24 Consent of Independent Public Accountants (included in this report as listed in the attached index).
- 27 Financial Data Schedule.

JOHN WILEY & SONS, INC. AND SUBSIDIARIES

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SCHEDULES

The following financial statements and information appearing on the pages indicated are filed as part of this Report:

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Other schedules are omitted because of absence of conditions under which they apply or because the information required is included in the Notes to the Consolidated Financial Statements.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and the Shareholders of John Wiley & Sons, Inc.:

We have audited the accompanying consolidated statements of financial position of John Wiley & Sons, Inc. (a New York corporation), and subsidiaries as of April 30, 1997 and 1996, and the related consolidated statements of income and retained earnings and cash flows for each of the three years in the period ended April 30, 1997. These financial statements and the schedule referred to below are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and the schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of John Wiley & Sons, Inc., and subsidiaries as of April 30, 1997 and 1996, and the results of their operations and their cash flows for each of the three years in the period ended April 30, 1997 in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule listed in the Index to Consolidated Financial Statements and Schedules is presented for purposes of complying with the Securities and Exchange Commission's rules and is not a required part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

New York, New York

June 11, 1997

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our report included in the John Wiley & Sons, Inc. Form 10-K for the year ended April 30, 1997, into the Company's previously filed Registration Statement File Nos. 33-60268, 2-65296, 2-95104, 33-29372 and 33-62605.

ARTHUR ANDERSEN LLP

New York, New York

June 11, 1997

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

John Wiley & Sons, Inc. and Subsidiaries Dollars in Thousands	April 30	
	1997	1996
Assets		
Current Assets		
Cash and cash equivalents	\$ 79,116	\$ 55,284
Accounts receivable	61,841	60,276
Inventories	49,100	43,981
Deferred income tax benefits	7,143	7,677
Prepaid expenses	6,935	3,413
Total Current Assets	204,135	170,631
Product Development Assets	31,683	30,282
Property and Equipment	32,699	22,989
Intangible Assets	165,147	52,394
Deferred Income Tax Benefits	13,004	--
Other Assets	11,276	8,205
Total Assets	\$ 457,944	\$ 284,501
Liabilities and Shareholders' Equity		
Current Liabilities		
Notes payable	\$ 172	\$ --
Accounts and royalties payable	30,988	36,952
Deferred subscription revenues	94,419	71,999
Accrued income taxes	3,825	5,068
Other accrued liabilities	34,948	25,097
Total Current Liabilities	164,352	139,116
Long-Term Debt	125,000	--
Other Long-Term Liabilities	24,907	14,994
Deferred Income Taxes	14,702	12,409
Shareholders' Equity		
Common stock issued		
Class A (16,569,066 and 16,412,343 shares)	16,569	16,412
Class B (4,037,082 and 4,086,482 shares)	4,037	4,086
Additional paid-in capital	34,332	31,615
Retained earnings	120,823	106,716
Cumulative translation adjustment	106	(3,086)
Unearned deferred compensation	(3,254)	(4,268)
Total Shareholders' Equity	172,613	151,475
Less Treasury shares at cost		
(Class A-3,824,978 and 3,503,109; Class B-871,024 and 871,024)	(43,630)	(33,493)
Total Shareholders' Equity	128,983	117,982
Total Liabilities and Shareholders' Equity	\$ 457,944	\$ 284,501

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

**CONSOLIDATED STATEMENTS OF INCOME
AND RETAINED EARNINGS**

For the years ended April 30 John Wiley & Sons, Inc. and Subsidiaries -----

Dollars In Thousands Except per share data	1997	1996	1995
Revenues	\$ 431,974	\$ 362,704	\$ 331,091
Costs and Expenses			
Cost of sales	155,245	126,718	113,142
Operating and admin. expenses	233,771	198,494	186,984
Amortization of intangibles	8,161	4,537	4,086
Total Costs and Expenses	397,177	329,749	304,212
Operating Income	34,797	32,955	26,879
Interest Income and Other	2,281	6,211	1,768
Interest Expense	(6,225)	(368)	(2,854)
Interest Income (Expense)-Net	(3,944)	5,843	(1,086)
Income Before Taxes	30,853	38,798	25,793
Provision for Income Taxes	10,513	14,118	7,482
Net Income	20,340	24,680	18,311
Retained Earnings at Beginning of Year	106,716	87,541	74,024
Cash Dividends			
Class A Common (\$.40, \$.35 and \$.31 per share)	5,116	4,492	3,885
Class B Common (\$.35, \$.31 and \$.275 per share)	1,117	1,013	909
Total Dividends	6,233	5,505	4,794
Retained Earnings at End of Year	\$ 120,823	\$ 106,716	\$ 87,541
Income Per Share			
Primary and fully diluted	\$ 1.24	\$ 1.49	\$ 1.12

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

John Wiley & Sons, Inc. and Subsidiaries

For the years ended April 30

Dollars In Thousands

	1997	1996	1995
<hr/>			
Operating Activities			
Net Income	\$ 20,340	\$ 24,680	\$ 18,311
Noncash Items			
Amortization of intangibles	8,161	4,537	4,086
Amortization of composition costs	17,763	15,196	12,285
Depreciation of property and equipment	8,340	7,314	6,589
Reserves for returns, doubtful accounts and obsolescence	11,861	6,586	4,321
Deferred income taxes	3,243	7,873	2,094
Other	7,300	7,583	5,155
Changes in Operating Assets and Liabilities			
Increase in receivables	(178)	(12,150)	(8,337)
Decrease (increase) in inventories	1,791	(3,734)	(3,962)
Increase (decrease) in accounts and royalties payable	(12,109)	3,821	6,951
Increase in deferred subscription revenues	7,769	4,996	7,596
Net change in other operating assets and liabilities	(10,372)	1,420	(3,198)
<hr/>			
Cash Provided by Operating Activities	63,909	68,122	51,891
<hr/>			
Investing Activities			
Additions to product development assets	(25,466)	(26,483)	(19,705)
Additions to property and equipment	(8,868)	(9,310)	(7,876)
Acquisition of publishing assets	(103,980)	(3,968)	(12,268)
<hr/>			
Cash Used for Investing Activities	(138,314)	(39,761)	(39,849)
<hr/>			
Financing Activities			
Purchase of treasury shares	(10,506)	(3,323)	(212)
Additions to long-term debt	125,000	--	--
Repayment of long-term debt	(10,542)	--	(32,000)
Net borrowings (repayments) of short-term debt	(1,270)	(624)	522
Cash dividends	(6,233)	(5,505)	(4,794)
Proceeds from issuance of stock on option exercises and othe	1,249	2,289	590
<hr/>			
Cash Provided by (Used for) Financing Activities	97,698	(7,163)	(35,894)
<hr/>			
Effects of Exchange Rate Changes on Cash	539	(324)	805
<hr/>			
Cash and Cash Equivalents			
Increase (decrease) for year	23,832	20,874	(23,047)
Balance at beginning of year	55,284	34,410	57,457
<hr/>			
Balance at end of year	\$ 79,116	\$ 55,284	\$ 34,410
<hr/>			
Cash Paid During the Year for			
Interest	\$ 5,143	\$ 647	\$ 3,807
Income Taxes	\$ 3,966	\$ 2,799	\$ 6,886
<hr/>			

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

Notes to Consolidated Financial Statements Summary of Significant Accounting Policies

Principles of Consolidation: The consolidated financial statements include the accounts of John Wiley & Sons, Inc., and its majority-owned subsidiaries ("the Company"). All significant intercompany items have been eliminated.

Use of Estimates: 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subscription Revenues: Subscription revenues are generally collected in advance. These revenues are deferred and recognized as earned when the related issue is shipped to the subscriber. **Sales Returns and Doubtful Accounts:** The Company provides an estimated allowance for doubtful accounts and for future returns on sales made during the year. The allowance for doubtful accounts and returns (estimated returns net of inventory and royalty costs) is shown as a reduction of receivables in the accompanying consolidated balance sheets and amounted to \$34.5 and \$26.8 million at April 30, 1997 and 1996, respectively. **Depreciation and Amortization:** Buildings, leasehold improvements and capital leases are amortized over the lesser of the estimated useful lives of the assets up to 40 years, or the duration of the various leases, using the straight-line method. Furniture and equipment is depreciated principally on the straight-line method over estimated useful lives ranging from 3 to 10 years. Composition costs representing the costs incurred to bring an edited manuscript to publication including typesetting, proofreading, design and illustration, etc. are capitalized and amortized over estimated useful lives representative of product revenue patterns, generally 3 years.

Intangible Assets: Intangible assets consist of acquired publication rights, which are principally amortized over periods ranging from 3 to 30 years based on the projected revenues of rights acquired, noncompete agreements, which are amortized over the term of such agreements, and goodwill and other intangibles, which are amortized on a straight - line basis over periods ranging from 5 to 40 years. If facts and circumstances indicate that long-lived assets and/or intangible assets may be permanently impaired, it is the Company's policy to assess the carrying value and recoverability of such assets based on an analysis of undiscounted future cash flows of the related operations. Any resulting reduction in carrying value based on the estimated fair value would be charged to operating results.

Foreign Exchange Contracts: The Company, from time to time, enters into forward exchange contracts as a hedge against its overseas subsidiaries' non-functional currency asset, liability, and commitment exposures. Such exposures include overseas subsidiaries' anticipated annual journal subscription revenues, as well as that portion of the revenues and related receivables on sales of book products, that are denominated in U.S. dollars. Realized and unrealized gains and losses are deferred and taken into income over the lives of the hedged items if permitted by generally accepted accounting principles; otherwise the contracts are marked to market with any gains and losses reflected in operating expenses. At April 30, 1997, the Company had one contract to sell approximately \$6.9 million of pound) sterling expiring in May 1997, the market value of which approximated the contract value. There were no open foreign exchange contracts at April 30, 1996. No gains or losses were deferred at April 30, 1997, or 1996.

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". 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 recognized generally ratably over the vesting period based on the fair value of shares. In fiscal 1997, the Company adopted the disclosure-only provision of Statement of Financial Accounting Standards No. 123 "Accounting for Stock-Based Compensation".

Income Per Share: Income per share is determined by dividing income by the weighted average number of common shares outstanding and common stock equivalents resulting from the assumed exercise of outstanding dilutive stock options and other stock awards less shares assumed to be repurchased with the related proceeds at the average market price for the period for primary earnings per share, and at the higher of the average or end of period market price for fully diluted earnings per share.

Cash Equivalents: Cash equivalents consist primarily of highly liquid investments with a maturity of three months or less and are stated at cost plus accrued interest, which approximates market value.

New Accounting Standards: The Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 128 "Earnings Per Share" which becomes effective for the Company's fiscal 1998 consolidated financial statements beginning in the third quarter. SFAS No. 128 will eliminate the disclosure of primary earnings per share, which includes the dilutive effect of stock options, warrants and other convertible securities ("Common Stock Equivalents") and instead requires reporting of "basic" earnings per share, which will exclude Common Stock Equivalents. Additionally, SFAS No. 128 changes the methodology for fully diluted earnings per share. In the opinion of the Company's management, the adoption of this new accounting standard will not have a material effect on the reported earnings per share of the Company.

Acquisitions

In fiscal 1997, the Company acquired a 90% interest in the German-based VCH Publishing Group ("VCH") through the purchase of 90% of the shares of VCH Verlagsgesellschaft mbH for approximately \$99 million in cash. VCH is a leading scientific, technical and professional publisher of journals and books in such disciplines as chemistry, architecture, civil engineering and law. The cost of the acquisition has been allocated on the basis of preliminary estimates of the fair values of the assets acquired and the liabilities assumed. Final asset and liability fair values may differ based on appraisals and tax bases; however it is anticipated that any changes will not have a material effect in the aggregate on the consolidated financial position of the Company. The excess of cost over the preliminary estimate of the fair value of the tangible assets acquired amounted to approximately \$115 million relating to acquired publication rights, which are being amortized on a straight-line basis over an average life of 30 years. In addition, during the year, the Company acquired various newsletters including the publishing assets of Technical Insights, Inc., a publisher of print and electronic newsletters in various areas of science and technology, for purchase prices aggregating \$4.7 million, which primarily relates to goodwill and is being amortized on a straight-line basis over 10 years.

In fiscal 1996, the Company acquired Clinical Psychology Publishing Company (CPPC), a publisher of journals and books in the fields of clinical and educational psychology; Preservation Press, consisting of architectural heritage books, technical preservation guides and children's architecture books; and certain other smaller publishing properties. In addition, the Company became the publisher of Cancer, the American Cancer Society's medical journal. The purchase prices amounted to \$4.0 million in cash plus assumed liabilities of \$1.3 million. The excess of cost over the fair value of the tangible assets acquired amounted to approximately \$3.7 million, of which \$.9 million related to acquired publication rights, \$.2 million related to noncompete agreements, and \$2.6 million represented goodwill and other intangibles, which are being amortized over 5 to 15 years.

In fiscal 1995, the Company acquired the publishing business of Executive Enterprises, Inc., consisting of books, journals and newsletters for environmental management, accounting, law and human resource professionals; ValuSource, which produces specialized business valuation software for accountants, entrepreneurs and corporations; the college engineering list of Houghton Mifflin; the book publishing program of Oliver Wight Publications, Inc., consisting of general management and manufacturing/quality titles; the OS/2 computer-book list of Van Nostrand Reinhold, Inc., and other smaller publishing lists, for purchase prices aggregating \$12.3 million in cash plus assumed liabilities of \$2.9 million. The excess of cost over the fair value of the tangible assets acquired amounted to approximately \$13.5 million, of which \$6.7 million related to acquired publication rights, \$.5 million related to noncompete agreements, and \$6.3 million represented goodwill and other intangibles which are being amortized over 10 to 15 years.

All acquisitions have been accounted for by the purchase method, and the accompanying financial statements include their results of operations since their respective dates of acquisition. The following pro forma information presents the results of operations of the Company as if the VCH acquisition had been consummated as of May 1, 1995. The pro forma financial information is not necessarily indicative of the actual results that would have been obtained had the acquisition been consummated as of May 1, 1995, nor is it necessarily indicative of future results of operations. The pro forma effects for the other acquisitions were not material.

Dollars in thousands, except per share data	1997	1996
Revenues	\$ 441,650	\$ 424,570
Net Income	\$ 18,931	\$ 17,520
Net Income Per Share	\$ 1.16	\$ 1.06

Inventories

Inventories at April 30 were as follows:

Dollars in thousands	1997	1996
Finished Goods	\$ 40,859	\$ 39,616
Work-in-Process	7,475	4,865
Paper, Cloth and Other	2,559	3,026
	50,893	47,507
LIFO Reserve	(1,793)	(3,526)
Total	\$ 49,100	\$ 43,981

Domestic book inventories aggregating \$29.9 million and \$32.2 million at April 30, 1997 and 1996, respectively, are stated at cost or market, whichever is lower, using the last-in, first-out method. All other inventories are stated at cost or market, whichever is lower, using the first-in, first-out method.

Product Development Assets

Product development assets consisted of the following at April 30:

Dollars in thousands	1997	1996
Composition Costs	\$ 21,819	\$ 21,505
Royalty Advances	9,864	8,777
Total	\$ 31,683	\$ 30,282

Composition costs are net of accumulated amortization of \$33,323 in 1997 and \$27,199 in 1996.

Property and Equipment

Property and equipment consisted of the following at April 30:

Dollars in thousands	1997	1996
Land and Land Improvements	\$ 1,419	\$ ----
Buildings and Leasehold Improvements	18,345	12,045
Furniture and Equipment	55,622	45,765
	75,386	57,810
Accumulated Depreciation	(42,687)	(34,821)
Total	\$ 32,699	\$ 22,989

Intangible Assets

Intangible assets are stated at cost, net of accumulated amortization, and consisted of the following at April 30:

Dollars in thousands	1997	1996
----------------------	------	------

Acquired Publication Rights	\$ 122,240	\$ 8,007
Goodwill and Other Intangibles	42,296	43,752
Noncompete Agreements	611	635
Total	\$ 165,147	\$ 52,394

Other Accrued Liabilities

Included in other accrued liabilities was accrued compensation of approximately \$15.0 million and \$13.5 million for 1997 and 1996, respectively.

Income Taxes

The provision for income taxes was as follows:

Dollars in thousands	1997	1996	1995

Currently Payable			
Federal	\$ 945	\$ 1,122	\$ 1,184
Foreign	5,295	4,142	3,675
State and local	1,026	1,000	314

Total Current Provision	7,266	6,264	5,173

Deferred Provision			
Federal	2,496	5,270	1,716
Foreign	834	1,687	451
State and Local	(83)	897	142

Total Deferred Provision	3,247	7,854	2,309

Total Provision	\$10,513	\$ 14,118	\$ 7,482

The Company's effective income tax rate as a percent of pretax income differed from the U.S. federal statutory rate as shown below:

	1997	1996	1995

U.S. Federal Statutory Rate	35.0%	35.0%	35.0%
State and Local Income Taxes			
Net of Federal Income Tax Benefit	2.0	3.2	.8
Tax Benefit Derived from FSC Income	(4.8)	(3.1)	(6.1)
Foreign Source Earnings Taxed at			
Other than U.S. Statutory Rate	.3	1.1	(1.0)
Nondeductible Amortization			
of Intangibles	.9	.7	1.1
Other-Net	.7	(.5)	(.8)

Effective Income Tax Rate	34.1%	36.4%	29.0%

Deferred taxes result from timing differences in the recognition of revenue and expense for tax and financial reporting purposes. The components of the provision for deferred taxes were as follows:

Dollars in thousands	1997	1996	1995

Depreciation and Amortization	\$ (691)	\$ (3,684)	\$ 1,451
Accrued Expenses	264	6,100	1,197
Circulation Costs	----	1,471	1,614
Provision for Sales Returns			
and Doubtful Accounts	(959)	(1,391)	(255)
Inventory	112	578	(1,150)
Retirement Benefits	(87)	(66)	(224)
Divested Operations	----	(3,386)	----
Long-Term Liabilities	1,562	5,102	----
Alternative Minimum Tax Credit			
and Other Carryforwards	653	1,869	(722)
Net Operating Loss Carryforwards	(1,150)	----	----
Valuation Allowance	2,432	----	----
Other-Net	1,111	1,261	398

Total Deferred Provision	\$ 3,247	\$ 7,854	\$ 2,309

The significant components of deferred tax assets and liabilities were as follows:

Dollars in thousands	1997		1996	
	Current	Long-Term	Current	Long-Term

Deferred Tax Assets				
Net Operating Loss				
Carryforwards	\$ ----	\$25,703	\$ ----	\$ ----
Reserve for Sales Returns				
and Doubtful Accounts	8,219	----	7,100	----
Costs Capitalized for Taxes	----	3,282	----	2,951

Retirement and Post-Employment Benefits	----	3,387	----	2,517
Amortization of Intangibles	----	1,140	----	----
Other	52	----	1,871	----

Total Deferred Tax Assets	8,271	33,512	8,971	5,468
Less: Valuation Allowance	----	(13,344)	----	----
Net Deferred Tax Assets	8,271	20,168	8,971	5,468

Deferred Tax Liabilities				
Inventory	(1,128)	----	(1,294)	----
Depreciation and Amortization	----	(5,149)	----	(3,278)
Divested Operations	----	(44)	----	248
Accrued Expenses	----	(6,230)	----	(5,664)
Long-Term Liabilities	----	(8,891)	----	(6,557)
Other	----	(1,552)	----	(2,626)

Total Deferred Tax Liabilities	(1,128)	(21,866)	(1,294)	(17,877)

Net Deferred Tax Assets (Liability)	\$ 7,143	\$(1,698)	\$ 7,677	\$(12,409)

Approximately \$10.9 million of the valuation allowance relates to net deferred tax assets recorded in connection with the VCH acquisition. Any amounts realized in future years will reduce the intangible assets recorded at date of acquisition.

At April 30, 1997, the Company had aggregate unused net operating loss carryforwards of approximately \$62.3 million which may be available to reduce future taxable income primarily in foreign tax jurisdictions and generally have no expiration date.

In fiscal 1996, the Company received approximately \$6 million of net federal, state and local tax refunds including interest on the favorable resolution of amended tax return claims of prior years primarily relating to timing differences. Net income for fiscal 1996 includes interest income related thereto of \$4.4 million, or \$2.6 million after taxes, equal to \$.16 per share.

In general, the Company plans to continue to invest the undistributed earnings of its foreign subsidiaries in those businesses, and therefore no provision is made for taxes which would be payable if such earnings were distributed. At April 30, 1997, the undistributed earnings of foreign subsidiaries approximated \$32.3 million and, if remitted currently, would result in additional taxes approximating \$5.3 million.

Notes Payable and Debt

Long-term debt consisted of the following at April 30:

Dollars in thousands	1997	1996
Term Loan Notes Payable Due October 2000 Through 2003	\$ 125,000	\$ ----

The weighted average interest rate on the term-loan was 5.82% during 1997, as well as at April 30, 1997.

In fiscal 1997, the Company entered into a seven year, \$175 million credit agreement expiring on October 31, 2003, with nine banks to obtain permanent financing for the VCH acquisition and to replace its existing \$50 million revolving credit facility. The new credit agreement consists of a term loan of \$125 million and a new \$50 million revolving credit facility. The Company has the option of borrowing at the following floating interest rates: (i) Eurodollars at a rate based on the London Interbank Offered Rate (LIBOR) plus an applicable margin ranging from .15% to .30% depending on certain coverage ratios or (ii) dollars at a rate based on the current certificate of deposit rate, plus an applicable margin ranging from .275% to .425% depending on certain coverage ratios or (iii) dollars at the higher of (a) the Federal Funds Rate plus .5% and (b) the banks' prime rate. In addition, the Company pays a facility fee ranging from .10% to .20% on the total facility depending on certain coverage ratios.

In the event of a change of control, as defined, the banks have the option to terminate the agreement and require repayment of any amounts outstanding. Amounts outstanding under the term loan have mandatory repayments as follows:

Dollars in thousands 1998 1999 2000 2001 2002

\$ ---- \$ ---- \$ ---- \$30,000 \$30,000

The credit agreement contains certain restrictive covenants related to minimum net worth, funded debt levels, an interest coverage ratio and restricted payments, including a cumulative limitation for dividends paid and share repurchases. Under the most restrictive covenant, approximately \$51 million was available for the payment of future dividends as of April 30, 1997.

The Company and its subsidiaries have other short-term lines of credit aggregating \$51 million at various interest rates. Information relating to all short-term lines of credit follows:

Dollars in thousands	1997	1996	1995
End of Year			
Amount outstanding	\$ 172	----	\$ 621
Weighted average interest rate	10.4%	----	8.5%
During the Year			
Maximum amount outstanding	\$26,253	\$18,909	\$ 1,351
Average amount outstanding	\$11,368	\$ 5,960	\$ 529
Weighted average interest rate	6.0%	7.0%	8.7%

Based on estimates of interest rates currently available to the Company for loans with similar terms and maturities, the fair value of notes payable and long-term debt approximates the carrying value.

Retirement Plans

The Company and its principal subsidiaries have contributory and noncontributory retirement plans that cover substantially all employees. The plans generally provide for employee retirement between the ages of 60 and 65 and benefits based on length of service and final average compensation, as defined. No increase in compensation levels is assumed for the domestic plan, as the Company may, but is not required to, update from time to time the ending date (currently December 31, 1993) for the three-year period used to determine final average compensation. For funded plans, funds are contributed as necessary to provide for current service and for a portion of any unfunded projected benefit obligation. To the extent that these requirements are exceeded by plan assets, a contribution may not be made in a particular year. Plan assets consist principally of investments in corporate stocks and bonds and government obligations. The unfunded plan primarily relates to a non-U.S. subsidiary and is governed by local statutory requirements.

Pension costs for the defined benefit plans were as follows:

Dollars in thousands	1997	1996	1995
Service Cost	\$ 2,902	\$ 2,598	\$ 2,418
Interest Cost on Projected Benefit Obligation	4,665	3,757	3,440
Return on Assets	(6,826)	(6,331)	(2,937)
Net Amortization and Deferral	1,014	1,430	(1,764)
Net Periodic Pension Expense	\$ 1,755	\$ 1,454	\$ 1,157

The net pension expense included above for the international plans amounted to approximately \$1.5 million, \$1.1 million and \$1.0 million for 1997, 1996, and 1995, respectively.

The following table sets forth the status of the plans and the amounts recognized in the Company's consolidated statements of financial position.

Dollars in thousands	1997		1996	
	Assets Exceed Accumulated Benefits	Accumulated Benefits Exceed Assets	Assets Exceed Accumulated Benefits	Accumulated Benefits Exceed Assets
Fair Value of Plan Assets	\$ 68,385	\$ ----	\$ 61,076	
Accumulated Benefit Obligation				
Vested Benefits	(50,214)	(10,462)	(45,624)	
Nonvested Benefits	(3,204)	(564)	(2,827)	
Projected Compensation Increases	(53,418)	(11,026)	(48,451)	
Projected Benefit Obligation	(3,808)	(1,420)	(3,440)	
Funded Status	(57,226)	(12,446)	(51,891)	
Unrecognized Net Asset	11,159	(12,446)	9,185	
Unrecognized Prior Service Cost	(3,759)	----	(4,424)	
Unrecognized Net Loss (Gain)	1,692	447	2,265	
Prepaid (Accrued) Pension Cost	(7,524)	350	(6,696)	
	\$ 1,568	\$ (11,649)	\$ 330	

The range of assumptions used in 1997 and 1996 were:

	1997		1996	
	Assets Exceed Accumulated Benefits	Accumulated Benefits Exceed Assets	Assets Exceed Accumulated Benefits	Accumulated Benefits Exceed Assets
Discount Rate	7.5-8.5%	6.5%	7.5%-8.5%	
Expected Long-Term Rate of Return on Plan Assets	7.0-8.0%	----	7.0%-8.0%	
Rate of Increase in Compensation Levels	0-7.0%	3.7%	0-7.0%	

The Company has agreements with certain officers and senior management personnel that provide for the payment of supplemental retirement benefits during each of the 10 years after the termination of employment. Under certain circumstances, including a change of control as defined, the payment of such amounts could be accelerated on a present value basis. The cost of these benefits is being charged to expense on a present value basis over the estimated term of employment and amounted to approximately \$1.1 million, \$1.0 million, and \$.9 million in 1997, 1996 and 1995, respectively.

The Company provides life insurance and health care benefits, subject to certain dollar limitations and retiree contributions, for substantially all of its retired domestic employees. The cost of such benefits is expensed over the years that the employees render service and is funded on a pay-as-you-go, cash basis. The accumulated post-retirement benefit obligation amounted to \$.3 million at April 30, 1997 and 1996 and the amount expensed in fiscal 1997 and prior years was not material.

Commitments and Contingencies

The following schedule shows the composition of rent expense for operating leases:

Dollars in thousands	1997	1996	1995
Minimum Rental	\$ 13,654	\$ 12,550	\$ 12,202
Lease Escalation	2,188	1,913	1,848
Less: Sublease Rentals	(19)	(19)	(63)
Total	\$ 15,823	\$ 14,444	\$ 13,987

Future minimum payments under operating leases aggregated \$93.4 million at April 30, 1997. Annual payments under these leases are \$16.2 million, \$15.6 million, \$14.1 million, \$13.6 million and \$13.3 million for fiscal years 1998 through 2002, respectively.

The Company is involved in routine litigation in the ordinary course of its business. In the opinion of management, the ultimate resolution of all pending litigation will not have a material effect upon the financial condition or results of operations of the Company.

Segment Information

The Company operates in one business segment, namely publishing, and develops, publishes and markets products in print and electronic formats including textbooks, professional and reference works, consumer books, and periodicals including journals and other subscription-based products, for the educational, scientific, technical, professional and trade markets around the world.

The Company's international operations are located in Europe, Canada, Australia and Asia. The following table presents revenues, operating income and identifiable assets for the domestic and international operations.

Dollars in thousands	1997	1996	1995
Revenues			
Domestic	\$ 297,152	\$ 279,998	\$ 258,464
International	170,638	112,299	102,907
Interarea transfers	(35,816)	(29,593)	(30,280)
Total	\$ 431,974	\$ 362,704	\$ 331,091
Operating Income			
Domestic	\$ 20,817	\$ 20,180	\$ 15,242
International	13,980	12,775	11,637
Total	\$ 34,797	\$ 32,955	\$ 26,879
Identifiable Assets			
Domestic	\$ 186,473	\$ 178,442	\$ 166,478
International	192,355	50,775	46,593
Corporate	79,116	55,284	34,410
Total	\$ 457,944	\$ 284,501	\$ 247,481

Transfers between geographic areas are generally made at a fixed discount from list price and principally represent sales from the United States to the Company's international operations. Export sales from the United States to unaffiliated international customers amounted to approximately \$51.4 million, \$47.5 million and \$41.2 million in 1997, 1996 and 1995, respectively. The pretax income for consolidated international operations was approximately \$16.5 million, \$13.0 million and \$11.6 million in 1997, 1996 and 1995, respectively.

Included in operating and administrative expenses were net foreign exchange gains (losses) of approximately \$.7 million, \$.2 million and \$(.2) million in 1997, 1996 and 1995, respectively.

Changes in the cumulative translation adjustment account were as follows:

Dollars in thousands	1997	1996
Balance at May 1	\$ (3,086)	\$ (2,411)
Aggregate Translation Adjustments for the Year	3,192	(675)
Balance at April 30	\$ 106	\$ (3,086)

Stock Compensation Plans

Under the Company's Key Employee Stock Plan, qualified employees are eligible to receive awards that may include stock options, performance stock awards and restricted stock awards up to a maximum per year of 3% of Class A stock outstanding and subject to an overall maximum of 2,000,000 shares through the year 2000. As of April 30, 1997, approximately 780,689 shares were available for future grants.

Options granted under the plan may not be less than 100% of the fair market value of the stock at the date of grant. Options are exercisable, in part or in full, over a maximum period of 10 years from the date of grant, and generally vest within five years from the date of the grant. Under certain circumstances relating to a change of control, as defined, the right to exercise options outstanding could be accelerated.

The Company elected to apply the disclosure-only provisions of Statement of Financial Accounting Standards No. 123 "Accounting for Stock-Based Compensation". Accordingly, no compensation cost is recognized for fixed stock option grants. Had compensation cost been recognized, net income would have been reduced on a pro forma basis by \$.4 million, or \$.02 per share, in 1997 and \$.1 million, or \$.01 per share, in 1996. For the pro forma calculations, the fair value of each option grant was estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions for 1997 and 1996, respectively: risk-free interest rate of 7.1% and 6.3%, dividend yield of 1.5% and 2.0%, and volatility of 22% and expected life of nine years for both years.

A summary of the activity and status of the company's stock option plans follows:

(Options in thousands)	1997		1996	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding at Beginning of Year	1,028,663	\$ 15.38	1,070,038	\$ 12.87
Granted	143,349	30.36	133,224	28.76
Exercised	(107,323)	10.84	(157,099)	9.62
Canceled	(22,750)	17.24	(17,500)	15.64
Outstanding at End of Year	1,041,939	\$ 17.87	1,028,663	\$ 15.38
Exercisable at End of Year	603,941	\$ 12.26	570,170	\$ 11.07

The weighted average fair value of options granted during the year was \$12.05 and \$9.88 in 1997 and 1996, respectively.

A summary of information about stock options outstanding and options exercisable at April 30, 1997, follows:

(Options in thousands)	Options Outstanding			Options Exercisable	
	Options	Weighted Average Remaining Term	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Range of Exercise Prices					
\$ 6.75 to \$ 12.25	524,841	4.7 years	\$ 10.04	498,165	\$ 9.96
\$ 20.69	204,925	7.1 years	\$ 20.69	68,700	\$ 20.69
\$ 26.25 to \$ 31.63	312,173	8.9 years	\$ 29.17	37,076	\$ 27.48
Total	1,041,939	6.2 years	\$ 17.87	603,941	\$ 12.26

Under the terms of the Company's executive long-term incentive plans, upon the achievement of certain three-year financial performance-based targets, awards will be payable in restricted shares of the Company's Class A Common stock. The restricted shares vest equally as to 50% on the first and second anniversary date after the date the award is earned. Compensation expense is charged to earnings over the respective three-year period. In addition, the Company granted restricted shares of the Company's Class A Common stock to key executive officers and others in connection with their employment. The restricted shares generally vest one-third at the end of the third, fourth and fifth years, respectively, following the date of the grant. Under certain circumstances relating to a change of control or termination, as defined, the restrictions would lapse and shares would vest earlier. Compensation expense is charged to earnings ratably over five years, or sooner if vesting is accelerated, from the dates of grant. Restricted shares issued in connection with the above plans amounted to 25,638, 145,658 and 101,084 shares at weighted-average grant-date fair values of \$29.00, \$28.11, and \$21.00 per share, in 1997, 1996 and 1995, respectively. Compensation expense charged to earnings for the above amounted to \$1.5 million, \$1.3 million and \$.3 million in 1997, 1996 and 1995, respectively.

Under the terms of the Company's Director Stock Plan, each member of the Board of Directors who is not an employee of the Company is awarded Class A Common stock equal to 50% of the board member's annual cash compensation, based on the market value of the stock on the date of the shareholders' meeting. Directors may also elect to receive all or a portion of their cash compensation in stock. Under this plan 10,274, 5,752 and 8,662 shares were issued in 1997, 1996, and 1995, respectively. Compensation expense related to this plan amounted to approximately \$.3 million, \$.2 million, and \$.2 million in 1997, 1996 and 1995, respectively.

Capital Stock and Changes in Capital Accounts

Preferred stock consists of 2,000,000 authorized shares with \$1 par value. To date, no preferred shares have been issued. Common stock consists of 30,000,000 authorized shares of Class A Common, \$1 par value, and 12,000,000 authorized shares of Class B Common, \$1 par value.

Each share of the Company's Class B Common stock is convertible into one share of Class A Common stock. The holders of Class A stock are entitled to elect 30% of the entire Board of Directors and the holders of Class B stock are entitled to elect the remainder. On all other matters, each share of Class A stock is entitled to one-tenth of one vote and each share of Class B stock is entitled to one vote.

Changes in selected capital accounts were as follows:

Dollars in thousands	Common Stock Class A	Stock Class B	Additional Paid-In Capital	Treasury Stock
Balance at April 30, 1994	\$8,045	\$2,091	\$33,008	\$(31,033)
Restricted Share Issuance	----	----	1,266	618
Director Stock Plan Issuance	----	----	124	59
Executive Long-Term Incentive Plan Issuance	----	----	162	76
Exercise of Stock Options	35	----	601	(46)
Purchase of Treasury Shares	----	----	----	(212)
Other	7	(7)	455	----
Retroactive effect of 2 for 1 stock split	8,086	2,084	(10,170)	----
Balance at April 30, 1995	\$16,173	\$4,168	\$25,446	\$(30,538)
Director Stock Plan Issuance	----	----	124	41
Executive Long-Term Incentive Plan Issuance	----	----	182	60
Purchase of Treasury Shares	----	----	----	(3,323)
Restricted Share Issuance	----	----	3,054	948
Issuance of Shares Under Employee Savings Plan	----	----	674	208
Exercise of Stock Options	157	----	1,354	(889)
Other	82	(82)	781	----
Balance at May 1, 1996	\$16,412	\$4,086	\$31,615	\$(33,493)
Director Stock Plan Issuance	----	----	217	85
Executive Long-Term Incentive Plan Issuance	----	----	132	47
Purchase of Treasury Shares	----	----	----	(10,506)
Restricted Share Issuance	----	----	337	149
Issuance of Shares Under Employee Savings Plan	----	----	212	84
Exercise of Stock Options	108	----	1,056	----
Other	49	(49)	763	4
Balance at April 30, 1997	\$16,569	\$4,037	\$34,332	\$(43,630)

Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations: Fiscal 1997 Compared to Fiscal 1996

The Company continued to expand its global operations and grow its core businesses.

In fiscal 1997, the Company acquired a 90% interest in the German based VCH Publishing Group ("VCH") through the purchase of 90% of the shares of VCH Verlagsgesellschaft mbH for approximately \$99 million in cash. VCH is a leading scientific, technical and professional publisher of journals and books in such disciplines as chemistry, architecture, civil engineering and law. During the year, the Company also acquired various newsletters including the publishing assets of Technical Insights, Inc., a publisher of print and electronic newsletters in various areas of science and technology, for purchase prices aggregating \$4.7 million.

Revenues for the year advanced 19% to \$432.0 million. Excluding VCH, revenues increased 6% over the prior year driven by the Company's scientific, technical and medical journal programs, by its college division and by its international operations. The Company's worldwide scientific, technical, and medical publishing revenues advanced 36% over the prior year, and 9% excluding VCH. Educational publishing revenues increased 7% and professional/trade revenues increased marginally over the prior year. Similar to the experience of other companies in the trade publishing markets, professional/trade results were adversely affected by a change in a small number of domestic wholesalers and retailers to just-in-time inventory management policies, which also resulted in higher returns.

Cost of sales as a percentage of revenues was 35.9% in 1997 compared with 34.9% in the prior year primarily reflecting increased author royalties and inventory write-offs.

Operating and administrative expenses, excluding VCH, increased by 3.6% over the prior year. Expenses declined as a percentage of revenues to 54.1% in 1997 from 54.7%, as the rate of growth in expenses was contained at less than the revenue growth rate.

Operating income increased 6% over the prior year to \$34.8 million primarily due to the effects of the higher revenue base. Operating income margins declined to 8.1% of revenue from 9.1% in the prior year primarily due to the amortization of intangibles related to the VCH acquisition.

Interest expense increased by \$5.8 million due to the financing costs related to the VCH acquisition. Interest income decreased by \$3.9 million primarily as a result of interest received in the prior year on the favorable resolution of amended tax return claims amounting to \$4.4 million.

The effective tax rate was 34.1% compared with 36.4% in the prior year primarily due to higher tax benefits related to the foreign sales corporation and lower state and local income taxes.

Net income declined \$4.3 million to \$20.3 million primarily due to VCH's acquisition related financing and amortization costs in the current year, as well as the special income item in the prior year of \$2.6 million after taxes, equal to \$.16 per share, related to interest received on the resolution of amended tax return claims.

Results of Operations: Fiscal 1996 Compared to Fiscal 1995

In fiscal 1996, the Company invested a total of \$4.0 million during the year to acquire the Clinical Psychology Publishing Company (CPPC), a publisher of journals and books in the fields of clinical and educational psychology; Preservation Press consisting of architectural heritage books, technical preservation guides and children's architecture books; and certain other smaller publishing properties. The Company also became the publisher of Cancer, the American Cancer Society's medical journal.

Revenues for the year advanced 10% to \$362.7 million led by the Company's worldwide scientific, technical and medical journal programs, college texts and the professional/trade computer and business book lines. Worldwide scientific, technical, and medical publishing revenues increased 13% and professional/trade revenues increased 10% over the prior year. Educational publishing revenues increased 5% over the prior year.

Cost of sales as a percentage of revenues was 34.9% in 1996 compared with 34.2% in the prior year primarily reflecting increased paper costs.

Operating and administrative expenses increased by 6.2% but declined as a percentage of revenues to 54.7% in 1996 from 56.5% as the rate of growth in expenses was contained at less than the revenue growth rate.

Operating income increased 23% over the prior year to \$33.0 million primarily due to the effects of the higher revenue base coupled with a cost- contained infrastructure. Operating income margins improved to 9.1% of revenue from 8.1% in the prior year.

Net interest income increased by \$6.9 million over the prior year primarily as a result of interest received on the favorable resolution of amended tax return claims amounting to \$4.4 million, or \$2.6 million after taxes, equal to \$.16 per share. The improvement was also due to the prepayment of high-cost long-term debt at the end of fiscal 1995.

The effective tax rate was 36.4%, compared with 29.0% in the prior year, due to higher effective tax rates on state, local and foreign sourced earnings.

Liquidity and Capital Resources

The Company's cash and cash equivalents balance was \$79.1 million at the end of fiscal 1997, compared with \$55.3 at the end of the prior year. Cash provided by operating activities was \$63.9 million in fiscal 1997, a decrease of \$4.2 million compared with the prior year. The prior year included \$6 million of cash flow related to the favorable resolution of amended tax return claims.

The Company's operating cash flow is strongly affected by the seasonality of its domestic college business and receipts from its journal subscriptions. Receipts from journal subscriptions occur primarily during November and December from companies commonly referred to as independent subscription agents. These companies facilitate the journal ordering process by consolidating the subscription orders/billings of each subscriber with various publishers. Monies are collected in advance from subscribers by the subscription agents and are remitted to 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 position and liquidity. Subscription agents account for approximately 25% of total consolidated revenues and no one agent accounts for more than 6% of total consolidated revenues.

Sales to the domestic college market tend to be concentrated in June through August, and again in November through January. Cash disbursements for inventory are relatively large during the spring in anticipation of these college sales. The Company normally requires increased funds for working capital from the beginning of the fiscal year into September. Subject to variations that may be caused by fluctuations in inventory accumulation or in patterns of customer payments, the Company's normal operating cash flow is not expected to vary materially in the near term.

To finance its short-term seasonal working capital requirements and its growth opportunities, the Company has adequate cash and cash equivalents available, as well as both domestic and foreign short-term lines of credit, as more fully described in the note to the consolidated financial statements entitled "Notes Payable and Debt".

The capital expenditures of the Company consist primarily of investments in product development and property and equipment. Capital expenditures for fiscal 1998 are expected to increase approximately 40% over 1997, primarily representing increased investments in product development, including electronic media products, and computer equipment upgrades to support the higher volume of business to ensure efficient, quality-driven customer service. These investments will be funded primarily from internal cash generation or from the liquidation of cash equivalents.

Effects of Inflation and Cost Increases

Although the impact of inflation is somewhat minimized, as the business does not require a high level of investment in property and equipment, the Company does experience continuing cost increases reflecting, in part, general inflationary factors. To mitigate the effects of paper and other cost increases, the Company has taken a number of initiatives including various steps to lower overall production and manufacturing costs including substitution of paper grades. In addition, selling prices have been selectively increased as competitive conditions permit. The Company anticipates that it will be able to continue this approach in the future. Paper prices decreased in fiscal 1997 after a few years of an increasing price environment.

Results by Quarter (Unaudited)

John Wiley & Sons, Inc. and Subsidiaries		
Dollars in thousands except per share data		
	1997	1996
Revenues		
First quarter	\$ 99,217	\$ 88,092
Second quarter	107,070	86,831
Third quarter	118,105	97,409
Fourth quarter	107,582	90,372
Fiscal year	\$431,974	\$362,704
Operating Income		
First quarter	\$ 11,716	\$ 11,496
Second quarter	7,189	7,119
Third quarter	11,913	10,710
Fourth quarter	3,979	3,630
Fiscal year	\$ 34,797	\$ 32,955
Net Income		
First quarter	\$ 7,229	\$ 7,118
Second quarter	3,494	4,240
Third quarter	6,731	9,835<F1>
Fourth quarter	2,886	3,487
Fiscal year	\$ 20,340	\$ 24,680
Income Per Share		
Primary and Fully Diluted		
First quarter	\$.44	\$.43
Second quarter	.21	.26
Third quarter	.41	.59<F1>
Fourth quarter	.18	.21
Fiscal year	\$ 1.24	\$ 1.49

<F1> Includes interest income after taxes in 1996 of \$2.6 million, equal to \$.16 per share, relating to interest received on the favorable resolution of amended tax return claims.

The Company's Class A and Class B shares are listed on the New York Stock Exchange under the symbols JWA and JWB, respectively. Dividends per share and the market price range by fiscal quarter for the past two fiscal years were as follows:

	Class A Common Stock			Class B Common Stock		
	Divi- dends	Market High	Price Low	Divi- dends	Market High	Price Low
1997						
First quarter	\$.10	\$35.13	\$27.50	\$.0875	\$34.75	\$28.75
Second quarter	.10	30.75	27.75	.0875	30.50	28.00
Third quarter	.10	32.25	27.50	.0875	32.00	27.50
Fourth quarter	.10	31.88	28.13	.0875	31.25	28.75
1996						
First quarter	\$.0875	\$28.75	\$27.13	\$.0775	\$29.00	\$27.75
Second quarter	.0875	30.50	27.13	.0775	30.00	28.00
Third quarter	.0875	35.00	28.88	.0775	34.75	28.75
Fourth quarter	.0875	35.00	29.63	.0775	34.63	29.50

As of April 30, 1997, the approximate number of holders of the Company's Class A and Class B Common Stock were 1,290 and 200, respectively, based on the holders of record and other information available to the Company.

The Company's credit agreement contains certain restrictive covenants related to the payment of dividends. Under the most restrictive covenant, approximately \$51 million was available for the payment of future dividends. Subject to the foregoing, the Board of Directors considers quarterly the payment of cash dividends based upon its review of earnings, the financial position of the Company and other relevant factors.

Selected Financial Data

John Wiley & Sons, Inc. and Subsidiaries

For the years ended April 30

Dollars in thousands except per share data

	1997	1996	1995	1994	1993
Revenues	\$431,974	\$362,704	\$331,091	\$294,289	\$272,894
Operating Income	34,797	32,955	26,879	18,883	13,016
Net Income	20,340	24,680<F1>	18,311	12,117	7,718
Working Capital	39,783	31,515	11,241	35,059	31,804
Total Assets	457,944	284,501	247,481	243,940	220,593
Long-Term Debt	125,000	--	--	26,000	32,000
Shareholders' Equity	128,983	117,982	98,832	82,330	71,276

Per Share Data					
Net Income					
Primary and Fully Diluted	1.24	1.49<F1>	1.12	.76	.50
Cash Dividends					
Class A Common	.40	.35	.31	.275	.275
Class B Common	.35	.31	.275	.245	.245
Book Value-End of Year	8.11	7.32	6.21	5.23	4.63

<F1> Fiscal 1996 net income includes interest income after taxes of \$2.6 million, or \$.16 per share, received on the favorable resolution of amended tax return claims.

JOHN WILEY & SONS, INC. AND SUBSIDIARIES
VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED APRIL 30, 1997, 1996 AND 1995

(Dollars in Thousands)

Description	Balance at Beginning of Period	Additions Charged to Costs and Expenses	From Acquisitions	Deductions from Reserves	Balance at End of Period

Year Ended April 30, 1997					
Allowance for sales returns<F1>	\$ 20,786	\$ 26,396	\$ 357	\$ 20,440	\$ 27,099
Allowance for doubtful accounts	\$ 6,049	\$ 2,591	\$ 1,548	\$ 2,774<F2>	\$ 7,414
Year Ended April 30, 1996					
Allowance for sales returns<F1>	\$ 17,519	\$ 17,744		\$ 14,477	\$ 20,786
Allowance for doubtful accounts	\$ 5,114	\$ 5,499		\$ 4,564<F2>	\$ 6,049
Year Ended April 30, 1995					
Allowance for sales returns<F1>	\$ 15,558	\$ 16,110		\$ 14,149	\$ 17,519
Allowance for doubtful accounts	\$ 4,385	\$ 4,014		\$ 3,285<F2>	\$ 5,114

<F1> Allowance for sales returns represents anticipated returns net of inventory and royalty costs.

<F2> Accounts written off, less recoveries.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

JOHN WILEY & SONS, INC.

(Company)

By: /s/ Charles R. Ellis

Charles R. Ellis
President and Chief Executive Officer

By: /s/ Robert D. Wilder

Robert D. Wilder
Executive Vice President and
Chief Financial & Support Operations Officer

By: /s/ Peter W. Clifford

Peter W. Clifford
Senior Vice President, Finance
Corporate Controller
& Chief Accounting Officer

Dated: June 26, 1997

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons constituting directors of the Company on June 26, 1997.

/s/ Franklin E. Agnew

Franklin E. Agnew

/s/ Warren J. Baker

Warren J. Baker

/s/ Charles R. Ellis

Charles R. Ellis

/s/ H. Allen Fernald

H. Allen Fernald

Gary J. Fernandes

/s/ Larry Franklin

Larry Franklin

/s/ John S. Herrington

John S. Herrington

/s/ Henry A. McKinnell, Jr

Henry A. McKinnell, Jr.

/s/ Chester O. Macey

Chester O. Macey

/s/ William R. Sutherland

William R. Sutherland

/s/ Thomas M. Taylor

Thomas M. Taylor

/s/ Leo J. Thomas

Leo J. Thomas

/s/ Bradford Wiley II

Bradford Wiley II

/s/ Deborah E. Wiley

Deborah E. Wiley

/s/ Peter Booth Wiley

Peter Booth Wiley

January 16, 1997

Richard S. Rudick, Esq.
125 East 63rd Street
New York, N.Y. 10021

Dear Dick:

This letter, when signed by both of us, will confirm our understanding as follows regarding certain matters relating to your employment.

Your employment as a Senior Vice President of the Company is "at will", and may be terminated by the Company or by you at any time, for any reason, subject however to the provisions of this agreement.

If your employment is terminated by the Company other than for cause as defined below, you shall be entitled to severance as follows:

Continuation of base salary then in effect for 15 months ("the Severance Period") from the date of termination. If during the Severance Period you obtain regular employment, you agree to promptly notify the Company, and the payments due hereunder shall be reduced dollar for dollar by the amount of cash compensation in excess of \$90,000 from such employment during the Severance Period. If as a result of any such offset, the Company has overpaid you, you agree to promptly reimburse the Company.

Coverage during the Severance Period (at the levels in effect for comparable employees from time to time,) under the following employee benefit plans or provisions for comparable benefits outside such plans, but only to the extent comparable coverage is not provided by any new employer: (1) Group Health Insurance Program; (2) Group Life and Accidental Death and Dismemberment Insurance, taking into account any waiver of coverage under the Supplemental Executive Retirement Plan ("SERP") in which you participate.

Outplacement services, in accordance with the policy of the Company for senior executives at the time of termination.

If within 18 months following a "change of control" as defined in the SERP, you are terminated by the Company other than for cause as defined below, or elect to terminate your contract for "good reason" as defined in the SERP, in either case you shall, in addition to the amounts specified above, be entitled to your "target incentive amount" under the Executive Annual Incentive Plan ("EAIP") for a fiscal year ending during the Severance Period, (and if not otherwise determined prior to termination, for any prior fiscal year) and the same amount (pro-rated to the end of the Severance Period), for the EAIP for a fiscal year beginning during the Severance Period, or the equivalent under any comparable bonus or variable compensation plan which may hereafter be adopted by the Company in lieu of the EAIP.

Richard S. Rudick, Esq. January 16, 1997

You agree that the payments and benefits set forth above shall be full and adequate compensation for all damages you may suffer as result of termination of your employment.

If, without cause or your consent, or other than on account of disability as defined in the Company's programs, your cash compensation is reduced from the current levels (other than as a result of targets not being met in any EAIP or equivalent program) and within 30 days thereafter you elect to terminate your employment by written notice, or if you elect to terminate your employment for "good reason" within 18 months following a "change of control", in either case such termination shall be treated as a termination by the Company without cause for purposes of this agreement.

Notwithstanding the foregoing, any rights or benefits you may have under the employment and benefit plans and programs of the Company (other than for severance, which shall be determined hereunder), including without limitation the SERP shall be determined in accordance with such plans and programs, and nothing in this agreement shall modify or reduce any rights you may have resulting from a "change of control" as defined in the SERP.

For purposes of this agreement, "cause" shall be limited to:

a substantial failure or refusal to devote your full business time, and your knowledge and skills, to the best of your ability, to the performance of your duties, after notice by the Company, or serious willful misconduct relating to your duties and obligations as an employee.

Conviction of a crime, perpetuation of a fraud, habitual intoxication or illegal use of controlled or habit forming substances, or knowingly making a material false statement to the Company's board or management.

In consideration of our entering into this agreement, you agree that for period of five months after termination of your employment for any reason other than termination by the Company without cause, or termination by you for "good reason" following a "change of control" as defined in the SERP, you will not directly or indirectly be employed by, render services to, or participate in the management, operation or control (as a consultant or otherwise), of a business

Richard S. Rudick, Esq. January 16,1997

of the same nature as that carried on by the Company or any of its subsidiaries. You further agree that for one year after termination of your employment for any reason (including termination by the company without cause) except for a termination by the company, or by you for "good reason within 18 months following a change of control", you will not directly or indirectly solicit for employment or hire any employee of the company, without our prior written consent.

Except as otherwise provided above, this is our entire agreement concerning your employment, and no modification shall be binding unless it is in writing and signed by the party against whom enforcement is sought. This agreement shall be interpreted and construed in accordance with the laws of the State of New York, without giving effect to its conflict of laws provisions, and shall be binding upon the Corporation and its successors and assigns.

Please sign and return the enclosed copy of this letter to confirm our agreement.

Sincerely,

JOHN WILEY & SONS, INC.

By: _____
Charles R. Ellis
President & Chief Executive
Officer

Agreed:

SUBSIDIARIES OF JOHN WILEY & SONS, INC.<F1>

Jurisdiction In Which Incorporated

Wiley Europe Limited England Wiley Heyden Limited England<F2> John Wiley & Sons Limited England<F2> Academy Group Limited England<F2> Chancery Law Publishing Limited England<F2>

Jacaranda Wiley Limited	Australia
John Wiley & Sons (HK) Limited	Hong Kong
Wiley Interscience, Inc.	New York
John Wiley & Sons International Rights, Inc.	Delaware
Wiley-Liss, Inc.	Delaware
Wiley Publishing Services, Inc.	Delaware
Wiley Subscription Services, Inc.	Delaware
Clinical Psychology Publishing Company, Inc.	Delaware
John Wiley & Sons Canada Limited	Canada
Wiley Foreign Sales Corporation	Barbados
John Wiley & Sons (Asia) Pte Ltd.	Singapore
Scripta Technica, Inc.	District of Columbia
John Wiley & Sons GmbH	Germany
VCH Verlagsgesellschaft mbH	Germany<F3>
Wilhelm Ernst & Sohn, Verlag fur Architektur und technische Wissenschaften, GmbH	Germany<F4>
Akademie Verlag GmbH	Germany<F4>
Chemical Concepts Gesellschaft fur Chemie-Informationssysteme mbH	Germany<F4>
VCH Publishers (U.K.) Limited	England<F4>

VCH Verlags AG Switzerland<F4> Verlag Chemie GmbH Germany<F4> Physik-Verlag GmbH Germany<F4>

<F1> The names of other subsidiaries which would not constitute a significant subsidiary in the aggregate have been omitted. <F2> Subsidiary of Wiley Europe Limited. <F3> Subsidiary of John Wiley & Sons GmbH.

<F4> Subsidiary of VCH Verlagsgesellschaft mbH.

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND THE CONSOLIDATED STATEMENT OF INCOME AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

CIK: 0000107140

NAME: John Wiley & Sons, Inc.

MULTIPLIER: 1000

PERIOD TYPE	12 MOS
FISCAL YEAR END	APR 30 1997
PERIOD START	MAY 01 1996
PERIOD END	APR 30 1997
CASH	79,116
SECURITIES	0
RECEIVABLES	96,354
ALLOWANCES	34,513
INVENTORY	49,100
CURRENT ASSETS	204,135
PP&E	75,386
DEPRECIATION	42,687
TOTAL ASSETS	457,944
CURRENT LIABILITIES	164,352
BONDS	125,000
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	20,606
OTHER SE	108,377
TOTAL LIABILITY AND EQUITY	457,944
SALES	0
TOTAL REVENUES	431,974
CGS	155,245
TOTAL COSTS	397,177
OTHER EXPENSES	0
LOSS PROVISION	0
INTEREST EXPENSE	6,225
INCOME PRETAX	30,853
INCOME TAX	10,513
INCOME CONTINUING	20,340
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	20,340
EPS PRIMARY	1.24
EPS DILUTED	1.24

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