



Springer Science+Business Media
General Overview
and Financial Performance
2012

Springer Science+Business Media

General Overview and Financial Performance 2012

Table of Contents

- 3 General Overview
- 3 Financial Performance
- 4 Key Developments – STM Division
- 4 Key Developments – Professional Publishing Division
- 5 Business Development Highlights
- 5 New Products
- 5 Partnerships
- 6 Contacts

General Overview

General Overview

FY 2012 showed a healthy overall financial performance with strong organic growth in our STM publishing division and a continued focus on growing the scope, usage and quality of its content. FY 2012 saw very solid growth of more than 20% in the number of open access articles published, and an increase of 66% in the number of eBook titles was achieved. Much more than half of Springer's turnover from STM is now from the sale of digital content and services.

An intensive 18-month improvement and investment project for *SpringerLink* was also successfully completed, enabling the company to deliver increased service levels to its customers, to speed up development cycles and to nurture new business models, thereby supporting key growth areas for the company.

Thanks to the development of *SpringerLink*, we were able to launch *Springer for Research & Development* which puts all Springer content at the fingertips of corporate customers in an optimized format that is more aligned to their business needs. Significant take-up of this offering was achieved already by the end of FY 2012.

Significant progress was also made in Springer's epic *Springer Book Archives (SBA)*, a project which will eventually add more than 100,000 retrodigitized books going back to the 1840s to the Springer eBook Collection. At the end of 2012, 88,000 eBook titles were available, including approximately 35,000 SBA titles.

The acquisition of *Papers*, a leading reference manager which allows researchers to organize, use, share and cite their research literature more effectively, is in line with Springer's ambition to offer not only quality content, but to also offer efficiency tools for researchers.

Overall trading in Springer's Professional publishing division was soft in 2012. However, continued organizational adjustments, cost savings and minor disposals offset slightly declining advertising and trade revenues which resulted in stable operating margins in FY 2012.

Financial Performance

Financial performance

Springer Science+Business Media S.A. achieved sales of € 981.1 m in FY 2012 which is growth of approximately 2.9% from FY 2011 (adjusted for acquisitions/divestments and for the changes in the underlying currency exchange rates). FY 2012 adjusted EBITDA is € 342.8 m which is growth of approximately 5% from FY 2011 (also adjusted for acquisitions/divestments and for the changes in the underlying currency exchange rates).

FY 2012 operating performance was driven by further accelerated organic growth of Springer's core STM divisions (peer reviewed academic subscription and open access journals, academic books, series and database products as well as the related publishing services), and softer development in Professional publishing.

Key developments for Springer in FY 2012

STM publishing

Key developments for Springer in FY 2012

STM publishing

In total, Springer's STM division realized organic sales growth of approximately 6 % in FY 2012 while improving operating margins.

Key developments were:

- Springer's revenue from STM journal and database subscriptions/licensing income again grew by more than 3 % in 2012. Revenues from journal related non-subscription income grew at an even higher rate compared to subscription/licensing income in 2012.
- Springer's total STM book business grew by approximately 3 % in FY 2012. Growth in the electronic book segments compensated the continuing decline of print book sales. As a result of this migration, electronic book sales (institutional eBook packages, individual eRetail sales, electronic book archive sales) now account for approximately 50 % of Springer's total book revenues. Springer increased its frontlist book title output by approximately 16 % to above 6,000 English language academic book titles in FY 2012, thereby continuing the market share gain in this segment of STM publishing.
- Revenues from Springer's various open access publishing offers grew above 25 % in FY 2012 driven by strong growth in articles submissions and the expansion of Springer's open access journal portfolio.
- Usage of Springer's electronic content in the academic/STM segment grew by close to 8 % in FY 2012.
- FY 2012 showed again very good growth in emerging markets (now 22 % of total core STM sales) and a further expansion of Springer's business with corporate customers realizing growth of above 20 % in FY 2012 in this segment.
- Springer's India-based STM Publishing Service units gained further market share both in the journal and book prepress service segments in FY 2012 which led to revenues and EBITDA growth of more than 30 % in FY 2012.
- Springer's STM Healthcare- and Pharmaceutical-related publishing and communication activities were merged with the newly acquired Adis business in the course of FY 2012. As a result of the merger and a strategic refocusing of the combined business in Q4/2012, portfolio adjustments and reorganization projects were executed in this division leading to the discontinuation of low margin business segments and a significant headcount reduction.
- Springer's German language Science and Medical publishing activities were further integrated into the global STM publishing organization in FY 2012. FY 2012 saw slight revenue declines in these segments mainly as a result of fast online migration and weaker subscription and advertising markets in key segments (Pharmaceutical, Engineering) in Germany in FY 2012.

Professional publishing

Professional publishing

Springer's Professional division consists of the publishing and service activities in Road Safety/Driving education in Germany/France/Spain and magazine and book publishing activities in the Medical and General Business segments both in Germany and the Netherlands. Overall trading in these areas was soft in 2012. Slightly declining advertising and trade revenues were offset by the impact of portfolio measures and cost savings resulting in stable operating margins in this division in FY 2012.

Business Development Highlights

New products

Business development highlights

New products

During 2012, Springer introduced a number of new products and enhanced its existing products and services. The following is a selection:

- In March 2012, the company launched *Springer for Research & Development* which aims to become the primary resource destination for all new corporate and medical customers. All articles in Springer for Research & Development are taken from Springer's online platform *SpringerLink*, but the new content navigation by industry sectors allows for instant access to pertinent materials to groups of customers in specific industry sectors.
- In August 2012, at the Beijing International Book Fair, Springer announced that it was offering to publish book titles using the open access model. Two months later, Springer imprint Apress announced it was also offering open access books.
- In October 2012, after 18 months of development in which the platform was re-engineered with a focus on improving the user experience based on three principles: speed, simplicity and optimization, Springer announced that it would begin migrating its customers to the new *SpringerLink* at link.springer.com.
- In November 2012, Springer announced that it was acquiring the company behind the creation of *Papers*, a leading reference manager software which allows researchers to organize, use, share and cite their research literature more effectively.

Partnerships

Partnerships

During 2012, Springer signed a number of publishing cooperation agreements with university presses, learned societies, publishers and research funders, including:

- the National Institute for Materials Science (NIMS) in Japan
- the Brazilian Society of Computational and Applied Mathematics (SBMAC)
- the Italian Society for Ultrasound in Medicine and Biology (SIUMB)
- the Italian Association of Nuclear Medicine and Molecular Imaging (AIMN)
- the *Centro Internacional de Matemática (CIM)* of Portugal
- the European Association for Predictive, Preventive and Personalised Medicine (EPMA)
- the Xinjiang Institute of Ecology and Geography, part of the Chinese Academy of Sciences (CAS)
- Science Press (China Science Publishing & Media Ltd.)
- the Korean Society for Micro and Nano Systems
- the British Society for Immunology (BSI)
- the Breast Cancer Research Foundation (BCRF)
- Tsinghua University Press
- the Fields Institute for Research in Mathematical Sciences in Canada
- the Japanese Society of Nephrology (JSN)
- the Italian National Institute for Higher Mathematics (INdAM)
- Beijing Normal University Press (BNUP)
- the European Mathematical Society (EMS)
- the Italian Society of Applied and Industrial Mathematics (SIMAI)
- the Korea Concrete Institute (KCI)
- the Entomological Society of Brazil
- the American Society of Gene & Cell Therapy (ASGCT)
- the Belgian Neurological Society

Further information can be found in the updated Facts & Figures document [here](#).

Contacts

Contacts

Eric Merkel-Sobotta

EVP, Corporate Communications

eric.merkel-sobotta@springer.com

+49 30 827 87 54 31

Thomas Geisselhart

Director, Group Treasury

thomas.geisselhart@springer.com

+49 30 827 87 54 15

Springer Science+Business Media

Heidelberger Platz 3

14197 Berlin

Germany

www.springer.comwww.link.springer.com