



# Goldman Sachs 21<sup>st</sup> Annual Communacopia Conference

New York, September 19, 2012

Lothar Lanz, CFO & COO  
Daniel Fard-Yazdani, Co-Head of IR

axel springer 

# Disclaimer

This document, which has been issued by Axel Springer Aktiengesellschaft (the "Company"), comprises the written materials/slides for a presentation of the management.

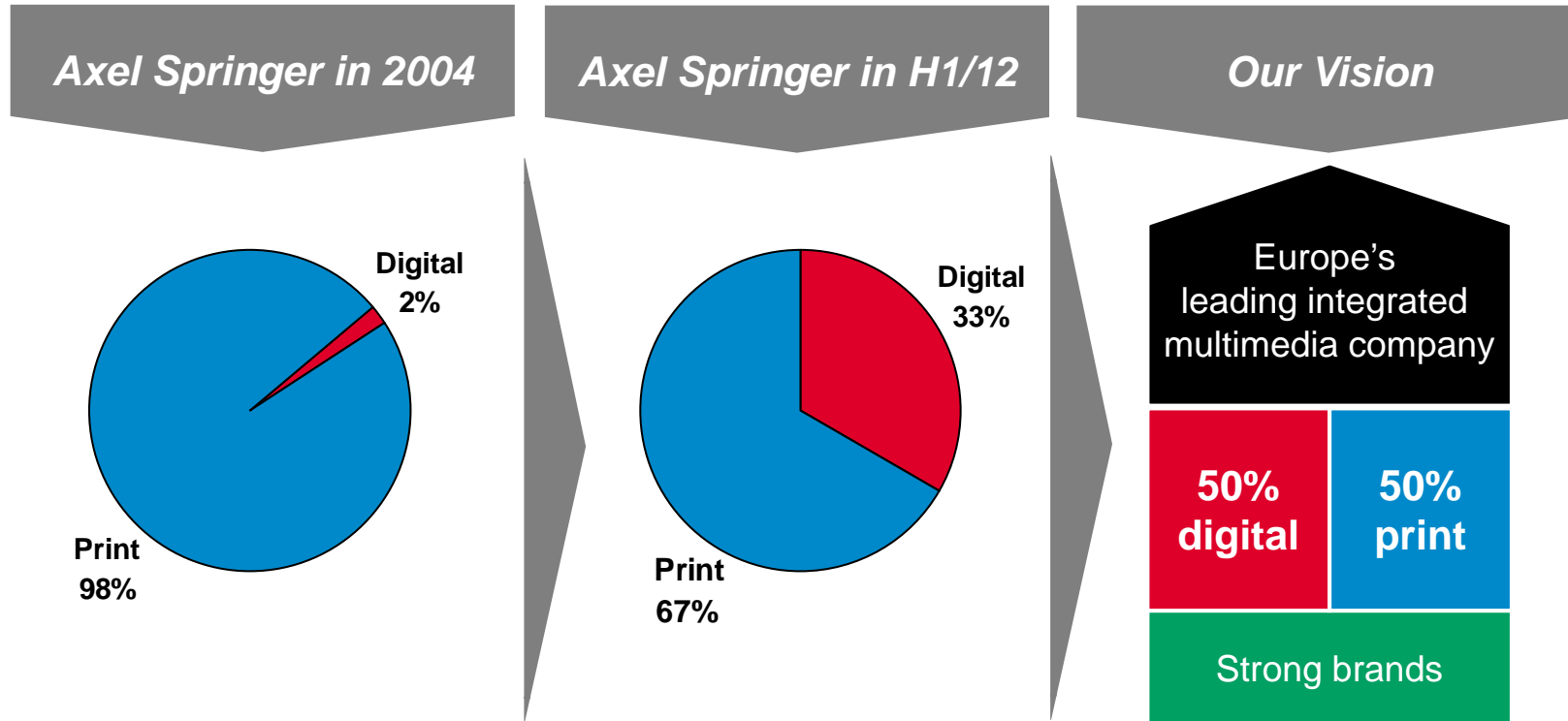
Whilst all reasonable care has been taken to ensure that the information and facts stated herein are accurate and that the opinions and expectations contained herein are fair and reasonable no representation or warranty, express or implied, is given by or on behalf of the Company, any of its directors, or any other person as to the accuracy or completeness of the information or opinions contained in this document and no liability is accepted for any such information or opinions.

This document contains forward looking statements which involves risks and uncertainties. These forward looking statements speak only as of the date of this document and are based on numerous assumptions which may or may not prove to be correct. The actual performance and results of the business of the Company could differ materially from the performance and results discussed in this document.

The Company undertakes no obligation to publicly update or revise any forward looking statements or other information contained herein whether as a result of new information, future events or otherwise.

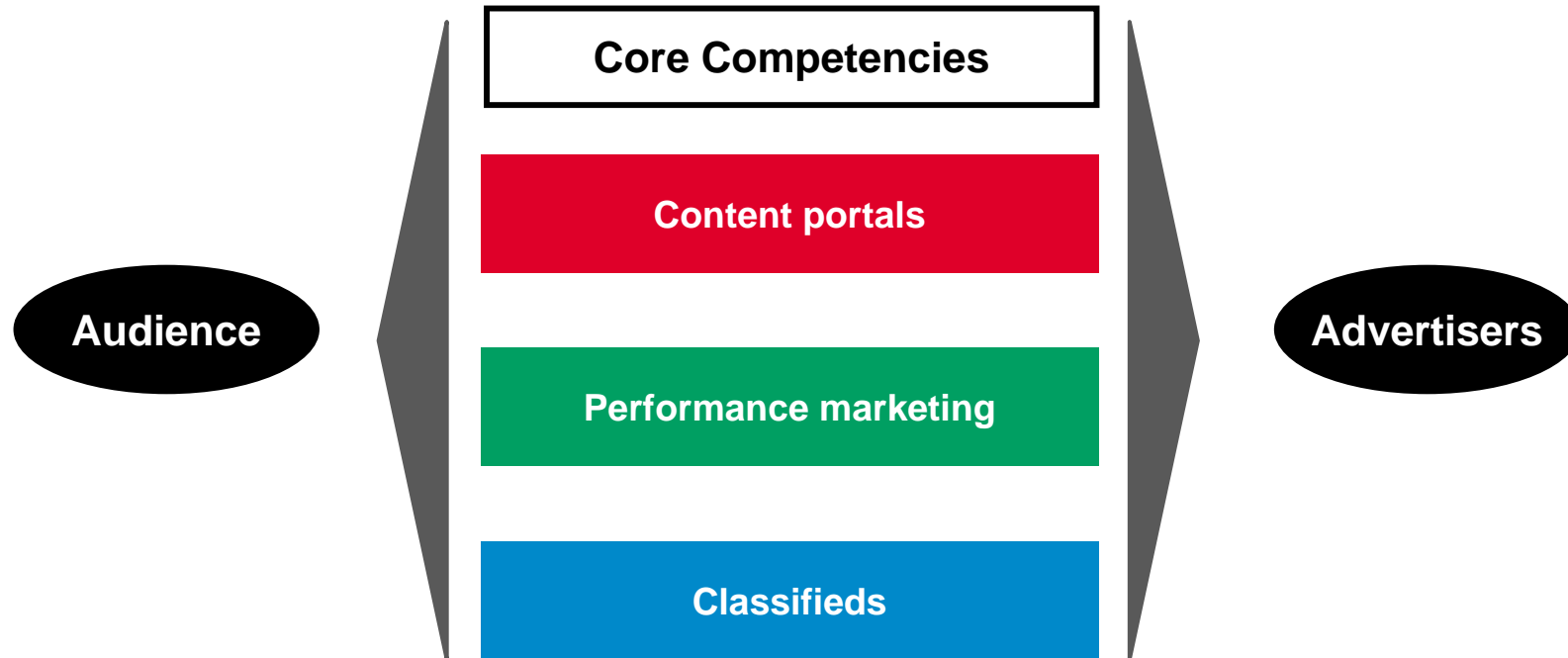
This document does not constitute or form any part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision in relation thereto.

# Axel Springer: Successful transition to digital



▶ Digital activities represent 33% of revenues and 36% of EBITDA in H1/12

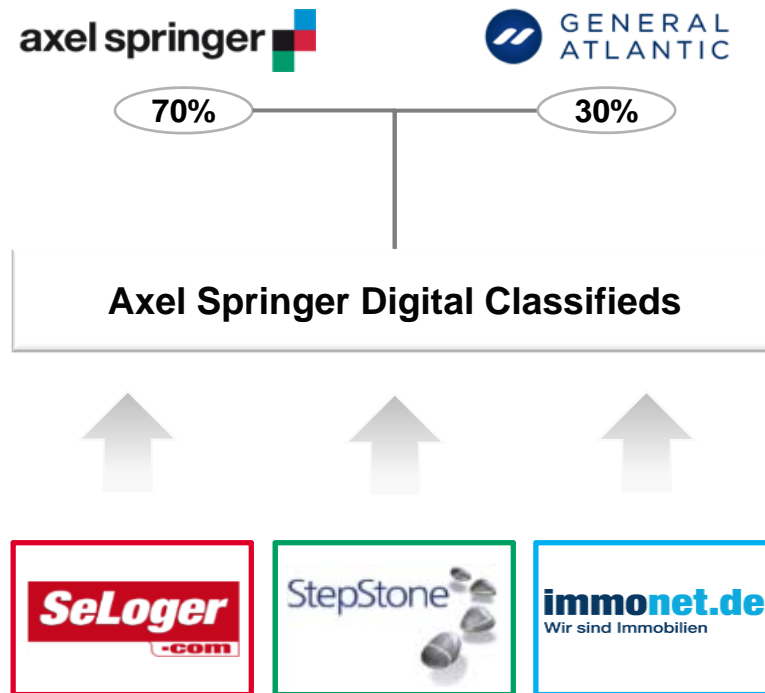
# Digital strategy along core competencies



Cross-synergies between core competencies increase revenues and profitability

# Growth initiative for digital classifieds business with strategic partner General Atlantic

## Transaction structure



## Acquisitions show growth strategy

### Totaljobs Group (04/12)



- UK market's #1 in revenues and reach
- Purchase price approx. €130m for 100%

### allesklar.com (08/12)

allesklar.com AG

- meinstadt.de: market leading portal for local information in Germany with high share of classifieds revenues

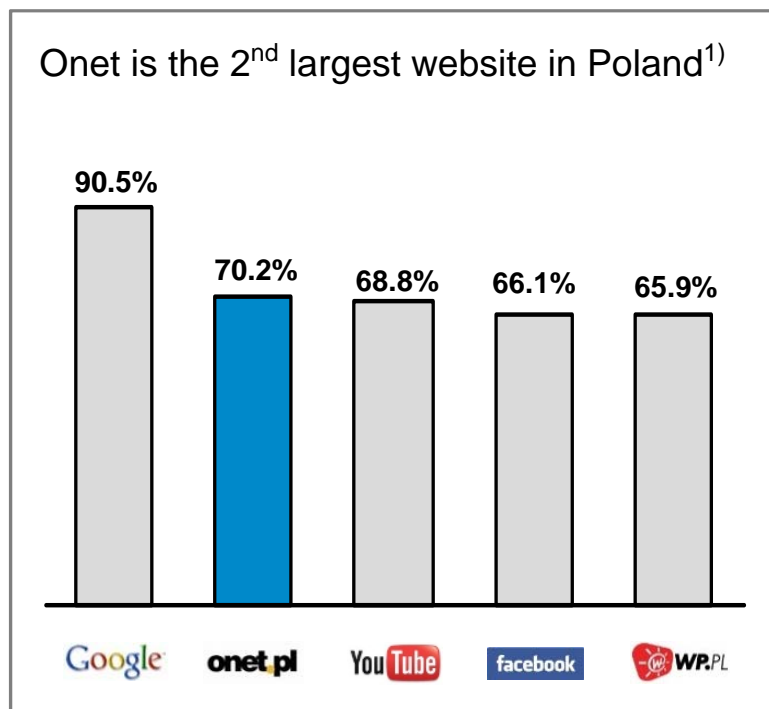


# Investment criteria

- ✓ **Strategic fit**
- ✓ **Proven and scalable business models**
- ✓ **Profitable business**
- ✓ **Experienced management**
- ✓ **Reasonable valuation**
- ✓ **Added value through Axel Springer network**

# Ringier Axel Springer Media acquires 75% of leading Polish online portal Onet.pl

## Market position



<sup>1)</sup> Reach in % of Internet users in Poland, Sources PBI Megapanel, Double Click ad planner

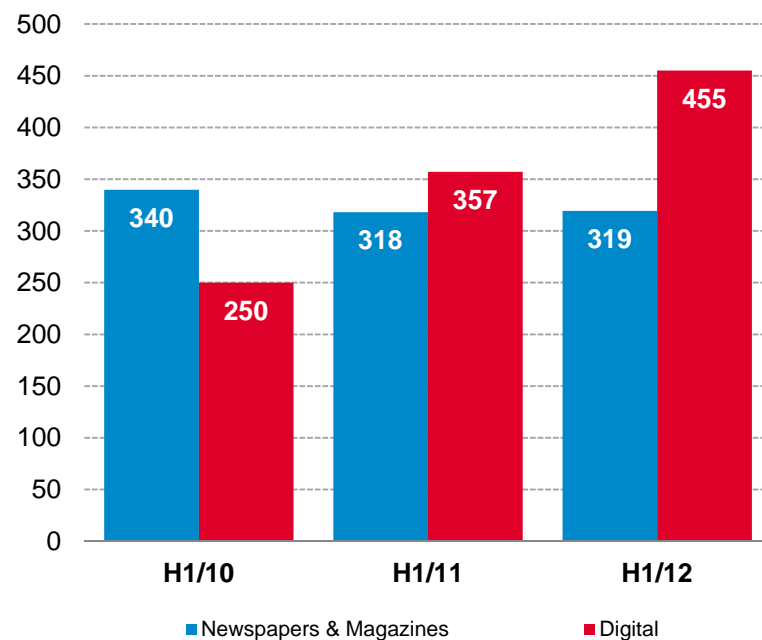
## Transaction details

**onet.**

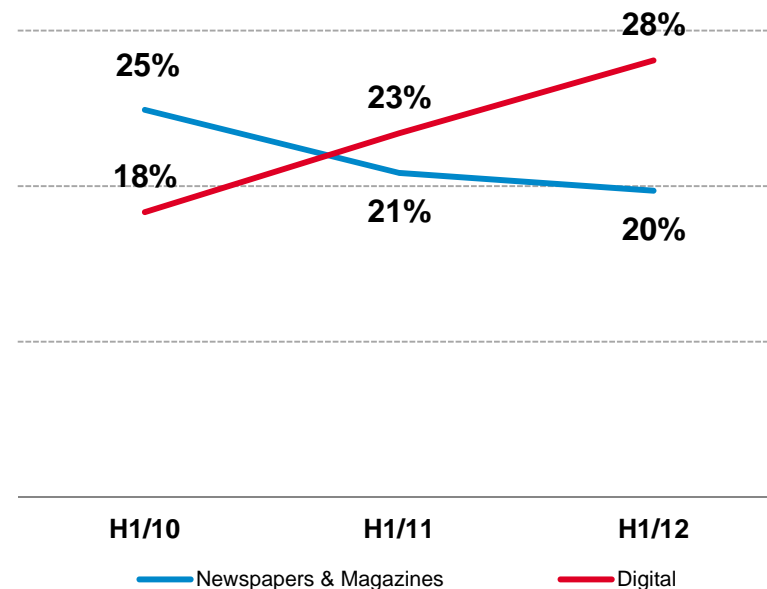
- Leading Polish **online portal**
- **Purchase Price:**  
approx. €217.5m for 75%
- **Closing:**  
Expected in January 2013

# H1/12: digital advertising revenues higher than German print advertising revenues

Advertising revenues in €m



Advertising revenues in % of group revenues

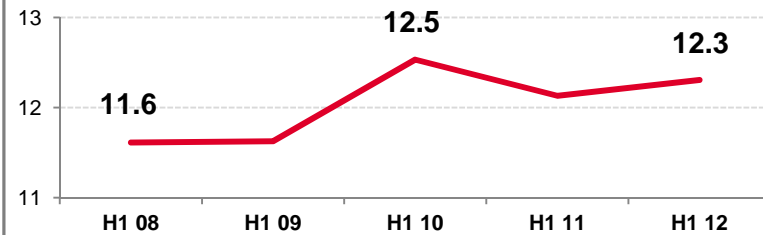




# BILD – a unique brand celebrates 60<sup>th</sup> anniversary

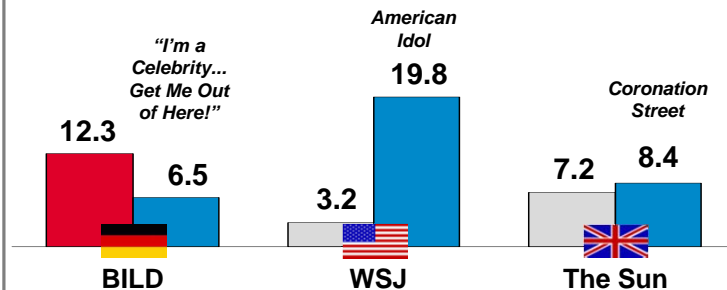


## Print, reach in million<sup>1)</sup>



Circulation revenues: **CAGR (08-11): -0.8%**  
 Advertising revenues: **CAGR (08-11): -2.8%**

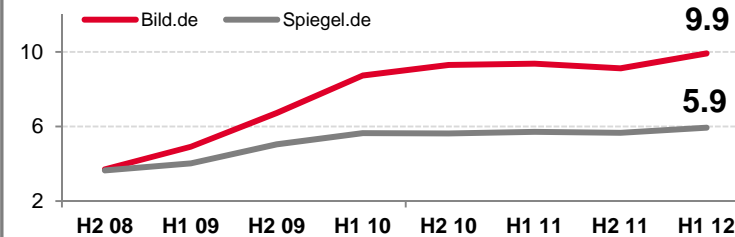
## BILD vs. TV



<sup>1)</sup> Source: ma Pressemedien, Note: change in population parameter after ma 2010 I

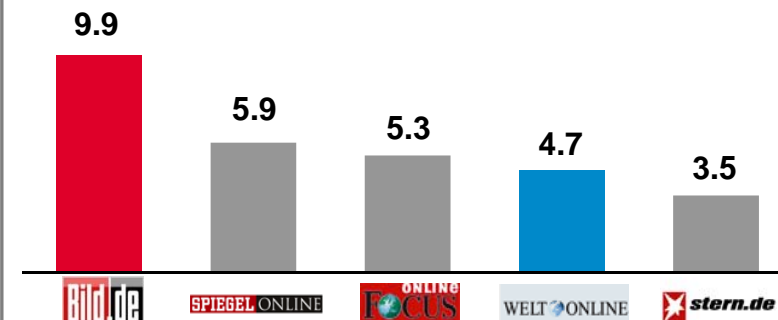


## Online, reach in million unique visitors<sup>2)</sup>



Advertising revenues: **CAGR (08-11): 25.1%**

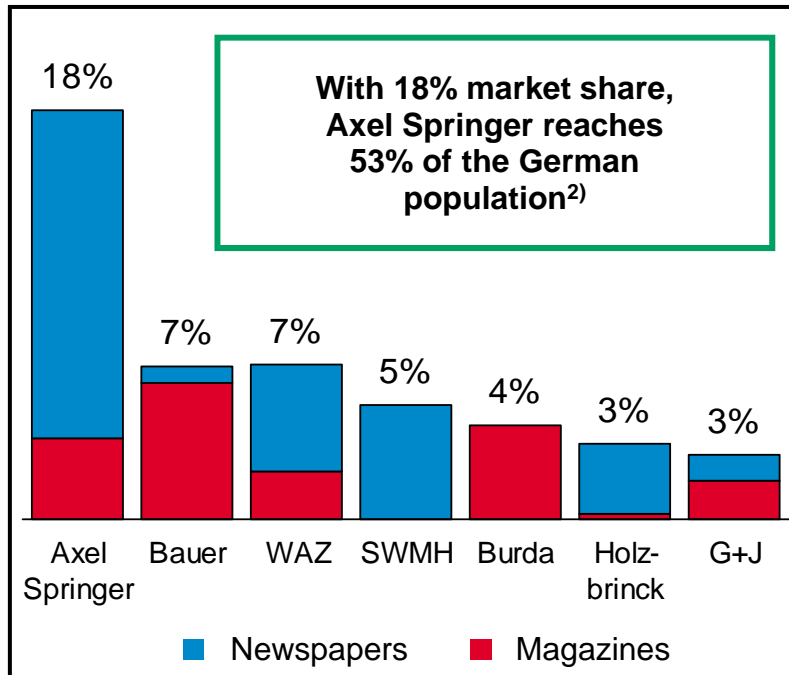
## Bild.de vs. Peers<sup>2)</sup>



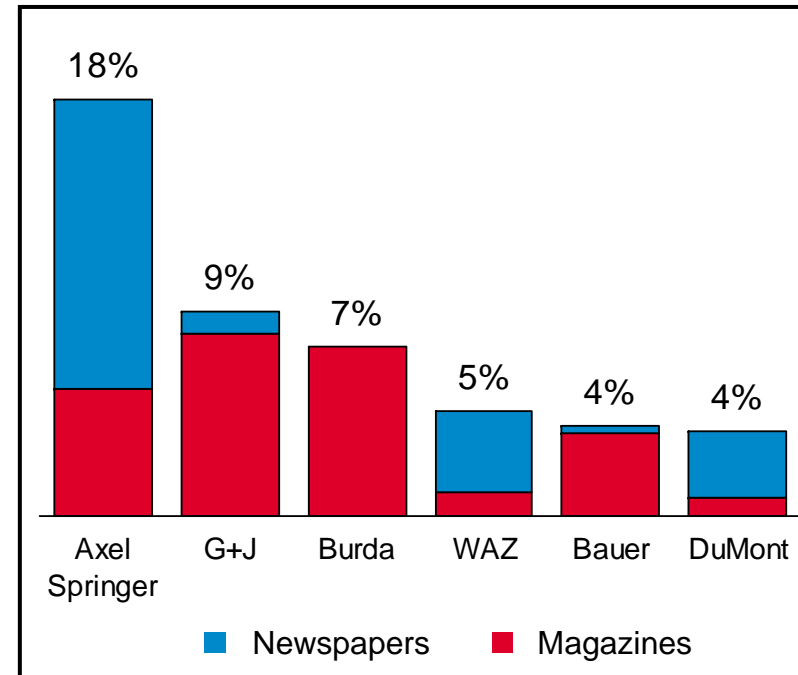
<sup>2)</sup> Source: comScore (Germany) unique visitors in million per month (Ø H1/12)

# Axel Springer is Germany's leading print marketer and publisher

**Market share by circulation<sup>1)</sup>**



**Market share by adspend<sup>3)</sup>**



<sup>1)</sup> Source: Company estimates based on IVW I-II 2012, paid circulation; weighted market share taking into account different title frequencies

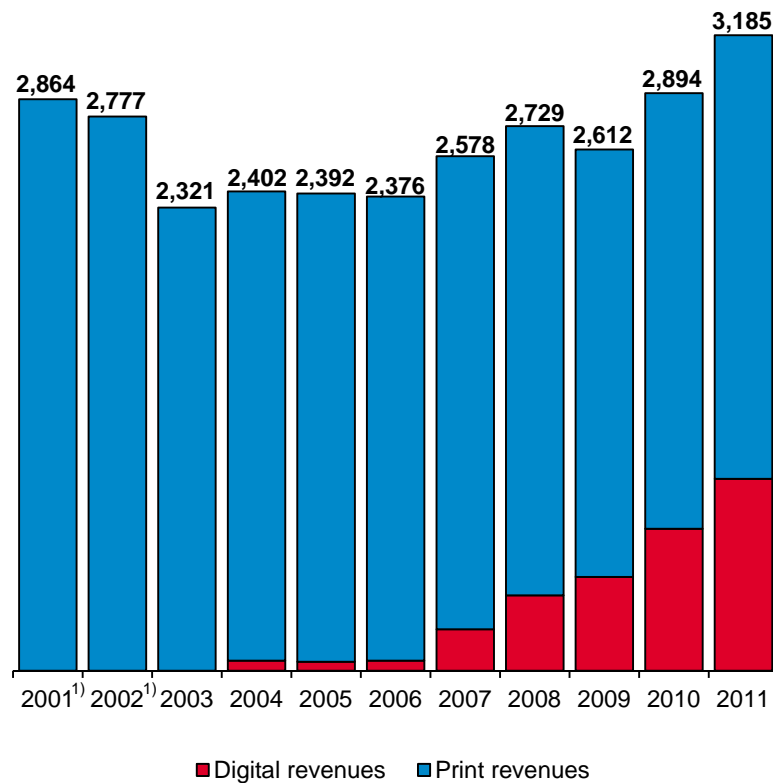
<sup>2)</sup> Source: ma 2012 Pressemedien II; combined reach among German-speaking 14+ year olds of all covered Axel Springer AG newspapers, magazines and 100% owned subsidiaries

<sup>3)</sup> Source: Nielsen Media Research; gross adspend, excl. classified ads, supplements and media advertising, 2012 Jan.-June, 100% owned subsidiaries

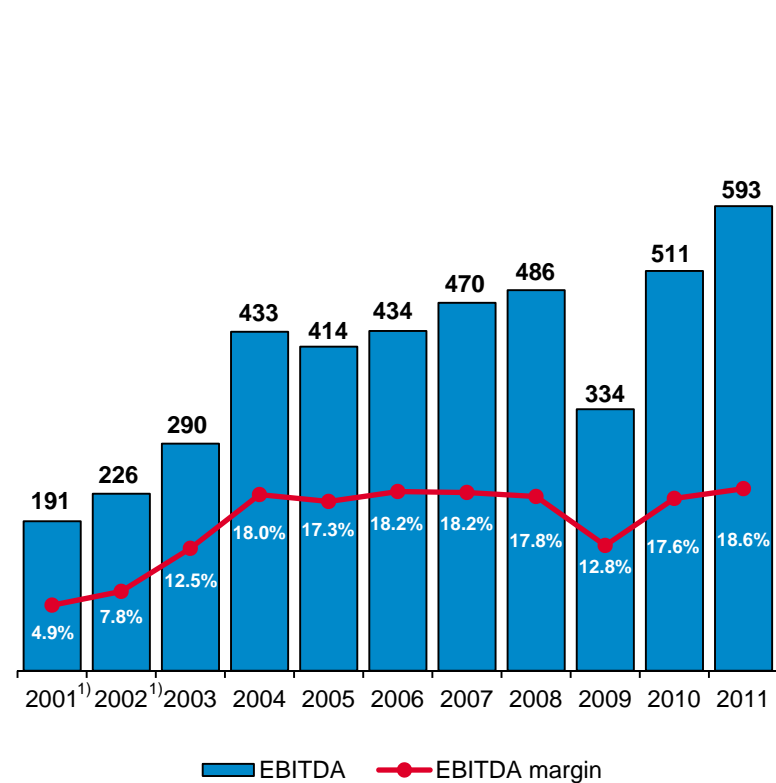
# Financial performance

# Strong financial performance and EBITDA on all-time high in 2011

Revenues in €m



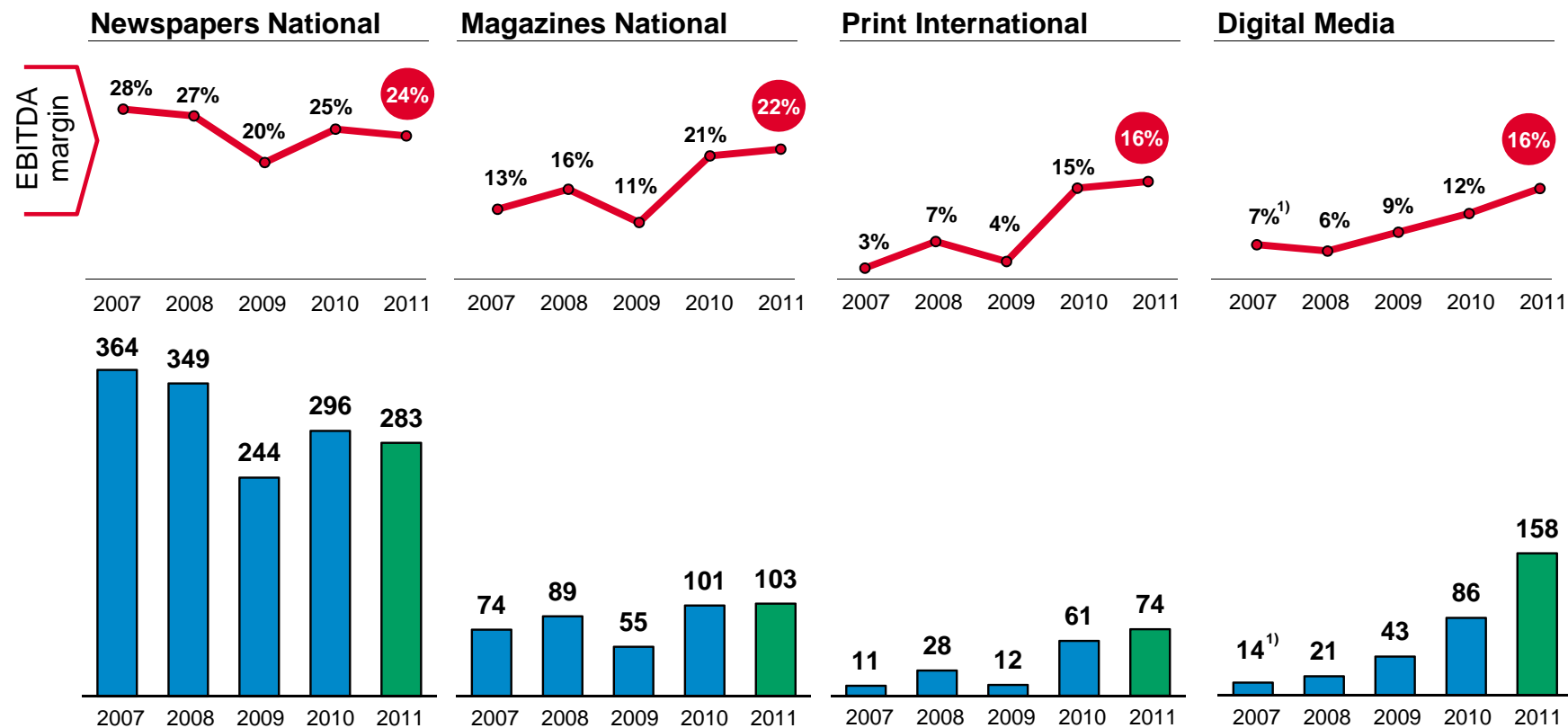
EBITDA in €m



<sup>1)</sup> According to HGB (German Commercial Code)

# Increasing EBITDA contribution from international and digital business

EBITDA in €m

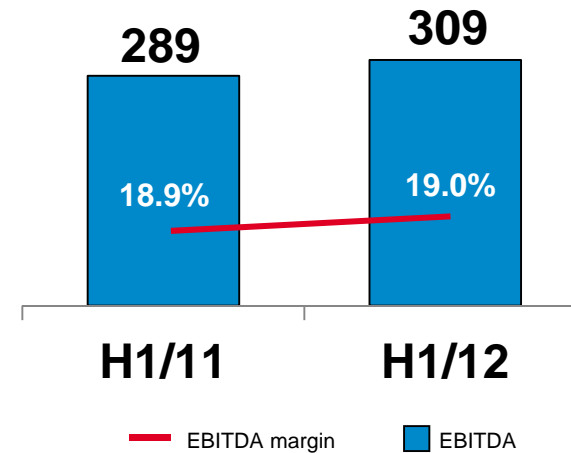
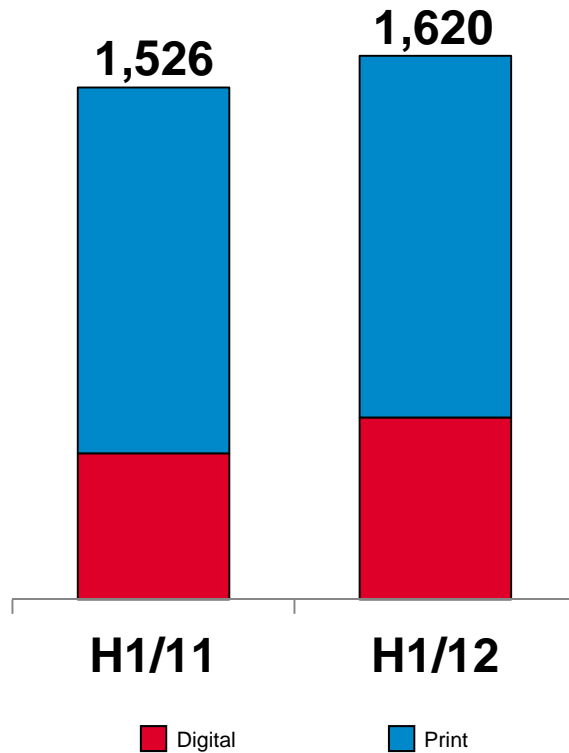


<sup>1)</sup> Excluding dividend payment from P7S1 (€23m)

# Axel Springer with EBITDA on all-time high in H1/12

Revenues in €m

EBITDA in €m



# Operating segments: Digital Media driving growth

in €m

	Newspapers National			Magazines National			Print International			Digital Media		
	H1/12	H1/11	yoy	H1/12	H1/11	yoy	H1/12	H1/11	yoy	H1/12	H1/11	yoy
<b>Revenues</b>	568.3	565.1	+0.6%	230.9	233.2	-1.0%	219.3	236.6	-7.3%	542.1	435.1	+24.6%
Circulation	296.4	299.4	-1.0%	155.5	154.6	+0.6%	128.5	134.6	-4.5%	-	-	-
Advertising	257.3	252.1	+2.1%	62.1	66.0	-5.9%	77.3	87.1	-11.3%	455.1	357.1	+27.4%
Other	14.6	13.6	+6.9%	13.3	12.7	+5.2%	13.5	14.9	-9.0%	87.0	78.0	+11.6%
<b>EBITDA</b>	137.1	128.5	+6.7%	48.9	55.3	-11.6%	28.8	40.5	-28.9%	110.7	71.4	+55.0%
<b>Margin</b>	24.1%	22.7%		21.2%	23.7%		13.1%	17.1%		20.4%	16.4%	

# Increasing transparency in the Digital Media segment: 3 pillars along core competencies

## Content portals & other digital media\*

*Major Assets*

- Bild + Welt Online
- aufeminin
- Azet
- finanzen.net
  
- Idealo
- Smarthouse
- Gamigo
- Schwartzkopff TV

## Performance marketing

- zanox
- Digital Window
- M4N
- eprofessional

## Axel Springer Digital Classifieds

### Real Estate

- Seloger
- Immonet

### Jobs

- StepStone
- Totaljobs

\* Includes minority interests in radio participations



# Growth and profitability in Digital Media driven by classifieds and content

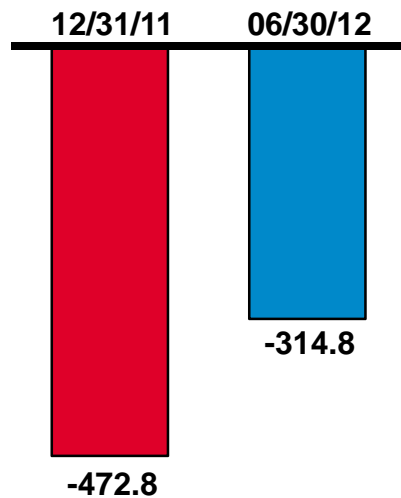
in €m

	Total*			Content portals & other digital media			Performance marketing			Axel Springer Digital Classifieds		
	H1/12	H1/11	yoy	H1/12	H1/11	yoy	H1/12	H1/11	yoy	H1/12	H1/11	yoy
<b>Revenues</b>	542.1	435.1	+24.6%	175.9	133.8	+31.4%	216.9	206.0	+5.3%	149.4	95.2	+56.9%
<b>EBITDA</b>	110.7	71.4	+55.0%	43.2	31.4	+37.4%	10.5	13.3	-20.5%	63.7	31.1	>100%
<b>Margin</b>	20.4%	16.4%		24.6%	23.5%		4.9%	6.4%		42.6%	32.6%	

\* Total EBITDA includes costs of €6.7m in H1/12 and €4.3m in H1/11 (thereof business development, M&A and other), not allocated to the three pillars

# Comfortable financial situation

## Net financial debt / liquidity<sup>1)</sup> in €m



## Attractive refinancing secured

- Current credit line  
€1.0bn with maturity until mid-2013
- Promissory note<sup>2)</sup>  
Successful transaction in April 2012:  
€0.5bn with maturity 4/6 years

<sup>1)</sup> Excl. pension liabilities (12/31/11: -€327m, 06/30/12: -€384m) and treasury shares (12/31/11: 0.3m shares; 06/30/12: 0.2m shares)

<sup>2)</sup> Schuldscheindarlehen

# Net income

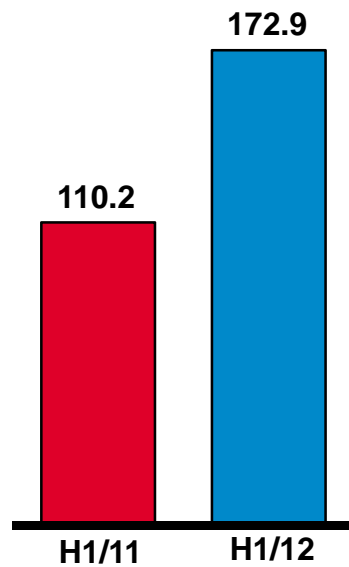
in €m

	H1/12	H1/11	Q2/12	Q2/11
<b>Net income</b>	<b>159.6</b>	<b>151.2</b>	<b>91.1</b>	<b>88.2</b>
Non recurring-effects	-7.4	1.2	-7.2	-2.2
Effects of purchase price allocations	38.2	23.5	25.9	13.1
Taxes attributable to these effects	-12.7	-7.4	-9.6	-3.6
<b>Adjusted net income</b>	<b>177.7</b>	<b>168.4</b>	<b>100.2</b>	<b>95.4</b>
Thereof attributable to non-controlling interests	24.6	21.8	14.5	11.5
<b>Adjusted net income attributable to shareholders of Axel Springer AG</b>	<b>153.2</b>	<b>146.6</b>	<b>85.8</b>	<b>83.9</b>
Weighted average number of shares outstanding (in m) <sup>1)</sup>	98.7	98.7	98.7	98.7
<b>Adjusted eps (in €)</b>	<b>1.55</b>	<b>1.49</b>	<b>0.87</b>	<b>0.85</b>

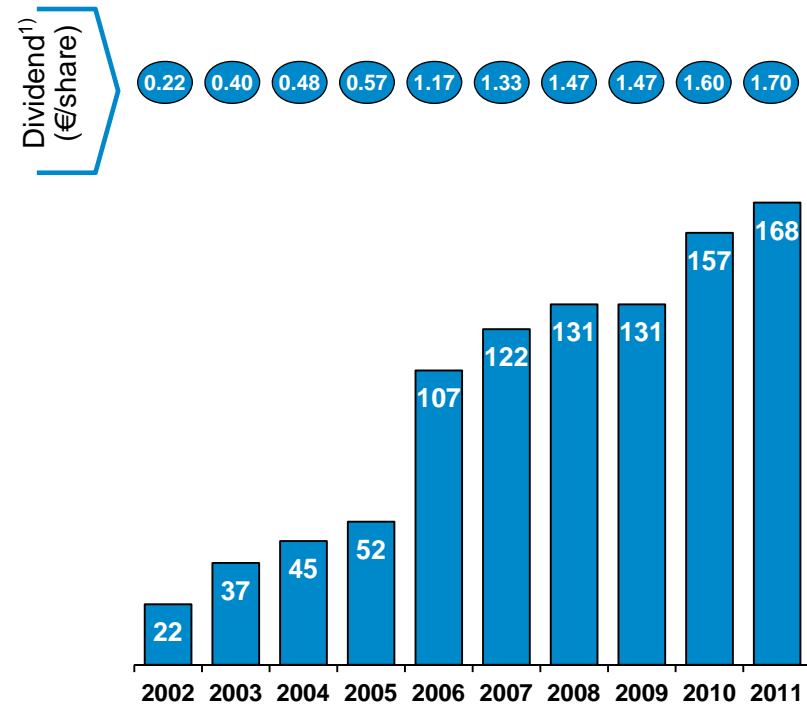
<sup>1)</sup> Based on weighted average number of shares outstanding in H1/2012.

# Free cash flow / dividend

Free cash flow in €m



Dividend volume in €m



<sup>1)</sup> Based on new number of shares after 3 for 1 share split in 2011

# Outlook 2012

<b>GROUP</b>	<b>REVENUES</b>	<b>Single digit increase yoy</b>
		<b>Circulation</b> < 2011
		<b>Advertising</b> > 2011
		<b>Other</b> > 2011
	<b>EBITDA</b>	<b>Slight increase yoy</b>

# Backup - Financials

# Axel Springer with EBITDA on all time high in H1/12

in €m

	H1/12	yoy	Q2/12	yoy
<b>Revenues</b>	<b>1,620.4</b>	+6.2%	<b>831.4</b>	+5.4%
Circulation	580.5	-1.4%	286.7	-4.0%
Advertising	851.7	+11.7%	452.1	+13.0%
Other	188.2	+7.7%	92.5	+2.9%
<b>EBITDA</b>	<b>308.7</b>	+6.9%	<b>172.2</b>	+6.4%
Margin	19.0%	+0.1pp	20.7%	+0.2pp

- Revenues up 6.2% yoy, adjusted for consolidation effects +2.5%
- Circulation revenues slightly down by 1.4%, adjusted for consolidation effects -1.2%
- Advertising growth driven by digital media, adjusted for consolidation effects up by 5.1%
- EBITDA on all-time high

# Cost increase only driven by growth in digital media and consolidation effects

in €m

	H1/12	yoy	Q2/12	yoy
Personnel	451.5	+10.3%	231.5	+8.5%
Purchased goods and services	512.3	+1.8%	252.8	+0.2%
Other operating	388.8	+4.6%	203.4	+6.5%
<b>Total Costs</b>	<b>1,352.6</b>	<b>+5.3%</b>	<b>687.7</b>	<b>+4.7%</b>

- Total costs up by €68.1m, mainly due to consolidation effects and below revenue development
- Adjusted for consolidation effects, total costs up by 2.1%, mainly due to organic revenue growth of digital media
- Increase in personnel costs due to consolidation effects and build-up in digital media, stable in print



# Newspapers National: EBITDA margin improvement

in €m

	H1/12	yoy	Q2/12	yoy
<b>Revenues</b>	<b>568.3</b>	+0.6%	<b>292.3</b>	+2.5%
Circulation	296.4	-1.0%	146.5	-3.5%
Advertising	257.3	+2.1%	137.7	+9.1%
Other	14.6	+6.9%	8.2	+11.7%
<b>EBITDA</b>	<b>137.1</b>	+6.7%	<b>72.5</b>	+9.5%
Margin	24.1%	+1.4pp	24.8%	+1.6pp

- Circulation revenues slightly down by 1.0%
- Advertising revenues and EBITDA supported by anniversary edition of BILD
- EBITDA margin up on prior-year

# Magazines National: lower revenues, Q2 impacted by restructuring expenses

in €m

	H1/12	yoy	Q2/12	yoy
<b>Revenues</b>	<b>230.9</b>	-1.0%	<b>115.5</b>	-3.2%
Circulation	155.5	+0.6%	76.3	-3.5%
Advertising	62.1	-5.9%	32.9	-3.7%
Other	13.3	+5.2%	6.2	+3.3%
<b>EBITDA</b>	<b>48.9</b>	-11.6%	<b>24.5</b>	-23.1%
Margin	21.2%	-2.5pp	21.2%	-5.5pp

- Total revenues slightly down by 1.0%
- Circulation revenues stable, advertising revenues down by 5.9%
- EBITDA margin of 21.2%, partly due to higher restructuring expenses

# Print International: markets still difficult but slight improvement in Q2/12 versus Q1/12

in €m

	H1/12	yoy	yoy adjusted <sup>1)</sup>	Q2/12	yoy	yoy adjusted <sup>1)</sup>
<b>Revenues</b>	<b>219.3</b>	-7.3%	-4.6%	<b>114.7</b>	-7.3%	-3.8%
Circulation	128.5	-4.5%	-1.9%	63.9	-6.0%	-2.6%
Advertising	77.3	-11.3%	-8.9%	43.7	-9.1%	-5.8%
Other	13.5	-9.0%	-4.3%	7.1	-7.8%	-2.2%
<b>EBITDA</b>	<b>28.8</b>	-28.9%	-26.7%	<b>16.8</b>	-21.0%	-17.3%
Margin	13.1%	-4.0pp	-	14.7%	-2.5pp	-

- Revenues down by 7.3%, adjusted for consolidation and FX effects down by 4.6%
- Advertising markets still negatively affected by macroeconomic situation
- EBITDA margin down yoy due to lower revenues and higher restructuring expenses

<sup>1)</sup> Adjusted for consolidation and foreign exchange effects

# Digital Media: strong and profitable growth

in €m

	H1/12	yoy	Q2/12	yoy
<b>Revenues</b>	<b>542.1</b>	+24.6%	<b>279.1</b>	+19.8%
Advertising	455.1	+27.4%	237.8	+24.0%
Other	87.0	+11.6%	41.2	0.0%
<b>EBITDA</b>	<b>110.7</b>	+55.0%	<b>63.8</b>	+39.8%
Margin	20.4%	+4.0pp	22.9%	+3.3pp

- Revenue growth of 24.6% in H1/12
- Organic growth (pro forma) of 12.8% in H1/12
- Pro forma Digital Media revenues at 34.0% of total revenues (H1/11: 31.1%)
- EBITDA up by 55.0%, margin up from 16.4% to 20.4%

# Pro forma FY 2011

in €m

	Total		Content portals & other digital media <sup>2)</sup>		Performance marketing		Axel Springer Digital Classifieds	
	Revenues	EBITDA <sup>1)</sup>	Revenues	EBITDA	Revenues	EBITDA	Revenues	EBITDA
	<b>1,055.7</b>	<b>175.8</b>	<b>324.1</b>	<b>75.1</b>	<b>444.6</b>	<b>28.5</b>	<b>286.9</b>	<b>81.6</b>
in % of segment			31%	43%	42%	16%	27%	46%
Growth yoy	21%	29%	24%	25%	13%	18%	32%	32%
CAGR (09-11)	22%	32%	29%	53%	16%	13%	25%	26%
<b>EBITDA margin</b>	<b>16.7%</b>		<b>23.2%</b>		<b>6.4%</b>		<b>28.4%</b>	

<sup>1)</sup> Total EBITDA includes costs of €9.3m, (thereof business development, M&A and other) not allocated to the three pillars

<sup>2)</sup> Based on current portfolio as of July 2012, excl. Onet.pl (acquisition expected to close January 2013)

# Investor Relations contacts

## **Claudia Thomé**

Head of Investor Relations

Phone: +49 30 2591 77421

Mobile: +49 160 90445035

[claudia.thome@axelspringer.de](mailto:claudia.thome@axelspringer.de)

## **Daniel Fard-Yazdani**

Co-Head of Investor Relations

Phone: +49 30 2591 77425

Mobile: +49 151 52844459

[daniel.fard-yazdani@axelspringer.de](mailto:daniel.fard-yazdani@axelspringer.de)

Axel Springer AG

Axel-Springer-Str. 65

10888 Berlin

Germany

Fax: +49 30 2591 77422