

Digital publishing to boost Axel Springer again in 2018

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Axel Springer owns Germany's top-selling Bild newspaper

German media giant Axel Springer, owner of the top-selling Bild newspaper, on Thursday said its thriving digital publishing business would again drive profits in 2018, after a strong performance last year.

The publisher posted adjusted net profits of 328 million euros (\$406 million) in 2017, up 9.2 percent on the year, powered by robust growth in its classified ads unit and the success of English-language site Business Insider.

Operating, or underlying, [profit](#) increased 8.5 percent to 646 million euros, on revenues up 8.3 percent at 3.6 billion.

In a statement, the company said it had "reached all of the group targets" for 2017.

Digital offerings accounted for 71.5 percent of revenue and 80 percent of the adjusted operating profit, Springer said.

"Axel Springer is documenting a new phase of development—as a digital growth enterprise," said chief executive Mathias Doepfner.

Axel Springer's stable of online titles includes the digital versions of German newspapers like Bild or Die Welt, while it also operates a slew of European classified advertising sites.

Founded shortly after World War II by journalist Axel Springer, the group was an early convert to digital media, setting up online subscriptions for its newspapers, selling off print publications and investing in up-and-coming websites.

Looking ahead to 2018, Springer said it expected a "low double-digit" rise in adjusted operating profit, on the back of a "low to mid single-digit percentage" increase in revenues.

Growth is once again tipped to be led by online classified ads, while the news media unit is expected to suffer slightly from the effect of the sale of the group's magazine and [newspaper](#) portfolio in Slovakia.

Springer said it planned to pay out a dividend of 2.00 euros per share for 2017, up from 1.90 euros the year before.

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