

Newspaper sales fall sharply in Germany

BERLIN, GERMANY: The publisher of Europe's top-selling newspaper Bild, Germany's Axel Springer, posted second-quarter falls in sales and net profit on Wednesday, 7 August, after its digital push failed to counter a decline in paper media.



Net profit for the three-month period fell nine percent to €83.3m, while sales slipped 0.9 percent to €823.7m, the group said in its financial report.

The publisher has pressed on with its aggressive digital media strategy launched several years ago and last month announced the sale of regional dailies and magazines to publisher Funke Mediengruppe.

The digital division now represents more than a third of its overall sales and the group said the division's sales jumped 16% in the second quarter compared with the same period a year earlier, to €322.4m.

Earnings before interest, tax, depreciation and amortisation (Ebitda) in the digital media division also saw a quarterly 16% rise to €73.7m.

However the traditional paper press continued to slide with all areas from newspapers and magazines in Germany to the international press showing a fall in their sales, the group said.

"For the full year, the management board continues to expect a low single-digit increase in total revenues, assuming that the structurally declining trends of the print business do not worsen considerably," it said.

Due to investment in its digitisation drive and expenses from structural adjustments in the print business, the group said it expected "a single-digit percentage decrease in earnings for the full year, compared with 2012.

AFP via I-Net Bridge