

# Trading Update Q1 2025

13 May 2025

**SPRINGER NATURE**

**Business Update**

**FRANK VRANCKEN PEETERS**  
CEO

**SPRINGER NATURE**



**Strong start into 2025: Underlying<sup>(1)</sup> revenue growth of 6% and AOP<sup>(2)</sup> growth of 11%**



**Research is key growth driver, led by strong performance in Full OA**



**Strategic priorities on track: Solid progress in OA and AI initiatives**



**FY 2025 guidance now including an AOP range; results expected in the upper half of the revenue and AOP ranges**

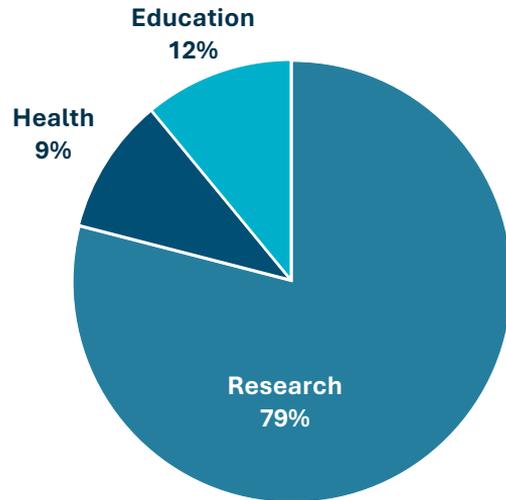
<sup>(1)</sup> Underlying change excludes effects from year-on-year changes in foreign currencies and portfolio

<sup>(2)</sup> Adjusted operating profit

# IN Q1, RESEARCH REPRESENTS ~80% OF GROUP REVENUES and >90% of AOP

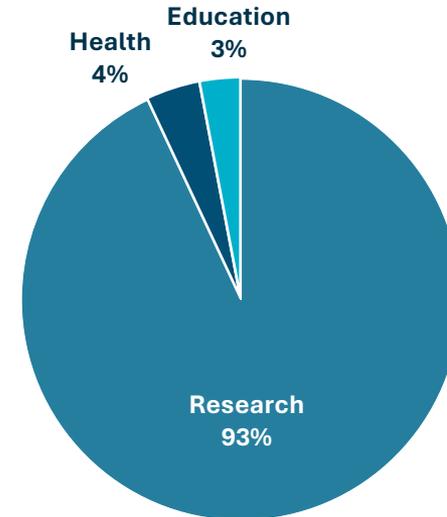
## Q1 2025 reported Revenue Split by Segments

(Group: € 450 MM)



## Q1 2025 reported AOP Split by Segments

(Group: € 108 MM)

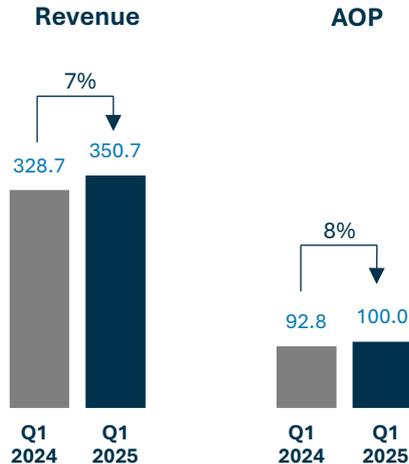


# IN RESEARCH, 7% UNDERLYING REVENUE GROWTH AND 8% AOP GROWTH

## Driven by strong performance in Journals, especially Full OA

### RESEARCH

(underlying, € MM)



### Journals

- Around 90% of 2025 renewals completed
- c.10% published article growth with c. 25% growth in Full OA<sup>(1)</sup>
- Launch of 2 new Nature titles (Clean Technology and Biodiversity)
- 14 new Transformative Agreements, now a total of 80

### Books

- Stabilisation of Print and e-Book fulfilment ahead of prior year
- Launch of 2 new e-Book packages (Artificial Intelligence and Mechanical Engineering)

### Services

- Stabilisation of Advertising; growth in Promotion and Training
- Good momentum in database and licensing revenues

<sup>(1)</sup> Excluding Cureus

# IN HEALTH 4% AND IN EDUCATION -1% UNDERLYING REVENUE GROWTH

Stabilisation of advertising revenues in Health, negative phasing in Education

## HEALTH

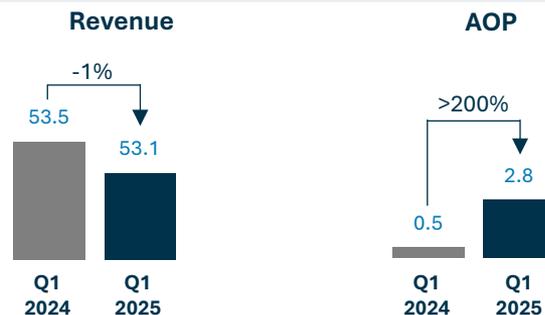
(underlying, € MM)



- Stabilisation of advertising revenue, backed by stronger order book
- Strong demand from medical affairs departments
- Dutch books benefit from new edition of the Schlichting test
- AOP growth due to effective cost management

## EDUCATION

(underlying, € MM)



- Negative phasing impacting Southern Africa revenue
- Strong performance in the Southern Hemisphere
- Further expansion of Open Market activities
- AOP growth due to a more favorable product mix

# WE CONTINUE TO DELIVER ON OUR STRATEGIC PRIORITIES

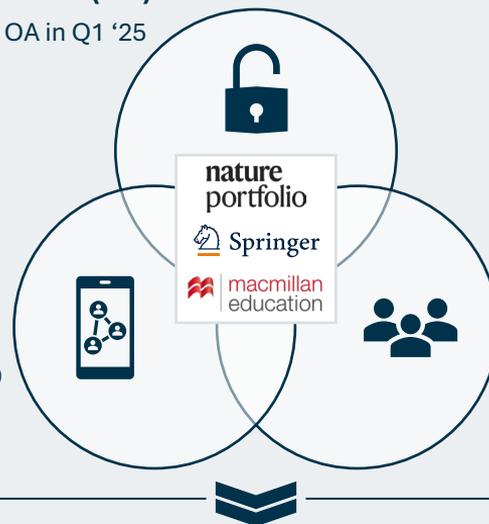
## Focus on driving OA transition and AI adoption, Q1 updates

### 1 Drive the transition to Open Access (OA)

- > 50% of primary research articles OA in Q1 '25
- 14 new TAs signed in Q1 2025

### 2 Leverage tech & AI with domain expertise

- 80% yoy submission growth in Q1 on Snapp<sup>(5)</sup>
- New AI tools for research integrity



### 3 Keep SN a great place to work

- Leading employer in Germany, the UK and the US<sup>(3)</sup>
- 2025 Engagement score 75 (+1 vs '24)<sup>(4)</sup>

### Increase performance while growing responsibly

- Leading industry reputation<sup>(1)</sup>
- High author satisfaction of 86%<sup>(2)</sup>
- Gold Rating from Ecovadis

<sup>(1)</sup> 2024 Yonder reputation survey

<sup>(2)</sup> CSAT score according to company customer survey 2024 overall

<sup>(3)</sup> by the LEADING EMPLOYERS Study, 2025

<sup>(4)</sup> Based on internal survey (annually)

<sup>(5)</sup> Includes migration of new titles on Snapp

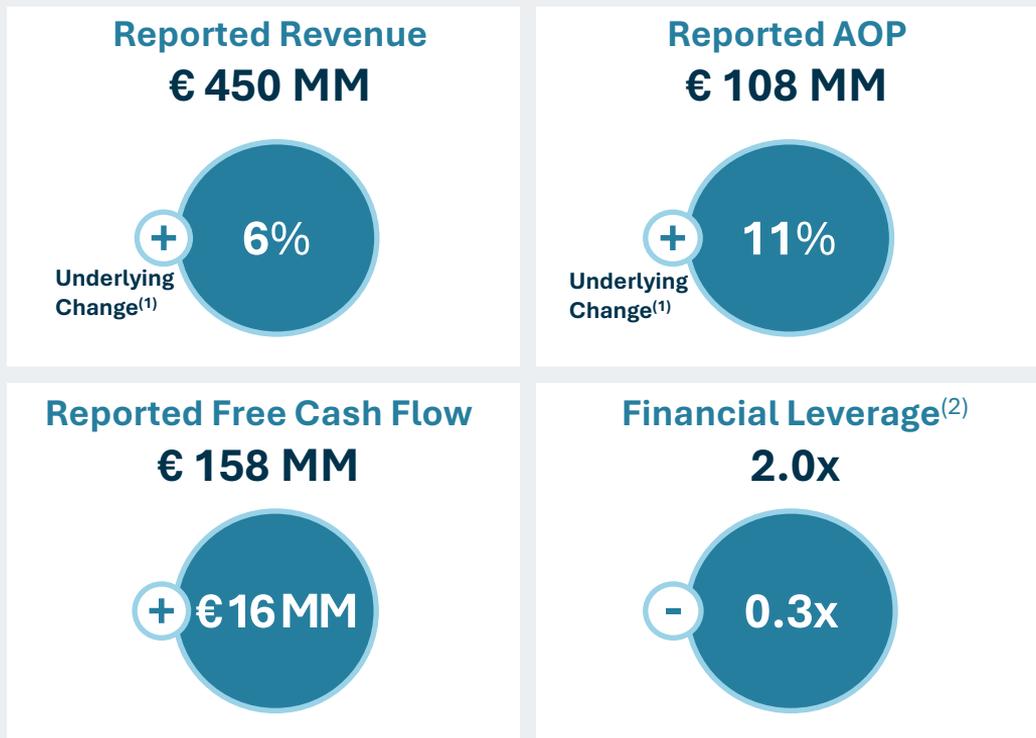
**Financial Update**

**ALEXANDRA DAMBECK**  
CFO

**SPRINGER NATURE**

# SPRINGER NATURE WITH STRONG Q1 2025 FINANCIAL PERFORMANCE

Underlying growth of +6% in revenue and +11% in AOP



<sup>(1)</sup> Underlying change excludes effects from year-on-year changes in foreign currencies and portfolio

<sup>(2)</sup> Financial leverage as of 31 March 2025 compared to 31 December 2024

# STRONG START TO 2025 IN RESEARCH

## Health and Education performing as expected

### Springer Nature – Group Financials<sup>(1)</sup>

€ MM

	reported		underlying <sup>(2)</sup>		Change	
	Q1 2024 <sup>(3)</sup>	Q1 2025	Q1 2024	Q1 2025	'25 vs '24	'25 vs '24
<b>Revenue</b>						
<b>Research</b>	331.7	354.9	328.7	350.7	7.0%	6.7%
<b>Health</b>	39.2	41.1	39.3	41.0	4.9%	4.3%
<b>Education</b>	58.8	54.4	53.5	53.1	(7.4%)	(0.7%)
Group Consolidation	(0.6)	(0.3)	(0.6)	(0.3)		
<b>Group Revenue</b>	<b>429.2</b>	<b>450.3</b>	<b>420.9</b>	<b>444.6</b>	<b>4.9%</b>	<b>5.6%</b>
<b>AOP</b>						
<b>Research</b>	90.2	99.5	92.8	100.0	10.3%	7.7%
<b>Health</b>	3.7	4.5	3.7	4.5	22.8%	21.9%
<b>Education</b>	4.9	3.7	0.5	2.8	(23.5%)	>200.0%
Group Consolidation	0.0	0.1	0.2	0.1		
<b>Group AOP</b>	<b>98.8</b>	<b>107.9</b>	<b>97.2</b>	<b>107.4</b>	<b>9.2%</b>	<b>10.5%</b>
<i>% margin</i>	23.0%	24.0%	23.1%	24.2%	+93bps	+ 107bps

### Commentary

#### Underlying

- **Group Revenue +5.6%** and **Group Adjusted Operating Profit +10.5%** mainly driven by **Research**.

#### Reported

- Results impacted by **portfolio changes** (Group Revenue €3.1 MM, Group AOP -€1.5 MM) due to AJE divestment.
- **Foreign currency swings** affected **Research** revenue positively (USD/EUR rate during renewal season), offset in AOP by negative FX effects.
- **Education** with unfavorable yoy impact due to hyperinflation.

<sup>(1)</sup> The Professional segment was integrated in the Research segment as at 1 January 2025. The presentation of the previous year has been adjusted accordingly

<sup>(2)</sup> Underlying excludes effects from year-on-year changes in foreign currencies and portfolio

<sup>(3)</sup> Education reported revenue and AOP in Q1 2024 have been amended for a hyperinflation related accounting adjustment in Zimbabwe. The adjustment did not have an effect on H1 2024, or the FY 2024 reported figures of the segment or the Group.

# GOOD PROGRESS OF FREE CASH FLOW IN Q1 2025

## Reduced interest payments major driver for improvement

### Reported Free Cash Flow

€ MM	Q1 2024	Q1 2025	'25 vs '24
<b>Operating cash flow before income tax payments</b>	<b>278.7</b>	<b>284.3</b>	<b>5.6</b>
Tax payments	(44.6)	(37.9)	6.7
<b>Net cash from operating activities</b>	<b>234.1</b>	<b>246.3</b>	<b>12.3</b>
Investments <sup>(1)</sup>	(48.9)	(53.4)	(4.5)
Lease repayments	(5.0)	(9.6)	(4.5)
Net interest and financing related fees <sup>(2)</sup>	(37.6)	(25.4)	12.3
<b>Free Cash Flow</b>	<b>142.5</b>	<b>158.0</b>	<b>15.5</b>

### Net Financial Debt<sup>(3)</sup> and Financial Leverage<sup>(4)</sup>



### Commentary

- **Free cash flow** increased by €15.5 million by improved operating performance and lower tax payments
- **Reduced interest payments** more than offset higher investment and lease payments
- **Strong cash generation** enabled €100 million repayment on senior loan
- Reaching **2.0x leverage** marks solid progress within our strategic target range of 1.5x to 2.0x

Figures subject to rounding

<sup>(1)</sup> Consists of the sum of cash paid for investments in intangible assets, cash paid for investment in content, cash paid for investments in property, plant and equipment less proceeds from divestiture of businesses and non-current assets

<sup>(2)</sup> Consists of cash paid for interest and financing-related fees (including lease interest) less cash received for interest

<sup>(3)</sup> Net financial debt defined as interest-bearing loans and borrowings including lease liabilities minus cash and cash equivalents

<sup>(4)</sup> Financial Leverage based on carrying amounts of interest-bearing loans and borrowings (incl. lease liabilities) divided by LTM adj. EBITDA

# FY 2025 RESULTS EXPECTED IN UPPER HALF OF REVENUE AND AOP RANGE

Introduction of an adjusted AOP range aligned with the revenue range

	Reported FY 2024 Results	FY 2024 Underlying at 2025 const. FX <sup>(1)</sup>	FY 2025 Guidance underlying at 2025 constant FX <sup>(1)</sup>	Q1 Update	Mid-Term
<b>Revenue</b>	€ 1,847 MM	€ 1,835 MM	€ 1,885 to €1,935 MM	Expected to be in the upper half	Confirmed
<b>Adjusted Operating Profit</b>	€ 512 MM	€ 508 MM	<p>old</p> <p>Adjusted Operating Profit Margin at least at the level of 2024</p>  <p>new</p> <p>€523<sup>(2)</sup> to €546 MM</p>	Expected to be in the upper half	

<sup>(1)</sup> Adjusted at new 2025 Constant FX scenario and scope effects (AJE divestment); 1 EUR = 1.082 USD = 0.847 GBP = 163.8 JPY

<sup>(2)</sup> bottom end (€523 MM) corresponds to previously communicated level of 27.7%



**Strong start into 2025: Underlying<sup>(1)</sup> revenue growth of 6% and AOP growth of 11%**



**Research is key growth driver, led by strong performance in Full OA**



**Strategic priorities on track: Solid progress in OA and AI initiatives**



**FY 2025 guidance now including an AOP range; results expected in the upper half of the revenue and AOP ranges**

<sup>(1)</sup> Underlying change excludes effects from year-on-year changes in foreign currencies and portfolio

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**Appendix**

**SPRINGER NATURE**

# QUARTERLY BREAKDOWN OF UNDERLYING RESULTS FOR 2024<sup>(1)</sup>

Revenue, € MM	underlying Q1 2024	reported Q1 2024 <sup>(2)</sup>	underlying Q2 2024	reported Q2 2024 <sup>(2)</sup>	underlying Q3 2024	reported Q3 2024	underlying Q4 2024	reported Q4 2024	underlying FY 2024	reported FY 2024
<b>Research</b>	328.7	331.7	351.9	352.7	361.9	360.1	378.6	381.6	1,421.1	1,426.0
<b>Health</b>	39.3	39.2	47.9	47.8	44.3	44.2	56.8	56.9	188.2	188.2
<b>Education</b>	53.5	58.8	51.9	53.8	82.1	82.2	39.8	39.9	227.4	234.8
Group Consolidation	(0.6)	(0.6)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(1.9)	(1.9)
<b>Group Revenue</b>	<b>420.9</b>	<b>429.2</b>	<b>451.3</b>	<b>453.9</b>	<b>487.9</b>	<b>486.1</b>	<b>474.7</b>	<b>477.8</b>	<b>1,834.8</b>	<b>1,847.1</b>

AOP, € MM	underlying Q1 2024	reported Q1 2024 <sup>(2)</sup>	underlying Q2 2024	reported Q2 2024 <sup>(2)</sup>	underlying Q3 2024	reported Q3 2024	underlying Q4 2024	reported Q4 2024	underlying FY 2024	reported FY 2024
<b>Research</b>	92.8	90.2	114.6	115.2	123.3	121.0	119.9	125.2	450.7	451.6
<b>Health</b>	3.7	3.7	9.2	9.1	8.4	8.2	15.1	15.2	36.3	36.2
<b>Education</b>	0.5	4.9	2.4	2.2	24.6	24.8	(7.2)	(7.4)	20.3	24.5
Group Consolidation	0.2	0.0	0.2	0.0	0.2	0.1	0.0	0.0	0.5	0.0
<b>Group Adj. Operating Profit</b>	<b>97.2</b>	<b>98.8</b>	<b>126.5</b>	<b>126.5</b>	<b>156.4</b>	<b>154.1</b>	<b>127.8</b>	<b>132.9</b>	<b>507.8</b>	<b>512.4</b>

<sup>(1)</sup> Underlying change excludes effects from year-on-year changes in foreign currencies and portfolio. @ 2025 constant currency.

<sup>(2)</sup> Education reported revenue and AOP in Q1 and Q2 2024 have been amended for a hyperinflation related accounting adjustment in Zimbabwe. The adjustment did not have an effect on subsequent quarters, H1 2024 or the FY 2024 reported figures of the segment or the Group.