



Investor Conference Call // Bertelsmann Interim Results 2024

August 28, 2024

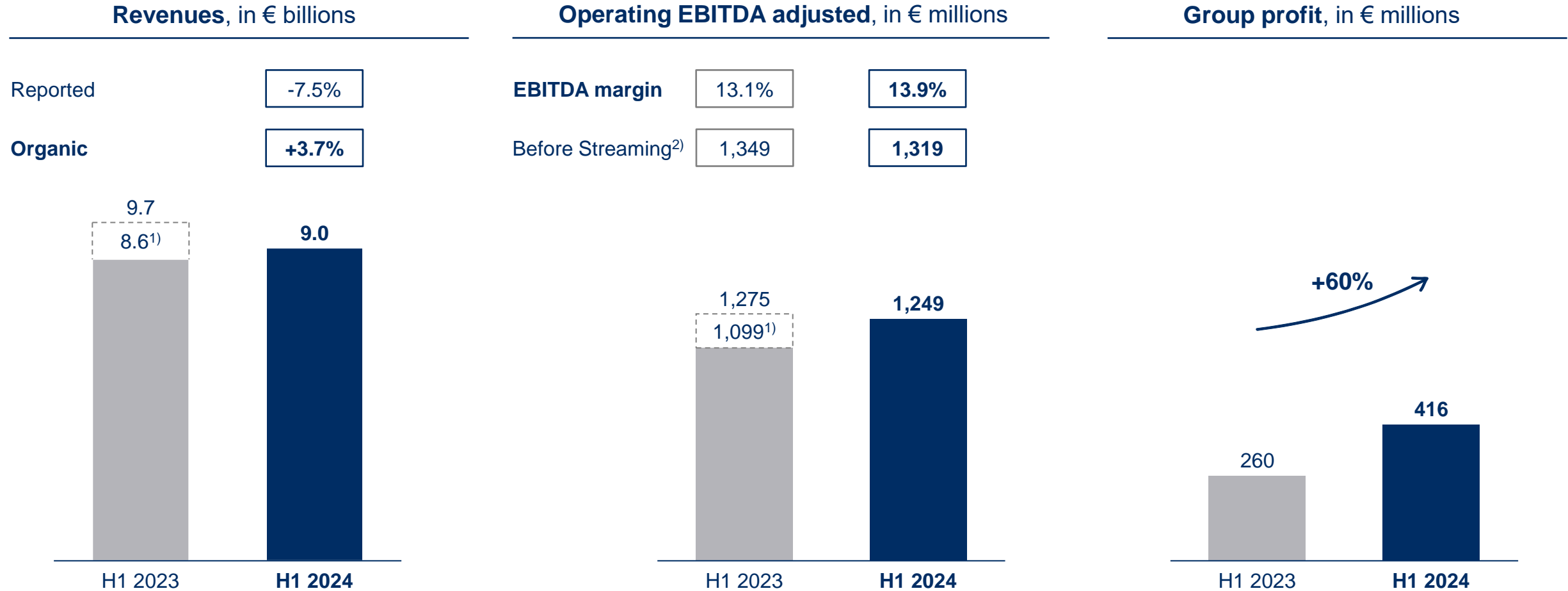
Rolf Hellermann, Member of the Executive Board and CFO of Bertelsmann

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Interim results H1 2024 – Highlights and key topics

1. **Performance:** Revenues of €9.0 billion | Organic growth of 3.7 percent | Operating EBITDA adj. of €1.2 billion | Group profit up by 60 percent
2. **Financial position:** Leverage factor at 2.4x | Equity ratio of 47 percent | Commitment to prudent financial policy
3. **Cash flow:** Operating free cash flow down due to build-up of working capital | Cash Flow also absorbed by Boost initiatives
4. **Strategy** | National media champions | Global content | Global services | Education | Investments
5. **Extended Group strategy** | Boost | Regional Boost | Next | Breakout
6. **Outlook 2024** | Full-year outlook raised | Significant revenue and earnings growth on comparable basis

Group key figures – Healthy organic revenue growth, improved EBITDA margin, higher Group profit



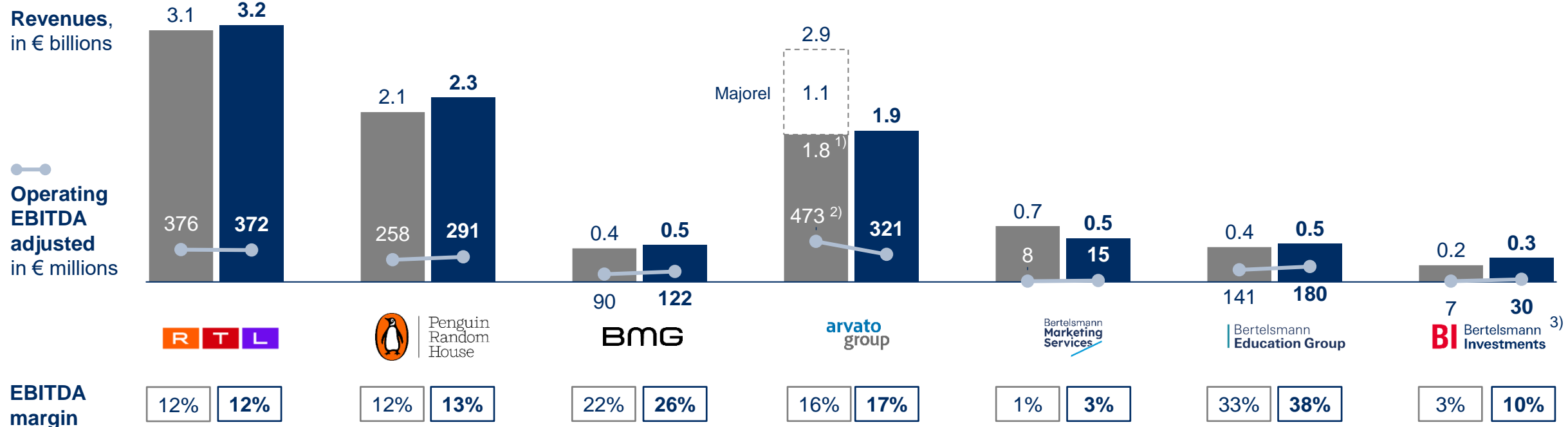
1) Excl. Majorel 2) Start-up losses streaming RTL Group (RTL+ DE, RTL+ HU, M6+, Salto and Bedrock)

Divisions – Sound organic growth across nearly all divisions, portfolio-related declines at Arvato Group

■ H1 2023 ■ H1 2024

Revenue growth

Reported	+2.1%	+8.5%	+11.1%	-35.0%	-22.0%	+9.3%	+46.3%
Organic	+2.1%	+8.0%	+12.5%	+2.7%	-22.0%	+9.4%	+52.6%



1) Excl. Majorel 2) Thereof Majorel Operating EBITDA of €177 million (according to Majorel-Reporting for H1 2023)

3) Business development of venture capital organizations of BI determined primarily on the basis of EBIT. EBIT of BI amounted to €72 million (H1 2023: €-36 million).

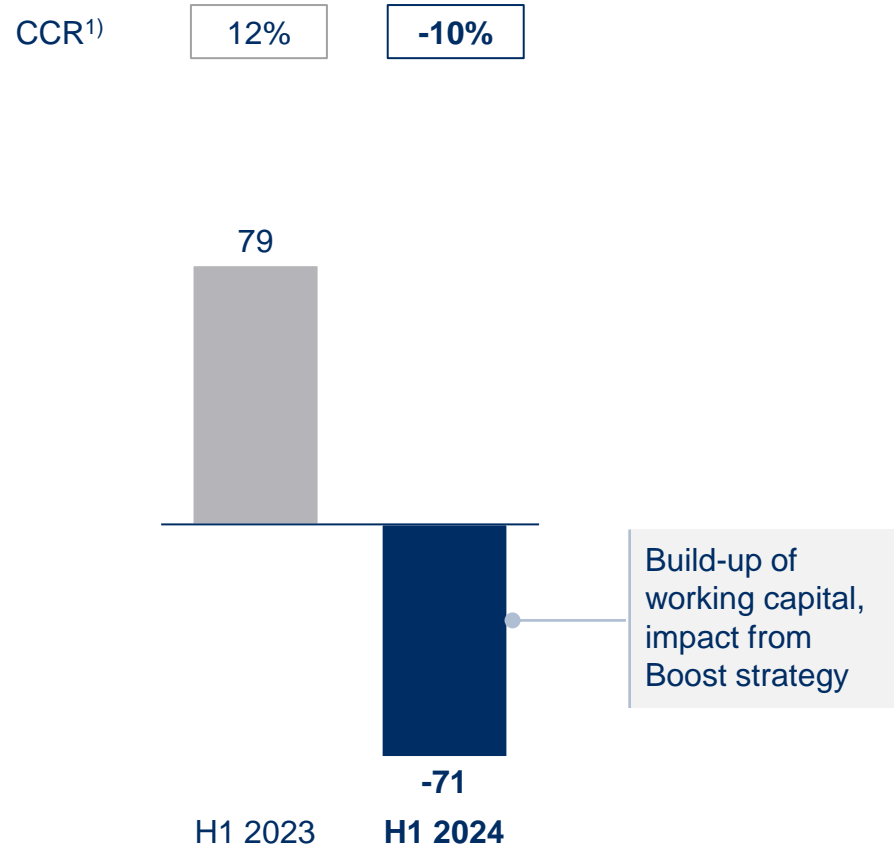
Group profit – Increased Group profit due to lower negative impact from special items

in € millions	H1 2023	H1 2024	Change	Comment
Operating EBITDA adjusted	1,275	1,249	-25	Negative portfolio effects, strong organic earnings growth
Depreciation and amortization adjusted	-563	-529	+33	
Reorganizations/other adjustments	-216	-86	+130	High reorganization expenses in prior year i. e. at BMS (site closure gravure printing)
Impairments/reversals	-4	0	+4	
Capital gains/losses and FV remeasurements	17	46	+30	
∑ Special items	-203	-40	+163	
EBIT	509	680	+171	
Financial result	-158	-120	+39	
Income tax expense	-91	-144	-53	Mainly attributable to higher earnings before tax
Group profit	260	416	+156	

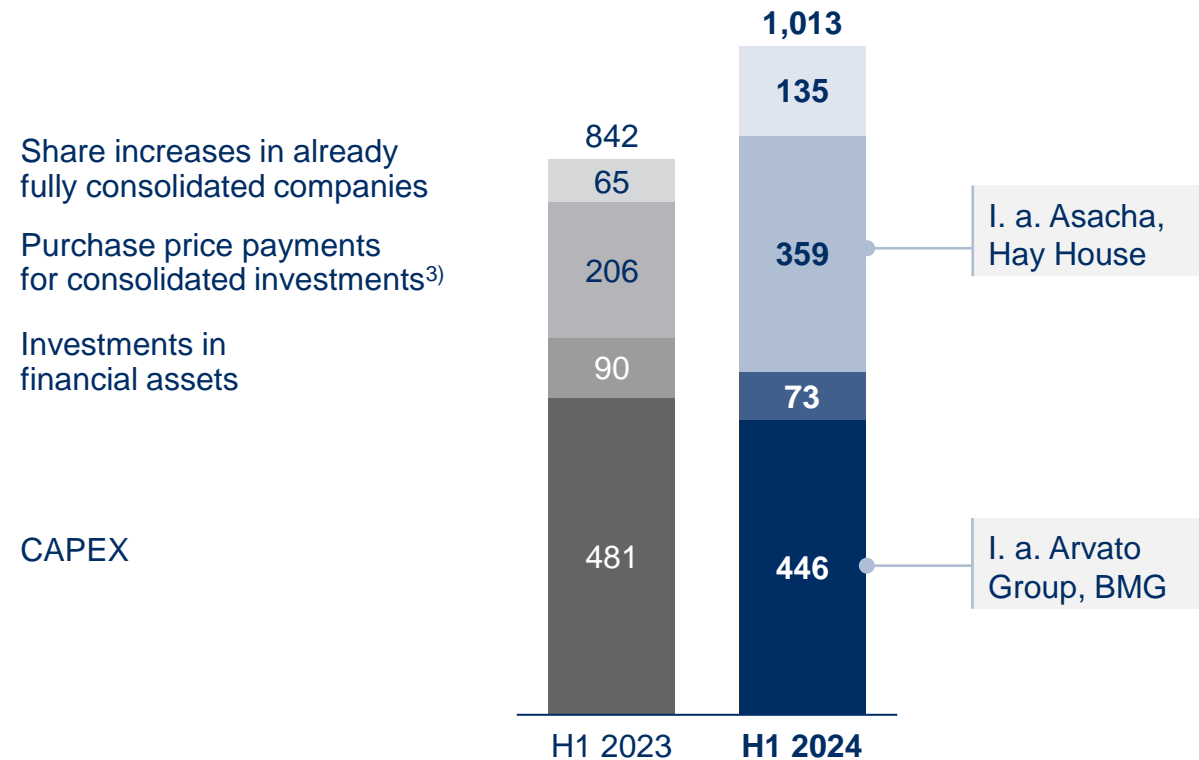
Note: In individual cases, rounding may result in individual figures not adding up to the totals shown.

Further Group key figures – Operating free cash flow impacted by build-up of working capital, higher level of investments

Operating free cash flow¹⁾, in € millions



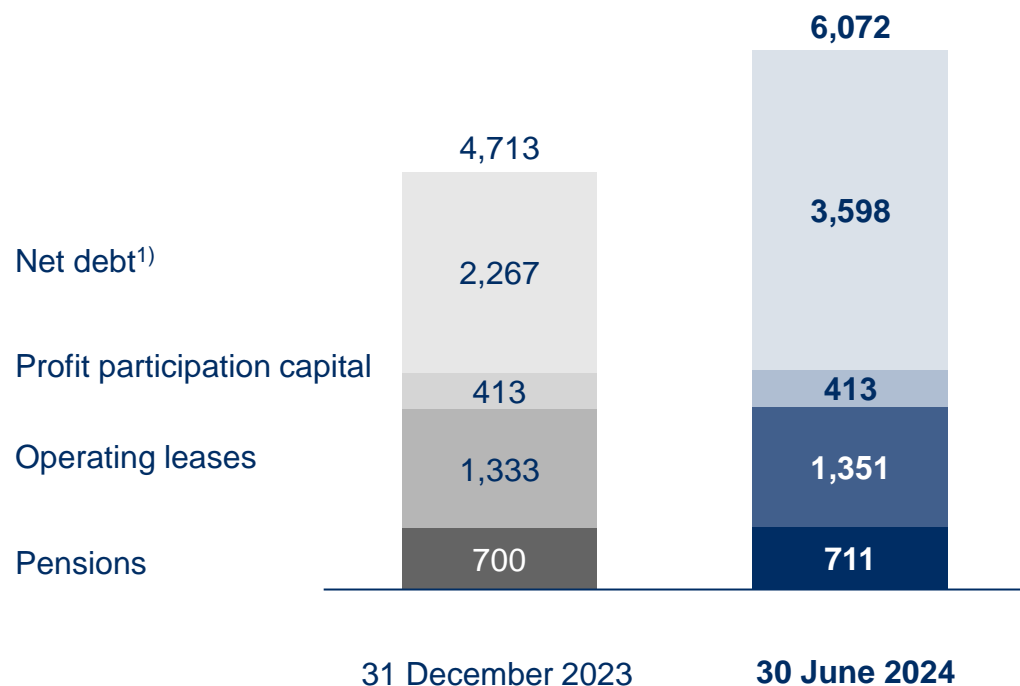
Economic investments²⁾, in € millions



1) Adjusted 2) According to cash-flow statement including change in equity 3) Including financial debt assumed

Financial status (I/II) – Increased net financial debt, Leverage factor also impacted by seasonal effects

Economic debt, in € millions



Leverage factor

$\frac{\text{Economic debt}^{1)}}{\text{Operating EBITDA}^{1)}}$



Equity ratio

$\frac{\text{Equity}}{\text{Total assets}}$



Credit rating

MOODY'S
INVESTORS SERVICE

Baa2, outlook: stable

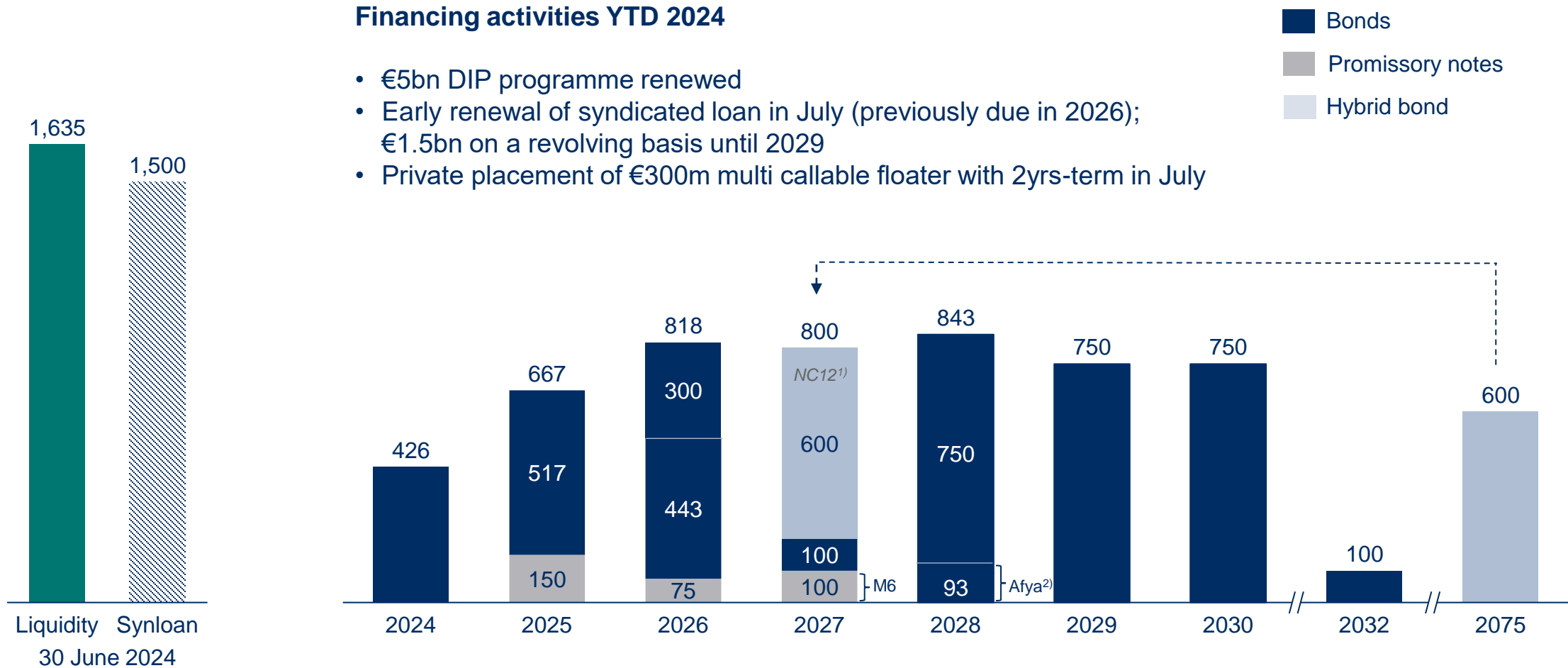
S&P Global
Ratings

BBB, outlook: stable

1) After modifications

Financial status (II/II) – Sound financial position, long-term oriented maturity profile, renewal of syndicated loan in July

in € millions



1) Indication of first call date, for illustrative purposes only 2) As of 31 Dec 2023 (BRL500m)

Group strategy (I/II) – Further strategic progress; €1bn boost investments in H1 2024



1) Capital shares, without treasury shares

Group strategy (II/II) – Expansion along proven dimensions

BOOST: Grow existing businesses

Accelerate growth
organically and via M&A

Regional BOOST: Expand into other regions

BAI Bertelsmann
Asia
Investments

~€1.0bn invested
since 2008

BII Bertelsmann
India
Investments

>€300m invested
since 2012

Afya

Initially fund-of-fund
investment, acquired in 2022

Next: Build new businesses

BI Bertelsmann
Investments

First venture capital
fund in 2008

BMG

Founded with new
business model in
2008

Bertelsmann
Education Group

Entered new segment,
new division in 2015

Breakout: Merge with other companies


RANDOM HOUSE
BERTELSMANN



Bertelsmann share

53%	→	75%	→	100%
Merger		Step-up		Buyout Pearson
2012		2017		2020

Summary and outlook – **Full-year outlook raised**

H1 2024

Key developments

- Revenue down to €9.0 billion due to sale of Majorel
- Healthy organic revenue growth
- Improved EBITDA margin
- Group profit increased by 60 percent

FY 2024

Outlook

- Significant revenues and earnings increase on a comparable basis (previous outlook Annual Report 2023: moderate increases)¹⁾
- Further progress along strategic growth priorities
- Continued Boost investments

1) Moderate revenue and earnings decline in reported figures due to the realised sales (Majorel, DDV Mediengruppe) and planned sale (RTL Nederland); previous outlook Annual Report 2023: strong declines



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