Dear readers,
dear friends of Bertelsmann,

our company has changed in recent years: based on four strategic priorities, we have made Bertelsmann a faster growing, more digital, more international and more diversified company. Thus, a new Bertelsmann has arisen, with eight divisions based on the pillars of media content, services and education – and with a corporate culture that connects our businesses in some 50 countries around the world. The successful implementation of our strategy is paying off: Bertelsmann has had some of the most successful years in its history. This is something we wish to continue building on in the years ahead, the most important base for creativity and entrepreneurship being the commitment of our 117,000 employees.

This brochure provides information about our business performance as well as our strategy and divisions. Thank you for your interest in our journey!

Yours sincerely,
The Bertelsmann Executive Board

Thomas Rabe
Member of Bertelsmann’s Executive Board since January 1, 2006.
Chairman and Chief Executive Officer of Bertelsmann and
Chief Executive Officer of RTL Group.
Born on August 6, 1965, in Luxembourg.

Markus Dohle
Member of Bertelsmann’s Executive Board since June 1, 2008.
Chief Executive Officer of Penguin Random House, New York.
Born on June 28, 1968, in Arnsberg (Germany).

Immanuel Hermreck
Member of Bertelsmann’s Executive Board since January 1, 2015.
Chief Human Resources Officer of Bertelsmann, Gütersloh.
Born on March 22, 1969, in Rheda-Wiedenbrück (Germany).

Bernd Hirsch
Member of Bertelsmann’s Executive Board since April 1, 2016.
Chief Financial Officer of Bertelsmann, Gütersloh.
Born on July 24, 1970, in Ellwangen (Germany).

The Bertelsmann Group Management Committee

The Group Management Committee advises and supports the Executive Board on important issues of corporate strategy and development and other enterprise-wide topics. It is composed of the members of the Bertelsmann Executive Board and selected executives from the Bertelsmann Group. The Group Management Committee reflects Bertelsmann’s diversity and internationality, as well as its most important markets. It is led by Thomas Rabe.

Rolf Hellermann
Chief Executive Officer of Arvato Financial Solutions

Julia Jäkel
Chief Executive Officer and Chairwoman of the Executive Board of Gruner + Jahr

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Annabelle Yu Long
Chief Executive Officer of Bertelsmann China Corporate Center and Managing Partner Bertelsmann Asia Investments

Hartwig Masuch
Chief Executive Officer of BMG

Madeline McIntosh
Chief Executive Officer of Penguin Random House U.S.

Shobhna Mohn
Executive Vice President Growth Regions Strategy and Bertelsmann Investments

Gail Re buck
Board Member Penguin Random House

Bernd Reichart
Chief Executive Officer of Mediengruppe RTL Deutschland

Frank Schirrmeister
Chief Executive Officer of Arvato SCM Solutions

Karin Schlautmann
Executive Vice President Corporate Communications of Bertelsmann

Nicolas de Tavernost
Chairman of the Executive Board of Groupe M6
Bertelsmann pursues four strategic priorities. The goal: to become an even faster-growing, more digital, more international and more diversified Group. To achieve this, Bertelsmann is increasingly opening up new lines of business that will benefit from megatrends such as digitalization, the rising demand for education, and growing consumption in countries such as Brazil, China and India. Creativity and entrepreneurship are the drivers of our strategy implementation. They form the core of the Group’s value creation, create transparency and orientation, and are essential to Bertelsmann’s identity and corporate culture.

The Four Strategic Priorities

Bertelsmann has since 2012 pursued four strategic priorities in transforming itself into a fast-growing, more digital, more international and more diversified company. In recent years, the company invested more than €5 billion in digital and high-growth businesses, and is pursuing their expansion with an increasing focus on organic growth. Along with this, Bertelsmann is increasingly opening new lines of business that benefit from digitalization, the growing demand for education, and growing consumption in countries such as Brazil, China and India. At the core of the value creation of all its businesses, Bertelsmann relies especially on the innovative power of creativity, and spends more than €5 billion a year on video content, book rights and magazines, as well as catalog acquisitions and artist signings in the music sector. This figure is expected to rise to around €6 billion in the years ahead.

Strengthening the Core

Digital Transformation

Building and Developing Growth Platforms

Growth Regions
RTL Group is a leader across broadcast, content and digital, with interests in 60 television channels, eight video-on-demand platforms, 30 radio stations, content production throughout the world and rapidly growing digital video businesses. The television portfolio of RTL Group includes RTL Television in Germany; M6 in France; the RTL channels in the Netherlands, Belgium, Luxembourg, Croatia and Hungary; and Antena 3 in Spain. The Group’s flagship radio station is RTL in France, and it also owns or has interests in other stations in France, Germany, Belgium, Spain and Luxembourg. RTL Group’s content production arm, Fremantle, is one of the largest international creators, producers and distributors of scripted and unscripted content in the world. Combining the on-demand services of its broadcasters, the multiplatform networks BroadbandTV, StyleHaul, Divimove, United Screens and Fremantle’s more than 300 YouTube channels, RTL Group has become the leading European media company in online video. RTL Group also owns the advanced video ad serving platform SpotX. Bertelsmann is the majority shareholder of RTL Group, holding 75 percent of its shares.

www.RTLGroup.com
Penguin Random House, the world’s largest trade book publisher, is dedicated to its mission of nourishing a universal passion for reading by connecting authors and their writing with readers everywhere. The company employs more than 10,000 people globally. With nearly 275 independent imprints and brands on six continents, Penguin Random House comprises adult and children’s fiction and nonfiction print with primarily English- and Spanish-language trade book publishing businesses in more than 20 countries worldwide. With 15,000 new titles, and around 600 million print, audio and eBooks sold annually, Penguin Random House’s publishing lists include more than 80 Nobel Prize laureates and hundreds of the world’s most widely read authors. Bertelsmann owns 75 percent of shares in Penguin Random House; Pearson owns 25 percent.

www.penguinrandomhouse.com

The German-language Verlagsgruppe Random House in Munich, with 40 renowned publishers, is not part of Penguin Random House from a legal point of view, but is under the same corporate management and is part of the Penguin Random House division.

www.randomhouse.de
Gruner + Jahr is one of Europe’s leading premium magazine publishers. Its products include established brands such as “Stern,” “Geo,” “Brigitte,” “Essen & Trinken” and “Schöner Wohnen” – as well as younger brands like “Chefkoch,” “Barbara,” “Beef” and “11 Freunde.” In total, Gruner+Jahr publishes around 500 print and digital media products across more than 20 countries. It also markets products and licenses such as the “Schöner Wohnen” Collection. Gruner+Jahr’s activities focus primarily on Germany and France. In the latter, its French subsidiary Prisma Media boasts one of the widest audiences of any publishing company. Digital business makes up a quarter of sales, and is exhibiting continued strong growth. Indeed, the company’s digital products lead the rankings in all publishing segments, from news to people to living. G+J also operates international digital marketing platforms (e.g., AppLike). Territory, Germany’s largest communications agency for brand content, is a member of the G+J family. Other members include DDV Mediengruppe in Dresden (“Sächsische Zeitung”). G+J also holds a stake in Spiegel-Gruppe (“Spiegel,” “Manager Magazin”). Gruner+Jahr is wholly owned by Bertelsmann.

www.guj.com
BMG is the first new international music company of the streaming age, designed to help artists and songwriters best manage and market their music-related rights, from songs and recordings to videos and books. Creating competitive advantage with its core values of Fairness, Transparency and Service, BMG offers the traditionally separate music publishing and recording rights off the same state-of-the-art platform internationally. BMG’s 15 offices across 12 core music markets now represent over three million songs and recordings, including many of the most renowned and successful catalogs and artists in popular music history. BMG is wholly owned by Bertelsmann.

www.bmg.com
Arvato is an internationally active services company that develops and implements innovative solutions for business customers from around the world. These include SCM solutions, financial services and IT services, which are continuously developed with a focus on innovations in automation and data/analytics. Globally renowned companies from a wide variety of industries – from telecommunications providers and energy providers to banks and insurance companies, e-commerce, IT and Internet providers – rely on Arvato’s portfolio of solutions. Arvato is wholly owned by Bertelsmann. The services business also includes the Majorel group of companies, in which Bertelsmann owns 50 percent of shares.

www.arvato.com
The Bertelsmann Printing Group unites Bertelsmann’s printing activities. This includes the German offset printing companies Mohn Media, GGP Media and Vogel Druck, the Prinovis gravure printing operations in Germany and the United Kingdom, and the offset and digital printing plants Berryville Graphics, Coral Graphics and OPM in the United States. The Group combines a wide range of print and service offers. Campaign, DeutschlandCard and the Dialogue business are also part of Bertelsmann Printing Group. The Bertelsmann division also includes the advertising agency MBS, RTV Media Group and Sonopress. Bertelsmann Printing Group is wholly owned by Bertelsmann.

www.bertelsmann-printing-group.com
The Bertelsmann Education Group encompasses Bertelsmann’s education businesses. The group is shaping professional learning in the 21st century with digital education and service offerings focused on the healthcare and technology sectors. It draws on Bertelsmann’s resources and global network. The Bertelsmann Education Group is wholly owned by Bertelsmann.

www.bertelsmann-education-group.com
Bertelsmann Investments unites Bertelsmann’s start-up investments around the world. Its activities focus on the strategic growth regions Brazil, China, India and the United States. Shareholdings are acquired through the strategic investment funds Bertelsmann Brazil Investments (BBI), Bertelsmann Asia Investments (BAI), Bertelsmann India Investments (BII) and Bertelsmann Digital Media Investments (BDMI). Bertelsmann owns stakes in more than 185 innovative companies via these funds.

www.bertelsmann-investments.com
Our Origins and Shareholders
Bertelsmann was founded in 1835 by Carl Bertelsmann. It remains a privately-held company, with the majority of shares donated to a not-for-profit foundation - the Bertelsmann Stiftung.

Our Sense of Purpose
To empower, to create and to inspire is the purpose of our work. This provides direction to our managers and employees and informs our relationship with customers, partners and society at large. It guides all of our work as an international media, services and education company.

Our Essentials
In a rapidly changing world, how we do things has never been more important. Our core values guide everything we do. Strong individually, it is how Creativity & Entrepreneurship work together that makes them powerful and true to our Bertelsmann culture of participation and partnership.

The Bertelsmann Essentials

Creativity
Creativity is vital to us. We celebrate and nurture creativity: encouraging the critical and imaginative thinking that challenges convention and unlocks opportunity. Our minds are open and curious and we encourage and develop the passionate pursuit of fragile ideas. We know that experimentation is part of the creative process and that innovation best serves our customers and markets. Diversity is crucial. We actively seek out different viewpoints and encourage communication and collaboration.

Entrepreneurship
Entrepreneurial freedom provides us with the vision and courage to take risks, the decisiveness and perseverance to get things done, and to be accountable for our actions. Because we act responsibly, we can be proud of our entrepreneurial achievements. We never lose sight of our customers. Mutual respect and trust between every colleague and partner is crucial. Collaborating makes us all stronger. We invest in our people, empower them and provide fair working conditions. We’re mindful of the impact we have on society and environment, and we seek to make a positive difference.
To perpetuate its growth and success, Bertelsmann has embraced or initiated change throughout its history. Founded as a family business, the seventh generation of the Bertelsmann / Mohn family is still involved in the company. At every stage in its history, Bertelsmann has successfully managed technological innovation, changing user habits and market upheavals. The company once revolutionized book sales and distribution, was formative in establishing commercial television in Germany, and introduced employee profit-sharing very early on. Over decades, Bertelsmann was shaped and developed by Reinhard Mohn, who took over the Gütersloh-based company after its destruction in World War II and turned it into a successful global media company.
Milestones in the Company’s History

1835
On July 1, the printer Carl Bertelsmann founds C. Bertelsmann Verlag.

1945
Large parts of the publishing building are destroyed in an air raid.

1956
The founding of the Schallplattenring marks the beginning of Bertelsmann’s involvement in the music business.

1956
On July 1, the printer Carl Bertelsmann founds C. Bertelsmann Verlag.

1969
Bertelsmann acquires a shareholding in the Hamburg publishing house Gruner + Jahr.

1971
Bertelsmann becomes a stock corporation.

1984
Bertelsmann enters the commercial television industry.

1984
Bertelsmann enters the commercial television industry.

1998

2012
New Corporate Centers open in Brazil and India, expansion in China.

2013
Merger of Penguin and Random House to form the world’s largest trade book publishing group.

2014
Digital transformation at all levels, and education as a new business pillar.

2015
Founding of the Bertelsmann Education Group and Bertelsmann Printing Group.

2016
The new Bertelsmann is created with eight divisions.
Further Information about Bertelsmann

Website
The Bertelsmann website gives a clear, comprehensive presentation of the media group with its structures, divisions, products and services. The website is also a point of contact for anyone interested in the latest news as well as facts and figures about Bertelsmann.

www.bertelsmann.com

Experience Bertelsmann
Bertelsmann’s full range of creative products and services is presented in an attractive and entertaining way. The media group’s colorful diversity is shown on Facebook and Instagram.

Facebook BertelsmannErleben
Instagram Bertelsmann_erleben

Create Your Own Career
As a global media, services and education company with well over 117,000 employees, Bertelsmann ranks among the top employers on both the national and international stage. The portal features current job openings as well as events and news related to working and pursuing a career at Bertelsmann.

www.createyourowncareer.com

Annual Report
The Annual Report provides a summary of the company’s business development. In it, Bertelsmann retrospectively presents highlights from the divisions along with its consolidated financial statements. The assets and financial position of each division are also laid out. In addition to the printed version, the report is also available as an interactive online version.

www.bertelsmann.com/AR

Social Networks
Extensive information and news about Bertelsmann can be found on Facebook, Twitter, Instagram, YouTube, Xing and LinkedIn. Our Social Cloud shows the posts of Bertelsmann’s more than 12,000 channels in real-time.

socialcloud.bertelsmann.com
Bertelsmann @Bertelsmann_com @Bertelsmann_de
Bertelsmann Bertelsmann_erleben
Bertelsmann XING Bertelsmann