

Financial year 2020

March 30, 2021



Financial year 2020 – Successful business development despite Covid-19; portfolio transformation further advanced

Strong business development despite Covid-19

Counteraction:
costs reduced, liquidity secured

Portfolio quality:
Group with broad and solid positioning

Importance of digital business models:
>50% share of Group revenues

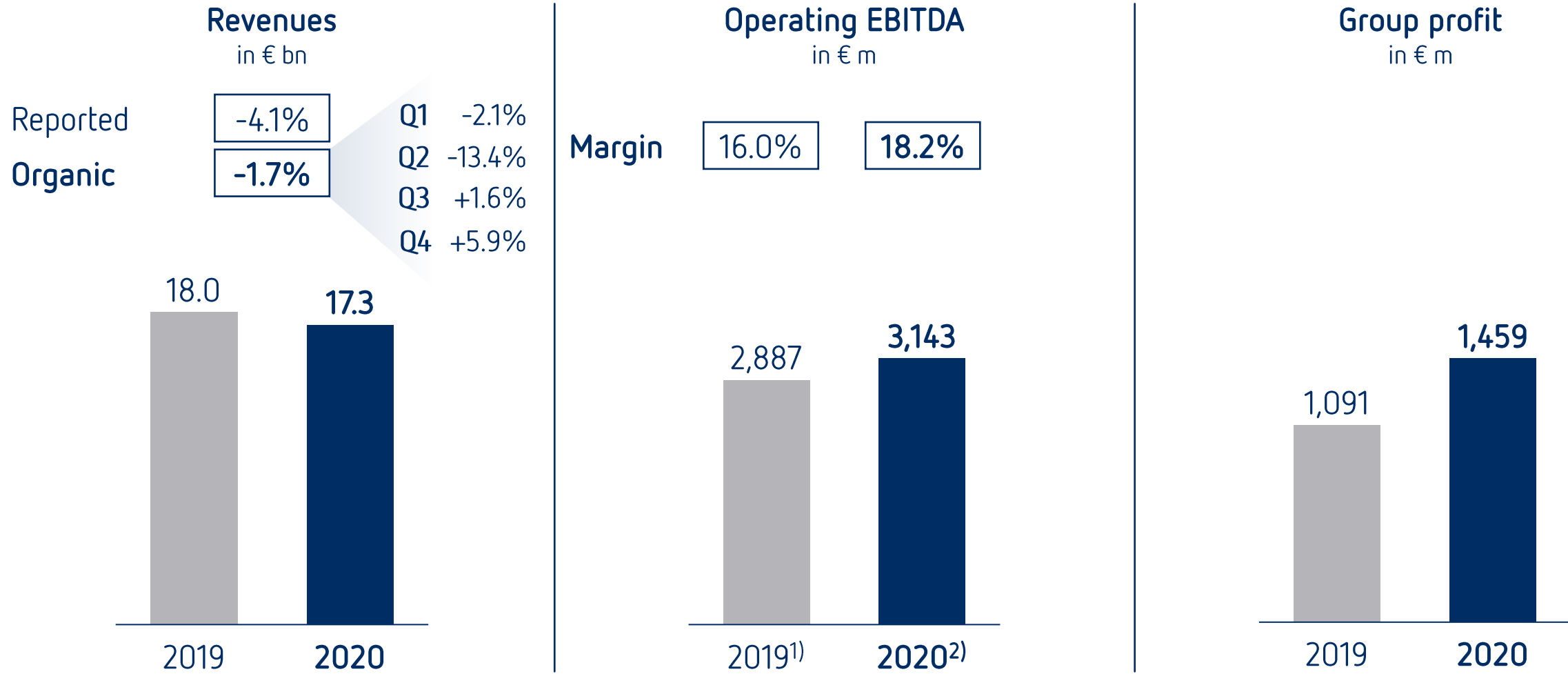
Portfolio transformation continued

Strategic progress
along all growth priorities

High investments
in existing and new businesses

Expansion of Penguin Random House and Arvato into
two further major earnings pillars besides RTL Group

Group key figures – Revenues of €17.3bn, EBITDA at record high, Group profit at highest level since 2006



1) Restated 2) Including earnings from real-estate transactions

Divisional key figures (1/2) – Media businesses

in € m



Reported

-9.5%

+4.6%

-16.2%

+0.3%

Organic

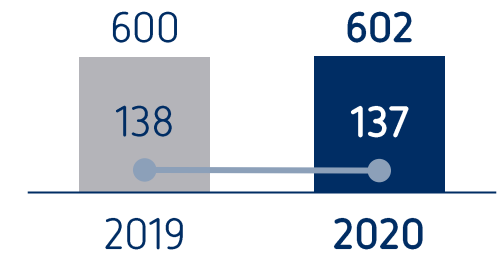
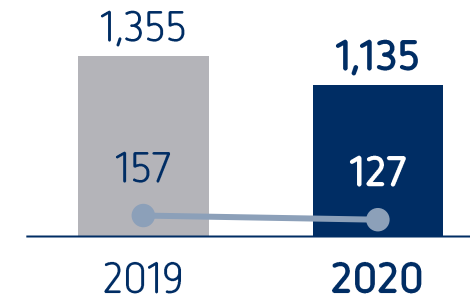
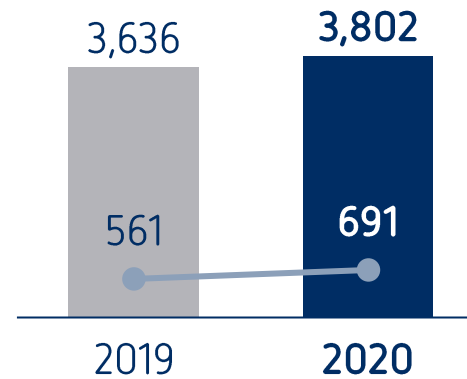
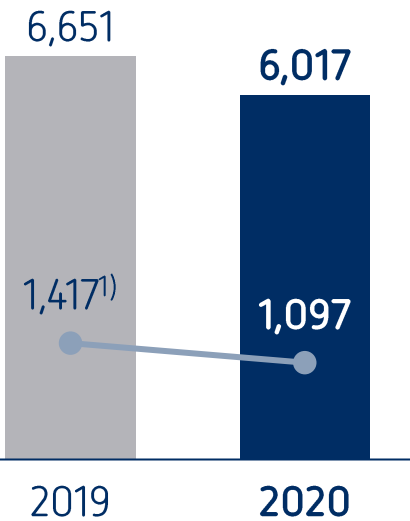
-7.2%

+6.7%

-9.0%

+1.9%

Revenues



Operating
EBITDA

EBITDA margin

21.3%¹⁾

18.2%

15.4%

18.2%

11.6%

11.2%

23.0%

22.7%

1) Restated

Divisional key figures (2/2) – Service, education and fund businesses

in € m

arvato
BERTELSMANN

BPG

Bertelsmann
Education Group

BI Bertelsmann
Investments

Reported
Organic

+5.0%

-13.2%

-3.8%¹⁾

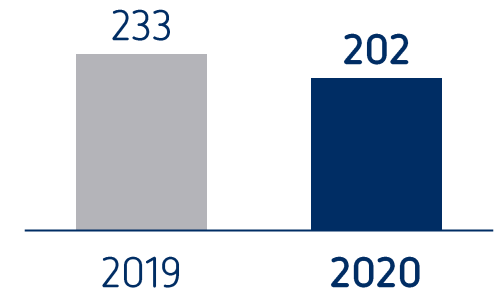
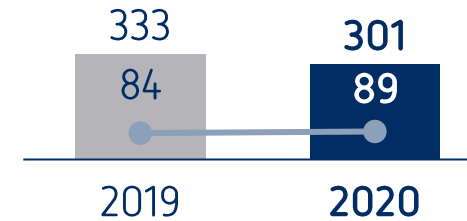
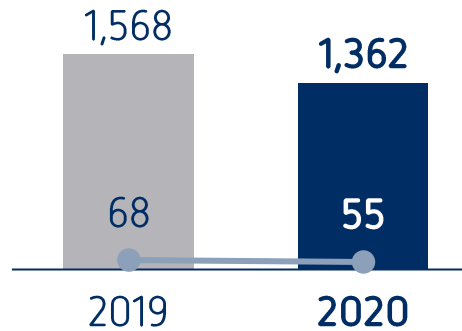
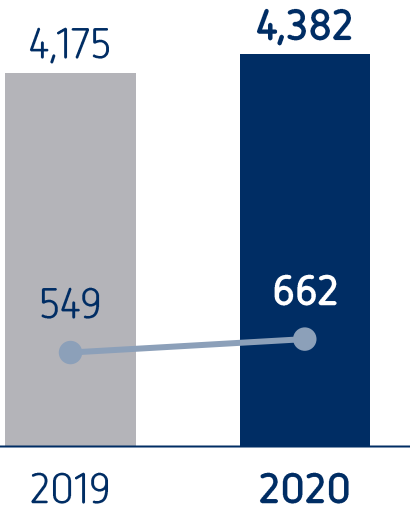
+6.5%

-13.4%

+3.6%¹⁾

Exit
proceeds

Revenues



Operating
EBITDA

EBITDA margin

13.2%

15.1%

4.4%

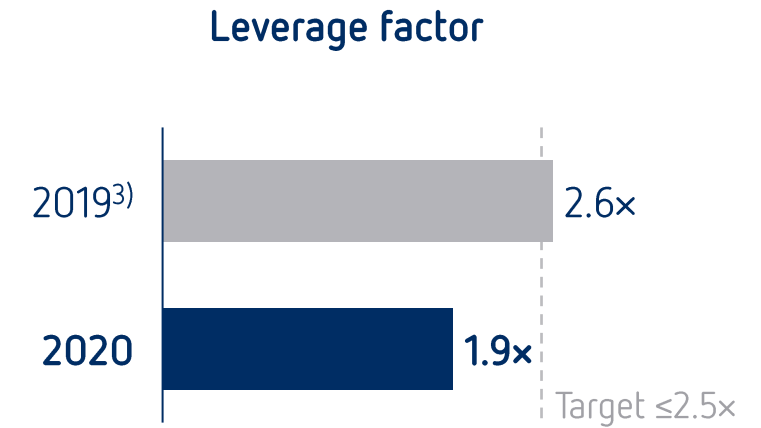
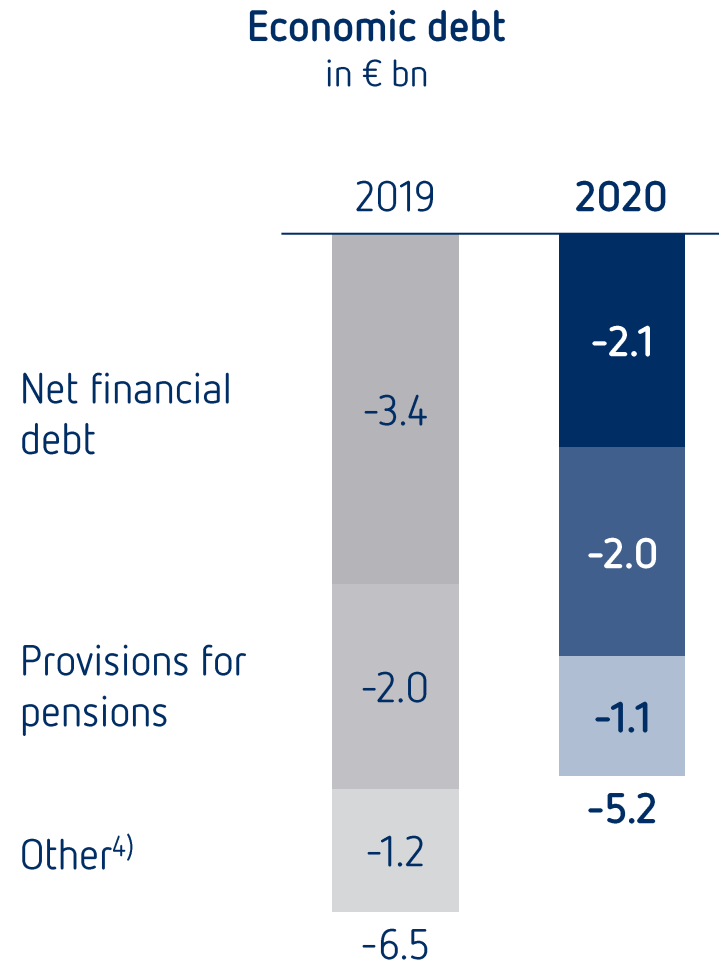
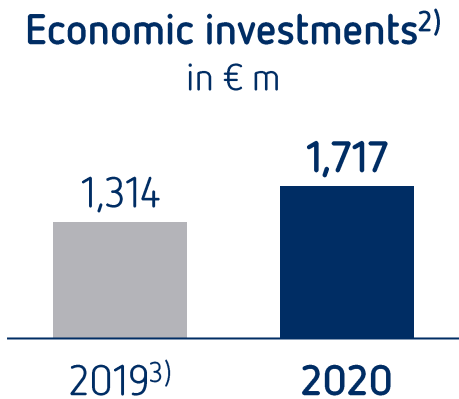
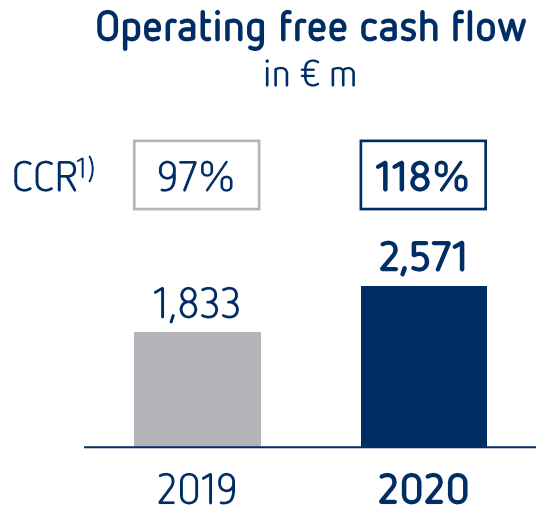
4.0%

25.2%

29.5%

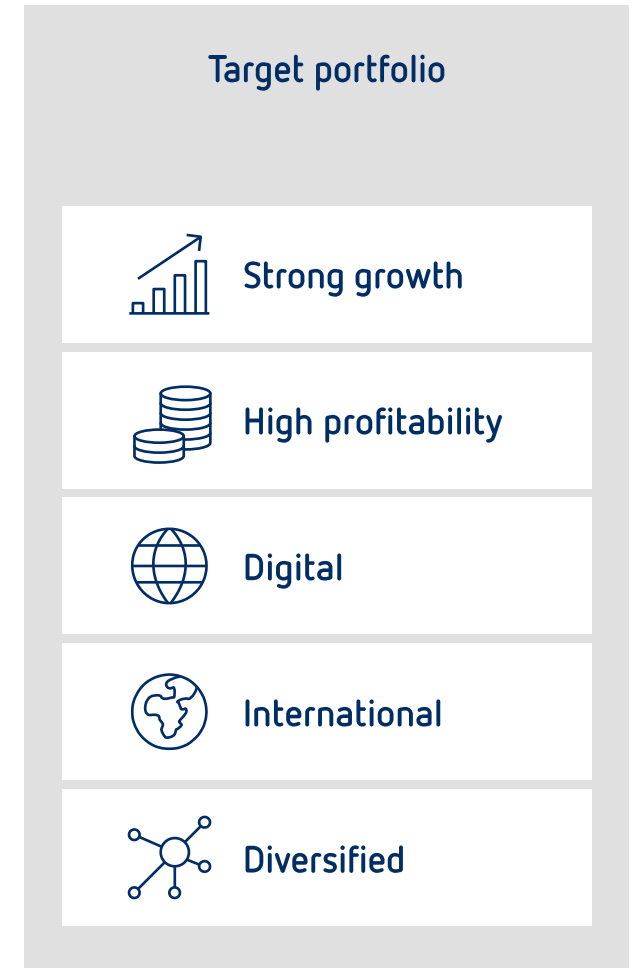
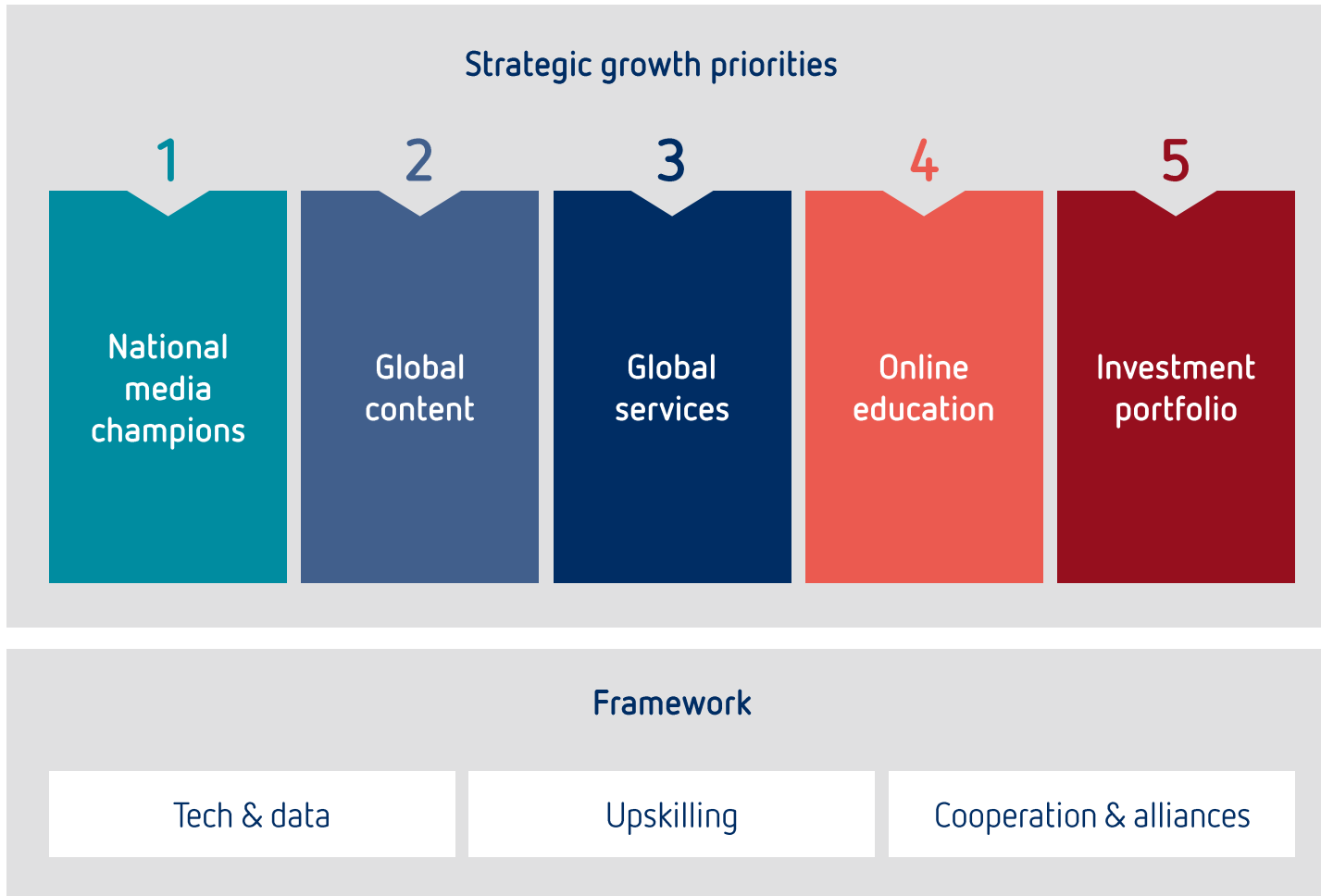
1) Adjusted for HotChalk; including HotChalk -9.8% as reported and -2.3% organically

Financial position – Operating cash flow €>2bn, net financial debt significantly reduced, leverage factor <2x



1) Cash conversion rate 2) Incl. step-ups in already fully consolidated companies 3) Adjusted 4) Primarily leasing liabilities

Group strategy – Growth along five strategic priorities



Group strategy – Substantial progress in all strategic priorities








Strategic growth priorities



Group strategy – Framework initiatives driven forward; achievements in climate neutrality



Framework

Tech & data	Upskilling	Cooperation & alliances
<p>Launch of „Bertelsmann Collaboration Platform“ for Group-wide exchange</p>  <hr style="width: 20%; margin: 10px auto;"/> <p>Progress in expanding data, cloud and IT security structures</p> 	<p>>60,000 applicants for Udacity scholarships</p> <div style="background-color: #808080; color: white; padding: 5px; display: inline-block; margin: 10px auto;">#50000Chances</div> <hr style="width: 20%; margin: 10px auto;"/> <p>Establishment of digital data and cloud curricula</p> 	<p>Internationalization, cross-media campaigns</p>  <hr style="width: 20%; margin: 10px auto;"/> <p>Expansion of internal cooperation, admission of new partners</p> 

Climate neutrality



Highlights

Expansion of sites with green electricity



Corporate Center climate neutral



Summary and outlook – Successful financial year 2020; focus 2021 on growth and future-oriented investments

2020

Key developments

- Covid-19 impact fully compensated
- EBITDA at record high and €>3bn for the first time
- Group profit of €1.5bn
- Growth priorities redefined

2021

Outlook

- Continued recovery of advertising markets expected
- Operating earnings stable on a comparable basis
- Earnings-effective investments of €~250m in new businesses and technologies, in particular video on demand, cloud and data
- Group profit again €>1bn

Financial year 2020

