

PRESS RELEASE

Bertelsmann Significantly Increases Group Profit

- **Operating profit for first nine months of 2013 at record level**
- **Group profit for the full year expected to increase by more than 20 percent**

Gütersloh, November 12, 2013 – The international media and services company Bertelsmann recorded a positive business performance for the first nine months of fiscal 2013. All key earnings figures improved, with revenues slightly up to €11.45 billion (previous year: €11.42 billion). Earnings before interest, taxes, depreciation and amortization (operating EBITDA) adjusted for special items rose to €1.47 billion (previous year: €1.43 billion). Operating EBIT reached the record level of €1.10 billion at the end of September (previous year: €1.09 billion). The drivers of this development in earnings were strong business performances at RTL Group as well as some of the service businesses. Group profit rose sharply by 19 percent to €622 million (previous year: €523 million), and hereby surpassing last year's full year Group profit of €619 million after only nine months.

Thomas Rabe, Chairman and CEO of Bertelsmann, said: "This performance makes us optimistic about the remainder of the financial year. We expect Group profit for the full year 2013 to increase by more than 20 percent, and as announced earlier, continued growth in revenues. We have taken important strategic steps in recent months towards making Bertelsmann a faster-growing, more digital and more international group."

Rabe emphasized that during the period under review, progress was made on all four strategic priorities – strengthening the core, digital transformation, expanding growth platforms and expansion in growth regions – which will have an enhanced impact on results going forward.

For example, following its complete acquisition by Bertelsmann, the music rights company BMG signed new contracts with a number of high-profile artists, including Mick Jagger, Keith Richards, Robbie Williams and the Backstreet Boys.

Rabe added that the creation of the world's leading trade book publisher Penguin Random House, with more than 250 independent imprints, further strengthened Bertelsmann's position. Penguin Random House publishes many of the world's most renowned writers, including more than 70 Nobel Prize winners, and in the third quarter alone placed 179 titles on the New York Times bestseller lists. Among the foremost titles for the year to date are the multi-million-selling "Inferno" by Dan Brown, and "Lean in" by Sheryl Sandberg. Penguin Random House author Alice Munro is the winner of the 2013 Nobel Prize in Literature.

Another important milestone during the reporting period was the massive expansion of the online video business at RTL Group. The group's year-on-year online video views rose by 122 percent to more than ten billion.

Gruner + Jahr realigned itself towards becoming a "house of content" based on defined communities of interest. Arvato made the largest acquisition in its history with the purchase of the financial services provider Gothia and announced a new structure based on "Solution Groups". Rabe further emphasized that Bertelsmann also recorded initial successes in expanding its education business. In the long term, he said, education is to become Bertelsmann's third mainstay of business, alongside media content and the services business.

Bertelsmann CFO Judith Hartmann added: "The nine-months results once again confirm Bertelsmann's profitability. We are in excellent shape financially, and will be able to invest several billion euros into implementing the Group strategy over the next few years."

Overview of figures (in € million)

	January 1, 2013 – September 30, 2013	January 1, 2012 – September 30, 2012
Group revenues (from continuing operations)	11,448	11,420
Operating EBITDA (from continuing operations)	1,474	1,434
Operating EBIT by division	1,154	1,162
Corporate Center/Consolidation	(59)	(69)
Operating EBIT (from continuing operations)	1,095	1,093
Special items	25	(21)
EBIT (earnings before interest and taxes)	1,120	1,072
Financial result	(229)	(289)
Earnings before taxes from continuing operations	891	783
Income taxes	(235)	(258)
Earnings after taxes from continuing operations	656	525
Earnings after taxes from discontinued operations	(34)	(2)
Group profit or loss	622	523
attributable to: Bertelsmann shareholders	441	428
attributable to: non-controlling interests	181	95
Investments ¹⁾	1,119	447
	Balance as of September 30, 2013	Balance as of December 31, 2012
Net financial debt	1,426	1,218
Employees (in absolute numbers, from continuing operations)	111,652	104,286

The corresponding figures for the previous period have been adjusted in accordance with IAS19.

1) After consideration of assumed financial debt investments amounted to €1,794 million (previous year: €447 million).

About Bertelsmann

Bertelsmann is an international media company whose core divisions encompass television (RTL Group), book publishing (Penguin Random House), magazine publishing (Gruner + Jahr), services (Arvato), and printing (Be Printers) in some 50 countries. In 2012, the company's businesses, with their more than 100,000 employees, generated revenues of €16.1 billion. Bertelsmann stands for a combination of creativity and entrepreneurship that empowers the creation of first-rate media, communications, and service offerings to inspire people around the world and to provide innovative solutions for customers.

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