

PRESS RELEASE

Bertelsmann Launches Education Technology Fund in Brazil

- **Investment underscores the Group's growth strategy**
- **Bertelsmann serves as anchor investor in partnership with Bozano Investimentos**
- **Target volume for BR Education Ventures: €30 million**

Gütersloh/São Paulo, March 18, 2014 – The international media company Bertelsmann has teamed up with the renowned Brazilian investment company Bozano Investimentos to launch a new fund for investing in innovative education growth companies in the South American country. The BR Education Ventures fund will focus its investments on companies that offer solutions and services in the field of education technology (EdTech).

The Fund will be capitalized with about €30 million (about 100 million Brazilian reals); a first closing in the amount of nearly €20 million has already been completed. As an anchor investor, Bertelsmann holds a roughly 30-percent stake in BR Ventures Education, while Bozano Investimentos serves as the fund's manager.

Fernando Carro, the Bertelsmann Group Management Committee member responsible for Latin America, says: "Both the education business as a global growth market and the emerging economic region of Brazil play a central role in Bertelsmann's growth strategy. This is why we opened a Corporate Center here in 2012, to further develop our existing businesses and build new ones. We are making good progress, and now with our new BR Education Ventures fund we are taking the next step in the Education sector. We will continue to invest in the region."

Thomas Mackenbrock, Head of Bertelsmann's Corporate Center in São Paulo, adds: "BR Education Ventures secures us early access to innovative Brazilian companies in a field that is rife with opportunity thanks to progressive digitization and the increasing demand for education in Latin America. In Bozano Investimentos, we have chosen a partner that has in-depth knowledge of the Brazilian education market. In combination with Bertelsmann's global network of investments and our experience in the fields of education and digital media, we now set up a unique partnership in Brazil that is mutually beneficial."

BR Education Ventures plans to invest in eight to ten portfolio companies. One participation has already been finalized: Evolve, a company that produces and distributes educational video content for companies and organizations. A second investment is imminent: QMágico, an online platform that connects students, teachers and educational content providers and creates individual learning environments ("adaptive learning").

Bertelsmann has been active in Brazil for years through its divisions. Fremantle Media (RTL Group) has a growing local presence and produces the local editions of “Idol” (“Ídolos”) and “Password” (“Mega Senha”). Penguin Random House owns a 45 percent stake in the publishing house “Companhia das Letras”. Gruner + Jahr publishes automotive/motorcycle magazines among others via its subsidiary Motorpress Brazil. Arvato, Bertelsmann’s biggest division in Brazil, offers a broad portfolio of BPO services. Furthermore, Bertelsmann is also invested in venture capital funds and digital media start-ups in Brazil.

Bozano Investimentos is a leading Brazilian investment firm and is run by a team of renowned partners. Overall, Bozano Investimentos has more than €1.2 billion euros (R\$4 billion) under management and has offices in Rio de Janeiro, São Paulo and Recife.

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.

For further questions, please contact:

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