

PRESS RELEASE

Bertelsmann Acquires Full Ownership of Gruner + Jahr

- **Acquisition of all shares from Jahr Holding**
- **Strategic milestone in strengthening the content businesses**
- **Ongoing transformation of Gruner + Jahr to continue**
- **Commitment to journalism and the value of creative content in the digital age**

Gütersloh/Hamburg, October 6, 2014 – The international media company Bertelsmann is increasing its ownership of Gruner + Jahr to 100 percent by acquiring Jahr Holding's 25.1 percent shareholding. The transaction was agreed among Gruner + Jahr's shareholders, and approved by the Bertelsmann Supervisory Board at its meeting today. Bertelsmann's acquisition of the remaining shares in Gruner + Jahr will become effective on November 1, 2014. The purchase price is being paid in cash, and the parties have agreed not to disclose the amount.

Bertelsmann Chairman & CEO Thomas Rabe said: "The full acquisition of Gruner + Jahr is a strategic milestone in strengthening our core. Gruner + Jahr has been majority-owned by Bertelsmann for decades and is an important part of our content businesses. We fully support the transformation of Gruner + Jahr initiated by the Gruner + Jahr Executive Board, and will continue to provide the necessary funds in future."

For Bertelsmann the full acquisition of Gruner + Jahr represents another milestone in strengthening its creative content businesses. RTL Group reaches more than 100 million European households a day with its TV and radio offers. Even after the RTL Group IPO last April, Bertelsmann still owns more than 75 percent of the company. The world's largest trade book publisher Penguin Random House sells more than 700 million books and publishes 15,000 new titles per year – Bertelsmann jointly established the company with Pearson in July 2013 and is the majority shareholder. BMG administers more than a million music rights, making it the worldwide number four – Bertelsmann established BMG in 2008 and took over all shares in March 2013.

Thomas Rabe commented: "We are following up these clear commitments to the television, book and music industries with another clear commitment to journalism. Bertelsmann is the company with the most diverse range of media content in the world. Gruner + Jahr will play an even more important role here."

Regarding Bertelsmann's collaboration with the Jahr family, Rabe said: "We are very pleased to have had such a reliable partner at our side while developing Gruner + Jahr into one of Europe's leading magazine publishers. Over 45 years, Bertelsmann and the Jahr family formed an exemplary and trusting partnership that went far beyond a mere business relationship. I would like to express my sincere thanks to the Jahr family for this."

Gruner + Jahr's shareholders are united in the belief that the company's future offers great opportunities in the digital world. All stakeholders believe that these opportunities can be even better exploited under a new ownership structure: Gruner + Jahr can respond more swiftly to market challenges in the future, coordination processes are simplified, cooperation with other Bertelsmann companies can be further expanded, and knowledge and resources can be shared.

Winfried Steeger, Managing Director of Jahr Holding GmbH, said: "As Europe's leading media company Bertelsmann is the appropriate owner to lead Gruner + Jahr into a good future. Both partners have known the publishing company for decades. The Jahr family will retain emotional links to the publishing house as one of the founding partners, even if Jahr Holding is now withdrawing as a minority shareholder in Gruner + Jahr. There were great years with outstanding creative achievements. We wish Bertelsmann, the management of Gruner + Jahr and all the staff all the best in the further development of the company. Gruner + Jahr possesses substantial values such as outstanding content, quality journalism and top-tier brands, which gives it all the prerequisites to successfully master the transformation into the digital age."

History

- 1965** The publishers John Jahr Sr. and Gerd Bucerius and the printing company owner Richard Gruner Jr. jointly establish the magazine publisher Gruner + Jahr (G+J), based in Hamburg.
- John Jahr contributes "Brigitte," "Constanze" (merged with "Brigitte" in 1969), "Petra" (sold in 1969), "Schöner Wohnen" and "Capital." Gerd Bucerius brings "Stern" to G+J and for a short time "Die Zeit," which is now published by the Georg von Holtzbrinck publishing group. Richard Gruner's contributions include the Gruner & Sohn gravure printing company in Itzehoe, Europe's most advanced rotogravure printing plant at the time.
- 1969** When Richard Gruner leaves the company, Bertelsmann acquires a 25-percent stake in Gruner + Jahr for DEM 87 million, thereby entering the magazine business.
- 1973/1975** Bertelsmann becomes the majority shareholder in Gruner + Jahr and with effect from January 1, 1973 takes over a further 35 percent from Gerd Bucerius stake via a share swap, plus another 9.9 percent from John Jahr with effect from January 1, 1975 by exercising an option to buy.
- 1976** Bertelsmann acquires another 5 percent and now owns 74.9 percent of shares in Gruner + Jahr. John Jahr Sr. retains a blocking minority of 25.1 percent of the shares.
- 2014** Bertelsmann acquires full ownership of Gruner + Jahr

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 2013, the company's businesses, with their more than 111,000 employees, generated revenues of €16.4 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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