

## PRESS RELEASE

# Bertelsmann to Enter E-Learning Market with Acquisition of Relias Learning

- **Expansion of education as strategic growth business through major direct investment in the mid-hundreds of millions (USD)**
- **Biggest acquisition in the U.S. since 1998 purchase of Random House**
- **Transaction to close before the year is out**
- **Further expansion of education business planned**

Gütersloh/Cary, October 21, 2014 – Bertelsmann is significantly expanding its strategic growth business of education: The international media company is buying the American e-learning provider Relias Learning from the private equity firm Vista Equity Partners for an amount in the mid-hundreds of millions (USD). The transaction, which is still subject to approval by the antitrust authorities, is expected to be completed before the year is out. This is Bertelsmann’s biggest purchase in the U.S. since it took over Random House in 1998.

Thomas Rabe, Chairman and CEO of Bertelsmann, comments: “The acquisition of Relias Learning is a major step on the way to making the education business a third mainstay of business for Bertelsmann alongside media and services. The education sector has a worldwide market volume of around five trillion U.S. dollars and is growing rapidly. Relias is a leading e-learning provider in the healthcare and compliance sectors, and profits from the three global megatrends of education, health and digitization. The Relias management has done excellent work in building the business over the past few years. We are delighted to welcome this successful management on board at Bertelsmann and look forward to massively expanding the business with them.”

Relias Learning was born in 2012 from the merger of Essential Learning and Silverchair Learning Systems. The company offers a robust learning management system and online training for employees in multiple industries, including senior care and other healthcare professions such as behavioral health and care for the disabled. Relias has over 4,000 institutional clients and offers some 2,500 different online courses; each year, people complete more than 20 million of its courses. Relias Learning has almost 300 employees, and its CEO Jim Triandiflou will continue to manage the business following the acquisition.

Thomas Rabe says: “In Relias Learning, we are taking over a fast-growing company with considerable potential internationally. The company fits ideally with our education strategy, in which e-learning will play a major role. As its owner to date, Vista has developed the company into a market leader in its sector, and now we will further advance Relias under the Bertelsmann umbrella.”

Bertelsmann has been active in the education sector for several years now, most recently acquiring a stake in the American education provider Udacity in September 2014. Bertelsmann is also the anchor investor of the University Ventures I and University Ventures II funds, which invest in innovative education providers, with a focus on the U.S. In its strategic growth regions of China, India and Brazil, too, Bertelsmann is becoming increasingly active in the education sector.

Bertelsmann is focusing on three segments in the education sector: e-learning, medical education and services for universities. The market for e-learning, which includes companies like Relias, currently has a worldwide volume of nearly USD 20 billion dollars and is growing by up to 15 percent annually. Already, 22 percent of all job training hours are completed through e-learning technology.

Relias Learning CEO Jim Triandiflou comments: "We are very pleased to be part of the global Bertelsmann network. With its entrepreneurial culture, commitment to world class products and international reach, having Bertelsmann as our shareholder gives us an opportunity to further invest in our content and service to customers. Our customers and employees now have a permanent home with one of the preeminent organizations in the world."

The acquisition of Relias Learning is the second strategic milestone for Bertelsmann in a very short time; at the beginning of the month, the company had strengthened its creative content business by acquiring full ownership of Gruner + Jahr. In recent months, Bertelsmann has bought up the Spanish- and Portuguese-language trade publishing business of Santillana Ediciones Generales, a majority shareholding in the online video marketer SpotXchange, the TV production company 495 Productions, the e-commerce service provider Netrada, and the music publisher Talpa Music.

#### **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.

For further questions, please contact:

#### **Bertelsmann SE & Co. KGaA**

Andreas Grafemeyer  
Senior Vice President Media Relations  
Phone: +49 – 52 41 / 80 24 66  
[andreas.grafemeyer@bertelsmann.de](mailto:andreas.grafemeyer@bertelsmann.de)