

PRESS RELEASE

Bertelsmann Reports Organic Growth of 14 percent In First Nine Months of 2021

- Revenues of €13.1 billion in first three quarters
- Organic growth of 14.2 percent year-on-year and 8.4 percent compared to pre-Corona level
- Full-year forecast raised

Gütersloh, November 04, 2021 – Bertelsmann reports positive business performance and strong growth after the first nine months of FY 2021.

The international media, services, and education company increased its revenues by 9.2 percent year-on-year to €13.1 billion (previous year: €12.0 billion). The Group also improved its operating margin. Organic growth amounted to 14.2 percent year-on-year and 8.4 percent compared to the pre-Corona year 2019, with RTL Group, Penguin Random House, and Arvato's services businesses, each making a particularly strong contribution.

Thomas Rabe, Chairman & CEO of Bertelsmann, said: "The months from January to September 2021 went very well for us. Besides achieving strong organic growth; we made important strategic progress. For example, the number of paying subscribers to RTL Group's streaming services grew rapidly to 3.4 million. BMG acquired an extensive portfolio of rights from Tina Turner. Our services subsidiary Majorel managed a successful IPO, and Bertelsmann strengthened its position in the Brazilian education market by acquiring shares in the education company Afya."

Highlights from the divisions:

RTL Group recorded 3.4 million paying subscribers for its streaming services (the paid offerings of RTL+ in Germany and Videoland in the Netherlands), an increase of 91 percent compared to the end of September 2020. Streaming revenues of RTL+ and Videoland increased by 31 percent compared to the same period last year.

Penguin Random House placed numerous new titles on the New York Times bestseller lists in the first nine months of 2021, including "The Hill We Climb" and "Change Sings" by Amanda Gorman, "The President's Daughter" by Bill Clinton and James Patterson, "Harlem Shuffle" by Colson Whitehead, and "How To Avoid A Climate Disaster" by Bill Gates.

Gruner + Jahr and RTL Deutschland announced in August that they will be merging to form a new national cross-media champion. The new company launches at the beginning of next year.

BMG continued with its successful repertoire strategy, signing global superstars including Bryan Adams, Santana, Soft Cell and Johnny Marr. In October, BMG announced the acquisition of an extensive portfolio of rights from Tina Turner, the Queen of Rock 'n' Roll.

Arvato again saw a very dynamic development, particularly in the e-commerce, IT/tech and healthcare sectors. Beyond this, the private placement of shares in the global customer experience company Majorel on Euronext Amsterdam was a success.

The **Bertelsmann Printing Group** held its own despite difficult market conditions, in particular the limited availability of paper. Mohn Media and the book-printing businesses in the U.S. performed well, and BPG's digital businesses grew dynamically.

The **Bertelsmann Education Group** benefited from the continued high demand for digital education and training offerings at Relias, Alliant and Udacity. It also continued the #50000Chances digital upskilling campaign together with Bertelsmann, designed to counter the shortage of skilled workers in the fields of cloud, data and artificial intelligence.

Bertelsmann Investments made 80 new and follow-on investments in the reporting period; at the end of September, it held 287 investments in young companies and funds. Following the review by the antitrust authorities, in August Bertelsmann acquired a 25-percent stake in Afya, the leading provider of medical education and training in Brazil, as well as 46 percent of the voting rights, for €500 million.

Bertelsmann's Chief Financial Officer Rolf Hellermann commented: "Given our encouraging business performance in the past nine months, we remain very optimistic for the full year 2021. We will see higher revenues and now expect a strong increase in operating EBITDA on a like-for-like basis, and net profit of close to two billion euros."

About Bertelsmann

Bertelsmann is a media, services and education company that operates in about 50 countries around the world. It includes the broadcaster RTL Group, the trade book publisher Penguin Random House, the magazine publisher Gruner + Jahr, the music company BMG, the service provider Arvato, the Bertelsmann Printing Group, the Bertelsmann Education Group and Bertelsmann Investments, an international network of funds. The company has around 130,000 employees and generated revenues of €17.3 billion in the 2020 financial year. Bertelsmann stands for creativity and entrepreneurship. This combination promotes first-class media content and innovative service solutions that inspire customers around the world. Bertelsmann aspires to achieve climate neutrality by 2030. In 2021, Bertelsmann commemorates the 100th birthday of Reinhard Mohn, the Group's late post-war founder and longtime Chairman and CEO.

Bertelsmann online



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