

## PRESS RELEASE

# Bertelsmann Continues Revenue Growth in First Quarter of 2023

- Revenues up 6 percent to €4.8 billion
- Boost strategy shows effect
- Forecast for full year confirmed

Gütersloh, May 4, 2023 – Bertelsmann had a good start to the year: The international media, services, and education company increased its first-quarter revenues to €4.8 billion in 2023, up 5.6 percent year-on-year (Q1 2022: €4.5 billion). Organic growth was 2.0 percent. The main revenue drivers were Penguin Random House, Arvato Group, and Bertelsmann Education Group.

Bertelsmann Chairman & CEO Thomas Rabe says: “The year started well for Bertelsmann overall, despite declining revenues at RTL. The results of our Boost strategy are increasingly making themselves felt. We are growing significantly and will continue to invest massively in our businesses in the coming months. Even with the external challenges, we are confident about the rest of the year.”

Rabe continued: “Last week, we announced that we would accept the proposed offer from the French company Teleperformance for our shares in the global customer experience company Majorel, subject to regulatory approval. We will invest the funds of more than one billion euros thus released in our Boost strategy, and thus in Bertelsmann's further growth.”

### Highlights from the divisions:

**RTL Group's** revenues declined by 9.0 percent in the first quarter of 2023 due to challenging TV advertising markets, especially in Germany. RTL Deutschland and M6 in France increased their audience shares. RTL's streaming services continued to grow strongly. As of March 31, 2023, the number of subscribers had increased by 37 percent year-on-year to 5.9 million.

**Penguin Random House** recorded a strong first quarter, driven by the autobiography “Spare” by Prince Harry, Duke of Sussex, which sold more than four million copies internationally across all formats. Other #1 bestsellers included “Lessons in Chemistry” by Bonnie Garmus and Michelle Obama's “The Light We Carry.”

**BMG** continued its strong growth, particularly in publishing and in the key U.S. market. The most successful new releases in publishing included titles by Mura Masa and Lewis Capaldi, and in the recordings business albums by Trettman, Jelly Roll, and Lainey Wilson.

**Arvato Group** continued to grow dynamically. The primary growth drivers were Arvato's logistics businesses (formerly Arvato Supply Chain Solutions) and Majorel's CX services. At the beginning of the year, the logistics business commissioned an additional 30,000 square meters of distribution space in Memphis, USA, for customers in the healthcare segment. Riverty and Arvato Systems also expanded their businesses.

Bertelsmann's direct marketing and printing businesses, bundled in **Bertelsmann Marketing Services** (formerly Bertelsmann Printing Group), renewed key customer contracts and reported lower energy costs. The Group also announced that it would discontinue its gravure printing operations at the Ahrensburg site as of January 31, 2024.

**Bertelsmann Education Group** recorded significant growth. Afya, the leading provider of medical education and training in Brazil, completed the acquisition of two additional universities in northeastern Brazil. Relias further expanded its digital platform for the education and training of healthcare workers in the United States and Germany. Alliant International University opened a new nursing and health sciences campus in Phoenix in the U.S. state of Arizona.

**Bertelsmann Investments** (BI) held 349 investments worldwide as of March 31, 2023, following 9 new and follow-on investments in the first quarter. Among other initiatives, Bertelsmann Asia Investments (BAI) participated in a further financing round of Clearmotion, a global automotive technology company. BI also focused on the expansion of its Bertelsmann Next growth division, and in particular, on the Digital Health business segment.

Bertelsmann's Chief Financial Officer Rolf Hellermann said: "We've had a good first quarter. For the full year 2023, we continue to expect – before any effects of the planned sale of our Majorel shares – moderate to significant revenue growth and a stable operating result."

#### **About Bertelsmann**

Bertelsmann is a media, services and education company that operates in about 50 countries around the world. It includes the entertainment group RTL Group, the trade book publisher Penguin Random House, the music company BMG, the service provider Arvato Group, Bertelsmann Marketing Services, the Bertelsmann Education Group and Bertelsmann Investments, an international network of funds. The company has 165,000 employees worldwide and generated revenues of €20.2 billion in the 2022 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.

[www.bertelsmann.com](http://www.bertelsmann.com)

#### **Bertelsmann online**



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