

PRESS RELEASE

Bertelsmann Education Group: A New Unit Set for the Company's Education Businesses

- **Separate business unit established for growing activities in the education sector**
- **Kay Krafft is CEO of the new Group; Jarek Gabor CFO**
- **Education to become third mainstay of business for Bertelsmann**
- **Medium-term revenue target of €1 billion**

New York/Guetersloh, September 10, 2015 – Bertelsmann is aligning its growing education activities into a separate business unit, effective immediately. The international media, services and education company officially launched the Bertelsmann Education Group today at a conference with education experts in New York. The various activities Bertelsmann will group together in its education sector include the university network Arist Education Systems; Alliant International University; the e-learning provider Relias Learning; the education services provider Synergis Education; its stake in the online education provider Udacity; and Bertelsmann's shares in the two University Ventures Funds and their investments.

The CEO of the new unit is Kay Krafft, who has managed Bertelsmann's education activities since 2014. Jarek Gabor is the Chief Financial Officer (CFO) of the Bertelsmann Education Group.

Thomas Rabe, Chairman and CEO of Bertelsmann, said: "Education is one of Bertelsmann's key growth platforms, and we want to expand this segment into our third mainstay of business, alongside media and services, in the medium term. Establishing the Bertelsmann Education Group is an important step on this path. We now have relevant businesses in each segment of the education sector that is strategically important to us – and we will follow up the many advances we've made in recent months with further steps. In the medium term, we want to generate around one billion euros in revenues with the activities of Bertelsmann Education Group, and help give more people access to education."

Within Bertelsmann, the Bertelsmann Education Group – like the music subsidiary BMG – is managed as part of the Corporate Investments division. The new unit will be headquartered in New York. The individual businesses within the Bertelsmann Education Group will continue to operate independently in the marketplace under their own names and brands.

Kay Krafft, CEO of Bertelsmann Education Group, said: “In recent months we have greatly expanded our education activities, so we are now pooling them under a shared organizational umbrella. This enables us to have a more coordinated management of our education businesses and to better connect them with the various Bertelsmann subsidiaries. In this way we create the best possible conditions for further growth – both organically and through further acquisitions. Bertelsmann’s internationally proven content and service expertise, our large network, and our long-view, entrepreneurial approach make Bertelsmann a perfect partner for education companies seeking to further expand their business domestically and to access global markets.”

Bertelsmann is concentrating its activities in the education sector on three segments: universities, with a focus on the medical and human sciences, e-learning and services. In the past few months, Bertelsmann has significantly expanded its activities in all three areas: Following the acquisition of the online education provider Relias Learning in October 2014, in February, the Group invested in Alliant International University, an American university, as a first step in establishing an international network of universities. In March, the Group increased its shareholding in the university services provider Synergis Education. Concurrently, Bertelsmann also invested in education in Brazil: In June, the Group bought a stake in Affero Lab, the country’s leading provider of corporate training, and in July, Bertelsmann became the anchor investor of a new fund that focuses its investments on medical education in Brazil.

For more information about the Bertelsmann Education Group, please visit www.bertelsmann-education-group.com

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 service providers Arvato and Be Printers, the music rights company BMG and the e-learning provider Relias Learning. The company has more than 112,000 employees and generated revenues of €16.7 billion in financial year 2014. Bertelsmann stands for creativity and entrepreneurship. This combination promotes the creation of first-class media content and innovative service solutions that inspire customers around the world.

For further questions, please contact:

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