

PRESS RELEASE

Bertelsmann Increases Group Revenues to New High in Continued Businesses After Nine Months of 2024

- Revenues of €13.4 billion after nine months
- Organic sales growth of 3.1 percent
- €1.5 billion invested in Boost strategy in the current financial year to date
- Outlook for full year 2024: “We continue to expect a positive business performance overall.”

Gütersloh, November 13, 2024 - The international media, services, and education company Bertelsmann reported dynamic growth and a new revenue high after nine months of the 2024 financial year, taking into account the sale of the customer experience company Majorel to Teleperformance in the previous year.

In the reporting period, Bertelsmann’s consolidated revenues amounted to €13.4 billion (previous year: €14.6 billion), down 8.4 percent from the previous year. This was attributable to the sale of Majorel in November 2023. Organic growth improved to 3.1 percent. Penguin Random House, BMG, Arvato Group, Bertelsmann Education Group, and Bertelsmann Investments contributed to this growth.

Bertelsmann Chairman and CEO Thomas Rabe commented: “The months from January to September 2024 were gratifying for us overall. We grew organically, with our content, services, and education businesses, and the new Bertelsmann Investments businesses in particular delivering a dynamic performance. Our Boost investments amounted to €1.5 billion in the past nine months alone. By the end of 2026, they will reach around €8 billion. Our positioning across a broad range of businesses and regions is increasingly paying off.”

Highlights from the Divisions:

In the first nine months of 2024, **RTL Group**’s audience market share in Germany in the advertising-relevant core target group of 14- to 59-year-olds was 26.7 percent. RTL Deutschland thus extended its lead over its main commercial competitor ProSiebenSat1 to 7.0 percentage points in the target demographic. Streaming revenues at RTL+ in Germany and Hungary and M6+ in France grew by 41 percent, driven by the growing number of subscriptions and higher revenues per subscription. At the end of September 2024, RTL Group had 6.5 million paying subscribers for its streaming services, an increase of 23 percent compared to the end of September last year. At Fremantle, the integration of the newly acquired Asacha Media Group and Beach House Pictures into the global Fremantle network continued to progress well.

Penguin Random House recorded numerous publishing successes in various categories. Among the bestselling titles after nine months in 2024 was “Funny Story” by Emily Henry. James Clear’s “Atomic Habits” continued its 2023 success and remains a bestseller in 2024. Penguin Random House’s third-quarter bestsellers included “Our Time of Wonder” by

Nicholas Sparks and Yuval Noah Harari's "Nexus." Penguin Random House author Han Kang was awarded the Nobel Prize for Literature, joining the ranks of Penguin Random House's more than 80 Nobel Prize laureates.

BMG continued its strong performance in both Publishing and Recordings. Top new releases included albums by Mustard, Lainey Wilson, Soft Play, Travis, and Lady Blackbird. New recordings deals were signed with country superstar Blake Shelton, Chace, and K. Michelle; Ray Dalton and Ásdís chose BMG as their new publishing home. BMG announced a worldwide deal with Tomorrowland Music to manage its music publishing rights and to co-sign new songwriters and producers. BMG also entered into a new strategic partnership to manage Cirque du Soleil's music catalog.

Arvato Group's logistics, finance, and IT services businesses continued to develop dynamically. Arvato deployed new automation solutions at several locations worldwide and took up operations for new customers. The financial services provider Riverty entered into a partnership with the payment platform Mollie concerning "Buy Now Pay Later" services, and Arvato Systems agreed a collaboration with Delos Cloud to provide the sovereign cloud platform for the public sector in Germany.

Bertelsmann Marketing Services reported a mixed performance by its businesses. While the marketing businesses, particularly in the print sector, were under pressure due to challenging economic conditions, the book printing businesses in the U.S. did well thanks to the comprehensive investment program instituted in 2022. A forward-looking partnership in the field of data-driven marketing automation was agreed with the software provider Dymatrix.

The **Bertelsmann Education Group** once again recorded good business development in online education for the U.S. healthcare sector and at Afya in the training of doctors in Brazil. In July 2024, Afya completed the acquisition of Unidom Participações S.A., a medical school in the northeast of Brazil. This increased the number of medical students at Afya to over 23,000.

Bertelsmann Investments held more than 370 investments in companies and funds as of the end of September, and has made 43 new and follow-on investments since the beginning of the year. These included follow-on investments in Mexico's leading neobank Stori and in the AI healthcare company DeepC, and a new investment in the startup Basic Home Loan, a marketplace for home loans in India. In the Bertelsmann Next unit, the mobile ad tech company Applike particularly enjoyed strong organic growth thanks to the expansion of its U.S. business.

Rolf Hellermann, Bertelsmann's Chief Financial Officer, said: "For the full year 2024, we continue to expect an overall positive business performance. Due to the good performance of most of our businesses, we expect an improved earnings situation, coupled with slightly lower revenue expectations."

About Bertelsmann

Bertelsmann is a media, services, and education company with more than 80,000 employees 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 generated revenues of €20.2 billion in the 2023 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.

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