

Press Release

Bertelsmann Announces Agreement to Sell BMG Music Publishing Group to Vivendi

Landmark Transaction Between the Two Largest European Media Companies

Gütersloh, September 6, 2006 – Bertelsmann announced today that it has signed a definitive agreement for the sale of BMG Music Publishing Group to Vivendi for an aggregate purchase price of €1.63 billion. The transaction has been approved by the Supervisory Boards of Bertelsmann and Vivendi. Bertelsmann expects to receive the funds prior to year-end 2006.

“We are delighted with today’s announcement and are very grateful to Nick Firth and the management team of BMG Music Publishing for building a unique and valuable business over the last 19 years,” said Gunter Thielen, Bertelsmann’s Chairman and Chief Executive Officer.

“The sale of BMG Music Publishing allows Bertelsmann to repay a significant portion of the €4.5 billion of debt raised to finance the repurchase of GBL’s 25 percent stake in Bertelsmann. This transaction underscores our continued commitment to the deleveraging strategy,” said Thomas Rabe, Chief Financial Officer of Bertelsmann and Head of Bertelsmann Music Group. “Bertelsmann remains fully committed to its recorded music business through its partnership with Sony in Sony BMG Music Entertainment.”

BMG Music Publishing is the third largest music publisher in the world. The company is a leading music publisher in Pop, Contemporary Christian, Classical and Production Music and controls a catalogue of over one million musical compositions. BMG’s roster of artists includes superstars like Christina Aguilera, Robbie Williams, Coldplay, Maroon5, Keane and Justin Timberlake. BMG Music Publishing generated €371 million of revenue and €81 million of earnings before interest, taxes and depreciation and amortization (EBITDA) for the twelve months ended December 31, 2005. The divestiture will have a limited impact on Bertelsmann’s future results as BMG Music Publishing has been run independently and accounts for 2 percent of consolidated revenues.

Citigroup acted as the lead advisor to Bertelsmann on this transaction. Slaughter and May acted as transaction legal counsel to Bertelsmann. JP Morgan also provided advice to Bertelsmann on this transaction.

For further questions, please contact:

Andreas Grafemeyer

Bertelsmann AG

Phone: +49 - 52 41 / 80 24 66

andreas.grafemeyer@bertelsmann.de

Angus Maitland

The Maitland Consultancy

Phone: +44 – 20 - 73 79 51 51

amaitland@maitland.co.uk

Eden Abrahams

Joele Frank, Wilkinson Brimmer Katcher

Phone: +1 – 212 – 895 - 8672

eabrahams@joelefrank.com