

CREDIT OPINION

23 April 2024

Update



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RATINGS

Bertelsmann SE & Co. KGaA

Domicile	Guetersloh, Germany
Long Term Rating	Baa2
Type	LT Issuer Rating
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Bertelsmann SE & Co. KGaA

Update to credit analysis

Summary

[Bertelsmann SE & Co. KGaA](#) (Baa2 stable) is one of the largest European media and services companies, controlling one of the largest pan-European free-to-air broadcasters, RTL Group SA (RTL), the world's leading book publisher Penguin Random House (PRH) and the business services provider Arvato Group, among others.

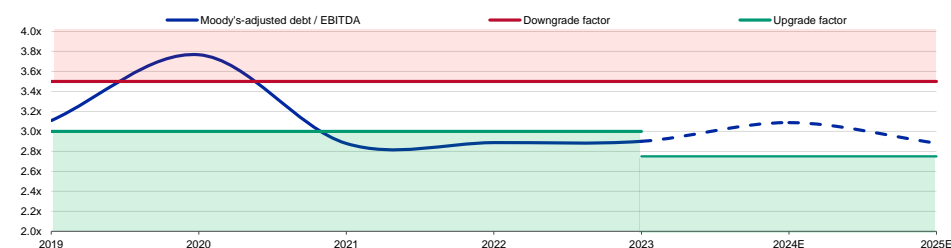
Our credit view reflects Bertelsmann's large scale and wide scope of activities; its strong and established positions in a number of geographically diversified markets; its ongoing strategy to improve its business profile by investing in growth businesses; and its excellent liquidity and strong credit metrics, supported by its clearly defined financial policy of maintaining debt/EBITDA below 2.5x. We expect the company to use its high financial flexibility provided by its large cash balance to continue to invest in its growth businesses organically and through bolt-on acquisitions.

Our credit view also reflects the structural challenges affecting Bertelsmann's broadcasting business and its exposure to the cyclical nature of the advertising sector. However, we acknowledge that the company has reduced this exposure over the last decade, mainly through M&A transactions, and intends to further reduce it over the next few years.

Exhibit 1

We expect leverage to remain around 3.0x, driven by stable operating performance

Moody's-adjusted debt/EBITDA



2024 and 2025 are pro forma for the planned sale of RTL Nederland and the completed sale of DDV.

Source: Moody's Ratings

Credit strengths

- » Large scale and wide scope of activities
- » Strong and established positions in diverse markets and geographies
- » Clearly defined financial goals, which support its Baa2 rating
- » High financial flexibility provided by its large cash balance
- » Long-standing full ownership of the company by the Mohn family/Bertelsmann Foundation

Credit challenges

- » Exposure to increased competition from TV streaming platforms, leading to fragmentation in its audiences and a reduction in free-to-air viewing time
- » Exposure to the cyclical nature of the advertising sector, although has diminished over the last decade
- » Presence of minority interests, mainly in RTL

Rating outlook

The stable outlook reflects the fact that Bertelsmann has significant financial flexibility to pursue its transformation strategy and to accommodate potential headwinds in terms of operating performance. The outlook also factors in our expectation that the company will maintain a prudent financial policy consistent with the credit metrics required for the Baa2 rating.

Factors that could lead to an upgrade

Bertelsmann's rating could be upgraded if it is successful in its transformation efforts, resulting in sustainable organic revenue and EBITDA growth, and margin improvement; its retained cash flow (RCF)/net debt improves above 30%; and its gross debt/EBITDA remains below 2.75x on a sustained basis.

Factors that could lead to a downgrade

Downward rating pressure could arise if Bertelsmann's operating performance deviates significantly from our expectation, such that it fails to maintain its adjusted RCF/net debt (as defined by Moody's) above 20%, and its gross debt/EBITDA below 3.5x on a sustained basis.

Key indicators

Exhibit 2

Bertelsmann SE & Co. KGaA

	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	2024E	2025E
Revenue (€ billion)	18.0	17.3	18.7	20.2	20.2	18.0	18.6
EBITA Margin %	12.2%	12.4%	12.2%	10.5%	9.6%	9.3%	9.8%
Debt / EBITDA	3.1x	3.8x	2.9x	2.9x	2.9x	3.1x	2.9x
EBITA / Interest Expense	9.1x	7.9x	9.6x	7.9x	6.1x	5.7x	6.2x
RCF / Net Debt	23.1%	37.8%	45.1%	33.1%	33.1%	32.4%	29.9%

All figures and ratios are calculated using Moody's estimates and standard adjustments. Periods are financial year-end unless indicated.

Moody's forecasts (E) are Moody's opinion and do not represent the views of the issuer.

2024 and 2025 are pro forma for the planned sale of RTL Nederland and the completed sale of DDV.

Sources: Moody's Financial Metrics™ and Moody's Ratings

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody.com> for the most updated credit rating action information and rating history.

Profile

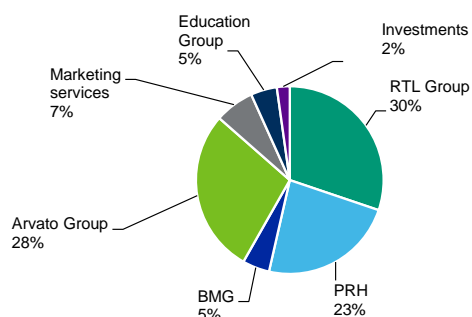
Bertelsmann SE & Co. KGaA, headquartered in Gutersloh, Germany, is a large media, services and education company that operates in about 50 countries and employs 80,000 people.

Bertelsmann conducts its operations through various subsidiaries. Its programming, content production and television activities are conducted through RTL Group (76.3% owned); managed services, integrated outsourcing services and solutions activities through Arvato Group; book publishing activities through Penguin Random House (PRH); music activities through Bertelsmann Music Group (BMG); and direct marketing and print activities through the Bertelsmann Marketing Services, the Bertelsmann Education Group and Bertelsmann Investments, which cover more than 363 startup investments in emerging markets and the digital space.

In 2023, Bertelsmann reported consolidated revenue of around €20.2 billion and operating EBITDA adjusted of €3.1 billion (as defined by the company).

Exhibit 3

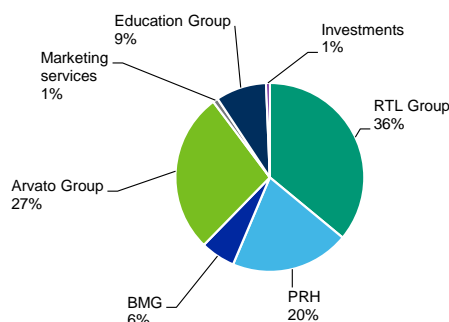
Bertelsmann's revenue is well diversified across several segments Revenue breakdown by division as of December 2023



Source: Company filings

Exhibit 4

RTL Group, Arvato Group and PRH generate the vast majority of the group's EBITDA EBITDA breakdown by division as of December 2023



Source: Company filings

Detailed credit considerations

Stable operating performance in 2023, with growth expected to accelerate in 2024

In 2023, Bertelsmann posted organic revenue growth of 0.8%, with a slight 2.3% decline in operating EBITDA adjusted (as defined by the company) of around €3.1 billion. Growth was driven mainly by the PRH, Arvato Group, BMG and Bertelsmann Education Group divisions. However, RTL's organic revenue declined by 4.0% as a result of diminished TV advertising and lower Fremantle revenue.

RTL's organic revenue declined by 4.0% to €6,854 million because of the difficult TV advertising markets and lower revenue at Fremantle, although its streaming services experienced strong growth. PRH and BMG saw revenue increases of 7.3% and 4.6%, respectively, as a result of strong performance from bestsellers and acquisitions in the case of PRH, while BMG benefited from its investments in catalogues. Arvato Group's revenue grew organically by 5.9% (negative 1.6% reported because of the sale of Majorel). Bertelsmann Education Group saw an organic revenue increase of 8.7%, driven by moderate growth in US education markets and strong growth in Brazilian markets for medical education.

Bertelsmann's margins declined slightly in 2023, mainly because of the weakness in the TV advertising business in Germany. Its EBITDA margin (as adjusted by Moody's) declined to 13.0% in 2023 from 13.5% in 2022.

The company guided for a moderate increase in revenue and earnings in its continuing operations in 2024. As a result of the already completed sale of Majorel and DDV Mediengruppe, and the planned sale of RTL Nederland, the company will reduce its scale and perimeter with pro forma revenue and operating EBITDA adjusted of around €17.5 billion and €2.6 billion, respectively, in 2023.

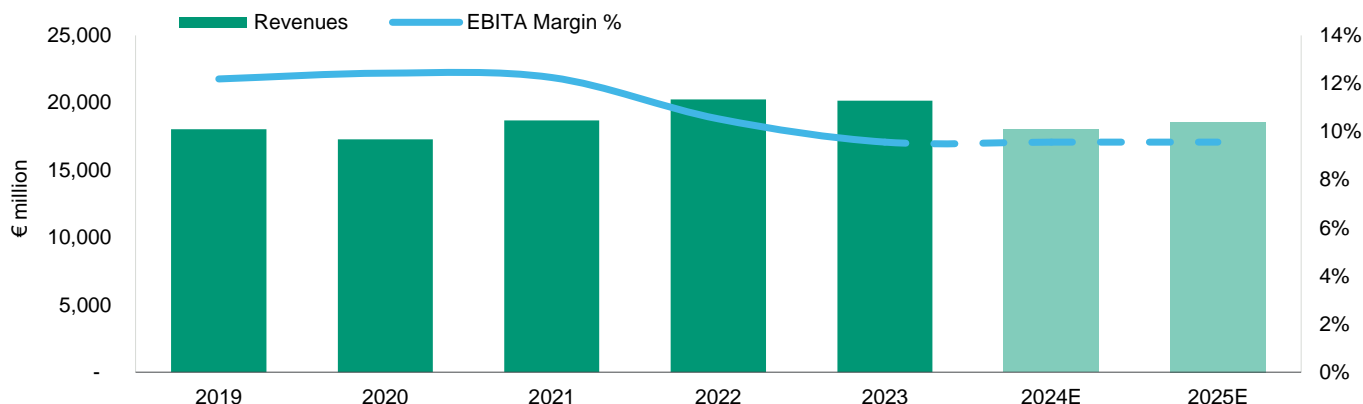
In 2024, we project that Bertelsmann's organic revenue growth will accelerate again to around the low- to mid-single-digits in percentage terms, with total revenue around €18 billion (pro forma for the planned sale of RTL Nederland), and EBITDA margin will

stabilise driven by some recovery in the advertising market and solid operating performance in its main divisions. We expect the company to continue to benefit from the increased investments required by its growth businesses, such as music catalogue acquisitions or increased working capital needs for its TV content division with a greater focus on scripted dramas.

Exhibit 5

Operating margins will remain broadly stable over the next 12-18 months

Revenue and Moody's-adjusted EBITA margin evolution (2019-25E)



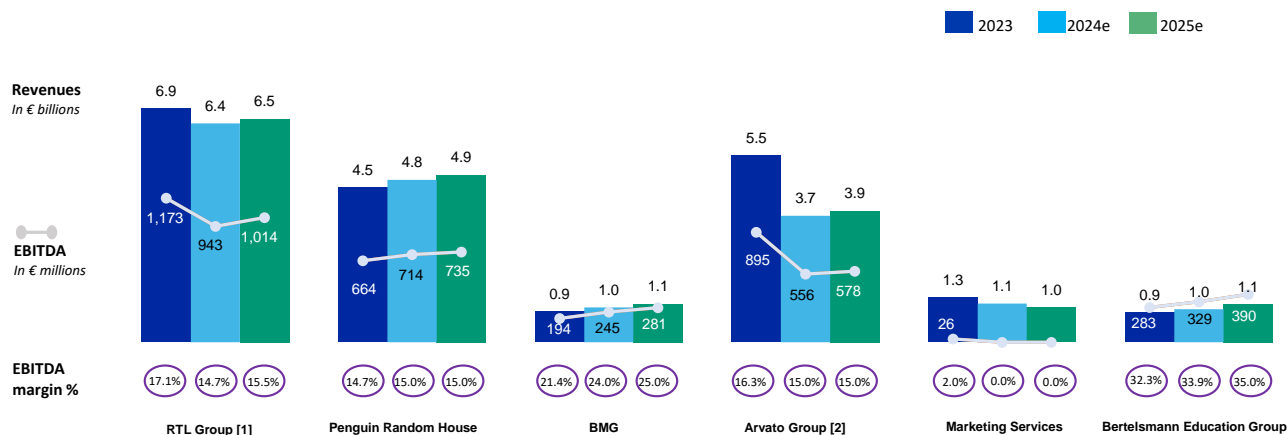
2024 and 2025 are pro forma for the planned sale of RTL Nederland and the completed sale of DDV.

Source: Moody's Ratings

Exhibit 6

We expect organic revenue and EBITDA growth across the main divisions in 2024 and 2025

Revenue, company operating EBITDA adjusted and margin evolution by division (2023-25E)



[1] RTL's revenue and EBITDA exclude RTL Nederland for 2024 and 2025.

[2] Arvato Group's revenue and EBITDA exclude Majorel for 2024 and 2025.

Source: Company filings and Moody's Ratings

Strategy to improve its business profile will focus on organic investment initiatives rather than transformational transactions

Bertelsmann's strategy remains focused on reducing its dependence on the more cyclical broadcasting business. The company was able to reduce its exposure to advertising businesses over the last 10 years through a mix of organic and inorganic growth. [The failed acquisition of Simon&Schuster](#) and [the failed merger of M6 and TF1](#) in 2022 were setbacks for the company's transformation strategy. However, in December 2023, [RTL announced the sale of RTL Nederland to DPG Media Group](#) (DPG) for €1.1 billion, equivalent to an expected Enterprise Value (EV)/EBITDA 2024 valuation multiple of around 7.8x. The transaction is subject to regulatory approval and RTL expects it to close by mid-2024.

We expect Bertelsmann to pursue an organic growth strategy and to continue its investment initiatives (operating expenditure, capital spending and bolt-on M&A) in its growth businesses, such as RTL's streaming services, TV content at Fremantle and music catalogue acquisitions at BMG, among others. We also expect the company to execute some bolt-on acquisitions to strengthen some of its existing businesses, diversify into new ones and foster revenue growth.

The company benefits from strong financial flexibility, supported by a significant cash position to drive the ongoing transformation. The company completed the sale of its 39.5% stake in Majorel to France-listed Teleperformance SE in 2023, reducing its exposure to the customer experience business and improving the group's overall financial flexibility as a result of the cash proceeds from this disposal.

Solid credit metrics and consistent financial policy

Bertelsmann remains well positioned in the Baa2 rating category because it benefits from the financial flexibility provided by a large cash balance that will help fund its transformation strategy. This financial flexibility provides support in the context of structural and cyclical headwinds affecting some of its businesses.

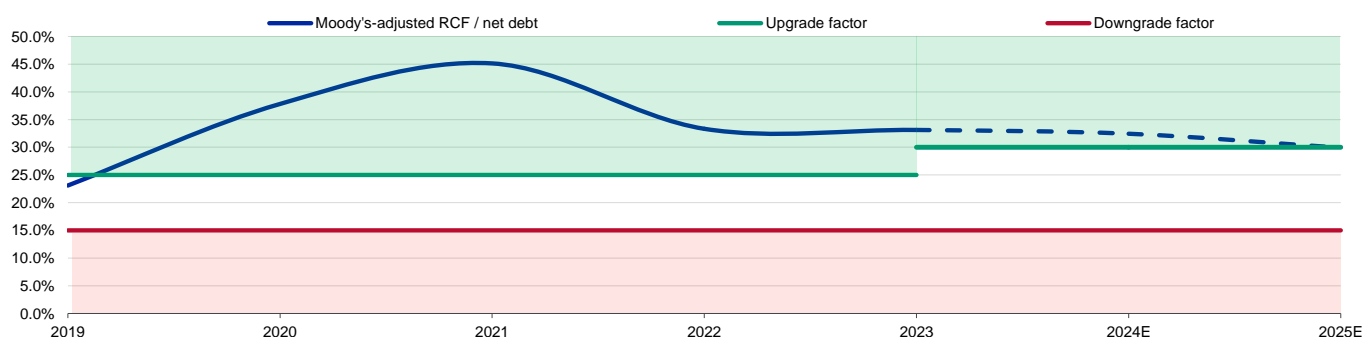
We expect Bertelsmann's adjusted gross debt/EBITDA (per Moody's definition) to increase to around 3.1x in 2024 from 2.9x in 2023, driven mainly by the deconsolidation of Majorel and RTL Nederland. The company has benefited in 2023 from the reduction in pension liabilities as a result of higher interest rates, but this trend may reverse in the future. The company's net reported leverage ratio is strong at 1.8x, supported by a large cash position of around €3.0 billion as of year-end 2023.

Bertelsmann's credit quality continues to be supported by its clearly defined and predictable financial policy of a reported net leverage ratio (as defined by the company) below 2.5x. RCF metrics will also remain solid and similar to 2023 levels, with RCF/net adjusted debt at around 30% throughout 2024-25.

Free cash flow (FCF, Moody's-adjusted, after dividends) improved to around €70 million in 2023, from negative €377 million in 2022, because of some normalisation of working capital changes and a reduction in content investments. We forecast that FCF generation in 2024 will remain flat, and further improve to around €200 million in 2025 driven by a better operating performance and lower capital spending following the peak in 2023-24.

Exhibit 7

RCF/net debt will remain strong over the next 12-18 months because of stable operating performance and a high cash balance Moody's-adjusted RCF/net debt



2024 and 2025 are pro forma for the planned sale of RTL Nederland and the completed sale of DDV.

Source: Moody's Ratings

Presence of relevant minority interests increases pro rata consolidated leverage by 0.4x

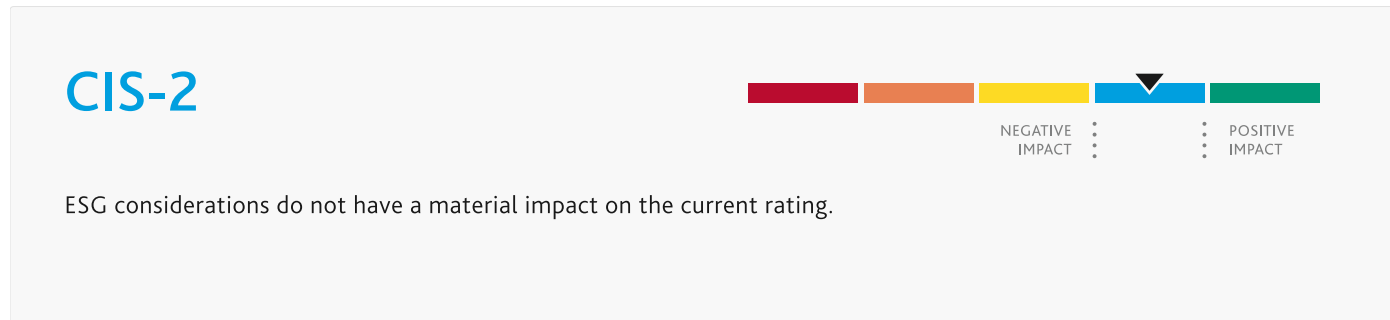
Bertelsmann has significant minority interests in its most relevant asset, RTL (76.3% ownership), both at the holding level and at the subsidiary level (RTL/M6). On a pro rata consolidated basis, we estimate that leverage would be around 0.4x higher than that reported by the company because of the presence of these relevant minority interests. We expect Bertelsmann to maintain its current ownership stake in RTL because the company does not intend to buy out the minorities.

ESG considerations

Bertelsmann SE & Co. KGaA's ESG credit impact score is CIS-2

Exhibit 8

ESG credit impact score



Source: Moody's Ratings

Bertelsmann's **CIS-2** indicates that ESG considerations are not material to the rating. While the company is ultimately controlled by the Mohn family, there is a long and established track record of conservative financial policies and its main asset, RTL, is publicly listed. Bertelsmann's exposure to environmental and social risks are considered manageable, as the company's strategy is focused on strengthening its business profile by adapting to changes in consumer behaviours that affect its main subsidiary, the free-to-air broadcaster RTL.

Exhibit 9

ESG issuer profile scores



Source: Moody's Ratings

Environmental

Bertelsmann's exposure to environmental risks is not material across all categories. The nature of its media activities, with limited exposure to physical climate risk and very low emissions of pollutants and carbon, results in low environmental risk of **E-2**.

Social

Bertelsmann's **S-3** score reflects its exposure to demographic and societal trends. Increasing competition from OTT content distributors is leading to a fragmentation of audiences and an acceleration in the reduction of the free-to-air viewing time, forcing broadcasters such as Bertelsmann's RTL to adapt to the new environment to remain relevant with audiences. However, other segments of Bertelsmann are benefitting from increased demand for content, such as Fremantle and BMG, somewhat offsetting the negative dynamics for broadcasters. In terms of human capital, the sale of Majorel's activities has reduced the number of group employees by more than 50%.

Governance

Bertelsmann's **G-2** score reflects the company's long track record of maintaining solid risk management strategies and conservative financial policies with a public commitment to maintain an investment grade rating. Although Bertelsmann is private and ultimately controlled by the Mohn family, we consider the listing of its main subsidiary and the presence of a majority independent board,

limited representation of the family at senior management level and the defuse structure of family ownership as being mitigating factors to potential governance risks.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moody's.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis

Bertelsmann has excellent liquidity, supported by cash and cash equivalents of around €3.0 billion as of December 2023 and access to a €1.2 billion syndicated bank credit facility, maturing in 2026, which is fully undrawn.

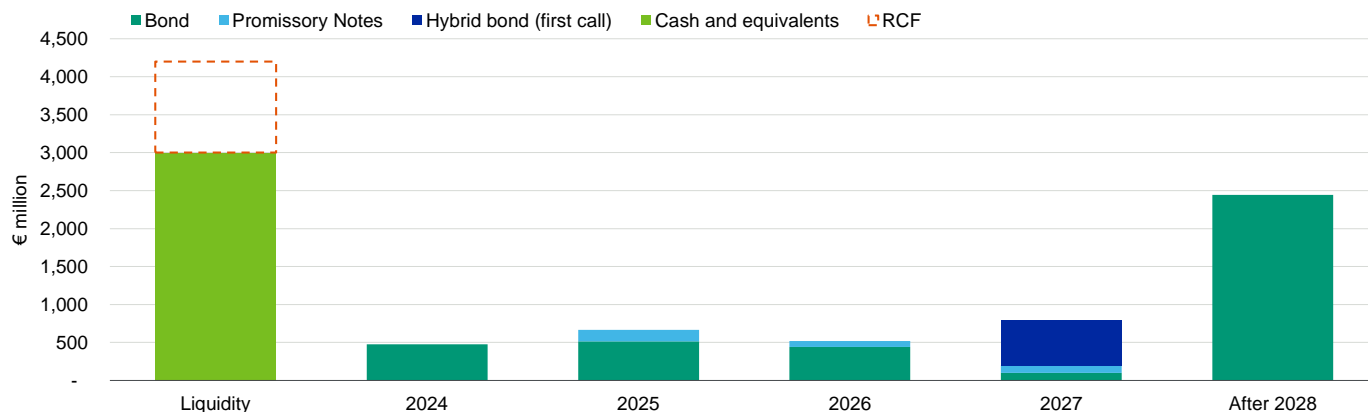
The large cash balance, together with operational cash generation and availability under the company's credit facilities, provides ample flexibility to cover upcoming debt maturities.

In addition, the company holds liquid investments in listed corporations (Magnite and Teleperformance), which offer further financial flexibility. The value of the equity stakes in Teleperformance and Magnite amounts to around €0.4 billion.

Exhibit 10

Bertelsmann's debt is well distributed over the coming years

Debt breakdown by maturity as of April 2024



Source: Company filings

Methodology and scorecard

We rate Bertelsmann using our [Business and Consumer Services](#) rating methodology, updated in November 2021. We expect its scorecard-indicated outcome to be Baa2 over the next 12-18 months, in line with the assigned rating.

Exhibit 11

Rating factors

Bertelsmann SE & Co. KGaA

Business and Consumer Service Industry Scorecard [1][2]	Current FY 12/31/2023		Moody's 12-18 Month Forward View As of 4/2024 [3] [4]	
	Measure	Score	Measure	Score
Factor 1 : Scale (20%)				
a) Revenue (USD Billion)	\$21.3	A	\$19.8 - \$20.5	A
Factor 2 : Business Profile (20%)				
a) Demand Characteristics	Baa	Baa	Baa	Baa
b) Competitive Profile	Baa	Baa	Baa	Baa
Factor 3 : Profitability (10%)				
a) EBITA Margin	9.6%	Caa	9.3%	Caa
Factor 4 : Leverage and Coverage (40%)				
a) Debt / EBITDA	2.9x	Baa	2.9x - 3.1x	Baa
b) EBITA / Interest	6.1x	Baa	5.7x - 6.2x	Baa
c) RCF / Net Debt	33.1%	Baa	29.9% - 33.4%	Baa
Factor 5 : Financial Policy (10%)				
a) Financial Policy	Baa	Baa	Baa	Baa
Rating:				
a) Scorecard-Indicated Outcome		Baa2		Baa2
b) Actual Rating Assigned				Baa2

[1] All ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.

[2] As of 31 December 2023.

[3] This represents Moody's forward view, not the view of the issuer and, unless noted in the text, does not incorporate significant acquisitions and divestures.

[4] Forward view is pro forma for the planned sale of RTL Nederland and the completed sale of DDV.

Source: Moody's Financial Metrics™

Ratings

Exhibit 12

Category	Moody's Rating
BERTELSMANN SE & CO. KGAA	
Outlook	Stable
Issuer Rating	Baa2
Senior Unsecured -Dom Curr	Baa2
Jr Subordinate -Dom Curr	Ba1
ST Issuer Rating	P-2

Source: Moody's Ratings

Appendix

Exhibit 13

Peer comparison

(in USD million)	Bertelsmann SE & Co. KGaA Baa2 Stable			Vivendi SE Baa2 Stable			WPP Plc Baa2 Stable			Netflix, Inc. Baa2 Positive		
	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	
	Dec-21	Dec-22	Dec-23	Dec-21	Dec-22	Dec-23	Dec-21	Dec-22	Dec-23	Dec-21	Dec-22	Dec-23
Revenue	22,120	21,337	21,811	10,314	10,112	11,365	17,609	17,850	18,460	29,698	31,616	33,723
EBITDA	3,353	2,889	2,834	1,357	959	1,530	2,607	2,574	2,624	6,793	6,383	7,693
Total Debt	9,280	8,448	8,398	6,286	5,000	10,460	9,430	9,215	9,192	18,117	16,932	16,973
Cash & Cash Equivalents	5,198	3,290	3,116	5,054	2,704	2,384	5,259	2,997	2,827	6,028	5,147	7,117
EBITA Margin %	12.2%	10.5%	9.6%	9.4%	5.8%	10.0%	11.5%	11.4%	11.4%	21.1%	18.1%	20.7%
EBITA / Interest Expense	9.6x	7.9x	6.1x	10.9x	8.1x	10.5x	5.2x	4.5x	4.3x	7.4x	7.2x	9.0x
Debt / EBITDA	2.9x	2.9x	2.9x	4.8x	5.1x	6.7x	3.7x	3.7x	3.4x	2.7x	2.7x	2.2x
RCF / Net Debt	45.1%	33.3%	33.1%	87.8%	34.5%	12.3%	28.7%	21.6%	22.0%	53.0%	50.3%	61.9%
FCF / Debt	6.2%	-4.8%	1.0%	10.6%	2.2%	3.8%	14.2%	-3.3%	3.5%	-0.7%	9.6%	40.8%

Source: Moody's Financial Metrics™

Exhibit 14

Moody's-adjusted debt reconciliation

Bertelsmann SE & Co. KGaA

€ million	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Bonds	4,377	5,968	5,047	4,656	4,537
Promissory Notes	325	424	325	325	325
Liabilities to Banks	138	126	174	291	152
Finance Lease Liabilities	1,392	1,355	1,356	1,538	1,334
Other Financial Debt	160	108	58	205	206
Profit Participation Capital	413	413	413	413	413
Moody's Reported Debt	6,805	8,394	7,373	7,428	6,967
Pension Adjustment	1,884	1,951	1,410	649	649
Operating Lease Adjustment	-	-	-	-	-
Hybrid Adjustment	(625)	(625)	(625)	(372)	(300)
Liabilities from Put Options relating to shareholders with non-controlling interests	24	-	-	211	286
Moody's Adjusted Debt	8,088	9,720	8,158	7,916	7,603

Source: Moody's Financial Metrics™

Exhibit 15

Moody's-adjusted EBITDA reconciliation

Bertelsmann SE & Co. KGaA

€ million	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Company reported EBITDA	2,909	3,143	3,241	3,192	3,119
Restructuring and Other Special Items	(293)	(214)	(301)	(420)	(549)
Fair Value of Measurement of Investments	143	59	483	(232)	(229)
Impairment on goodwill and other intangible assets with indefinite useful life as well as gains from business combinations	(27)	(116)	-	-	(18)
Adjustment to carrying amounts on assets held for sale	(7)	-	(6)	-	(19)
Impairment to other financial assets	(9)	(26)	(1)	(32)	(4)
Impairment losses and reversals on investments accounted for using the equity method	(51)	(62)	2	(7)	-
Results from disposals of investments	90	410	786	136	731
Adjustments on amortisation/depreciation impairment losses and reversals on intangible assets and property, plant	121	122	29	22	128
Interest Income	13	10	11	30	50
Other financial income	24	8	13	68	46
Other financial expenses	(132)	(93)	(136)	(116)	(125)
Moody's Reported EBITDA	2,781	3,241	4,121	2,641	3,130
Pension Adjustment	(10)	(5)	1	-	(7)
Operating Lease Adjustment	-	-	-	-	-
Remove: Gains from disposals of non-current Assets	(12)	(246)	(19)	-	-
Remove: Gains disposals of investments	(90)	(410)	(786)	(136)	(731)
Add: Losses on disposals of non-current assets	9	-	-	-	-
Remove: fair value measurement of investments	(143)	-	(483)	236	229
Impairments	60	-	-	-	-
Add: Carrying amount of assets held for sale	7	-	-	-	-
Moody's Adjusted EBITDA	2,602	2,580	2,834	2,741	2,621

Source: Moody's Financial Metrics™

Exhibit 16

Moody's-adjusted RCF and FCF reconciliation

Bertelsmann SE & Co. KGaA

€ million	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Reported Funds from Operations	2,102	2,508	1,888	2,370	2,466
Less: Common Dividends	(180)	0	(230)	(220)	(220)
Less: Minority Dividends	(263)	(10)	(180)	(293)	(276)
Reported Retained Cash Flow	1,659	2,498	1,478	1,857	1,970
Operating Lease Adjustment	0	0	0	0	0
Tax Paid	424	214	807	339	314
Tax Expense	(375)	(489)	(583)	(319)	(365)
Net Interest Paid	235	255	221	213	223
Net Interest Expense	(191)	(230)	(209)	(200)	(240)
Reclassify: Net Interest Paid and dividends received to FFO	(260)	(298)	(249)	(279)	(318)
Pension adjustment	0	0	155	0	0
Moody's Adjusted Retained Cash Flow	1,492	1,950	1,620	1,611	1,584
Change in Working Capital	(42)	486	(68)	(988)	(551)
FFO Aligment	(93)	250	(236)	(33)	68
Reported Capex	(606)	(663)	(809)	(1,036)	(897)
Lease payments	(247)	(276)	(279)	(311)	(328)
Music catalogue acquisition	49	58	281	380	197
Moody's Adjusted Free Cash Flow	553	1,805	509	(377)	73

Source: Moody's Financial Metrics™

Exhibit 17

Historical and projected Moody's-adjusted financials
Bertelsmann SE & Co. KGaA

(in EUR million)	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	2024E	2025E
INCOME STATEMENT							
Revenue	18,023	17,289	18,696	20,245	20,169	18,001	18,585
EBITDA	2,602	2,580	2,834	2,741	2,621	2,298	2,462
EBITA	2,197	2,149	2,290	2,132	1,929	1,680	1,824
Interest expense	241	272	239	271	314	293	293
BALANCE SHEET							
Cash & Cash Equivalents	1,629	4,564	4,571	3,083	2,821	2,961	2,710
Total Debt	8,088	9,720	8,160	7,916	7,603	7,096	7,096
CASH FLOW							
Dividends	(463)	(30)	(430)	(513)	(496)	(400)	(563)
Retained Cash Flow (RCF)	1,492	1,950	1,620	1,611	1,584	1,342	1,312
RCF / Net Debt	23.1%	37.8%	45.1%	33.3%	33.1%	32.4%	29.9%
Capital Expenditures	(804)	(881)	(807)	(967)	(1,028)	(976)	(892)
Free Cash Flow (FCF)	553	1,805	509	(377)	73	66	220
FCF / Debt	6.8%	18.6%	6.2%	-4.8%	1.0%	0.9%	3.1%
PROFITABILITY							
% Change in Sales (YoY)	2.0%	-4.1%	8.1%	8.3%	-0.4%	-10.8%	3.2%
EBITA margin %	12.2%	12.4%	12.2%	10.5%	9.6%	9.3%	9.8%
EBITDA margin %	14.4%	14.9%	15.2%	13.5%	13.0%	12.8%	13.2%
INTEREST COVERAGE							
EBITA / Interest Expense	9.1x	7.9x	9.6x	7.9x	6.1x	5.7x	6.2x
EBITDA / Interest Expense	10.8x	9.5x	11.9x	10.1x	8.3x	7.8x	8.4x
(EBITDA - CAPEX) / Interest Expense	7.5x	6.3x	8.5x	6.6x	6.8x	6.5x	6.5x
LEVERAGE							
Debt / EBITDA	3.1x	3.8x	2.9x	2.9x	2.9x	3.1x	2.9x
Debt / (EBITDA - CAPEX)	4.5x	5.7x	4.0x	4.5x	3.6x	3.7x	3.7x

2024 and 2025 are pro forma for the planned sale of RTL Nederland and the completed sale of DDV.

Source: Moody's Financial Metrics™ and Moody's Ratings

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