

Bertelsmann Interim Results 2022

Investor Conference Call

August 31, 2022

Rolf Hellermann, CFO of Bertelsmann

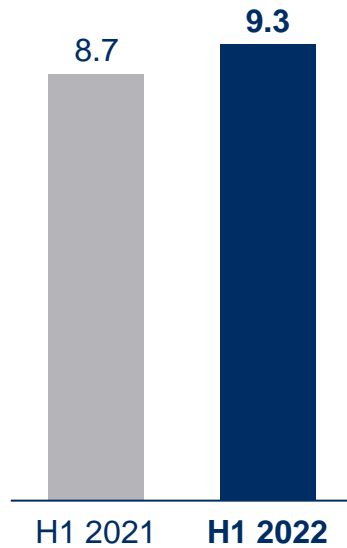
Interim Results H1 2022 – Highlights and key topics

1. **Positive business performance** | Revenues of €9.3 billion | Operating EBITDA of €1.4 billion at record high | Normalized Group profit
2. **Solid financial position** | Leverage factor at 1.5x | High equity ratio of 45 percent | Commitment to prudent financial policy
3. **Comfortable liquidity reserves** | Funds available to execute Boost strategy
4. **Strategy** | National media champions | Global content | Global services | Online education | Investment portfolio
5. **Outlook** | High market uncertainties | Robust portfolio | Significant to strong revenue growth | Stable EBITDA on comparable basis

Group key figures – Revenue growth to €9.3bn, Operating EBITDA at record high of €1.4bn despite higher streaming start-up losses, normalized Group profit

Revenues, in € billions

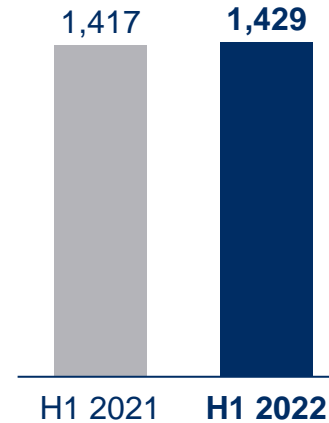
Reported	+6.9%
Organic	+3.8%



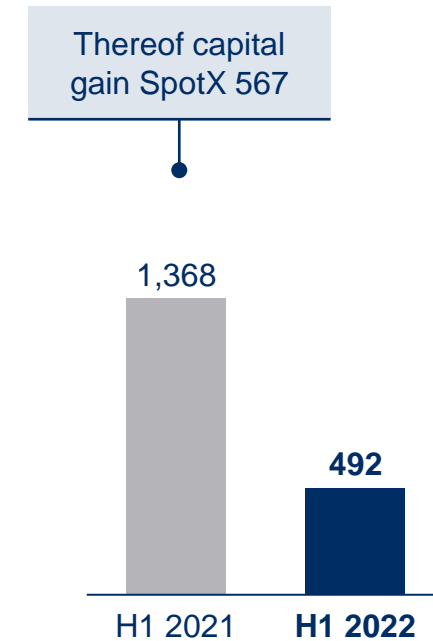
Operating EBITDA, in € millions

Before streaming¹⁾

1,464	1,495
-------	-------

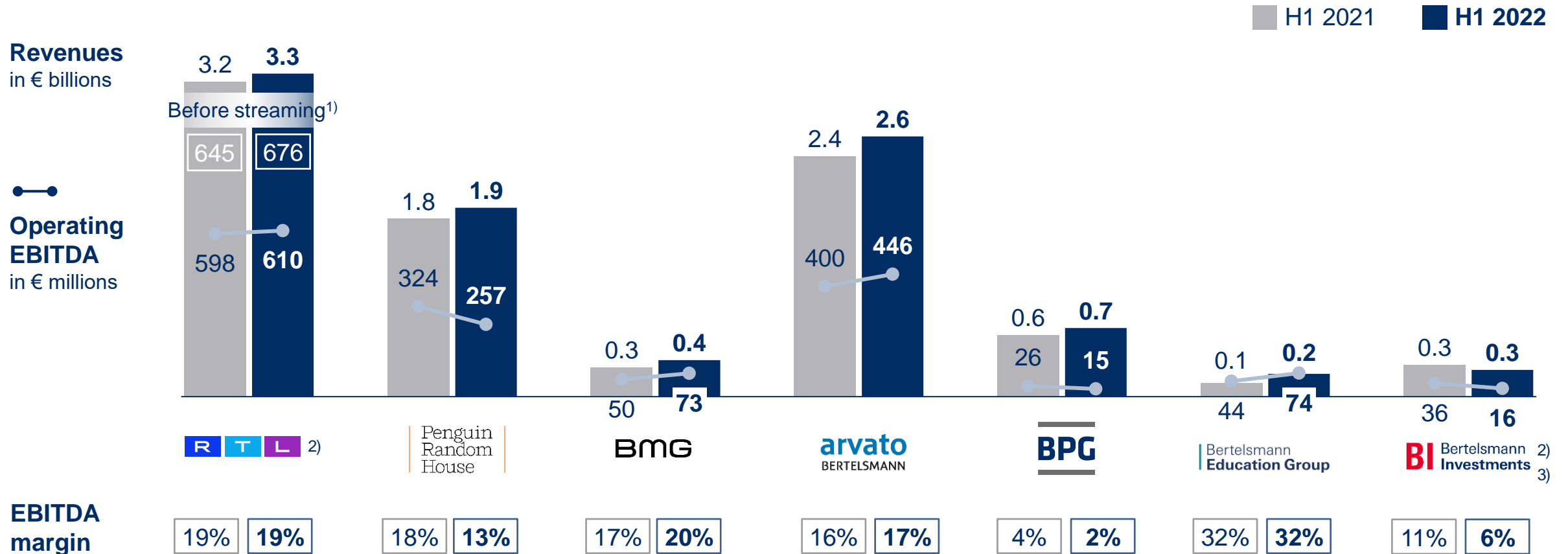


Group profit, in € millions



1) Start-up losses SVOD platforms RTL Group (RTL+, Videoland, Salto, Bedrock)

Divisions – Revenue growth across nearly all divisions, higher earnings especially at Arvato



1) Start-up losses SVOD platforms RTL Group (RTL+, Videoland, Salto, Bedrock) 2) Restated 3) Business development of venture capital business of BI determined primarily on the basis of EBIT. EBIT of BI amounted to €21 million (H1 2021: €270 million).

Group profit – Normalized group profit after high capital gains in previous year

in € millions	H1 2021	H1 2022	Change	Comment
Operating EBITDA	1,417	1,429	+12	Strong performance at Arvato, Bertelsmann Education Group, BMG and RTL
Depreciation and amortization	-415	-486	-71	
Restructuring/other adjustments	-59	-90	-31	
Impairments/reversals	-5	2	+7	
Capital gains/losses and FV remeasurements	991	-15	-1,006	High capital gains i.a. from disposal of SpotX in 2021
∑ Special items	927	-103	-1,030	
EBIT	1,929	840	-1,089	
Financial result	-155	-161	-6	
Income tax expense	-406	-187	+219	
Group profit	1,368	492	-876	Normalized level

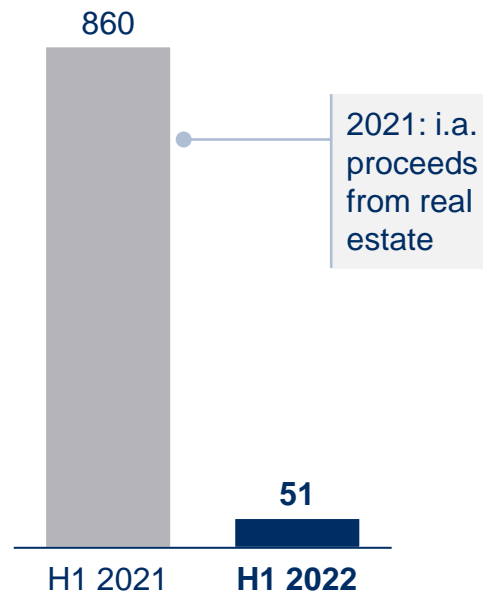
Further Group key figures – Higher level of operating investments and CAPEX

Operating Free Cash Flow, in € millions

CCR

88%

6%

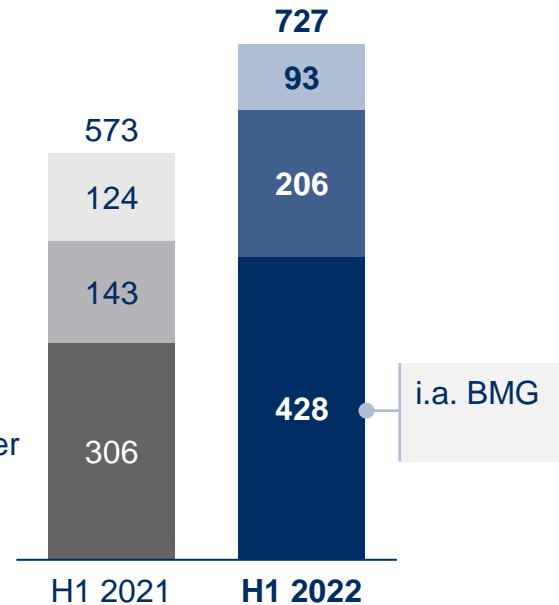


Investments¹⁾, in € millions

Purchase prices for consolidated investments (net of acquired cash)

Investments in financial assets

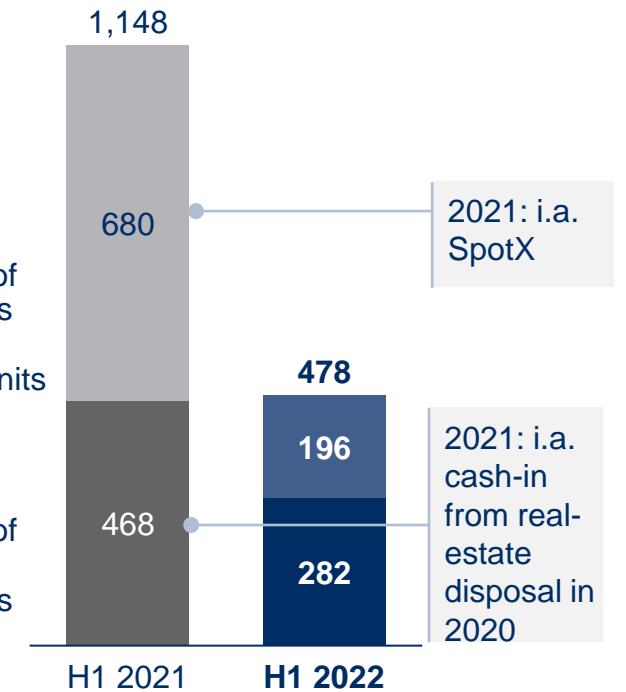
Investments in other non-current assets



Divestments, in € millions

Disposals of subsidiaries and other business units

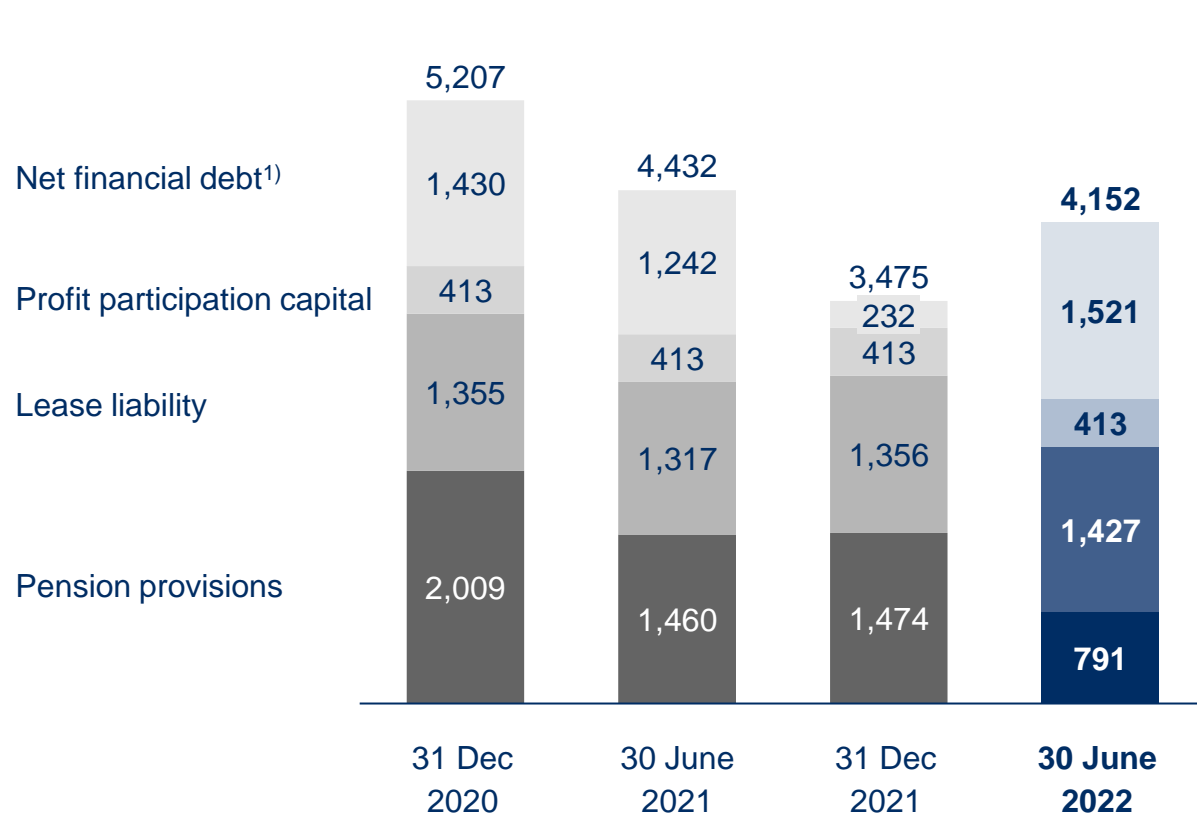
Disposals of other fixed assets



1) According to cash flow statement

Financial status (I/II) – Pensions significantly lower, leverage factor far below limit

Economic Debt, in € millions



Leverage Factor

$\frac{\text{Economic debt}}{\text{Operating EBITDA}^2}$



Limit: $\leq 2.5x$

Equity Ratio

$\frac{\text{Equity}}{\text{Total assets}}$



Target: $\geq 25\%$

Credit Rating

MOODY'S
INVESTORS SERVICE

Baa2, outlook: stable

S&P Global
Ratings

BBB, outlook: stable

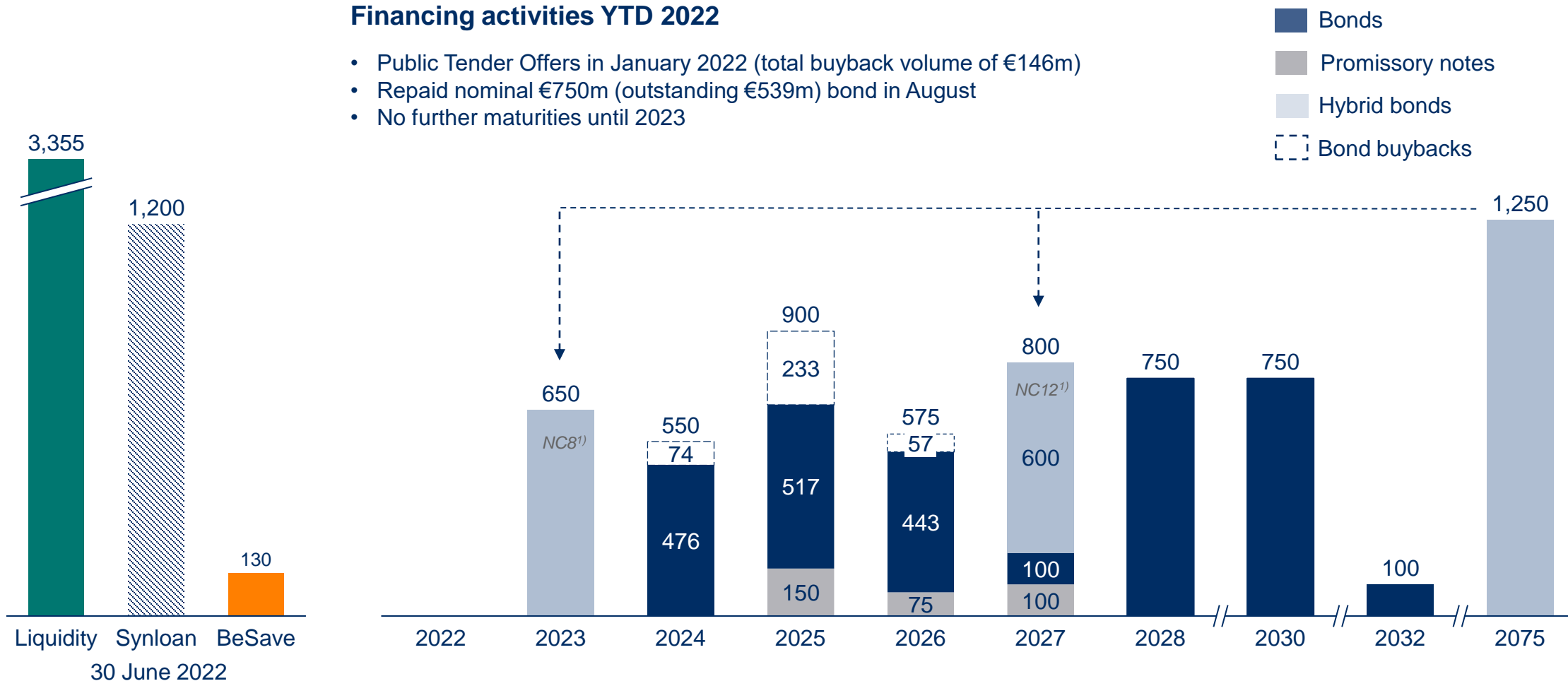
1) Less 50% par value of hybrid bonds and less investment in special fund 2) After modifications

Financial status (II/II) – Long-term oriented maturity profile, no further maturity in 2022

in € millions

Financing activities YTD 2022

- Public Tender Offers in January 2022 (total buyback volume of €146m)
- Repaid nominal €750m (outstanding €539m) bond in August
- No further maturities until 2023



1) Indication of first call date, for illustrative purposes only

Group strategy – Substantial progress along all strategic priorities



Summary and outlook – H1 operating profit at record high; 2022 revenue expectation raised

H1 2022

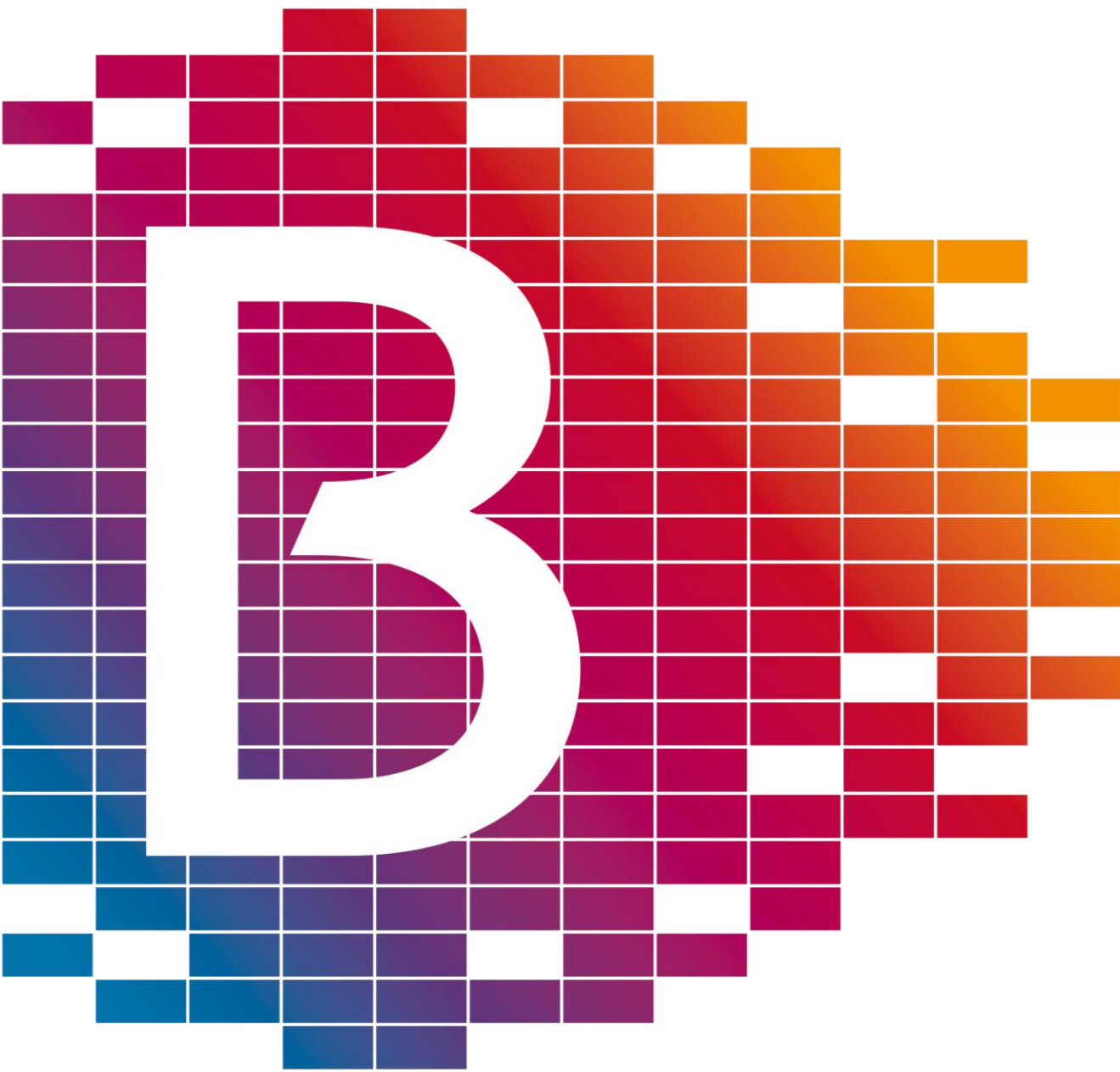
Key developments

- Revenue increase to €9.3bn
- EBITDA at record high of €1.4bn
- Progress along all strategic growth priorities

Full year 2022

Outlook

- Significant to strong increase in revenues
- EBITDA before streaming start-up losses stable at record level; including streaming start-up losses moderate decline



Q&A Session

Investor Conference Call

August 31, 2022

Rolf Hellermann, CFO of Bertelsmann