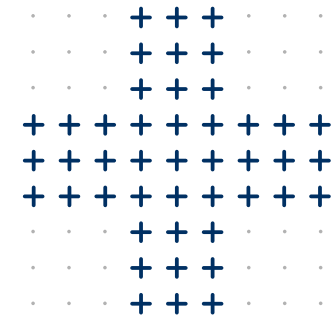
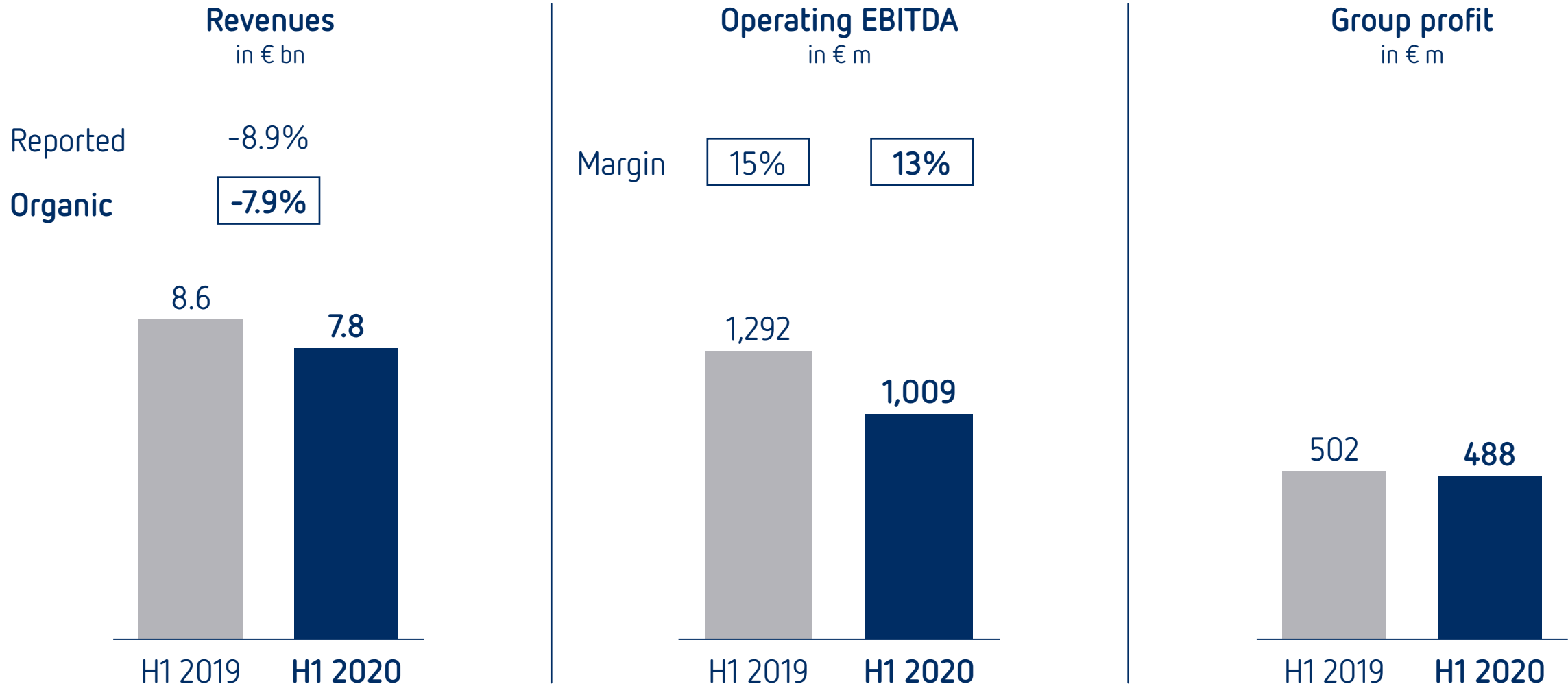


Interim report 2020

September 1, 2020



Group key financials –
Revenue decline in single-digit range; operating result €1bn; Group profit stable



First half of 2020 – Success factors

Counteraction

Diversification

Digitization

Strength Arvato

Corona counteraction – Workforce protected; liquidity and financing secured; economic debt slightly reduced

Protection of employees and business continuation ensured



- Around **70%** of workforce **Group-wide productively working from home**
- **Hygiene standards raised**
- **Meetings primarily virtually**
- Permanent **new work concepts** in development

Liquidity and financing secured long-term



- Upcoming **capital market maturities** prematurely **refinanced** long-term
- **Liquidity reserve built**
- **Credit lines increased** respectively terms extended

Outflow of funds reduced through various measures



- **Cost measures at all levels** without adverse impacts on business substance, **>60%** of **revenue decline compensated** on the cost side
- **Investments prioritized**
- Active **cash flow management**
- Group-wide **waiver of dividends** by **shareholders**

Group strategy – Progress in all strategic priorities

1

Strengthening the core

Market shares increased in core markets (GER, FR, NL)



Full acquisition



Internationalization



2

Digital transformation

Paying subscribers increased by +45% to 1.77m



Digital formats grown by +15%



Increased demand for online educational services



3

Growth platforms (revenues H1 2020: €2.9bn)

+4% organic growth mainly due to streaming



Logistics network further expanded



Partnership in risk management business



4

Growth regions

Active portfolio management



Investment partially sold



Investments in start-ups expanded to >240



Summary and outlook – Effective cost and cash flow management; gradual recovery in advertising markets expected

H1 2020

Development

- **Active counteraction** and **first signs of recovery** in advertising markets
- **Stable Group profit** and **double-digit EBITDA margin**
- **Progress in strategy implementation**

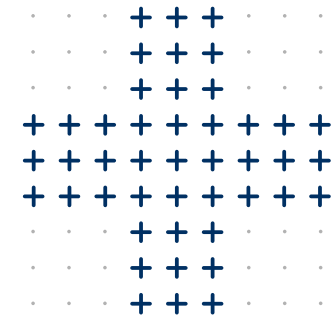
Full year 2020

Outlook¹⁾

- **Revenues** and **EBITDA** excluding TV and magazines businesses at **prior year's level**
- **Gradual recovery** in **advertising markets**
- **Outlook** with high **uncertainty**, further **active counteraction**

1) Assuming no further increase of the virus spreading and no second pandemic wave

Many thanks



First half of 2020 – Corona counteraction and strategic progress

Solid starting position

- **Diversified Group portfolio**
- High share of **digital business models**
- **Revenue decline** primarily in **advertising-financed businesses**

Active counteraction

- **Protection of employees and business continuation ensured** through comprehensive preventive measures
- **Liquidity outflow** massively reduced
- **Financing secured** long-term

Strategic progress

- **Penguin Random House fully acquired**
- **Bertelsmann Content Alliance internationalized**
- **Partnership in risk management business** formed
- **Growth platforms expanded organically**