

Press Release

RTL Deutschland and Gruner + Jahr to create German cross-media champion

- Combination of Gruner + Jahr (G+J) and RTL Deutschland will create cross-media champion across TV, streaming, print, radio and digital
- RTL Deutschland and G+J combined have the scale, resources and creative power to compete with global tech platforms in Germany
- Strong commitment for long-term growth, investments in quality content, diversity and pluralism of opinion
- Further boost of RTL+, the leading German streaming service with more than two million paying subscribers
- Transaction terms: RTL Deutschland to fully acquire G+J's German publishing assets and brands for €230 million
- Synergies estimated at around €100 million per year, creating significant value

Luxembourg/Cologne/Hamburg, 6 August 2021 – RTL Group today announced that RTL Deutschland has agreed with Bertelsmann to acquire Gruner + Jahr's German publishing assets and brands for €230 million on a cash-free and debt-free basis.¹ G+J will contribute popular and trusted brands such as *Stern*, *Brigitte*, *Geo*, *Capital*, *Schöner Wohnen*, *Eltern* and *Art* as well as journalistic experience to RTL Deutschland.

Over the past years, RTL Deutschland and G+J have expanded their cooperation in the areas of advertising sales (Ad Alliance), content creation (Bertelsmann Content Alliance) as well as research and data (Data Alliance). The combination builds on these successful alliances. It will further strengthen RTL Deutschland's position as partner of choice for Germany's creative talent and boost the growth of its streaming service RTL+ (TV Now), driven by investments in local content, independent journalism, technology and data. A joint editorial team with more than 1,500 journalists will create a journalistic powerhouse to deliver reliable news, investigative reports and features in all genres across TV, audio and print. Examples are new high-end documentary series for families from *Geo* and the new TV format *Stern Investigativ*.

Thomas Rabe, CEO of RTL Group, says: "Following the proposed consolidation moves in France and the Netherlands, the combination of RTL Deutschland and Gruner + Jahr is our third milestone in 2021 to create national cross-media champions. In the growing competition with global tech platforms, exclusive local content is the key to success – in particular to boost our streaming services. With added scale, resources and creative power, RTL Deutschland and Gruner + Jahr combined will increase investments into what matters most: premium content and journalistic excellence. The enlarged RTL Deutschland will offer German audiences the broadest spectrum of high-quality entertainment and independent information – while advertising clients will benefit from the most advanced and brand-safe advertising opportunities."

¹ The following Gruner + Jahr assets are not part of the transaction and will remain with Bertelsmann: DDV Mediengruppe (*Sächsische Zeitung*), Territory, AppLike Group and G+J's 25 per cent shareholding in Spiegel Gruppe

RTL Deutschland's acquisition of G+J publishing assets and brands from Bertelsmann qualifies as a related-party transaction and was voted on and unanimously approved by the independent Directors of RTL Group's Board. An independent expert (Deutsche Bank) provided a fairness opinion to the members of RTL Group's Board of Directors to conclude that the consideration to be paid by RTL Group for the G+J publishing assets is fair, from a financial point of view, to RTL Group. The transaction has also been unanimously approved by Bertelsmann's Executive Board and Supervisory Board and is expected to close on 1 January 2022.

The enlarged RTL Deutschland would have 2020 revenue of €2.63 billion² and operating profit (Adjusted EBITA) of €496 million². The potential synergies of the transaction (Adjusted EBITA run-rate impact) are estimated at around €100 million per year, to be fully realised in 2025. Gruner + Jahr Deutschland will continue to be headquartered in Hamburg.

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About RTL Group

RTL Group is a leader across broadcast, content and digital, with interests in 67 television channels, ten streaming platforms and 38 radio stations. RTL Group also produces content throughout the world and owns a digital video network. The television portfolio of Europe's largest broadcaster includes RTL Television in Germany, M6 in France, the RTL channels in the Netherlands, Belgium, Luxembourg, Croatia, Hungary and Antena 3 in Spain. RTL Group's families of TV channels are either the number one or number two in eight European countries. The Group's flagship radio station is RTL in France, and it also owns or has interests in other stations in France, Germany, Belgium, Spain and Luxembourg. RTL Group's content business, Fremantle, is one of the world's largest creators, producers and distributors of scripted and unscripted content. Fremantle has an international network of production teams, companies and labels in over 30 countries, producing over 12,000 hours of original programming and distributing over 30,000 hours of content worldwide. Combining the streaming-services of its broadcasters (such as RTL+/TV Now, 6play, Salto, Videoland), the digital video company We Are Era, and Fremantle's more than 360 YouTube channels, RTL Group has become the leading European media company in digital video. RTL Group also owns the ad-tech businesses Smartclip and Yospace, as well as the streaming-tech company Bedrock.

RTL AdConnect is RTL Group's international advertising sales house. Bertelsmann is the majority shareholder of RTL Group, which is listed on the Luxembourg and Frankfurt stock exchanges and in the SDAX stock index

² Adjusted and pro forma unaudited. See definition of Adjusted EBITA on pages 9 to 10 of RTL Group's Interim Report 2021.