

PRESS RELEASE

Bertelsmann Plans to Appeal Court Ruling on Penguin Random House, Simon & Schuster Merger

- **Merger would be in good for competition**
- **Court's decision is based on incorrect basic assumptions**

Gütersloh / Washington, November, 1, 2022 – Bertelsmann acknowledges the ruling by the U.S. District Court in Washington, D.C., prohibiting the planned merger of Penguin Random House and Simon & Schuster. The international media, services, and education company believes the district court's decision is wrong and plans to file an expedited appeal against the ruling. The shareholders of Penguin Random House and Simon & Schuster, Bertelsmann and Viacom CBS, Inc. (now Paramount Global), had announced plans to combine their global book businesses in November 2020. While Britain's Competition & Markets Authority (CMA) already approved the transaction in May 2021, the U.S. Department of Justice (DoJ) had filed a lawsuit against the planned merger in November 2021, which the court has now upheld.

Thomas Rabe, CEO of Bertelsmann, said: "We do not share the court's assessment any more than we previously shared the Department of Justice's position. Both are based on incorrect basic assumptions, including an inaccurate definition of the market. A merger would be good for competition. We remain convinced that Bertelsmann and Penguin Random House would be the best creative home for Simon & Schuster - with a wide variety of publishers that could operate independently under one umbrella. We will be filing a motion to appeal with the D.C. Court of Appeals."

About Bertelsmann

Bertelsmann is a media, services and education company that operates in about 50 countries around the world. It includes the entertainment group RTL Group, the trade book publisher Penguin Random House, the music company BMG, the service provider Arvato, the Bertelsmann Printing Group, the Bertelsmann Education Group and Bertelsmann Investments, an international network of funds. The company has 145,000 employees and generated revenues of €18.7 billion in the 2021 financial year. Bertelsmann stands for creativity and entrepreneurship. This combination promotes first-class media content and innovative service solutions that inspire customers around the world. Bertelsmann aspires to achieve climate neutrality by 2030.

Bertelsmann online



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