

PRESS RELEASE

Bertelsmann Invests in Indian Startup Treebo

- **Bertelsmann invests in a marketplace for budget hotels**
- **Expansion of businesses in strategic growth region of India**

Gütersloh/New Delhi, July 22, 2016 – The international media, services and education company Bertelsmann is leading a Series B round of financing for Treebo, an Indian branded managed marketplace for budget hotels. Existing investors SAIF Partners and Matrix Partners are also participating in this fundraising.

Founded in 2015, the company already comprises 125 partner hotels with more than 3,000 rooms in 25 Indian cities, operated under the umbrella brand “Treebo.” The company carefully selects its partner hotels based on market research, with a view to steadily maximizing brand value, quality standards and customer satisfaction.

Pankaj Makkar, Managing Director of Bertelsmann India Investments, said: “Treebo serves a huge unmet need in the budget travel space – that of reliable and affordable accommodation. Over the year since the group was established, they have focused on delivering a great guest experience, and have extensively deployed technology in all parts of their operations to accomplish this objective. We are excited to partner with them on a journey towards building one of the most innovative and popular consumer brands in the hospitality space.”

Treebo offers moderately priced accommodations for travelers. The brand guarantees high quality standards including free breakfast and beverages, free internet access and high standards of cleanliness. Treebo helps its partners that operate under the umbrella brand to keep developing these standards and uses innovative technologies, marketing strategies and events to ensure consistently high occupancy rates and customer satisfaction.

Treebo co-founder Rahul Chaudhary said: “Bertelsmann is a globally respected business partner. They are known for taking a long-term view of their investments, and for supporting companies that create sustainable, long-term value.”

Treebo plans to use the new funds to drive its own expansion, strengthen its marketing, and make investments in technology.

It is the ninth company in the Bertelsmann India Investments portfolio and the fourth new investment in 2016. Just last month, Bertelsmann had invested in the Fintech company Lendingkart, after acquiring shares in the fashion network Roposo in April, and a shareholding in the e-commerce service provider KartRocket in January. The Group also owns stakes in the music-streaming service Saavn, and India's leading online marketplace for furniture, Pepperfry. Several Bertelsmann divisions also have operations in India: RTL Group is successful in India through its production unit Fremantle Media, with formats including "Confessions – It's Complicated," "Indian Idol," "The X Factor," and "Got Talent." Last year, RTL Group acquired a majority stake in YoBoHo, a producer of children's programs for channels including YouTube. Penguin Random House is the largest English-interest publisher in the country, and Arvato offers international customers a wide range of customer relationship management and marketing services.

About Bertelsmann

Bertelsmann is a media, services and education company that operates in about 50 countries around the world. It includes the broadcaster RTL Group, the trade book publisher Penguin Random House, the magazine publisher Gruner + Jahr, 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 117,000 employees and generated revenues of €17.1 billion in the 2015 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.

About Bertelsmann Investments

Bertelsmann Investments unites Bertelsmann's start-up investments around the world. The focus of its activities are the strategic growth regions of Brazil, China and India, as well as the United States and Europe. Shareholdings are acquired through the strategic investment vehicles Bertelsmann Brazil Investments (BBI), Bertelsmann Asia Investments (BAI), Bertelsmann India Investments (BII) and Bertelsmann Digital Media Investments (BDMI). Bertelsmann owns stakes in more than 100 innovative companies via these funds.

For further questions, please contact:

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