QUARTERLY STATEMENT

9M/Q3 2021/22

CONTENT

METRO WITH SIGNIFICANT GROWTH IN Q3 2021/22, QUARTER ALSO IMPACTED BY MACROECONOMIC VOLATILITY

9M:

Strong momentum: consistent implementation of the sCore strategy is increasingly progressing

Low double-digit volume growth in comparison to the previous year

Sales and EBITDA-Outlook for the financial year 2021/22 raised for the second time this year

Q3:

Sales in local currency increased by 27.2 % and exceeded the pre-pandemic level[1]. The good development is driven by a combination of rising inflation and a strong HoReCa momentum

Channel growth: store-based sales grew to €6.1 billion (+18.7 %), delivery sales to €1.8 billion (+64.4 %) and METRO MARKETS sales to €18 million (+49.7 %)

Market shares gained again in France, Spain, Italy and Germany

EBITDA adjusted increased to €441 million (Q3 2020/21: €310 million) and exceeded the pre-pandemic level

Earnings per share amounted to €-0.80 (Q3 2020/21: €0.17); this includes a negative EPS effect of approx. €-1.20, resulting from currency-related negative effects in the net financial result (primarily non-cash-relevant) as well as effects from the sale of the Belgian business (transformation costs €138 million, partly cash-relevant)

Expansion METRO MARKETS: online marketplace launched in Italy in July 2022

Portfolio adjustments contribute to the sCore strategy progress

[1] Q3 2018/19.

OVERVIEW

9M/Q3 2021/22

€ million	9M 2021/22	**9M 2021/22**	Q3 2020/21	**Q3 2021/22**
Sales	17,635	**21,761**	6,247	**7,911**
EBITDA adjusted	800	**1,119**	310	**441**
Transformation costs	13	**130**	1	**136**
Earnings contributions from real estate transactions	58	**13**	16	**-1**
EBITDA	845	**1,002**	325	**305**
EBIT	242	**270**	126	**88**
Earnings before taxes EBT	119	**-225**	90	**-227**
Profit or loss for the period[1]	31	**-379**	63	**-290**
Earnings per share (€)	0.09	**-1.04**	0.17	**-0.80**

[1] attributable to METRO shareholders

SALES, EARNINGS AND FINANCIAL POSITION

In the first 9 months of the financial year 2021/22, the consistent implementation of the sCore strategy led to a significant growth momentum. This momentum was also supported by the almost full release of the Covid-19 restrictions and inflation, which increased over the course of the year. In the reported view (group currency), the currency effects of the Russian currency and impairments associated with the war in Ukraine had a negative effect on business development.

Overall, the pre-pandemic level was significantly exceeded in all 3 quarters, a low double-digit volume growth was achieved compared to the previous year and market shares were gained. All 3 channels (stores, delivery and METRO MARKETS) contributed to the growth. As a result of the better than expected business development in Q3 2021/22, the management board raised the outlook for the 2021/22 financial year due to the rising inflation and the aforementioned business development for the second time this year on 6 July 2022.

Business development in Q3 2021/22 was also influenced by a number of decisions regarding the business portfolio. Two strategic acquisitions (C&C Abholgroßmärkte Gesellschaft m.b.H. (AGM): wholesale and delivery business in Austria; Eijsink: POS system for the hospitality industry) and one sale (operational business in Belgium) were made. The effects of these transactions are as follows:

¾ AGM: initial consolidation on 2 May 2022; included in the sales and EBITDA adjusted for the segment West
¾ Eijsink: initial consolidation on 31 March 2022; included in the sales and EBITDA adjusted for the segment Others
¾ Operational business in Belgium: up to and including May 2022 included in the sales and EBITDA adjusted for the segment West; €138 million transformation costs

Since the beginning of 2021, inflation has been rising significantly in Turkey. Therefore, according to IAS 29, Turkey is deemed hyperinflationary in terms of the standard for reporting periods which end on or after 30 June 2022. Effects will arise from the first application of IAS 29 in Q3 2021/22, in particular for non-monetary balance sheet items and the presentation of the income statement and cash flow statement, including currency translation (more detailed explanation can be found in the notes).

Sales

In 9M 2021/22, sales in local currency increased by 24.0 %. Total sales increased by 23.4 % to €21.8 billion and exceeded the pre-pandemic level[2]. The positive development can be attributed to a combination of increasing inflation and strong HoReCa momentum. The segments West and East were the main contributors to this growth. Store-based sales grew to €17.2 billion (+15.4 %), delivery sales to €4.5 billion (+66.7 %) and METRO MARKETS sales to €49 million (+106.1 %).

In Q3 2021/22, sales in local currency increased by 27.2 %. Total sales increased by 26.6 % to €7.9 billion, exceeding the pre-pandemic level. The positive development can be attributed to a combination of increasing inflation and a strong HoReCa momentum. Store-based sales grew to €6.1 billion (+18.7 %), delivery sales to €1.8 billion (+64.4 %) and METRO MARKETS sales to €18 million (+49.7 %). Negative currency effects, in particular from the Turkish currency, could partially be compensated by positive currency effects in particular from Russia.

Earnings

In 9M 2021/22, EBITDA adjusted improved significantly to €1,119 million (9M 2020/21: €800 million) and exceeded the pre-pandemic level. The increase is mainly attributable to the good sales development. The segment West contributed over proportionally to this positive development. After adjusting for currency effects, EBITDA adjusted increased by €321 million compared to the same period in the previous year. Negative

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[2] 9M 2018/19.

currency effects from the Turkish currency were partially offset by positive exchange rate effects from Russia and other countries. A total of €130 million (9M 2020/21: €13 million) in transformation costs were incurred, predominantly in Q3 2021/22, from the sale of the Belgian operational business. Earnings contributions from real estate transactions amounted to €13 million (9M 2020/21: €58 million). EBITDA reached €1,002 million (9M 2020/21: €845 million).

In Q3 2021/22, the EBITDA adjusted increased to €441 million (Q3 2020/21: €310 million) and significantly exceeded the pre-pandemic level. In particular, the segments West, Germany and East contributed to this positive development. After adjusting for currency effects, EBITDA adjusted increased by €128 million compared to the same period in the previous year. Negative currency effects were incurred in Turkey, which were overcompensated by positive currency effects in particular in Russia.

Depreciation amounted to €731 million in 9M 2021/22 and is €128 million higher than the previous-year figure of €603 million. Impairments, primarily in Russia and Ukraine, in the amount of €123 million (9M 2020/21: €6 million) were the main reason for this development. Reduced sales and earnings expectations due to the war in Ukraine and the imposed sanctions against Russia led to asset impairments. Impairment losses on goodwill amount to €53 million, of which €35 million are attributable to METRO Russia and €17 million to METRO Ukraine. Impairments on tangible fixed assets amounting to €70 million are mainly attributable to Russia in the amount of €20 million and to Ukraine in the amount of €46 million. Depreciation increased by €17 million to €216 million in Q3 2021/22 (Q3 2020/21: €199 million).

The net financial result amounted to €-495 million in 9M 2021/22 (9M 2020/21: €-123 million). The negative development is mainly attributed to the rouble exchange rate development as a result of the war-related imposed sanctions against Russia and their counter sanctions. As a consequence, further negative valuation effects – predominantly non-cash-relevant – from intragroup positions occurred in Q3 2021/22.

Earnings before taxes in 9M 2021/22 amounted to €-225 million (9M 2020/21: €119 million). The tax expense of €151 million in 9M 2021/22 (9M 2020/21: €84 million) reflected the expected group tax expense at the end of the financial year.

The profit or loss for the period attributable to METRO shareholders reached in 9M 2021/22 €-379 million (9M 2020/21: €31 million). Negative impacts of more than €-600 million occurred, resulting from currency-related negative effects in the net financial result (primarily non-cash-relevant), effects from the sale of the Belgian business (transformation costs €138 million, partly cash-relevant) as well as impairments. The profit or loss for the period would have increased significantly excluding these influences. Accordingly, the earnings per share amounted to €-1.04 (9M 2020/21: €0.09), the previously mentioned impacts correspond to approx. €-1.80.

The profit or loss for the period attributable to METRO shareholders reached €-290 million in Q3 2021/22 (Q3 2020/21: €63 million). Negative impacts of more than €-400 million occurred, resulting from currency-related negative effects in the net financial result (primarily non-cash-relevant) as well as effects from the sale of the Belgian business (transformation costs €138 million, partly cash-relevant). The profit or loss for the period would have been positive excluding these influences. Accordingly, earnings per share amounted to €-0.80 (Q3 2020/21: €0.17), the previously mentioned impacts correspond to approx. €-1.20.

Investments

Segment investments amount to €580 million in 9M 2021/22 and are above previous year's level (9M 2020/21: €471 million). M&A acquisitions in particular contributed to the increase. In the current year, Eijsink, an established provider of point-of-sale solutions for the hospitality industry, was acquired. Furthermore, METRO Austria acquired AGM (wholesale stores and delivery business in Austria). The previous year included the acquisition of the Portuguese food supplier Aviludo Group. Cash-relevant investments (without M&A and investments in monetary assets) in Q3 2021/22 amounted to €267 million.

Financial position

After the total change in cash and cash equivalents and financial investments with financial liabilities (including liabilities from leases), the net debt reduced to €3.5 billion (30/6/2021: €3.8 billion) as of 30 June 2022. METRO has cash and cash equivalents of €0.9 billion as of 30 June 2022 (30/6/2021: €1.3 billion).

Balance sheet

Total assets increased by €0.4 billion, from €12.8 billion to €13.2 billion compared to the financial year end on 30 September 2021. Non-current assets decreased by €0.3 billion, from €8.0 billion to €7.7 billion. In particular, assets held for sale of €0.4 billion, which were reclassified to current assets, contributed to this development. This includes the real estate portfolio in Japan, an investment in the Chinese company WM Holding (HK) Limited and parts of the METRO Campus Düsseldorf. In addition, impairment losses on goodwill in the amount of €53 million, and the impairment of tangible assets in the amount of €70 million also had an impact. The application of hyperinflationary accounting pursuant to IAS 29, which was mandatory for the first time as of 30 June 2022, mainly led to an increase in non-current assets by €0.2 billion. Current assets increased by €0.7 billion from €4.8 billion to €5.5 billion. While inventories increased by €0.6 billion to €2.6 billion due to the increased business volume as well as increased warehousing to ensure the availability of goods, cash and cash equivalents decreased by €0.6 billion to €0.9 billion.

Equity increased by €0.5 billion from €1.8 billion to €2.4 billion. In addition to the profit and loss for the period of €-0.4 billion currency effects in the other comprehensive income of €0.8 billion had the effect of increasing equity. These resulted mainly from the rouble exchange rate development and the first-time application of hyperinflationary accounting (€0.1 billion).

Cash flow

The Cash flow from operating activities in 9M 2021/22 resulted in cash inflow of €583 million (9M 2020/21: €670 million cash inflow). The decrease is mainly attributable to the rise in the net working capital compared to the previous year which is related to an increased business volume and an increased warehousing to ensure the availability of goods. This was mainly offset by a significant improvement in the sales and earnings situation.

The cash flow from investing activities amounted to €-362 million (9M 2020/21: €-35 million) and mainly relates to investments in property, plant and equipment as well as intangible assets. The divestments mainly include real estate disposals and the sale of shareholdings.

The cash flow from financing activities amounted to €-858 million (9M 2020/21: €-824 million). In addition to lease payments of €-428 million the repayment of bonds had an effect.

The free cash flow is derived from the cash flow statement as shown in the overview below. METRO has adopted free cash flow as a key figure that represents the funds generated in a period that are mostly available for the repayment of debt, payment of dividends and company transactions.

FREE CASH FLOW

€ million	9M 2020/21	**9M 2021/22**
Cashflow from operating activities	**670**	**583**
Investments (without cash investments)	-235	**-267**
Divestments	167	**67**
Lease payments	-401	**-428**
Interests paid and received	-62	**-28**
Other financing activities	11	**-4**
Free Cash Flow	**150**	**-78**

METRO SEGMENTS

METRO sales figures

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)	
	9M 2020/21	**9M 2021/22**	9M 2020/21	**9M 2021/22**	9M 2020/21	**9M 2021/22**	9M 2020/21	**9M 2021/22**
Total	**17,635**	**21,761**	**-7.8%**	**23.4%**	**-4.2%**	**-0.6%**	**-3.5%**	**24.0%**
Germany	3,306	**3,523**	-5.9%	**6.5%**	0.0%	**0.0%**	-5.9%	**6.5%**
West	6,457	**8,875**	-7.6%	**37.5%**	0.0%	**0.0%**	-7.6%	**37.5%**
Russia	1,783	**2,080**	-15.2%	**16.6%**	-17.5%	**7.9%**	2.3%	**8.7%**
East[1]	6,054	**7,211**	-6.8%	**19.1%**	-7.4%	**-4.3%**	0.6%	**23.4%**
Others	34	**72**	-	-	-	-	-	-

[1] As of financial year 2021/22, the segment Asia will be reported together with the former segment Eastern Europe segment as the segment East. Previous years figures have been adjusted.

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)	
	Q3 2020/21	**Q3 2021/22**	Q3 2020/21	**Q3 2021/22**	Q3 2020/21	**Q3 2021/22**	Q3 2020/21	**Q3 2021/22**
Total	**6,247**	**7,911**	**12.2%**	**26.6%**	**-3.2%**	**-0.5%**	**15.4%**	**27.2%**
Germany	1,052	**1,234**	-3.7%	**17.3%**	0.0%	**0.0%**	-3.6%	**17.3%**
West	2,506	**3,301**	34.1%	**31.7%**	0.0%	**0.0%**	34.1%	**31.7%**
Russia	573	**707**	-11.2%	**23.2%**	-10.1%	**19.8%**	-1.1%	**3.4%**
East[1]	2,100	**2,639**	7.6%	**25.7%**	-5.2%	**-7.6%**	12.8%	**33.3%**
Others	16	**31**	-	-	-	-	-	-

[1] As of financial year 2021/22, the segment Asia will be reported together with the former segment Eastern Europe segment as the segment East. Previous years figures have been adjusted.

In Germany, sales in local currency and reported sales increased by 6.5 % in 9M 2021/22. Notably, this is attributable to the continued strong performance of Rungis Express and the positive development of the HoReCa business after the relaxation of government restrictions, which helped offset declining tobacco and SCO sales.

In Q3 2021/22, sales in local currency and reported sales increased by 17.3 %. In addition to the positive development in the HoReCa business and support from inflation, Easter business also contributed to this growth. The HoReCa business again outperformed the market.

In the segment West, sales in local currency and reported sales increased significantly by 37.5 % in 9M 2021/22. The largest sales increases were recorded in France, Italy and Spain, with growth rates of over 35 %.

In Q3 2021/22, sales in local currency and reported sales increased significantly by 31.7 %. Almost all countries contributed with double-digit growth. Due to the sale of the Belgian business, sales in Belgium declined. Positive development was achieved in all customer groups of the segment West, with the strongest growth in the HoReCa business. The missing sales from the Belgian business were partially offset by the initial consolidation of the AGM stores in Austria as of 2 May 2022. The HoReCa business in France, Spain and Italy outperformed the market again.

In Russia, sales in local currency developed positively in 9M 2021/22 with 8.7 % growth. Sales growth was driven by all customer groups and especially by the FSD business. Reported sales growth of 16.6 % was supported by positive currency effects that occurred in Q1 and Q3 2021/22.

In Q3 2021/22, sales in local currency increased by 3.4 %. Sales growth was driven by the HoReCa customer group and in particular by the FSD business. Nevertheless, the war in Ukraine and the related sanctions affected business development, which led to a decline in volumes. Reported sales increased by 23.2 % due to positive currency effects.

In the segment East, sales in local currency developed very positively with a growth of 23.4 % in 9M 2021/22. Reported sales increased by 19.1 %. Negative currency effects, especially in Turkey, had an impact here.

In Q3 2021/22, sales in local currency increased by 33.3 %. Almost all countries contributed to the growth, which was largely driven by the very positive development of the HoReCa business. The largest sales growth was in Turkey, which was strongly supported by inflation. In Ukraine, sales declined by -36,9 % overall as a result of the war. Due to negative currency effects, especially in Turkey, reported sales increased by 25.7 % only.

In the segment Others, sales in 9M 2021/22 increased by €37 million to €72 million (9M 2020/21: €34 million), which includes METRO MARKETS sales of €49 million (9M 2020/21: €24 million). The increase is due to the strong growth of the online marketplace in Germany and its expansion to Spain.

In Q3 2021/22, sales increased by €15 million to €31 million (Q3 2020/21: €16 million), which includes METRO MARKETS sales of €18 million (Q3 2020/21: €12 million). The increase is due to the strong growth of the online marketplace in Germany and Spain. Furthermore, sales from Eijsink contributed positively to sales since 31 March 2022.

In 9M 2021/22, delivery sales increased significantly by 67 % to €4.5 billion (9M 2020/21: €2.7 billion), accounting for a 21 % sales share (9M 2020/21: 15 %). In Q3 2021/22, delivery sales increased by 64 % to €1.8 billion (Q3 2020/21: €1.1 billion), accounting for a record with a sales share above 22 % (Q3 2020/21: 17 %). The strong performance is in addition to the continued strong momentum of the HoReCa business in particular driven by the acceleration of the FSD business as part of the sCore strategy.

As of 30 June 2022, the store network comprised 665 locations, of which 564 were out-of-store (OOS)[3], and 67 depots. In Q3 2021/22, 1 new location including OOS was opened in India and 2 additional depots in Pakistan. Furthermore, METRO Austria has acquired AGM with 9 wholesale stores. Two locations, Klagenfurt and Bludenz, will be given up shortly because of antitrust requirements. Due to the sale of MAKRO Cash & Carry Belgium, operational business of 17 stores and 1 depot were handed over.

[3] OOS refers to the existing METRO store network and includes METRO stores that supply from the store as well as stores that operate their own depot in the store.

METRO key figures

€ million	EBITDA adjusted 9M 2020/21	EBITDA adjusted **9M 2021/22**	EBITDA adjusted Change (€)	Transformation costs 9M 2020/21	Transformation costs **9M 2021/22**	Earnings contributions from real estate transactions 9M 2020/21	Earnings contributions from real estate transactions **9M 2021/22**	EBITDA 9M 2020/21	EBITDA **9M 2021/22**
Total	**800**	**1,119**	**319**	**13**	**130**	**58**	**13**	**845**	**1,002**
Germany	108	**144**	36	10	**0**	0	**0**	98	**144**
West	216	**457**	241	0	**138**	16	**1**	232	**321**
Russia	146	**169**	23	0	**0**	0	**1**	146	**170**
East[1]	253	**292**	39	0	**-5**	0	**8**	253	**305**
Others	78	**57**	-21	3	**-3**	42	**3**	117	**62**
Consolidation	0	**0**	1	0	**0**	0	**0**	0	**0**

[1] As of financial year 2021/22, the segment Asia will be reported together with the former segment Eastern Europe segment as the segment East. Previous years figures have been adjusted.

€ million	EBITDA adjusted Q3 2020/21	EBITDA adjusted **Q3 2021/22**	EBITDA adjusted Change (€)	Transformation costs Q3 2020/21	Transformation costs **Q3 2021/22**	Earnings contributions from real estate transactions Q3 2020/21	Earnings contributions from real estate transactions **Q3 2021/22**	EBITDA Q3 2020/21	EBITDA **Q3 2021/22**
Total	**310**	**441**	**131**	**1**	**136**	**16**	**-1**	**325**	**305**
Germany	31	**64**	33	0	**0**	0	**0**	31	**64**
West	133	**203**	69	0	**138**	16	**0**	149	**65**
Russia	45	**54**	9	0	**0**	0	**0**	45	**54**
East[1]	84	**108**	24	0	**0**	0	**0**	84	**108**
Others	16	**10**	-6	1	**-2**	0	**-1**	15	**11**
Consolidation	1	**2**	1	0	**0**	0	**0**	1	**2**

[1] As of financial year 2021/22, the segment Asia will be reported together with the former segment Eastern Europe segment as the segment East. Previous years figures have been adjusted.

In Germany, EBITDA adjusted increased to €144 million in 9M 2021/22 (9M 2020/21: €108 million). In Q3 2021/22, EBITDA adjusted increased to €64 million (Q3 2020/21: €31 million). The increase is in particular attributable to the positive sales development compared to the previous year. The stringent cost management initiated in the previous year and an optimisation of costs in connection with the expanded FSD business also had a positive effect.

In the segment West, EBITDA adjusted increased to €457 million in 9M 2021/22 and improved significantly compared to the previous year (9M 2020/21: €216 million). This increase is mainly attributable to positive sales development compared to the previous year. In the course of the sale of the Belgian business, transformation costs were incurred amounting to €138 million (9M 2020/21: €0 million), exclusively attributable to Q3 2021/22. EBITDA increased to €321 million (9M 2020/21: €232 million).

In Q3 2021/22, EBITDA adjusted increased to €203 million (Q3 2020/21: €133 million). This increase is mainly attributable to positive sales development compared to the previous year. The biggest drivers were France, Spain and Italy. In the course of the sale of the Belgian business, transformation costs were incurred in the amount of €138 million (Q3 2020/21: €0 million). EBITDA accordingly decreased to €65 million (Q3 2020/21: €149 million).

In Russia, EBITDA adjusted increased to €169 million (9M 2020/21: €146 million) in 9M 2021/22. Adjusted for currency effects, EBITDA adjusted increased by €13 million. In Q3 2021/22, EBITDA adjusted increased to €54 million (Q3 2020/21: €45 million). Adjusted for currency effects, EBITDA adjusted remained at the previous year’s level.

In the segment East, EBITDA adjusted in 9M 2021/22 increased to €292 million (9M 2020/21: €253 million). In the Ukraine beside sales related decline in earnings, war-related stock write-offs had a negative impact of around €15 million. Adjusted for currency effects, EBITDA adjusted increased by €51 million. Earnings contributions from real estate transactions amounted to €8 million from a real estate transaction in Poland (9M 2020/21: €0 million).

In Q3 2021/22, EBITDA adjusted increased to €108 million (Q3 2020/21: €84 million). Adjusted for currency effects, EBITDA adjusted increased by €31 million. The increase is attributable to positive sales development.

EBITDA adjusted in the segment Others amounted to €57 million in 9M 2021/22 (9M 2020/21: €78 million). In the current year and also in the previous year, income from the reassessment of transaction-related provisions totalling a low double-digit million euro amount supported the earnings development. The previous year's figure was positively affected by a further €20 million in addition to the effects mentioned above. EBITDA adjusted also benefited from licence income (at the same level as the previous year) from the partnership with Wumei, which will continue to accrue until April 2023. In addition, further investments in digitalisation were made in the current year. Earnings contributions from real estate transactions amounted to €3 million (9M 2020/21: €42 million).

In Q3 2021/22, EBITDA adjusted totalled €10 million (Q3 2020/21: €16 million). The decline is driven among other things by higher investments in digitalisation.

OPPORTUNITIES AND RISKS

Subsequent to the changes in risk assessment from the regular process mentioned in the half year financial report 2021/22, the following adjusted risk report results:

The loss potential of risk #6 “Real estate risks” has increased from minor (≤ €50 million) to major (> €100 – 300 million) compared to the half year financial report 2021/22.

The continued strong increase in market prices for electricity and gas will lead to a significant increase in energy costs in the coming financial years.

All Group companies are currently working on further energy efficiency measures to reduce consumption and the associated costs.

There are no risks that could jeopardize the company's continued existence, nor are any currently discernible for the future.

OUTLOOK

Outlook of METRO

The sales and EBITDA outlook for the financial year 2021/22 raised on 21 April 2022 was increased again on 6 July 2022. Business in Q3 2021/22 has developed better than expected. This is driven by a combination of rising inflation and a strong HoReCa momentum as the sCore strategy execution progresses well.

METRO now expects:

¾ Sales to grow by approximately 17 % to 22 % vs. previous year (previously: 9 % to 15 %)
¾ EBITDA adjusted to grow by approximately €150 to €230 million (previously: grow slightly to moderately above previous year)

The outlook assumes stable exchange rates and no further adjustments to the portfolio. The financials include the Belgian operations until May 2022. Further escalation of the war and/or further sanctions could lead to additional negative impact on the business, particularly in Ukraine and Russia. Sales in the segments West and East are expected to grow over-proportionately. Germany and Russia are expected to grow below the group range.

The development of EBITDA adjusted across the segments is expected to follow the sales development. The segment Others is expected to be noticeably below the level of the previous year. METRO continues the execution of its sCore strategy and reconfirms its mid-term ambition of 3 % to 5 % sales and EBITDA CAGR in the period 2022-2025.

INCOME STATEMENT

€ million	9M 2020/21	**9M 2021/22**	Q3 2020/21	**Q3 2021/22**
Sales Revenues	**17,635**	**21,761**	**6,247**	**7,911**
Cost of sales	-14,650	**-18,023**	-5,140	**-6,549**
Gross profit on sales	**2,985**	**3,738**	**1,108**	**1,363**
Other operating income	852	**751**	254	**242**
Selling expenses	-2,732	**-3,157**	-906	**-1,071**
General administrative expenses	-602	**-672**	-222	**-239**
Other operating expenses	-269	**-401**	-112	**-214**
Earnings from impairment of financial assets	-9	**-3**	0	**2**
Earnings share of operating companies recognised at equity	17	**15**	4	**5**
Earnings before interest and taxes (EBIT)	**242**	**270**	**126**	**88**
Earnings share of non-operating companies recognised at equity	0	**0**	0	**0**
Other investment result	12	**7**	2	**-2**
Interest income	23	**26**	6	**10**
Interest expenses	-164	**-145**	-52	**-44**
Other financial result	5	**-383**	8	**-279**
Net financial result	**-123**	**-495**	**-36**	**-315**
Earnings before taxes EBT	**119**	**-225**	**90**	**-227**
Income taxes	-84	**-151**	-28	**-62**
Profit or loss for the period from continuing operations	**35**	**-376**	**62**	**-289**
Profit or loss for the period from discontinued operations	0	**0**	0	**0**
Profit or loss from the period	**35**	**-376**	**62**	**-289**
Profit or loss for the period attributable to non-controlling interests	3	**3**	-1	**1**
Profit or loss for the period attributable to the shareholders of METRO AG	31	**-379**	63	**-290**
Earnings per share in **€** (basic **=** diluted)	**0.09**	**-1.04**	**0.17**	**-0.80**

BALANCE SHEET

ASSETS

€ million	30/6/2021[1]	30/9/2021	**30/6/2022**
Non-current assets	**7,983**	**8,004**	**7,698**
Goodwill	740	644	**631**
Other intangible assets	570	568	**581**
Property, plant and equipment	5,628	5,663	**5,731**
Investment properties	175	170	**149**
Financial assets	90	92	**80**
Investments accounted for using the equity method	352	361	**102**
Miscellaneous financial assets	155	142	**114**
Miscellaneous non-financial assets	18	20	**17**
Deferred tax assets	253	345	**293**
Current assets	**4,777**	**4,815**	**5,504**
Inventories	2,021	1,964	**2,605**
Trade receivables	482	496	**589**
Financial assets	3	3	**2**
Miscellaneous financial assets	509	505	**465**
Miscellaneous non-financial assets	331	281	**428**
Entitlements to income tax refunds	98	93	**104**
Cash and cash equivalents	1,335	1,474	**886**
Assets held for sale	0	0	**425**
	12,760	**12,819**	**13,202**

[1] Previous year's comparative values were adjusted due to an accounting method change (inventories).

EQUITY AND LIABILITIES

€ million	30/6/2021[1]	30/9/2021	**30/6/2022**
Equity	**1,891**	**1,847**	**2,351**
Share capital	363	363	**363**
Capital reserve	5,048	5,048	**5,048**
Reserves retained from earnings	-3,533	-3,585	**-3,081**
Equity before non-controlling interests	1,878	1,826	**2,330**
Non-controlling interests	13	21	**21**
Non-current liabilities	**4,697**	**4,646**	**3,826**
Provisions for post-employment benefits plans and similar obligations	516	531	**382**
Other provisions	141	155	**133**
Financial liabilities	3,867	3,798	**3,093**
Miscellaneous financial liabilities	17	20	**20**
Other non-financial liabilities	77	58	**34**
Deferred tax liabilities	78	83	**163**
Current liabilities	**6,172**	**6,327**	**7,025**
Trade liabilities	3,354	3,476	**3,956**
Provisions	271	290	**285**
Financial liabilities	1,249	1,155	**1,316**
Miscellaneous financial liabilities	661	781	**753**
Other non-financial liabilities	415	347	**376**
Income tax liabilities	223	277	**311**
Liabilities related to assets held for sale	0	0	**29**
	12,760	**12,819**	**13,202**

[1] Previous year's comparative values were adjusted due to an accounting method change (inventories).

CASH FLOW STATEMENT

€ million	9M 2020/21	9M 2021/22
EBIT	242	**270**
Depreciation/amortisation/impairment losses/reversal of impairment losses of fixed assets excl. financial investments	603	**731**
Change in provisions for pensions and other provisions	-33	**-62**
Change in net working capital	-46	**-213**
Paid (-) / received income taxes	13	**-91**
Reclassification of gains (–) / losses (+) from the disposal of fixed assets	-35	**-15**
Lease payments received	44	**47**
Others	-117	**-85**
Cash flow from operating activities	**670**	**583**
Acquisition of subsidiaries	-22	**-120**
Investments in property, plant and equipment and in investment property (excluding right-of-use assets)	-127	**-172**
Other investments	-108	**-95**
Investments in monetary assets	-2	**-1**
Disposals of subsidiaries	50	**-41**
Divestments	167	**67**
Disposal of monetary assets	7	**2**
Cash flow from investing activities	**-35**	**-362**
Dividends paid		
to METRO AG shareholders	-254	**0**
to other shareholders	0	**-7**
Proceeds from borrowings	527	**767**
Redemption of borrowings	-645	**-1,158**
Lease payments	-401	**-428**
Interest paid	-73	**-39**
Interest received	11	**10**
Other financing activities	11	**-4**
Cash flow from financing activities	**-824**	**-858**
Total cash flows	**-189**	**-636**
Currency effects on cash and cash equivalents	-2	**47**
Total change in cash and cash equivalents	**-190**	**-589**
Cash and cash equivalents as of 1 October	**1,525**	**1,474**
Cash and cash equivalents as of 31 March	**1,335**	**886**

SEGMENT REPORTING 9M 2021/22

OPERATING SEGMENTS

	Germany		West		Russia		East[1]	
€ million	9M 2020/21	**9M 2021/22**	9M 2020/21	**9M 2021/22**	9M 2020/21	**9M 2021/22**	9M 2020/21	**9M 2021/22**
External sales (net)	3,306	**3,523**	6,457	**8,875**	1,783	**2,080**	6,054	**7,211**
EBITDA adjusted	108	**144**	216	**457**	146	**169**	253	**292**
Transformation costs	10	**0**	0	**138**	0	**0**	0	**-5**
Earnings contributions from real estate transactions	0	**0**	16	**1**	0	**1**	0	**8**
EBITDA	98	**144**	232	**321**	146	**170**	253	**305**
EBIT	14	**57**	26	**113**	108	**78**	130	**113**
Investments	92	**68**	189	**210**	14	**12**	61	**92**

[1] From fiscal 2021/22, the Asia segment will be reported together with the former Eastern Europe segment as the East segment. The prior-year figures have been adjusted.

OPERATING SEGMENTS

	Others		Consolidation		METRO total	
€ million	9M 2020/21	**9M 2021/22**	9M 2020/21	**9M 2021/22**	9M 2020/21	**9M 2021/22**
External sales (net)	34	**72**	0	**0**	17,635	**21,761**
EBITDA adjusted	78	**57**	0	**0**	800	**1,119**
Transformation costs	3	**-3**	0	**0**	13	**130**
Earnings contributions from real estate transactions	42	**3**	0	**0**	58	**13**
EBITDA	117	**62**	0	**0**	845	**1,002**
EBIT	-36	**-92**	0	**0**	242	**270**
Investments	116	**198**	0	**0**	471	**580**

SEGMENT REPORTING Q3 2021/22

OPERATING SEGMENTS

€ million	Germany Q3 2020/21	Germany **Q3 2021/22**	West Q3 2020/21	West **Q3 2021/22**	Russia Q3 2020/21	Russia **Q3 2021/22**	East[1] Q3 2020/21	East[1] **Q3 2021/22**
External sales (net)	1,052	**1,234**	2,506	**3,301**	573	**707**	2,100	**2,639**
EBITDA adjusted	31	**64**	133	**203**	45	**54**	84	**108**
Transformation costs	0	**0**	0	**138**	0	**0**	0	**0**
Earnings contributions from real estate transactions	0	**0**	16	**0**	0	**0**	0	**0**
EBITDA	31	**64**	149	**65**	45	**54**	84	**108**
EBIT	3	**35**	82	**-6**	32	**36**	43	**64**
Investments	57	**39**	32	**118**	6	**3**	24	**34**

[1] From fiscal 2021/22, the Asia segment will be reported together with the former Eastern Europe segment as the East segment. The prior-year figures have been adjusted.

OPERATING SEGMENTS

€ million	Others Q3 2020/21	Others **Q3 2021/22**	Consolidation Q3 2020/21	Consolidation **Q3 2021/22**	METRO total Q3 2020/21	METRO total **Q3 2021/22**
External sales (net)	16	**31**	0	**0**	6,247	**7,911**
EBITDA adjusted	16	**10**	1	**2**	310	**441**
Transformation costs	1	**-2**	0	**0**	1	**136**
Earnings contributions from real estate transactions	0	**-1**	0	**0**	16	**-1**
EBITDA	15	**11**	1	**2**	325	**305**
EBIT	-34	**-43**	1	**2**	126	**88**
Investments	36	**58**	0	**0**	156	**252**

NOTES

Accounting principles

The income statement, the balance sheets and the cash flow statement were prepared in accordance with IFRS as adopted by the EU. The income statement, balance sheet and cash flow statement were prepared in accordance with IAS 34 (Interim Financial Reporting). Generally, the same accounting policies were applied as in the consolidated financial statements as of 30 September 2021.

Hyperinflationary accounting in Turkey

Since the beginning of 2021, inflation has been rising significantly in Turkey. Due to the current global economic environment and based on the worsening economic situation and currency controls, Turkey will be deemed hyperinflationary within the meaning of IAS 29 for reporting periods ending on or after 30 June 2022.

IAS 29 requires that the financial statements of companies whose functional currency is the currency of a hyperinflationary country will be converted to the valid unit of measurement at the end of the reporting period. METRO has subsidiaries in Turkey whose functional currency is the Turkish lira. IAS 21 Paragraph 43 prescribes that the financial statements of these subsidiaries that use the functional currency of a hyperinflationary country will have to be restated in accordance with IAS 29 for the first time starting 30 June 2022 before being included in group interim statements. The adjustment has been carried out as follows:

¾ Increase of the carrying amounts of non-monetary assets and liabilities using the development of the general price index. In this regard, the cumulative indexing effect from the adjustment of the non-monetary items from their initial recognition until the date of 30 September 2021 and the currency translation effects generated by these items was measured on the closing date in the equity (other comprehensive income). This leads to a discrepancy between the final value of the previous year’s equity and the opening amount of the current reporting period’s equity. The effects from the indexing of the current year have been recorded in the other financial result. At METRO, in the area of non-monetary assets, the adjustment predominantly affects the tangible assets and the inventories to a lesser extent.

¾ As a result of the increase in the carrying amounts of the tangible assets (incl. RoU-Assets) and inventories, scheduled depreciations and the cost of sales will increase as well.

¾ Indexing of all items included in total comprehensive income for the financial year 2021/22 from the point at which the respective expense and income items were initially recognised until the closing date in order to reflect the price index on the closing date.

¾ As a consequence of the above-mentioned indexing, the (currency) translation of the income statement took place at the exchange rate as of the closing date, no longer following the standard method of applying the average exchange rate for the reporting period.

¾ Indexing of deferred taxes and all items in the cash flow statement. These items are shown with the currency value applicable on the reporting date. The effects of the indexing of cash are presented separately.

Comparison values of the previous year will not be amended as these are already reported in a stable currency.

Estimates and assumptions, discretionary judgement

Covid-19 and the war in Ukraine

The interim statement as of 30 June 2022 was still, albeit to a significantly decreasing extent, affected by the government’s measures related to the Covid-19 pandemic, which affected individual METRO segments to varying extents. Moreover, the war in Ukraine also had a significant impact on the consolidated interim statements. METRO has business activities in both Ukraine and Russia.

Additional information on the estimates, assumptions and major discretionary judgements in connection with Covid-19 and the war in Ukraine, which have the most significant effect on the amounts recognised in these interim financial statements, can be found in the corresponding notes in the H1 2021/22 report.

The cash-position of our Russian group companies amount to €98 million as of 30 June 2022. It will continuously be monitored with regard to relevant restrictions.

NOTES ON BUSINESS COMBINATIONS

C & C Abholgroßmärkte Gesellschaft m.b.H.

According to the purchase contract dated 26 August 2021, on 2 May 2022, METRO Cash & Carry Österreich GmbH acquired 100% of the shares in C & C Abholgroßmärkte Gesellschaft m.b.H. (AGM), with 9 wholesale stores, and the delivery business belonging to the sites as well as the company headquarters in Salzburg. Two locations, Klagenfurt and Bludenz, will be given up shortly because of antitrust requirements. The purchase price paid in cash was an amount in the mid double-digit million euro range.

AGM is an established wholesaler with a focus on the hotel and hospitality industry in Austria. The AGM locations and company headquarters in Salzburg to which the transaction relates employ around 430 people. The AGM stores provide an excellent complement to store network and the delivery business (Food Service Distribution - FSD) of METRO Austria. With an increased market presence, METRO will offer existing and new customers genuine added value for products and services and build upon its expertise in the hospitality wholesale sector in Austria, with a focus on the hotel business, the hospitality industry and mass catering.

The initial consolidation took place on 2 May 2022. AGM is part of the segment West.

The fair value of the acquired assets and assumed liabilities on the acquisition date were as follows:

ACQUIRED ASSETS AND LIABILITIES

€ million	2/5/2022
Assets	96
Property, plant and equipment	59
Deferred tax assets	1
Inventories	13
Trade receivables	10
Other financial assets (current)	2
Sonstige andere Vermögenswerte	4
Cash and cash equivalents	8
Liabilities	28
Provisions for post employment benefits plans and similar obligations	2
Financial liabilities (non-current)	6
Deferred tax liabilities	6
Trade liabilities	6
Other provisions	1
Financial liabilities (current)	1
Other financial liabilities (current)	3
Other non-financial liabilities (current)	1
Income tax liabilities	1

The gross amount of trade receivables is €10 million, of which €0 million was assessed as likely to be uncollectible as per the date of acquisition.

In connection with the transaction, €2 million in costs were incurred, which is reported in the administrative expenses.

The initial consolidation of AGM is to be viewed as provisional with regard to the finalisation of the purchase price and the valuation of the assets and liabilities in the opening balance sheet.

Since its initial consolidation on 2 May 2022, AGM contributed €25 million to METRO's sales and €-1 million to the profit or loss for the period.

Assuming the acquisition would have taken place on 1 October 2021, AGM would have contributed €82 million to METRO's sales and €-4 million to the profit or loss for the period.

Eijsink

According to the purchase contract dated 31 March 2022, METRO Hospitality Digital Holding GmbH acquired 100% of the shares in Eijsink Hengelo Werkmaatschappij B.V. and its 5 subsidiaries (Eijsink) from just booq B.V. and Eijsink Hengelo Holding B.V., Netherlands, with immediate effect. The purchase price paid in cash was an amount in the mid double-digit million euro range.

Eijsink is headquartered in the Netherlands and is an established provider of point-of-sale (POS) solutions for the hospitality industry. With booq, Eijsink offers a cloud-based, device-independent POS system that has been successfully established on the Benelux market in recent years. The company currently has around 8,000 customers and 200 employees. Through the transaction, METRO is taking another strategic step towards becoming a multichannel solution provider. The partnership of Hospitality Digital and Eijsink facilitates the expansion of the digital solutions offering for the hospitality industry through the expansion of existing DISH solutions. The booq software is intended to be launched in 2 European countries per year.

The initial consolidation was carried out on 31 March 2022. Eijsink is part of the segment Others.

The fair value of the acquired assets and assumed liabilities on the acquisition date were as follows:

ACQUIRED ASSETS AND LIABILITIES

€ million	**31/3/2022**
Assets	**40**
Other intangible assets	**21**
Property, plant and equipment	**7**
Deferred tax assets	**1**
Inventories	**1**
Trade receivables	**2**
Other financial assets (current)	**1**
Cash and cash equivalents	**6**
Liabilities	**19**
Financial liabilities (non-current)	**4**
Deferred tax liabilities	**6**
Trade liabilities	**1**
Other provisions	**1**
Financial liabilities (current)	**1**
Other financial liabilities (current)	**1**
Other non-financial liabilities (current)	**4**

The residual value method was used to determine the recognised fair value of the acquired intangible assets. The residual value method accounts for the present value of the expected net cash flows generated by the customer relationships and software, excluding any cash flows associated with supporting assets.

The gross amount of trade receivables is €2 million, of which €0 million was assessed as likely to be uncollectible as per the date of acquisition.

In connection with the transaction, costs amounting to under €1 million were incurred, which are reported in administrative expenses.

The initial consolidation of Eijsink should be regarded as provisional with regard to the measurement of assets and liabilities in the opening balance sheet. The acquisition of Eijsink resulted in provisional goodwill of €46 million, which is mainly attributable to the future earnings potential and expected synergy effects. The goodwill recognised is not deductible for tax purposes.

Since the initial consolidation on 31 March 2022, Eijsink contributed €5 million to METRO's sales and €0 million to its profit or loss for the period.

Assuming that the company acquisition had taken place on 1 October 2021, Eijsink would have contributed €21 million to METRO's sales and €3 million to its profit or loss for the period.

Sale of Belgian operations

After extensively reviewing various options, METRO decided to sell its Belgian operations MAKRO Cash & Carry Belgium N.V. (including the sales lines METRO and MAKRO and METRO Delivery Service N.V.) to Bronze Properties S.à r.l. The transaction was signed and completed on 15 June 2022. The real estate of the 11 Belgian locations (without the Liège location, which is part of the transaction) remains the property of METRO.

MAKRO Cash & Carry Belgium N.V. has been operating since 1970 and has 17 stores and around 2,000 employees. MAKRO is aimed at end consumers, whereas METRO focuses on professional HoReCa customers. METRO Delivery Service also operates the food delivery business in Belgium.

MAKRO Cash & Carry Belgium has faced significant pressures over a number of years and operates in a very competitive market which has resulted in declining sales and negative profitability. Through steady capital injections and investments in expansion and remodellings, in a relevant triple-digit million euro amount, METRO has continuously provided financial assistance to the Belgian operations in order to improve performance.

As part of the transaction, METRO AG will offer certain transitional services and licenses to enable the new owner to operate the business.

The composition of assets and liabilities desinvested as part of the deconsolidation is, based on the monthly financial statements as of 31 May 2022 updated with selected significant transactions, set out as follows:

DEDUCTED ASSETS AND LIABILITIES

€ million

Assets	**267**
Other intangible assets	**2**
Property, plant and equipment	**81**
Miscellaneous non-financial assets (non-current)	**1**
Deferred tax assets	**0**
Inventories	**91**
Trade receivables	**4**
Other financial assets (current)	**17**
Miscellaneous non-financial assets (current)	**3**
Entitlements to income tax refunds	**0**
Cash and cash equivalents	**68**
Liabilities	**189**
Provisions for post employment benefits plans and similar obligations	**17**
Other provisions	**1**
Financial liabilities (non-current)	**19**
Deferred tax liabilities	**0**
Trade liabilities	**98**
Financial liabilities (current)	**3**
Other financial liabilities (current)	**40**
Other non-financial liabilities (current)	**11**

The provisional purchase price for the disposed assets and liabilities amounts to €2 million. Taking into consideration the cash included in the sale, the cash outflow from this transaction amounts to €66 million. The deconsolidation led to an EBIT effect in the amount of €-138 million including transaction costs, which was reported under other operating expenses. This amount is fully attributable to the segment West and is assigned to transformation costs as a portfolio measure.

EVENTS AFTER CLOSING DATE

METRO real estate portfolio Japan

In its meeting on 31 July 2021, the management board of METRO AG decided to exit the market for its Japanese wholesale business. The background to this decision is the lack of prospects for profitable growth and the option to take a leading wholesale position in the Japanese market. In July 2022 the disposal of the remaining real estate portfolio in Japan following market exit was completed. The portfolio includes 6 owned land plots with stores and 3 locations with long-term leases. This sales transaction will result in earnings from real estate transactions of around €0.1 billion.

FINANCIAL CALENDAR

Trading Statement 2021/22	Friday	21 October 2022	8.00 AM
Annual Report 2021/22	Wednesday	14 December 2022	6.30 PM

All time specifications are CET

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