

METRO ACHIEVES EARNINGS TARGET IN THE FIRST QUARTER OF 2017/18

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- Like-for-like sales increase by 0.8%; reported sales rise by 0.2% to €10.1 billion; growth in local currency of 1.5%
- EBITDA excluding earnings contributions from real estate transactions stands at €608 million (Q1 2016/17: €565 million)
- EBITDA excluding earnings from real estate transactions grows at constant currency by 9% in comparison to the previous year
- Reported EBITDA reaches €608 million (Q1 2016/17: €608 million)
- Earnings per share improves to €0.64 (Q1 2016/17: €0.34)
- METRO Wholesale's delivery sales grows by more than 28% (compared to Q1 2016/17) to 16% share of sales
- Real's online sales increase by about 45% to 2% share of sales
- Guidance for financial year 2017/18 confirmed

Düsseldorf, 13 February 2018 – In the first quarter of financial year 2017/18, METRO achieved a like-for-like sales growth of 0.8% compared to the previous year performing solidly in a challenging market environment. EBITDA excluding earnings contributions from real estate transactions rose to €608 million from €565 million in the same period of the previous year. Reported EBITDA reached €608 million (Q1 2016/17: €608 million). Earnings per share improved to €0.64 compared to €0.34 in the previous year. METRO Wholesale's delivery business and Real's online business continue to record significant growth: in the first quarter of 2017/18, METRO Wholesale's delivery sales increased by more than 28% compared to the previous year, reaching 16% share of total sales. Real's online sales grew by about 45% to 2% share of sales.

"In the first quarter of 2017/18 we achieved a positive development in sales and EBITDA excluding earnings from real estate transactions, despite a lower number of sales days than in the previous year. In addition, METRO Wholesale's earnings were impacted in particular by the decline in sales in Russia and negative currency effects," said Olaf Koch, Chairman of the Management Board of METRO AG. "Overall, we achieved our earnings targets in the first quarter and remain committed to our guidance for financial year 2017/18."

Outlook

The outlook is based on the assumption of stable exchange rates without portfolio adjustments. In an effort to further improve the transparency of its operative

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performance, METRO will in the future report its earnings in the form of EBITDA excluding earnings contributions from real estate transactions. As the restructuring measures stemming from the transformation of the group have been completed to the greatest extent, our future reporting will no longer include special items. Our reporting will also assume a continuously complex geopolitical situation.

For financial year 2017/18, METRO expects to see a slight rise in overall sales, despite the persistently challenging economic environment. We aim for our growth rate to at least match the 1.1% growth achieved in financial year 2016/17. The main growth driver will be METRO Wholesale.

METRO expects the like-for-like sales development to slightly surpass the 0.5% growth delivered in the reporting year 2016/17. METRO Wholesale is expected to make a significant contribution to this growth.

METRO is confident of its ability to significantly improve earnings at constant currency. We expect EBITDA excluding earnings contributions from real estate transactions to increase by approximately 10% compared to the previous year's result (€1,436 million) with both segments contributing to the increased earnings.

We assume that the previously observed heterogeneous development of the new business segments in terms of sales and earnings will continue in the due course of the financial year.

Business development in Q1 2017/18

- Like-for-like sales at METRO rose by 0.8% in Q1 2017/18
- In particular, a positive like-for-like sales development at METRO Wholesale and stable development at Real, despite low number of sales days
- In local currency sales increased by 1.5%
- Reported sales increased by 0.2% to €10.1 billion despite noticeably negative currency effects
- EBITDA excluding earnings contributions from real estate transactions reached €608 million (Q1 2016/17: €565 million); increase driven by the absence of restructuring-related expenses at Real in comparison to the previous year and to one time income in the Others segment in the current year; METRO Wholesale impacted by developments in Russia and currency effects
- No earnings contributions from real estate transactions in Q1 2017/18; corresponding earnings contributions of €43 million in the previous year, primarily attributable to a real estate transaction in the Others segment
- The financial result totalled €-39 million (Q1 2016/17: €-54 million); improvement in particular due to a more favourable refinancing of a bond from Q2 2016/17; other financial result at previous year's level
- Earnings before taxes amounted to €392 million (Q1 2016/17: €372 million); reported tax expenses of €-156 million (Q1 2016/17: €-244 million) correspond to a

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tax rate of 39.8% (Q1 2016/17: 65.6%); previous year's tax rate was adversely affected by demerger and restructuring costs

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- Profit for the period amounted to €236 million (Q1 2016/17: €128 million)
- Earnings per share at €0.64 (Q1 2016/17: €0.34)
- As of the quarterly closing date 31 December 2017, net debt totalled €2.8 billion (31/12/2016: €2.6 billion)

METRO	Q1 2016/17 (in € million)	Q1 2017/18 (in € million)	Change (in €)
Sales	10,093	10,111	0.2%
EBITDA excluding earnings contributions from real estate transactions	565	608	7.6%
Earnings contributions from real estate transactions	43	0	-100.0%
EBITDA	608	608	0.0%
EBIT	426	431	1.2%
Earnings before taxes (EBT)	372	392	5.5%
Profit for the period attributable to the shareholders of METRO AG	124	232	87.8%
Earnings per share in €	0.34 ¹	0.64	87.8%

¹Pro forma disclosure

METRO Wholesale

- Like-for-like sales at METRO Wholesale increased by 1.0% despite a negative calendar effect due to a lower number of working days and the postponement of the Chinese New Year
- Growth driven by all segments¹ except Russia
- Sales in local currency up 2.3%
- Reported sales increased by 0.6% to €8.1 billion; unfavourable exchange rate developments, especially in Turkey and China
- Like-for-like sales in Germany rose by 2.2%; reported sales rose by 1.6%
- Like-for-like sales in Western Europe excl. Germany rose by 0.7%: contribution of almost all countries; reported sales increased by 5.7% to €2.9 billion, in particular due to the acquisition of Pro à Pro
- Like-for-like sales in Russia declined significantly by 8.9% after a slightly positive quarter last year; decrease in local currency by 9.1%; reported sales decreased by 10.1%

¹ Since the beginning of financial year 2017/18, METRO presents the segment reporting of the management report at METRO Wholesale as follows: the operating segments are reported as METRO Wholesale Germany, METRO Wholesale Western Europe (excl. Germany), METRO Wholesale Russia, METRO Wholesale Eastern Europe (excl. Russia), METRO Wholesale Asia and METRO Wholesale Others/Consolidation. Segment reporting by customer clusters will be discontinued in the future.

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- Clearly positive like-for-like sales development in Eastern Europe excluding Russia at 6.4%: this was mainly driven by Turkey, Romania and Ukraine; growth in local currency by 5.8%; reported sales increased by 2.6% due to negative currency effects, especially in Turkey
- Like-for-like sales in Asia increased only slightly by 0.3% due to the postponement of the Chinese New Year, with all countries contributing to it except China; increase in local currency by 0.6%; reported sales fell by 5.7% due to negative currency developments
- METRO Wholesale's delivery business showed very positive momentum: sales rose by more than 28% to €1.3 billion; as a result, delivery sales accounted for 16% of total sales; in particular, the acquisition of Pro à Pro contributed to this increase
- EBITDA excluding earnings contributions from real estate transactions reached €498 million (Q1 2016/17: €518 million); this decrease is mainly attributable to the sales related decline in Russia and negative currency effects in Turkey and China

METRO Wholesale	Q1 2016/17 (in € million)	Q1 2017/18 (in € million)	Change (in €)	Change (in local currency)	Like-for-like (in local currency)
Sales	8,015	8,061	0.6%	2.3%	1.0%
Germany	1,346	1,368	1.6%	1.6%	2.2%
Western Europe (excl. Germany)	2,732	2,887	5.7%	5.7%	0.7%
Russia	1,013	910	-10.1%	-9.1%	-8.9%
Eastern Europe (excl. Russia)	1,799	1,846	2.6%	5.8%	6.4%
Asia	1,100	1,038	-5.7%	0.6%	0.3%
Others/Consolidation	25	13	-47.1%	-47.1%	0.0%

in € million	EBITDA excluding earnings contributions from real estate transactions			EBITDA		EBIT	
	Q1 2016/17	Q1 2017/18	Change (in €)	Q1 2016/17	Q1 2017/18	Q1 2016/17	Q1 2017/18
METRO Wholesale	518	498	-21	520	498	406	391
Germany	64	66	2	64	66	45	47
Western Europe (excl. Germany)	167	170	4	168	170	135	136
Russia	122	108	-15	122	108	109	94
Eastern Europe (excl. Russia)	119	123	4	119	123	92	99
Asia	40	35	-5	40	35	18	19
Others/ Consolidation	7	-4	-10	7	-4	6	-4

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Real

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- Real's like-for-like sales on par with the previous year; reported sales fell by 0.5% to €2.0 billion which was primarily due store disposals
- Continued very positive development of online sales: once again increase by approximately 45% to a 2 % share of sales
- EBITDA excluding earnings contributions from real estate transactions reached €99 million (Q1 2016/17: €55 million); strong increase attributable to restructuring expenses of €53 million included in the previous year

Real	Q1 2016/17 (in € million)	Q1 2017/18 (in € million)	Change (in €)	like-for-like (in local currency)
Sales	2,058	2,049	-0.5%	0.0%

in € million	EBITDA excluding earnings contributions from real estate transactions			EBITDA		EBIT	
	Q1 2016/17	Q1 2017/18	Change (in €)	Q1 2016/17	Q1 2017/18	Q1 2016/17	Q1 2017/18
Real	55	99	45	55	99	20	64

METRO is a leading international specialist in wholesale and food retail. The company operates in 35 countries and employs more than 150,000 people worldwide. In financial year 2016/17, METRO generated sales of approximately €37 billion. The company provides custom solutions to meet the regional and international needs of its wholesale and retail customers. With its sales brands METRO/MAKRO Cash & Carry and Real as well as delivery services and digitisation initiatives, METRO sets the standards for tomorrow: for customer focus, digital solutions and sustainable business models. More information is available at metroag.de.

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