



QUARTERLY STATEMENT 9M/Q3 2015/16

3	Overview
4	Sales, earnings and financial position
6	Sales lines
6	METRO Cash & Carry
8	Media-Saturn
9	Real
10	Others
11	Outlook
12	Store network
13	Reconciliation of special items
15	Income statement
16	Balance sheet
17	Cash flow statement
18	Segment reporting
20	Financial calendar and imprint

METRO GROUP in Q3 with further progress regarding the transformation

Q3

Like-for-like sales of METRO GROUP unchanged from the previous year's quarter

Including negative currency effects of 3.1 percentage points, sales declined by 2.7% to €13.6 billion: sales in local currency rose by 0.4%

Further progress achieved regarding the transformation and once more an increase in online and delivery sales

EBIT amounted to €-36 million (Q3 2014/15: €175 million) and includes special items of METRO GROUP of €190 million

EBIT before special items: €154 million (Q3 2014/15: €209 million) – negative currency effects of €25 million dampened earnings

EPS before special items rose to €0.24 (Q3 2014/15: €0.07)

METRO Cash & Carry

Like-for-like sales growth of 0.1%:
therefore twelve consecutive quarters of positive development

Sales: -4.5% (in local currency: +0.2%)

Delivery sales increases in local currency by more than 20%

Development in Russia with significant positive trend

Media-Saturn

Like-for-like sales up 1.2%; eighth consecutive quarter with positive development

Sales: +1.5% (in local currency: +3.2%)

Like-for-like sales in Germany rose by 3.8%

Online generated sales of the Media Markt and Saturn sales brands increased by around 35%

Real

Like-for-like sales declined by 3.5%

Sales: -6.0% due partly to store divestments

9M

Like-for-like sales up 0.2%

Sales declined by 1.6% to €44.3 billion; sales in local currency rose by 0.4%

EBIT amounted to €1,170 million (9M 2014/15: €487 million)

EBIT before special items: €992 million (9M 2014/15: €1,076 million) – negative currency effects of €72 million dampened earnings

EPS before special items: €1.19 (9M 2014/15: €1.23)

METRO GROUP guidance for 2015/16 confirmed

Overview

9M 2015/16¹

€ million	9M 2014/15	9M 2015/16	Change
Sales	44,977	44,253	-1.6%
Germany	17,180	17,343	1.0%
International	27,797	26,909	-3.2%
International share of sales	61.8%	60.8%	-
EBITDA ²	1,763	1,684	-4.4%
EBIT	487	1,170	>100%
EBIT ²	1,076	992	-7.9%
Earnings before taxes (EBT) ²	807	766	-5.1%
Profit or loss for the period ^{3, 4}	125	460	>100%
Profit or loss for the period ^{2, 3, 4}	400	389	-3.0%
Earnings per share (€) ⁴	0.38	1.41	>100%
Earnings per share from continuing operations (€) ²	0.94	1.19	27.0%
Earnings per share (€) ^{2, 4}	1.23	1.19	-3.0%
Investments	656	911	38.7%
Stores ⁵	2,074	2,060	-0.7%

¹From continuing operations²Before special items³Profit or loss for the period attributable to shareholders of METRO AG⁴Includes discontinued operations⁵As of the closing date 30 June

Q3 2015/16¹

€ million	Q3 2014/15	Q3 2015/16	Change
Sales	13,967	13,589	-2.7%
Germany	5,130	5,167	0.7%
International	8,837	8,422	-4.7%
International share of sales	63.3%	62.0%	-
EBITDA ²	435	391	-10.0%
EBIT	175	-36	-
EBIT ²	209	154	-26.7%
Earnings before taxes (EBT) ²	115	114	-1.2%
Profit or loss for the period ^{3, 4}	115	-24	-
Profit or loss for the period ^{2, 3, 4}	22	79	>100%
Earnings per share (€) ⁴	0.35	-0.07	-
Earnings per share from continuing operations (€) ²	0.05	0.24	>100%
Earnings per share (€) ^{2, 4}	0.07	0.24	>100%
Investments	269	385	43.3%
Stores ⁵	2,074	2,060	-0.7%

¹From continuing operations²Before special items³Profit or loss for the period attributable to shareholders of METRO AG⁴Includes discontinued operations⁵As of the closing date 30 June

Sales, earnings and financial position

Sales

METRO GROUP posted an increase of 0.2% in like-for-like sales for the first nine months of financial year 2015/16 (1 October 2015 to 30 June 2016). Like-for-like sales at METRO Cash & Carry and Media-Saturn maintained their positive momentum, while sales at Real declined. METRO GROUP sales in local currency increased by 0.4%. However, exchange rate developments in particular – mostly relating to the Russian rouble – caused reported sales to decline by 1.6% to €44.3 billion.

Like-for-like sales were unchanged year-to-year in Q3 2015/16 (1 April to 30 June 2016). Sales in local currency increased by 0.4%. However, exchange rate developments caused reported sales to decline by 2.7% to €13.6 billion.

Special items

Business transactions or a number of uniform business transactions that do not recur regularly, that are reflected in the income statement and that have a significant impact on business activities are classified as special items.

As a result, the presentation of special items better reflects ordinary business performance and contributes to a better understanding of the earnings position. An overview including the reconciliation of special items can be found on pages 13 and 14.

Earnings

METRO GROUP EBIT totalled €1,170 million in the period from October 2015 to June 2016 (9M 2014/15: €487 million). This figure includes positive special items totalling €179 million (9M 2014/15: €-590 million). Special items concern gains from the disposal of METRO Cash & Carry Vietnam, which were realised in Q1 2015/16, and restructuring expenses. The high figure for special items in the previous year is largely due to goodwill impairment at Real. EBIT before special items amounted to €992 million (9M 2014/15: €1,076 million). This decline is almost exclusively due to foreign exchange losses of €72 million, primarily in relation to the Russian rouble. In addition, lower gains from real estate disposals were offset by positive effects from portfolio changes.

In Q3 2015/16, EBIT stood at €-36 million (Q3 2014/15: €175 million) and included special items of €190 million (Q3 2014/15: €35 million). These relate mainly to the implementation of the value creation plans at METRO Cash & Carry. EBIT before special items totalled €154 million (Q3 2014/15: €209 million).

EBIT before special items thus declined by €56 million, which is due in particular to developments at Media-Saturn, lower gains from real estate disposals and currency effects. At €25 million, negative currency effects accounted for nearly half of this decline.

The net financial result amounted to €-240 million in the reporting period (9M 2014/15: €-275 million). This figure includes special items totalling €15 million (9M 2014/15: €5 million). The net financial result essentially comprises the net interest result at €-152 million (9M 2014/15: €-212 million) and the other financial result of €-103 million (9M 2014/15: €-66 million). The improvement in the interest result by €60 million results in particular from declining debt and lower interest rates. At €-31 million, the change in the other financial result of €-38 million is due to unhedged, largely non-cash currency effects. In Q3 2015/16, the other financial result stood at €-10 million (Q3 2014/15: €-49 million), which represented a significant stabilisation compared with the previous year's quarter.

Earnings before taxes stood at €930 million in the first nine months of 2015/16 (9M 2014/15: €212 million). Before special items, EBT amounted to €766 million (9M 2014/15: €807 million).

Reported tax expenses of €424 million (9M 2014/15: €139 million) correspond to a group tax rate of 45.6% (9M 2014/15: 65.4%). The tax rate before special items stands at 42.5% (9M 2014/15: 56.6%).

In 9M 2015/16, net profit for the period amounted to €158 million (9M 2014/15: €506 million). Net profit for the period before special items of €441 million is almost as much as in the previous year's quarter. In Q3 2015/16 net profit before special items rose from €7 million to €67 million.

In the first nine months of 2015/16, earnings per share amounted to €1.41 (9M 2014/15: €0.38). Adjusted for special items, earnings per share stood at €1.19 (9M 2014/15: €1.23). In Q3 2015/16, earnings per share came to €-0.07 (Q3 2014/15: €0.35). Adjusted for special items, earnings per share in Q3 rose markedly to €0.24 (Q3 2014/15: €0.07).

Financial position

Net debt, after netting cash and cash equivalents as well as financial investments with financial liabilities (including finance leases), developed very favourably due partly to the sale of Galeria Kaufhof and METRO Cash & Carry Vietnam. As of 30 June 2016, net debt improved markedly from €5.1 billion to €3.1 billion compared with the previous year's period.

Between October 2015 and June 2016, cash inflow from operating activities amounted to €0.4 billion (9M 2014/15: €0.6 billion).

Cash flow from investing activities totalled €-0.5 billion (9M 2014/15: €-1.1 billion) and also includes investments in liquid investment funds with short-term investment periods.

Cash flow from financing activities showed outflows of €2.8 billion (9M 2014/15: €0.3 billion) that resulted largely from redemptions of financial debt.



Sales lines

METRO Cash & Carry

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		Like-for-like (local currency)	
	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16
Total	22,338	21,648	-2.5%	-3.1%	-2.6%	-3.2%	0.0%	0.1%	0.9%	0.3%
Horeca	10,175	10,400	0.0%	2.2%	0.2%	-0.9%	-0.1%	3.1%	0.1%	0.8%
Multispecialists	9,487	9,051	-1.6%	-4.6%	-5.3%	-5.5%	3.7%	0.9%	1.7%	-0.7%
Traders	2,143	2,064	-7.6%	-3.7%	-7.2%	-5.4%	-0.4%	1.7%	1.9%	2.3%
Others	533	134	-	-	-	-	-	-	-	-

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		Like-for-like (local currency)	
	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16
Total	7,449	7,113	-1.3%	-4.5%	0.0%	-4.7%	-1.3%	0.2%	0.1%	0.1%
Horeca	3,516	3,552	0.2%	1.0%	-0.1%	-0.8%	0.3%	1.8%	0.5%	-1.1%
Multispecialists	3,078	2,858	0.6%	-7.2%	-0.2%	-9.1%	0.8%	1.9%	-1.4%	1.0%
Traders	735	699	0.4%	-4.9%	-2.5%	-6.3%	2.2%	1.4%	4.1%	2.9%
Others	120	4	-	-	-	-	-	-	-	-

METRO Cash & Carry launched the New Operating Model in financial year 2015/16 to improve its business management. In the context of the introduction of the new management model, the individual METRO Cash & Carry countries were divided into the following segments:

- Horeca: focusing on hotels, restaurants, catering firms
- Multispecialists: focusing on Horeca, traders and SCO (service, companies and offices)
- Traders: focusing on independent resellers such as kiosk operators, bakers and butchers
- others: trading offices (procurement offices) and countries from which METRO Cash & Carry has withdrawn

This categorisation was guided by the respective national subsidiary's strategic focus on customer groups and expected market potential. At nearly 50%, the Horeca segment currently accounts for the largest share of METRO Cash & Carry sales. Under the New Operating Model, strategy and financial planning (Value Creation Plans) starts with the customer and the various market segments with the objective of identifying and exploiting the additional potential for METRO Cash & Carry in the individual countries. To achieve this objective, the company specifically aims to better understand the requirements of selected key customer groups to support the transformation from a transaction-based partner into a systemically important partner.

Starting in Q1 2015/16, sales and earnings of METRO Cash & Carry are reported based on this new structure. The new segments thus replace the previous reporting regions of Germany,

Western Europe, Eastern Europe and Asia/Africa. The Horeca segment includes France, Germany, Italy, Japan, Portugal, Spain, Turkey and Classic Fine Foods. Multispecialists include Austria, Belgium, Bulgaria, China, Croatia, India, Kazakhstan, Netherlands, Pakistan, Russia, Serbia, Slovakia, Czech Republic and Hungary. The Trader segment includes Moldova, Poland, Romania and Ukraine.

METRO Cash & Carry continued to record a positively overall development. Like-for-like sales increased by 0.3% in the first nine months of 2015/16. Sales in local currency increased by 0.1%. Reported sales fell by 3.1% to €21.6 billion (9M 2014/15: €22.3 billion). However, it should be noted that exchange rate and portfolio effects had a negative impact on sales.

In Q3 2015/16, like-for-like sales rose by 0.1%, which means that like-for-like sales increased in twelve consecutive quarters. Measured in local currency, sales rose by 0.2%. In line with developments to date, reported sales declined by 4.5% due partly to currency effects.

Delivery sales continued their very positive trend, rising by 16.8% to €2.7 billion between October 2015 and June 2016. Delivery sales in local currency increased by nearly 20%. The acquisitions of Classic Fine Foods and Rungis Express also contributed to this positive development as they had not yet been included in the previous year's figure. Delivery sales now account for 12.3% of sales of METRO Cash & Carry, another new record. Sales from the delivery business continued their

upward trend in Q3 2015/16, rising by more than 15% to €0.9 billion. Delivery sales in local currency increased by over 20%.

Like-for-like sales in the Horeca segment rose by 0.8% during the first nine months of 2015/16. Like-for-like sales in local currency increased by 3.1%. Reported sales rose by 2.2%. In Q3 2015/16, however, like-for-like sales decreased slightly. In France, fears of more assaults and strikes had a negative impact, causing sales losses among METRO Cash & Carry's hospitality customers. Conversely, like-for-like sales continued their positive trend in Turkey and Spain.

Like-for-like sales in the Multispecialists segment declined by 0.7% during the first nine months of 2015/16. Measured in local currency, though, sales rose by 0.9%. Conversely, reported sales declined by 4.6% due to currency effects. Like-for-like sales improved by 1.0% in Q3 2015/16 – but negative currency

effects increased markedly. This was particularly the case for Russia. Like-for-like sales in Russia developed positively and better than during H1 2015/16. Measured in rouble, total sales in Russia actually increased. China also recorded better figures for Q3 than for H1 2015/16, with like-for-like sales growing. Other countries such as India, Pakistan and Bulgaria also achieved very positive like-for-like sales growth in Q3 2015/16, while the negative trend continued in the Netherlands.

Like-for-like sales in the Trader segment rose by 2.3% between October 2015 and June 2016. Measured in local currency, sales rose by 1.7%. Conversely, reported sales declined by 3.7% due to currency effects. In Q3 2015/16, like-for-like sales increased across all countries with the exception of Poland. Sales in local currency rose more strongly than in H1 2015/16. However, reported sales declined due to currency effects.

€ million	9M 2014/15	9M 2015/16	Change	Q3 2014/15	Q3 2015/16	Change
EBIT	759	966	27.3%	255	101	-60.2%
EBIT before special items	781	737	-5.6%	262	241	-8.2%
Investments	285	399	39.9%	119	227	90.7%

During the first nine months of 2015/16, EBIT amounted to €966 million (9M 2014/15: €759 million). This figure includes the sale of METRO Cash & Carry Vietnam as a positive special item. Restructuring expenses and store closures had an opposite effect. EBIT before special items amounted to €737 million (9M 2014/15: €781 million). This decline is due to negative year-to-year currency effects of €65 million which particularly relate to Russia. However, as a result, and due to positive portfolio effects, METRO Cash & Carry's EBIT improved in local currency terms.

In Q3 2015/16, EBIT was €101 million (Q3 2014/15: €255 million). This decline is mainly due to special items of €140 million (Q3 2014/15: €8 million) especially regarding restructuring measures in Germany and Belgium. EBIT before special items totalled therefore €241 million (Q3 2014/15: €262 million). This figure includes negative currency effects totalling €25 million, which particularly relate to Russia. Adjusted for currency effects, METRO Cash & Carry's EBIT thus improved slightly.

Media-Saturn



	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		Like-for-like (local currency)	
	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16
Total	16,655	16,837	3.8%	1.1%	-0.9%	-1.2%	4.7%	2.3%	3.2%	0.7%
Germany	7,652	8,007	2.1%	4.6%	0.0%	0.0%	2.1%	4.6%	1.4%	2.5%
Western Europe (excl. Germany)	6,758	6,824	5.5%	1.0%	0.7%	0.1%	4.8%	0.9%	3.3%	-0.4%
Eastern Europe	2,245	2,006	4.9%	-10.6%	-9.6%	-8.7%	14.5%	-1.9%	10.1%	-2.3%

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		Like-for-like (local currency)	
	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16
Total	4,620	4,689	1.2%	1.5%	0.0%	-1.7%	1.2%	3.2%	0.2%	1.2%
Germany	2,064	2,218	-2.2%	7.4%	0.0%	0.0%	-2.2%	7.4%	-2.1%	3.8%
Western Europe (excl. Germany)	1,943	1,898	5.5%	-2.3%	1.3%	-0.5%	4.2%	-1.8%	2.3%	-2.8%
Eastern Europe	613	573	0.3%	-6.5%	-3.8%	-11.7%	4.1%	5.1%	2.1%	5.0%

Like-for-like sales of Media-Saturn rose by 0.7% in the first nine months of 2015/16 compared with the previous year's period. Measured in local currency, Media-Saturn's sales rose by 2.3%. Total sales increased by 1.1% to €16.8 billion. The sales development improved during Q3 2015/16 compared with H1 2015/16. Like-for-like sales increased by 1.2% and is therefore the eighth consecutive quarter with positive development. Sales in local currency rose by 3.2%. Reported sales also increased by 1.5% to €4.7 billion. Media-Saturn thus confirmed its strong market position in its individual countries.

Online generated sales increased by 10.0% to €1.5 billion during the first nine months of 2015/16. Online sales also grew during Q3, rising by 7.8% to €0.4 billion. While sales continued to decline at Redcoon due to the termination of select unprofitable wholesale business, the Media Markt and Saturn sales brands were able to boost sales by 34.5% during the first nine months of 2015/16. The strong growth trend continued in Q3, with sales of both sales brands improved clearly by 34.7%.

In Germany, like-for-like sales increased markedly by 2.5% during the first nine months of 2015/16. Reported sales rose by 4.6% to €8.0 billion. In Q3 2015/16, like-for-like sales increased by 3.8%. With a strong increase in reported sales of as much as 7.4%, the sales line reinforced its strong market position in

Germany. The European Football Championship had a substantially positive effect, with television sales increasing significantly, particularly in June 2016. However, this product group generates disproportionately low margins.

In Western Europe, like-for-like sales declined slightly by 0.4% in the first nine months of 2015/16. Sales in local currency rose by 0.9%. Reported sales increased by 1.0%. Sales momentum declined in Q3 compared to H1 2015/16. During Q3 2015/16, like-for-like sales decreased by 2.8%. Sales in local currency declined by 1.8%. Reported sales fell by 2.3%. Belgium, Italy and Switzerland in particular recorded lower reported and like-for-like sales. Conversely, positive trends were seen in the Netherlands and Luxembourg.

In Eastern Europe, like-for-like sales declined by 2.3% in the first nine months of 2015/16. Sales in local currency declined by 1.9%. Reported sales fell by 10.6%. The trend improved markedly during Q3 2015/16 compared with H1 2015/16. Like-for-like sales in Eastern Europe increased substantially by 5.0%. Measured in local currency, sales rose by 5.1%. Due to negative currency effects, reported sales declined by 6.5%. Double-digit percentage increases in like-for-like sales were recorded in Turkey, Hungary and Russia.

€ million	9M 2014/15	9M 2015/16	Change	Q3 2014/15	Q3 2015/16	Change
EBIT	258	238	-7.6%	-74	-94	-27.4%
EBIT before special items	309	275	-11.0%	-60	-77	-27.6%
Investments	135	229	69.5%	54	87	60.5%

During the first nine months of 2015/16, EBIT amounted to €238 million (9M 2014/15: €258 million). This figure includes special items totalling €37 million (9M 2014/15: €51 million). EBIT before special items declined to €275 million from €309 million.

In Q3 2015/16, EBIT before special items declined from €-60 million to €-77 million. This decline is largely due to an unfavourable product and margin mix, implementation costs for the new, successful Media Markt customer club as well as higher IT costs for the further multi-channel expansions.

Real



	Sales (€ million)		Change (€)		Like-for-like (local currency)	
	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16
Germany	5,944	5,715	-2.2%	-3.8%	-0.6%	-1.5%

	Sales (€ million)		Change (€)		Like-for-like (local currency)	
	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16
Germany	1,885	1,771	-5.3%	-6.0%	-3.7%	-3.5%

Real's like-for-like sales declined by 1.5% during the first nine months of 2015/16. Due mostly to store disposals, reported sales declined by 3.8% to €5.7 billion compared with the previous year's period. In Q3 2015/16, like-for-like sales fell by 3.5%. Due to 10 store closures, reported sales declined more strongly by 6.0% to €1.8 billion compared with the previous year's quarter. Deflationary price developments in important product categories also had a negative impact.

Online sales continued to develop very positively, rising markedly by more than 50% from €35 million to €53 million during the first nine months of 2015/16.

In June 2016, nearly one year after the collective bargaining agreement at Real had been terminated, the bargaining com-

missions at Real and the Verdi trade union agreed on the key parameters for a resolution in the wage negotiations. Essentially, the agreement on a future package with a three-and-a-half-year term stipulates that Real will fundamentally accept the collective bargaining agreements for the retail sector and that negotiations regarding a new remuneration structure will begin in October 2016. In addition, both parties have agreed to significant short-term cutbacks in wage increases, vacation and Christmas allowances. Executive employees will also make a significant contribution to these cutbacks. In return, comprehensive provisions have been adopted to maintain store operations and safeguard jobs. This creates the prerequisites for planned investments of €1 billion in the modernisation of Real over the next five years.

€ million	9M 2014/15	9M 2015/16	Change	Q3 2014/15	Q3 2015/16	Change
EBIT	-439	73	-	-7	6	-
EBIT before special items	53	73	38.5%	5	6	31.2%
Investments	149	201	35.3%	72	44	-38.4%

EBIT totalled €73 million in the first nine months of 2015/16 (9M 2014/15: €-439 million). This figure does not include any substantial special items (9M 2014/15: €491 million). EBIT before special items amounted to €73 million, compared with €53 million in the previous year's period.

In Q3 2015/16, EBIT before special items came to €6 million (Q3 2014/15: €5 million). Lower sales were more than offset by positive effects from the closure of loss-making stores during the previous year, cost savings and better purchasing conditions as well as regulation by Markant.

Others

€ million	9M 2014/15	9M 2015/16	Change	Q3 2014/15	Q3 2015/16	Change
Sales	40	53	32.1%	14	17	26.3%
EBIT	-93	-105	-13.2%	0	-52	-
EBIT before special items	-68	-92	-34.4%	1	-19	-
Investments	88	82	-6.8%	24	28	14.4%

The Others segment comprises, among others, METRO AG as the management holding company of METRO GROUP, the procurement organisation in Hong Kong, which also operates on behalf of third parties, as well as logistics services and real estate activities of METRO PROPERTIES, which are not attributed to any sales lines (i.e. speciality stores, warehouses, head offices, etc.).

In the first nine months of 2015/16, sales in the Others segment totalled €53 million (9M 2014/15: €40 million). This includes, among other things, the four remaining Real stores in Romania and commissions from the third-party business oper-

ated by METRO GROUP's Hong Kong-based procurement organisation.

EBIT totalled €-105 million in the first nine months of 2015/16 (9M 2014/15: €-93 million). This figure includes special items of €13 million. EBIT before special items amounted to €-92 million (9M 2014/15: €-68 million) Compared to prior year there were less real estate gains and higher consulting costs recorded in this period of time.

Outlook

The METRO GROUP forecast is based on the current group structure and refers to currency-adjusted figures. In addition, it is based on the assumption of a persistently complex geopolitical situation.

Sales

For financial year 2015/16, METRO GROUP continues to expect a slight increase in overall sales, despite the persistently challenging economic environment.

In like-for-like sales, METRO GROUP foresees a slight increase that will follow the 1.5% gain in the previous year. METRO Cash & Carry and Media-Saturn are expected to be the key drivers of total sales and like-for-like sales growth; METRO GROUP projects an improvement compared with the previous year for the Real sales line.

Earnings

In financial year 2015/16, earnings development will also be shaped by the persistently challenging economic environment. Nevertheless, METRO GROUP remains confident that it can continue its earnings growth as a result of the progress it has made and will continue to make in transforming its business models. Aside from operational improvements, METRO GROUP will again closely focus on efficient structures and strict cost management in 2015/16 in this context.

For these reasons, METRO GROUP expects EBIT before special items to rise slightly above the €1,511 million achieved in financial year 2014/15, including income from real estate sales. METRO Cash & Carry and Media-Saturn are expected to be the key drivers of the increase. Developments at the Real sales line will depend on the successful implementation of the measures that have been initiated.

Demerger of the Group

The METRO AG Management and Supervisory Boards will make a decision on the demerger of METRO GROUP into a wholesale and food specialist as well as a consumer electronics group after a period of intensive consultation and review. Assuming a positive outcome of ongoing assessments and a shareholder vote in favour of the demerger, the company plans to implement the demerger by mid-2017. This would result in the creation of two independent, stock-listed companies as market leaders in their respective sectors.

Store network

Store network development 9M 2015/16

	30/9/2015	New store openings/ additions 9M 2015/16	Closures/ disposals 9M 2015/16	30/6/2016	Change (absolute)
METRO Cash & Carry	764	+13	-29	748	-16
Media-Saturn	1,007	+21	-11	1,017	+10
Real	293	+0	-2	291	-2
Total	2,068*	+34	-42	2,060*	-8

Store network as of 30 June 2016

METRO Cash & Carry			Media-Saturn			Real			METRO GROUP		
Openings/ additions 9M 2015/16	Closures/ disposals 9M 2015/16	30/6/2016	Openings/ additions 9M 2015/16	Closures/ disposals 9M 2015/16	30/6/2016	Openings/ additions 9M 2015/16	Closures/ disposals 9M 2015/16	30/6/2016	Openings/ additions 9M 2015/16	Closures/ disposals 9M 2015/16	30/6/2016
Germany		107	+7	-1	423		-2	291	+7	-3	821
Austria		12	+1		49				+1		61
Belgium		15			23						38
France	+1	94							+1		94
Italy	+1	49	+2	-3	109				+3	-3	158
Luxembourg					2						2
Netherlands		17			49						66
Portugal		10			9						19
Spain		37			77						114
Sweden					27						27
Switzerland					27						27
Western Europe (excl. Germany)	+2	234	+3	-3	372				+5	-3	606
Bulgaria		11									11
Croatia	+1	-1	8						+1	-1	8
Czech Republic		13									13
Greece			+1		11				+1		11
Hungary		13	+1		22				+1		35
Kazakhstan		7									7
Moldova		3									3
Poland	-8	33	+4	-1	82				+4	-9	115
Romania		30								-1	30
Russia	+4	88	+1	-4	64				+5	-4	152
Serbia		10									10
Slovakia		6									6
Turkey	+3	32	+4	-2	43				+7	-2	75
Ukraine		32									32
Eastern Europe	+8	-10	286	+11	-7	222			+19	-17	508
China		82									82
India	+3	21							+3		21
Japan		9									9
Pakistan		9									9
Vietnam		-19								-19	0
Asia	+3	-19	121						+3	-19	121
Total	+13	-29	748	+21	-11	1,017	-2	291	+34	-42	2,060*

*Including 4 stores in the Others segment

Reconciliation of special items

9M 2015/16

Special Items

by sales line

	As reported		Special items		Before special items	
€ million	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16
EBITDA	1,657	1,873	106	-188	1,763	1,684
thereof METRO Cash & Carry	1,080	1,291	5	-231	1,084	1,059
Media-Saturn	445	418	41	30	486	448
Real	107	180	44	0	151	180
Others	25	-11	16	13	42	2
Consolidation	-1	-5	0	0	-1	-5
EBIT	487	1,170	590	-179	1,076	992
thereof METRO Cash & Carry	759	966	23	-229	781	737
Media-Saturn	258	238	51	37	309	275
Real	-439	73	491	0	53	73
Others	-93	-105	24	13	-68	-92
Consolidation	2	-2	0	0	2	-2
Net financial result	-275	-240	5	15	-269	-226
EBT (earnings before taxes)	212	930	595	-163	807	766
Income taxes	-139	-424	-318	98	-456	-325
Profit or loss for the period from continuing operations	73	506	277	-65	351	441
Profit or loss for the period from discontinued operations after tax	85	0	10	0	94	0
Profit or loss for the period	158	506	287	-65	445	441
Profit or loss for the period attributable to non-controlling interests	33	46	11	6	45	52
from continuing operations	33	46	11	6	45	52
from discontinued operations	0	0	0	0	0	0
Profit or loss for the period attributable to shareholders of METRO AG	125	460	276	-72	400	389
from continuing operations	40	460	266	-72	306	389
from discontinued operations	85	0	10	0	94	0
Earnings per share in € (basic = diluted)	0.38	1.41	0.85	-0.22	1.23	1.19
from continuing operations	0.12	1.41	0.82	-0.22	0.94	1.19
from discontinued operations	0.26	0.00	0.03	0.00	0.29	0.00

Reconciliation of special items

Q3 2015/16

Special Items

by sales line

	As reported		Special items		Before special items	
€ million	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16
EBITDA	409	207	26	184	435	391
thereof METRO Cash & Carry	362	217	-1	135	361	352
Media-Saturn	-15	-35	13	16	-1	-19
Real	27	42	12	0	38	42
Others	36	-18	2	33	37	15
Consolidation	0	1	0	0	0	1
EBIT	175	-36	35	190	209	154
thereof METRO Cash & Carry	255	101	8	140	262	241
Media-Saturn	-74	-94	14	17	-60	-77
Real	-7	6	12	0	5	6
Others	0	-52	2	33	1	-19
Consolidation	1	2	0	0	1	2
Net financial result	-110	-43	15	3	-94	-40
EBT (earnings before taxes)	65	-79	50	193	115	114
Income taxes	25	41	-138	-88	-113	-47
Profit or loss for the period from continuing operations	90	-38	-88	105	2	67
Profit or loss for the period from discontinued operations after tax	7	0	-1	0	5	0
Profit or loss for the period	97	-38	-89	105	7	67
Profit or loss for the period attributable to non-controlling interests	-18	-14	3	2	-15	-12
from continuing operations	-18	-14	3	2	-15	-12
from discontinued operations	0	0	0	0	0	0
Profit or loss for the period attributable to shareholders of METRO AG	115	-24	-93	102	22	79
from continuing operations	108	-24	-92	102	17	79
from discontinued operations	7	0	-1	0	5	0
Earnings per share in € (basic = diluted)	0.35	-0.07	-0.28	0.31	0.07	0.24
from continuing operations	0.33	-0.07	-0.28	0.31	0.05	0.24
from discontinued operations	0.02	0.00	0.00	0.00	0.02	0.00

Income statement

€ million	9M 2014/15	9M 2015/16	Q3 2014/15	Q3 2015/16
Sales	44,977	44,253	13,967	13,589
Cost of sales	-36,224	-35,656	-11,244	-10,988
Gross profit on sales	8,753	8,597	2,723	2,601
Other operating income	848	1,208	278	251
Selling expenses	-7,599	-7,507	-2,474	-2,501
General administrative expenses	-1,027	-1,103	-337	-388
Other operating expenses	-488	-33	-15	-4
Earnings share of operating companies recognised at equity	0	8	0	5
Earnings before interest and taxes EBIT	487	1,170	175	-36
Earnings share of non-operating companies recognised at equity	3	3	3	0
Other investment result	0	12	0	0
Interest income	45	75	11	42
Interest expenses	-257	-227	-75	-75
Other financial result	-66	-103	-49	-10
Net financial result	-275	-240	-110	-43
EBT (earnings before taxes)	212	930	65	-79
Income taxes	-139	-424	25	41
Profit or loss for the period from continuing operations	73	506	90	-38
Profit or loss for the period from discontinued operations	85	0	7	0
Profit or loss for the period	158	506	97	-38
Profit or loss for the period attributable to non-controlling interests	33	46	-18	-14
from continuing operations	33	46	-18	-14
from discontinued operations	0	0	0	0
Profit or loss for the period attributable to shareholders of METRO AG	125	460	115	-24
from continuing operations	40	460	108	-24
from discontinued operations	85	0	7	0
Earnings per share in € (basic = diluted)	0.38	1.41	0.35	-0.07
from continuing operations	0.12	1.41	0.33	-0.07
from discontinued operations	0.26	0.00	0.02	0.00

Balance sheet

Assets

€ million	30/9/2015	30/6/2015	30/6/2016
Non-current assets	13,207	12,760	13,193
Goodwill	3,301	3,121	3,372
Other intangible assets	464	335	510
Property, plant and equipment	7,955	8,039	7,930
Investment properties	170	165	131
Financial assets	117	72	70
Investments accounted for using the equity method	184	94	195
Other financial and non-financial assets	292	280	279
Deferred tax assets	724	654	706
Current assets	14,449	14,729	12,024
Inventories	5,439	5,897	6,016
Trade receivables	702	592	765
Financial assets	6	6	3
Other financial and non-financial assets	3,435	3,256	3,417
Entitlements to income tax refunds	202	452	202
Cash and cash equivalents	4,415	1,691	1,594
Assets held for sale	250	2,835	27
	27,656	27,489	25,217

Equity and liabilities

€ million	30/9/2015	30/6/2015	30/6/2016
Equity	5,172	4,694	5,203
Share capital	835	835	835
Capital reserve	2,551	2,551	2,551
Reserves retained from earnings	1,793	1,321	1,820
Non-controlling interests	-7	-13	-3
Non-current liabilities	6,841	6,520	6,126
Provisions for pensions and similar obligations	1,270	1,273	1,458
Other provisions	492	343	386
Borrowings	4,731	4,680	3,945
Other financial and non-financial liabilities	206	147	195
Deferred tax liabilities	142	77	142
Current liabilities	15,643	16,275	13,888
Trade liabilities	9,550	9,398	9,243
Provisions	628	522	675
Borrowings	2,635	2,563	1,511
Other financial and non-financial liabilities	2,488	2,252	2,281
Income tax liabilities	148	81	178
Liabilities related to assets held for sale	194	1,459	0
	27,656	27,489	25,217

Cash flow statement

€ million	9M 2014/15	9M 2015/16
EBIT	487	1,170
Depreciation/amortisation/impairment losses/reversal of impairment losses of assets excl. financial investments	1,170	702
Change in provisions for post-employment benefit plans and similar obligations	-65	8
Change in net working capital	-682	-849
Income taxes paid	-438	-280
Reclassification of gains (-) / losses (+) from the disposal of fixed assets	-51	-27
Other	53	-293
Cash flow from operating activities of continuing operations	474	431
Cash flow from operating activities of discontinued operations	168	0
Cash flow from operating activities	642	431
Corporate acquisitions	-10	-107
Investments in property, plant and equipment (excl. finance leases)	-675	-626
Other investments	-495	-491
Divestments	65	357
Disposal of fixed assets	46	129
Gains (+) / losses (-) from the disposal of fixed assets	51	27
Cash flow from investing activities of continuing operations	-1,018	-711
Cash flow from investing activities of discontinued operations	-58	220
Cash flow from investing activities	-1,076	-491
Profit distribution		
to METRO AG shareholders ¹	-316	-349
to other shareholders ²	-44	-37
Redemption of liabilities from put options of non-controlling interests	0	-89
Proceeds from long-term financial liabilities	2,682	540
Redemption of financial liabilities	-2,287	-2,666
Interest paid	-273	-232
Interest received	43	91
Profit and loss transfers and other financing activities	32	-13
Cash flow from financing activities of continuing operations	-163	-2,755
Cash flow from financing activities of discontinued operations	-111	0
Cash flow from financing activities	-274	-2,755
Total cash flows	-708	-2,815
Currency effects on cash and cash equivalents	11	-8
Total change in cash and cash equivalents	-697	-2,823
Cash and cash equivalents as of 1 October	2,408	4,417
Cash and cash equivalents shown under IFRS 5 assets	22	2
Cash and cash equivalents on 1 October	2,386	4,415
Cash and cash equivalents as of 30 June	1,711	1,594
Cash and cash equivalents shown under IFRS 5 assets	20	0
Cash and cash equivalents as of 30 June	1,691	1,594

¹Reported dividends include dividends to minority shareholders in the amount of €-22 million (previous year: €-21 million) whose shareholdings are shown under debt capital due to put options

²Reported dividends include dividends to minority shareholders in the amount of €-5 million (previous year: €-6 million) whose shareholdings are shown under debt capital due to put options

Segment reporting 9M 2015/16

Operating segments

	Continuing operations of the Group							
	METRO Cash & Carry		Media-Saturn		Real		Others	
€ million	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16
Sales	22,338	21,648	16,655	16,837	5,944	5,715	40	53
EBITDA	1,080	1,291	445	418	107	180	25	-11
EBITDA before special items	1,084	1,059	486	448	151	180	42	2
EBIT	759	966	258	238	-439	73	-93	-105
EBIT before special items	781	737	309	275	53	73	-68	-92
Investments	285	399	135	229	149	201	88	82

Operating segments continued

	Continuing operations of the Group				Discontinued operations of the Group	
	Consolidation		METRO GROUP			
€ million	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16	9M 2014/15	9M 2015/16
Sales	0	0	44,977	44,253	2,334	0
EBITDA	-1	-5	1,657	1,873	204	0
EBITDA before special items	-1	-5	1,763	1,684	n/a	n/a
EBIT	2	-2	487	1,170	116	0
EBIT before special items	2	-2	1,076	992	n/a	n/a
Investments	0	0	656	911	98	0

Segment reporting Q3 2015/16

Operating segments

Continuing operations of the Group

	METRO Cash & Carry		Media-Saturn		Real		Others	
€ million	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16
Sales	7,449	7,113	4,620	4,689	1,885	1,771	14	17
EBITDA	362	217	-15	-35	27	42	36	-18
EBITDA before special items	361	352	-1	-19	38	42	37	15
EBIT	255	101	-74	-94	-7	6	0	-52
EBIT before special items	262	241	-60	-77	5	6	1	-19
Investments	119	227	54	87	72	44	24	28

Operating segments continued

Continuing operations of the Group

Discontinued operations of the Group

	Consolidation		METRO GROUP			
€ million	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16	Q3 2014/15	Q3 2015/16
Sales	0	0	13,967	13,589	667	0
EBITDA	0	1	409	207	39	0
EBITDA before special items	0	1	435	391	n/a	n/a
EBIT	1	2	175	-36	9	0
EBIT before special items	1	2	209	154	n/a	n/a
Investments	0	0	269	385	64	0

Financial calendar

Trading Statement Financial Year 2015/16	Wednesday	19 October 2016	7.30 a.m.
--	-----------	-----------------	-----------

All time specifications are CET

Imprint

METRO AG
Metro-Strasse 1
40235 Düsseldorf, Germany

PO Box 230361
40089 Düsseldorf, Germany

www.metrogroup.de

Published:
2 August 2016

Investor Relations

Telephone +49 (211) 6886-1051
Fax +49 (211) 6886-3759
E-mail investorrelations@metro.de

Creditor Relations

Telephone +49 (211) 6886-1904
Fax +49 (211) 6886-1916
E-mail creditorrelations@metro.de

Corporate Communications

Telephone +49 (211) 6886-4252
Fax +49 (211) 6886-2001
E-mail presse@metro.de

Visit our website at www.metrogroup.de, the primary source for publications and information about METRO GROUP.

Disclaimer

This quarterly statement contains forward-looking statements which are based on certain expectations and assumptions at the time of publication of this report and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in these materials. Many of these risks and uncertainties relate to factors that are beyond METRO GROUP's ability to control or estimate precisely, such as future market and economic conditions, the behaviour of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated cost savings and productivity gains as well as the actions of government regulators. METRO GROUP does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

Please note: In case of doubt the German version shall prevail.