



QUARTERLY STATEMENT Q1 2016/17

METRO GROUP

| | |
|----|--|
| 3 | Overview |
| 3 | Sales, earnings and financial position |
| 5 | Sales lines |
| 5 | METRO Cash & Carry |
| 6 | Media-Saturn |
| 7 | Real |
| 7 | Others |
| 8 | Outlook |
| 9 | Store network |
| 10 | Reconciliation of special items |
| 11 | Special items |
| 12 | Income statement |
| 13 | Balance sheet |
| 14 | Cash flow statement |
| 15 | Segment reporting |
| 16 | Financial calendar and imprint |

METRO GROUP with stable sales and EBIT development

Sales: -0.6%

Like-for-like sales on the same level as the previous year

EBIT reaches €733 million (Q1 2015/16: €1,240 million including income from the sale of METRO Cash & Carry Vietnam)

EBIT before special items: €821 million (Q1 2015/16: €828 million)

EPS before special items: €1.17 (Q1 2015/16: €1.12)

Net debt stands at €0.1 billion

Guidance confirmed for financial year 2016/17

METRO Cash & Carry

Sales: -0.3% due to portfolio and currency effects (in local currency: -0.1%)

Like-for-like sales up 0.7%

Delivery sales increased by 16.5%; 12.7% of total sales

EBIT before special items totals €431 million (Q1 2015/16: €458 million)

Media-Saturn

Sales at previous year's level (in local currency: +0.3%)

Like-for-like sales match previous year's level

Online sales exceed 10% of total sales for the first time

EBIT before special items increases to €312 million (Q1 2015/16: €309 million)

Real

Sales: -4.0% due partly to closures compared with the previous year's quarter

Like-for-like sales eased by 1.7%

EBIT before special items: €71 million (Q1 2015/16: €83 million)

OVERVIEW

Q1 2016/17

| € million | Q1 2015/16 | Q1 2016/17 | Change |
|--|------------|------------|--------|
| Sales | 17,090 | 16,986 | -0.6% |
| Germany | 6,809 | 6,690 | -1.8% |
| International | 10,281 | 10,296 | 0.1% |
| International share of sales | 60.2% | 60.6% | – |
| EBITDA ¹ | 1,048 | 1,055 | 0.7% |
| EBIT | 1,240 | 733 | -40.9% |
| EBIT ¹ | 828 | 821 | -0.8% |
| Earnings before taxes (EBT) | 1,106 | 680 | 6.1% |
| Earnings before taxes (EBT) ¹ | 724 | 769 | 6.1% |
| Profit or loss for the period ² | 549 | 200 | -63.7% |
| Profit or loss for the period ^{1,2} | 367 | 381 | 3.8% |
| Earnings per share (€) | 1.68 | 0.61 | -63.7% |
| Earnings per share (€) ^{1,2} | 1.12 | 1.17 | 3.8% |
| Investments | 337 | 142 | -57.8% |
| Stores ³ | 2,057 | 2,069 | 0.6% |

¹Before special items

²Profit or loss for the period attributable to the shareholders of METRO AG

³As of the closing date 31 December

Sales, earnings and financial position

Sales

METRO GROUP achieved a slight increase in like-for-like sales of 0.1% in Q1 2016/17. This was due to positive development at METRO Cash & Carry. Like-for-like sales at Media-Saturn were on the same level as the previous year while sales at Real declined. METRO GROUP sales in local currency declined by 0.4%. While the Russian rouble strengthened against the euro for the first time in quite a while, currencies in other countries, particularly in Turkey, trended downwards. Overall, this translated into slightly negative currency effects for METRO GROUP, with group sales down by 0.6% to €17.0 billion (Q1 2015/16: €17.1 billion). Adjusted for portfolio effects, sales came in only slightly below previous year's level.

| € million | Q1 2015/16 | Q1 2016/17 |
|---|------------|------------|
| Total sales in € (as reported) | 17,090 | 16,986 |
| Total sales in local currency | 17,056 | 16,986 |
| Sales of stores that were not part of the like-for-like panel in Q1 2016/17 | 630 | 543 |
| Like-for-like sales in local currency | 16,426 | 16,443 |

Management system related performance indicators

METRO GROUP is managed on the basis of performance indicators that are determined in accordance with IFRS (International Financial Reporting Standards) requirements. In addition, the group uses alternative performance indicators such as like-for-like sales growth in local currency, EBIT before special items, EBITDA before special items and net debt. For more details on the performance indicators used in group management, see METRO GROUP's Annual Report 2015/16, pages 54-55 and the footnotes to the tables on pages 102-103.

Earnings

In Q1 2016/17, EBIT at METRO GROUP amounted to €733 million (Q1 2015/16: €1,240 million). This decline is primarily due to the fact that the previous year's figure includes income of €427 million from the sale of METRO Cash & Carry Vietnam. EBIT before special items amounted to €821 million (Q1 2015/16: €828 million). This decline is largely due to earnings developments at METRO Cash & Carry. EBIT was supported by positive currency effects of €5 million.

The **net financial result** improved markedly from €-134 million to €-53 million in Q1 2016/17. The interest result improved substantially to -€49 million as a result of lower indebtedness and lower interest rates (Q1 2015/16: €-63 million). The other financial result improved as well and, at €-5 million, was only slightly negative (Q1 2015/16: €-74 million).

In Q1 2016/17, earnings before taxes amounted to €680 million (Q1 2015/16: €1,106 million). Before special items, earnings before taxes rose to €769 million (Q1 2015/16: €724 million).

Reported tax expenses of €450 million (Q1 2015/16: €509 million) are based on a group tax rate of 66.2% (Q1 2015/16: 46.0%). Tax expenses before special items amounted to €345 million (Q1 2015/16: €307 million). This corresponds to a tax rate of 44.8% (Q1 2015/16: 42.4%).

The calculation is based on the so-called integral approach whereby the reported tax expenses correspond to the expected tax ratio as of the end of the financial year. The comparable high reported tax rate in Q1 2016/17 resulted mainly by the expected special items in the current financial year which will lead to a tax relief only to a less extent.

In Q1 2016/17, earnings per share amounted to €0.61 (Q1 2015/16: €1.68). Adjusted for special items, earnings per share stood at €1.17 (Q1 2015/16: €1.12).

Financial position

Net debt, after netting cash and cash equivalents as well as financial investments with financial liabilities (including finance leases), was very low and unchanged from the previous year's figure at €0.1 billion on 31 December 2016.

In Q1 2016/17, cash inflow from operating activities amounted to €2.6 billion (Q1 2015/16: €3.1 billion). The decrease results from a pension-related one-time cash-in last year as well as a net working capital deterioration.

Cash flow from investing activities totalled €-0.7 billion (Q1 2015/16: €-0.6 billion).

Cash flow from financing activities showed outflows of €0.1 billion (Q1 2015/16: outflow of €2.1 billion).

Sales lines

METRO Cash & Carry



| | Sales (€ million) | Change (€) | Currency effects | Change (local currency) | Like-for-like (local currency) | | | |
|------------------|-------------------|------------|------------------|-------------------------|--------------------------------|------------|------------|------------|
| | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 |
| Total | 8,037 | 8,015 | -2.0% | -0.3% | -2.3% | -0.2% | 0.4% | -0.1% |
| Horeca | 3,801 | 3,785 | 2.7% | -0.4% | -0.8% | -0.5% | 3.5% | 0.1% |
| Multispecialists | 3,345 | 3,472 | -3.5% | 3.8% | -3.9% | 0.9% | 0.3% | 2.9% |
| Traders | 767 | 748 | -2.1% | -2.4% | -5.5% | -3.1% | 3.4% | 0.7% |
| Others | 124 | 10 | - | - | - | - | - | - |

Like-for-like sales of METRO Cash & Carry increased by 0.7% during Q1 2016/17, meaning that the positive quarterly sales trend has now continued uninterrupted for more than three years. Sales in local currency declined slightly by 0.1%. Reported sales dropped by 0.3% to €8.0 billion. However, it should be noted that the previous year's sales figure still included sales of METRO Cash & Carry's Vietnamese business, which has since been sold. Adjusted for this portfolio effect, sales rose compared with the previous year. In addition, while the Russian rouble strengthened, currency developments in other countries such as Turkey had a negative effect on sales.

METRO Cash & Carry's delivery sales continued to develop positively, with sales rising by 16.5% to €1.0 billion. As a result, delivery sales accounted for 12.7% of total sales.

Like-for-like sales in the Horeca segment decreased by 1.2%. However, sales increased by 0.1% in local currency. Reported sales decreased by 0.4%. In Germany as biggest Horeca coun-

try, sales declined due to the continued transformation and the challenging market environment. In contrast, like-for-like sales in Turkey and Portugal developed very positively.

Like-for-like sales in the Multispecialists segment increased by 2.2%. Measured in local currency, sales rose by 2.9%. Reported sales increased even by 3.8%. Especially China, India and Pakistan showed a very positive development. In Russia, like-for-like sales increased in spite of intense price competition. Reported sales rose markedly – also supported by positive currency effects. Meanwhile, the negative sales trend continued in Belgium, the Netherlands and Austria.

Like-for-like sales in the Trader segment rose by 3.1%. All countries despite Poland contributed to this development. Measured in local currency, sales increased by 0.7%. Conversely, reported sales declined by 2.4%.

| € million | Q1 2015/16 | Q1 2016/17 | Change |
|---------------------------|------------|------------|--------|
| EBIT | 877 | 405 | -53.9% |
| EBIT before special items | 458 | 431 | -6.0% |
| Investments | 105 | 48 | -54.1% |

In Q1 2016/17, EBIT amounted to €405 million (Q1 2015/16: €877 million). The previous year's figure included the sale of METRO Cash & Carry Vietnam as a special item. EBIT before

special items amounted to €431 million (Q1 2015/16: €458 million). The decline was primarily due to investments in price reductions especially in Russia.

Media-Saturn



| | Sales (€ million) | Change (€) | Currency effects | Change (local currency) | Like-for-like (local currency) | | | |
|-----------------------------------|-------------------|------------|------------------|-------------------------|-----------------------------------|------------|------------|------------|
| | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 |
| Total | 6,889 | 6,893 | 0.2% | 0.0% | -0.9% | -0.3% | 1.1% | 0.3% |
| Germany | 3,291 | 3,293 | 3.2% | 0.1% | 0.0% | 0.0% | 3.2% | 0.1% |
| Western Europe (excl. Germany) | 2,758 | 2,734 | 2.6% | -0.9% | 0.9% | -0.2% | 1.7% | -0.6% |
| Eastern Europe | 840 | 865 | -15.8% | 3.0% | -7.8% | -1.6% | -8.0% | 4.5% |
| | | | | | | | | |
| | | | | | | | | |

Like-for-like sales of Media-Saturn matched the previous year's level in Q1 2016/17. Sales in local currency rose by 0.3%. At €6.9 billion, reported sales also remained unchanged from the previous year.

Following robust developments in October and November, sales in December were impacted by the longer Christmas sales period. Above all, early purchases (on so-called Black Friday) and positive follow-on effects during the first week of January impacted the Christmas business.

Overall, positive growth impulses from the smartphones, white goods and TV product groups as well as a strong increase in Services & Solutions sales were roughly compensated by declines in the entertainment, photo and IT hardware product categories.

Although Redcoon ended its business activities in five countries, online generated sales rose by more than 25% to €0.7 billion (Q1 2015/16: €0.6 billion). In terms of the multi-channel business of the Media Markt and Saturn brands, online sales even increased by more than 40%. For the first time, Media-Saturn generated more than 10% of its sales online (sales share: 10.5% versus 8.3% in Q1 2015/16).

The Services & Solutions area developed positively with double-digit sales growth, driven mostly by strong demand for repair and installation services as well as guarantee extensions.

In Germany, like-for-like sales declined slightly by 0.6% in Q1 2016/17, due largely to the above-mentioned follow-on effects combined with a value-added tax campaign at Saturn at the beginning of January. Reported sales matched the previous year's level.

Like-for-like sales in Western Europe retreated by 0.9%. Sales in local currency dropped by 0.6%. Reported sales fell by 0.9%. While like-for-like sales developed positively in the Netherlands, Spain and Austria, sales declined in Switzerland and Belgium, in particular.

Like-for-like sales in Eastern Europe increased markedly by 5.4%, due mostly to very positive developments in Turkey. Sales in Eastern Europe rose by 4.5% in local currency. However, negative currency developments in Turkey weighed on sales, causing reported sales in Eastern Europe to increase by just 3.0%.

| € million | Q1 2015/16 | Q1 2016/17 | Change |
|---------------------------|------------|------------|--------|
| EBIT | 301 | 318 | 5.4% |
| EBIT before special items | 309 | 312 | 1.2% |
| Investments | 64 | 55 | -13.5% |

In Q1 2016/17, EBIT rose from €301 million to €318 million. However, this figure includes special items of

€-5 million (Q1 2015/16: €7 million). EBIT before special items climbed from €309 million to €312 million.

Real



| | Sales (€ million) | | Change (€) | | Like-for-like | |
|---------|-------------------|------------|------------|------------|---------------|------------|
| | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 |
| Germany | 2,144 | 2,058 | -3.9% | -4.0% | -1.6% | -1.7% |

Real's like-for-like sales declined by 1.7% during the Christmas quarter. Due partly to store closures, reported sales retreated by 4.0% to €2.1 billion compared with the previous year's quarter.

Following a subdued start to the Christmas quarter, sales stabilised in December as non-food sales, in particular, developed positively. Food sales were impacted negatively by intensi-

fied competition. Online sales increased markedly by 33% to €29 million.

The November opening of the new Markthalle Krefeld, a ground-breaking, market-style store concept with special culinary offerings, generated positive feedback and markedly boosted footfall.

| € million | Q1 2015/16 | Q1 2016/17 | Change |
|---------------------------|------------|------------|--------|
| EBIT | 84 | 18 | -78.1% |
| EBIT before special items | 83 | 71 | -14.0% |
| Investments | 143 | 13 | -91.0% |

In Q1 2016/17, EBIT amounted to €18 million (Q1 2015/16: €84 million). This includes special items, in particular for the reorganisation and restructuring of the administrative departments totalling €53 million (Q1 2015/16: €-1 million). In the foreseeable future, the central functions are to be consolidated at the

office location in Düsseldorf. EBIT before special items amounted to €71 million (Q1 2015/16: €83 million). The lower EBIT figure is primarily due to the decline in sales.

Others

| € million | Q1 2015/16 | Q1 2016/17 | Change |
|---------------------------|------------|------------|--------|
| Sales | 19 | 20 | 3.0% |
| EBIT | -19 | -11 | 44.8% |
| EBIT before special items | -19 | 4 | - |
| Investments | 25 | 26 | 4.4% |

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 (that is speciality stores, warehouses, head offices, etc.).

In Q1 2016/17, sales in the Others segment totalled €20 million (Q1 2015/16: €19 million). Sales include, among other things,

the four remaining Real stores in Romania and commissions from the third-party business operated by METRO GROUP's Hong Kong-based procurement organisation.

EBIT totalled €-11 million in Q1 2016/17 (Q1 2015/16: €-19 million). Special items totalling €14 million (Q1 2015/16: €0 million) related to one-offs in connection with the demerger of METRO GROUP. EBIT before special items amounted to €4 million (Q1 2015/16: €-19 million). The distinct improvement was largely driven by a singular real estate transaction.

Events after the quarter-end closing

The acquisition of the French food service distribution specialist Pro à Pro was closed on 1 February 2017.

Outlook

The outlook is based on the current group structure and adjusted for currency effects. In addition, it is based on the assumption of a continuously complex geopolitical situation.

The outlook will be adjusted if the planned demerger of the group into two independent companies with a clear focus on the wholesale and food retail business on the one hand, and consumer electronics retailing on the other, is approved by the Annual General Meeting on 6 February 2017, as expected, and implemented, as scheduled, during financial year 2016/17.

Sales

For financial year 2016/17, METRO GROUP expects to see a slight rise in overall sales, despite the persistently challenging economic environment. The Real sales line is expected to generate slightly better performance compared with financial year 2015/16.

In like-for-like sales, METRO GROUP foresees another slight increase that will follow the reporting period's rise of 0.2%. The METRO Cash & Carry and Media-Saturn sales lines in particular are expected to contribute to this development. The Real sales line is expected to generate slightly better performance compared with financial year 2015/16.

Earnings

In financial year 2016/17, earnings development will also be shaped by the persistently challenging economic environment, with political developments adding to economic challenges.

Nonetheless, METRO GROUP expects to achieve another slight improvement in earnings. Aside from operational improvements, METRO GROUP will again closely focus on efficient structures and strict cost management in this context. These measures are expected to result in special items for the last time, marking the successful conclusion of METRO GROUP's transformation.

For these reasons, METRO GROUP expects EBIT before special items to rise slightly above the €1,560 million achieved in financial year 2015/16, although this figure will include slightly lower income from real estate sales.

METRO Cash & Carry and Media-Saturn are expected to contribute to the slight earnings improvement.

Store network

Development of the store network Q1 2016/17

| | 30/9/2016 | New store openings/ additions Q1 2016/17 | Closures/ disposals Q1 2016/17 | 31/12/2016 | Change (absolute) |
|--------------------|-----------|--|--------------------------------------|------------|----------------------|
| METRO Cash & Carry | 752 | +1 | -2 | 751 | -1 |
| Media-Saturn | 1,023 | +11 | -2 | 1,032 | +9 |
| Real | 285 | | -3 | 282 | -3 |
| Total | 2,064* | +12 | -7 | 2,069* | +5 |

Store network as of 31 December 2016

| | METRO Cash & Carry | | Media-Saturn | | Real | | METRO GROUP | |
|-----------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | Openings/ additions Q1 2016/17 | Closures/ disposals Q1 2016/17 |
| Germany | | | 106 | | 424 | -3 | 282 | -3 |
| Austria | | | 12 | +1 | 50 | | | +1 |
| Belgium | | | 16 | +1 | 24 | | | +1 |
| France | | | 94 | | | | | |
| Italy | | | 49 | +2 | 113 | | | +2 |
| Luxembourg | | | | | 2 | | | |
| Netherlands | | | 17 | | 49 | | | |
| Portugal | | | 10 | +1 | 10 | | | +1 |
| Spain | | | 37 | +1 | 80 | | | +1 |
| Sweden | | | | | 27 | | | |
| Switzerland | | | | | 28 | | | |
| Western Europe (excl. Germany) | | | 235 | +6 | 383 | | | +6 |
| Bulgaria | | | 11 | | | | | |
| Croatia | | | 9 | | | | | |
| Czech Republic | | | 13 | | | | | |
| Greece | | | | | 11 | | | |
| Hungary | | | 13 | +2 | 24 | | | +2 |
| Kazakhstan | | | 6 | | | | | |
| Moldova | | | 3 | | | | | |
| Poland | | | 30 | +1 | 84 | | | +1 |
| Romania | | | 30 | | | | | |
| Russia | | | 89 | | 61 | | | |
| Serbia | -1 | | 9 | | | | | -1 |
| Slovakia | | | 6 | | | | | |
| Turkey | | | 32 | +2 | -2 | 45 | | -2 |
| Ukraine | -1 | | 31 | | | | | -1 |
| Eastern Europe | -2 | | 282 | +5 | -2 | 225 | | -4 |
| China | +1 | | 87 | | | | | |
| India | | | 23 | | | | | |
| Japan | | | 9 | | | | | |
| Pakistan | | | 9 | | | | | |
| Asia | +1 | | 128 | | | | | |
| Total | +1 | -2 | 751 | +11 | -2 | 1,032 | -3 | 282 |
| | | | | | | | +12 | -7 |
| | | | | | | | | 2,069* |

*Including four stores in the Others segment

Reconciliation of special items

Q1 2016/17

Special items

by sales line

| € million | As reported | | Special items | | Before special items | |
|--|-------------|------------|---------------|------------|----------------------|------------|
| | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 |
| EBITDA | 1,460 | 976 | -412 | 79 | 1,048 | 1,055 |
| thereof METRO Cash & Carry | 980 | 520 | -419 | 17 | 562 | 537 |
| Media-Saturn | 358 | 376 | 7 | -5 | 365 | 370 |
| Real | 119 | 55 | -1 | 53 | 118 | 108 |
| Others | 6 | 23 | 0 | 14 | 6 | 37 |
| Consolidation | -4 | 2 | 0 | 0 | -4 | 2 |
| EBIT | 1,240 | 733 | -412 | 88 | 828 | 821 |
| thereof METRO Cash & Carry | 877 | 405 | -419 | 26 | 458 | 431 |
| Media-Saturn | 301 | 318 | 7 | -5 | 309 | 312 |
| Real | 84 | 18 | -1 | 53 | 83 | 71 |
| Others | -19 | -11 | 0 | 14 | -19 | 4 |
| Consolidation | -3 | 3 | 0 | 0 | -3 | 3 |
| Net financial result | -134 | -53 | 30 | 0 | -104 | -52 |
| EBT (earnings before taxes) | 1,106 | 680 | -382 | 88 | 724 | 769 |
| Income taxes | -509 | -450 | 202 | 106 | -307 | -345 |
| Profit or loss for the period from continuing operations | 597 | 230 | -180 | 194 | 417 | 424 |
| Profit or loss for the period from discontinued operations after taxes | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit or loss for the period | 597 | 230 | -180 | 194 | 417 | 424 |
| Profit or loss for the period attributable to non-controlling interests | 48 | 30 | 2 | 12 | 50 | 43 |
| from continuing operations | 48 | 30 | 2 | 12 | 50 | 43 |
| from discontinued operations | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit or loss for the period attributable to the shareholders of METRO AG | 549 | 200 | -182 | 182 | 367 | 381 |
| from continuing operations | 549 | 200 | -182 | 182 | 367 | 381 |
| from discontinued operations | 0 | 0 | 0 | 0 | 0 | 0 |
| Earnings per share in € (basic = diluted) | 1.68 | 0.61 | -0.56 | 0.56 | 1.12 | 1.17 |
| from continuing operations | 1.68 | 0.61 | -0.56 | 0.56 | 1.12 | 1.17 |
| from discontinued operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Special items

| Q1 2015/16 | | Special items | | | | | |
|--|--|---------------|-------------------|---|---|---------------------|----------------------|
| € million | | As reported | Portfolio changes | Restructuring and efficiency-enhancing measures | Risk provisions including impairment losses on goodwill | Other special items | Before special items |
| EBITDA | | 1,460 | -427 | 6 | - | 9 | 1,048 |
| EBIT | | 1,240 | -427 | 6 | - | 9 | 828 |
| Net financial result | | -134 | 30 | - | - | - | -104 |
| EBT | | 1,106 | -397 | 6 | - | 9 | 724 |
| Income taxes | | -509 | - | - | - | 202 ¹ | -307 |
| Profit or loss for the period from continuing operations | | 597 | -397 | 6 | - | 211 | 417 |
| Profit or loss for the period from discontinued operations after taxes | | 0 | - | - | - | - | 0 |
| Profit or loss for the period | | 597 | -397 | 6 | - | 211 | 417 |
| Profit or loss for the period attributable to non-controlling interests | | 48 | - | - | - | 2 ¹ | 50 |
| from continuing operations | | 48 | - | - | - | 2 ¹ | 50 |
| from discontinued operations | | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit or loss for the period attributable to the shareholders of METRO AG | | 549 | -397 | 6 | - | 209 | 367 |
| from continuing operations | | 549 | -397 | 6 | - | 209 | 367 |
| from discontinued operations | | 0 | 0 | 0 | 0 | 0 | 0 |

| Q1 2016/17 | | Special items | | | | | |
|--|--|---------------|-------------------|---|---|---------------------|----------------------|
| € million | | As reported | Portfolio changes | Restructuring and efficiency-enhancing measures | Risk provisions including impairment losses on goodwill | Other special items | Before special items |
| EBITDA | | 976 | 1 | 70 | - | 8 | 1,055 |
| EBIT | | 733 | 1 | 79 | - | 8 | 821 |
| Net financial result | | -53 | 1 | - | - | - | -52 |
| EBT | | 680 | 1 | 79 | - | 8 | 769 |
| Income taxes | | -450 | - | - | - | 106 ¹ | -345 |
| Profit or loss for the period from continuing operations | | 230 | 1 | 79 | - | 114 | 424 |
| Profit or loss for the period from discontinued operations after taxes | | 0 | - | - | - | - | 0 |
| Profit or loss for the period | | 230 | 1 | 79 | - | 114 | 424 |
| Profit or loss for the period attributable to non-controlling interests | | 30 | - | - | - | 12 ¹ | 43 |
| from continuing operations | | 30 | - | - | - | 12 ¹ | 43 |
| from discontinued operations | | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit or loss for the period attributable to the shareholders of METRO AG | | 200 | 1 | 79 | - | 102 | 381 |
| from continuing operations | | 200 | 1 | 79 | - | 102 | 381 |
| from discontinued operations | | 0 | 0 | 0 | 0 | 0 | 0 |

¹The special item included in income taxes and non-controlling interests results from the application of the integral approach and therefore cannot be divided into the clusters

Income statement

| € million | 01 2015/16 | 01 2016/17 |
|--|------------|------------|
| Sales | 17,090 | 16,986 |
| Cost of sales | -13,718 | -13,666 |
| Gross profit on sales | 3,372 | 3,320 |
| Other operating income | 734 | 287 |
| Selling expenses | -2,501 | -2,486 |
| General administrative expenses | -352 | -377 |
| Other operating expenses | -13 | -15 |
| Earnings share of operating companies recognised at equity | 0 | 4 |
| Earnings before interest and taxes EBIT | 1,240 | 733 |
| Earnings share of non-operating companies recognised at equity | 3 | 0 |
| Other investment result | 0 | 0 |
| Interest income | 13 | 10 |
| Interest expenses | -76 | -58 |
| Other financial result | -74 | -5 |
| Net financial result | -134 | -53 |
| EBT (earnings before taxes) | 1,106 | 680 |
| Income taxes | -509 | -450 |
| Profit or loss for the period from continuing operations | 597 | 230 |
| Profit or loss for the period from discontinued operations | 0 | 0 |
| Profit or loss for the period | 597 | 230 |
| Profit or loss for the period attributable to non-controlling interests | 48 | 30 |
| from continuing operations | 48 | 30 |
| from discontinued operations | 0 | 0 |
| Profit or loss for the period attributable to the shareholders of METRO AG | 549 | 200 |
| from continuing operations | 549 | 200 |
| from discontinued operations | 0 | 0 |
| Earnings per share in € (basic = diluted) | 1.68 | 0.61 |
| from continuing operations | 1.68 | 0.61 |
| from discontinued operations | 0.00 | 0.00 |

Balance sheet

Assets

| € million | 30/9/2016 | 31/12/2015 | 31/12/2016 |
|---|-----------|------------|------------|
| Non-current assets | 13,369 | 13,153 | 13,193 |
| Goodwill | 3,361 | 3,310 | 3,361 |
| Other intangible assets | 497 | 460 | 505 |
| Property, plant and equipment | 8,141 | 7,946 | 8,095 |
| Investment properties | 126 | 175 | 126 |
| Financial assets | 104 | 121 | 93 |
| Investments accounted for using the equity method | 188 | 183 | 183 |
| Other financial and non-financial assets | 289 | 344 | 283 |
| Deferred tax assets | 663 | 614 | 547 |
| Current assets | 11,583 | 17,104 | 16,014 |
| Inventories | 5,456 | 6,628 | 6,710 |
| Trade receivables | 808 | 775 | 826 |
| Financial assets | 1 | 6 | 0 |
| Other financial and non-financial assets | 2,734 | 4,720 | 4,095 |
| Entitlements to income tax refunds | 216 | 245 | 246 |
| Cash and cash equivalents | 2,368 | 4,711 | 4,137 |
| Assets held for sale | 0 | 19 | 0 |
| | 24,952 | 30,257 | 29,207 |

Equity and Liabilities

| € million | 30/9/2016 | 31/12/2015 | 31/12/2016 |
|---|-----------|------------|------------|
| Equity | 5,332 | 5,714 | 5,660 |
| Share capital | 835 | 835 | 835 |
| Capital reserve | 2,551 | 2,551 | 2,551 |
| Reserves retained from earnings | 1,934 | 2,313 | 2,252 |
| Non-controlling interests | 12 | 15 | 22 |
| Non-current liabilities | 5,950 | 6,827 | 5,789 |
| Provisions for post-employment benefits plans and similar obligations | 1,414 | 1,268 | 1,343 |
| Other provisions | 383 | 462 | 358 |
| Borrowings | 3,812 | 4,769 | 3,791 |
| Other financial and non-financial liabilities | 191 | 213 | 187 |
| Deferred tax liabilities | 150 | 115 | 110 |
| Current liabilities | 13,670 | 17,716 | 17,758 |
| Trade liabilities | 9,383 | 13,387 | 13,104 |
| Provisions | 705 | 631 | 755 |
| Borrowings | 947 | 892 | 1,006 |
| Other financial and non-financial liabilities | 2,465 | 2,391 | 2,425 |
| Income tax liabilities | 170 | 415 | 468 |
| Liabilities related to assets held for sale | 0 | 0 | 0 |
| | 24,952 | 30,257 | 29,207 |

Cash flow statement

| € million | Q1 2015/16 | Q1 2016/17 |
|---|------------|------------|
| EBIT | 1,240 | 733 |
| Depreciation/amortisation/impairment losses/reversal of impairment losses of assets excl. financial investments | 220 | 242 |
| Change in provisions for post-employment benefits plans and similar obligations | -59 | 0 |
| Change in net working capital | 2,015 | 1,833 |
| Income taxes paid | -132 | -126 |
| Reclassification of gains (-) / losses (+) from the disposal of fixed assets | 1 | -36 |
| Other | -216 | -64 |
| Cash flow from operating activities of continuing operations | 3,069 | 2,582 |
| Cash flow from operating activities of discontinued operations | 0 | 0 |
| Cash flow from operating activities | 3,069 | 2,582 |
| Acquisition of subsidiaries | -55 | -6 |
| Investments in property, plant and equipment (excl. finance leases) | -278 | -251 |
| Other investments | -416 | -525 |
| Disposals of subsidiaries | -6 | 0 |
| Disposal of fixed assets | 30 | 13 |
| Gains (+) / losses (-) from the disposal of fixed assets | -1 | 36 |
| Cash flow from investing activities of continuing operations | -726 | -733 |
| Cash flow from investing activities of discontinued operations | 86 | 0 |
| Cash flow from investing activities | -640 | -733 |
| Dividends paid | | |
| to METRO AG shareholders ¹ | 0 | -17 |
| to other shareholders ² | -24 | -20 |
| Redemption of liabilities from put options of non-controlling interests | -86 | -19 |
| New borrowings | 0 | 35 |
| Redemption of borrowings | -1,910 | 0 |
| Interest paid | -76 | -59 |
| Interest received | 13 | 7 |
| Profit and loss transfers and other financing activities | -51 | -11 |
| Cash flow from financing activities of continuing operations | -2,134 | -84 |
| Cash flow from financing activities of discontinued operations | 0 | 0 |
| Cash flow from financing activities | -2,134 | -84 |
| Total cash flows | 295 | 1,765 |
| Currency effects on cash and cash equivalents | 0 | 4 |
| Total change in cash and cash equivalents | 295 | 1,769 |
| Cash and cash equivalents as of 1 October | 4,417 | 2,368 |
| Cash and cash equivalents shown under IFRS 5 assets | 2 | 0 |
| Cash and cash equivalents as of 1 October | 4,415 | 2,368 |
| Total cash and cash equivalents as of 31 December | 4,712 | 4,137 |
| Cash and cash equivalents shown under IFRS 5 assets | 0 | 0 |
| Cash and cash equivalents as of 31 December | 4,712 | 4,137 |

¹Reported dividends include dividends to minority shareholders in the amount of €-17 million (previous year: €0 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: €0 million) whose shareholdings are shown under debt capital due to put options

Segment reporting Q1 2016/17

Operating segments

| | Continuing operations of the group | | | | | | | |
|-----------------------------|------------------------------------|------------|--------------|------------|------------|------------|------------|------------|
| | METRO Cash & Carry | | Media-Saturn | | Real | | Others | |
| € million | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 |
| Sales | 8,037 | 8,015 | 6,889 | 6,893 | 2,144 | 2,058 | 19 | 20 |
| EBITDA | 980 | 520 | 358 | 376 | 119 | 55 | 6 | 23 |
| EBITDA before special items | 562 | 537 | 365 | 370 | 118 | 108 | 6 | 37 |
| EBIT | 877 | 405 | 301 | 318 | 84 | 18 | -19 | -11 |
| EBIT before special items | 458 | 431 | 309 | 312 | 83 | 71 | -19 | 4 |
| Investments | 105 | 48 | 64 | 55 | 143 | 13 | 25 | 26 |

Operating segments continued

| | Continuing operations of the group | | | | Discontinued operations of the group | |
|-----------------------------|------------------------------------|------------|-------------|------------|--------------------------------------|------------|
| | Consolidation | | METRO GROUP | | | |
| € million | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 | Q1 2015/16 | Q1 2016/17 |
| Sales | 0 | 0 | 17,090 | 16,986 | 0 | 0 |
| EBITDA | -4 | 2 | 1,460 | 976 | 0 | 0 |
| EBITDA before special items | -4 | 2 | 1,048 | 1,055 | n/a | n/a |
| EBIT | -3 | 3 | 1,240 | 733 | 0 | 0 |
| EBIT before special items | -3 | 3 | 828 | 821 | n/a | n/a |
| Investments | 0 | 0 | 337 | 142 | 0 | 0 |

Financial calendar 2016/17

| | | | |
|--|-----------|-----------------|------------|
| Annual General Meeting 2017 | Monday | 6 February 2017 | 10.00 a.m. |
| Half-Year Financial Report H1/Q2 2016/17 | Wednesday | 31 May 2017 | 7.30 a.m. |
| Quarterly Statement 9M/Q3 2016/17 | Thursday | 31 August 2017 | 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:
3 February 2017

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 report 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.

Intended demerger: To date, the general meeting of METRO AG has taken no decision on the demerger of METRO GROUP. Thus, any information on the intended demerger only reflects the current status and targeted measures/structure, all of which may be subject to changes in the course of the future process

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