

METRO POSTS SLIGHT DECREASE IN EARNINGS WHILE LIKE-FOR-LIKE SALES INCREASES

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- Like-for-like sales increased by 2.3% in Q1 2018/19
- Growth driven by Eastern Europe (excluding Russia) and Asia as well as HoReCa and Trader
- EBITDA excluding earnings contributions from real estate transactions decreased to €470 million (Q1 2017/18: €504 million), adjusted for currency effects decrease only €-16 million (-3.4%)
- Profit or loss for the period from continuing operations at €181 million on prior year's level (Q1 2017/18: €180 million)
- Earnings per share for continuing operations stable at €0.50
- Outlook for financial year 2018/19 confirmed

Duesseldorf, 12 February 2019 – In Q1 2018/19 METRO AG's like-for-like sales increased by 2.3% in comparison with the previous year. This was mainly driven by Eastern Europe (excluding Russia) and Asia as well as a positive day effect. In local currency METRO's sales increased by 2.1%. The reported sales decreased by -0.6% to €8.0 billion, mainly due to the negative development of the Russian and Turkish currency. EBITDA excluding earnings contributions from real estate transactions reached a total of €470 million in Q1 2018/19 (Q1 2017/18: €504 million). The decline of €-34 million is mainly a result of negative currency effects in Russia and Turkey, as well as investments in the price positioning of METRO in Russia. Adjusted for currency effects, the decline amounts to merely €-16 million. "Sales and earnings of METRO are in line with expectations. Our measures taken in Russia are showing positive results. Asia, Eastern Europe and the delivery business continue to develop dynamically. The increased focus on HoReCa and traders is paying off. We can confirm the outlook for the financial year 2018/19", says Olaf Koch, Chairman of the Management Board of METRO AG.

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METRO	Q1 2017/18 (in € million) ¹	Q1 2018/19 (in € million)	Change
Sales	8,066	8,017	-0.6%
EBITDA excluding earnings contributions from real estate transactions	504	470	-6.8%
Earnings contributions from real estate transactions	0	2	-
EBITDA	504	472	-6.4%
EBIT	364	335	-7.9%
Earnings before taxes (EBT)	333	296	-11.2%
Profit or loss for the period from continuing operations ²	180	181	0.4%
Earnings per share from continuing operations (€) ²	0.50	0.50	0.4%
Profit or loss for the period ²	232	202	-12.7%
Earnings per share (€)	0.64	0.56	-12.7%

¹ Adjustment of previous year due to discontinued operations and according to notes in Investor Relations' quarterly statement.

² Attributable to METRO shareholders.

Negative currency effects are impacting on sales and earnings

Sales and earnings in Q1 2018/19 are in line with the outlook for the financial year 2018/19.

In Germany, METRO showed a slight decrease in like-for-like sales of -0.2% against a high comparison base of 2.3% in the previous year. Reported sales decreased by -1.3%, partially due to the closing of one store in the financial year 2017/18.

In Western Europe (excluding Germany) like-for-like sales increased by 1.0% especially due to strong development in France, Italy and Spain. Reported sales increased by 1.2%.

In Russia the rolled out measures showed positive results. In Q1 2018/19 like-for-like sales decreased only by -2.4% compared to the previous year. The development in Russia has been benefited from an attractive pricing model as well as the expansion of the franchise format Fasel. In local currency, sales declined by -2.8%. As a result of negative currency effects, reported sales decreased by -11.9%.

In Eastern Europe (excluding Russia) like-for-like sales continued to grow at a high level of 6.4%. Almost all countries in this segment contributed to this. In local currency sales grew by 6.3%. Due to negative currency effects, especially in Turkey, the reported sales grew only by 0.8%.

Like-for-like sales in Asia grew by 5.9% in Q1 2018/19, driven by all countries. In local currency sales grew by 6.9%. Due to negative currency effects the reported sales only grew by 3.3%.

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In Q1 2018/19 METRO focused even more on the target groups hotels, restaurants and caterers (HoReCa) as well as independent traders. Like-for-like sales with HoReCa customers grew by 4.7% and 4.6%¹ with Trader.

The delivery business continued to grow dynamically and sales in Q1 2018/19 increased by 9% to €1.4 billion. As a result, the delivery business accounts for 18% of METRO's total sales. The sales growth reported in Q1 2017/18 was supported by the acquisition of Pro à Pro, which contributed to reported sales as of 1 February 2017. The digital ordering process is available for HoReCa customers in 13 countries and records more than 120,000 orders per week.

After starting the online platform DISH, which helps restaurateurs to connect online and offers them digital tools to manage their business efficiently, in Germany and Italy, it was now rolled out in France and Croatia. METRO has already helped more than 120,000 restaurants to set up a free of charge website.

As of 31 December 2018, the store network included 771 stores, 11 stores more than on the same date in the previous year. In Q1 2018/19, two stores were opened, one in China and one in Turkey.

In Germany, EBITDA excluding earnings contributions from real estate transactions reached €68 million (Q1 2017/18: €66 million), in Western Europe (excluding Germany) it reached €175 million (Q1 2017/18: €170 million). In Russia adjusted for currency effects EBITDA excluding earnings contributions from real estate transactions decreased by €-18 million. This decrease was mainly impacted by investments in price positioning. In Eastern Europe (excluding Russia) EBITDA excluding earnings contributions from real estate transactions adjusted for currency effects only decreased by €-4 million. In Asia it remained on the previous year's level (adjusted by currency effects €+1 million).

In Q1 2018/19 the profit or loss for the period from continuing operations attributed to the shareholders of METRO amounted to €181 million (Q1 2017/18: €180 million). Earnings per share (EPS) from continuing operations remained at €0.50 (Q1 2017/18: €0.50). Net debt as of 31 December 2018 stood at €2.4 billion (31 December 2017: €2.8 billion, thereof €2.4 billion in continuing operations).

¹ Trader countries without Russia: Bulgaria, India, Pakistan, Poland, Romania, Serbia, Slovakia, Czech Republic.

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METRO	Sales (€ million)		Change (€)		Change (local currency)		Like-for-like (local currency)	
	Q1 2017/18	Q1 2018/19	Q1 2017/18	Q1 2018/19	Q1 2017/18	Q1 2018/19	Q1 2017/18	Q1 2018/19
Total	8,066	8,017	0.4%	-0.6%	2.1%	2.1%	1.0%	2.3%
Germany	1,370	1,352	1.7%	-1.3%	1.7%	-1.3%	2.3%	-0.2%
Western Europe (excl. Germany)	2,887	2,921	5.7%	1.2%	5.7%	1.2%	0.7%	1.0%
Russia	910	801	-10.1%	-11.9%	-9.1%	-2.8%	-8.9%	-2.4%
Eastern Europe (excl. Russia)	1,846	1,861	2.6%	0.8%	5.8%	6.3%	6.4%	6.4%
Asia	1,038	1,072	-5.7%	3.3%	0.6%	6.9%	0.3%	5.9%
Others	17	10	-63.8%	-38.3%	-63.4%	-38.3%	-	-

in € million	EBITDA excluding earnings contributions from real estate transactions			EBITDA		EBIT	
	Q1 2017/18	Q1 2018/19	Change (in €)	Q1 2017/18	Q1 2018/19	Q1 2017/18	Q1 2018/19
Total	504	470	-34	504	472	364	335
Germany	66	68	3	66	68	47	49
Western Europe (without Germany)	170	175	5	170	175	136	140
Russia	108	79	-29	108	79	94	66
Eastern Europe (without Russia)	123	113	-9	123	116	99	92
Asia	35	36	0	35	36	19	19
Others	2	-2	-4	2	-2	-31	-32

Discontinued operations²

The hypermarket business, which is up for sale, is reported as discontinued operations as of 30 September 2018. In Q1 2018/19 like-for-like sales slightly decreased by -0.6%. Reported sales decreased by -1.7% to €2.0 billion also due to two temporary store closings.

The online business real.de continued to show a dynamic development. The Gross Merchandise Value (GMV) grew by 65% to €171 million.

EBITDA excluding earnings contributions from real estate transactions reached a total of €52 million (Q1 2017/18: €104 million). The decrease is

² Includes mainly the former segment Real and a few entities and assets from the former segment Others.

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mainly attributed to a negative effect on earnings resulting from the termination of the future collective agreement as well as expenses for future store closings.

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METRO is a leading international wholesale company with food and non-food assortments that specialises on serving the needs of hotels, restaurants and caterers (HoReCa) as well as independent traders. Around the world, METRO has some 24 million customers who can choose whether to shop in one of the large-format stores, order online and collect their purchases at the store or have them delivered. METRO in addition also supports the competitiveness of entrepreneurs and own businesses with digital solutions and thereby contributes to cultural diversity in retail and hospitality. Sustainability is a key pillar of METRO's business. METRO has been the sector leader in the Dow Jones Sustainability Index for the last four years. The company operates in 35 countries and employs more than 150,000 people worldwide. In financial year 2017/18, METRO generated sales of €36.5 billion. In September 2018 METRO AG initiated the divestment process for the food retail chain Real with its 34,000 employees. For more information, please visit www.metroag.de

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