

A large, yellow, abstract graphic element on the left side of the slide. It consists of a vertical rectangle with a slanted top edge that slopes upwards from left to right, creating a shape that resembles a stylized letter 'M' or a folded piece of paper.

# FY 2016/17 RESULTS PRESENTATION

13 December 2017

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The previous year's financial figures as of 30 September 2016 correspond to those reported in the combined financial statements of the former METRO Wholesale & Food Specialist Group (now operating as METRO).

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01

THE YEAR IN REVIEW –  
WHAT HAVE WE BEEN UP TO

# A TRANSITION YEAR – A YEAR OF INTENSIFICATION

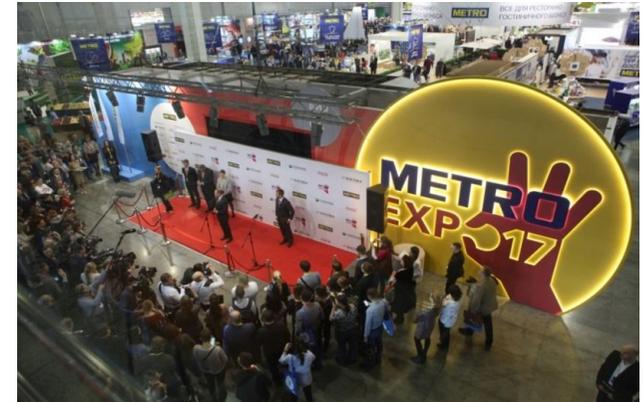


*A powerful international wholesale group*

- § Customer value driven & completely localised
- § Strong B2B relationships & recurring revenues
- § Significant growth potential substantiated
- § Solid execution track record
- § Highly engaged teams
- § Active Ownership approach
- § Strong cash conversion
- § Up-and-coming Food lover retail concept
- § Sound balance sheet
- § Substantial real estate underpin
- § Clear dividend policy
- § Additional prospects: Digitisation of SMEs

Source: Company information

# A TRANSITION YEAR – A YEAR OF ENGAGING PEOPLE



# A YEAR OF CONNECTING CUSTOMERS AND BEYOND

... across continents



Trade fairs and customer events

... across experiences



Connecting today's customers  
and future customers

... across suppliers



From global to local – sourcing  
partnerships

# A YEAR OF ENHANCING REACH AND SERVICE

... at the last mile



Organic and inorganic FSD growth

... in brick and mortar



New concepts and remodeling for dedicated customer groups

... after check-out



Click & Collect  
Delivery after check-out

# A YEAR OF DIGITIZATION



Business development program for new digital solutions that support SMEs in collaboration with Techstars

- *4 programs accomplished*
- *More than 1,500 applications*
- *40 companies participated*
- *Significant value added for SMEs*

HORECA.digital

Internal team at METRO with focus on setting up a tool set for Horeca customers, enabling customer access and developing analytics

- *~ 70 experts*
- *Manages innovation pipeline*
- *Conducted pilots with more than 500 customers in 5 European cities*
- *Developed basic solutions for SMEs*

*real.digital*

One of the fastest growing marketplaces combining Real's strong customer awareness with top notch e-commerce expertise

- *Very experienced team*
- *Strong roots in digital industry*
- *Powerful partnership with more than 4,000 merchants*
- *Ongoing extension*

# A YEAR OF PROGRESS REGARDING SUSTAINABILITY

Take on global challenges...



On September 25th, countries will have the opportunity to adopt a set of goals to end poverty, protect the planet, and ensure prosperity for all as part

...observe consumer trends...



...and translate into METRO commitments

Reduce carbon footprint by 50% by 2030



Provide regional, local and fair-traded as well as animal-welfare-considered products



Reduce food waste in own operations by 50% by 2025



Expand range of sustainably caught and farmed fish products to 80% by 2020



# A YEAR OF PROGRESS TOWARDS MID-TERM AMBITION

## Sales growth

Reported: +1.6%

Like-for-like: +0.5 %

Delivery<sup>1</sup>: >25%

Online (Real): >50%

*Mid-term ambition: +3%  
reported growth*

## EBITDA margin<sup>2</sup>

Before SI<sup>3</sup>: 4.9% (PY 4.9%)

Reported: 4.3% (PY 5.2%;  
adj.<sup>4</sup> 4.0%)

*Mid-term ambition EBITDA  
margin: ~5%, no more  
special items reporting*

## Free Cash Flow (FCF)<sup>5</sup>

Δ EBITDA<sup>4</sup> (rep.): +€138m vs PY

Δ FCF: +€266m vs PY

FCF conversion: 56% (PY 43%)

*Mid-term ambition FCF  
conversion: >60%*

*Incentive scheme fully in line with financial ambition*

<sup>1</sup> Wholesale delivery organic and M&A; <sup>2</sup> Mid-term ambition refers to EBITDA margin before special items; METRO's reporting will move to EBITDA from FY 2017/18 onwards; <sup>3</sup> SI = special items;

<sup>4</sup> excluding the €445m gain from sale of METRO Vietnam

<sup>5</sup> EBITDA reported - capex excluding finance lease extensions and M&A +/- change in NWC

# 02 FINANCIALS

# RETHINKING REPORTING – TRANSPARENCY AND OPERATIONAL PROXIMITY (1/2)

## METRO

*Simplify the financial reporting to increase transparency*

- *Restructuring measures completed to the greatest extent – special items no longer included in reporting*
- *Regional visibility improved*
- *Profitability of operating business*

## METRO Wholesale

*Visualize strategic development*

- *Grow food share*
- *Further grow delivery*
- *Growth focus on target groups Horeca & Trader*
- *Strengthen customer loyalty*
- *Increase share of wallet*

## Cash flow

*Further increase cash flow focus*

- *Active steering of cash flow*
- *Capex efficiency focus*
- *Further optimize inventory*

Reporting to be adjusted from Q1 2017/18 onwards

# RETHINKING REPORTING – TRANSPARENCY AND OPERATIONAL PROXIMITY (2/2)

## METRO Wholesale reporting



## Real estate gains

Proactive communication of quarterly gains by segment

Profit guidance before real estate gains

## B4B KPIs

Horeca & Trader sales share  
Horeca & Trader LfL development  
Food/Non-Food LfL development  
NPS roll-out  
Employee Engagement Index

## EBIT to ...

...EBITDA  
to account for cash flow focus

EPS indication to reflect bottom-line accountability

# SALES IN FY – ACCELERATION OF GROWTH THROUGH REGIONAL IMPROVEMENT, DELIVERY AND ONLINE

%	FY 2015/16	FY 2016/17
Like-for-like growth	0.2%	0.5%
METRO Wholesale	0.6%	0.9%
<i>thereof Food</i>		2.1%
Real	-1.1%	-1.0%
Reported growth	-2.5%	1.6%
METRO Wholesale	-2.3%	3.0%
Real	-3.3%	-3.1%
Sales share of respective sales line		
Delivery: METRO Wholesale	12.8%	15.6%
<i>excl. Pro à Pro</i>		14.1%
Online: Real	0.9%	1.4%

## Like-for-like growth

- 0.5% LfL growth; increase driven by METRO Wholesale
  - traction in key customer groups Horeca and Trader
  - traction in focus categories in Food
- METRO Wholesale: driven by positive development in all regions (excl. Germany) and delivery growth
- Real: trend improvement in competitive environment

## Reported growth

- Acquisition of Pro à Pro, positive currency effects, as well as the opening of 13 new stores lead to significant acceleration from -2.5% to 1.6%

## Multichannel sales share

- METRO Wholesale: continued double-digit growth in delivery
- Real: >50% online growth to 1.4% sales share

# LFL IN FY 2016/17 – WHAT DRIVES GROWTH IN METRO WHOLESALE?

Key customer groups:  
Horeca

+4.1%

like-for-like growth in 2016/17  
across all countries

Key customer groups:  
Trader

+5.7%

like-for-like growth in Trader  
countries<sup>1</sup> in 2016/17  
...offset by gradual decline in favor  
of Horeca in Western Europe...  
-0.9% like-for-like on group level

Focus categories: Food

+2.1%

Food like-for-like growth in  
2016/17

<sup>1</sup> Trader countries: Romania, Poland, Moldova, Ukraine

# EBIT IN FY – REAL ESTATE AND CURRENCY OFFSET DECREASE AT REAL

€m / %	FY 2015/16	FY 2016/17
EBIT before SI	1,106	1,106
METRO Wholesale	1,048	1,114
<i>thereof FX</i>		37
Real	105	80
Others/Consolidation	-48	-87
EBIT margin	3.0%	3.0%
METRO Wholesale	3.6%	3.7%
Real	1.4%	1.1%
Real estate gains	153	175
METRO Wholesale	34	115
Real	0	6
Others	119	60
Consolidation	0	-6

## EBIT and EBIT margin

- EBIT in line with last year
- Driven by FX support and higher real estate gains
- METRO Wholesale compensates decline in Real, caused by sales decrease, higher advertising costs and expansion of online business

## Real estate gains

- Continued focus on value-enhancing, sustainable developments with strong pipeline for coming years
- Three main transactions (~€40m Munich, ~€80m Hongkou, ~€30m Chengdu)

# SALES TO EBIT IN FY 2016/17 – REGIONAL VIEW (1/2)

## Germany<sup>1</sup>

€m / %	FY 2015/16	FY 2016/17
Sales	12,279	11,962
Like-for-like growth		-1.7%
Reported growth		-2.6%
EBIT before SI	-12	-1
EBIT margin	-0.1%	0.0%
Real estate gains	90	58

- Sales: difficult H1 16/17 followed by trend improvement
- Measurable EBIT improvement driven by METRO Wholesale Germany as well as HQ savings

## Western Europe

€m / %	FY 2015/16	FY 2016/17
Sales	10,173	10,543
Like-for-like growth		-0.3%
Reported growth		3.6%
EBIT before SI	372	324
EBIT margin	3.7%	3.1%
Real estate gains	0	6

- On like-for-like level, challenges in the Netherlands and Belgium mostly compensated
- Reported growth driven by Pro à Pro and new stores

<sup>1</sup> Segment includes METRO Wholesale Germany, Real as well as the holding

# SALES TO EBIT IN FY 2016/17 – REGIONAL VIEW (2/2)

## Eastern Europe

€m / %	FY 2015/16	FY 2016/17
Sales	9,828	10,266
Like-for-like growth		2.3%
Reported growth		4.5%
EBIT before SI	610	566
EBIT margin	6.2%	5.5%
Real estate gains	30	2

- Strong like-for-like growth driven by vast majority of countries
- EBIT reduction driven mainly by lower real estate gains; margin pressure across the region

## Asia

€m / %	FY 2015/16	FY 2016/17
Sales	4,269	4,368
Like-for-like growth		4.7%
Reported growth		2.3%
EBIT before SI	137	208
EBIT margin	3.2%	4.8%
Real estate gains	33	110

- Strong like-for-like growth driven by all countries
- Significant EBIT increase driven by higher real estate gains

# EBIT TO EPS IN FY 2016/17 – IMPROVED NET FINANCIAL RESULT AND TAX RATE INCREASE EPS

€m, before SI	FY 2015/16	FY 2016/17
EBIT	1,106	1,106
<i>Interest and investment result</i>	-208	-166
<i>Other financial result</i>	-90	-44
Net financial result	-298	-210
EBT	808	896
Tax rate in %	38.7%	34.9%
Net income	495	583
EPS in €	1.33	1.55
Includes one-time tax income		~0.10
Proposed DPS in €		0.70

## Net financial result

- €88m year-on-year improvement driven in equal parts by
  - lower financing costs
  - improved other financial result

## Tax rate

- Significant decrease due to one-time deferred tax income from reversal of deferred tax liabilities
- Adjusted for this gain, tax rate slightly above 2015/16

## EPS

- Significant EPS increase due to lower net financial result and one-time income in taxes
- Adjusted for the tax income, EPS still roughly €0.12 above 2015/16

# FCF IN FY 2016/17 – LOWER RESTRUCTURING, NWC AND CAPEX SAVINGS CAUSE FCF CONVERSION TO SOAR

€m	FY 2015/16	FY 2016/17
EBITDA before SI	1,791	1,810
Special items in EBITDA <sup>1</sup>	-318	-199
EBITDA reported <sup>1</sup>	1,473	1,611
Cash flow $\Delta$ in NWC	-77	-44
Capex <sup>2</sup>	-763	-669
METRO Wholesale	-503	-401
Real	-127	-120
Others	-133	-149
FCF	632	898
FCF conversion in %	43%	56%
Net debt (30 Sep)	3,051	3,142

Lower special items increase reported EBITDA

- METRO Wholesale: minor restructuring (€25m)
- Real: HQ restructuring costs
- Others: €115m, mostly demerger costs

Change in NWC

- Improvement driven by higher NWC focus across the entire country portfolio, despite headwinds in Russia

Capex

- Reduction driven by savings in METRO Wholesale

FCF and FCF conversion

- Overall rise by €266m or 13%-pts. to 56% conversion

Net debt

- Slight increase due to acquisition of Pro à Pro and cash-out from PY restructuring provisions

<sup>1</sup> Adjusted for positive special item from sale of METRO Vietnam (445m EUR)

<sup>2</sup> Capex, excluding M&A and excluding finance lease extensions.

# 03 STRATEGY WHOLESALE

# THE UNDERLYING PRINCIPLE: EEI -> NPS -> LFL

Highly engaged employees

Measured with employee engagement index (EEI)

METRO: 76%  
(Global Retail benchmark 60%)

Higher customer satisfaction

Currently measured with internal tool (CSP)

Now upgraded by utilization of net promoter score (NPS)

12 countries initiated; representing >70% of sales

Full roll-out by FY 2017/18

Like-for-like growth in 2016/17

+4.1% with Horeca customers

+5.7% with Trader customers in focus countries<sup>1</sup>

+2.1% with Food

<sup>1</sup> Trader countries: Romania, Poland, Moldova, Ukraine

# NET PROMOTER SCORE

Established and proven methodology to collect customer feedback, review areas addressed and adjust business approach to enhance value and relevance for customers

Roll out to be finalized by end of 2017/18

12 countries live with NPS, all with positive score

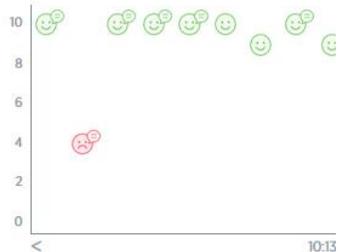
>200 stores with NPS

210k customer feedbacks collected

47k callbacks conducted

One interface with data granularity

Customer comments



Store view



Levers for change



Two examples of NPS-induced changes

METRO France  
Promoter with low  
basket

Customer couldn't  
transport more  
goods

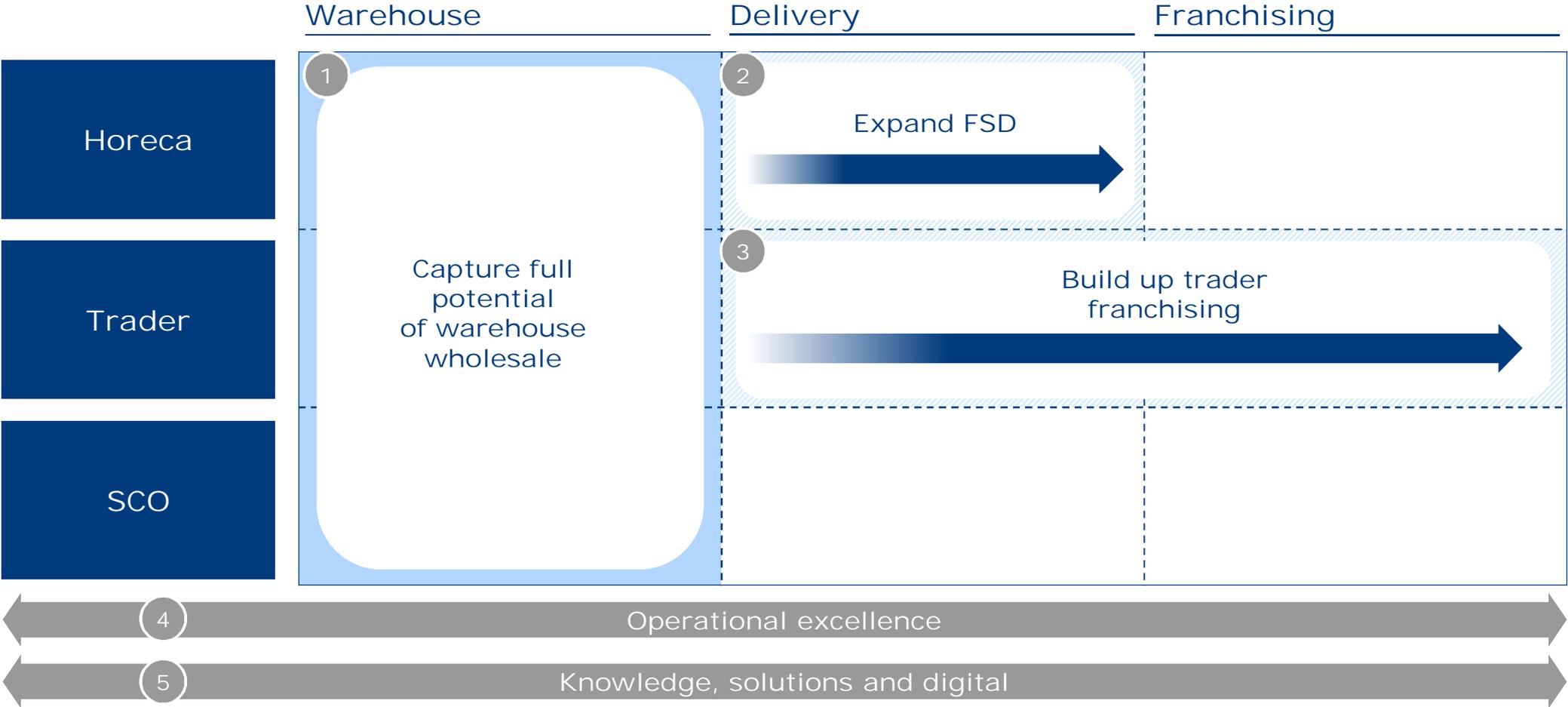
Store staff introduced  
customer to TAC & FSD

MAKRO Spain  
Fresh fish  
department had one  
of the lowest scores

Customers criticized  
the product range

Changed layout  
Staff helping  
customers

# STRATEGIC VALUE LEVERS



# VCP IMPACT

## Value Creation Plans



PRO@PRO

CLASSIC  
FINE FOODS

ARUNGIS  
EXPRESS

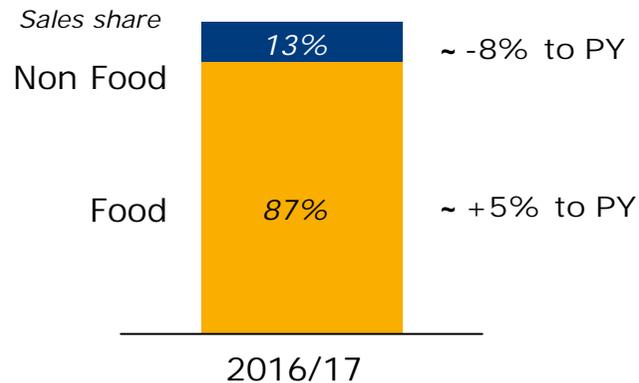
## Key Customer Focus

Growth in Horeca target group +4.1%  
Growth in Trader target group +5.7%<sup>1</sup>

## Restructuring progress

Full store portfolio review  
10 headquarters restructured

## Assortment review in all countries



## Expansion / innovative concepts

13 NSOs in 2016/17  
Innovative formats  
Average size of NSOs  
~3,000 sqm  
Localized remodeling



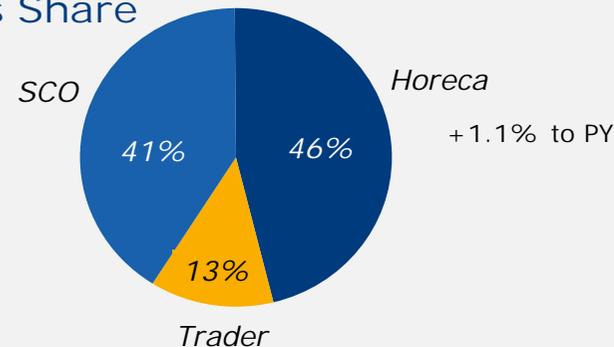
<sup>1</sup> Trader countries: Romania, Poland, Moldova, Ukraine

# METRO GERMANY: BECOME #1 MARKETPLACE FOR THE GASTRONOMY

## Status 2016/17

LfL:	-2.6%
Sales:	€4.7bn
EBIT:	€20m
EBIT margin:	0.4%

## LfL Sales Share



## Network

104 stores / 7 depots

## Activation

EEI: 55 (PY 50)

NPS: ongoing roll-out

## Key initiatives of the year...

- Market- /Customer analysis with full focus on Horeca
- Selected assortment and format adjustments
- Regional sales force approach
- Community building by various events
- Professionalization of FSD (4 Delivery Hubs opened)
- Nation wide digital activities

## ...and what to expect in 17/18

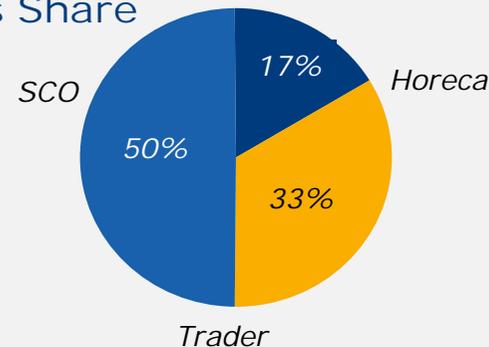
- Refined "go to market" approach
- Additional services for Horeca customers
- Strengthen digitization of our core business
- Continued cultural transformation
- Ongoing portfolio optimization
- Redesign of supply chain network

# METRO RUSSIA: THE CHAMPION FOR INDEPENDENT BUSINESSES

## Status 2016/17

LfL:	-3.1%
Sales:	€3.4bn
EBIT:	€292m
EBIT margin:	8.7%

## LfL Sales Share



## Network

89 stores / 2 depots

## Activation

EEI: 85 (PY 80)

NPS: rolled out

## Key initiatives of the year...

- Franchise model successfully implemented
- Cost efficiency further improved
- Very strong customer relationships further enhanced through 7<sup>th</sup> METRO Expo (19.5k visitors) and Megustro (4.3k visitors)
- Strong progress regarding FSD
- New platform opened in St. Petersburg

## ...and what to expect in 17/18

- Expand METRO's presence as partner for SMEs
- Regional support programs
- Further intensify Franchise business
- Expand FSD upgraded delivery infrastructure
- New capex-efficient store format
- Digitization of SMEs

# FSD GLOBAL STRATEGY - LOCAL EXECUTION

METRO's delivery strategy takes advantage of the strong international presence and reach. Utilization and optimization of current assets enabled rapid growth and provides a platform for more. Dedicated depots are implemented in selected situations.



# FSD GLOBAL STRATEGY – M&A

## Recent acquisitions



Above plan in sales and EBITDA  
Support along the entire value chain  
Synergy in purchasing and assortment



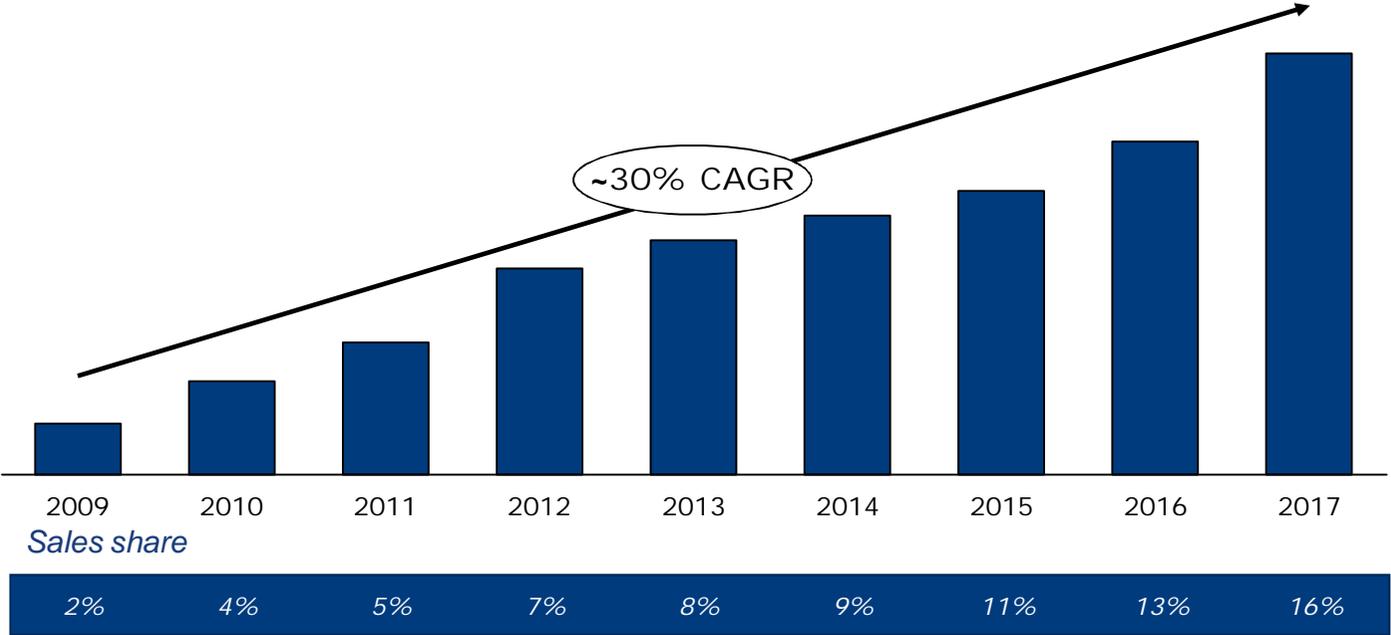
20 daily tours for METRO Germany FSD  
Growing market position in Central Europe premium Horeca  
Building internal logistic player to serve German FSD business  
Ongoing competence sharing with HoReCa countries



Solid double-digit top line growth  
Building on growth in megacities  
Cooperation with METRO on selected categories  
Upgraded depots in selected countries

# FSD GLOBAL STRATEGY - AMBITION

Delivery sales  
(including M&A)



New Target: minimum 20% of sales by 2020

# DIGITIZATION OF THE HORECA SECTOR

Discovery  
2013-2014

Feasibility  
2015-2017

Scale  
2018-onwards

- § Analysis of value creation opportunities through digital tools
- § Selective engagement in digital solutions

- § Support for the development of new digital solutions for the HoReCa sector in collaboration with TechStars
- § Development of own solutions
- § Investment in advanced solutions
- § Pilot installation in 5 Metropolitan cities

- § Build the community
- § Scale solutions
- § Enhance the business of SMEs



# OUR AIM: TO BUILD THE LARGEST DIGITAL HORECA COMMUNITY



- A leading international player in wholesale and FSD with a presence in 35 countries
- 21m Buying Customers
- Significant REACH  
>60% in Germany and other Western European Markets
- Established and strong relationships to SMEs
- 759 stores + ~ 7,000 Sales Force members
- Efficient and effective platform for Customer Acquisition



## DIGITAL CLUB

- The largest digital Horeca community in the world
- Clear target for activation of Digital SMEs

2018: 50k members

2020: 500k members

# 04 STRATEGY REAL

# REAL – REDEFINITION OF BUSINESS MODEL

Combination of outstanding assortment diversity and high quality with stronger emphasis on service, experience and multichannel sales approach.

## Real Food Lover

- Significant sales growth in all product lines
- 30% more customer visits
- Start roll-out Braunschweig in 2017/18

## New image campaign

- Remodeling of 14 Real Stores to new design
- Assortment review; 70% food target
- Own brand upgrade: 4,000+ SKUs will be given a new, high-quality design over time



## Online

- Very large assortment of more than 12m SKUs
- Cooperation with more than 4,000 merchants
- Gross merchandise value growth of >120%
- Pick-up rate c. 10%
- 1.4% of total sales; 7.5% of total non-food sales
- Online Groceries in 10 cities in Germany
- No captive activity on last mile



# REAL – EFFICIENCY MEASURES

## Buying Cooperation: RTG

- Foundation of RTG ('Retail Trade Group') with 5 other German retailers in April 2017
- Purpose of bundling central functions to create synergies
- Ongoing cooperation in all areas (e.g. purchasing, logistic, IT)
- Negotiations finalized with more than 1/3 of suppliers
- Final implementation by 2019/20



## Tariff Negotiations

- Agreement between German trade Union ver.di and Real (July 2016) to establish competitive salary structures
- Negotiations on-going; in case of successful negotiations: settlement targeted for spring 2018
- Next negotiation round planned for January 2018

## HQ restructuring:

- Special items incurred in 2016/17
- Progress in line with plan; finalization in 2018

# 05 STRATEGY REAL ESTATE

# REAL ESTATE: SUSTAINABLE VALUE CREATION

Real estate is an integral part and enabler of our long-term strategy  
 Project Development as key lever to deliver recurring benefits

Project development track record...



FY 2016/17

Hongkou



EBIT gain ~€80m

- § Closing of a Junior store, reopening City store format in vicinity
- § Opening of new MCC store 2020/2021 in developed complex

Chengdu



EBIT gain ~€30m

- § Continuous operation of current MCC store during construction until Q3 2020
- § Opening of new relocated MCC store 2020/2021 in developed complex

...strong project pipeline



- § Defined list of potential projects (~5 years for redevelopment project incl. construction phase)
- § Focus on delivering sustainable real estate value creation while strengthening the operational business

# 06 OUTLOOK



# OUTLOOK FOR 2017/18

## Guidance<sup>1</sup>

- Mid-term ambition confirmed

	FY 2016/17	FY 2017/18
Sales growth in local currency	1.1%	≥1.1%
LfL growth	0.5%	≥0.5%
Rep. EBITDA <sup>1</sup> excl. real estate gains	€1,436m <sup>2</sup>	c. 10% growth

## Additional comments for 2017/18

- Delivery: continued double-digit growth
- New stores: slightly more than 2016/17 (>13); focus on emerging markets
- Real estate gains: ~2016/17 level (€175m); across segments
- Net financial result: c. -€200m
- Tax rate (reported): ≤40% (46.9% in 2016/17)
- EPS (reported): c. 30% increase (€0.89 in 2016/17)
- Capex (FCF definition): c. €700m
- FCF conversion: 50-60%

<sup>1</sup> At constant FX and before portfolio measures

<sup>2</sup> Reported EBITDA 2016/17 of €1,611m less €175m of real estate gains

# EVENTS AND FINANCIAL CALENDAR

## Upcoming events Q1 and Q2 2017/18

- 14 December 2017 – Roadshow Paris / London
- 15 December 2017 – Roadshow Frankfurt / New York
- 17 January 2018 – German Corporate Conference, Frankfurt
- 21 – 23 March 2018 – Analyst and investor trip to METRO Expo, Russia

## Financial calendar

- 15 January 2018 – Trading Statement Christmas Quarter 2017/18
- 13 February 2018 – Q1 Quarterly Statement 2017/18
- 16 February 2018 – Annual General Meeting
- 15 May 2018 – H1/Q2 Financial Report 2017/18
- 2 August 2018 – 9M/Q3 Quarterly Statement 2017/18

# Q&A



Olaf Koch, CEO



Christian Baier, CFO

# 07 APPENDIX



# SALES AND EBIT IN Q4

%	Q4 2015/16	Q4 2016/17
Like-for-like growth	1.2%	0.5%
METRO Wholesale	1.4%	0.5%
Real	0.3%	0.6%
Reported growth	-0.3%	0.7%
METRO Wholesale	0.0%	1.3%
Real	-1.6%	-1.0%
Sales share of respective sales line		
Delivery: METRO Wholesale	13.7%	17.4%
<i>excl. Pro à Pro</i>	13.7%	15.1%
Online: Real	0.8%	1.4%

€m	Q4 2015/16	Q4 2016/17
EBIT before SI	364	266
METRO Wholesale	307	292
<i>thereof FX</i>		-3
Real	29	11
Others/Consolidation	29	-37
EBIT margin	4.0%	2.9%
METRO Wholesale	4.2%	3.9%
Real	1.6%	0.6%
Real estate gains	127	49
METRO Wholesale	33	34
Real	0	0
Others	94	15

## EBIT TO EPS AND FCF IN Q4

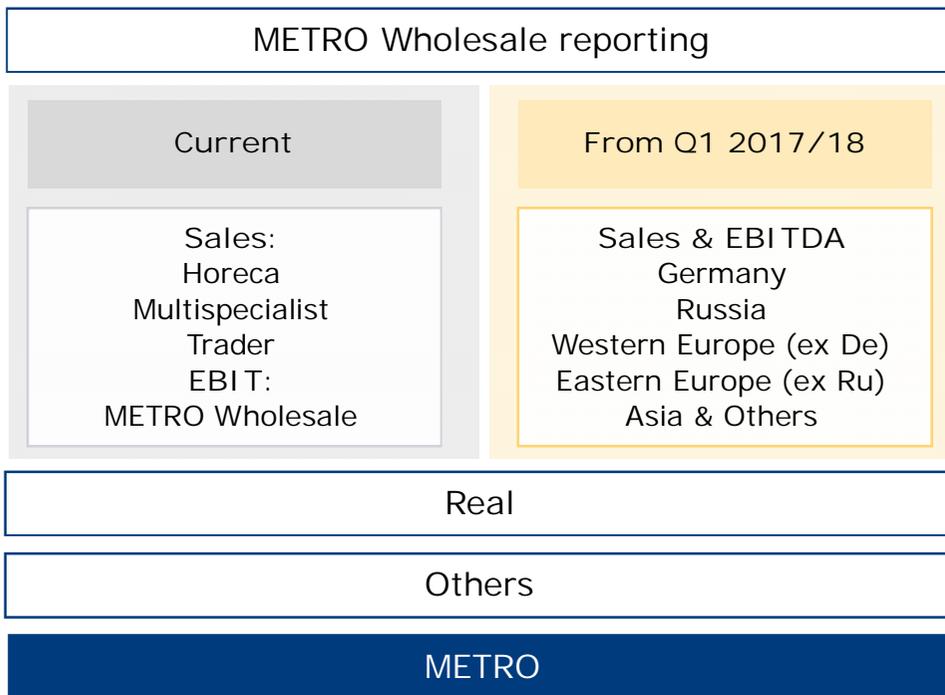
€m	Q4 2015/16	Q4 2016/17
EBIT before SI	364	266
<i>Interest and investment result</i>	-68	-41
<i>Other financial result</i>	-15	-17
Net financial result	-83	-58
EBT	281	209
Net income	188	177
EPS in €	0.52	0.47

€m	Q4 2015/16	Q4 2016/17
EBITDA	537	455
Special items in EBITDA	-77	-93
EBITDA reported	461	363
Change in NWC	505	474
Capex <sup>1</sup>	334	295
METRO Wholesale	222	184
Real	53	53
Others	59	58
FCF	632	542

<sup>1</sup> Capex, excluding M&A and excluding finance lease extensions.

# REPORTING CHANGES

## Adjusted reporting structure



## Disclosures to increase transparency and visibility on strategic development

### Historic data

- Publication of 4 quarters 2016/17 with Q1 results

### Annual Disclosures

- Horeca and Trader sales share
- # of recurring customers
- Employee engagement index (EEI)

### Quarterly Disclosures

- Food/Non Food LfL growth
- NPS development (roll-out progress for 2017/18)

## SALES BY QUARTER

2016/17 %	Change (EUR)				Change (local currency)				Like-for-like			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
METRO Wholesale	-0.3%	5.4%	6.2%	1.3%	-0.1%	2.6%	4.7%	2.5%	0.7%	0.1%	2.6%	0.5%
Real	-4.0%	-7.8%	0.7%	-1.0%	-4.0%	-7.8%	0.7%	-1.0%	-1.7%	-5.4%	2.5%	0.6%
METRO	-1.1%	2.4%	4.9%	0.7%	-0.9%	0.3%	3.7%	1.6%	0.2%	-1.1%	2.6%	0.5%

## EBITDAR

€m	FY 2015/16	FY 2016/17
METRO Wholesale	1,679	1,775
<i>Margin</i>	5.8%	5.9%
Real	417	387
<i>Margin</i>	5.6%	5.3%
METRO	2,113	2,144
<i>Margin</i>	5.8%	5.8%

# SALES & STORES BY COUNTRY

€m	METRO Wholesale			
	Sales		Stores	
	FY 2015/16	FY 2016/17	FY 2015/16	FY 2016/17
Germany	<b>4,801</b>	<b>4,715</b>	<b>106</b>	<b>104</b>
Austria	791	786	12	12
Belgium	961	846	16	16
France	4,151	4,638	94	97
Italy	1,749	1,759	49	50
Netherlands	874	808	17	17
Portugal	346	366	10	10
Spain	1,287	1,310	37	37
Switzerland	15	32	0	0
<b>Western Europe (excl. Germany)</b>	<b>10,173</b>	<b>10,543</b>	<b>235</b>	<b>239</b>
Bulgaria	369	384	11	11
Croatia	215	221	9	9
Czech Republic	1,026	1,030	13	13
Hungary	452	470	13	13
Kazachstan	79	83	6	6
Moldova	74	83	3	3
Poland	1,461	1,415	30	30
Romania	904	973	30	30
Russia	2,996	3,363	89	89
Serbia	193	197	10	9
Slovakia	400	417	6	6
Turkey	1,181	1,122	32	33
Ukraine	420	491	32	31
<b>Eastern Europe</b>	<b>9,771</b>	<b>10,249</b>	<b>284</b>	<b>283</b>
China	2,668	2,704	86	90
India	688	798	23	24
Japan	267	276	9	10
Pakistan	304	353	9	9
Vietnam	118	0	0	0
<b>Asia (incl. CFF)</b>	<b>4,254</b>	<b>4,360</b>	<b>127</b>	<b>133</b>
<b>METRO</b>	<b>29,000</b>	<b>29,866</b>	<b>752</b>	<b>759</b>

# SPECIAL ITEMS BY DIVISION

€ million	As reported		Special items		Before SI		As reported		Special items		Before SI	
	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	Q4 15/16	Q4 16/17	Q4 15/16	Q4 16/17	Q4 15/16	Q4 16/17
<b>EBITDA</b>	<b>1,918</b>	<b>1,611</b>	<b>-127</b>	<b>199</b>	<b>1,791</b>	<b>1,810</b>	<b>461</b>	<b>363</b>	<b>77</b>	<b>93</b>	<b>537</b>	<b>455</b>
- METRO Wholesale	1,700	1,528	-236	25	1,464	1,553	403	415	1	0	404	416
- Real	250	159	-3	60	247	219	70	33	-3	13	67	46
- Others	-23	-73	112	115	89	41	-7	-83	78	79	71	-4
- Consolidation	-9	-3	0	0	-9	-3	-4	-2	0	0	-4	-2
<b>EBIT</b>	<b>1,219</b>	<b>852</b>	<b>-113</b>	<b>254</b>	<b>1,106</b>	<b>1,106</b>	<b>277</b>	<b>132</b>	<b>88</b>	<b>134</b>	<b>364</b>	<b>266</b>
- METRO Wholesale	1,271	1,035	-222	79	1,048	1,114	295	252	12	41	307	292
- Real	108	19	-3	61	105	80	32	-3	-3	14	29	11
- Others	-156	-201	112	115	-43	-86	-47	-114	78	79	32	-35
- Consolidation	-5	-1	0	0	-5	-1	-3	-2	0	0	-3	-2
<b>Net financial result</b>	<b>-325</b>	<b>-204</b>	<b>27</b>	<b>-7</b>	<b>-298</b>	<b>-210</b>	<b>-83</b>	<b>-58</b>	<b>0</b>	<b>0</b>	<b>-83</b>	<b>-57</b>
<b>EBT</b>	<b>894</b>	<b>649</b>	<b>-86</b>	<b>247</b>	<b>808</b>	<b>896</b>	<b>194</b>	<b>75</b>	<b>87</b>	<b>133</b>	<b>281</b>	<b>209</b>
Income taxes	-375	-304	63	-9	-313	-313	-64	14	-30	-46	-93	-32
<b>Profit / loss for the period</b>	<b>519</b>	<b>345</b>	<b>-23</b>	<b>239</b>	<b>495</b>	<b>583</b>	<b>130</b>	<b>89</b>	<b>57</b>	<b>87</b>	<b>188</b>	<b>177</b>
- non-controlling interest	13	20	0	0	13	20	0	5	0	0	0	4
- METRO	506	325	-23	238	483	563	130	85	57	87	188	172
<b>EPS in €</b>	<b>1.39</b>	<b>0.89</b>	<b>-0.06</b>	<b>0.66</b>	<b>1.33</b>	<b>1.55</b>	<b>0.36</b>	<b>0.23</b>	<b>0.16</b>	<b>0.24</b>	<b>0.52</b>	<b>0.47</b>

# METRO WHOLESALE – KEY STATISTICS

% / € million	Sales		Change (EUR)		Change (local)		Like-for-like	
	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
Germany	4,801	4,715		-1.8%		-1.8%		-2.6%
Western Europe	10,173	10,543		3.6%		3.6%		-0.3%
Eastern Europe	9,771	10,249		4.9%		2.1%		2.3%
Asia	4,254	4,360		2.5%		4.3%		4.7%
<b>Total</b>	<b>29,000</b>	<b>29,866</b>		<b>3.0%</b>		<b>2.3%</b>		<b>0.9%</b>

	2015/16	2016/17
Stores	752	759
Selling space ('000 sqm)	5,380	5,307
Ø store size (sqm)	7,154	6,992
Ø Sales / sqm (EUR)	5,371	5,636
Employees (FTE)	100,950	101,402

# REAL – KEY STATISTICS

% / € million	Sales		Change (EUR)		Change (local)		Like-for-like	
	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
Total	7,478	7,247	-3.3%	-3.1%	-3.3%	-3.1%	-1.1%	-1.0%

	2015/16	2016/17
Stores	285	282
Selling space ('000 sqm)	1,967	1,941
Ø store size (sqm)	6,902	6,883
Ø Sales / sqm (EUR)	3,731	3,724
Employees (FTE)	27,087	26,460

# ROCE

€m	FY 2015/16	FY 2016/17
<b>Capital employed (incl. NPV lease)</b>		
METRO Wholesale	7,186	7,057
Real	2,545	2,552
METRO	11,483	11,482
<b>ROCE (lease adj.)</b>		
METRO Wholesale	15.2%	16.4%
Real	6.3%	5.0%
METRO	10.6%	10.6%

- RoCE = EBIT before special items incl. interest portion lease obligations ÷ average capital employed including net present value of lease obligations (5x lease expenses before special items)
- Capital employed comprises segment assets plus cash and cash equivalents less trade liabilities as well as other operational liabilities and deferred income
- It is calculated as an average from quarterly financial statements in order to also consider developments in capital employed that occur during the respective period
- Capital Employed adjusted for goodwill impairments, MCC Vietnam and impact from Kaufhof transaction.

# INVENTORY AND NET WORKING CAPITAL

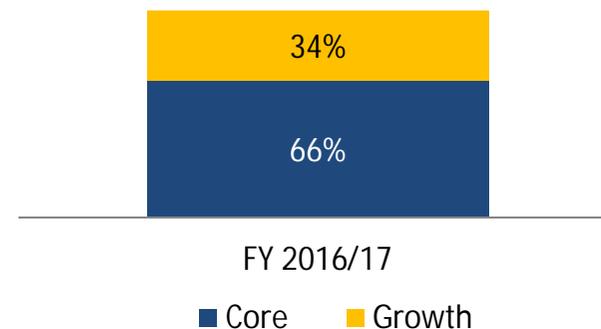
€m	FY 2015/16	FY 2016/17
<b>Inventory</b>		
METRO Wholesale	2,262	2,277
Real	789	764
Others	12	5
METRO	3,063	3,046
<b>Net working capital</b>		
METRO Wholesale	-782	-650
Real	170	182
METRO	-774	-657

# CAPEX AND CAPITAL ALLOCATION

€m		FY 2015/16	FY 2016/17
FCF definition	METRO Wholesale	503	401
	Maintenance	240	211
	Remodeling	85	49
	FSD	45	35
	Expansion	133	106
	Real	127	120
	Others	133	149
	Thereof: Digital/IT	74	88
	Capex <sup>2</sup>	763	669
	M&A	89	136
Finance Leases	155	23	
Investments	1,007	827	

## METRO capex (FCF definition)

- €94m reduction vs 2015/16 driven mostly by reduced spending on remodeling and expansion
- More than 1/3 of capex spent on growth<sup>1</sup>



## Investments (segment reporting view)

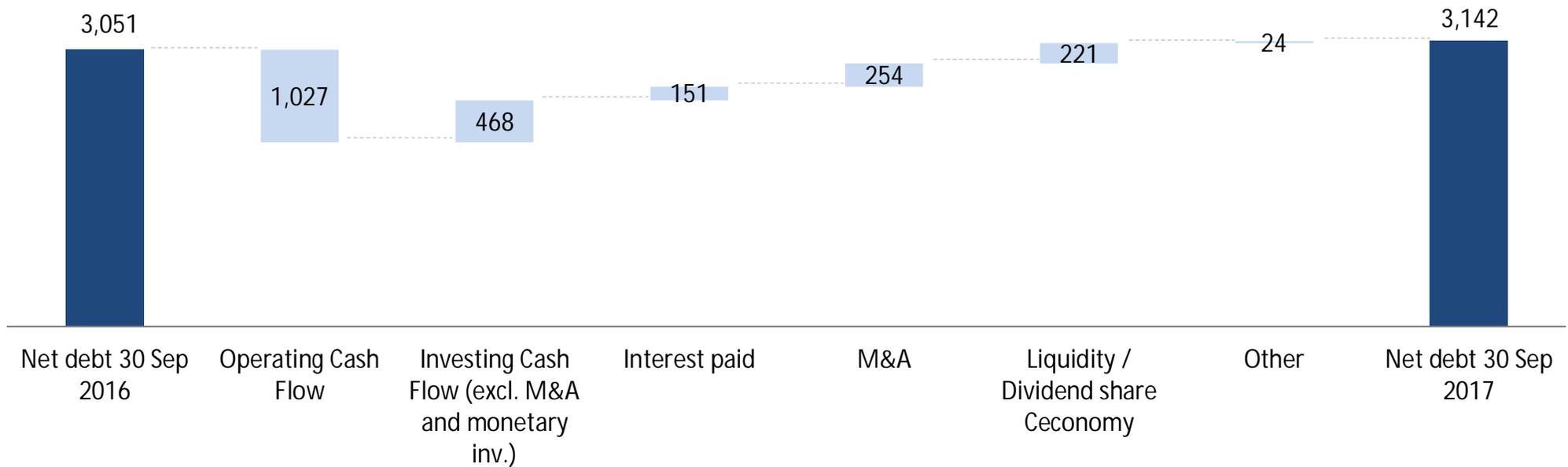
- Significantly lower investments into extension of finance leases lead to reduction by €180m

<sup>1</sup> Core includes maintenance, remodeling, other non-digital/IT and real; Growth includes FSD, expansion and digital / IT

<sup>2</sup> Capex excluding finance lease extensions and M&A

# NET DEBT RECONCILIATION

€m



- Net debt on balance sheet increased slightly by €91m in 2016/17
- Increase in 2016/17 mainly driven by the acquisition of Pro à Pro; partly compensated by improvements in NWC and lower capex versus 2015/16
- Adjusted for the acquisition of Pro à Pro, slight reduction of net debt of c. €90m

# REAL ESTATE

€m	FY 2015/16	FY 2016/17
Gains from real estate disposals	153	175
Portfolio measures and valuation effects	9	-8
Net contribution real estate portfolio manager	162	167

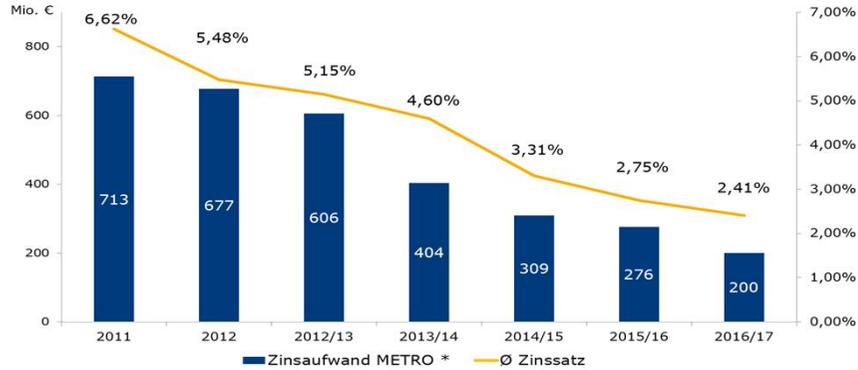
€m	Total		Owned	
	Stores	Space ('000 sqm)	Stores	Space ('000 sqm)
METRO Wholesale	759	5,307	420	3,306
Germany	104	942	10	116
Western Europe	239	1,536	93	805
Eastern Europe	283	2,079	250	1,959
Asia	133	750	67	425
Real	282	1,941	65	465
METRO	1,041	7,249	485	3,771
Misc. (leased to third parties, HQ, warehouses, etc.)				~990

# BALANCE SHEET

€m	Assets		Equity and liabilities		
	FY 2015/16	FY 2016/17	FY 2015/16	FY 2016/17	
<b>Non-current assets</b>	<b>9,434</b>	<b>9,225</b>	<b>Equity</b>	<b>2,924</b>	<b>3,207</b>
Goodwill	852	875	METRO AG shareholder interests	2,888	3,161
Other intangible assets	420	473	Non-controlling interests	36	46
Tangible assets	6,979	6,822			
Investment properties	163	126	<b>Non-current liabilities</b>	<b>4,954</b>	<b>4,197</b>
Financial investments	89	92	Provisions for post-employment benefit plans	646	557
Investments accounted for using the equity method	183	183	Other provisions	297	283
Other financial and non-financial assets	239	217	Financial liabilities	3,796	3,095
Deferred tax assets	509	439	Other financial and non-financial liabilities	127	162
			Deferred tax liabilities	88	100
<b>Current assets</b>	<b>6,558</b>	<b>6,554</b>	<b>Current liabilities</b>	<b>8,114</b>	<b>8,376</b>
Inventories	3,063	3,046	Trade liabilities	4,892	4,782
Trade receivables	493	575	Provisions	559	456
Financial assets	0	1	Financial liabilities	944	1,611
Other financial and non-financial assets	1,280	1,214	Other financial and non-financial liabilities	1,591	1,345
Entitlements to income tax refunds	123	148	Income tax liabilities	128	167
Cash and cash equivalents	1,599	1,559	Liabilities related to assets held for sale	0	15
Assets held for sale	0	11			
<b>Total</b>	<b>15,992</b>	<b>15,779</b>		<b>15,992</b>	<b>15,779</b>

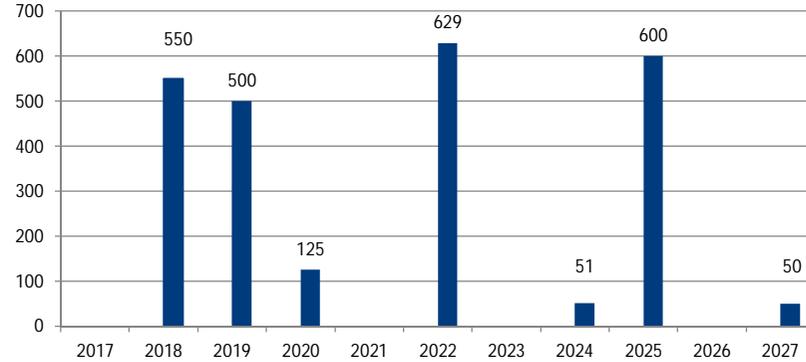
# FACT SHEET ON EXTERNAL FINANCING OF METRO AG

### Interest Expenses



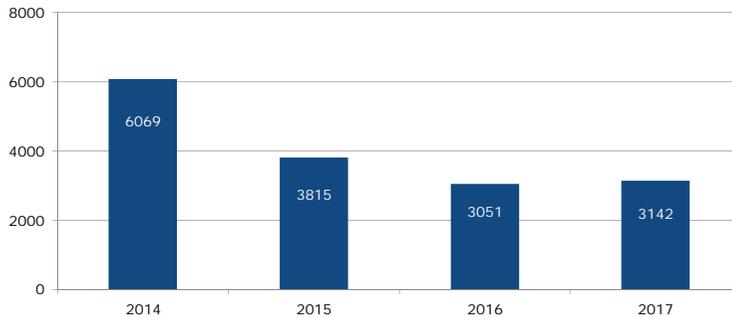
- Interest expenses 2011 – 2012/13 METRO „old“
- Interest expenses 2013/14 – 2016/17 METRO „new“

### Maturity Profile



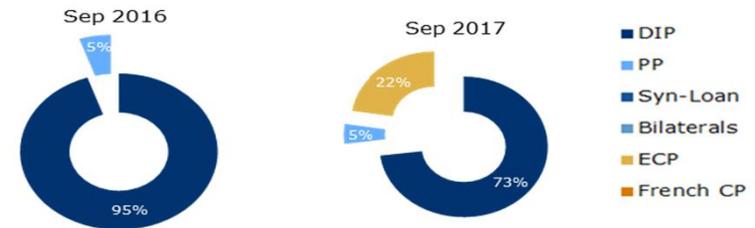
- Maturity profile excluding commercial paper

### Net debt at business year end



- Net debt = financial debt – cash & cash equivalent + finance leases

### External Funding Mix



- More diverse funding mix to better manage seasonal swings



# CONTACT

Investor Relations

METRO AG  
Metro-Straße 1  
40235 Düsseldorf  
Germany

T +49 211 6886-1051  
F +49 211 6886-490-3759  
E [investorrelations@metro.de](mailto:investorrelations@metro.de)

[www.metroag.de](http://www.metroag.de)

**METRO**