Q3 2017/18 RESULTS PRESENTATION

2 August 2018

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MAIN DEVELOPMENTS IN Q3

- Correcting negative developments in Russia: first positive effects on sales and earnings
- Wholesale: steady like-for-like-growth of +1%, EBITDA margin of +4,7%
- Real: new tariff concept sets basis for competetive wage structures

- Easter shift causes descrease in like-for-like-growth for Wholesale in Western Europe and Germany and for Real
- Strong currency effects in Russia and Turkey

A QUARTER OF PROGRESS AND EXECUTION

METRO Wholesale

Real

METRO Germany

+1.5 % in LfL sales excl. Easter shift

Growing share of Horeca customers

Store remodeling in Duesseldorf completed

METRO Russia

Improvement in sales trend

Franchise traction tripled

New price model implemented

New management team

Real

> 1,250 hires under new tariff

5 additional remodeled stores with modules of the “Markthalle” concept by September

Q3 KEY FACTS

Sales growth

Reported[1]: -0.9%

Like-for-like: -0.5%

Delivery[2]: +10%

Online (Real): ~+30%

EBITDA and EBITDA margin[3]

EBITDA: €302m (PY €389m)

Margin: 3.4% (PY 4.2%)

EBITDA excl. RE: €302m (PY €379m)

Margin excl. RE: 3.4% (PY 4.1%)

Free Cash Flow (FCF)[4]

Δ EBITDA: -€87m vs PY

Δ Change NWC: +€102m vs PY

Δ Capex: €47m less vs PY

Δ FCF: +€62m vs PY

Solid quarter despite Easter shift and FX headwind

[1] Constant currency [2] Wholesale delivery [3] EBITDA including earnings contributions from real estate transactions;

[4] EBITDA - capex excluding finance lease extensions and M&A +/- change in NWC

02 FINANCIAL PERFORMANCE

SALES IN Q3

%	Q3 2016/17	Q3 2017/18
Like-for-like growth	2.6%	-0.5%
METRO Wholesale	2.6%	1.0%
Real	2.5%	-6.6%
Reported growth	4.9%	-3.7%
METRO Wholesale	6.2%	-2.8%
Real	0.7%	-7.2%
Sales share of respective sales line		
Delivery: Wholesale	17%	19%
Online: Real	2%	2%

Like-for-like growth

- Solid like-for-like development of -0.5% despite Easter shift
- Wholesale: strong growth in Eastern Europe and Asia; trend improvement in Russia

Reported growth

- Wholesale: affected by adverse currency effects, in particular in Russia and Turkey

Multichannel sales share

- Continued double-digit sales growth for METRO Wholesale delivery business
- Real with 30% online growth to 2% of sales

FY guidance

- 9M like-for-like growth of 0.7% and total growth in local currency of 0.9% are both well in line with FY guidance of ≥0.5%

EBITDA IN Q3

€m	Q3 2016/17	Q3 2017/18
EBITDA excl. RE gains	379	302
thereof METRO Wholesale	357	345
thereof FX		*-18*
thereof Real	33	-7
thereof Others	-14	-36
EBITDA excl. RE margin	4.1%	3.4%
METRO Wholesale	4.7%	4.7%
Real	1.9%	-0.4%
Real estate gains	9	0
METRO Wholesale	0	0
Real	0	0
Others	9	0
Total EBITDA	389	302

EBITDA and EBITDA margin

- Wholesale EBITDA at constant currency is €6m above PY
- Real with negative effects from the cancellation of the temporary tariff agreement

Real estate gains

- No significant real estate gains this quarter

FY guidance

- 9M EBITDA excluding real estate gains declined by -1.6% (at constant currency) in line with expectations

SALES AND EBITDA IN 9M

Sales

%	9M 2016/17	9M 2017/18
Like-for-like growth	0.5%	0.7%
METRO Wholesale	1.1%	1.2%
Real	-1.5%	-1.0%
Reported growth	1,9%	-1.4%
METRO Wholesale	3.6%	-1.3%
Real	-3.7%	-1.5%
Sales share of respective sales line		
Delivery: Wholesale	15%	18%
Online: Real	1.5%	2%

EBITDA

€m	9M 2016/17	9M 2017/18
EBITDA excl. RE gains	1.121	1.063
thereof METRO Wholesale	1.030	967
thereof FX		*-41*
thereof Real	121	129
thereof Others	-35	-30
EBITDA excl. RE margin	4.0%	3.9%
METRO Wholesale	4.6%	4.4%
Real	2.2%	2.4%
Real estate gains	127	8
METRO Wholesale	82	4
Real	6	0
Others	45	4
Total EBITDA	1.248	1.071

REGIONS: SALES TO EBITDA IN Q3 (1/2)

METRO Wholesale Germany	
€m / %	Q3 2017/18
Sales	1,166
Like-for-like growth	-1.7%
Excl. Easter shift	*1.5%*
Reported growth	-2.4%
EBITDA excl. RE gains	21 (Q3 2016/17: 23)
EBITDA margin	1.8%
Real estate gains	0
Total EBITDA	21

- Adjusted for Easter shift, solid 1.5% LfL-growth
- Continuous increase in Horeca sales coming from improved frequency and basket
- EBITDA is largely stable

METRO Wholesale Russia	
€m / %	Q3 2017/18
Sales	676
Like-for-like growth	-3.2%
Reported growth	-19.5%
EBITDA excl. RE gains	71 (Q3 2016/17: 85)
thereof FX	*-15*
EBITDA margin	10.5%
Real estate gains	0
Total EBITDA	71

- Like-for-like growth significantly improved vs H1 (-8.8%); partly due to first positive signs from new pricing model, but also supported by METRO Expo and small positive effect from World Cup
- EBITDA at constant FX on PY level; incl. c.€10m one-time benefit
- Adjusted for this, the EBITDA margin still shows trend improvement vs Q2 2017/18 due to cost savings and lower de-gearing

REGIONS: SALES TO EBITDA IN Q3 (2/2)

METRO Wholesale	Western Europe	Eastern Europe	Asia
Mio. € / %	Q3 2017/18	Q3 2017/18	Q3 2017/18
Sales	2,724	1,785	981
Like-for-like growth	-1.2%	6.2%	4.1%
excl. Easter shift	*1.1%*		
Reported growth	-0.6%	0.9%	-0.8%
EBITDA excl. RE gains	141 (Q3 2016/17: 129)	89 (Q3 2016/17: 90)	38 (Q3 2016/17: 33)
thereof FX		*-3*	*0*
EBITDA margin	5.2%	5.0%	3.8%
Real estate gains	0	0	0
Total EBITDA	141	89	38

Western Europe:

- Adjusted for Easter shift, solid 1.1% LfL-growth
- Reported growth in the current year is impacted by full annualisation of Pro-à-Pro acquisition
- EBITDA improvement driven by positive development in France as a result of assortment reengineering

Eastern Europe:

- Strong like-for-like growth driven by majority of the countries. Reported growth impacted by negative FX impact
- EBITDA is largely stable

Asia:

- Positive like-for-like growth across majority of countries; reported growth impacted by negative FX impact
- EBITDA margin has improved as a result of continued cost consciousness in China and India

REAL AND OTHERS: SALES TO EBITDA IN Q3

Real	
€m / %	Q3 2017/18
Sales	1,655
Like-for-like growth	-6.6%
Excl. Easter shift	*-2.7%*
Reported growth	-7.2%
EBITDA excl. RE gains	-7 (Q3 2016/17: 33)
EBITDA margin	-0.4%
Real estate gains	0
Total EBITDA	-7

- Like-for-like was negatively affected by the Easter shift, hot weather conditions and temporarily limited availability of goods
- Margin decrease is driven primarily by termination of temporary tariff agreement which could not be compensated by operational optimisation

Others	
€m / %	Q3 2017/18
Sales	1
EBITDA excl. RE gains	-36 (Q3 2016/17: -14)
Real estate gains	0
Total EBITDA	-36

- One-off EBITDA decrease due start-up costs for new warehouse facility in Germany

EBITDA TO EPS IN Q3

€m / %	Q3 2016/17	Q3 2017/18
EBITDA	389	302
D&A	-174	-169
EBIT	215	133
Interest and investment result	-34	*-35*
Other financial result	*-38*	*-1*
Net financial result	-72	-36
EBT	144	97
Tax rate (9M)	55%	44%
Net income	76	54
EPS in €	0.21	0.16

EBITDA

- Reduction mostly driven by termination of temporary tariff agreement for Real as well as high one time start-up costs for warehouse platform
- Wholesale in constant currency above PY by €6m

Net financial result

- Y-o-y improvement in other financial result as Q3 2016/17 included a negative FX-impact related to intercompany receivables

Tax

- Y-o-y improvement is a result of demerger and restructuring costs in PY

EPS

- EPS decrease driven mostly by lower EBITDA. 9M EPS came in at 0.66€, which is in line with previous year, despite FX headwinds and shift of real estate gains

FCF IN Q3

€m / %	Q3 2016/17	Q3 2017/18
EBITDA	389	302
Change in NWC	-24	78
Capex[1]	-185	-138
METRO Wholesale	*-108*	*-77*
Real	*-39*	*-20*
Others/Cons.	*-38*	*-40*
FCF	180	242
Net debt (30th June)	3,766	3,916

Change in NWC

- Wholesale: improvement driven mostly by Russia as PY was negatively impacted by trade law transition
- Real: Improved inventory levels in Q3 compared to PY

Capex

- Wholesale: increase mostly driven by lower number of store openings (CY: 2; PY: 6)
- Real: used a store purchase option in PY

FCF

- Increase is driven by improvement in NWC and lower Capex which were able to overcompensate the decline in EBITDA

Net debt

- Year-on-year slight increase due to utilization of provisions in the current 9-month period and few real estate transactions in the 12 months

[1] Capex excl. M&A and finance leases

03 STRATEGIC PRIORITIES

STRATEGIC PRIORITIES

- Clear focus on main target groups Horeca and Trader in Wholesale
- Strengthen the growth trend in Germany, Western Europe, Eastern Europe and Asia
- Improve the sales trend in Russia
- Continuous growth in delivery and online business
- Further development of digital solutions for Horeca customers
- Modular roll-out of the „Markthalle“ concept at Real

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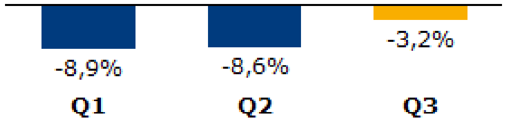
METRO RUSSIA:
ACCELERATED TRANSFORMATION TOWARDS B2B

	Q3 2016/17	Q3 2017/18
LfL growth	-3.3%	-3.2%
Sales	€0.8bn	€0.7bn
EBITDA[2]	85	71 (c.€10m one-time gain)
EBITDA margin	10.2%	10.5%

Stable EEI[3] in transformational environment
Q3 with measurable LfL-trend improvement



Solid execution of Q2 action plan with initial positive results

Network

91 stores /
2 depots

EEI: 85 (PY 85)
NPS: fully implemented

Capture more potential in a €76bn Trader and a €15bn Horeca market[1]

[1] Sell-out value; Source: Internal, Market data: METRO from Euromonitor Passport Retailing and Consumer Foodservice Sell out values for 2017 [2] Excluding real estate gain
[3] EEI = Employee Engagement Index

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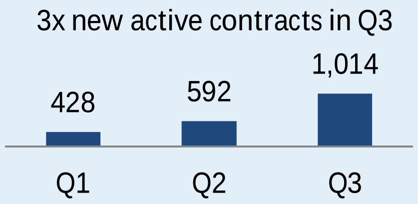
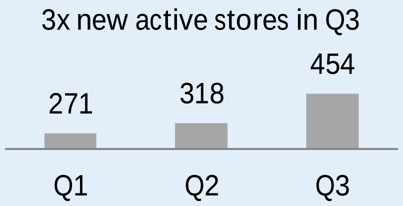
METRO RUSSIA: IMPLEMENTATION OF ACTION PLAN

Communicated Q2	Executed in Q3	Next steps Q4
Trader & Horeca sales Assortment analysis	P • Full BMPL[1] roll-out with >5% in volume uptick already • BMPL assortment sales +2.1% to PY	• Increase awareness through intensified communication
Accelerate existing initiatives	P • 2 upgraded OoS[2] delivery locations • Fasol traction for new contracts & stores tripled	• 4 more delivery locations • Continue strong execution of Fasol (franchise)
Strengthen local management setup	P • CCCO[3] and COO in Russia joined in July	• BMPL full potential
Store excellence Process optimization	P • Multifunctional Center of Excellence (MCoE) pools administrative functions	• Multiple other functions to join MCoE





[1] BMPL = Buy More Pay Less [2] OoS = Out of Store § CCCO = Chief Customer & Commercial Officer

METRO GERMANY: BECOME #1 MARKETPLACE FOR THE GASTRONOMY

	Q3 2016/17	Q3 2017/18
LfL growth	2.0%	-1.7%
Excl. Easter shift		1.5%
Sales	€1.2bn	€1.2bn
EBITDA[2]	23	21
EBITDA Margin	1.9%	1.8%

Continuous improvement of underlying trend:
+11 EEI increase
+1.5% in sales excl. Easter shift

Further increased gastronomy focus with:
- Renewed own brand focus
- Remodeling of Duesseldorf store

Network

103 stores / 7 depots[1]

EEI: 66 (PY 55)
NPS: ongoing roll-out

Continue to gain relevance for customers

Best In Gastronomy (BIG) Remodeling - Duesseldorf

New categories implemented

Horeca focus in assortment as well as own Horeca entrance and optimized customer path in store

Pick-up box allows for Sunday re-stocking

Next store remodeling: Frankfurt Roedelheim

[1] Depots of METRO Wholesale, excl. Rungis [2] Excluding real estate gain

ENGAGED EMPLOYEES & SATISFIED CUSTOMERS LEAD TO SUSTAINABLE GROWTH IN CORE TARGET GROUPS

Highly engaged employees	Higher customer satisfaction	Like-for-like growth in Q3 2017/18
EEI	**NPS**	**LfL**
Measured with employee engagement index (EEI) METRO: 78 +2 to PY (Global benchmark 63)	Measured with Net promotor score (NPS) 24 countries initiated All countries with positive NPS >600 stores live >240k customer responses Next Steps: Statistical analyses on loyalty and behavioral changes	+3.3 % with HoReCa customers +3.7 % with Trader customers in focus countries[1] and +6.1% excl. Russia +1.4 % with Food

[1] Trader countries: Bulgaria, Czech Republic, India, Pakistan, Poland, Romania, Russia, Serbia, Slovakia

REAL: ROLL-OUT OF "MARKTHALLE" CONCEPT, GROWTH IN ONLINE BUSINESS

	Q3 2016/17	Q3 2017/18
LfL growth	2.5%	-6.6%
Sales	€1.8bn	€1.7bn
EBITDA[1]	33	-7
EBITDA Margin	1.9%	-0.4%

Network
280 stores
65 locations owned

Commercial model P

Food Lover/"Markthalle"

Braunschweig remodeling progressing well, Bielefeld to be next

30 stores with "Markthalle" potential

Modular roll-out

5 remodelings completed in September

c. 12 remodelings to complete in 18/19

Omni-channel business P

Online marketplace

>58% growth in GMV. 2% of total sales

~0.73 million buying customers in Q3

> 12m SKUs (+1m vs Q2)

Online groceries

15 cities in Germany (+5 cities vs Q2)

reach out to 13 Mio. households

Competitive cost (P)

Tariff

> 1,250 people hired under the new tariff representing c.5% of total workforce

RTG update

German retailer Tegut joined (7th partner)

Continue to add suppliers

[1] Excluding real estate gain

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03 OUTLOOK & GUIDANCE

REAL ESTATE: BRIDGING TO FY EXPECTATIONS OF ~€175M

Oct 2017 - July 2018 Completed

Over €110m EBIT

Examples:

METRO Wholesale

Spain	Development followed by a Sale & lease back	~€30m

Real

Germany	Sale & lease back	~€10m

Others

Germany	Development	~€45m



Aug - Sep 2017/18 Work-in-progress

Various projects in the process of completion

Examples:

METRO Wholesale

Development projects and excess property in Europe and Asia

Real

Germany	Sale & lease back



OUTLOOK FOR 2017/18

Guidance[1]

	FY 2016/17	FY 2017/18
Sales growth in local currency	1.1%	≥0.5%
LfL growth	0.5%	>0.5%
Rep. EBITDA[1] excl. real estate gains	€1,436m[2]	Slightly above PY

Comments

- Expectations for delivery growth, new stores, real estate gains, capex and FCF conversion confirmed
- Currency: -€50m FX impact expected for FY 2017/18 in EBITDA
- Net financial result: c. -€180m
- Tax rate: ≤45% (46.9% in 2016/17)
- EPS: c. 15% increase (€0.89 in 2016/17)

[1] At constant FX and before portfolio measures
[2] Reported EBITDA 2016/17 of €1,611m less €175m of real estate gains

FINANCIAL CALENDAR

Financial calendar

- 25 October 2018 – Trading Statement 2017/18
- 13 December 2018 – Annual Report 2017/18

Q&A

Olaf Koch, CEO

Christian Baier, CFO

METRO