



**QUARTERLY STATEMENT**

**9M/Q3 2018/19**

## CONTENT

- 3 Summary
- 4 Overview
- 5 Sales, earnings and financial position
- 6 METRO Segments
- 11 Report on events after the closing date and outlook
- 12 Store network
- 13 Income statement
- 14 Balance sheet
- 16 Cash flow statement
- 17 Segment reporting
- 19 Notes
- 20 Financial calendar, imprint and disclaimer

## METRO CONTINUES SALES GROWTH ACCELERATION (+3.4% LFL)

9M:

Like-for-like sales increased by 2.3%; in local currency, sales grew by 2.4%, reported sales increased by 0.8% to €22.3 billion

EBITDA excluding earnings contributions from real estate transactions was at €869 million (9M 2017/18: €920 million); reported EBITDA reached €935 million (9M 2017/18: €927 million)

EBITDA excluding earnings contributions from real estate transactions adjusted for currency effects was -3.1% lower than previous year

The profit or loss for the period from continuing operations attributable to METRO shareholders amounted to €257 million (9M 2017/18: €244 million)

The profit or loss for the period from continuing and discontinued operations attributable to METRO shareholders amounted to €-178 million (9M 2017/18: €235 million) and was influenced by an impairment of the hypermarket business to the sum of €385 million in Q2 2018/19.

Earnings per share from continuing operations increased to €0.71 in 9M 2018/19 (9M 2017/18: €0.67); including discontinued operations, it reached €-0.49 (9M 2017/18: €0.65)

Net debt stood at €3.4 billion (30/6/2018: €3.9 billion, thereof €3.4 billion in continuing operations)

Group guidance for financial year 2018/19 confirmed

Q3:

Like-for-like sales increased by 3.4%; in local currency, sales grew by 3.6%, reported sales increased by 2.8% to €7.6 billion

EBITDA excluding earnings contributions from real estate transactions stood at €316 million (Q3 2017/18: €305 million); reported EBITDA reached €347 million (Q3 2017/18: €305 million)

Earnings per share from continuing operations: €0.30 (Q3 2017/18: €0.30)

# OVERVIEW

9M/Q3 2018/19

€ million	9M 2017/18 <sup>1</sup>	9M 2018/19	Change	Q3 2017/18 <sup>1</sup>	Q3 2018/19	Change
Sales	22,151	<b>22,320</b>	0.8%	7,348	<b>7,551</b>	2.8%
EBITDA excluding earnings contributions from real estate transactions	920	<b>869</b>	-5.5%	305	<b>316</b>	3.7%
Earnings contributions from real estate transactions	7	<b>66</b>	-	0	<b>32</b>	-
EBITDA	927	<b>935</b>	0.9%	305	<b>347</b>	14.0%
EBIT	522	<b>513</b>	-1.6%	175	<b>207</b>	18.4%
Earnings before taxes EBT	429	<b>425</b>	-0.9%	148	<b>181</b>	22.3%
Profit or loss for the period from continuing operations <sup>2</sup>	244	<b>257</b>	5.3%	110	<b>110</b>	0.2%
Earnings per Share from continuing operations (€) <sup>2</sup>	0.67	<b>0.71</b>	5.3%	0.30	<b>0.30</b>	0.2%
Profit or loss for the period <sup>2</sup>	235	<b>-178</b>	-	56	<b>79</b>	41.1%
Earnings per Share (€)	0.65	<b>-0.49</b>	-	0.15	<b>0.22</b>	41.1%

<sup>1</sup> Adjustment of previous year due to discontinued operations and according to explanation in notes

<sup>2</sup> attributable to METRO shareholders

All following explanations of the business development focus on the continuing operations unless otherwise stated.

## Sales

In the first 9 months of 2018/19, METRO's like-for-like sales rose by 2.3%. This growth is mainly attributable to the very positive sales trend in Eastern Europe excluding Russia and Asia. Total sales in local currency increased by 2.4%. The reported total sales of METRO only rose by 0.8% to €22.3 billion since the previous year, which is mainly due to the negative developments of the Russian and Turkish currency.

In Q3 2018/19, like-for-like sales rose by 3.4%. All segments except Russia contributed to this growth. Total sales in local currency increased by 3.6%. Total sales at METRO increased by 2.8%.

## Earnings

The earnings before depreciation and amortization (EBITDA) excluding earnings contributions from real estate transactions reached a total of €869 million in 9M 2018/19 (9M 2017/18: €920 million). Adjusted for currency effects, this represents a decline of €28 million (-3.1%) compared to the same period of the previous year. The operative development in Russia and the negative development of the Russian and Turkish currencies impacted the earnings. The good earnings development in Western Europe (excluding Germany) and Asia had a compensating effect.

Earnings contributions from real estate transactions totalled €66 million (9M 2017/18: €7 million).

The EBITDA reached a total of €935 million in 9M 2018/19 (9M 2017/18: €927 million).

EBITDA excluding earnings contributions from real estate transactions reached a total of €316 million in Q3 2018/19 (Q3 2017/18: €305 million). In the current year, the shift of the Easter business contributed to this increase, while costs for digitalisation/IT and the sales-related decline in earnings in Russia had a negative impact.

Earnings contributions from real estate transactions totalled €32 million (Q3 2017/18: €0 million). EBITDA in Q3 2018/19 amounted to €347 million (Q3 2017/18: 305 million).

The financial result for 9M 2018/19 stands at €-88 million (9M 2017/18: €-92 million). Thanks to more favourable financing conditions, the interest result improved by €6 million.

Earnings before taxes amounted to €425 million in the 9-month period (9M 2017/18: €429 million).

For the continuing operations, a tax rate of 37.8% is expected for the financial year 2018/19. This results in

income tax expenses of €161 million in 9M 2018/19 (9M 2017/18: €184 million).

The profit or loss for the period from continuing operations attributable to METRO shareholders amounted to €257 million in 9M 2018/19 (9M 2017/18: €244 million).

The profit or loss for the period from continuing and discontinued operations attributable to METRO shareholders amounted to €-178 million in 9M 2018/19 (9M 2017/18: €235 million) and was influenced by an impairment of the hypermarket business of €385 million in Q2 2018/19.

Earnings per share from continuing operations increased to €0.71 in 9M 2018/19 (9M 2017/18: €0.67).

Earnings per share from continuing operations and discontinued operations reached €-0.49 in 9M 2018/19 (9M 2017/18: €0.65).

## Investments

METRO invested €325 million in 9M 2018/19 (9M 2017/18: €354 million). In Q3 2018/19 METRO invested €104 million (Q3 2017/18: €124 million).

## Financial position

The reported net debt, after netting cash and cash equivalents as well as monetary investments with financial liabilities (including finance leases), totalled €3.4 billion as of 30 June 2019 (30/6/18: €3.9 billion, thereof €3.4 billion in continuing operations).

## Cash flow

Cash flow from operating activities recognized a cash inflow of €0.0 billion in 9M 2018/19 (9M 2017/18: €0.1 billion cash inflow).

Cash flow from investing activities amounted to €-0.2 billion (9M 2017/18: €-0.4 billion cash outflow) and is mainly attributable to investments in property, plant and equipment. Beside a more efficient investment behavior, cash inflows from property sales contributed to this improvement. The other investments include payouts for intangible assets and financial assets.

Cash flow from financing activities totalled €-0.1 billion (9M 2017/18: €-0.2 billion cash outflow).

METRO SEGMENTS<sup>1</sup>

## METRO

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		Like-for-like (local currency)	
	9M 2017/18		9M 2018/19		9M 2017/18		9M 2018/19		9M 2017/18	
	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19
<b>Total</b>	<b>22,151</b>	<b>22,320</b>	<b>-1.3%</b>	<b>0.8%</b>	<b>-2.8%</b>	<b>-1.7%</b>	<b>1.5%</b>	<b>2.4%</b>	<b>1.2%</b>	<b>2.3%</b>
Germany	3,607	<b>3,581</b>	0.6%	<b>-0.7%</b>	-0.1%	<b>0.0%</b>	0.7%	<b>-0.7%</b>	1.3%	<b>0.2%</b>
Western Europe (excl. Germany)	7,949	<b>8,038</b>	2.3%	<b>1.1%</b>	0.0%	<b>0.0%</b>	2.3%	<b>1.1%</b>	-0.2%	<b>1.0%</b>
Russia	2,210	<b>2,044</b>	-16.4%	<b>-7.5%</b>	-8.2%	<b>-4.7%</b>	-8.1%	<b>-2.8%</b>	-7.0%	<b>-3.7%</b>
Eastern Europe (excl. Russia)	5,144	<b>5,256</b>	2.0%	<b>2.2%</b>	-3.6%	<b>-4.6%</b>	5.6%	<b>6.8%</b>	6.1%	<b>6.7%</b>
Asia	3,208	<b>3,365</b>	-3.5%	<b>4.9%</b>	-6.7%	<b>-1.2%</b>	3.2%	<b>6.0%</b>	2.9%	<b>4.9%</b>
Others	32	<b>35</b>	-63.7%	<b>9.2%</b>	-0.2%	<b>0.0%</b>	-63.5%	<b>9.2%</b>	-	-

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		Like-for-like (local currency)	
	Q3 2017/18		Q3 2018/19		Q3 2017/18		Q3 2018/19		Q3 2017/18	
	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19
<b>Total</b>	<b>7,348</b>	<b>7,551</b>	<b>-2.8%</b>	<b>2.8%</b>	<b>-3.5%</b>	<b>-0.8%</b>	<b>0.7%</b>	<b>3.6%</b>	<b>1.0%</b>	<b>3.4%</b>
Germany	1,170	<b>1,205</b>	-2.2%	<b>3.0%</b>	0.0%	<b>0.0%</b>	-2.2%	<b>3.0%</b>	-1.4%	<b>3.6%</b>
Western Europe (excl. Germany)	2,724	<b>2,784</b>	-0.6%	<b>2.2%</b>	0.0%	<b>0.0%</b>	-0.6%	<b>2.2%</b>	-1.2%	<b>2.2%</b>
Russia	676	<b>671</b>	-19.5%	<b>-0.8%</b>	-14.7%	<b>2.4%</b>	-4.7%	<b>-3.2%</b>	-3.2%	<b>-4.8%</b>
Eastern Europe (excl. Russia)	1,785	<b>1,846</b>	0.9%	<b>3.4%</b>	-4.9%	<b>-3.9%</b>	5.9%	<b>7.3%</b>	6.2%	<b>7.1%</b>
Asia	981	<b>1,037</b>	-0.8%	<b>5.7%</b>	-5.0%	<b>-1.0%</b>	4.2%	<b>6.8%</b>	4.1%	<b>5.5%</b>
Others	12	<b>7</b>	-50.9%	<b>-40.4%</b>	0.2%	<b>0.0%</b>	-51.1%	<b>-40.3%</b>	-	-

<sup>1</sup>see notes on segment reporting.

In 9M 2018/19, like-for-like sales in Germany rose slightly by 0.2%. Reported sales decreased by -0.7%.

In Q3 2018/19, like-for-like sales in Germany rose by 3.6%. The Easter business especially contributed to this. Reported sales increased by 3.0%.

In 9M 2018/19, like-for-like sales in Western Europe (excl. Germany) rose by 1.0%. Pro à Pro, France, Spain and Portugal particularly contributed to this. Reported sales grew by 1.1% to €8.0 billion.

In Q3 2018/19, like-for-like sales rose by 2.2%. Nearly all countries and the Easter business contributed to this. Reported sales grew by 2.2% to €2.8 billion.

In Russia, like-for-like sales in the 9-month period 2018/19 declined by -3.7%. In local currency, sales decreased by -2.8%. As a result of negative currency effects, the reported sales decreased by a substantial -7.5%.

Like-for-like sales decreased by -4.8% in Q3 2018/19. In local currency, sales decreased by -3.2%. The sales trend in the previous year was supported by the World Cup, and in the current year the decline is mainly due to decreasing low-margin high volume sales. The reported sales decreased by -0.8%. Unlike the 9-month period, however, Q3 2018/19 experienced favourable currency effects. The initiated measures, such as price investments, continue to take effect, albeit slower than expected.

In Eastern Europe (excluding Russia), like-for-like sales in the first 9 months of 2018/19 were clearly

positive at 6.7%. This is predominantly attributable to the performance in Turkey, Romania and Ukraine. In local currency, sales grew by 6.8%. Due to negative currency effects, especially in Turkey, reported sales increased by only 2.2%.

In Eastern Europe excluding Russia, like-for-like sales in Q3 2018/19 were clearly positive at 7.1%. This is again predominantly attributable to double-digit growth in Turkey, Romania and Ukraine. In local currency, sales grew by 7.3%. Due to negative currency effects, especially in Turkey, reported sales increased by only 3.4%.

Like-for-like sales in Asia increased by 4.9% in the first 9 months of 2018/19. All countries contributed to this. Sales in local currency were up 6.0%. Due to unfavourable currency effects, especially in Pakistan and India, reported sales only rose by 4.9%.

In Q3 2018/19, like-for-like sales rose by 5.5%. Nearly all countries contributed to this. Sales in local currency were up 6.8%. Due to negative currency effects, especially in Pakistan, reported sales only rose by 5.7%.

The delivery business of METRO increased by about 9% to €4.3 billion in the 9-month period 2018/19. As a result, delivery accounts for 19% of total sales.

In Q3 2018/19, delivery sales once again increased by approximately 9% and achieved a 20% share of total sales.

	EBITDA excluding earnings contributions from real estate transactions			Earnings contributions from real estate transactions		EBITDA		EBIT		Investments	
	9M 2017/18	9M 2018/19	Change (€)	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19
Total	<b>920</b>	<b>869</b>	<b>-51</b>	<b>7</b>	<b>66</b>	<b>927</b>	<b>935</b>	<b>522</b>	<b>513</b>	<b>354</b>	<b>325</b>
Germany	75	<b>77</b>	2	0	0	75	<b>77</b>	18	<b>17</b>	35	<b>55</b>
Western Europe (excl. Germany)	335	<b>349</b>	14	0	<b>29</b>	336	<b>379</b>	233	<b>276</b>	81	<b>64</b>
Russia	214	<b>165</b>	-49	0	0	214	<b>165</b>	174	<b>126</b>	59	<b>13</b>
Eastern Europe (excl. Russia)	256	<b>241</b>	-15	1	<b>2</b>	257	<b>243</b>	184	<b>168</b>	31	<b>38</b>
Asia	121	<b>126</b>	5	3	<b>31</b>	124	<b>157</b>	74	<b>105</b>	29	<b>32</b>
Others	-79	<b>-90</b>	-10	3	<b>4</b>	-76	<b>-86</b>	-160	<b>-179</b>	121	<b>123</b>
Consolidation	-2	<b>0</b>	2	0	0	-2	<b>0</b>	-1	<b>0</b>	-2	<b>0</b>

	EBITDA excluding earnings contributions from real estate transactions			Earnings contributions from real estate transactions		EBITDA		EBIT		Investments	
	Q3 2017/18	Q3 2018/19	Change (€)	Q3 2017/18	Q3 2018/19	Q3 2017/18	Q3 2018/19	Q3 2017/18	Q3 2018/19	Q3 2017/18	Q3 2018/19
Total	<b>305</b>	<b>316</b>	<b>11</b>	<b>0</b>	<b>32</b>	<b>305</b>	<b>347</b>	<b>175</b>	<b>207</b>	<b>124</b>	<b>104</b>
Germany	21	<b>31</b>	10	0	0	21	<b>31</b>	2	<b>10</b>	17	<b>7</b>
Western Europe (excl. Germany)	141	<b>154</b>	13	0	<b>29</b>	141	<b>183</b>	106	<b>148</b>	35	<b>26</b>
Russia	71	<b>56</b>	-15	0	0	71	<b>56</b>	58	<b>43</b>	11	<b>6</b>
Eastern Europe (excl. Russia)	89	<b>86</b>	-3	0	0	89	<b>86</b>	65	<b>62</b>	10	<b>12</b>
Asia	38	<b>42</b>	4	0	0	38	<b>42</b>	21	<b>25</b>	11	<b>7</b>
Others	-55	<b>-54</b>	1	0	<b>2</b>	-55	<b>-52</b>	-78	<b>-82</b>	40	<b>47</b>
Consolidation	-1	<b>0</b>	1	0	0	-1	<b>0</b>	-1	<b>0</b>	0	<b>0</b>

In Germany, EBITDA excluding earnings contributions from real estate transactions reached €77 million in 9M 2018/19 (9M 2017/18: €75 million). EBITDA excluding earnings contributions from real estate transactions reached a total of €31 million in Q3 2018/19 (Q3 2017/18: €21 million). The Easter business especially contributed to this.

In Western Europe (excl. Germany) EBITDA excluding earnings contributions from real estate transactions reached a total of €349 million in 9M 2018/19 (9M 2017/18: €335 million). EBITDA excluding earnings contributions from real estate transactions was at €154 million in Q3 2018/19 (Q3 2017/18: €141 million). Margin improvements at METRO and Pro à Pro in France contributed to the strong performance. Earnings contributions from real estate transactions

totalled €29 million (Q3 2017/18: €0 million) from a real estate transaction in Spain.

The EBITDA excluding earnings contributions from real estate transactions in Russia amounted to €165 million in 9M 2018/19 (9M 2017/18: €214 million). Adjusted for currency effects, the decline amounts to €-38 million and is mainly sales and margin related. In the previous year, there was also a positive one-time effect of around €10 million (Q3 2017/18).

EBITDA excluding earnings contributions from real estate transactions reached a total of €56 million in Q3 2018/19 (Q3 2017/18: €71 million). This decline is mainly sales and margin related.

In Eastern Europe (excl. Russia) EBITDA excluding earnings contributions from real estate transactions reached a total of €241 million in 9M 2018/19 (9M 2017/18: €256 million). This decrease is mainly

attributable to the negative currency development. Adjusted for currency effects, EBITDA excluding earnings contributions from real estate transactions declined by €-6 million in Eastern Europe.

EBITDA excluding earnings contributions from real estate transactions was at €86 million in Q3 2018/19 (Q3 2017/18: €89 million).

The EBITDA excluding earnings contributions from real estate transactions in Asia amounted to €126 million in 9M 2018/19 (9M 2017/18: €121 million).

Adjusted for currency effects, EBITDA excluding earnings contributions from real estate transactions increased by €5 million in Asia.

EBITDA excluding earnings contributions from real estate transactions was at €42 million in Q3 2018/19 (Q3 2017/18: €38 million). This increase is in particular attributable to the good sales development.

The Others segment includes all METRO Wholesale companies and other segments that cannot be allocated to the other companies. This includes, among others, the following segments: the procurement organisation in Hong Kong, which also operates on behalf of 3<sup>rd</sup> parties, logistics services and real estate activities of METRO PROPERTIES provided that they are not attributed to any other segments (that is speciality stores, warehouses, head offices, etc.), and Hospitality Digital.

In the Others segment, EBITDA excluding earnings contributions from real estate transactions reached €-90 million (9M 2017/18: €-79 million). While the cost of digitalisation/IT rose as expected, this profit or loss also includes revenues from compensations in the low double-digit millions predominantly in the Others segment.

EBITDA excluding earnings contributions from real estate transactions was at €-54 million in Q3 2018/19 (Q3 2017/18: €-55 million). The previous year was negatively affected by one-time expenses, while the current year was impacted by increased costs for digitalisation/IT and special projects.

## Discontinued operations

Like-for-like sales from discontinued operations decreased by -0.8% in the first 9 months of 2018/19. Reported revenues also decreased by -1.9% to €5.3 billion compared to the first 9 months of 2017/18. This was due to 4 store closures after the 3<sup>rd</sup> quarter of the previous financial year and a temporary closure, which had a proportionate effect on the sales trend compared to the same period of the previous year.

In Q3 2018/19, like-for-like sales rose by 3.3%. Reported sales grew by 2.3% to €1.7 billion. The Easter business especially contributed to this.

The online business real.de continued to develop dynamically. GMV (Gross Merchandise Value) grew by 55% to €443 million in 9M 2018/19 compared to 9M 2017/18.

GMV in Q3 2018/19 amounted to €142 million, which represents a growth of 46% since Q3 2017/18.

The EBITDA excluding earnings contributions from real estate transactions reached €-24 million in 9M 2018/19 (9M 2017/18: €143 million). The decrease is mainly attributable to the negative effect on earnings resulting from the termination of the future collective agreement, expenses for future store closures as well as store-related risks and the margin development.

EBITDA excluding earnings contributions from real estate transactions declined to €-21 million in Q3 2018/19 (Q3 2017/18: €-3 million). While a positive one-time effect was included in the previous year, additional expenses for store-related risks in the current year impacted earnings.

As a result of disclosure as discontinued operations and according to IFRS 5, depreciation and amortisation on fixed assets of €124 million have been suspended in 9M 2018/19. In the 9-month period 2018/19, an impairment of the hypermarket business in the amount of €385 million was recognized through profit or loss in Q2 2018/19.

## REPORT ON EVENTS AFTER THE CLOSING DATE

EP Global Commerce VI GmbH (EPGC), based in Grünwald, Germany, a holding company indirectly controlled by Mr Daniel Křetínský, submitted a voluntary public takeover bid to the shareholders of METRO AG on 10 July 2019 for the acquisition of all common and preference shares. The METRO AG Management Board and Supervisory Board have acknowledged the offer. Both committees have carefully reviewed the offer document in accordance with their legal obligations, evaluated it in the interests of the company and the shareholders and will publish a joint reasoned statement on the offer pursuant to § 27 of the German Securities Acquisition and Takeover Act (WpÜG) on 24 July.

## OUTLOOK

### Guidance for METRO

The guidance is based on the assumptions of stable exchange rates and no further adjustments to the portfolio and is given only for the continued operations of METRO. Our reporting also assumes a continuously complex geopolitical situation.

#### Sales

Despite the persistently challenging economic environment in particular in Russia, METRO expects to see an increase in overall sales in the range of 1–3% for financial year 2018/19, mainly driven by Eastern Europe (excluding Russia) and Asia. For Russia, a measurable trend improvement is expected.

METRO equally expects an increase in like-for-like sales in the range of 1–3% in financial year 2018/19, also mainly driven by Eastern Europe (excluding Russia) and Asia. For Russia, a measurable trend improvement is expected.

### Earnings

METRO confirms the guidance for EBITDA excluding earnings contributions from real estate transactions with an expected decrease by around 2–6% compared to financial year 2017/18 (€1,242 million).

This is particularly driven by an expected double-digit percentage decrease in the segment Others (2017/18: €-129 million) as well as an expected decrease of meanwhile approximately 15% in the segment Russia (so far: mid-to high-single-digit percentage). For all other segments an EBITDA around previous year level is expected.

The slightly weaker result in Russia will be positively compensated by a slightly better result in Western Europe (excluding Germany) and Asia.

## STORE NETWORK

### STORE NETWORK BY COUNTRY AND SEGMENTS

as of **30 June 2019**

	METRO	New store openings 9M 2018/19	Closures 9M 2018/19	METRO <b>2019</b>
		2018		
Germany	<b>103</b>	0	0	<b>103</b>
Belgium	17	0	0	<b>17</b>
France	98	0	0	<b>98</b>
Italy	49	0	0	<b>49</b>
Netherlands	17	0	0	<b>17</b>
Austria	12	0	0	<b>12</b>
Portugal	10	0	0	<b>10</b>
Spain	37	0	0	<b>37</b>
Western Europe (excl. Germany)	<b>240</b>	0	0	<b>240</b>
Russia	<b>93</b>	0	0	<b>93</b>
Bulgaria	11	0	0	<b>11</b>
Kazakhstan	6	0	0	<b>6</b>
Croatia	9	1	0	<b>10</b>
Moldova	3	0	0	<b>3</b>
Poland	29	0	0	<b>29</b>
Romania	30	0	0	<b>30</b>
Serbia	9	0	0	<b>9</b>
Slovakia	6	0	0	<b>6</b>
Czech Republic	13	0	0	<b>13</b>
Turkey	33	1	0	<b>34</b>
Ukraine	31	0	0	<b>31</b>
Hungary	13	0	0	<b>13</b>
Eastern Europe (excl. Russia)	<b>193</b>	<b>2</b>	<b>0</b>	<b>195</b>
China	94	2	0	<b>96</b>
India	27	0	0	<b>27</b>
Japan	10	0	0	<b>10</b>
Pakistan	9	0	0	<b>9</b>
Asia	<b>140</b>	<b>2</b>	<b>0</b>	<b>142</b>
International	<b>666</b>	<b>4</b>	<b>0</b>	<b>670</b>
METRO	<b>769</b>	<b>4</b>	<b>0</b>	<b>773</b>

<sup>1</sup> The locations and countries of the Classic Fine Foods and those of Pro à Pro and Rungis Express are not shown in the table as they relate to distribution centres and warehouses whereas this table only covers sales locations.

## INCOME STATEMENT

€ million	9M 2017/18 <sup>1</sup>	9M 2018/19	Q3 2017/18 <sup>1</sup>	Q3 2018/19
Sales revenues	<b>22,151</b>	<b>22,320</b>	<b>7,348</b>	<b>7,551</b>
Cost of sales	-18,398	<b>-18,529</b>	-6,095	<b>-6,233</b>
Gross profit on sales	<b>3,753</b>	<b>3,791</b>	<b>1,254</b>	<b>1,318</b>
Other operating income	861	<b>858</b>	287	<b>277</b>
Selling expenses	-3,229	<b>-3,276</b>	-1,061	<b>-1,085</b>
General administrative expenses	-640	<b>657</b>	-226	<b>-242</b>
Other operating expenses	-232	<b>-211</b>	-82	<b>-65</b>
Earnings from impairment of financial assets	0	<b>-12</b>	0	<b>-2</b>
Earnings share of operating companies recognised at equity	9	<b>20</b>	3	<b>6</b>
Earnings before interest and taxes (EBIT)	<b>522</b>	<b>513</b>	<b>175</b>	<b>207</b>
Earnings share of non-operating companies recognised at equity	0	<b>0</b>	0	<b>0</b>
Other investment result	0	<b>-1</b>	0	<b>-1</b>
Interest income	25	<b>21</b>	7	<b>5</b>
Interest expenses	-115	<b>-106</b>	-36	<b>-33</b>
Other financial result	-2	<b>-2</b>	3	<b>3</b>
Net financial result	<b>-92</b>	<b>-88</b>	<b>-27</b>	<b>-26</b>
Earnings before taxes EBT	<b>429</b>	<b>425</b>	<b>148</b>	<b>181</b>
Income taxes	-184	<b>-161</b>	-42	<b>-69</b>
Profit or loss for the period from continuing operations	<b>245</b>	<b>264</b>	<b>106</b>	<b>113</b>
Profit or loss for the period from discontinued operations	-9	<b>-434</b>	-53	<b>-31</b>
Profit or loss for the period	<b>236</b>	<b>-169</b>	<b>53</b>	<b>82</b>
Profit or loss for the period attributable to non-controlling interests	1	<b>8</b>	-3	<b>3</b>
thereof from continuing operations	1	<b>8</b>	-3	<b>3</b>
thereof from discontinued operations	0	<b>1</b>	0	<b>0</b>
Profit or loss for the period attributable to the shareholders of METRO AG	235	<b>-178</b>	56	<b>79</b>
thereof from continuing operations	244	257	110	110
thereof from discontinued operations	-9	-434	-54	-31
Earnings per share in € (basic = diluted)	<b>0.65</b>	<b>-0.49</b>	<b>0.15</b>	<b>0.22</b>
thereof from continuing operations	0.67	0.71	0.30	0.30
thereof from discontinued operations	-0.03	-1.20	-0.15	-0.08

<sup>1</sup> Adjustment of previous year due to discontinued operations and according to explanation in notes

## BALANCE SHEET

## ASSETS

€ million	30/6/2018 <sup>1</sup>	30/9/2018 <sup>1</sup>	30/6/2019
Non-current assets	<b>8,976</b>	<b>7,503</b>	<b>7,325</b>
Goodwill	866	797	<b>801</b>
Other intangible assets	493	499	<b>540</b>
Property, plant and equipment	6,637	5,314	<b>5,097</b>
Investment properties	111	97	<b>77</b>
Financial assets	98	88	<b>84</b>
Investments accounted for using the equity method	184	178	<b>184</b>
Miscellaneous financial assets	43	39	<b>37</b>
Miscellaneous non-financial assets	171	163	<b>160</b>
Deferred tax assets	373	329	<b>345</b>
Current assets	<b>6,251</b>	<b>7,703</b>	<b>7,473</b>
Inventories	3,053	2,108	<b>2,217</b>
Trade receivables	605	571	<b>590</b>
Financial assets	1	1	<b>4</b>
Miscellaneous financial assets	907	561	<b>711</b>
Miscellaneous non-financial assets	448	353	<b>451</b>
Entitlements to income tax refunds	181	206	<b>209</b>
Cash and cash equivalents	1,028	1,298	<b>810</b>
Assets held for sale	28	2,605	<b>2,482</b>
	<b>15,227</b>	<b>15,206</b>	<b>14,798</b>

<sup>1</sup> Adjustment of previous year according to explanation in notes

**EQUITY AND LIABILITIES**

€ million	30/6/2018 <sup>1</sup>	30/9/2018 <sup>1</sup>	30/6/2019
<b>Equity</b>	<b>3,044</b>	<b>3,074</b>	<b>2,687</b>
Share capital	363	363	<b>363</b>
Capital reserve	6,118	6,118	<b>6,118</b>
Reserves retained from earnings	-3,478	-3,449	<b>-3,827</b>
Non-controlling interests	40	41	<b>34</b>
<b>Non-current liabilities</b>	<b>4,113</b>	<b>3,427</b>	<b>3,370</b>
Provisions for post-employment benefits plans and similar obligations	550	468	<b>522</b>
Other provisions	192	126	<b>131</b>
Financial liabilities	3,089	2,590	<b>2,486</b>
Miscellaneous financial liabilities	69	56	<b>61</b>
Miscellaneous non-financial liabilities	113	67	<b>67</b>
Deferred tax liabilities	99	120	<b>102</b>
<b>Current liabilities</b>	<b>8,070</b>	<b>8,705</b>	<b>8,741</b>
Trade liabilities	4,440	3,993	<b>3,758</b>
Provisions	385	274	<b>236</b>
Financial liabilities	1,862	1,420	<b>1,834</b>
Miscellaneous financial liabilities	751	744	<b>658</b>
Miscellaneous non-financial liabilities	456	392	<b>411</b>
Income tax liabilities	177	191	<b>200</b>
Liabilities related to assets held for sale	0	1,691	<b>1,645</b>
	<b>15,227</b>	<b>15,206</b>	<b>14,798</b>

<sup>1</sup> Adjustment of previous year according to explanation in notes

## CASH FLOW STATEMENT

€ million	9M 2017/18 <sup>1</sup>	9M 2018/19
EBIT	522	<b>513</b>
Depreciation/amortisation/impairment losses/reversal of impairment losses of assets excl. financial investments	405	<b>421</b>
Change in provisions for pensions and other provisions	-132	<b>-43</b>
Change in net working capital	-367	<b>-423</b>
Income taxes paid	-199	<b>-174</b>
Reclassification of gains (-) / losses (+) from the disposal of fixed assets	-7	<b>-78</b>
Other	-145	<b>-204</b>
Cash flow from operating activities of continuing operations	<b>77</b>	<b>12</b>
Cash flow from operating activities of discontinued operations	55	<b>-68</b>
Cash flow from operating activities	<b>132</b>	<b>-56</b>
Acquisition of subsidiaries	-1	<b>-1</b>
Investments in property, plant and equipment and in investment property (excl. finance leases)	-335	<b>-203</b>
Other investments	-101	<b>-129</b>
Investments in financial investments	0	<b>-62</b>
Disposals of subsidiaries	31	<b>0</b>
Disposal of long-term assets	46	<b>123</b>
Gains (+) / losses (-) from the disposal of fixed assets	7	<b>78</b>
Disposal of financial investments	0	<b>7</b>
Cash flow from investing activities of continuing operations	<b>-353</b>	<b>-187</b>
Cash flow from investing activities of discontinued operations	-83	<b>-103</b>
Cash flow from investing activities	<b>-436</b>	<b>-290</b>
Dividends paid		
to METRO AG shareholders	-254	<b>-254</b>
to other shareholders	-8	<b>-15</b>
Redemption of liabilities from put options of non-controlling shareholders	0	<b>-12</b>
Proceeds from long-term borrowings	1,619	<b>3,557</b>
Redemption of borrowings	-1,422	<b>-3,261</b>
Interest paid	-108	<b>-113</b>
Interest received	20	<b>21</b>
Profit and loss transfers and other financing activities	-3	<b>-5</b>
Cash flow from financing activities of continuing operations	<b>-156</b>	<b>-82</b>
Cash flow from financing activities of discontinued operations	-65	<b>-78</b>
Cash flow from financing activities	<b>-221</b>	<b>-160</b>
Total cash flows	<b>-525</b>	<b>-506</b>
Currency effects on cash and cash equivalents	-9	<b>13</b>
Total change in cash and cash equivalents	<b>-534</b>	<b>-493</b>
Cash and cash equivalents as of 1 October in total	1,562	<b>1,396</b>
less cash and cash equivalents reported in assets in accordance with IFRS 5	93	<b>97</b>
Cash and cash equivalents as of 1 October	<b>1,559</b>	<b>1,298</b>
Cash and cash equivalents as of 30 June in total	1,028	<b>903</b>
less cash and cash equivalents reported in assets in accordance with IFRS 5	0	<b>93</b>
Cash and cash equivalents as of 30 June	<b>1,028</b>	<b>810</b>

<sup>1</sup> Adjustment of previous year due to discontinued operations

## SEGMENT REPORTING 9M 2018/19<sup>1</sup>

### OPERATING SEGMENTS

	Germany		Western Europe (excl. Germany)		Russia		Eastern Europe (excl. Russia)		Asia		
	€ million	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19
External sales (net)	3,607	<b>3,581</b>		7,949	<b>8,038</b>	2,210	<b>2,044</b>	5,144	<b>5,256</b>	3,208	<b>3,365</b>
EBITDA excluding earnings contributions from real estate transactions	75	<b>77</b>		335	<b>349</b>	214	<b>165</b>	256	<b>241</b>	121	<b>126</b>
Earnings contributions from real estate transactions	0	<b>0</b>		0	<b>29</b>	0	<b>0</b>	1	<b>2</b>	3	<b>31</b>
EBITDA	75	<b>77</b>		336	<b>379</b>	214	<b>165</b>	257	<b>243</b>	124	<b>157</b>
EBIT	18	<b>17</b>		233	<b>276</b>	174	<b>126</b>	184	<b>168</b>	74	<b>105</b>
Investments	35	<b>55</b>		81	<b>64</b>	59	<b>13</b>	31	<b>38</b>	29	<b>32</b>

	Others		Consolidation		METRO continuing operations		METRO discontinued operations		
	€ million	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19	9M 2017/18	9M 2018/19
External sales (net)	32	<b>35</b>		0	<b>0</b>	22,151	<b>22,320</b>	5,406	<b>5,303</b>
EBITDA excluding earnings contributions from real estate transactions	-79	<b>-90</b>		-2	<b>0</b>	920	<b>869</b>	143	<b>-24</b>
Earnings contributions from real estate transactions	3	<b>4</b>		0	<b>0</b>	7	<b>66</b>	1	<b>0</b>
EBITDA	-76	<b>-86</b>		-2	<b>0</b>	927	<b>935</b>	144	<b>-24</b>
EBIT	-160	<b>-179</b>		-1	<b>0</b>	522	<b>513</b>	25	<b>-409</b>
Investments	121	<b>123</b>		-2	<b>0</b>	354	<b>325</b>	141	<b>111</b>

1 Adjustment of previous year due to discontinued operations and according to explanation in notes

## SEGMENT REPORTING Q3 2018/19<sup>1</sup>

### OPERATING SEGMENTS

	Germany		Western Europe (excl. Germany)		Russia		Eastern Europe (excl. Russia)		Asia	
	€ million	Q3 2017/18	Q3 2018/19	Q3 2017/18	Q3 2018/19	Q3 2017/18	Q3 2018/19	Q3 2017/18	Q3 2018/19	Q3 2017/18
External sales (net)	1,170	<b>1,205</b>	2,724	<b>2,784</b>	676	<b>671</b>	1,785	<b>1,846</b>	981	<b>1,037</b>
EBITDA excluding earnings contributions from real estate transactions	21	<b>31</b>	141	<b>154</b>	71	<b>56</b>	89	<b>86</b>	38	<b>42</b>
Earnings contributions from real estate transactions	0	<b>0</b>	0	<b>29</b>	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
EBITDA	21	<b>31</b>	141	<b>183</b>	71	<b>56</b>	89	<b>86</b>	38	<b>42</b>
EBIT	2	<b>10</b>	106	<b>148</b>	58	<b>43</b>	65	<b>62</b>	21	<b>25</b>
Investments	17	<b>7</b>	35	<b>26</b>	11	<b>6</b>	10	<b>12</b>	11	<b>7</b>

	Others		Consolidation		METRO continuing operations		METRO discontinued operations	
	€ million	Q3 2017/18	Q3 2018/19	Q3 2017/18	Q3 2018/19	Q3 2017/18	Q3 2018/19	Q3 2017/18
External sales (net)	12	<b>7</b>	0	<b>0</b>	7,348	<b>7,551</b>	1,648	<b>1,687</b>
EBITDA excluding earnings contributions from real estate transactions	-55	<b>-54</b>	-1	<b>0</b>	305	<b>316</b>	-3	<b>-21</b>
Earnings contributions from real estate transactions	0	<b>2</b>	0	<b>0</b>	0	<b>32</b>	0	<b>0</b>
EBITDA	-55	<b>-52</b>	-1	<b>0</b>	305	<b>347</b>	-3	<b>-21</b>
EBIT	-78	<b>-82</b>	-1	<b>0</b>	175	<b>207</b>	-42	<b>-21</b>
Investments	40	<b>47</b>	0	<b>0</b>	124	<b>104</b>	48	<b>23</b>

1 Adjustment of previous year due to discontinued operations and according to explanation in notes

## NOTES

### GROUP ACCOUNTING PRINCIPLES AND METHODS

The income statement, balance sheet and cash flow statement have been prepared in accordance with IFRS as adopted for the EU. The income statement, balance sheet and cash flow statement were prepared in accordance with IAS 34 interim financial reporting. With the exception of the IFRS applied for the first time, which were applied for the first time, the same accounting policies as in the consolidated financial statements as of 30 September 2018 were applied.

Since 1 October 2018, METRO has been applying IFRS 9 (Financial Instruments), whereby it made use of the options of continuing to hedge accounting in accordance with the requirements of IAS 39 and using the modified retrospective transition method.

Since 1 October 2018, METRO has also been applying IFRS 15 (revenues from contracts with customers). The method was based on the modified retrospective transitional approach, according to which no adjustment was made to previous year's figures and the resulting adjustment amount was recognized in equity. Furthermore, METRO elected to make use of the simplified process to only apply IFRS 15 retrospectively to contracts that had not been fully performed by the date of the first-time application (1 October 2018).

The Turkish government issued a decree in September 2018 under which business contracts may only be concluded in Turkish lira and no longer in other currencies such as Euros or US dollars. At METRO, predominantly real estate lease contracts will be affected. The leases contracts of Metro Properties Gayrimenkul Yatirim A.Ş that were previously based on Euros have been converted accordingly to Turkish lira. As a result, as of 1 October 2018, the functional currency of the company will also change from Euro to Turkish Lira.

Deferred tax differences arising from the translation of tax book values at current rates compared with their translation at historical rates were adjusted retrospectively.

As of 1 October 2017 deferred tax assets had been reduced by €30 million, deferred tax liabilities had been increased by €16 million, the effect on income taxes in financial year 2017/18 amounts to €11 million (thereof in 9M 2017/18 €4 million) expenses from deferred taxes. For the financial year 2018/19 onwards no further currency related effects on income taxes are expected, as the functional currency of Metro Properties Gayrimenkul Yatirim A.Ş. will not differ from the local currency anymore.

**Change in segment reporting in the Management report of METRO**

Due to the disclosure of the hypermarket business as discontinued operations, the segment reporting of METRO has been adjusted slightly. The 5 Wholesale regions continue to represent reportable segments according to IFRS 8. All remaining entities have been bundled in 'Others', whereby no separate disclosure of individual companies as 'Wholesale Others' as well as total METRO Wholesale will be shown in the management report.

## FINANCIAL CALENDAR

Trading statement financial year 2018/19	Thursday	24 October 2019	7.30 a.m.
Annual Report 2018/19	Thursday	12 December 2019	8.00 a.m.

All time specifications are CET

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## DISCLAIMER

This quarterly statement contains forward-looking statements. These statements are based on certain assumptions and expectations held at the time this statement is published. Forward-looking statements are therefore subject to risks and uncertainties and may significantly deviate from the actual earnings. With regard to forward-looking statements in particular, risks and uncertainties are to a large extent determined by factors that are outside of METRO's sphere of influence and that can currently not be estimated with an adequate degree of certainty. These factors include, among others, future market conditions and economic developments, the actions of other market participants, the full utilisation of anticipated synergy effects as well as legislative and political decisions.

METRO does not consider itself obligated to publish any corrections to these forward-looking statements for the purpose of adjusting them to events or circumstances that eventuate after the publishing date.