

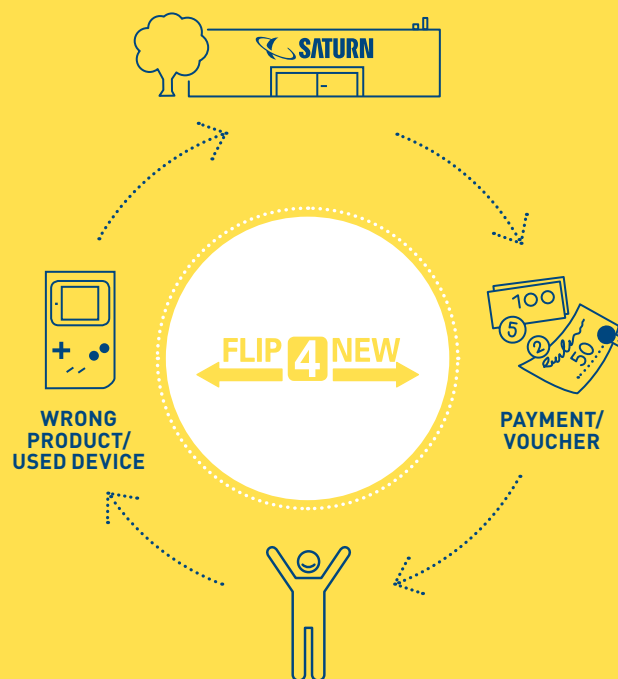
METRO GROUP 2012 BUSINESS

3

WE'RE CREATING CUSTOMER VALUE

FAST AND SIMPLE: FLIP4NEW

Bought the wrong product? No more use for it? People who want to quickly get rid of products have many options at their disposal today. Re-commerce providers buy used items online. They pay for them with money or vouchers. The items are inspected and then sold through various sales channels, including online platforms. One of the leading purchasers of used consumer electronics is the German company Flip4New, with which our Saturn sales brand started a partnership in 2010. At www.saturn.de, customers can exchange items for vouchers. They can also take advantage of this option in selected consumer electronics stores. Since 2012, Media-Saturn holds a share in Flip4New. Both partners are determined to broadly expand their partnership. The aim is to introduce the international exchange of consumer electronics and to facilitate it at all sales brands of Media-Saturn.



REPORT OF THE SUPERVISORY BOARD

Dear Shareholders,

.....
Düsseldorf,
15 March 2013

Economic parameters continued to deteriorate during the financial year 2012. Many of the countries in which METRO AG operates struggled with the effects of the sovereign debt crisis and high unemployment. The jobless rate reached a new record level in the eurozone. Governments' intensified austerity measures to stem the crisis have caused the consumer climate to deteriorate significantly. METRO GROUP was also not immune to general market trends, but could compensate for some of the negative pressure through successful sales and efficiency-enhancing measures. Group sales rose by 1.2 percent year-on-year to €66.7 billion. EBIT before special items reached €1,976 million (2011: €2,372 million).

In view of the persistent uncertainties surrounding future economic trends, the work of the Supervisory Committee focused on advising the Management Board on future-orientated decisions during the financial year 2012. Focal topics of our in-depth discussions with the Management Board included 2012 investments in new capabilities, sales channels and price positioning. Together with the Management Board, we believe that these steps will enable METRO GROUP to become more attractive to customers and gain additional market share in many countries around the world. In our discussions with the Management Board, we also repeatedly addressed the intensification of METRO GROUP's efforts to improve its cost efficiency and cash flow to reduce the Group's net debt. As a result, we also approved the Management Board's focused strategy for 2013. Without reducing the pace of expansion in METRO GROUP's strategic growth markets, investments will initially be limited in 2013 to secure the financial objectives and leeway of the Group.

We are confident that METRO GROUP will emerge stronger from this challenging phase of economic uncertainty. We thank the members of the Management Board and the Group's employees for their hard work.

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Franz M. Haniel

Chairman of the Supervisory Board

Profile: Franz M. Haniel became Chairman of the Supervisory Board of METRO AG in November 2011. He previously held the same position from November 2007 to May 2010. Mr Haniel, who was born in Oberhausen in 1955, holds a degree in mechanical engineering and an MBA from the international graduate school INSEAD. He initially worked as a consultant for Booz Allen Hamilton. In 1986, he joined the investment companies of the Quandt family. In 2000, he became Managing Director of Giesecke & Devrient, a manufacturer of bank notes, security and identification documents. Since 2003, he has been the Chairman of the Supervisory Board of Franz Haniel & Cie. GmbH.

Information on the other members of the Supervisory Board can be found on the website www.metrogroup.de in the Company – The Boards – Supervisory Board section.

Consultation and supervision of executives

In 2012, the Supervisory Board also carried out the duties set forth by law and by the Company's Articles of Association. We advised the Management Board extensively on the management of METRO AG and the total Group and supervised the executives continuously. In line with its reporting obligations, the Management Board provided us with regular, timely and comprehensive written and oral reports about all developments of material importance for METRO GROUP. The reports covered, in particular, fundamental questions about Company planning, the Company's profitability, current business developments (including deviations from set plans) and operations of material importance. The Supervisory Board thoroughly discussed and reviewed all reports and documents that were submitted to it. No objections about the legality, advisability and regularity of the Management Board's activities were raised. We approved individual business matters insofar as this was required by law or required on the basis of the Articles of Association or required by proprietary determinations. We made no use of the rights of inspection and audit granted under § 111 Section 2 Sentence 1 and 2 of the German Stock Corporation Act (AktG) because no matters requiring clarification arose.

In the financial year 2012, 10 meetings of the Supervisory Board were held, of which 3 were unscheduled. One resolution of the Supervisory Board was made in a written procedure. In my position as Chairman of the Supervisory Board, I was in constant contact with the Chairman of the Management Board between the dates of the meetings.

The German Corporate Governance Code recommends that a mention be made in this report if a member of the Supervisory Board attended fewer than half of all Supervisory Board meetings in any given financial year. In 2012, one change was made to the membership of the Supervisory Board of METRO AG. Dr Bernd Pischetsrieder left the Board in May 2012. Due to his early departure during the year he was unable to attend at least half of the meetings held during the reporting year. Of the group who were part of the Board for the full year, no member of the Supervisory Board attended fewer than half of the meetings. Participation in meetings of the Supervisory Board (face-to-face and by telephone) averaged 92 percent

No conflicts of interest between members of the Management Board and Supervisory Board, which are required to be disclosed to the Supervisory Board, arose in the financial year 2012.

Key issues covered by Supervisory Board meetings and resolutions in 2012

March 2012 – Our audit meeting on 15 March 2012 focused on the annual and consolidated financial statements for the financial year 2011, the METRO AG and Group management reports for 2011, the Management Board's proposal for the appropriation of the balance sheet profit at the Annual General Meeting 2012 as well as the Management Board's report about relations with associated companies 2011. The auditor attended this meeting and reported on the key findings of his audits. In addition, we dealt intensively with the repositioning of METRO Cash & Carry which the Management Board initiated. We discussed the focus on strategic priorities, new organisational structures and the need for a cultural change to drive openness and dialogue within the Company. We supported the Management Board in its repositioning plans.

Other issues discussed during the meeting of 15 March were the Management Board remuneration, preparations for the Annual General Meeting 2012, business developments and the conclusion of a work assignment with a former member of the Management Board. Subject to the election of the auditors by the Annual General Meeting 2012, the audit assignments for the annual and consolidated financial statements for 2012 and for the abbreviated half-year financial statements and interim management report for 2012 were also adopted.

An unscheduled Supervisory Board meeting was held during the second half of March. It served to discuss personnel issues related to the Management Board. Following this meeting, we decided unanimously in a written procedure at the end of March to reverse the appointment of Mr Joël Saveuse as a member of the Management Board effective 1 April 2012. This decision was based on the repositioning of several business units of the Group which had been initiated. The Supervisory Board and Mr Saveuse agreed that this premature resignation was in the Company's best interest. The Supervisory Board subsequently also discussed the conclusion of an agreement to terminate the employment contract of Mr Saveuse and approved a new schedule of responsibilities for the Management Board.

May 2012 – During the meeting of the Supervisory Board held immediately before the start of the Annual General Meeting on 23 May, the Management Board reported about current business developments and progress in the repositioning of METRO Cash & Carry. A second meeting was held directly following the Annual General Meeting which had elected Messrs Franz M. Haniel and Dr Florian Funck as members of the Supervisory Board. In this meeting, the Board elected Mr Haniel as Chairman of the Supervisory Board for the duration of his new tenure. In addition, the Supervisory Board decided on the composition of the Nominations Committee.

In an unscheduled meeting held at the end of May 2012, we approved the divestment of the MAKRO Cash & Carry stores in the United Kingdom including all operating assets to the Booker Group PLC. In return, METRO GROUP received 9.99 percent of the Booker share capital issued at that time (the share corresponded to 9.08 percent following the transaction). In the eyes of the Management and Supervisory Boards, this transaction represented an important milestone in focusing METRO GROUP on its core strategic markets.

July 2012 – A strategy meeting attended by management representatives of the Group's sales lines was held in July. The Management Board's strategy, which the Supervisory Board endorses, focuses on the creation of added value for customers. The Group is to return to its profitable growth path by placing the customer at the centre of all its activities. The Group's first priority is like-for-like sales growth. The second priority is protection of profitability and cash flow.

A second Supervisory Board meeting covered business developments, share price trends and capital market expectations. Other focal topics included the Management Board's report on the Group's personnel development strategy and a resolution on the implementation of recommendations of the German Corporate Governance Code that were newly introduced in 2012.

October 2012 – Assisted by an independent expert, our regular autumn meeting focused on Management and Supervisory Board remuneration. Other key topics on the agenda were the Management Board's report about current business developments and the Group's governance functions, with a particular focus on risk management, internal control systems and the compliance system.

November 2012 – In an unscheduled meeting, we approved the Management Board's plans to divest of the operations of Real International in Poland, Romania, Russia and Ukraine including an associated real estate portfolio. As a result, the Real sales line will be able to focus on successfully advancing its business in Germany. At the same time, the divestment will result in a significant reduction of METRO GROUP's rating-relevant net debt. The divestment is subject to the approval of the relevant antitrust authorities which are expected to give their consent in 2013.

December 2012 – In the final Supervisory Board meeting of the reporting year, the Supervisory and Management Boards discussed current business developments and the strategy for Real Germany. The Management Board reported about the current status of plans for the activities of Media Markt in China, the strategic development of Media-Saturn in Europe and the status of the shareholder dispute at Media-Saturn-Holding GmbH. Additional focal topics of the meeting included the resolution about the budget plans presented by the Management Board and the declaration of compliance pursuant to § 161 of the German Stock Corporation Act (AktG). Based on the discussion of October 2012, we decided on a guideline for performance-based Management Board remuneration during the abbreviated 9-month financial year 2013. In addition, we decided to propose to the Annual General Meeting that Supervisory Board remuneration be changed to only a fixed payment. We believe fixed remuneration better accounts for the monitoring and consulting duties of the Supervisory Board which are independent of the Company's business success. The size of the fixed remuneration that we have proposed is based on the total average remuneration of the years 2009–2011.

Work of the committees

— **Presidential Committee:**

Franz M. Haniel (Chairman), Werner Klockhaus (Deputy Chairman),
Dr Wulf H. Bernotat, Peter Stieger

— **Personnel Committee:**

Franz M. Haniel (Chairman), Werner Klockhaus (Deputy Chairman),
Dr Wulf H. Bernotat, Peter Stieger

— **Accounting and Audit Committee:**

Dr jur. Hans-Jürgen Schinzler (Chairman), Werner Klockhaus (Deputy Chairman),
Prof. Dr Dr h. c. mult. Erich Greipl, Franz M. Haniel, Xaver Schiller, Peter Stieger

— **Nominations Committee:**

Franz M. Haniel (Chairman), Jürgen Fitschen, Dr jur. Hans-Jürgen Schinzler

— **Mediation Committee pursuant to § 27 Section 3 of the
German Co-Determination Act (MitbestG):**

Franz M. Haniel (Chairman), Werner Klockhaus (Deputy Chairman),
Prof. Dr Dr h. c. mult. Erich Greipl, Peter Stieger

As of: 15 March 2013

5 committees support the Supervisory Board in its work, contributing greatly to the Board's overall efficiency: the Presidential Committee, the Personnel Committee, the Accounting and Audit Committee, the Nominations Committee and the Mediation Committee pursuant to § 27 Section 3 of the German Co-determination Act (MitbestG). The committees prepare resolutions and discussions of the Supervisory Board. In addition, we have transferred decision-making responsibilities to individual committees within legally allowed parameters. The work of the committees is described in detail in the annual declaration on corporate management pursuant to § 289 a of the German Commercial Code (HGB). It can be found on the website www.metrogroup.de in the Company – Corporate Governance section. The Chairman of the Supervisory Board chairs all committees with the exception of the Accounting and Audit Committee. The contents and results of committee meetings are reported to the Supervisory Board in a timely manner.

Accounting and Audit Committee – The Accounting and Audit Committee primarily handles accounting and auditing issues as well as risk management and compliance. In the financial year 2012, a total of 7 meetings were held, including 2 unscheduled meetings. The Chairman of the Management Board and the Chief Financial Officer attended all meetings. Representatives of the auditor and the heads of the relevant departments of METRO AG attended select meetings and agenda items.

At the start of the reporting year, the Management Board suspended negotiations with interested parties about the sale of the department store subsidiary Galeria Kaufhof. The Company saw no realistic chance that negotiations would lead to a conclusion that would be acceptable to METRO GROUP. This opinion of the Management Board was thoroughly discussed in the Accounting and Audit Committee. As a result, the committee members fulfilled their consulting duties and supported the Management Board in its decision-making.

As every year, the Accounting and Audit Committee prepared the Supervisory Board's balance sheet meeting in 2012. The committee reviewed the annual and consolidated financial statements for 2011, the management reports and the report of the Management Board on relations with associated companies 2011. The results of the audit were also discussed in the presence of the auditors. On this basis, the Accounting and Audit Committee made concrete recommendations to the Supervisory Board. These included, in particular, the recommendation to approve the annual and consolidated financial statements for 2012 and the Management Board's proposal to the Annual General Meeting on the appropriation of the balance sheet profit.

Another focal point of the committee work was the preparation of the election of the auditor for the financial year 2012 by the Annual General Meeting. In addition, the Accounting and Audit Committee prepared the assignment of the auditing mandates for the annual and consolidated financial statements 2012 as well as for the abbreviated financial statements and management report for the first half of 2012. The committee ensured compliance with the relevant recommendations of the German Corporate Governance Code prior to the election and assignment of the auditor.

The members of the Accounting and Audit Committee discussed the quarterly reports and the half-year report for 2012 prior to their publication. In view of the deteriorating economic environment, the committee conducted several in-depth discussions with the Management Board during the reporting year that focused on the opportunities and risks of corporate planning as well as discrepancies that had arisen.

Other topics of the committee's work included the Group's internal control systems, risk management, compliance and internal auditing. These functions have been developed significantly over the past few years. In 2012, risk reporting, in particular, was conducted on the basis of a new internal guideline. As a result, special emphasis was placed on reviewing the effectiveness of the risk management system in the reporting year. In addition, the committee prepared the Supervisory Board's scheduled decision on the Management Board's budget planning, discussed the Group's medium- and long-term debt financing, the planned change of financial year at METRO AG and an inquiry from the German Financial Reporting Enforcement Panel [Deutsche Prüfstelle für Rechnungslegung]. The committee also reviewed the status of legal proceedings [such as the shareholder dispute at Media-Saturn-Holding GmbH], the continued development of international accounting standards, Group tax planning, donations and the Company's corporate governance. The Accounting and Audit Committee also prepared the declaration of compliance for 2012 pursuant to § 161 of the German Stock Corporation Act (AktG).

Personnel Committee – The Personnel Committee deals primarily with personnel issues concerning the Management Board. The committee met 3 times during the financial year 2012: 2 regularly scheduled sessions with the Presidential Committee and one unscheduled meeting. One resolution was made in a written procedure. The work of the committee was dominated by preparations for the resolutions of the Supervisory Board during the reporting year. Among other things, the Personnel Committee discussed the determination of individual performance factors influencing the size of performance-based Management Board remuneration in 2011. In preparation for the Supervisory Board resolution on performance factors for 2012, the committee discussed the personal performance targets for members of the Management Board at the start of the year and in summer 2012 reviewed the level of target attainment. At the same time, the committee Chairman held talks with the members of the Management Board.

In addition, the Personnel Committee made recommendations to the Supervisory Board regarding changes in contractual provisions concerning members of the Management Board. These concerned, in particular, the temporary adjustment of performance-based remuneration to the abbreviated 9-month financial year 2013 (1 January to 30 September 2013). The committee members also consulted an independent expert on this issue. Other key topics of the committee's work included the conclusion of a mandate with a former member of the Management Board, the corporate governance report 2011 including the remuneration report and the review of retirement provisions for the members of the Management Board.

Presidential Committee – The Presidential Committee deals with the corporate and regional strategy, the monitoring of compliance with legal regulations and the application of the German Corporate Governance Code. In consideration of § 107 Section 3 Sentence 3 of the German Stock Corporation Act (AktG), the Presidential Committee takes decisions about urgent matters and matters submitted to it by the Supervisory Board. The Presidential Committee met twice in the financial year 2012, both times with the Personnel Committee. Key topics of the meetings included the repositioning of the Group that was initiated in 2012 and the corporate governance of METRO GROUP including Management Board remuneration. The Presidential Committee prepared the Supervisory Board's declaration of compliance for 2012 pursuant to § 161 of the German Stock Corporation Act (AktG). No resolutions about pressing issues or issues delegated by the Supervisory Board were required.

Nominations Committee – The Nominations Committee is responsible for proposing suitable candidates for the Supervisory Board's election proposals to the Annual General Meeting. In the financial year 2012, the Nominations Committee met 4 times, including for 2 unscheduled meetings. The work of the committee focused on the Supervisory Board elections in 2012 and 2013. Following the recommendations made by the Nominations Committee, the Annual General Meeting in 2012 proposed the election of Messrs Franz M. Haniel and Dr Florian Funck to the Supervisory Board. Both proposals were accepted. The Supervisory Board will decide on the election proposals to the Annual General Meeting 2013 in March 2013.

Mediation Committee – The Mediation Committee formulates proposals for the appointment and dismissal of members of the Management Board in cases pursuant to § 31 of the German Co-determination Act (MitbestG). The Mediation Committee also did not have to meet in the financial year 2012.

Corporate governance

The Management Board and the Supervisory Board report on METRO GROUP's corporate governance in the corporate governance report for 2012. Together with the declaration on corporate management pursuant to § 289 a of the German Commercial Code (HGB), the report is also published on the website www.metrogroup.de in the Company – Corporate Governance section.

In December 2012, the Management Board and the Supervisory Board of METRO AG issued their most recent declaration of compliance with regard to the recommendations of the Government Commission on the German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act (AktG). The declaration was made permanently available to shareholders on the website www.metrogroup.de. It also appears in full in the corporate governance report 2012.

Annual and consolidated financial statements 2012, report on relations with associated companies 2012

The annual financial statements of METRO AG, in consideration of accounting, for the financial year 2012 that were submitted by the Management Board pursuant to the regulations laid down in the German Commercial Code, the METRO AG management report for 2012, the consolidated financial statements 2012 compiled by METRO AG according to International Financial Reporting Standards (IFRS) – as they are to be applied in the European Union – and the Group's management report 2012 were reviewed by KPMG AG Wirtschaftsprüfungsgesellschaft and were given unqualified approval. The auditor provided a written report on the findings.

We, the Supervisory Board, reviewed the annual financial statements of METRO AG and the consolidated financial statements for the financial year 2012, the management report of METRO AG and the Group's management report for the financial year 2012 as well as the Management Board's proposal to the Annual General Meeting 2013 on the appropriation of the balance sheet profit. For this purpose, these documents and the reports of the auditor were provided to us in a timely manner, and were discussed and reviewed in detail during the Supervisory Board's annual accounts meeting held on 15 March 2013. The auditor attended this meeting, reported the key findings of the reviews and was at the Supervisory Board's disposal to answer questions and provide additional information – even in the absence of the Management Board. The auditor did not report any material weaknesses of the internal monitoring and risk management system with regard to the accounting process. The auditor also provided information on services rendered in addition to auditing services. According to the information provided, no disqualification or bias issues arose. We concurred with the findings of the auditor's review. In a concluding finding of our own review, we determined that no objections were necessary. We support, in particular, the conclusions reached by the Management Board in the management report of METRO AG and the Group's management report and have endorsed the annual financial statements compiled by the Management Board. As a result, the annual financial statements of METRO AG 2012 have been adopted. We also support the Management Board's proposed appropriation of the balance sheet profit after considering shareholders' interest in a disbursement and the Company's interest in retained earnings.

Pursuant to § 312 of the German Stock Corporation Act (AktG), the Management Board of METRO AG prepared a report about relations with associated companies for the financial year 2012 (in short, “dependency report”). The auditor reviewed this report, provided a written statement about the findings of the review and issued the following opinion:

“After our due audit and assessment, we confirm that

1. the factual information in the report is correct,
2. in the legal transactions listed in the report, the Company’s expenses were not inappropriately high,
3. no circumstances related to the measures listed in the report required an assessment deviating materially from that of the Management Board.”

The dependency report was submitted to us together with the audit report in a timely manner and was discussed and reviewed particularly in terms of thoroughness and accuracy during the annual accounts meeting that the Supervisory Board held on 15 March 2013. The auditor attended this meeting, reported the key findings of the review, and was at our disposal to answer questions and to provide information – even in the absence of the Management Board. We concurred with the findings of the auditor’s review. In a concluding finding of our own review, we determined that no objections have to be made with respect to the statement of the Management Board at the conclusion of the dependency report.

The aforementioned reviews by the Supervisory Board of the 2012 accounts were carefully prepared by the Accounting and Audit Committee on 13 March 2013. The auditor also attended this committee meeting, reported on the key findings of his review and was available to answer questions. The Accounting and Audit Committee urged the Supervisory Board to approve the financial statements prepared by the Management Board and to endorse the Management Board’s recommendation for appropriation of the balance sheet profit.

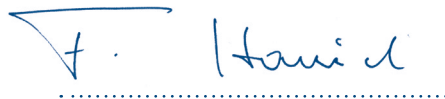
Appointments and resignations

Mr Franz M. Haniel's mandate as a member and Chairman of the Supervisory Board ended at the end of the Annual General Meeting of METRO AG on 23 May 2012. On the same day, Mr Haniel commenced a new term of office following his election by the Annual General Meeting. The members of the Supervisory Board of METRO AG reelected him as Chairman of the Board.

Dr Bernd Pischetsrieder resigned from his seat on the Supervisory Board effective at the end of the Annual General Meeting of METRO AG on 23 May 2012. He was succeeded by Dr Florian Funck, who was elected to the Supervisory Board by the Annual General Meeting on 23 May 2012.

Düsseldorf, 15 March 2013

The Supervisory Board

A handwritten signature in blue ink, appearing to read 'F. Haniel', is written over a horizontal dotted line.

FRANZ M. HANIEL
Chairman

CORPORATE GOVERNANCE REPORT

Pursuant to the recommendation of Subsection 3.10 of the German Corporate Governance Code, the Management Board and the Supervisory Board of METRO AG deliver the following report on corporate governance at METRO GROUP.

The Management Board and the Supervisory Board of METRO AG are firmly committed to the principles of transparent, responsible corporate governance and supervision. They attach great importance to good corporate governance standards. Their voluntary commitment to the German Corporate Governance Code is reinforced by the following provision in the Boards' by-laws:

"The Management Board and the Supervisory Board of METRO AG base their actions on the relevant valid recommendations of the German Corporate Governance Code and only deviate from the Code's recommendations in well-founded exceptional cases. If the Management Board or Supervisory Board intends to deviate from a recommendation, the organs inform each other of the planned move prior to its implementation."

Implementation of the German Corporate Governance Code

During the year in review, the Management Board and the Supervisory Board of METRO AG discussed METRO GROUP's implementation of the recommendations of the German Corporate Governance Code in detail and issued the following declaration pursuant to § 161 of the German Stock Corporation Act (AktG) in December 2012:

"The Management Board and Supervisory Board of METRO AG hereby declare that the recommendations of the Government

Commission on the German Corporate Governance Code published by the Federal Ministry of Justice in the official section of the electronic Federal Bulletin in the version of 15 May 2012 have been complied with in full and that the Management Board and Supervisory Board intend to also comply with them in the future.

Since the last declaration of compliance in December 2011, all recommendations made by the Government Commission in the version of 26 May 2010 have been complied with."

This and all previous declarations pursuant to § 161 of the German Stock Corporation Act (AktG) are made permanently available to METRO AG shareholders on the website www.metrogroup.de.

In addition to recommendations, the German Corporate Governance Code contains suggestions that listed companies can, but do not have to address. METRO AG follows the vast majority of these suggestions. In the financial year 2012, there were only 2 suggestions that the Company did not fully implement:

- Subsection 2.3.4 of the Code calls for enabling shareholders to follow the Annual General Meeting via modern communication media such as the Internet. As in previous years, METRO AG broadcast only the speech by the Chairman of the Management Board in 2012. This practice will be continued in 2013.
- Until June 2012, Subsection 3.6 of the Code included a suggestion that called for shareholder and employee representatives to separately prepare supervisory meetings. Members of the Supervisory Board of METRO AG generally hold such preparatory meetings, but not before every Supervisory Board meeting.

Division of duties and areas of responsibility between the Management Board and the Supervisory Board

The clear division between corporate management on the one hand and corporate supervision on the other is a key element of corporate governance for German stock corporations. Duties and areas of responsibility are clearly divided between the Management Board and the Supervisory Board.

The Management Board of METRO AG, which has 4 members, is responsible for running the Company. The management duties of the Management Board of METRO AG include defining corporate objectives and determining the strategic positioning for the Group as well as managing the Company, monitoring and planning. In addition, the Management Board of METRO AG ensures the availability of investment funds, decides on their allocation within the Group and is responsible for attracting and supporting highly qualified managers.

Pursuant to the German Co-determination Act (MitbestG), the German Stock Corporation Act (AktG) and the Articles of Association, the Supervisory Board of METRO AG is composed of 10 shareholder representatives and 10 employee representatives. The Supervisory Board of METRO AG advises the Management Board and monitors its corporate management, including its attainment of long-term corporate objectives. The Supervisory Board is brought into the planning of the development of METRO GROUP by the Management Board to the same degree that it is included in decisions about important measures. Aside from its legally prescribed approval obligations, the Supervisory Board has determined its own approval requirements for certain actions and business dealings of the Management Board.

Information on members of the Management Board can be found on pages 24 and 261 of the METRO AG Annual Report 2012. Members of the Supervisory Board are listed on pages 257 to 259. The modes of operation of the Management Board and Supervisory Board, the composition and functions of the Supervisory Board committees and information on key corporate management practices are described in the declaration on corporate management pursuant to § 289 a of the German Commercial Code (HGB). The declaration of compliance pursuant to § 161 of the German Stock Corporation Act (AktG) also appears in full in this report.

The declaration on corporate management is available on the website www.metrogroup.de in the section Company – Corporate Governance.

Objectives regarding the composition of the Supervisory Board and implementation status

To properly carry out its duties, the Supervisory Board must possess a broad range of knowledge, skills and specialist experience. To this end, the Supervisory Board has specified certain objectives regarding appointments, which were most recently updated in July 2012. These objectives are:

Diversity

Bearing in mind METRO GROUP's international expansion, the Supervisory Board is to include at least one business person with in-depth experience in one of the Company's growth regions. The current composition of the Supervisory Board more than fulfils this objective. In particular, the Board should include members with in-depth experience in the growth regions of Eastern Europe and Asia.

In 2010, an objective regarding the female representation on the Supervisory Board was determined to make better use of the pool of qualified candidates available for appointment to the Supervisory Board. The Supervisory Board aims to fill at least 20 percent of its seats with women following the Supervisory Board election in 2013. By 2018, the female proportion is to reach at least 30 percent. At present, female representation on the Supervisory Board amounts to 15 percent.

Impartiality

In accordance with legal stipulations, the Supervisory Board of METRO AG is composed of 10 employee representatives and 10 shareholder representatives. At least 5 shareholder representatives are to be impartial in accordance to Subsection 5.4.2 of the German Corporate Governance Code. The current composition of the Supervisory Board of METRO AG fulfils this objective.

Accounting and Audit Committee, impartiality of the committee Chairman

To ensure a qualified appointment of the Accounting and Audit Committee from the members of the Supervisory Board, at least 1 member of the Board must fulfil the requirements stipulated for the chair of the Accounting and

Audit Committee. Pursuant to the by-laws of the Accounting and Audit Committee, the committee Chairman must be impartial and possess professional knowledge in the areas of accounting and auditing as well as internal control measures (financial expert). 5 other committee members, who are appointed from the Supervisory Board, should possess sufficient professional knowledge and experience in these areas. Ideally, 1 potential member of the Accounting and Audit Committee should also possess special knowledge in the areas of corporate governance and compliance.

These objectives are implemented through the current composition of the Supervisory Board and its Accounting and Audit Committee. The committee is chaired by Dr jur. Hans-Jürgen Schinzler.

Potential conflicts of interest/age restrictions

To prevent potential conflicts of interest, members of the Supervisory Board of METRO AG may not assume board functions, consulting tasks or memberships on the supervisory boards of German or international, direct and material competitors. This requirement, which is laid down in the by-laws of the Supervisory Board, must be considered in the identification of candidates for the Supervisory Board. The same rule applies to another regulation in the by-laws that stipulates that members of the Supervisory Board may not remain in office after the end of the Annual General Meeting following their 75th birthday.

The Supervisory Board of METRO AG also meets these objectives. No member of the Supervisory Board will attain the age limit of 75 years soon, and no member has a seat on the supervisory board of a direct and material competitor.

Supervisory Board elections 2013

The end of the Annual General Meeting of METRO AG on 8 May 2013 potentially marks the potential end of the terms of 16 members of the Supervisory Board. 10 employee representatives and 6 shareholder representatives are affected. Supervisory Board elections are planned for 21 March 2013 in the Assembly of Employee Delegates and on 8 May 2013 at the Annual General Meeting.

The shareholder representatives' proposals for the election of members of the Supervisory Board are based on the above objectives and listed in the invitation to the Annual General Meeting. The invitation is available on the website www.metrogroup.de (Investor Relations/Annual General Meeting) beginning 22 March 2013. Should they be elected by the Annual General Meeting, 2 of the nominees (Prof. Dr Dr

mult. h.c. Erich Greipl and Dr Hans-Jürgen Schinzler) would reach the voluntarily stipulated age limit during their new terms. The Supervisory Board has asked these two members to seek re-election because the Board considers their in-depth knowledge and experience to be particularly valuable to the future work of the Supervisory Board.

The Supervisory Board of METRO AG does not have the right to propose candidates for the election of employee representatives to the Supervisory Board. Irrespective of this, the members of the Supervisory Board strive to jointly attain the above objectives for both employee and shareholder representatives. According to present estimates, the first level of the objective regarding female representation (20 percent) on the Supervisory Board will be attained within the self-imposed time frame, i.e. in 2013.

Compliance and risk management

METRO GROUP's business activities are subject to various legal and self-imposed conduct guidelines. METRO GROUP has bundled and expanded existing measures securing compliance with these rules and regulations in its uniform Group-wide compliance programme. The Group-wide compliance organisation meets both increased legal requirements in the various applicable jurisdictions as well as customer and public expectations.

METRO GROUP's compliance system aims to methodically and sustainably prevent regulatory infringements within the Company. METRO GROUP regularly identifies behavioural risks, establishes the necessary organisational structures and rigorously monitors and controls these risks through the responsible divisions. The Company practises systematic Group reporting. This ensures that the key compliance risks and measures are transparent and documented. The need for further development of the compliance management system is ascertained from the results of regular employee surveys on the issue of compliance.

METRO GROUP's risk management forms another integral component of value-oriented corporate management. It helps Company management to exploit opportunities and limit risks and is based on systematic and Group-wide risk reporting. As a result, unfavourable developments can be recognised at an early stage, allowing for the timely introduction of appropriate countermeasures. In addition, existing opportunities are identified, evaluated and realised in a systematic manner.

Additional information on the subjects of compliance and risk management can be found on page 158 of the Group Annual Report of METRO AG 2012 as well as in the declaration on corporate management pursuant to § 289 a of the German Corporate Code (HGB). The declaration is available on the website www.metrogroup.de in the section Company – Corporate Governance.

Transparent corporate management

Transparency is an essential element of good corporate governance. The website www.metrogroup.de serves as an important information source for METRO AG shareholders, the capital market and the general public. Aside from a host of information on METRO GROUP's business segments and sales lines, the site contains the financial reports and ad hoc statements of METRO AG as well as investor news and other publications pursuant to the German Securities Trading Act (WpHG). METRO GROUP publishes the dates for the most important regular publications and events (trading statement, annual reports as well as quarterly and half-year reports, the annual business press conference and the Annual General Meeting) in a financial calendar on its website in a timely manner. The website also offers information shown as part of roadshows, investor conferences and information events for private investors. Furthermore, an electronic investor relations newsletter can be subscribed to.

The General Meeting

The Annual General Meeting of METRO AG gives its shareholders the opportunity to use their legal rights, that is, in particular, to exercise their rights to vote (where these apply) as well as to address questions to the Company's Management Board. To help shareholders exercise their individual rights at the Annual General Meeting, documents and information for each Annual General Meeting are made available ahead of time on the METRO GROUP website.

The registration and legitimisation procedure for the Annual General Meetings of METRO AG complies with German stock corporation law and international standards. Each shareholder who would like to participate in an Annual General Meeting of METRO AG and exercise his or her voting right there must register and supply proof of the right to participate and exercise voting rights. Written proof of share ownership in German or English from the institution maintaining the securities deposit account satisfies this requirement. Deposit of shares is not necessary. Proof of share ownership corresponds to the beginning of the 21st day before each Annual General Meeting. Like the registration for the Annual General Meeting, it must be submitted to METRO AG at the address specified in the invitation within the

time frame specified by law and in the Articles of Association. Concrete registration and participation conditions are made public in the invitation for each Annual General Meeting.

Shareholders who are unable to attend the Annual General Meeting in person may exercise their voting rights through a proxy. The necessary voting right authorisation must be provided in writing. To the benefit of shareholders, eased formal stipulations apply in certain cases. These are described in the invitation to the Annual General Meeting, for example, for issuing voting right authorisations to banks or shareholder associations.

Shareholders may also authorise Company-appointed proxies to exercise their voting rights (known as proxy voting). The following rules apply: In addition to voting right authorisations, shareholders must also pass instructions on how to exercise these voting rights. The proxies appointed by the Company are obliged to vote according to these instructions. For assignment of voting rights during the Annual General Meeting for those shareholders who initially participate in the Annual General Meeting but who want to leave early without forgoing the exercise of their voting rights, the proxies appointed by METRO AG are also available. Naturally, the right to appoint other proxies to exercise one's voting rights is not affected by this. The details on proxy voting are listed in the invitation to each Annual General Meeting.

In the interest of shareholders, the Chairman of the Annual General Meeting, as a rule the Chairman of the Supervisory Board, works to ensure that the Annual General Meeting is conducted efficiently and effectively. The objective is to complete a regular METRO AG Annual General Meeting within 4 to 6 hours at the most.

Directors' dealings, share ownership by members of the Management and Supervisory Boards

Pursuant to § 15 a of the German Securities Trading Act (WpHG), members of the Management and Supervisory Boards must inform METRO AG of any transactions involving their own METRO shares or related financial instruments (directors' dealings). This obligation also applies to persons who have a close relationship with members of these two corporate bodies. No disclosure requirement applies as long as the transactions conducted by a member of the Board and the person who has a

close relationship with the member of the Board do not reach a total amount of €5,000 by the end of the calendar year.

————— Notifications of directors' dealings during the reporting year 2012 have been published on the website www.metrogroup.de in the section Investor Relations – Publications – Directors' Dealings.

The total share ownership of METRO AG shares held by all members of the Management and Supervisory Boards totalled less than 1 percent of the shares issued by the Company as of 31 December 2012.

Accounts audit

Audits 2012

The Annual General Meeting of METRO AG in May 2012 elected KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG) to be the auditor for the financial year 2012. The Supervisory Board's commissioning of the contract to carry out the accounts audit considered the recommendations listed in Subsection 7.2 of the German Corporate Governance Code.

Throughout the audit, which was completed in February 2013, KPMG made no reports to the Supervisory Board regarding grounds for disqualification or conflicts. There was also no evidence that any existed. Furthermore, in the course of the audit, there were no unexpected, substantial findings and events concerning Supervisory Board functions. As a result, an

extraordinary report from the auditor to the Supervisory Board was not required. The auditor found no deviations from the Management and Supervisory Boards' statements of compliance with the German Corporate Governance Code.

Auditor's impartiality

The auditor fulfils 2 key functions. The auditor supports the Supervisory Board in exercising corporate control. In addition, the audit activities provide the basis for the trust of the general public and capital market participants, in particular, in the accuracy of the annual accounts, notes to the financial statements and the management reports. The auditor's impartiality is a key precondition of fulfilling these two functions.

To strengthen the impartiality of METRO AG's auditor, the Management Board – after coordination with the Supervisory Board's Accounting and Audit Committee – decided at the end of 2011 to introduce a voluntary commitment going beyond the legal regulations and recommendations of the German Corporate Governance Code. Under this commitment, the annual fees for non-audit services rendered by the elected auditor and the members of its network must amount to no more than one-third of the total annual fee for the audit and audit-related services starting in 2012. The Management Board requires the approval of the Accounting and Audit Committee to commission or approve non-audit assignments exceeding this threshold.

————— Comprehensive information on the topic of corporate governance at METRO GROUP is also available on the website www.metrogroup.de in the section Company – Corporate Governance.

GROUP MANAGEMENT REPORT

Overview of the financial year 2012 and forecast

Sales of METRO GROUP rose by 1.2 percent. EBIT before special items totalled €1,976 million (previous year: €2,372 million).

Earnings position

- Sales of METRO GROUP increased by 1.2 percent to €66.7 billion in 2012 (in local currencies: +0.8 percent)
- International sales rose by 1.6 percent (in local currencies: +0.8 percent)
- Sales in Germany increased by 0.6 percent
- Group EBIT before special items reached €2.0 billion (previous year: €2.4 billion)
- Profit for the period totalled €101 million (previous year: €741 million) and included special items totalling €615 million (previous year: €238 million)
- Earnings per share before special items amounted to €1.89 compared with €2.63 in the previous year

Financial and asset position

- Investments declined by €0.7 billion to €1.4 billion
- Net debt decreased by €0.8 billion to €3.2 billion
- Long-term rating of BBB– (Standard & Poor's) and Baa3 (Moody's)
- Cash flow from continuing operations increased by €0.2 billion to €2.3 billion
- Total assets amounted to €34.8 billion, an increase of €0.8 billion compared with the previous year
- At €6.1 billion, equity was 5.2 percent lower than in the previous year; the equity ratio decreased by 1.4 percentage points to 17.5 percent

Forecast of METRO GROUP

Sales

In spite of persistently difficult business conditions, we expect to generate moderate growth in sales (adjusted for portfolio changes) in the short financial year 2013. In the subsequent financial year 2013/14, we expect to see this moderate growth in sales continue compared with the respective period for the previous year. These projections are based on the assumption of virtually unchanged exchange rates.

Earnings

In the short financial year 2013, earnings trends will be affected by continued economic uncertainties. As a result, we will continue to intensely focus on efficient structures and strict cost controls in 2013 and the following years.

In the short financial year 2013, we expect EBIT before special items to be slightly higher than in the respective period of the previous year (€704 million). This forecast is based on the assumption of higher income from the sale of real estate assets compared to last year's period. Due partly to the lack of major sports events, we expect the Group's operative performance to slightly lag that of the first 9 months of 2012.

Barring a sustained deterioration of the economic environment, we project an increase in EBIT before special items for the financial year 2013/14 compared with the respective period of the previous year.

1. Group structure

METRO GROUP's corporate structure is characterised by a clear division of responsibilities. The Company is headed by METRO AG. As a central management holding company, it oversees Group management functions, including, in particular, Finance, Controlling, Legal and Compliance. In addition, METRO AG oversees the management and administrative functions of METRO Cash & Carry, which we reorganised during the reporting year. The 2 previous business units "Europe/MENA" and "Asia/CIS/New Markets" have been brought together effective 1 April 2012. Since then METRO Cash & Carry has been managed by a single General Management with global responsibility.

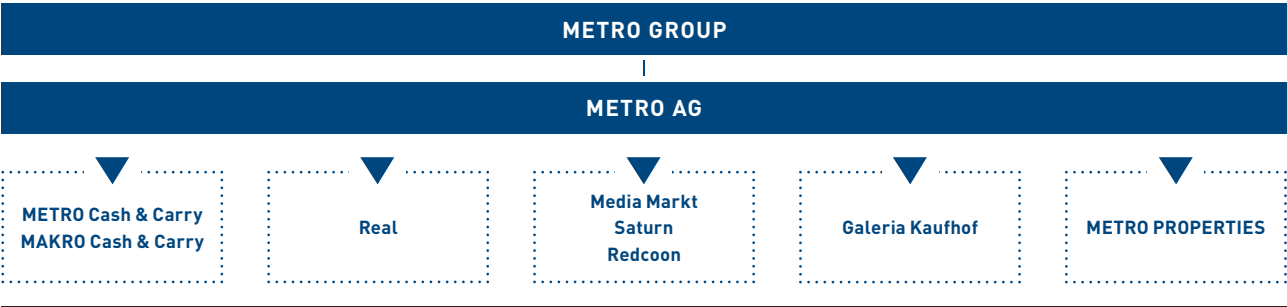
The Group's operational business is handled by our 4 sales lines. With the exception of METRO Cash & Carry, they have their own management organisations and head offices. In some cases, the sales lines operate in the market with sev-

eral sales brands or through subsidiaries, depending on the respective strategy, segment and specific competitive environment. The Group's cash & carry business is bundled in METRO Cash & Carry, hypermarkets in Real, consumer electronics retailing in Media-Saturn and department stores in Galeria Kaufhof. All sales lines have undivided responsibility for their entire supply chain – from procurement through logistics to stationary and online sales.

We have bundled our real estate capabilities, structures and functions in a company called METRO PROPERTIES, which oversees our Company's real estate portfolio in 29 countries. This company continues to act as an independent profit centre and is shown as a separate segment.

Service companies support all METRO GROUP sales lines with services in such areas as procurement, information technology and logistics. Together with METRO AG as a strategic management holding company, they are recognised under "Others".

Overview of METRO GROUP



Overview of METRO GROUP



METRO Cash & Carry is a leading international player in self-service wholesale. Its brands METRO and MAKRO operate in 29 countries throughout Europe, Asia and Africa. The wholesale stores offer products and services tailored to the specific needs of professional customers, such as hotels and restaurants, catering firms, independent retailers, service providers and public authorities.



Real is one of the leading hypermarket operators in Germany, where it runs both stationary stores and an online store. In addition, the sales line has locations in Turkey. METRO GROUP plans to divest of the sales line's Eastern European business in 2013. An agreement to this effect was signed in 2012 with the French Auchan retail group. All Real stores are characterised by a large proportion of high-quality fresh produce, a wide range of nonfood articles and attractive prices offering good value for money.



Media-Saturn is Europe's No. 1 in consumer electronics retailing. The sales line is represented in 16 different countries through its Media Markt and Saturn sales brands. In nearly all markets, the stationary business is closely dovetailed with the online offering. The pure play online retailer Redcoon, which is also part of Media-Saturn, sells its products in 10 countries. A decentralised organisational structure, attractive offers, dedicated employees and innovative marketing all contribute to the success of the sales line.



Galeria Kaufhof is one of Europe's leading department store operators. In Germany, the sales line is active under the Galeria Kaufhof name, in Belgium it uses the name Galeria Inno. Its stores are characterised by high-performance assortments with international brands and top-quality own brands as well as an event-orientated product presentation that provides for a special customer experience. Galeria Kaufhof is positioned as a modern retail brand with an unmistakable profile.



Real Estate: METRO PROPERTIES is METRO GROUP's real estate company. The company's aim is to add long-term value to METRO GROUP's portfolio of real estate assets through active portfolio management. Aside from investing activities, its services include the development, construction and management of retail properties. In addition, METRO PROPERTIES handles energy management for all METRO GROUP locations.

Portfolio of locations by country and segment

	METRO Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		METRO GROUP	
	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012
Germany	107	107	316	312	389	404	125	122	937	945
Austria	12	12			44	47			56	59
Belgium	11	12			21	22	15	15	47	49
Denmark	5	5							5	5
France	92	93							92	93
Italy	48	49			110	115			158	164
Luxembourg					2	2			2	2
Netherlands	17	17			38	41			55	58
Portugal	11	10			10	9			21	19
Spain	34	37			68	73			102	110
Sweden					24	28			24	28
Switzerland					27	27			27	27
United Kingdom	30	0							30	0
Western Europe (excl. Germany)	260	235			344	364	15	15	619	614
Bulgaria	14	14							14	14
Croatia	7	7							7	7
Czech Republic	13	13							13	13
Greece	9	9			10	10			19	19
Hungary	13	13			21	21			34	34
Kazakhstan	6	8							6	8
Moldova	3	3							3	3
Poland	39	41	54	53	61	63			154	157
Romania	32	32	25	24					57	56
Russia	62	68	18	18	36	45			116	131
Serbia	9	10							9	10
Slovakia	6	6							6	6
Turkey	24	27	12	12	25	28			61	67
Ukraine	31	33	1	2					32	35
Eastern Europe	268	284	110	109	153	167			531	560
China	52	64			7	7			59	71
Egypt	2	2							2	2
India	9	14							9	14
Japan	9	9							9	9
Pakistan	5	9							5	9
Vietnam	16	19							16	19
Asia/Africa	93	117			7	7			100	124
International	621	636	110	109	504	538	15	15	1,250	1,298
METRO GROUP	728	743	426	421	893	942	140	137	2,187	2,243

2. Economic parameters

The world's economy was very weak in 2012. The economic downturn that began in the 2nd half of the previous year continued during the year under review. In many countries, the slowdown grew even worse as the year progressed. Overall, global economic output rose just 2.3 percent (previous year: 2.7 percent). The biggest drag on the economy was exerted by the crisis of sovereign debt and confidence in the eurozone: the precarious position of government budgets in several industrial countries acted as a continuous source of uncertainty on financial markets and slowed the investment activities of companies in the process. As a result, several countries in Western and Eastern Europe fell into recession or teetered on the brink of one during the reporting year.

The weak economy, combined with funding cuts initiated to stabilise government budgets, hurt the amount of income available to consumers and buying power. At the same time, unemployment in the European Union hit a record high, rising from an average of 9.6 percent in 2011 to 10.7 percent at the end of the reporting year. Consumer confidence fell in many countries as a result – from an already low level.

Overall, these developments also dampened economic development in the emerging countries of the world. Asian markets felt this slowdown as well, even if the region did manage to produce the strongest growth of all economic centres once again in 2012. But the emerging countries of Asia were unable to offset the weak economic performance of the world's industrial countries.

In spite of the continuing downturn in the world's economy, consumer prices produced relatively high gains once again in 2012. The driving force behind this increase was the renewed rise in the prices of energy and food, even though they did not hit the record levels seen at the beginning of 2011. In the wake of this high level, the increase of consumer prices eased only slightly during the reporting year. Overall, the inflation rate did finish the year below the level of the previous year. But in many countries, food prices climbed even higher in 2012 than they did in 2011. In emerging countries, where a large share of disposable income is used to buy food, this development posed a major problem for consumers.

Consumer goods retailing hurt again

The challenging economic parameters and the high unemployment rate created problems for consumer goods retailing in 2012 as well. In the process, government spending cuts and tax rises – including the increase of the value added tax in the Netherlands and Spain – siphoned off disposable income. Altogether, these factors lowered consumers' confidence and caused them to cut back on their spending.

In Western Europe, retailing continued to slow as the year progressed. In nominal terms, retail stagnated. Adjusted for price increases, shoppers bought even fewer consumer goods in 2012 than they did in 2011. In Eastern Europe, the sector's results in the reporting year finished below those of 2011. Overall, the region was able to produce solid growth, even though these rates were well below those produced during pre-crisis years. The strongest growth continued to be produced by the emerging countries of Asia.

**Development of gross domestic product
in key global regions and Germany**
Percentage change year-on-year

	2011	2012
Asia	3.9	4.0
World	2.7	2.3
Eastern Europe	3.7	1.8
Germany	3.0	0.7
Western Europe (excl. Germany)	1.1	-0.4

Source: FERI

Germany

In 2012, Germany was unable to escape from the grip of Europe's sovereign debt crisis. Problems were created primarily by adjustments made in the eurozone and the uncertainties arising from them. Overall, however, the German economy was stable during the reporting year.

After producing relatively solid growth in the 1st half of the year, the German economy slowed measurably in the 2nd half. In the 4th quarter of 2012, it even contracted. As a result, economic growth in the reporting year amounted to only 0.7 percent (previous year: 3.0 percent). In the wake of this development, signs of weakness also appeared in the labour market. Consumer confidence remained stable in the 1st half of the year, but then the mood darkened. Disposable income did well, rising more than 2 percent in the reporting year. Private consumption grew by 0.7 percent in real terms – a relatively positive outcome, given

that a rise in consumer spending in Germany generally lags behind macroeconomic growth. The German retail sector also produced just under 2 percent growth in nominal terms. Because prices also rose at similar levels, this result simply meant another year of stagnation.

Western Europe

In Western Europe, the downturn that began in 2011 continued throughout the reporting year. It grew even worse in the 2nd half of the year. The sovereign debt crisis remained one of the main problems in 2012. No country in Western Europe was able to avoid being caught up in the slowdown. Nonetheless, the economic gap separating the crisis-battered periphery countries and the more robust core countries persisted. In addition to Germany, only Austria, Sweden and Switzerland reported economic growth – even if the rise was only a small one. In addition to the crisis countries Italy, Portugal and Spain, the economic chill was also felt in Denmark and the Netherlands.

The frail economy, government budget consolidation efforts and the rise in unemployment to record levels hurt consumer confidence in Western Europe. At the same time, consumer prices rose at above-average rates in 2012 as raw material prices for energy and food remained high. In comparison with 2011, however, price increases slowed slightly. Overall, private consumption in Western Europe was weak. In addition to Germany, a rise in consumer demand was seen only in the Scandinavian countries Denmark and Sweden as well as in Austria and Switzerland. In comparison with private consumption, retailing grew at below-average rates for another year. In real terms, retail sales in Western Europe fell by about 1 percent.

Eastern Europe

The economy of Eastern Europe cooled markedly during the reporting year. The weak performance in Western Europe had a strong impact on the countries of Eastern Europe – but to differing degrees. While Russia produced solid growth rates, economic momentum in Turkey and Poland slowed significantly as the reporting year progressed. After Turkey generated more than 8 percent growth in 2011 and Poland achieved over 4 percent growth in the same year, both countries managed to produce a rate of only slightly more than 2 percent in the reporting year. The Bulgarian and Romanian economies each produced growth of less than 1 percent in 2012. The economies of the Czech Republic and Hungary even contracted during the year. This was a direct result of the weakening demand in Western Europe for products and services that grew out of the sovereign debt crisis. Greece continued to experience the most pressing problems: the country's economy shrank for the 5th consecutive year.

Just like the region's economies, the momentum produced by the retailing industry varied widely. In particular, Russia, Turkey and Ukraine generated good retailing results. But the growth created in 2012 was below the level achieved in the previous year. The retail sector was weak especially in Bulgaria and the Czech Republic. Retailing continued to contract in Greece.

Asia/Africa

Despite the slowdown in the global economy, weakening demand from industrial countries and a drop in direct investments, the emerging countries of Asia generated the highest growth rates once again during the reporting year. But economic momentum did slow considerably in this region as well. Compared with the industrial nations of the West, however, the economies of Asia's emerging countries were in good shape overall. The level of debt carried by the public sector and private households was low. In addition, the region's banking sector is not so closely tied to international financial markets and has been only slightly affected by the sovereign debt crisis in Europe.

Special situations existed in Egypt and Japan during the reporting year: in Egypt, the economy remained subdued in the wake of the country's political upheaval. As Japan began the year, its economy was fuelled by rebuilding investments being made in the aftermath of the earthquake and reactor disasters in March 2011. In the 2nd half of the year, though, growth slowed measurably.

The economic slowdown in Asian countries also affected demand among private consumers. In 2012, however, Asia generated the highest growth in retailing of all regions where METRO GROUP does business. Once again, the pacesetters were China – with continued double-digit growth in retail – and India.

Development of gross domestic product
in METRO GROUP countries
Percentage change year-on-year

	2011	2012
China	9.3	7.8
Kazakhstan	7.5	5.6
Vietnam	5.9	4.9
India	7.0	4.7
Pakistan	3.0	4.2
Russia	4.3	3.4
Moldava	6.4	3.3
Turkey	8.5	2.5
Poland	4.3	2.2
Egypt	1.8	2.2
Slovakia	3.2	2.2
Japan	-0.5	2.0
Sweden	3.7	1.3
Switzerland	1.9	1.0
Germany	3.0	0.7
Ukraine	5.2	0.7
Austria	2.7	0.6
Bulgaria	1.7	0.6
Romania	2.5	0.4
Luxembourg	1.5	0.1
France	1.7	0.1
United Kingdom	0.9	0.0
Belgium	1.8	-0.1
Denmark	1.1	-0.4
Netherlands	1.1	-0.7
Czech Republic	1.9	-1.0
Spain	0.4	-1.4
Hungary	1.6	-1.4
Croatia	-0.0	-1.8
Italy	0.6	-2.0
Serbia	1.6	-2.2
Portugal	-1.6	-2.9
Greece	-7.1	-5.8

METRO Cash & Carry: developments in the cash & carry business

In terms of sales and internationalisation, the METRO Cash & Carry sales line remains the leading international player in self-service wholesale.

In 2012, sales generated by the cash & carry segment in Germany were well below their previous year's level. Overall, the cash & carry segment performed worse than food retailing did. METRO Cash & Carry remains clearly leading in the cash & carry segment in Germany. Nonetheless, the sales line's market share continued to fall there during 2012.

In Western Europe, sales generated by the cash & carry segment finished in 2012 at roughly the same level of the previous year. The performance of the cash & carry segment varied widely from country to country. In particular, sales dropped in the eurozone's crisis countries as they bore the brunt of weak economic conditions. Compared with modern food retailing, the cash & carry business generated weak results.

In Eastern Europe, sales generated by the cash & carry segment continued to rise. Once again, positive price effects fuelled growth. As a result of contrasting economic conditions, sales results in the region varied: the cash & carry segment produced good sales results in such countries as Russia, Turkey and Ukraine thanks to favourable macroeconomic conditions. By contrast, sales in Greece and Hungary fell once again from their previous year's level. During 2012, Eastern Europe was a focal point of expansion at METRO Cash & Carry. In the process, the sales line expanded its market share in the region.

In Asia, the cash & carry segment continued to perform strongly in 2012. Sales produced by the cash & carry segment once again grew faster than sales generated by modern food retailing. By continuing to expand in this strategic growth region, METRO Cash & Carry played a major role in the development of the cash & carry business. Thanks to the low market concentration found in many countries and the higher number of small, traditional retailers, the region continues to exhibit tremendous growth potential.

Real: developments in the food retail business

The Real sales line is Germany's number 2 in large-area food retailing and was one of the leading providers of this sales format in Eastern Europe during 2012.

The German food retail business continued to produce sales growth in 2012. Sales even rose higher than they did in the previous year. At the same time, the growth generated by price rises in the reporting year was smaller than in 2011. Once again, small superstores and discounters outperformed the overall market. Sales produced by large-area superstores with selling space of more than 2,500 square metres finished the year slightly above the level of the overall market. On a like-for-like basis, large superstores increased their sales. By contrast, like-for-like sales at Real slightly trailed those of competitors in 2012.

In the countries of Eastern Europe where Real does business, the sales of modern food retailing continued to climb in 2012. Growth rates remained at a high level – as a result of rising food prices, among other reasons. Another key driver of market growth was the further expansion of selling space. Modern hypermarkets continued to play a major role in the expansion produced in 2012.

Media-Saturn: developments in consumer electronics retailing

In 2012, the Media-Saturn group of companies maintained its leading position in European consumer electronics retailing. In addition to expanding its stationary stores, the sales line opened the new online shops of Media Markt and Saturn in several countries during the reporting year. In the process, it continued to expand its presence in the rapidly growing online business.

In 2012, German consumer electronics retailing performed well once again. However, sales grew at a slower pace than they have done in recent years. Following a subdued start in the 1st quarter, the market gained strong momentum in the 2nd quarter. This trend continued in the 2nd half of the year as well. A key driver of these sales was the strong demand for consumer electronics related to the UEFA EURO 2012 football championship. Following a sharp cut in advertising activities, Media-Saturn surrendered market share in the 1st quarter. By the end of the year, these losses had been fully recaptured. These gains were also due to the continued expansion of the sales line's online business. In addition to Redcoon, both Media Markt and Saturn have their own online shops in Germany. The sales produced by Media-Saturn's online sales operation grew faster in 2012 than the online sales generated by the overall market. Compared with the entire consumer electronics retailing business, online sales produced above-average growth during the reporting year.

In Western Europe, the negative sales trend from the previous year continued during 2012. In Spain and Portugal, 2 crisis countries of the eurozone, the industry's sales plummeted once again. With the exception of Austria, the other countries of Western Europe generated only weak growth. The Internet sales channel was able to escape the grip of the overall negative market trend and gained further significance in 2012. Despite challenging market conditions, Media-Saturn was still able to expand its market share in Western Europe. A key driver of this growth was the continued expansion of multichannel sales.

In Eastern Europe, sales of consumer electronics retailing shot up in 2012. Russia and Turkey remained the main driving forces of this growth. The Polish market also produced exceptional results. This was backed by strong demand for consumer electronics related to the UEFA EURO 2012 football championship that was held in the country. In Greece, the negative trends seen in recent years continued in 2012. Overall, Media-Saturn maintained its market share in Eastern Europe.

Galeria Kaufhof: developments in the department store business

In 2012, the department store segment in Germany remained at the level it reached in the previous year. As expected, the sector's results finished behind German retailing as a whole.

In 2011, sales trends with textiles and clothing, the focal points of department stores' assortments, were still positive. But these trends did not continue in 2012. Rather, sales decreased slightly. Following a weak 1st half of the year, a generally positive trend began in the 2nd half. The conflicting direction taken by various sales channels in the textile and clothing market continued in 2012: sales generated by mail-order and online retailing continued to rise. But sales produced by stationary stores fell. Most stationary formats, including department stores, were unable to escape this trend.

In Belgium, Galeria Inno continued the positive sales trends seen in the previous year. But Galeria Inno's sales results slightly lagged behind those of the Belgian retail sector.

Real estate: developments in the real estate business

In light of challenging business conditions, the fundamental data of global real estate markets were relatively positive. But the general mood remained tense. In 2012, the volume of investment in commercial real estate was generally stable in major markets – including Germany, the United States and the United Kingdom. But smaller and emerging markets like Brazil suffered significant setbacks. By year's end, activity in the markets had picked up, enabling a small increase in transaction results to be achieved compared with the previous year. Investors increasingly focused on core properties – that is, long-term rental property – to avoid risks. By contrast, the market proved to be challenging for lower quality real estate and for property with development potential in terms of leases and building structure.

Trends in European real estate markets continued to be characterised in 2012 by a strong regional imbalance. Investors continued to view the region's established and saturated markets as safe havens. But activities outside the core markets could not live up to market players' expectations. In 2012, sales of about €120 billion were produced with commercial real estate across Europe, a total that corresponds to the previous year's total. Nearly 27 percent of the transactions involved retail property, a figure that was slightly below the previous year's total of about 31 percent. Investments in the retail segment were primarily made in Germany, France and Great Britain. Across Europe, the trend towards a continued stabilisation of commercial real estate yields continued. But the economic slowdown had a growing impact on the European rental market. Corrections occurred particularly in the eurozone's crisis countries. Momentum eased in other markets.

In Germany, the transaction volume for real estate climbed as a result of major portfolio transactions at the end of the year. Compared with the previous year, it climbed by 8 percent. This result confirms the strength of the German investment market, particularly against the backdrop of the euro sovereign debt crisis, economic uncertainty, financing bottlenecks and a continuing aversion to risk seen among investors. The last factor has led investors to focus largely on properties in the core segment of German investment centres. As a result of the limited supply in this category, however, investor interest increasingly shifted to economically robust locations away from the real estate centres and to real estate with attractive location qualities and risk-adequate prices that requires a higher level of management effort.

In Eastern Europe, it was extremely clear that the uncertainties in the eurozone were continuing and that investors were focusing almost exclusively on core properties. The result was a sharp drop in market activities. In 2012, transaction volume for commercial real estate was about 35 percent below the previous year's level. Despite steep losses in the mature markets of Poland and Russia, these markets were very robust at the end of the year and acted as the driving forces of regional market developments. In particular, the investment activities in the Russian market had a stabilising effect. Because there is a shortage of first-class real estate properties for retailing in Eastern Europe, demand is being drawn to office real estate. Throughout the region, yields remained largely stable or decreased slightly.

The difficult economic conditions seen around the world had a distinct impact on the real estate markets of Asia and the Pacific region in 2012. Demand was subdued: transaction volume for commercial real estate plunged about 6 percent from the previous year's level. China was the primary cause of this drop:

here, a challenging financing environment combined with government restrictions on project development triggered a plunge in land transactions.

This resulted in a 22 percent drop in total investment volume compared with the previous year. In Japan, investor confidence improved markedly during the year following the earthquake and reactor disaster, as reflected by a 17 percent increase in investment volumes. But the lack of investable properties continued to curb transaction activity. In general, Asian investors dominate real estate demand in the region. Only about 10 percent of transaction volume in 2012 involved investors outside the region. This activity concentrated primarily on China and Japan. In contrast to the market for rented office space, Asia continued to have healthy demand for rented retail selling space. The strongest demand was generated by China once again. Yields partially fell throughout the region. Slight yield compression was generally seen in the office segment while yields for retail properties rose slightly in some markets, including China.

3. Earnings position

Overview of Group business developments

METRO GROUP recorded another increase in sales during the reporting year – despite the deterioration in market conditions, particularly in Southern Europe. Group sales rose by 1.2 percent to €66.7 billion. In local currencies, sales increased by 0.8 percent. Sales growth was capped by portfolio changes, including the divestment of the wholesale business of MAKRO Cash & Carry in the United Kingdom and the sale of the French Saturn consumer electronics stores in 2011. Adjusted for these effects, year-on-year sales growth at METRO GROUP was as high as 2.3 percent. This means that we have fully met our forecast of a sustained increase in sales.

Group EBIT declined by €722 million to €1,391 million. EBIT before special items fell by 16.7 percent to €1,976 million, matching our most recent forecast of about €2 billion.

Sales and earnings developments

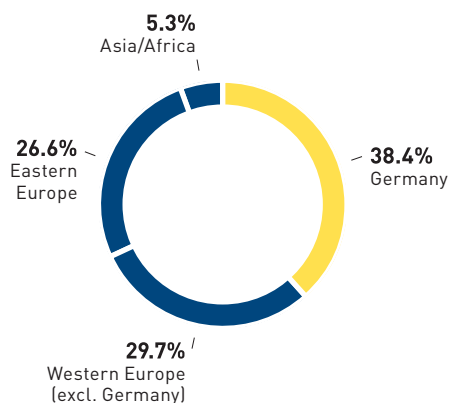
Pursuant to IFRS, companies only fully recognise sales revenues and the cost of sale for sales of goods or services if they assume the essential transaction-related opportunities and risks. Transactions where this is not the case are defined as so-called commission transactions where sales revenues are recognised only in the amount of the commissions which the company receives in its role as an agent. In the 1st quarter of 2012, METRO GROUP adjusted its definition of commission transactions. As a result, a higher proportion of transactions are recognised as commission transactions. The resulting reduction of sales revenues has no effect on the income statement as the corresponding cost of sales is no longer recognised either. The aim of this change of reporting is to improve comparability with other retail companies, particularly in terms of EBIT margin. To ensure comparability, sales for the financial year 2011 were lowered by a total of €0.8 billion. This affects the Galeria Kaufhof sales line and the “others” segment, in particular.

Development of Group sales by sales line and region

	2011 € million	2012 € million	Change in %		
			currency effects in percent- age points	in local currencies	
METRO Cash & Carry	31,121 ¹	31,636	1.7	1.0	0.7
Real	11,032 ¹	11,017	-0.1	-0.2	0.1
Media-Saturn	20,604	20,970	1.8	0.3	1.5
Galeria Kaufhof	3,119 ¹	3,092	-0.9	0.0	-0.9
Others	50 ¹	24	-51.5	0.0	-51.5
METRO GROUP	65,926¹	66,739	1.2	0.4	0.8
thereof Germany	25,469 ¹	25,630	0.6	0.0	0.6
thereof international	40,457 ¹	41,108	1.6	0.8	0.8
Western Europe (excl. Germany)	20,699 ¹	19,808	-4.3	0.5	-4.8
Eastern Europe	16,946 ¹	17,752	4.8	0.0	4.8
Asia/Africa	2,812 ¹	3,548	26.2	9.1	17.1

¹Adjustment of previous year [see chapter “Notes to the Group accounting principles and methods”]

Group sales of METRO GROUP 2012 by region



In the financial year 2012, METRO GROUP’s sales increased by 1.2 percent to €66.7 billion (previous year: €65.9 billion). In local currencies, sales rose by 0.8 percent. Positive developments at our sales divisions METRO Cash & Carry and Media-Saturn contributed to this strong result. Adjusted for the divestment of MAKRO Cash & Carry in the United Kingdom and the Media-Saturn sale in France, sales growth was as high as 2.3 percent.

Sales in Germany grew by 0.6 percent to €25.6 billion. International sales increased by 1.6 percent – despite the above-mentioned portfolio changes. In local currencies, sales outside of Germany grew by 0.8 percent. As a result, the international share of sales rose slightly from 61.4 percent to 61.6 percent. Sales in Western Europe declined by 4.3 percent to €19.8 billion (in local currencies: -4.8 percent). This was partly due to the difficult economic situation in Southern Europe and, in particular, to the divestment of MAKRO Cash & Carry in the United Kingdom. Adjusted for portfolio changes, sales in Western Europe fell by just 2.2 percent. Conversely, sales in Eastern Europe saw strong growth of 4.8 percent to €17.8 billion (in local currencies: +4.8 percent). Strong growth momentum was recorded in Asia/Africa. Sales in that region rose sharply by 26.2 percent to €3.5 billion (in local currencies: +17.1 percent). As a result, the region's share of METRO GROUP sales exceeded the 5-percent mark for the first time in 2012.

At €1,391 million, METRO GROUP's 2012 EBIT declined by 34.2 percent compared to the previous year. This figure includes special items totalling €585 million, including, in particular, restructuring expenditures, goodwill impairments and impairments in connection with the sale of MAKRO Cash & Carry in the United Kingdom as well as the termination of Media Markt's Chinese business and effects from the sale of Real's Eastern European business.

Special items include non-recurring transactions such as restructurings or changes to the Group portfolio. Reporting before special items better reflects the Company's operating performance and thus renders the earnings presentation more meaningful.

— An overview including the reconciliation of special items can be found on pages 102 and 103.

METRO GROUP's EBIT before special items declined by 16.7 percent to €1,976 million. This could be attributed mostly to the difficult market environment in Southern Europe and parts of Eastern Europe as well as price investments.

In Germany, EBIT declined by €53 million to €320 million; EBIT before special items rose by €18 million to €522 million. EBIT from METRO GROUP's international operations fell short of the previous year's level. In Western Europe (excluding Germany), EBIT fell by €423 million to €480 million; EBIT before special items amounted to €642 million. This corresponds to a decline of €314 million. In Eastern Europe, EBIT retreated from €855 million to €731 million; EBIT before special items de-

clined by €78 million to €849 million. In Asia/Africa, EBIT fell by €116 million to €-144 million, due mostly to the operating losses at Media Markt in China. EBIT before special items in Asia/Africa fell by €17 million to €-42 million.

Development of Group EBITDA/EBIT and EBITDA/EBIT of the sales lines

€ million	EBITDA ¹		EBIT ¹	
	2011	2012	2011	2012
METRO Cash & Carry	1,408	1,198	1,148	947
Real	321	276	134	102
Media-Saturn	809	625	542	326
Galeria Kaufhof	219	240	121	136
Real Estate	994	1,035	643	652
Others	-77	-57	-197	-168
Consolidation	-23	-25	-19	-20
METRO GROUP	3,651	3,292	2,372	1,976

¹ Before special items

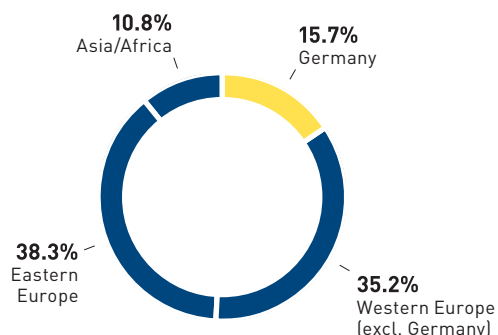
Sales and earnings developments of the sales lines

METRO Cash & Carry

Sales of METRO Cash & Carry rose by 1.7 percent (in local currencies: +0.7 percent) to €31.6 billion in 2012. Like-for-like sales increased by 0.2 percent. The exit from the UK market dampened sales growth; adjusted for this portfolio change, sales grew by 3.2 percent. The deliveries business continued to show dynamic growth, with sales in this business reaching €2.2 billion (previous year: €1.6 billion). The sales share of own-brand products also rose strongly to 16.7 percent in 2012 – an increase of 1 percentage point compared to the previous year.

In Germany, the decline in sales by 3.3 percent to €5.0 billion in the financial year 2012 was due mostly to the optimisation of the portfolio of locations, which comprised 10 closures during the 4th quarter of 2011, as well as to the weaker nonfood business. Like-for-like sales, however, fell by just 0.7 percent.

Sales of METRO Cash & Carry 2012
by region



Sales growth in Western Europe (excluding Germany) was dampened by the sale of the wholesale business of MAKRO Cash & Carry in the United Kingdom, as well as the difficult economic environment in Southern Europe, which had a negative effect on nonfood sales, in particular. Sales declined by 5.5 percent to €11.2 billion (in local currencies: –6.0 percent). Adjusted for the sale of MAKRO Cash & Carry in the United Kingdom, sales retreated by 1.8 percent. Like-for-like sales fell by 2.3 percent.

Strong sales growth was recorded in Eastern Europe during the financial year, with particularly favourable developments in Russia. Sales in Eastern Europe grew sharply by 5.5 percent to €12.1 billion (in local currencies: +5.3 percent). Like-for-like sales rose by 1.7 percent.

The strong sales momentum in the Asia/Africa region continued in the financial year 2012. METRO Cash & Carry achieved double-digit growth in all countries in which it operates. In total, regional sales grew by 25.9 percent to €3.4 billion (in local currencies: +16.9 percent). Like-for-like sales increased by 5.6 percent. METRO Cash & Carry's expansion in China is particularly noteworthy: the sales line opened 12 new stores in that country, more than ever in any other country in 1 year.

The international share of sales of METRO Cash & Carry rose from 83.5 percent to 84.3 percent.

METRO Cash & Carry's EBIT declined by 34.0 percent to €684 million from €1,037 million. Aside from the exit from the UK market, goodwill impairments and restructuring expenditures dampened results. EBIT before special items fell by 17.5 percent to €947 million. This decline is partly due to the fact that METRO Cash & Carry has established new functions to add even more value for customers. These include a customer-oriented reorganisation of its assortment and an expansion of customer management and the deliveries business. Efficiency increases in other areas partly offset this effect. In addition, higher expansion costs and price investments had a negative effect on EBIT. Additional adverse effects resulted from weaker like-for-like sales in Southern Europe. With an EBIT margin before special items of 3.0 percent, METRO Cash & Carry generated a solid return in a challenging environment.

Key figures METRO Cash & Carry 2012
in year-on-year comparison

	2011 € million	2012 € million	Change in %			
			in €	currency effects in percent-age points	in local currencies	like-for-like (local currencies)
Sales	31,121 ¹	31,636	1.7	1.0	0.7	0.2
Germany	5,125 ¹	4,955	–3.3	0.0	–3.3	–0.7
Western Europe (excl. Germany)	11,805	11,153	–5.5	0.5	–6.0	–2.3
Eastern Europe	11,485 ¹	12,120	5.5	0.2	5.3	1.7
Asia/Africa	2,706	3,407	25.9	9.0	16.9	5.6
EBITDA	1,408 ²	1,198²	–14.9	–	–	–
EBIT	1,148 ²	947²	–17.5	–	–	–
EBIT margin (%)	3.7 ²	3.0²	–	–	–	–
Locations (number)	728	743	2.1	–	–	–
Selling space (1,000 m ²)	5,517	5,484	–0.6	–	–	–

¹ Adjustment of previous year [see chapter "Notes to the Group accounting principles and methods"]

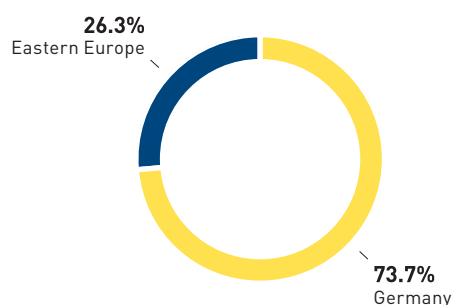
² Before special items

As of 31 December 2012, METRO Cash & Carry operated 743 locations in 29 countries: 107 stores in Germany, 235 in Western Europe (excluding Germany), 284 in Eastern Europe and 117 in Asia/Africa.

Real

Sales of Real matched the year-earlier level of €11.0 billion in 2012 (in local currencies: +0.1 percent) although our sales line trimmed its store network. Like-for-like sales increased slightly by 0.1 percent.

Sales of Real 2012
by region



Despite these store divestments, sales in Germany slightly exceeded the year-earlier level, rising by 0.1 percent to €8.1 billion. Like-for-like sales grew by 1.0 percent. The positive sales trend of the first 9 months gained momentum in the final quarter thanks mostly to October's "Real Deal" campaign, which saw the sales line offering a select product at an especially low price every day.

Sales in Eastern Europe fell by 0.9 percent to €2.9 billion in 2012. This decline was due to currency effects; in local currencies, sales increased by 0.1 percent. Like-for-like sales, however, declined by 2.3 percent. Sales were dampened by continued consumer reticence in Poland and Romania, in particular. The Eastern European nonfood business remained difficult and prevented better sales developments.

At the end of November 2012, Real's Eastern European business (excluding Turkey) was sold to the French retail company Groupe Auchan. The sale is subject to the approval of the responsible antitrust authorities and is scheduled to be closed in 2013.

The international share of sales at Real declined marginally from 26.5 percent to 26.3 percent.

Key figures Real 2012

in year-on-year comparison

	2011 € million	2012 € million	Change in %			
			in €	currency effects in percent-age points	in local currencies	like-for-like (local currencies)
Sales	11,032 ¹	11,017	-0.1	-0.2	0.1	0.1
Germany	8,106 ¹	8,117	0.1	0.0	0.1	1.0
Eastern Europe	2,926	2,900	-0.9	-1.0	0.1	-2.3
EBITDA	321 ²	276²	-13.9	-	-	-
EBIT	134 ²	102²	-23.6	-	-	-
EBIT margin (%)	1.2 ²	0.9²	-	-	-	-
Locations (number)	426	421	-1.2	-	-	-
Selling space (1,000 m ²)	3,082	3,043	-1.3	-	-	-

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

² Before special items

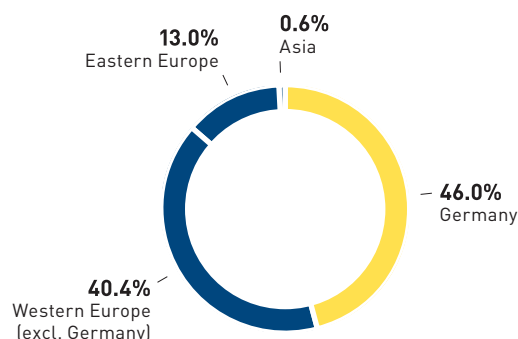
EBIT retreated by €69 million to €25 million due partly to negative effects related to the sale of the Eastern European business. EBIT before special items declined by €32 million to €102 million. EBIT fell short of the year-earlier level in Germany, reflecting the formation of reserves, including for onerous contracts. Conversely, the positive EBIT trend continued in Eastern Europe, with our sales line improving its results in Russia, in particular. Real generated an EBIT margin before special items of 0.9 percent.

At the end of 2012, Real's network of locations comprised 421 hypermarkets in 6 countries: 312 in Germany and 109 in Eastern Europe.

Media-Saturn

Media-Saturn reaffirmed its leading market position in Europe in 2012. In spite of a persistently challenging economic environment, sales rose by 1.8 percent to €21.0 billion (in local currencies: +1.5 percent). Adjusted for the sale of the French business in 2011, sales increased by as much as 2.9 percent. Like-for-like sales, in turn, retreated by 1.9 percent. The acquisition of Redcoon also supported Media-Saturn's sales growth. All in all, online sales increased to €0.8 billion, more than double the previous year's level. In 2012, Media-Saturn generated about 4 percent of its sales on the Internet.

Sales of Media-Saturn 2012
 by region



Sales in Germany developed very favourably in the financial year 2012 and reached €9.6 billion. Like-for-like sales increased by 1.0 percent, the first increase since 2009. The positive sales trend over the year could be attributed to investments that have rendered Media-Saturn's stationary business more attractive, as well as the systematic expansion of the sales line's Internet presence and higher demand for consumer electronics during the UEFA EURO 2012 football championship. Despite a negative calendar effect in the 4th quarter – there were fewer business days in 2012 than in the previous year – business markedly picked up during the Christmas season. Media-Saturn continued to gain market share in 2012.

Sales in Western Europe (excluding Germany) declined by 2.8 percent to €8.5 billion in 2012 (in local currencies: –3.2 percent). This was due mostly to sales tax increases in the Netherlands and Spain, which had a distinctly negative effect on business developments. In addition, sales of Media-Saturn in France were no longer included in year-on-year figures for 2012. Adjusted for the divestment of the French consumer electronics stores, sales declined by just 0.2 percent.

Sales in Eastern Europe increased sharply by 7.8 percent in the financial year 2012 (in local currencies: +7.6 percent) to €2.7 billion. Like-for-like sales also grew by 0.4 percent compared to the previous year. Key Eastern European growth markets for Media-Saturn included Russia and Turkey.

Within Asia, the Media Markt sales line recorded sales of €132 million in China in 2012. As announced, the test phase for market entry in China ended in December 2012. Based on the sales line's experience and business forecasts, the Management Board of METRO AG has decided to discontinue Media

Markt's Chinese operations and has made the necessary accounting provisions.

The international share of sales at Media-Saturn declined slightly from 55.0 percent to 54.1 percent.

Media-Saturn's EBIT amounted to €235 million after €493 million in the previous year. This decline is largely due to price investments and accounting provisions totalling €95 million for the termination of business operations in China. More efficient cost structures had a positive effect. EBIT before special items declined to €326 million from €542 million. The EBIT margin before special items reached 1.6 percent in the reporting year.

Key figures Media-Saturn 2012
 in year-on-year comparison

	2011 € million	2012 € million	Change in %			
			currency effects in percent in €	age points	in local currencies	like-for-like (local currencies)
Sales	20,604	20,970	1.8	0.3	1.5	–1.9
Germany	9,266	9,635	4.0	0.0	4.0	1.0
Western Europe (excl. Germany)	8,712	8,471	–2.8	0.4	–3.2	–5.7
Eastern Europe	2,534	2,731	7.8	0.2	7.6	0.4
Asia/Africa	92	132	43.5	14.2	29.3	–23.4
EBITDA	809 ¹	625¹	–22.7	–	–	–
EBIT	542 ¹	326¹	–39.7	–	–	–
EBIT margin (%)	2.6 ¹	1.6¹	–	–	–	–
Locations (number)	893	942	5.5	–	–	–
Selling space (1,000 m ²)	2,880	3,035	5.4	–	–	–

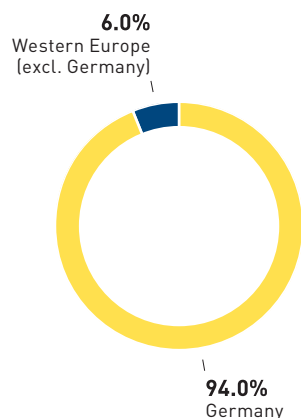
¹ Before special items

At the end of 2012, the store network of Media-Saturn comprised 942 consumer electronics stores in 16 countries: 404 in Germany, 364 in Western Europe (excluding Germany), 167 in Eastern Europe and 7 in Asia.

Galeria Kaufhof

In the financial year 2012, sales of Galeria Kaufhof declined by 0.9 percent to €3.1 billion. Like-for-like sales fell slightly by 0.6 percent. Changes in the reporting of commission transactions caused a corresponding reduction in sales of Galeria Kaufhof during the reporting year and the previous year. Commission sales generated from commission transactions are based on an underlying transaction volume of €488 million (previous year: €470 million).

Sales of Galeria Kaufhof 2012
 by region



Galeria Kaufhof generated sales of €2.9 billion in Germany in 2012 – a decline of 1.0 percent compared to the previous year. Like-for-like sales retreated by 0.7 percent. During the reporting year, Galeria Kaufhof concluded the discontinuation of the consumer electronics and media departments that it had initiated in 2010. Our sales line now uses the freed-up space to present higher-margin assortments including fashion, accessories, sports articles and toys. The textile assortment recorded particularly positive developments during the financial year. All in all, Galeria Kaufhof gained additional market share. Transaction volumes from commission sales in Germany amounted to €230 million (previous year: €226 million).

Galeria Kaufhof also made further strides in the fast-growing online business. At the end of 2012, the product offering presented at www.galeria-kaufhof.de comprised about 50,000 items. Online sales more than doubled to €25 million compared to the previous year.

In Western Europe (excluding Germany), sales rose by 0.8 percent to €0.2 billion. Like-for-like sales also increased by 0.8 percent. Transaction volumes from commission sales in Western Europe (excluding Germany) amounted to €258 million (previous year: €244 million).

EBIT rose markedly to €136 million after €94 million in the previous year. The various measures taken to optimise the network of locations clearly paid off. At €136 million, EBIT before special items rose €15 million from the previous year's level of €121 million. The EBIT margin improved to 4.4 percent.

At the end of 2012, Galeria Kaufhof operated 137 stores: 122 in Germany and 15 in Belgium.

Key figures Galeria Kaufhof 2012
 in year-on-year comparison

	2011 € million	2012 € million	Change in %			
			in €	currency effects in percentage points	in local currencies	like-for-like (local currencies)
Sales	3,119 ¹	3,092	–0.9	0.0	–0.9	–0.6
Germany	2,936 ¹	2,908	–1.0	0.0	–1.0	–0.7
Western Europe (excl. Germany)	183 ¹	184	0.8	0.0	0.8	0.8
EBITDA	219 ²	240	9.4	–	–	–
EBIT	121 ²	136	12.4	–	–	–
EBIT margin (%)	3.9 ^{1,2}	4.4	–	–	–	–
Locations (number)	140	137	–2.1	–	–	–
Selling space (1,000 m ²)	1,475	1,441	–2.3	–	–	–

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

² Before special items

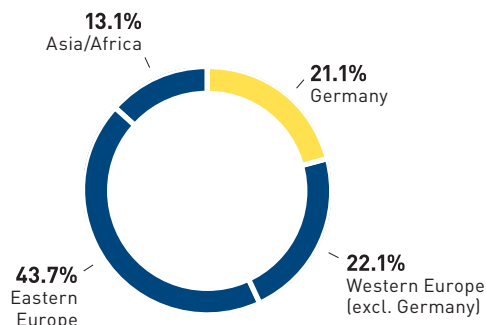
Real Estate

The Real Estate segment comprises all real estate assets owned by METRO GROUP as well as real estate-related services and contributes to our Company's value creation. The aim is to safeguard and systematically increase the value of the Company's real estate assets over the long term: through international expansion, active asset and portfolio management as well as optimised resource deployment.

As of 31 December 2012, METRO GROUP owned 620 locations (previous year: 687).

EBIT fell to €607 million from €639 million, a decline of €32 million that also resulted from the sale of MAKRO Cash & Carry in the United Kingdom. EBIT before special items increased by €9 million to €652 million. This figure also includes higher proceeds from portfolio transactions.

Property locations (620 locations)
 by region



Others

The “others” segment comprises, among others, METRO AG as the strategic management holding company of METRO GROUP, the procurement organisation in Hong Kong, which also operates on behalf of third parties, as well as logistics services. In 2012, sales of the “others” segment declined to €24 million (previous year: €50 million). Sales mostly comprised commissions from the Hong Kong procurement organisation’s third-party business as well as from logistics. As a result of lower order volumes from a number of major customers, sales fell short of the year-earlier figure.

EBIT totalled €–278 million in 2012 (previous year: €–217 million). This figure includes expenses for the discontinuation of a location of our logistics company METRO LOGISTICS, comprehensive outlays for restructuring measures at METRO AG’s Düsseldorf headquarters and one-time expenses related to the shareholder action in connection with the integration of ASKO and Deutsche SB-Kauf into METRO AG in 1996. All in all, special items in the “others” segment amounted to €109 million. EBIT before special items improved markedly to €–168 million from €–197 million.

Financial result and taxes

€ million	2011	2012
Earnings before interest and taxes EBIT	2,113	1,391
Result from associated companies	1	2
Other investment result	41	15
Interest income/expenses (net interest result)	–580	–562
Other financial result	–102	–36
Net financial result	–640	–581
Earnings before taxes EBT	1,473	810
Income taxes	–732	–709
Profit or loss for the period	741	101

Financial result

The financial result comprises above all the net interest result of €–526 million (previous year: €–580 million) and other financial results of €–36 million (previous year: –102 million). Interest income improved essentially as a result of lower interest expenses. Other financial result improved by €66 million to €–36 million. This was due mostly to the €39 million decline in cumulative results from currency effects and valuation results from hedging transactions and hedging relationships. This decline is due largely to developments of some Eastern European currencies and the related exchange effects and hedging transactions.

Additional information on the financial results can be found in the notes to the consolidated financial statements in no. 6 “Other investment result”, no. 7 “Interest income/interest expenses” and no. 8 “Other financial result”.

Taxes

The decline in taxes paid or owed is essentially due to tax audits completed during the previous year as well as a taxable real estate transaction conducted during the previous year where properties were brought into a fund structure. The countervailing movement in deferred taxes resulted largely from temporary differences carried forward. In the previous year, these carry-forwards were offset by disproportionate deferred tax income from the above-mentioned real estate transaction. Due to the sale of fund shares the deferred taxes were reversed in the reporting year.

€ million	2011	2012
Taxes paid or owed	741	528
thereof Germany	(174)	(161)
thereof international	(567)	(367)
thereof tax expenses/income of current period	(639)	(516)
thereof tax expenses/income of previous periods	(102)	(12)
Deferred taxes	–9	181
thereof Germany	(50)	(101)
thereof international	(–59)	(80)
	732	709

The effective tax rate stood at 87.48 percent in the reporting year (previous year: 49.71 percent). Adjusted for special items, the Group's overall tax rate amounted to 49.42 percent (previous year: 43.47 percent).

Additional information about income taxes can be found in the notes to the consolidated financial statements in no. 10 "Income taxes".

Group net profit and earnings per share

In 2012, Group net profit totalled €101 million, €640 million lower than in the previous year. Net of non-controlling interests, the Group's net profit attributable to the shareholders of METRO AG amounted to €3 million (previous year: €631 million).

Net profit for the period comprises special items totalling €615 million (previous year: €238 million). Adjusted for special items, net profit for the period thus amounted to €717 million (previous year: €979 million).

In the financial year 2012, METRO GROUP generated earnings per share of €0.01 (previous year: €1.93). As in the previous year, the calculation was based on a weighted number of 326,787,529 shares. Group net profit attributable to the shareholders of €3 million was distributed according to this number of shares. There was no dilution from so-called potential shares in the reporting year or in the previous year.

Earnings per share before special items totalled €1.89 (previous year: €2.63).

		Change	
	2011	2012	
Profit or loss for the period	€ million 741	101	–640 –86.3
Profit or loss attributable to non-controlling interests	€ million 110	98	–12 –10.8
Profit or loss attributable to shareholders of METRO AG	€ million 631	3	–628 –99.5
Earnings per share (basic = diluted) ¹	€ 1.93	0.01	–1.92 –99.5
Earnings per share before special items ¹	€ 2.63	1.89	–0.74 –27.9

¹ Net of non-controlling interests

EBIT after Cost of Capital (EBITaC)

METRO GROUP's strength is reflected in its ability to continuously increase the Company's value through growth and operational efficiency as well as optimal capital deployment. METRO GROUP has been using value-orientated performance metrics since 2000 to ensure the Company's sustained value creation. Since 2009, we have measured the value contribution in terms of EBITaC (EBIT after Cost of Capital). A positive value contribution is achieved when earnings before interest and taxes exceed the cost of capital needed to finance the average capital employed.

$$\begin{aligned}\text{EBITaC} &= \text{EBIT}^1 - \text{cost of capital} \\ &= \text{EBIT}^1 - (\text{capital employed} \times \text{WACC})\end{aligned}$$

¹ Special items generally periodised over 4 years

The use of the performance metric EBITaC enables METRO GROUP to focus on the key drivers of the operating business that management can influence: value-creating growth, increases in operational efficiency and the optimisation of capital employed. Value-creating growth is achieved through METRO GROUP's strategy of focusing on like-for-like sales growth in its existing markets, complementing the stationary business through targeted new sales channels such as online retail and delivery services as well as accelerating its expansion in select countries. In addition, METRO GROUP has successfully implemented operational and administrative measures to increase operational efficiency and optimise capital deployment going beyond the measures included in its efficiency and value-enhancing programme Shape 2012.

The cost of capital reflects the expected remuneration of investors for the capital they provide and for their investment risk before taxes. It is calculated by multiplying the average capital employed by the weighted average cost of capital before taxes (WACC).

The cost of capital before taxes corresponds to the minimum return on capital demanded by capital providers. It reflects the total cost of capital employed and thus consists of equity and debt capital costs. In 2012, METRO GROUP's cost of capital before taxes amounted to 9.6 percent. This figure is calculated from the segment-specific cost of capital weighted according to capital employed.

Capital employed represents interest-carrying assets. It comprises segment assets plus cash and cash equivalents less trade payables as well as other operational liabilities and deferred income. We use an average capital employed that is calculated from quarterly financial statements in order to also consider developments in capital employed that occur during the relevant period. The new definition of net working capital and the resulting accounting reclassifications are reflected in the restated capital employed.

In the calculation of EBITaC, special items are generally distributed over 4 years on a straight-line basis and considered in earnings before interest and taxes (EBIT). As the respective positive EBIT effects largely arise with a time lag to expenses, the distribution of these special items over several years provides for an improved presentation of operating performance. As a result, short-term special effects do not fully impact earnings during the period in which they occur. In addition, the periodisation helps to ensure that measures that create value over the long term are not abandoned because of negative short-term earnings effects.

The results of the EBITaC analysis are used, among other things, for the management of METRO GROUP's portfolio as well as for the allocation of investment funds. Medium- to long-term effects on value creation are the key factor determining the allocation of investment funds. As a result, the present value of future value added represents the key criterion for all investments within METRO GROUP. In order to also consider tax aspects in decisions on future expansion, value added after taxes is calculated for these cases. Additional criteria used to assess investment projects include, in particular, discounted cash flow and the cash recovery period as liquidity-based key performance metrics. As part of a stronger prioritisation during the allocation process of investment funds profitability metrics relating to the funds deployed are used in addition to strategic relevance to assess alternative investment projects.

EQUITY CAPITAL COSTS

Risk-free rate of return	4.5%
+	
Market risk premium	5.0%
x Beta factor (specific risk premium for METRO GROUP)	1.0
=	9.5%

Weighting at market rates 50%

DEBT CAPITAL COSTS

Risk-free rate of return	4.5%
+	
Average long-term risk premium	2.0%
=	6.5%
- Tax effect	-1.6%
=	4.9%

Weighting at market rates 50%

7.2% Group WACC after taxes

Tax effect (1 - 25.2%)

9.6% Group WACC before taxes

€ million	2011 ¹	2012	Delta
EBIT before special items	2,372	1,976	-396
EBIT after periodisation of special items ²	2,111	1,628	-483
Capital employed	16,358	16,305	-53
WACC before taxes	9.6%	9.6%	-
Cost of capital	-1,567	-1,563	4
EBITaC	544	65	-479

¹ Previous year adjusted for comparability reasons

² The effect of the special items is spread over 4 years

In 2012, EBIT after periodisation of special items from previous years (2009: €343 million, 2010: €204 million, 2011: €259 million) and periodised one-time expenses from 2012 totalling €585 million amounted to €1,628 million. Given an average capital employed of €16,305 million, the cost of capital amounted to €1,563 million. Despite the macroeconomic challenges and increased price investments, which led to a distinct decline in EBIT, METRO GROUP successfully deployed its capital in 2012 and achieved a positive EBITaC of €65 million.

Balance sheet profit of METRO AG and profit appropriation in accordance with German commercial law

METRO AG's annual financial statements prepared under German commercial law serve as the basis for dividend distribution. The income statement and balance sheet of METRO AG prepared in accordance with the German Commercial Code (HGB) are as follows:

Income statement for the financial year from 1 January to 31 December 2012 prepared under the German Commercial Code (HGB)

€ million	2011	2012
Investment result	956	783
Financial result	-125	-124
Other operating income	553	559
Personnel expenses	-137	-147
Depreciation/amortisation on intangible and tangible assets	-66	-54
Other operating expenses	-458	-483
Result from ordinary operations	723	534
Income taxes	-26	-34
Other taxes	1	-2
Net income	698	498
Profit carried forward from the previous year	14	21
Additions to reserves retained from earnings	-250	-170
Balance sheet profit	462	349

Balance sheet profit of METRO AG and profit appropriation

For the financial year 2012, METRO AG posted investment income of €783 million, compared with €956 million in the previous year.

In consideration of other income, expenses and taxes as well as the transfer of €170 million to revenue reserves, the Company reported a balance sheet profit of €349 million compared with €462 million in 2011.

The Management Board of METRO AG will propose to the Annual General Meeting that, from the reported balance sheet profit of €349 million, a dividend of €327 million be paid and that the balance be carried forward to the new account. The dividend proposed by the Management Board amounts to

- €1.00 per ordinary share and
- €1.06 per preference share.

Balance sheet as of 31 December 2012

Assets

€ million	31/12/2011	31/12/2012
Fixed assets		
Intangible assets	84	41
Tangible assets	4	3
Financial assets	8,660	8,552
	8,748	8,596
Current assets		
Receivables and other assets	2,352	2,488
Cash on hand, bank deposits and cheques	914	2,088
	3,266	4,576
Prepaid expenses and deferred charges	15	16
	12,029	13,188

Equity and liabilities

€ million	31/12/2011	31/12/2012
Equity		
Share capital	835	835
Ordinary shares	828	828
Preference shares	7	7
(Contingent capital)	(128)	(128)
Capital reserves	2,558	2,558
Reserves retained from earnings	1,977	2,146
Balance sheet profit	462	349
	5,832	5,888
Provisions	374	375
Liabilities	5,815	6,918
Deferred income	8	7
	12,029	13,188

Special items

by sales line

€ million	2011 as reported	2012 as reported	2011 special items	2012 special items	2011 before special items	2012 before special items
EBITDA	3,429	3,014	222	279	3,651	3,292
thereof METRO Cash & Carry	1,297	1,131	111	67	1,408	1,198
Real	292	223	29	52	321	276
Media-Saturn	767	570	42	55	809	625
Galeria Kaufhof	193	240	26	0	219	240
Real Estate	1,008	1,039	-14	-4	994	1,035
Others	-97	-166	20	109	-77	-57
Consolidation	-31	-24	8	-1	-23	-25
EBIT	2,113	1,391	259	585	2,372	1,976
thereof METRO Cash & Carry	1,037	684	111	263	1,148	947
Real	94	25	40	77	134	102
Media-Saturn	493	235	49	91	542	326
Galeria Kaufhof	94	136	27	0	121	136
Real Estate	639	607	4	45	643	652
Others	-217	-278	20	109	-197	-168
Consolidation	-27	-19	8	-1	-19	-20
Net financial result	-640	-581	0	22	-640	-559
EBT	1,473	810	259	607	1,732	1,417
Income taxes	-732	-709	-21	9	-753	-700
Profit or loss for the period	741	101	238	615	979	717
Profit or loss for the period attributable to non-controlling interests	110	98	10	0	120	98
Profit or loss attributable to shareholders of METRO AG	631	3	228	615	859	619
Earnings per share in € (basic = diluted)	1.93	0.01	0.70	1.88	2.63	1.89

Special items
by region

€ million	2011 as reported	2012 as reported	2011 special items	2012 special items	2011 before special items	2012 before special items
EBITDA	3,429	3,014	222	279	3,651	3,292
thereof Germany	1,021	938	117	195	1,138	1,133
Western Europe (excl. Germany)	1,162	938	51	-10	1,213	928
Eastern Europe	1,214	1,175	51	27	1,265	1,202
Asia/Africa	22	-41	3	66	25	25
International	2,398	2,072	105	83	2,503	2,155
Consolidation	10	4	0	0	10	4
EBIT	2,113	1,391	259	585	2,372	1,976
thereof Germany	373	320	131	202	504	522
Western Europe (excl. Germany)	903	480	53	163	956	642
Eastern Europe	855	731	72	118	927	849
Asia/Africa	-28	-144	3	102	-25	-42
International	1,730	1,067	128	382	1,858	1,450
Consolidation	10	4	0	0	10	4
Net financial result	-640	-581	0	22	-640	-559
EBT	1,473	810	259	607	1,732	1,417
Income taxes	-732	-709	-21	9	-753	-700
Profit or loss for the period	741	101	238	615	979	717
Profit or loss for the period attributable to non-controlling interests	110	98	10	0	120	98
Profit or loss attributable to shareholders of METRO AG	631	3	228	615	859	619
Earnings per share in € (basic = diluted)	1.93	0.01	0.70	1.88	2.63	1.89

4. Financial and asset position

Financial management

Principles and objectives of financial activities

The financial management of METRO GROUP ensures the permanent liquidity of the Company, reduces financial risks where economically feasible and grants loans to Group companies. These activities are monitored and performed centrally by METRO AG for the Group through guarantees and letters of comfort. The objective is to ensure that Group companies can cover their funding requirements in a cost-efficient manner and, where possible, via the international capital markets. This applies to the operating activities as well as to investments. As a matter of principle, METRO AG bases its selection of financial products on the maturities of the underlying transactions.

Intra-Group cash pooling reduces the amount of debt and optimises the money market and capital market investments of METRO GROUP, which has a positive effect on net interest income. Cash pooling allows the surplus liquidity of individual Group companies to be used to fund other Group companies internally. METRO GROUP's financial activities are based on a financial budget for the Group, which covers all relevant companies and is updated monthly. In addition, METRO AG provides 14-day liquidity plans.

METRO AG's current long-term investment grade rating of BBB-/Baa3 and short-term rating of A-3/P-3 support access to capital markets.

The following principles apply to all Group-wide financial activities:

Financial unity

By presenting a single face to the financial markets, the Group can optimise financial market conditions.

Financial leeway

In our relationships with banks and other business partners in the financial arena, we consistently maintain our leeway with regard to financial decisions in order to stay independent. In the context of our bank policy, limits have been defined to ensure that the Group can replace one financing partner with another at any time.

Centralised risk management

METRO GROUP's financial transactions serve to cover our financing requirements and are concluded to hedge risks related to underlying business transactions. METRO GROUP's total financial portfolio is centrally controlled by METRO AG.

Centralised risk monitoring

Changes in financial parameters, such as interest rate or exchange rate fluctuations, can impact the financing activities of METRO GROUP. Associated risks are regularly quantified in the context of scenario analyses. Open risk positions – for example financial transactions without an underlying business transaction – may be concluded only after the appropriate approval has been granted by the Management Board of METRO AG.

Exclusively authorised contractual partners

METRO GROUP conducts financial transactions only with contractual partners who have been authorised by METRO AG. The creditworthiness of these contractual partners is tracked on a daily basis based on their ratings and the monitoring of their credit risk ratios (essentially credit default swap analyses). On this basis, the treasury controlling unit of METRO AG's treasury continuously monitors adherence to the authorised limits.

Approval requirement

As a matter of principle, all financial transactions of METRO GROUP companies are conducted with METRO AG. In cases where this is not possible for legal reasons, these transactions are concluded on behalf of the Group company or directly between the Group company and an external financial partner in coordination with METRO AG.

Audit security

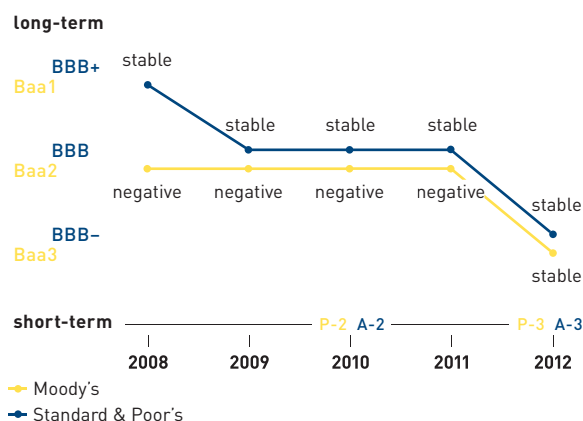
The 2-signature principle applies within our Company. All processes and responsibilities are laid down in Group-wide guidelines. The conclusion of financial transactions is separated from settlement and controlling in organisational terms.

Ratings

Ratings evaluate the ability of a company to meet its financial obligations. They communicate the creditworthiness of a company to potential debt capital investors. In addition, ratings facilitate access to international capital markets. METRO AG has commissioned the 2 leading international rating agencies – Moody's and Standard & Poor's – to continuously analyse METRO GROUP's creditworthiness.

Development of METRO GROUP's long- and short-term ratings over the past 5 years:

Rating development and outlook



Current METRO GROUP ratings awarded by Moody's and Standard & Poor's:

Category	2012	
	Moody's	Standard & Poor's
Long-term	Baa3	BBB-
Short-term	P-3	A-3
Outlook	stable	stable

Based on these ratings, METRO GROUP has access to all financial markets.

Financing measures

The Company's medium- and long-term financing needs are covered by an on-going capital market issuance programme with a maximum volume of €6 billion. In 2012, we conducted the following transactions in the context of this programme:

Type of transaction	Issue date	Term	Maturity	Nominal volume	Coupon
Redemption	May 2007	5 years	May 2012	EUR 500 million	4.75% fixed
Redemption	July 2009	3 years	July 2012	RON 100 million	11.50% fixed
New issue	January 2012	8 years	January 2020	EUR 125 million	4.05% fixed
New issue	January 2012	4 years	January 2016	EUR 50 million	3.10% fixed
New issue	February 2012	4 years	February 2016	EUR 60 million	3.00% fixed
New issue	February 2012	6 years	February 2018	EUR 50 million	3.50% fixed
New issue	March 2012	7 years	March 2019	EUR 500 million	3.375% fixed
New issue	March 2012	4 years, 2 months	May 2016	CHF 225 million	1.875% fixed
New issue	July 2012	12 years	July 2024	EUR 51 million	4.00% fixed
New issue	July 2012	10 years	July 2022	EUR 75 million	4.00 % fixed
New issue	July 2012	5 years	July 2017	EUR 50 million	variable spread 1.25%
New issue	August 2012	15 years	August 2027	EUR 50 million	4.00% fixed
New issue	December 2012	5 years, 5 months	May 2018	EUR 500 million	2.25% fixed

At year-end, a total of €4.5 billion was utilised from the on-going issuance programme.

In addition, promissory note loans totalling €550 million were redeemed in 2012, and new promissory note loans totalling €254 million with maturities between 2016 and 2022 were issued.

Short-term financing requirements are covered through the Euro Commercial Paper Programme and a commercial paper programme geared especially to French investors. Both programmes have a maximum volume of €2 billion each. The average amount utilised from both programmes in 2012 was €1,629 million. At the end of the year, the used volume totalled approximately €587 million.

In addition, METRO GROUP used credit lines totalling €1,305 million as of the end of the year.

For further information on financing programmes and credit lines, see the notes to the consolidated financial statements in no. 36 "Borrowings".

Aside from the established issuance programmes, the Company had access to sufficient liquidity via comprehensive, gen-

erally multi-year credit lines at all times. These are listed in the table below.

Unutilised credit lines of METRO GROUP

€ million	31/12/2011			31/12/2012		
	Remaining term			Remaining term		
	Total	Up to 1 year	Over 1 year	Total	Up to 1 year	Over 1 year
Bilateral lines of credit	2,244	309	1,935	2,075	433	1,642
Utilisation	-1,296	-279	-1,017	-1,305	-308	-997
Unutilised bilateral lines of credit	948	30	918	770	125	645
Syndicated lines of credit	2,475	0	2,475	2,500	0	2,500
Utilisation	0	0	0	0	0	0
Unutilised syndicated lines of credit	2,475	0	2,475	2,500	0	2,500
Total lines of credit	4,719	309	4,410	4,575	433	4,142
Total utilisation	-1,296	-279	-1,017	-1,305	-308	-997
Total unutilised lines of credit	3,423	30	3,393	3,270	125	3,145

Investments/divestments

In the financial year 2012, METRO GROUP invested €1.4 billion. This was about €0.7 billion less than in the previous year. The decline is due largely to higher non-cash liabilities from finance leases that were concluded for existing German locations in 2011. In addition, the previous year's total includes about €0.1 billion from the Redcoon acquisition. Aside from these effects, other non-expansion investments, which essentially comprise investments in the modernisation and maintenance of the existing network of locations, were reduced by more than €0.1 billion compared to the previous year. This is due, in particular, to the continued focus on the Company's expense efficiency. This focus also contributed to the fact that, at about €0.6 billion, expansion investments remained at the year-earlier level despite a higher number of 93 new openings compared to 89 new openings in 2011 (both figures excluding satellite stores).

€ million		Change	
		Absolute	%
2011	2012		
METRO Cash & Carry	799	407	-393 -49.1
Real	166	115	-51 -30.9
Media-Saturn	434	291	-143 -32.9
Galeria Kaufhof	124	89	-35 -28.0
Real Estate	448	425	-23 -5.1
Others	124	111	-13 -10.7
METRO GROUP	2,095	1,437	-658 -31.4

METRO Cash & Carry invested €407 million during the reporting year. The sales line opened 42 new stores around the world, including 4 so-called satellite locations. In addition, METRO Cash & Carry's store network was expanded by 4 stores from a joint venture in Pakistan. The focus of the expansion remained on Eastern Europe and Asia/Africa with 36 new stores. Expansion in the focus countries of China and Russia was continued with 12 and 6 new METRO Cash & Carry stores, respectively. 5 new METRO Cash & Carry stores were opened in India. The sales line added 3 new stores each in Turkey, Vietnam and Spain. The store network in Kazakhstan, Ukraine and Poland was extended by 2 stores each. One new store each was added in Belgium, France, Italy and Serbia. The locations in Pakistan, which were brought into the sales line as part of a joint venture concluded in the 1st quarter of 2012 are not counted as new openings, but are included in the total number of locations. The

sales line's 30 Cash & Carry stores in the United Kingdom were sold to Booker Group PLC. In addition, 1 store was closed in Portugal.

Real invested €115 million in the reporting year, €51 million less than in the previous year. One hypermarket each was added to the store network in Russia and Ukraine. 4 Real stores were sold or closed in Germany. In addition, 1 store each was closed in Russia, Romania and Poland.

The investments made by **Media-Saturn** totalled €291 million in the financial year 2012, about one-third below the year-earlier level. The decline in investments was essentially due to investments in the acquisition of the Redcoon group in the previous year and lower investments in the modernisation and expansion of the existing store network. 52 new stores were opened during the reporting year. With 38 store openings, the focus of the expansion remained on Western Europe (including 15 stores in Germany). 14 stores were opened in Eastern Europe, including 9 in Russia, 3 in Turkey and 2 in Poland. 7 and 5 new stores, respectively, were added in Spain and Italy. The Swedish store network was expanded by 4 new stores, while 3 consumer electronics stores each were added in Austria and the Netherlands. 1 new store was opened in Belgium. 3 stores were closed during the reporting year, including 2 in Spain and 1 in Portugal.

Investments at **Galeria Kaufhof** totalled €89 million in the reporting year, a decline of €35 million compared to the previous year. The investments primarily involved concept and modernisation measures. During the financial year 2012, 1 "Wanderzeit" store was opened and 4 department stores were closed.

At €425 million, investments in the **Real Estate** segment were slightly lower than in the previous year. The investments primarily involved the acquisition of real estate in connection with the expansion of the METRO Cash & Carry and Real sales lines.

Investments made in the **"Others"** segment totalled €111 million in the reporting year. The investments were largely attributable to intangible assets and business and office equipment.

Investment obligations incurred for the acquisition of tangible and intangible assets amount to €192 million.

Information on this is included in the notes to the consolidated financial statements in no. 19 "Other intangible assets", no. 20 "Tangible assets" and no. 21 "Investment properties".

From divestments, METRO GROUP received cash and cash equivalents of €817 million, which resulted primarily from the sale of real estate.

Additional information about divestments is included in the "Cash flow statement" in the consolidated financial statements as well as in the notes to the consolidated financial statements in no. 40 "Notes to the cash flow statement".

Consolidated cash flow statement

The cash flow statement serves to identify and display the cash flows that METRO GROUP generated or employed in the financial year from current operating, investing and financing activities. In addition, it shows the changes in cash and cash equivalents between the beginning and end of the financial year.

During the reporting year, total cash flows of €2,340 million (previous year: €2,092 million) were generated from current operating activities. Investing activities led to cash outflows of €626 million (previous year: €1,072 million). This results in a year-on-year increase in cash flow before financing activities of €694 million to €1,714 million in the financial year 2012. Cash flow from financing activities showed inflows of €279 million (previous year: outflows of €2,441 million).

Additional information is included in the notes to the consolidated financial statements in no. 40 "Notes to the cash flow statement".

Cash flow¹

€ million	2011	2012
Cash flow from operating activities²	2,092	2,340
Cash flow from investing activities³	-1,072	-626
Cash flow before financing activities	1,020	1,714
Cash flow from financing activities	-2,441	279
Total cash flows	-1,421	1,993
Currency effects on cash and cash equivalents	-23	17
Change in cash and cash equivalents	-1,444	2,010

¹ Abridged version. The complete version is shown in the consolidated financial statements.

² Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

³ Adjustment of previous year by the "Change in cash and cash equivalents due to first-time consolidation of companies"

Capital structure

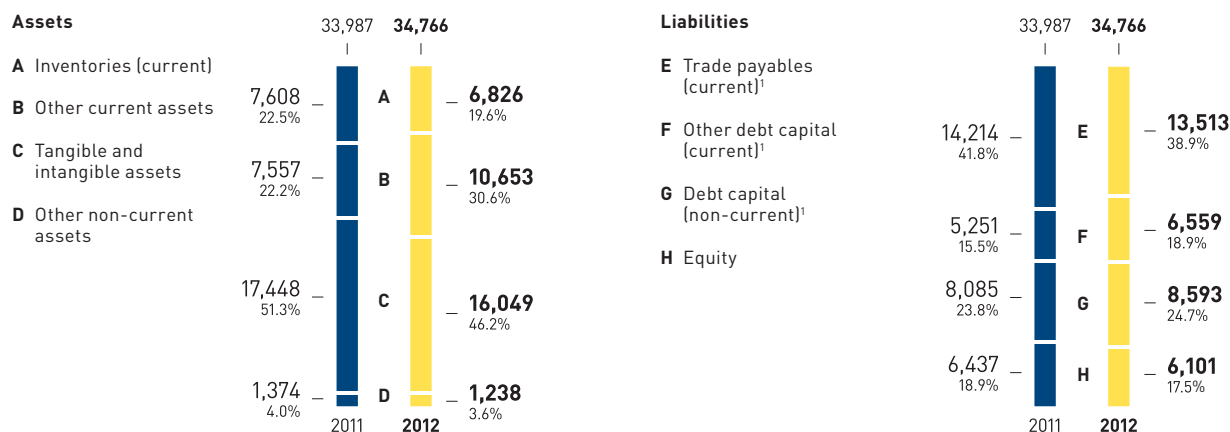
At the end of 2012, METRO GROUP's balance sheet showed equity of €6,101 million compared to €6,437 million in the previous year. Reserves retained from earnings sank by €340 million. This reduction was largely due to the dividend payment for 2011 of €442 million. The equity ratio declined by 1.4 percentage points to 17.5 percent. The share of reserves retained from earnings in equity totalled 43.4 percent compared to 46.4 percent in the previous year. Non-controlling interests increased by €4 million to €77 million. This increase was largely due to profits attributable to non-controlling interests (€102 million) and dividends (€-97 million).

€ million	Note no.	31/12/2011	31/12/2012
Equity	31	6,437	6,101
Share capital		835	835
Capital reserve		2,544	2,544
Reserves retained from earnings		2,985	2,645
Non-controlling interests	73	73	77

Net debt after netting of cash and cash equivalents according to the balance sheet as well as monetary investments with borrowings, including finance leases, totalled €3,245 million compared to €4,075 million in 2011. Non-current borrowings increased by €901 million to €6,736 million.

Capital structure of METRO GROUP

€ million



¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

Current borrowings increased by €208 million to €1,814 million. During the financial year 2012, cash and cash equivalents increased by €1,944 million to €5,299 million.

€ million	31/12/2011	31/12/2012
Cash and cash equivalents according to the balance sheet	3,355	5,299
Monetary investments > 3 months < 1 year ¹	11	6
Borrowings (incl. finance leases) ²	7,441	8,550
Net debt	4,075	3,245

¹ Shown in the balance sheet under "other financial and non-financial assets (current)"

² Revised terminology (see chapter "Notes to the Group accounting principles and methods")

The debt capital ratio increased by 1.4 percentage points to 82.5 percent. Current liabilities accounted for 70.0 percent of total debt compared with 70.7 percent in the previous year.

Non-current liabilities rose from €901 million to €6,736 million. This increase is largely attributable to bond issues with a volume of €1.7 billion. This was netted against maturity-induced reclassifications to current borrowings as well as reclassifications of liabilities from finance leases to "liabilities related to assets held for sale". As of 31 December 2012, current borrowings totalled €1,814 million (previous year: €1,606 million). The increase is largely attributable to the issuance of commercial papers in the amount of €587 million and reclassifications from non-current borrowings. This was netted against redemptions of note loans totalling €550 million. Due mostly to reclassifications to "liabilities related to assets held for sale", trade liabilities declined by €701 million to €13,513 million. In addition, this decline can be attributed to inventory optimisation measures at METRO Cash & Carry. The decline in income tax liabilities resulted primarily from tax payments made in the context of completed tax audits as well as a real estate transaction closed in the previous year. "Liabilities related to assets held for sale" totalled €900 million and resulted largely from the divestment of Real's Eastern European business.

Information on the maturity, currency and interest rate structure of financial liabilities as well as on lines of credit can be found in the notes to the consolidated financial statements in no. 36 "Borrowings".

€ million	Note no.	31/12/2011	31/12/2012
Non-current liabilities		8,085	8,593
Provisions for pensions and similar commitments	32	1,028	1,047
Other provisions ¹	33	463	424
Borrowings ²	34, 36	5,835	6,736
Other financial and non-financial liabilities ^{1, 2}	34, 37	602	227
Deferred tax liabilities	24	157	159
Current liabilities		19,465	20,072
Trade liabilities ¹	34, 35	14,214	13,513
Provisions ¹	33	546	644
Borrowings ²	34, 36	1,606	1,814
Other financial and non-financial liabilities ^{1, 2}	34, 37	2,705	2,910
Income tax liabilities	34	394	291
Liabilities related to assets held for sale	30	0	900

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

² Revised terminology (see chapter "Notes to the Group accounting principles and methods")

Additional information on the development of liabilities is shown in the notes to the consolidated financial statements in the numbers listed in the table.

Asset position

In the financial year 2012, total assets increased by €779 million to €34,766 million. Non-current assets declined from €1,535 million during 2012 to €17,287 million. Current assets increased from €15,165 million to €17,479 million.

Non-current assets

€ million	Note no.	31/12/2011	31/12/2012
Non-current assets		18,822	17,287
Goodwill	17, 18	4,045	3,780
Other intangible assets	17, 19	454	407
Tangible assets	17, 20	12,661	11,324
Investment properties	17, 21	209	199
Financial investments ¹	17, 22	76	247
Investments accounted for using the equity method ²	17, 22	3	92
Other financial and non-financial assets ¹	23	470	500
Deferred tax assets	24	904	738

¹ Revised terminology [see chapter "Notes to the Group accounting principles and methods"]

² Included in financial investments in the previous year

Goodwill declined by €265 million to €3,780 million. This decline resulted primarily from the reclassification of goodwill of Real Poland and Real Russia to "assets held for sale" as well as goodwill impairments at METRO Cash & Carry totalling €70 million. The decline in tangible assets by €1,337 million can also be attributed largely to the reclassification of assets to "assets held for sale". In addition, real estate assets totalling €257 million were disposed of. The increase in non-current financial assets by €171 million resulted primarily from the addition of interests in Booker Group PLC totalling €190 million in the context of the sale of MAKRO Cash & Carry in the United Kingdom. In addition, investments of €90 million accounted for using the equity method were added during the reporting year. These essentially relate to the remaining interests in a French real estate fund following deconsolidation as well as to investments in a Pakistani real estate company. The decline in deferred tax assets resulted primarily from on-going carry-forwards of temporary differences as well as the disposal of real estate assets. In addition, deferred tax assets were deleted from the accounts in connection with the planned disposal of the international Real subsidiaries and the deconsolidated activities of MAKRO Cash & Carry in the United Kingdom.

Additional information on the development of non-current assets can be found in the notes to the consolidated financial statements in the numbers listed in the table.

Current assets

€ million	Note no.	31/12/2011	31/12/2012
Current assets		15,165	17,479
Inventories	25	7,608	6,826
Trade receivables	26	551	568
Financial investments ¹		119	22
Other financial and non-financial assets ¹	23	2,882	2,886
Entitlements to income tax refunds		431	347
Cash and cash equivalents	29	3,355	5,299
Assets held for sale	30	219	1,531

¹ Revised terminology [see chapter "Notes to the Group accounting principles and methods"]

Inventories declined by €782 million to €6,826 million. This decline is largely due to the reclassification of inventories to "assets held for sale". In addition, inventory optimisation at METRO Cash & Carry resulted in a decline in inventories. Current financial investments declined by €97 million to €22 million, due largely to the divestment of fund investments. The decline in income tax refund claims by €84 million to €347 million is mainly the result of realised withholding tax credits. The increase in cash and cash equivalents by €1,944 million compared to the previous year also results from the switch to a more long-term-orientated refinancing strategy and premature refinancing of financings due in 2013. The increase in "assets held for sale" from €219 million to €1,531 million was largely attributable to the divestment of Real's Eastern European business.

Additional information on the development of current assets can be found in the notes to the consolidated financial statements in the numbers listed in the table.

5. Employees

METRO GROUP aims to secure its long-term positive earnings development. To this end, we need employees and managers who bring our strategy to life on the job each day. They must be people who are literally “Made to Trade.”, that is they must think like entrepreneurs and take responsibility into their own hands. Because our need for motivated and qualified employees will continue to grow as we carry out our growth strategy and expansion, we employ far-sighted human resources policies: we systematically invest in individual initial and ongoing training programmes, our working conditions and our management culture. Our objective is to attract the very best employees and managers to our Company, to support them in accordance with their drive and abilities, and to strengthen their long-term bond with our Company. By taking this approach, we are determined to become the employer of choice.

Development of employee numbers

In the financial year 2012, METRO GROUP employed an average of 248,637 full-time equivalents (previous year: 249,953). This is a decrease of 0.5 percent from the previous year. The large majority of our employees work outside our home market of Germany. In Western Europe (excluding Germany), Eastern Europe and Asia/Africa, we had 159,344 full-time equivalents, 0.4 percent more than during the previous year. A major reason for this slight increase was our international expansion effort. On average, we employ between 50 and 250 people at each new location – depending on the sales format. In Germany, by contrast, the number of full-time equivalents fell by 2.1 percent to 89,293.

In 2012, our sales line METRO Cash & Carry employed an annual average of 114,045 full-time equivalents, an increase of 1.3 percent over the previous year. A key reason for this rise was the sales line’s international expansion. At Real, the number of full-time equivalents fell by 3.9 percent to 50,394. Media-Saturn employed an annual average of 56,633 full-time equivalents in 2012, a drop of 1.7 percent compared with the previous year. At Galeria Kaufhof, the number of full-time equivalents decreased by 3.3 percent to 17,916 in 2012 compared with the previous year. The reasons for this decline included the closure of 4 stores in mid-2012. In the real estate segment, we employed 1,476 full-time equivalents, 21.7 percent more than in the previous year. This jump primarily resulted from the bun-

dling of our real estate know-how in METRO PROPERTIES and the transfer of METRO Cash & Carry employees to this area. The number of full-time equivalents in the “others” segment rose by 7.3 percent to 8,173.

Development of employee numbers of METRO GROUP annual average

Workforce by headcount

	Germany	International	Total
2011	109,099	171,757	280,856
2012	106,666	172,145	278,811 (–0.7%)

Workforce by full-time equivalents

	Germany	International	Total
2011	91,189	158,764	249,953
2012	89,293	159,344	248,637 (–0.5%)

Development of personnel expenses

Our personnel expenses increased by 2.9 percent to €7.5 billion (previous year: €7.3 billion) primarily as a result of restructuring measures. Of this total, €6.1 billion was attributable to wages and salaries, including wage taxes and employees’ contribution to social insurance programmes. The rest was attributable to social welfare contributions, pension expenses and employee benefits.

We encourage our staff to set up their own private pension accounts. Our Group-wide future package provides them with voluntary benefits that exceed collective bargaining standards generally seen in the industry. In 2012, 55,931 employees in Germany took advantage of these benefits (previous year: 57,462 employees). This represents a share of 54.2 percent (previous year: 54.2 percent).

Additional information about personnel expenses is available in the notes to the consolidated financial statements in no.15 “Personnel expenses”.

Development of employee numbers by country and segment
average full-time equivalents¹

	METRO Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		Real Estate		Others		METRO GROUP	
	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012
Germany	13,952	13,468	29,932	29,186	23,562	23,306	17,478	16,899	626	633	5,639	5,801	91,189	89,293
Austria	1,876	1,864			2,300	2,287							4,176	4,150
Belgium	2,815	2,790			1,420	1,376	1,044	1,017					5,279	5,183
Denmark	490	502			25	29							515	531
France	8,430	8,426			485	13							8,914	8,439
Italy	3,977	4,046			6,294	6,266							10,272	10,312
Luxembourg					112	119							112	119
Netherlands	2,948	2,753			2,329	2,514					8	9	5,286	5,276
Norway					0	4							0	4
Portugal	1,455	1,267			702	486							2,157	1,753
Spain	3,409	3,480			5,029	4,790							8,437	8,270
Sweden					1,497	1,534							1,497	1,534
Switzerland					1,239	1,217					84	87	1,323	1,304
United Kingdom	2,706	1,212			2	3							2,708	1,215
Western Europe (excl. Germany)	28,106	26,340			21,433	20,637	1,044	1,017			92	96	50,675	48,090
Bulgaria	2,523	2,470											2,523	2,470
Croatia	1,157	1,143											1,157	1,143
Czech Republic	3,474	3,383											3,474	3,383
Greece	1,098	1,041			860	700							1,958	1,741
Hungary	2,701	2,549			1,358	1,167			63	62			4,123	3,779
Kazakhstan	1,154	1,452							1	1			1,155	1,453
Moldova	663	716											663	716
Poland	6,391	6,321	9,652	8,746	4,907	4,642			317	386	165	117	21,432	20,211
Romania	5,535	5,484	6,343	5,842					1	1	430	525	12,309	11,852
Russia	15,968	17,444	4,350	4,434	3,338	3,747			89	275	647	801	24,393	26,702
Serbia	1,655	1,554											1,655	1,554
Slovakia	1,468	1,393											1,468	1,393
Turkey	3,822	4,297	1,735	1,637	1,418	1,601			117	118	38	24	7,129	7,676
Ukraine	6,395	6,102	419	549							8	8	6,822	6,659
Eastern Europe	54,005	55,349	22,499	21,208	11,882	11,857			587	843	1,287	1,475	90,260	90,732
China	8,234	9,018			708	833					576	534	9,518	10,385
Egypt	600	537											600	537
India	2,136	2,937									20	267	2,156	3,204
Indonesia	11	25											11	25
Japan	816	745											816	745
Pakistan	1,404	1,803											1,404	1,803
Vietnam	3,323	3,819											3,323	3,819
Asia/Africa	16,524	18,888			708	833					596	801	17,828	20,522
USA²	1	4											1	4
International	98,635	100,577	22,499	21,208	34,023	33,327	1,044	1,017	587	843	1,975	2,372	158,764	159,344
METRO GROUP	112,587	114,045	52,431	50,394	57,585	56,633	18,522	17,916	1,213	1,476	7,614	8,173	249,953	248,637

¹ Including possible rounding differences

² US employees are employees of the Boston Trading Office (BTO). The trading office is responsible for seafood procurement.

Development of employee numbers by country and segment
 by headcount as of closing date 31 December

	METRO Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		Real Estate		Others		METRO GROUP	
	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012
Germany	16,295	15,520	38,805	37,810	26,134	26,676	22,346	21,582	656	663	5,942	5,765	110,178	108,016
Austria	2,123	2,088			2,652	2,761							4,775	4,849
Belgium	3,681	3,601			1,558	1,541	1,422	1,357					6,661	6,499
Denmark	698	768			26	28							724	796
France	8,846	8,816			12	13							8,858	8,829
Italy	4,647	4,732			6,993	6,918							11,640	11,650
Luxembourg					108	137							108	137
Netherlands	5,080	4,631			4,337	4,612					9	10	9,426	9,253
Norway					0	2							0	2
Portugal	1,504	1,213			693	515							2,197	1,728
Spain	3,860	4,030			6,440	6,034							10,300	10,064
Sweden					2,168	2,159							2,168	2,159
Switzerland					1,430	1,351					94	90	1,524	1,441
United Kingdom	3,281	0			3	3							3,284	3
Western Europe (excl. Germany)	33,720	29,879			26,420	26,074	1,422	1,357			103	100	61,665	57,410
Bulgaria	2,581	2,485											2,581	2,485
Croatia	1,172	1,116											1,172	1,116
Czech Republic	3,723	3,489											3,723	3,489
Greece	1,092	1,061			807	795							1,899	1,856
Hungary	2,781	2,653			1,388	1,139			60	66			4,229	3,858
Kazakhstan	1,280	1,361							7	6			1,287	1,367
Moldova	723	712											723	712
Poland	6,829	6,444	10,305	9,270	4,955	4,787			319	412	148	128	22,556	21,041
Romania	5,615	5,440	6,422	5,691					1	0	468	559	12,506	11,690
Russia	18,054	19,286	4,690	4,526	3,615	4,219			96	374	789	822	27,244	29,227
Serbia	1,622	1,540											1,622	1,540
Slovakia	1,474	1,387											1,474	1,387
Turkey	4,117	4,407	1,858	1,767	1,593	1,728			124	117	35	18	7,727	8,037
Ukraine	7,144	6,789	424	840							8	8	7,576	7,637
Eastern Europe	58,207	58,170	23,699	22,094	12,358	12,668			607	975	1,448	1,535	96,319	95,442
China	8,492	9,995			992	786					572	524	10,056	11,305
Egypt	590	469											590	469
India	2,729	3,119									75	402	2,804	3,521
Indonesia	43	0											43	0
Japan	1,077	1,011											1,077	1,011
Pakistan	1,388	1,938											1,388	1,938
Vietnam	3,805	3,872											3,805	3,872
Asia/Africa	18,124	20,404			992	786					647	926	19,763	22,116
USA¹	4	5											4	5
International	110,055	108,458	23,699	22,094	39,770	39,528	1,422	1,357	607	975	2,198	2,561	177,751	174,973
METRO GROUP	126,350	123,978	62,504	59,904	65,904	66,204	23,768	22,939	1,263	1,638	8,140	8,326	287,929	282,989

¹ US employees are employees of the Boston Trading Office (BTO). The trading office is responsible for seafood procurement.

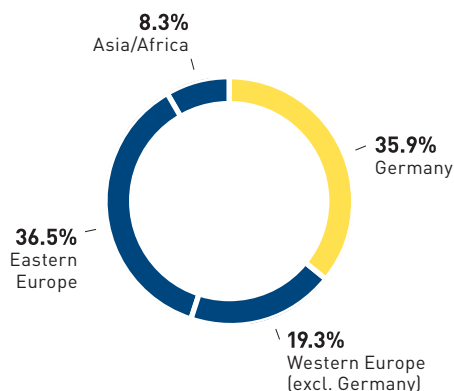
Development of employee numbers by country and segment
full-time equivalents as of closing date 31 December¹

	METRO Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		Real Estate		Others		METRO GROUP	
	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012
Germany	14,015	13,355	29,781	29,077	23,479	23,692	18,157	17,471	618	624	5,764	5,701	91,814	89,920
Austria	1,897	1,877			2,310	2,375							4,207	4,252
Belgium	2,990	2,939			1,455	1,434	1,100	1,042					5,545	5,415
Denmark	486	526			26	28							512	554
France	8,480	8,465			12	13							8,492	8,478
Italy	4,067	4,140			6,497	6,422							10,564	10,562
Luxembourg					105	131							105	131
Netherlands	3,093	2,713			2,429	2,556					8	9	5,530	5,278
Norway					0	2							0	2
Portugal	1,432	1,153			653	485							2,085	1,638
Spain	3,492	3,634			5,521	5,141							9,012	8,775
Sweden					1,689	1,642							1,689	1,642
Switzerland					1,299	1,205					88	83	1,386	1,288
United Kingdom	2,527	0			2	3							2,529	3
Western Europe (excl. Germany)	28,464	25,448			21,997	21,437	1,100	1,042			96	92	51,657	48,018
Bulgaria	2,532	2,429											2,532	2,429
Croatia	1,164	1,101											1,164	1,101
Czech Republic	3,453	3,332											3,453	3,332
Greece	1,092	955			750	723							1,842	1,678
Hungary	2,589	2,528			1,362	1,115			60	66			4,011	3,710
Kazakhstan	1,277	1,361							1	1			1,278	1,362
Moldova	723	712											723	712
Poland	6,419	6,106	9,471	8,511	4,893	4,736			318	411	141	121	21,242	19,886
Romania	5,593	5,424	6,321	5,622					1	0	468	559	12,384	11,605
Russia	17,883	19,055	4,545	4,404	3,597	4,198			93	369	781	808	26,899	28,835
Serbia	1,622	1,540											1,622	1,540
Slovakia	1,453	1,378											1,453	1,378
Turkey	4,115	4,405	1,672	1,611	1,590	1,728			124	117	35	18	7,536	7,879
Ukraine	6,285	6,294	424	840							8	8	6,717	7,142
Eastern Europe	56,199	56,619	22,433	20,989	12,192	12,501			597	964	1,433	1,514	92,854	92,586
China	8,484	9,943			992	786					566	518	10,042	11,247
Egypt	590	469											590	469
India	2,724	3,108									41	401	2,765	3,509
Indonesia	43	0											43	0
Japan	808	727											808	727
Pakistan	1,372	1,889											1,372	1,889
Vietnam	3,704	3,770											3,704	3,770
Asia/Africa	17,726	19,905			992	786					607	919	19,325	21,610
USA²	4	4											4	4
International	102,393	101,976	22,433	20,989	35,181	34,724	1,100	1,042	597	964	2,136	2,525	163,840	162,219
METRO GROUP	116,408	115,331	52,214	50,065	58,660	58,416	19,257	18,513	1,215	1,588	7,900	8,225	255,654	252,138

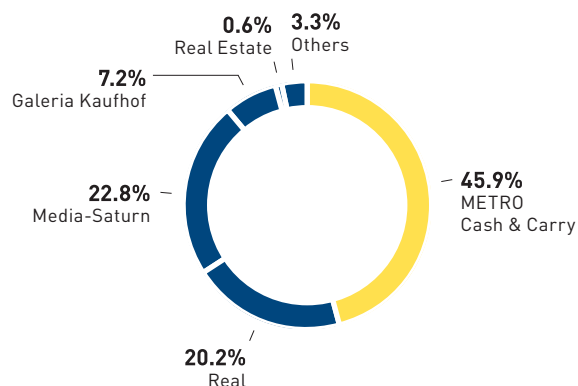
¹ Including possible rounding differences

² US employees are employees of the Boston Trading Office (BTO). The trading office is responsible for seafood procurement.

Employees by region
 full-time equivalents



Employees by segment
 full-time equivalents



Far-sighted human resources policies

Our Company's future largely depends on our ability to react flexibly and rapidly to changing business conditions and customer needs. Within METRO GROUP, we empower our employees to optimally fulfil the expectations of our customers. By assuming the social responsibility that falls to us as an employer, we are simultaneously responding to demographic change: a shrinking labour pool, a rising average age of employees around the world and growing migration to Western Europe. In the race to attract the best experts and managers, our far-sighted human resources policies give us a considerable edge. We have set the following objectives:

- Through systematic executive development, we ensure that the skills and expertise of our leading employees are

methodically honed to meet the strategic goals of METRO GROUP. By taking this approach, we are simultaneously preparing the next generation of managers for their future role in our Company.

- With our training opportunities, we have assumed a position of leadership in the retail industry. We raise young people's enthusiasm for the multifaceted opportunities offered by our industry at an early stage in their lives and teach the necessary retail expertise to future skilled workers.
- By creating an attractive working environment, we promote workplace diversity so that we can profit even more from the multifaceted strengths, ideas, interests and cultural backgrounds of our employees.
- We are fuelling cultural change within METRO GROUP in order to systematically enable our Company to meet the constantly changing expectations and shopping habits of our customers.
- We are strengthening our employer brand. As a result, we clearly set ourselves apart from the competition.

The human resources policies of METRO GROUP are designed to promote the long-term commitment of qualified employees to our Company. During the reporting year, average job tenure rose by 0.1 to 8.7 years. The Group-wide turnover rate totalled 17.9 percent (previous year: 18.0 percent). In Germany, the rate was 8.1 percent (previous year: 8.5 percent).

An important instrument used to determine our employees' satisfaction with and loyalty to our Company is our global employee survey that we regularly conduct. As part of the follow-up process, executives obtain in-depth insights into the survey results, discuss these with their teams and develop measures to improve employee satisfaction and retention. The action plan resulting from these efforts is subjected to regular progress reviews. In the financial year 2012, the survey was conducted for the fifth time. A total of 92 percent of employees participated in the survey (previous year: 81 percent). Drawing on the survey's results, we have set the goal in 2013 of increasing the effectiveness of the follow-up process, promoting the use of innovative ideas and encouraging the appreciation and recognition of our employees.

Independent studies have confirmed the quality of our human resources policies. In one reflection of this, the independent CRF Institute certified us as a top employer in 2012. METRO GROUP also ranked among Europe's 100 most attractive employers in a survey conducted by Trendence, a European research institute.

Further training and succession planning

At METRO GROUP, systematic executive development is a central responsibility of the strategic holding company, METRO AG. By taking this approach, we ensure that the skills and expertise of our managers are methodically honed to meet our Company's needs and strategic goals. Furthermore, we can systematically offer international career paths to our executives – regardless of the sales line or segment where they work. Our career planning processes also enable us to identify the right candidates for key positions in the Company, support them and thus assure successor planning. In the reporting year, the in-house succession rate for the top-management level – that is, in particular managing directors of Group companies as well as divisional heads of METRO AG – was 82 percent.

Individual assessment and development

Once a year, we conduct individual performance and potential assessments with our executives and employees in key positions. The objective is to be able to better estimate progress and abilities – in terms of the core skills outlined in our executive model. During this performance evaluation, employees and their supervisors jointly create a subsequent career development plan and determine targeted measures. This process ensures that we identify and support suitable candidates for key positions at an early stage.

Tailor-made initial and ongoing training

At METRO GROUP, we largely meet our need for skilled employees by conducting our own training programmes. In 2012, the number of trainees in our Company around the world totalled 9,296, a decrease of 6.0 percent. In Germany, we hired 2,503 new trainees during the reporting year, an increase of about 10 percent compared with 2011. In Germany, the number of trainees in 25 training occupations totalled 6,953, a decrease of 223 trainees since the previous year. With a share of 7.8 percent (previous year: 7.9 percent), we continue to be one of Germany's largest providers of occupational training. In the reporting year, 1,892 of our trainees completed their programmes. This amounts to a success rate of 95 percent. We offered 61 percent of them an employment contract upon completion.

The high quality of our training programmes is demonstrated by the awards that our sales lines have received. In 2012, the magazine "Lebensmittel Praxis" named Real Germany as trainer of the year in the category of retail headquarters.

Qualification programmes

The Company's international expansion and new sales concepts make our industry extremely diverse. But they also mean that the demands placed on our employees are in constant flux. As part of our human resources policies, we provide comprehensive qualification programmes designed to develop and hone the necessary skills. For store employees, we primarily use computer-based learning models, or e-learning. This form of training is not tied to a particular time or location. Subjects include customer consulting, sales, laws governing the protection of minors and product knowledge.

METRO University is the central platform for the training and qualification of our current and future managers. It brings together the professional development programmes that we offer at various international locations. Our instructors are drawn in part from the ranks of our own managers. The METRO University also teaches knowledge with the assistance of highly respected external partners, including Institut Européen d'Administration des Affaires (INSEAD) in Fontainebleau, France, and the International Institute for Management Development (IMD) in Lausanne, Switzerland.

Diversity and inclusion

METRO GROUP is one of the leading international retail and wholesale companies. Our employees are just as diverse as our customers, stores and suppliers are. During the reporting year, people from 175 countries worked for METRO GROUP. In management levels 1 through 3 – that is, Management Board/General Management, divisional management, main departmental or departmental management and store management – managers from 58 countries work for our Company. The average age of our workforce was 37.9 (previous year: 37.9). At the same time, we also open the way for older employees to join the working world. In 2012, METRO GROUP hired 774 employees in the over-50s age group in Germany. Internationally, the total was 1,015 employees. The share of members of the workforce who are 50 years old or older totalled 18.1 percent (previous year: 17.5 percent). In Germany, they made up 31.8 percent of the workforce (previous year: 30.3 percent). During the reporting year, we also employed 5,832 people with recognised severe disabilities or the equivalent in Germany. Our company also works to support the long-term provision of training positions for people with disabilities: in one reflection of this effort, our sales lines began in 2007 to promote the project Integrated Training with Vocational Education Centres organised by the

German Association of Vocational Education Centres. This program makes it possible for young people with disabilities to receive occupational training.

METRO GROUP is clearly committed to the goal of further increasing the diversity of the Company's workforce. As early as 2007, we signed the so-called "Charta of Diversity" – one of Germany's most widely supported initiatives on this issue with 1,300 backers. In the reporting year, we also joined the association that goes by the same name. As a project supporter, we intend to further integrate active diversity management – that is, the promotion of diversity within the Company – into the work world.

Equal opportunity on the job

As part of our diversity management, we promote the equal professional opportunities of men and women. Together with other listed German companies, METRO GROUP has made a voluntary pledge to increase the number of women in management levels 1 through 3. We aim to reach a share of 20 percent by the end of 2013. The share of women in management positions is to reach 25 percent by the end of 2015. We will keep these goals in mind while recruiting and in succession planning.

The share of women in the entire workforce was 55.3 percent in 2012 (previous year: 55.6 percent). In management positions in the levels 1 through 3, 19.7 percent of managers were female (previous year: 19.2 percent). The share of women in management positions is particularly high outside Germany. Internationally, 24.1 percent of managers are female.

In the reporting year, 2 employee initiatives focusing on the issues of "women" and "gender" – that is, social or psychological gender roles – were launched. The initiatives help to publicise the commitment of our employees to furthering the cause of diversity. They also help female managers to create and expand their professional and personal networks. METRO GROUP welcomes these initiatives and is interested in seeing the creation of other employee networks committed to the issue of diversity management.

Work-life balance

To make METRO GROUP more diverse, programmes to improve the work-life balance are essential.

Our Group headquarters in Düsseldorf opened its third childcare centre for employees in February 2012. The headquarters now has 238 full-time slots for children ranging from 4 months old to the age when they enter primary school. One special

feature of "METRO-Sternchen" is its bilingual concept: The staff speak German and English to the children. In 2012, we also offered a holiday childcare programme at our company headquarters. More than 173 children of employees took part.

The share of part-time employees at METRO GROUP dipped to 27.5 percent in 2012 (previous year: 28.2 percent). In Germany, 44.5 percent of our staff works part time (previous year: 44.3 percent).

Occupational safety and health management

The health and safety of our employees are a top priority at our Company. For this reason, we take steps to prevent potential accidents and physical problems that could be connected to work processes or could occur on the job every day.

By offering such programmes as back exercise training, physical fitness courses, corporate sports activities, nutrition tips, ergonomic consulting services and stress prevention training, we also help our employees to maintain their physical and mental capabilities throughout their working lives.

Changing corporate cultures

In its strategy, METRO GROUP has set the goal of markedly raising added value for its customers. To this end, 5 focal topics form the foundation of this effort: transform, grow, improve, expand and innovate. The redirection of our business requires that our employees know, grasp and support the strategy. Furthermore, they must be given an opportunity to put this strategy into practice. To facilitate this, the corporate cultures in the sales lines must be adjusted.

The pacesetter in this effort is METRO Cash & Carry, the largest sales line at METRO GROUP. During conferences held in 2012, members of the Company's management drew up new guidelines for all employees and managers. They are:

- Customer orientation
- Global entrepreneurship
- Success through exceptional work
- Trust in our employees
- Authentic leadership
- Sustainability

During the reporting year, we began to integrate these guidelines into our professional development efforts for executives as a way of effectively supporting the Company's new direction.

In the mid-term, METRO Cash & Carry intends to incorporate all employees in the process – beginning with executives in management levels 1 through 3 and extending to employees in stores and administrative positions. For this purpose, the sales line is organising working groups that are exploring the issue of "managing for more growth". In these groups, participants are learning how to specifically apply the new guidelines to their everyday positions, among other things. The working groups are also designed to further promote the change in corporate culture – with the aim of creating a transparent company that is open to change. In the reporting year, more than 2,600 employees from 22 countries as well as 3,250 executives from 23 countries took part in the working groups.

Additional information about METRO GROUP's strategy is available on pages 41 to 42. The strategic direction of METRO Cash & Carry is discussed on pages 42 to 44.

Personnel marketing

In the competition for the best skilled employees and executives, we take steps that polish our image among potential applicants. To ensure that a targeted message is delivered to skilled employees and executives, we took an array of steps during the reporting year designed to sharpen our profile as an employer brand and to position METRO GROUP among relevant target groups. As part of this effort, we conducted a national ad campaign in Germany that highlighted our position as one of the country's largest occupational trainers. The aim was to increase our name recognition among pupils.

Our sales lines also employ personnel marketing as a way of exciting young people about a career in retailing. Real, for instance, provides schools with information about conferences designed to help pupils to select an occupation. The sales line also takes part in national action days like Girls' Day and Boys' Day that give young people a chance to look behind the scenes for a day. Real is the first retail company to join the initiative "Wissensfabrik – Unternehmen für Deutschland" (Knowledge Factory – Companies for Germany). This effort focuses on specific projects in the areas of education and entrepreneurship that are aimed at schools and kindergartens.

To reach future managers, METRO GROUP collaborates with selected universities, universities of applied science and student organisations. As part of this work, we support the international association Enactus, which brings together about 60,000 students around the world. By contributing funds and ideas, we play a role in the promotional programme Accounting Talents at the University of Münster, which recognises outstanding work performed by students in the areas of accounting and controlling. For years, we have had a booth at the annual College Graduate Congress in Cologne – Germany's largest career fair for college graduates. Here, we inform them about our Company and its multifaceted entry-level and career opportunities. Last year in Cologne, Media-Saturn presented its new approach to personnel marketing for the first time. Under the motto "Forget about business as usual – Join the #1", the sales line demonstrated that it is not a run-of-the-mill company. In 2012, METRO GROUP took another step that is designed to promote a direct dialogue with college students and graduates by initiating a partnership with the career network "careerloft". Here, we provide interested young people with mentors from our Company and offer exclusive events as well as internship and job opportunities.

6. Innovation management

Unlike industrial companies, METRO GROUP as a retail and wholesale company does not conduct research and development in the strict sense of the term. For this reason, there are no important expenses to report.

But we do practise innovation management in order to exploit new concepts and technologies for the good of our sales lines and companies. By taking this approach, we intend to provide customers with further added value – through new business models, attractive product ranges and improved processes. Furthermore, innovations help us to achieve our sustainability goals. As a result, innovation management does its part to fuel positive, long-range growth in sales and earnings at METRO GROUP.

— You will find examples of the innovative products and services offered by our sales lines in the chapter “Strategic positioning of METRO GROUP” on pages 41 to 53.

Networked thinking

Customer centricity creates a critical competitive edge in retailing: those companies that have a deep understanding of their customers’ needs, shopping habits and lifestyles are the only ones that can offer the right products and services to these individuals. For this reason, our innovation management is designed to identify technological and social trends – even outside our core business – at an early stage, to assess their impact on retailing and to devise specific solutions for our Company.

In the process, we systematically tap the know-how and experience of our own staff working in all divisions of the Company. We also maintain a close partnership and a structured network with external companies and organisations to keep track of the increasingly dynamic development of products and services.

Teaming up with internal and external partners, we refine specific solutions for our own retail business and test them under real business conditions. If the innovations live up to our expectations, we will introduce them step by step in our stores. This process is always carried out in line with the specific needs of our sales lines.

METRO GROUP Future Store Initiative

One example of a networked partnership with external partners is our METRO GROUP Future Store Initiative that we set up in 2002. Today, this alliance includes more than 75 companies and organisations from the scientific community, the consumer goods industry as well as the service and the information and communication technology sectors. We jointly test innovative solutions designed to meet the challenges of our operational business. The ultimate aim of these partnerships, which we continued in the reporting year, is creating added value for the customer.

A central testing platform for the initiative is our Future Store in Tönisvorst, a city in the western German state of North Rhine-Westphalia. This store is a Real hypermarket where the sales line has been testing new concepts and technologies under real-world conditions with the assistance of the initiatives’ partners since 2008. Innovations that prove themselves in the Future Store are then introduced step by step at Real. Away from their work with the Future Store, our alliance partners also test new technologies and concepts under real-world conditions. These concepts include

- a digital management system for product shelves,
- an IT platform for customer coupons,
- a checkout system for restaurant customers and
- the use of Radio Frequency Identification (RFID) on the product level.

Digital management and marketing system

To support product introduction and provide customers with increased orientation in the store, the partners of the METRO GROUP Future Store Initiative have developed the Shelf-Vision Concept. This concept combines digital multimedia labels and flat-screen monitors that can be attached to chilled display cases. In addition to static product information and QR codes, short videos can be shown on the labels as a way of drawing customers’ attention to certain products. The monitors are used to thematically and optically organise the product groups. Real began testing the Shelf-Vision Concept at the Future Store in December 2012.

Electronic coupon solution

As part of the Future Store Initiative, Real has also introduced a so-called validation platform for customer coupons. Essentially, this is a computer system to which all checkout counters

in the hypermarkets are connected in order to confirm the validity of coupons. Thanks to this application, digital coupons can be offered. Using their smartphones, Real customers can select the desired coupon and redeem it at the checkout counter. They do not have to carry any paper coupons in order to save money while shopping.

While the validation platform was being introduced, the Company carried out a standardisation programme involving digital coupon management that has been embraced by the committees of the responsible international organisation, GS1. As a result, the sales lines of METRO GROUP no longer have to use the patented systems of external companies.

Real is also using another new type of coupon system for reverse vending machines used by customers to return empty containers. The benefit: along with the container refund receipt, customers receive coupons right before they start shopping. As a result, they can be targeted more systematically.

Technical support for professional customers

A modular software package specifically designed to meet the needs of the professional customers of METRO Cash & Carry has been developed by our internal IT service provider, METRO SYSTEMS and external partners. The components of this business suite are an iPad checkout system and a customer loyalty application.

The checkout application known as METRO POS is designed in particular for the young generation of restaurant operators who are interested in trying new technologies. A restaurant's wait staff will use an iPad to take customers' orders. The device then wirelessly transmits the information to the checkout system. A ticket is automatically printed for each order, and the kitchen staff can then use it to prepare the order. The solution helps to streamline order and payment processes and to significantly cut waiting times. In peak times, the kitchen's work can be reduced

by up to 80 percent. During the reporting year, new functions were added to METRO POS, which is available in 3 versions. The application is already being used in several restaurants. The official product introduction was made in September 2012 at the HOGATEC trade fair in Essen.

With the second module of the business suite, the professional customers of METRO Cash & Carry can design their own customer loyalty programmes. Restaurant and coffee bar owners can use the software to issue their own coupons or discount vouchers that can be redeemed via smartphone. This module was successfully introduced in a test project in 2012 conducted in conjunction with a Düsseldorf restaurant.

Radio Frequency Identification on products

Our Company is one of the retailing pioneers in the use of Radio Frequency Identification (RFID). With this technology, product movements in the supply chain can be automatically recorded and then wirelessly transmitted to IT systems. Up to now, we have primarily used RFID on such carriers as pallets. During the reporting year, we tested the technology on the product level as well. At MAKRO Cash & Carry Netherlands, transponders were attached to individual products from selected partial assortments. Transponders are tiny computer chips equipped with antennae that can be read without physical or visual contact to scanners. In this test, the technology was used to secure the products and optimise inventory management. During the test, the technical applicability and the commercial strengths were demonstrated in a productive environment. Using these findings as our basis, we will determine in 2013 the extent to which the system can be introduced nationally. A similar test was conducted in 2012 by Media-Saturn in Russia with CDs and DVDs. We completed the necessary technical installations in a logistics centre and a consumer electronics store in 2012. We expect to have the initial test results in mid-2013.

7. Sustainability management

A company can generate profitable growth only if it acts responsibly towards society and the environment. We deeply believe in this principle of sustainability. For this reason, we acted during the reporting year to create a sustainability vision that will serve as a Group-wide foundation for the long-range transformation of METRO GROUP and as a guideline for our sustainability management. Above all, this vision defines our understanding of sustainability.

METRO GROUP. We offer quality of life.

FOR OUR CUSTOMERS – by providing them with safe quality products and services where they live, around the world, constantly improving our processes. And with products that are made, processed and recycled in a socially responsible, environmentally sound, resource-conserving manner. This lets us secure our future.

FOR OUR EMPLOYEES – by at all times respecting, protecting and helping them grow professionally, and by building trusted relationships with them. This lets us create an attractive working environment.

FOR ALL WHO WORK FOR US – by doing business fairly and responsibly and providing good living and working conditions. This lets us demonstrate responsibility in the supply chain.

FOR SOCIETY – by protecting the environment, conserving natural resources and minimising our effect on the climate. This lets us help ensure a sound footing for the retailing of tomorrow.

Organisational structure

The central institution of our sustainability management is our Sustainability Board. It integrates all relevant Group functions and areas. To optimise coordination processes, we made a series of changes within the board at the beginning of 2012.

The Sustainability Board includes 2 members of the Management Board of METRO AG and 1 member each from the management boards of the sales lines and of METRO PROPERTIES. Representatives of the Group units Corporate Communications and Sustainability of METRO AG are also members of the board. The Sustainability Board draws on the sustainability vision to develop guidelines, standards and strategies, formu-

lates goals and defines key performance indicators to measure success. It is supported by 4 working groups. These groups develop programmes designed to reach the Group's goals, form project groups, monitor implementation and report progress to the board. A preparatory committee acts as an interface, ensuring that tasks are passed on to the working groups and the results are collectively reported.

The sales lines and companies of METRO GROUP are charged with the responsibility of introducing the programmes on an operational level. They are assisted in this work by sustainability officers whom they have appointed. Furthermore, they are gradually developing their own systems of sustainability management as a way of further optimising this work.

Focal points of sustainability management

Our sustainability management comprises 4 focal points that apply to the entire METRO GROUP:

- Supply chain and products
- Energy and resource management
- Employees and social affairs
- Social policies and stakeholder dialogue

These fields of action cover the entire supply chain and our points of interaction with society. They identify the areas where our impact on sustainability-relevant processes is the greatest.

To review and elucidate the strategic implementation of our vision, we report in this section of the management report about the Sustainable Development Key Performance Indicators (SD KPIs).

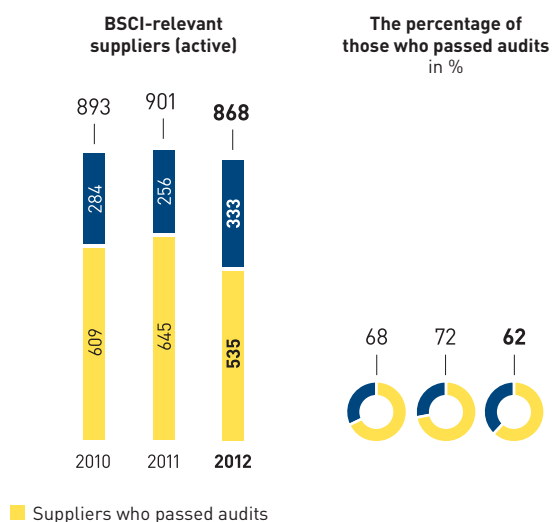
Supply chain and products

Our core business is supplying private and professional customers with safe, high-quality goods. By taking a wide range of steps, we help to shape production and work conditions. The focal points of this work include the responsible use of raw materials, the careful selection of producers and suppliers, and the provision of our assortments with products that are made, processed, sold and used in a resource-conserving, socially responsible manner. We are committed to ensuring that the use of resources and the procurement of products can be traced throughout the entire supply chain. Through our guidelines on sustainable procurement, the expansion of our effort to promote fair working conditions and the monitoring of social and quality standards, we are strengthening our purchasing channels and improving the quality and sustainability of our products.

Fair, socially just working conditions among suppliers

Compliance with social standards throughout the entire supply chain is vital. Knowing this, we have integrated the key work standards of the International Labour Organization (ILO) into our guidelines. Furthermore, we comply with the guidelines issued by the Organisation for Economic Co-operation and Development (OECD) for multinational corporations. Our suppliers are contractually required to protect human rights and to guarantee fair working conditions. Areas of our support include helping them to implement the requirements of the Business Social Compliance Initiative (BSCI), which we co-founded more than 10 years ago, or equivalent standards. The BSCI works to ensure that fundamental human rights are assured in the production and supply chain. To ensure that these standards are being met, we require our suppliers to undergo audits. All nonfood suppliers who deliver products into the EU through our subsidiary MGB Hong Kong have undergone such audits. 62 percent of them received a score of satisfactory in 2012. If requested, we will work with suppliers who fail to achieve this score until they can fulfil the requirements. By 2015, we intend to integrate nonfood suppliers who deliver products through local importers into the BSCI or an equivalent system of social standards.

Social audits of own imports through MGB Hong Kong



Food quality and safety

Our sales lines assume direct responsibility for our own brands. The Company's guidelines guarantee comprehensive quality management. This effort includes supplier evaluations

conducted in accordance with the international standards of the Global Food Safety Initiative (GFSI). In this manner, certification of compliance with a food-safety standard recognised by the GFSI becomes a mandatory component of all contractual relationships for our own-brand suppliers. Furthermore, regular analytical and sensory inspections of products are conducted. These inspections are carried out and coordinated by the Company's own quality assurance staff or by external testing labs. As part of complaint management, information from customers is used to refine products and improve processes. These processes are backed up by preventive crisis management. In this area, media reports about critical situations are carefully evaluated. The appropriate steps are then taken and incorporated into the processes to ensure consumer protection. The objective is to identify potential problems at the earliest possible stage and, thus, to provide the highest levels of quality and product safety. But even a quality assurance system that employs the very latest technology cannot provide 100 percent protection against human error or criminal activity. Should problems with products occur in spite of the careful inspections, the quality management team will take immediate action to ensure that the affected products are removed from store shelves and that consumers are transparently informed about the situation. These comprehensive procedural regulations fully apply to own-brand products and to fresh foods, including meat, fish, fruit and vegetables.

Expansion of supplier qualifications

Local suppliers and producers are important partners for us because we obtain a major share of the foods for our stores from them. With proprietary training courses and established qualification programmes, we help suppliers in developing and emerging countries to meet the high quality standards. As part of strategic partnerships with such international development organisations as the United Nations Industrial Development Organization (UNIDO), the International Finance Corporation (IFC) and the German Society for International Cooperation (GIZ, Deutsche Gesellschaft für Internationale Zusammenarbeit), we provide training to local producers and suppliers of fresh foods. In the reporting year, we provided training to more than 60 suppliers in Russia, Ukraine and India. The main topics covered in this training included food safety and hygiene, warehousing, transport and processing. The training helped the suppliers to meet the requirements of the Global Food Safety Initiative (GFSI) and to qualify for an internationally recognised certificate. The programmes can help to reduce suppliers' post-harvest losses by up to 40 percent, raise the volume of their marketable products and improve their income.

Environmentally and socially certified products

With our assortments, we meet the expectations of our customers in terms of environmentally conscious and socially acceptable products. These products include those from fair trade or foods that bear the European organic seal. In the reporting year, our sales lines in Germany generated sales of products certified by the EU organic directive that totalled nearly €50 million.

In addition, our sales lines provide customers in many product groups with a broad range of environmentally conscious and socially responsible products. These products include

- efficient electric appliances bearing energy labels from A+ to A+++,
- stationery produced in compliance with the standards of the Forest Stewardship Council (FSC) or Blauer Engel (Blue Angel),
- natural cosmetics and
- textiles made from organic cotton or cotton produced in accordance with the “Cotton made in Africa” standard.

METRO GROUP is currently developing a system to track the sales of these products.

Products from responsible fishing and aquaculture

METRO GROUP is committed to the principles of sustainable and environmentally conscious fishing. In 2002, we became the first retail and wholesale company in Germany to offer own-brand products bearing the seal of the Marine Stewardship Council (MSC) for wild fish. It attests that a product came from a responsibly managed fishing operation. Today, our sales lines offer an array of MSC-certified brand and own-brand products. In 2012, our sustainable range of fish sold in Germany comprised 78 MSC-certified own-brand products and 658 brand products. These products generated sales of approximately €54 million. We are also continuing to support the development of the ASC seal (Aquaculture Stewardship Council) for farmed fish. Similar to the MSC seal, this label is designed to help consumers buy sustainable foods. The first ASC products are now being sold in our stores.

Energy and resource management

Energy and natural resources are the foundation of our core business. Their use, however, impacts the Earth’s environment and climate. For this very reason, we assume responsibility for environmental and climate protection in the areas of the supply chain we can directly influence. These efforts include the storage and cooling of products, their transport, and the operation of our stores and administrative offices around the world. In taking this approach, we also address the rising costs of energy and resources.

With our energy and resource management, we intend to reduce the climate-relevant emissions of our business operations. We are striving by 2020 to cut our greenhouse gas emissions per square metre of selling space by 20 percent compared with the level in 2011. To achieve this goal, we are systematically working to efficiently use energy. In addition, we intend to minimise our consumption of resources. In this work, we are focusing in particular on reducing our paper consumption and the emissions generated by the use of refrigerants.

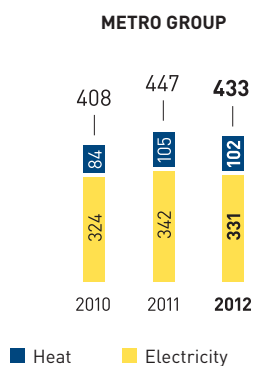
Increased energy efficiency

To be able to systematically plan, carry out and monitor energy and efficiency measures, our sales lines use smart metering systems. Thanks to these systems, a location’s consumption of electricity, natural gas and heating oil can be measured in a continuous and, thus, usage-based manner. Today, 95 percent of all METRO GROUP stores and outlets are equipped with these systems.

Lighting as well as heating and cooling systems are responsible for the largest share of energy usage. To cut usage levels even further, METRO Cash & Carry and Galeria Kaufhof have replaced fluorescent lamps with LED lights. Another effective step is installing sliding doors on deep freezers and frozen-food shelves. As part of this effort, METRO Cash & Carry has also installed energy-saving fans in all refrigeration units used throughout Germany. By taking this step, our sales line lowered the use of electricity by its German wholesale stores by more than 3,000 MWh in 2012 compared with the previous year’s level.

In the reporting year, energy usage for electricity and heat totalled 433 kWh per square metre of selling space. Compared with 2011, we lowered use by 3.4 percent.

Energy – electricity and heat usage
in kWh per m² of selling space



Energy Awareness Programme

Through environmentally conscious behaviour, our employees can make a major contribution to our drive to save energy. For this reason, METRO Cash & Carry developed the Energy Awareness Programme (EAP) during the reporting year. It is designed to encourage employees to use energy more efficiently. In addition, every location has been assigned a specific reduction goal. The programme is scheduled to start in March 2013. METRO Cash & Carry's overall goal is to achieve a 5 percent reduction in energy usage by August 2013 compared with 2011 and an 18 percent decrease by 2015.

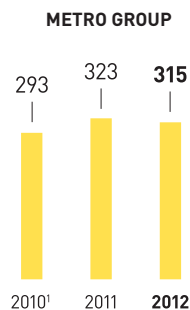
New climate protection target and carbon footprint

In 2012, the Sustainability Board of METRO GROUP set a new climate protection target: by 2020, we will reduce our specific greenhouse gas emissions by 20 percent compared with the level in 2011. This means that we will lower emissions per square metre of selling space by 323 kilogrammes of CO₂ equivalents per year to 258 kilogrammes of CO₂ equivalents. The climate protection target is part of our Group-wide carbon footprint that we have been disclosing since 2008. To increase the transparency of the data collection and improve comparability, we expanded the scope of our reporting in 2011. The change also made it necessary to recalibrate the climate target we set in 2008.

In the reporting year, METRO GROUP generated 315 kilogrammes of CO₂ equivalents per square metre of selling space. As a result, our Group-wide emissions fell by 8 kilogrammes per square metre of selling space compared with 2011, or 2.5 percent. This reduction was primarily achieved by energy-saving programmes.

We also see room for improvement in the area of emissions created by the loss of refrigerants. In years to come, we intend to measurably lower the refill rate of these agents. In addition, a technical programme to reduce leak rates and natural refrigerants are to be increasingly used in buildings and remodelling projects.

Climate target – greenhouse gas emissions in kg CO₂ (CO₂ equivalent)
per m² of selling space



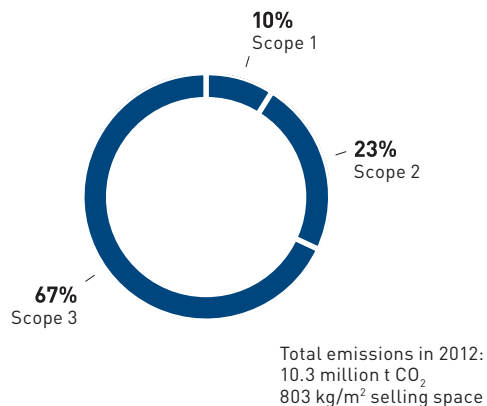
¹In 2011, we changed the range of emission sources that we monitor. But some primary data for the years before 2011 are not available. For this reason, the reporting year 2010 does not include company car's and partially pre-chain emissions, network losses for direct and indirect energy sources and the loss of refrigerants.

Our climate reporting is based on the Greenhouse Gas (GHG) Protocol standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The emissions of the sales lines and cross-divisional service companies are considered. In this review, we examine 19 different resources of emissions.

With the help of the Group-wide Carbon Intelligence System that we introduced in 2011, we track the energy consumption and other critical environmental impacts in virtually all outlets and department stores, administrative offices and warehouses. The quality of collected data is high. More than 95 percent of emissions for Scope 1 and Scope 2 draw from the collected data, and less than 5 percent from projections and estimates. We report the total impact of all relevant greenhouse gas emissions as CO₂ equivalents.

Since 2011, the auditing firm KPMG AG has audited our carbon footprint and certified its correctness.

Carbon footprint – all measured emission sources



Scope 1 = heating oil, natural gas, liquefied petroleum gas, refrigerants, own fleet of lorries and company cars, emergency power generating units

Scope 2 = electricity consumption, district heating/cooling

Scope 3 = all external logistics, paper consumption, business travel, purchased goods and services (not for sale) with the exception of paper, capital assets, upstream emissions from energy and waste, staff commutes, leased assets

Employees and social affairs

A company that intends to create added value for its customers needs motivated and qualified employees who can turn this pledge into an everyday reality. For this reason, the dedication of our workforce is a focal point of our sustainability management. By employing foresighted human resources concepts, we ensure that the Company has the employees it needs, particularly specialists and managers, to conduct business over the long term. We offer professional development opportunities and an attractive workplace that is characterised by diversity and respect. By taking such steps, we increase our appeal as an employer and invest in the future of our Company.

The human resources policies of METRO GROUP and key performance indicators are contained in chapter 5 Employees of the Group management report. The section on employees can be found on pages 111 to 118.

Social policies and stakeholder dialogue

As a leading international retail and wholesale company, METRO GROUP adds its voice to discussions about business and sociopolitical issues. In doing so, we conduct a transparent dialogue with our stakeholders. We also want to live up to our responsibility as a good corporate citizen. Our commitment to society includes compliance with a code of conduct and principles of good management, a regular dialogue, reporting about sociopolitical issues and charitable activities in the form of fund-raising and sponsoring activities.

You will find in-depth information and other key performance indicators regarding the topic of sustainability in the METRO GROUP Sustainability Report 2012 that is included with the annual report as well as on our website in the Sustainability section. This year, the sustainability report was prepared for the first time in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines. Based on the self-assessment stipulated by GRI, it corresponds to the requirements of GRI Level B.

OUR RESULTS AND GOALS

Within each of our focused fields of action, we have set specific goals for the continuous improvement of our sustainability efforts – including targeted measures for achieving these goals. The current status of these goals and their associated measures is indicated in the following table.

Degree of goal achievement



Company

Theme	Goals	Status goal	Measures	Status measures
COMPLIANCE ORGANISATION AND MANAGEMENT	METRO GROUP continuously improves the effectiveness of its compliance management system.		— Implementation of the comprehensive communication strategy to educate employees by means of Group-wide awareness campaigns in various formats (e.g. Compliance Day), reports in newsletters, the intranet and employee magazines, etc.; to be continued in 2013.	
			— Introduction of Group-wide anti-corruption guidelines and enhancement of the Group-wide competition law compliance programme by the addition of extensive training programmes.	
			— Implementation of an internal control system to manage compliance risks within operational processes, including systematic checks, a dual-control principle and also the separation of functions. All processes of phase 1 have been completed, the processes of phase 2 are to be completed in 2013.	
			— Group-wide online survey of level 1, 2 and 3 managers to measure the progress of compliance at METRO GROUP. The results are reported to the Management Board and included in the Compliance Newsletter. The survey was conducted in 2012.	
			— Compliance check of business partners (based on compliance questionnaire) implemented; questionnaires collected from more than 15,000 suppliers/service providers; assessment to be completed in 2013.	
			— E-training platform for compliance training courses implemented in half of all METRO GROUP countries (first modules: anti-corruption and antitrust).	

Information in this overview is based on METRO GROUP's Sustainability Report 2012, which appears as a supplement to this Annual Report.

Company

Theme	Goals	Status goal	Measures	Status measures
RISK MANAGEMENT	Establishment of the integration of sustainability criteria into the risk management system by 2012.		— Systematic inclusion of sustainability criteria that are critical to METRO GROUP into the risk management system. Since the beginning of 2012, this has been laid down in a risk management guideline. As of 2012, relevant sustainability-related risks are part of the risk inventory.	

Field of action: supply chain and products

Theme	Goals	Status goal	Measures	Status measures
CONSERVATION OF RESOURCES / FOOD SAFETY / SUSTAINABLE SOURCING	METRO GROUP continues to refine its strategy on sustainable fishing.		— Development of sales line-specific implementation guidelines for METRO GROUP's sustainable fishing purchasing policy.	
			— All METRO Cash & Carry countries must develop their own implementation plan for a sustainable fish strategy by May 2013.	
			— All METRO Cash & Carry countries must implement a specific plan for sustainable fish-buying practices by 2015.	
			— Targeted external and internal communication to raise awareness of sustainable fishing and fish products as part of the implementation of the fish strategy by 2015.	
	METRO GROUP develops and implements a general purchasing policy covering important resources.		— METRO GROUP is to develop a general purchasing policy covering important resources by December 2013.	
	METRO GROUP initiates and supports the development of an international, intersectoral and product-spanning technical solution for traceability.		— Based on the project steps realised so far (see chapter "Supply chain and products"), a pilot project is to be implemented in the fish category by the middle of 2014.	
	METRO GROUP is expanding its supplier training programme in developing and emerging countries.		— In March 2011, a UNIDO partnership project with 120 own-brand suppliers of METRO Cash & Carry and Real was launched in Russia. — Pilot project with 17 suppliers concluded in 2012. Plans for further project implementation developed.	
			— In 2011, a UNIDO partnership project with own-brand suppliers of METRO Cash & Carry was launched in India. — Pilot project with 10 suppliers concluded.	

Field of action: supply chain and products

Theme	Goals	Status goal	Measures	Status measures
CONSERVATION OF RESOURCES / FOOD SAFETY / SUSTAINABLE SOURCING			— In 2011, an IFC partnership project with suppliers of METRO Cash & Carry was launched in Ukraine. — 7 training workshops for 41 METRO suppliers conducted.	
			— In 2012, an IFC partnership pilot project with suppliers of METRO Cash & Carry was launched in Kazakhstan; it will run until March 2013.	
			— The Star Farm programme of METRO Cash & Carry was further expanded in 2010. Star Farm in Pakistan started in 2011. In future, training programmes will be offered by Star Farm on a regular basis.	
CONSERVATION OF RESOURCES / DESIGN OF PRODUCT RANGE	Conversion of several Real own-brand cleaning agents to A.I.S.E. certification.		— An agreement was concluded with A.I.S.E. in 2011. Individual cleaning agents are being converted.	
	Real Germany contributes to the development of more sustainable packaging.		— From 2011, conversion of several Real own-brand Tetra Pak/ combiblock packaging materials to the Forest Stewardship Council® standard.	
	METRO GROUP contributes to sustainable packaging.		— Implementation of a METRO GROUP packaging policy by December 2013.	
INTERNATIONAL LABOUR STANDARDS / SOCIAL STANDARDS	METRO GROUP intensifies its commitment to fair working conditions among its suppliers.		— Inclusion of all nonfood own-brand suppliers in a BSCI or equivalent social standard system by 2015 if the final product is produced in a risk country (definition of risk country according to BSCI). — Project starts with a pilot project in Germany.	
			— Implementation of internal procedures to monitor and document social standards throughout the entire supply chain has been improved by the introduction of an internal IT system (Quality Link).	
			— Survey of food suppliers regarding compliance with BSCI or equivalent social standard systems by December 2013.	
			— Development of a METRO GROUP purchasing policy for fair working conditions by December 2013.	

Field of action: energy and resource management

Theme	Goals	Status goal	Measures	Status measures
CLIMATE PROTECTION / RESOURCE MANAGEMENT	Improvement of data quality by up-grading primary-data coverage and increasing the quality of primary data for targeted management and increased planning security by the end of 2013.	✓	— Introduction of a new carbon emission measuring and calculation system with a shortening of reporting times in 2011 and 2012. — Carbon Intelligence System implemented. — Data collected at store level.	
	METRO GROUP will reduce its GHG emissions by 20 percent from 323 kg/m ² in 2011 to 258 kg/m ² in 2020.	→	— Continuation of “low-hanging fruit programme” as “Energy-Saving Programme”; additional Energy Awareness Programme from 2013. — Introduction of new reduction target: for details refer to chapter “METRO GROUP’s carbon footprint”.	
	METRO GROUP will reduce its GHG emissions caused by electricity consumption by 21 percent by 2020 compared to 2011.	→	— Continuation of “low-hanging fruit programme” as “Energy-Saving Programme”; additional Energy Awareness Programme from 2013. — Introduction of new reduction target: for details refer to chapter “METRO GROUP’s carbon footprint”.	
	METRO GROUP will reduce its GHG emissions caused by heating energy consumption by 10 percent by 2020 compared to 2011.	→	— Continuation of “low-hanging fruit programme” as “Energy-Saving Programme”; additional Energy Awareness Programme from 2013. — Introduction of new reduction target: for details refer to chapter “METRO GROUP’s carbon footprint”.	
	METRO GROUP continues to improve its energy management.	↻	— Expansion of collection and monitoring of energy consumption with the help of smart metering systems. By the end of 2012, 95 percent of stores around the world were equipped with such systems.	
			— Raising the level of qualifications and responsibilities of employees through training courses. — Regular trainings of in-house technicians and annual energy checks. — Training courses for METRO Energy Management System almost finished. — Energy Awareness Programme starting 2013.	
			— Development of uniform standards for new and remodelled buildings. — Standard Operating Procedure was published in February 2013.	
			— Roll-out of successful efficiency measures. — Measures in 2012 including replacement of standard refrigerator fans with energy-efficient eco-fans. — In 2013, further energy-saving measures, e.g. LED lighting, air curtains.	

Field of action: energy and resource management

Theme	Goals	Status goal	Measures	Status measures
CLIMATE PROTECTION / RESOURCE MANAGEMENT	Complete installation of the METRO GROUP Energy Management System (> 95 percent) in 2012.	✓	— By the end of 2012, 95 percent of stores around the world were equipped with this system.	▶■■■■◀
	Beginning in 2012, review of every new store opening regarding the possibility of using a photovoltaic system.	↻	— Development of a project plan including work instructions. — In 2013, integration in the standard operating procedure for construction and engineering (METRO Cash & Carry).	▶■■■■◀
	Revision of energy primer in 2012.	✓	— Content compiled and integrated into Energy Awareness Programme.	▶■■■■◀
	From 2015, use of natural refrigerants in the cooling systems of every new store.	↻	— Review of technical feasibility. — Check in pilot countries.	▶■■■■◀
			— Conversion of pilot units. — 5 pilot stores in 2012.	▶■■■■◀
			— Conducting of life cycle analyses. Lifetime maintenance and repair, refill and costs analysis.	▶■■■■◀
	METRO GROUP will reduce its GHG emissions caused by refrigerants by 29 percent by 2020 compared to 2011.	➔	— Measures are not yet finally assessed and will be reported in next progress report. — Introduction of new reduction target: for details refer to chapter "METRO GROUP's carbon footprint".	■■■■■
	From 2012, expansion of e-mobility at METRO GROUP in Germany.	✓	— Creation of loading infrastructure at the Düsseldorf location. — 5 charging stations installed in 2012. — Purchase of electric vehicles (initially 2 e-vehicles). — Installation of charging stations at new stores built between 2012 and 2015. — Participation in a tender process for e-mobility in German showcase projects.	▶■■■■◀
			— By the end of 2012, 95 percent of trucks in Germany meet the Euro 5 standard. Because of the introduction of Euro 6 we changed to this standard. However, we have had to postpone the investment until 2013 because of availability problems.	▶■■■■◀
			— Rolling environmental training courses help drivers to reduce fuel consumption. All drivers undergo this training at least once. In addition, drivers will be instructed once a year.	▶■■■■◀
	METRO GROUP will reduce its GHG emissions caused by company cars by 10 percent by 2020 compared to 2011.	➔	— Measures are not yet finally assessed and will be reported in next progress report. — Introduction of new reduction target: for details refer to chapter "METRO GROUP's carbon footprint".	■■■■■

Field of action: energy and resource management

Theme	Goals	Status goal	Measures	Status measures
CLIMATE PROTECTION / RESOURCE MANAGEMENT	METRO GROUP continues to implement its environmental guidelines covering paper purchased for advertising material.		— 80 percent of paper for advertising material is environmentally optimised.	
			— Since 2008, Real Germany has reduced paper consumption by 11 percent by reducing the size of its advertising flyers.	
	METRO GROUP will reduce the GHG emissions caused by paper consumption by 11 percent by 2020 compared to 2011.		— Measures are not yet finally assessed and will be reported in next progress report.	
			— Introduction of new reduction target: for details refer to chapter "METRO GROUP's carbon footprint".	

Field of action: employees and social affairs

Theme	Goals	Status goal	Measures	Status measures
OCCUPATIONAL HEALTH AND SAFETY	METRO GROUP will expand the key figures and reporting systems on health and safety (H&S) for METRO GROUP by the end of 2013.		— Alignment of H&S standards of METRO GROUP by setting uniform KPIs and providing more guidance and standards, preferably linked to the Occupational Health and Safety Assessment Series (OHSAS) 18002. — As part of this measure, employee health programmes and occupational safety in stores and warehouses will be checked and optimised.	
SUSTAINABILITY AWARENESS	METRO GROUP will raise awareness of sustainability and corporate social responsibility throughout the Company.		— Development of a concept and accompanying action plan in the first half of 2013 to raise employees' awareness of sustainability and to further embed sustainability in daily business processes and decisions.	
DIVERSITY	METRO GROUP will continuously increase the number of women in managerial positions.		— Intensification of human resource marketing with a special focus on the target group of women and increased consideration of women in managerial development activities and successor planning. — The following measures were concluded in 2011 and 2012: — Testimonial Campaign "Women in Executive Positions" in 2011 focusing on diversity, women and international career opportunities at METRO GROUP. — Foundation of employee network "Women" in 2012 with Management Board commitment.	
			— As part of the DAX 30 voluntary commitment, the proportion of women in managerial positions (METRO managerial levels 1–3) is to be increased to 20 percent by the end of 2013 and to 25 percent by the end of 2015. In 2012, the proportion was 19.7 percent.	
	With active demographic management, METRO GROUP will systematically develop the strengths of its diverse workforce.		— Expansion of the qualification and promotion programmes as well as the development of age-appropriate working conditions, including preventative measures.	

Field of action: employees and social affairs

Theme	Goals	Status goal	Measures	Status measures
EMPLOYEE RETENTION	METRO GROUP will expand its further education activities for employees.		— Development of new training modules in the areas of customer management, sales and procurement as well as expansion of e-training modules.	
	METRO GROUP will further expand its professional development programmes for employees.		— In 2012, the decision was made to realign the Development Centre approach with the cultural change initiative – in line with METRO Cash & Carry's new Guiding Principles. After completion of this alignment process, the activities of the Development Centre will be resumed.	
			— Career development for employees with help of individual development plans.	
	METRO GROUP will continuously improve employee motivation in order to increase customer satisfaction and business success.		— Annual employee survey to measure employee motivation. Increase in employee motivation from 37 percent in 2010 to 70 percent in 2012.	
			— Preparation of action plans by employee teams to increase employee motivation.	
			— Based on the results of the survey conducted in 2011, this goal was accomplished in 2012 with more than 13,000 action plans prepared by the teams.	
FAIR WORKING CONDITIONS AND SOCIAL PARTNERSHIP	METRO GROUP will increase its commitment to fair working conditions and social partnership.		— A deepening of the work relationship with METRO GROUP's "Euro-Forum" European works council.	
			— Continued partnership with the international union organisation UNI Global Commerce.	
			— METRO GROUP has intensified its commitment to fair working conditions and social partnership. In 2012, METRO GROUP ran a self-assessment in all countries, and a flyer summarising the key facts on fair working conditions was distributed throughout the Company.	

Field of action: social policies and stakeholder dialogue

Theme	Goals	Status goal	Measures	Status measures
CORPORATE CITIZENSHIP	Assumption of corporate social responsibility by donating money and food while reducing food waste.		— Increased support for the Tafel and international food bank movement by internally addressing sales countries in an effort to expand or initiate such activities.	
			— The “Care & Share” programme at METRO Cash & Carry was successfully rolled out in 22 countries in 2011 and expanded to 25 countries in 2012; in 2013 it will be expanded to 27 countries.	
STAKEHOLDER DIALOGUE	METRO GROUP conducts dialogue with experts and stakeholders on the subjects of its fields of action.		— METRO GROUP representatives will meet with selected experts at least once a year to discuss issues related to global challenges that have been identified as relevant for the Company’s business.	
	Increase in the number of development or cooperation partnerships.		— Regular meetings with development organisations such as UNIDO, GIZ, IDH (Dutch sustainable trade initiative), IFC and KfW and with cooperation partners like Bayer CropScience. — Meetings in 2012: — UNIDO: European Development Days Brussels; UN System Private Sector Focal Points Meeting. — GIZ: regular meetings and exchange as part of DIAE (German Initiative on Agriculture and Nutrition). — IDH: meetings and exchange in order to set up a cooperation on ASC products (Aquaculture Stewardship Council). — IFC: exchange on roll-out of cooperation in Ukraine and Kazakhstan. — With almost all partners: exchange and cooperation in the context of WEF (World Economic Forum).	
	Establishment of 79 customer advisory councils at Real Germany in 2011. Expansion to 154 councils in 2012 and 229 in 2013.		— Quarterly meetings of 10 to 15 Real customers from various age groups to discuss the improvement potential of local stores. — In 2012, the number of customer advisory councils already exceeded 220, so this goal is seen as reached.	
	METRO GROUP promotes customer awareness regarding waste prevention.		— In line with the Retail Forum Agreement on Waste: each sales line to conduct awareness-raising campaign with respect to its specific product portfolio by June 2014. — METRO Cash & Carry in Germany is conducting an initiative in collaboration with the German Federal Ministry of Food, Agriculture and Consumer Protection to educate the consumers about best-before dates.	

8. Remuneration report

The following report describes the remuneration received by the Management Board and the Supervisory Board of METRO AG for the financial year 2012 paid in accordance to standards laid down by the German Commercial Code (HGB) and the German Corporate Governance Code. It also outlines the system of Management Board compensation and its further modification. Furthermore, the remuneration report contains information about share-based compensation for executives of METRO GROUP.

The remuneration system for the Management Board is approved by the Supervisory Board of METRO AG. The Supervisory Board is advised in this matter by its Personnel Committee. The current remuneration system was approved by the Annual General Meeting on 6 May 2011.

The remuneration system for members of the Management Board

Management Board remuneration consists of a fixed salary and 2 variable components: performance-based compensation (short-term incentive) and a long-term incentive. The Company also offers pension provisions and supplemental benefits. In the course of the refinement of the remuneration system in October 2010, a change was made to the relative weighting of the remuneration components (fixed salary, short-term incentive and long-term incentive). The relative weight of the long-term incentive was increased and the overall remuneration system was focused more strongly on sustainable company growth. To ensure the individual performance orientation of Management Board remuneration, the Supervisory Board of METRO AG now also reserves the general right to reduce or increase the weight of the individual short-term incentive by up to 30 percent, respectively, at its discretion.

Effective 1 January 2012, the employment contracts of all current members of the Management Board were revised to reflect the new remuneration system. As a result, year-on-year comparisons of the variable components are limited.

The remuneration system for the Management Board of METRO AG complied and continues to comply with the requirements of the German Stock Corporation Act (AktG) and the recommendations of the German Corporate Governance Code.

Total remuneration and the individual compensation components are geared appropriately to the responsibilities of each individual member of the Board, his or her personal performance and the Company's economic situation, and fulfil legal stipulations regarding customary remuneration. The incentives serve as an inducement for the Management Board to increase the Company's value and are designed to generate sustainable, long-term company growth. In the financial year 2012, the individual components of Management Board remuneration were as follows:

Fixed salary

The fixed salary is contractually set and is paid in 12 monthly instalments.

Performance-based compensation (short-term incentive)

The short-term incentive for members of the Management Board is determined mainly by the development of return on capital employed (RoCE) and net earnings. The use of the key ratio net earnings in combination with RoCE rewards positive developments in METRO GROUP earnings. EBIT is divided by capital employed to determine RoCE. Net earnings principally amount to profit for the period. The Supervisory Board may resolve an adjustment for special items.

In accordance with the new remuneration system, active members of the Management Board receive between €500 and €833 per 0.01 percentage point of RoCE above a minimum value of 7 percent. For each additional €1 million in net earnings, they receive an additional €304 to €506. The amounts are set by the Supervisory Board of METRO AG based on the Company's strategy and medium-term targets, are regularly reviewed and are adjusted if necessary. The payout of the performance-based compensation granted for RoCE and net earnings is capped each year. The following individual values were determined as the basis for Management Board remuneration in 2012:

€ p. a.	Amount per 0.01 percentage points of RoCE above 7 percent	Amount per €1 million in net earnings	Payout cap
Olaf Koch	833	506	3,900,000
Mark Frese	500	304	2,080,000
Heiko Hutmacher	500	304	2,080,000
Frans W. H. Muller	625	380	2,600,000
Joël Saveuse ¹	1,400	850	2,600,000

¹ Member of the Management Board until 31 March 2012

The short-term incentive for Mr Saveuse was also tied to the business targets of the Real sales line (target value for EBITaC – EBIT after cost of capital – at the Real Group). Determined from the degree of target attainment, an EBITaC factor is multiplied by the agreed-upon base bonus. The EBITaC-based remuneration for Mr Saveuse was generally capped at €2.7 million per year. The annual payout of the base bonus (€900,000) was guaranteed. Payouts of the short-term incentive derived from the RoCE and net earnings of METRO GROUP were credited against the performance-based compensation of Mr Saveuse in accordance with the EBITaC of the Real Group.

The performance-based compensation of members of the Management Board is generally paid out in the financial year following the approval of the annual financial statements. Mr Saveuse, who left the Management Board on 31 March 2012, received performance-based compensation in April 2012 for the period of 1 January 2012 to 31 March 2012. The payout was determined on the basis of estimates.

Share-based compensation (long-term incentive)

The long-term incentive is a compensation component with long-term incentive effect. It is designed to achieve sustainable growth in the Company's value.

Performance share plan 2009–2013

By resolution of the Personnel Committee of the Supervisory Board and with the approval of the Supervisory Board, METRO AG introduced a 5-year performance share plan in 2009. A target value is set for each member of the Management Board. To determine the target number of performance shares, the target value is divided by the share price upon allotment. The key factor is the average price of the METRO share during the 3 months leading up to the allotment date. A performance share entitles its holder to a cash payment matching the price of the METRO share on the payment date. Here, too, the determining factor is the average price of the METRO share during the 3 months leading up to the allotment date.

Based on the relative performance of the METRO share compared to the median of the DAX 30 and Dow Jones Euro STOXX Retail indices – total return – the final number of payable performance shares is determined after the end of a performance period of at least 3 and at most 4.25 years. It corresponds to the target number of shares when an equal performance with said stock market indices is achieved. Up to an outperformance of 60 percent, the number increases on a straight-line basis to a maximum of 200 percent of the target amount. Up to an underperformance of 30 percent, the number is accordingly reduced

to a minimum of 50 percent. In the case of a higher underperformance, the number is reduced to 0.

Payment can be made at 6 possible times. The earliest payment date is 3 years after allotment of the performance shares. From this time, payment can be made every 3 months. The members of the Management Board can choose the date upon which their performance shares are paid out. An allotment with multiple payout dates is not permitted. The payout cap amounts to 5 times the target value.

When the performance share plan was introduced, share ownership guidelines also went into effect: as a precondition for the payout of performance shares, the members of the Management Board are obliged to undertake a significant continuous self-financed investment in METRO shares up to the end of the 3-year blocking period. This ensures that, as shareholders, they will directly participate in share price gains as well as potential losses of the METRO share. Their investment in Company shares promotes the long-term structure and orientation towards sustainable development of the remuneration system and results in a healthy balance of the various remuneration elements. The self-financed investment applies to the entire term of the performance share plan.

Pension provisions

In 2009, company pension provisions were introduced for members of the Management Board. These provisions consist of direct benefits with a defined contribution component and a performance-based component.

The defined contribution component is financed by the Management Board and the Company based on an apportionment of "7 + 7 + 7". When a member of the Management Board makes a contribution of 7 percent of his or her defined basis for assessment, the Company will contribute the same amount. Depending on the economic situation, the Company will pay the same amount again. In view of the macroeconomic environment, the additional amount was again suspended in the reporting year. The performance-based component is congruently reinsured by Hamburger Pensionsrückdeckungskasse VVaG (HPR). The interest rate for the contributions is paid in accordance with the profit-sharing system of the HPR with a guarantee applying to the paid-in contribution. When a member of the Management Board leaves the Company before retirement age, the contributions retain the level they have reached.

An entitlement to pension benefits exists

- if the working relationship ends with or after the reaching of standard retirement age as it applies to the German state pension scheme,
- as early retirement benefits, if the working relationship ends at the age of 60 or afterwards and before the standard retirement age,
- as disability benefits, if the working relationship ends before the standard retirement age is reached and pre-conditions have been fulfilled,
- as surviving dependants' benefits, if the working relationship is ended by the person's death.

Payment can be made in the form of capital, instalments or a life-long pension. A minimum benefit is granted in the case of invalidity or death. In such instances, the total amount of contributions that would have been credited to the member of the Management Board for every calendar year up to a credit period of 10 years, but limited to the point when the individual turns 60, will be added to the benefits balance. This performance-based component is not reinsured, but will be provided directly by the Company when the benefit case occurs.

Further benefits in case of an end to employment

The active members of the Management Board receive no additional benefits beyond the described pension provisions should their employment end. In particular, no retirement payments will be granted. In the event of the death of a member of the Management Board during active service, his or her surviving dependants will be paid the fixed salary for the month in which the death occurred as well as for an additional 6 months.

Supplemental benefits

The supplemental benefits granted to members of the Management Board include non-cash benefits and expense allowances (e.g. company car).

Other

The members of the Management Board of METRO AG are not entitled to additional remuneration or special benefits as a result of a change of control.

Long-term incentives in the financial year 2012

The target value for the 2012 tranche is €1.6 million for Mr Koch, €0.96 million each for Messrs Frese and Hutmacher and €1.2 million for Mr Muller. Under conditions laid out by the performance share plan, Mr Koch received 54,832 performance shares, Messrs Frese and Hutmacher each received 32,899 performance shares and Mr Muller received 41,124 performance shares. At the time of granting, a share unit was valued at €29.18. The performance shares that were distributed do not represent a fixed number of rights in the sense of §§ 285 Sentence 1 No. 9 a Sentence 4 of the German Commercial Code (HGB) or of 314 Section 1 No. 6 a Sentence 4 of the German Commercial Code (HGB). Rather, they were a target amount. Under the conditions of the performance share plan, entitlements cannot be described with a particular fixed number at the time of granting. The value of the performance shares distributed in 2012 was calculated by external experts using recognised financial-mathematical methods (Monte Carlo simulation). The specified self-financed investment amounted to €0.5 million for Mr Koch, €0.32 million each for Messrs Frese and Hutmacher and €0.4 million for Mr Muller.

In addition to the tranche from the performance share plan distributed in the financial year 2012, Messrs Koch and Muller possess rights from the tranches from 2010 and 2011. Mr Muller also possesses rights from the tranche from 2009. Mr Frese possesses rights from the tranches from 2009, 2010 and 2011 as a result of his previous service within METRO GROUP prior to his appointment to the Management Board. Mr Saveuse, who left the Management Board as of the close of business on 31 March 2012, received no performance shares in 2012. He received compensation for the performance shares granted in 2009, 2010 and 2011 within the context of a severance agreement.

Additional information on the details of this severance agreement is provided in the section "Services after the end of employment in the financial year 2012".

Remuneration of the Management Board in the financial year 2012¹

€1,000	Financial year	Fixed salary	Supplemental benefits	Short-term incentive ²	Long Term Incentive		Total ³	(Effective salary ⁴)
					Value of granted tranches ²	(Payout from tranches granted in the past)		
Olaf Koch ⁵	2011	800	26	1,199	295	(0)	2,320	(2,025)
	2012	1,200	63	75	1,522	(0)	2,860	(1,338)
Mark Frese ⁶	2011	0	0	0	0	(0)	0	(0)
	2012	720	142	38	913	(0)	1,813	(900)
Heiko Hutmacher ⁷	2011	180	23	107	0	(0)	310	(310)
	2012	720	186	31	913	(0)	1,850	(937)
Frans W. H. Muller	2011	842	184	967	709	(6)	2,702	(1,999)
	2012	900	124	39	1,142	(0)	2,205	(1,063)
Joël Saveuse ⁸	2011	1,000	29	1,199	295	(6)	2,523	(2,234)
	2012	250	9	328	0	(0)	587	(587)
Total⁹	2011	2,822	262	3,472	1,299	(12)	7,855	(6,568)
	2012	3,790	524	511	4,490	(0)	9,315	(4,825)

¹ Statements pursuant to § 285 Sentence 1 No. 9a and § 314 Section 1 No. 6a of the German Commercial Code (HGB) [excl. pension provisions]² Shown here is the fair value at the time of granting the tranche³ Total of columns fixed salary, supplemental benefits, STI and value of granted tranches⁴ Total of columns fixed salary, supplemental benefits, STI and payouts from tranches granted in the past⁵ Chairman of the Management Board since 1 January 2012⁶ Member of the Management Board since 1 January 2012⁷ Member of the Management Board since 1 October 2011⁸ Member of the Management Board until 31 March 2012; short-term incentive based on an estimate in accordance with the contract termination agreement⁹ Reported figures for 2011 relate to active members of the Management Board in the financial year 2012

Performance share plan (tranches 2009–2012)

Tranche	End of the blocking period	3-month average price before allotment	Number of Management Board performance shares as of 31/12/2012
2009	August 2012	€36.67	18,407
2010	August 2013	€42.91	27,382
2011	August 2014	€41.73	44,932
2012	April 2015	€29.18	161,754

The blocking period for the 2009 tranche ended in August 2012. No payouts from this tranche were made to members of the Management Board in the financial year 2012.

In the financial year 2012, the value of existing tranches of share-based remuneration programmes changed. The Company's expenses for Mr Koch amounted to €0.063 million, for Mr Frese €0.021 million and for Mr Hutmacher €0.052 million. With regard to Mr Muller, €0.042 million was recorded. No measurable changes in value were recorded with regard to Mr Saveuse's shares before he left the Management Board.

Services after the end of employment in the financial year 2012 (incl. pension provisions)

In the financial year 2012, a total of €5.1 million (previous year: €6.0 million) was used for remuneration of the active members of the Management Board of METRO AG for benefits to be provided after the end of their employment. Of this total, approximately €0.176 million was allotted to Mr Koch for pension provisions. Mr Frese was allotted approximately €0.134 million, Mr Hutmacher approximately €0.135 million, Mr Muller approximately €0.139 million and Mr Saveuse approximately €0.028 million.

During the financial year 2012, an agreement was concluded to prematurely terminate the employment contract of Mr Saveuse, who left the Management Board by mutual agreement as of the close of business on 31 March 2012. A severance package agreement valued at €4.502 million was concluded with Mr Saveuse for the remainder of his employment contract (1 April 2012 to 30 April 2013). It covers entitlements of Mr Saveuse and makes allowance for the development of performance- and share-based payment drawing from conservative estimates. The initial €0.5 million payment from the severance package, for which a provision was created in 2012, will be made in April 2013 provided that the non-competition agreement has been upheld.

Total compensation of former members of the Management Board in 2012

Benefits totalling €8.3 million (previous year: €9.4 million) were provided to former members of the Management Boards of METRO AG and the companies that were merged into METRO AG as well as to their surviving dependants. The described benefits for Mr Saveuse after the end of employment in the financial year 2012 are included in this figure.

The cash value of provisions for current pensions and pension entitlements amounted to €55.1 million (previous year: €47.8 million).

Outlook: performance-based remuneration (short-term incentive) in the short financial year

The Annual General Meeting of 23 May 2012 resolved to change the financial year of METRO AG to run from 1 October to 30 September. For this reason, a 9-month short financial year (1 January 2013 to 30 September 2013) will be created in 2013. The performance-based remuneration system, however, was designed on the basis of a 12-month financial year that represents a full annual cycle in the retail business, including the Christmas season. In light of this, the Management Board decided to offer a transitional arrangement to executives and employees of METRO AG. In this arrangement, the calculation of performance-based remuneration during the short financial year will be based on a full annual cycle (1 January 2013 to 31 December 2013). The payments calculated on this basis will be proportionally reduced to the 9-month short financial year. The Supervisory Board followed the recommendation of its Personnel Committee and also concluded a transitional agreement with the members of the Management Board. The Supervisory Board believes this arrangement will ensure an appropriate transfer of the current bonus system to the new financial year. In addition, it reinforces the basic principle of a uniform remuneration system for members of the Management Board and employees of METRO AG.

Share-based compensation of executives

Pursuant to the recommendation in Subsection 7.1.3 of the German Corporate Governance Code, the share-based compensation of executives of METRO GROUP will also be reported in the following section.

Performance share plan 2009–2013

The performance share plan 2009–2013 applies not only to the members of the Management Board, but also to other executives of METRO AG as well as to managing directors and executives of METRO GROUP companies. Under this scheme, eligible managers are given an individual target amount for the performance share plan (target value) in accordance with the significance of their responsibilities. The additional rules of this plan correspond to provisions for the Management Board.

With the performance share plan, the share ownership guidelines were also applied to this group of eligible individuals. The required investment volume generally amounts to about 50 percent of the individual target value.

The value of the performance shares allotted in 2012 amounted to a total €26.8 million (previous year: €18.0 million) at the time of allotment and was calculated by external experts using recognised financial-mathematical methods (Monte Carlo simulation). The following conditions apply:

Performance Share Plan (tranches 2009–2012)

Tranche	End of the blocking period	3-month average price before allotment	Number of Management Board performance shares as of 31/12/2012
2009	August 2012	€36.67	628,755
2010	August 2013	€42.91	621,099
2011	August 2014	€41.73	683,148
2012	April 2015	€29.18	966,346

The blocking period for the 2009 tranche ended in August 2012. No payouts were made in the financial year 2012.

Compensation of members of the Supervisory Board

Remuneration of members of the Supervisory Board is regulated by §13 of the Articles of Association of METRO AG. In addition to reimbursement of cash expenses, the members of the Supervisory Board receive a fixed payment and a performance-based payment. Fixed compensation amounts to €35,000 for every ordinary member of the Board. The performance-based remuneration component is based on earnings before taxes (EBT) and non-controlling interests in the METRO AG financial statements. Each member of the Supervisory Board receives €600 per €25 million in EBT exceeding an average EBT of €100 million for the financial year 2012 and the 2 preceding years. For the financial year 2012, performance-based remuneration totalled €28,904 for each ordinary member. The value added tax payable to the fixed and performance-based compensation is reimbursed to the members of the Supervisory Board in accordance with § 13 Section 5 of METRO AG's Articles of Association.

Remuneration factors

Chairman of the Supervisory Board	●●●
Vice Chairman	●●
Committee Chairmen ¹	●●
Committee members ¹	●●
Members of the Supervisory Board	●

¹ With a minimum of 2 meetings/resolutions

The individual amount of fixed and performance-based Supervisory Board remuneration takes into account the duties and responsibilities of the individual members of the Supervisory Board by considering special assignments. The compensation of the Chairman of the Supervisory Board is 3 times higher than that of an ordinary member of the Supervisory Board; that of the Vice Chairman and the Chairmen of the committees is twice as high; and that of the other members of the committees 1.5 times higher. The remuneration for membership of or chairmanship of a committee will be paid only if at least 2 meetings or other resolutions took place during the respective financial year. A member of the Supervisory Board who holds several offices at once receives compensation for only 1 office; in the case of different levels of remuneration for the most highly paid office (§ 13 Section 3 Sentence 3 of the Articles of Association).

The relevant individual amounts for the financial year 2012 are as follows:

Remuneration of members of the Supervisory Board for the financial year 2012 pursuant to § 13 of the Articles of Association¹

€	Financial year	Multiplier	Fixed salary	Performance-based remuneration ²	Total
Franz M. Haniel, Chairman	2011	●●●	17,500	15,412	32,912
	2012	●●●	105,000	86,712	191,712
Werner Klockhaus, Vice Chairman	2011	●● / ●●	61,250	53,942	115,192
	2012	●●	70,000	57,808	127,808
Prof. Dr oec. Dr iur. Ann-Kristin Achleitner	2011	●	23,333	20,549	43,882
	2012	●	35,000	28,904	63,904
Dr Wulf H. Bernotat	2011	●●	52,500	46,236	98,736
	2012	●●	52,500	43,356	95,856
Ulrich Dalibor	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Jürgen Fitschen	2011	●	35,000	30,824	65,824
	2012	●●	46,667	38,539	85,206
Hubert Frieling	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Dr Florian Funck (since 23/05/2012)	2011	–	–	–	–
	2012	●	23,333	19,269	42,602
Prof. Dr Dr h.c. mult. Erich Greipl	2011	●●	52,500	46,236	98,736
	2012	●●	52,500	43,356	95,856
Andreas Herwarth	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Uwe Hoepfel	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Peter Küper	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Rainer Kuschewski	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Prof. Dr Klaus Mangold	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Dr-Ing. e.h. Bernd Pischetsrieder (until 23/05/2012)	2011	●	35,000	30,824	65,824
	2012	●	21,875	18,065	39,940
Mattheus P. M. (Theo) de Raad	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Gabriele Schendel	2011	●	17,500	15,412	32,912
	2012	●	35,000	28,904	63,904
Xaver Schiller	2011	●●	52,500	46,236	98,736
	2012	●●	52,500	43,356	95,856
Dr jur. Hans-Jürgen Schinzler	2011	●●	70,000	61,648	131,648
	2012	●●	70,000	57,808	127,808
Peter Stieger	2011	●●	52,500	46,236	98,736
	2012	●●	52,500	43,356	95,856
Angelika Will	2011	●	35,000	30,824	65,824
	2012	●	35,000	28,904	63,904
Total³	2011		784,583	690,971	1,475,554
	2012		931,875	769,569	1,701,444

¹ Plus applicable value added tax in accordance with § 13 Section 5 of the Articles of Association² The 2012 performance-based compensation is due after the conclusion of the Annual General Meeting of METRO AG on 8 May 2013³ Reported figures for 2011 relate to active members of the Supervisory Board in the financial year 2012

No remuneration applied to the memberships of the Supervisory Board's Mediation Committee in the financial year 2012.

In the financial year 2012, individual members of the Supervisory Board of METRO AG also received compensation from the Group companies for Supervisory Board mandates at Group companies.

Other intragroup compensation of members of the Supervisory Board for the financial year 2012¹

€	Financial year	
Ulrich Dalibor	2011	9,000
	2012	9,000
Prof. Dr Dr h. c. mult. Erich Greipl	2011	49,800
	2012	49,800
Uwe Hoepfel	2011	49,800
	2012	49,800
Werner Klockhaus	2011	—
	2012	4,090
Rainer Kuschewski	2011	6,136
	2012	6,136
Gabriele Schendel	2011	49,800
	2012	49,800
Xaver Schiller	2011	6,000
	2012	6,500
Peter Stieger	2011	9,203
	2012	9,203
Angelika Will	2011	6,000
	2012	6,000
Total²	2011	185,739
	2012	190,329

¹ Plus value added tax

² Reported figures for 2011 relate to active members of the Supervisory Board in the financial year 2012

The declared amounts do not include the remuneration entitlements of one member of the Supervisory Board from intra-group Supervisory Board mandates of which the member of the Supervisory Board waived the payment.

Beyond this, the members of the Supervisory Board were not granted any remuneration or benefits for work performed, in particular consulting and brokerage services, on behalf of companies of METRO GROUP in the sense of Subsection 5.4.6 of the German Corporate Governance Code.

Outlook: conversion of Supervisory Board remuneration to a purely fixed sum

At the 2013 Annual General Meeting of METRO AG, the Management Board and the Supervisory Board will propose to convert Supervisory Board remuneration to a purely fixed sum. The Supervisory Board believes that fixed compensation independent of the Company's success is more appropriate for the monitoring and supervisory duties it performs. The amount of the proposed fixed compensation is based on the average total remuneration paid in previous years. Should the Annual General Meeting approve the recommendation, it would apply as of the financial year 2013/2014 (1 October 2013 to 30 September 2014).

9. Notes pursuant to §315 Section 4 of the German Commercial Code and explanatory report of the Management Board

Composition of capital (§ 315 Section 4 No. 1 of the German Commercial Code)

On 31 December 2012, the share capital of METRO AG totalled €835,419,052.27. It is divided into a total of 324,109,563 ordinary bearer shares (proportional value of the share capital: €828,572,941, 99.18 percent) as well as 2,677,966 preference bearer shares (proportional value of the share capital: €6,846,111, 0.82 percent). The proportional value per share amounts to about €2.56.

Each ordinary share grants one vote. In addition, ordinary shares entitle the holder to dividends. In contrast to ordinary shares, preference shares of METRO AG principally do not carry voting rights and give a preferential entitlement to profits in line with § 21 of the Articles of Association of METRO AG, which state:

- “(1) Holders of non-voting preference shares will receive from the annual net earnings a preference dividend of €0.17 per preference share.
- (2) Should the net earnings available for distribution not suffice in any one financial year to pay the preference dividend, the arrears (excluding any interest) shall be paid from the net earnings of future financial years in an order based on age, i.e. in such manner that any older arrears are paid off prior to any more recent ones and that the preference dividends payable from the profit of a financial year are not distributed until all of any accumulated arrears have been paid.
- (3) After the preference dividend has been distributed, the holders of ordinary shares will receive a dividend of €0.17 per ordinary share. Thereafter, a non-cumulative extra dividend of €0.06 per share will be paid to the holders of non-voting preference shares. The extra dividend shall amount to 10 percent of such dividend as, in accordance with Section 4 herein below, will be paid to the holders of ordinary shares insofar as such dividend equals or exceeds €1.02 per ordinary share.

- (4) The holders of non-voting preference shares and of ordinary shares will equally share in any additional profit distribution in the proportion of their shares in the share capital.”

Other rights associated with ordinary and preference shares include in particular the right to attend the Annual General Meeting (§ 118 Section 1 of the German Stock Corporation Act), the right to information (§ 131 of the German Stock Corporation Act) and the right to file a legal challenge or a complaint for nullity (§§ 245 Nos. 1–3, 246, 249 of the German Stock Corporation Act). In addition to the previously mentioned right to receive dividends, shareholders principally have a subscription right when the share capital is increased (§ 186 Section 1 of the German Stock Corporation Act), claims to liquidation proceeds after the closure of the Company (§ 271 of the German Stock Corporation Act) and to compensation and settlements as a result of certain structural measures, particularly pursuant to §§ 304 ff., 320 b, 327 b of the German Stock Corporation Act.

Limitations relevant to voting rights (§ 315 Section 4 No. 2 of the German Commercial Code)

To the knowledge of the Management Board, the following agreements exist, which can be regarded as restrictions in the sense of § 315 Section 4 No. 2 of the German Commercial Code:

An agreement exists among BVG Beteiligungs- und Vermögensverwaltung GmbH, Franz Haniel & Cie. GmbH, Haniel Finance B.V., Haniel Finance Deutschland GmbH, METRO Vermögensverwaltung GmbH & Co. KG, METRO Vermögensverwaltung GmbH, 1. HSB Beteiligungsverwaltung GmbH & Co. KG and 1. HSB Verwaltung GmbH to coordinate the exercise of voting rights associated with shares of METRO AG. In addition, an agreement exists among BVG Beteiligungs- und Vermögensverwaltung GmbH, Franz Haniel & Cie. GmbH, Haniel Finance Deutschland GmbH and Haniel Finance B.V. to coordinate the joint exercise of interests from the METRO AG shares economically attributable to the shareholder groups Haniel and Schmidt-Ruthenbeck. Finally, a pooling agreement exists among Otto Beisheim Betriebs GmbH, Otto Beisheim Holding GmbH and OB Beteiligungsgesellschaft mbH, which includes the METRO AG shares held by Otto Beisheim Holding GmbH and OB Beteiligungsgesellschaft mbH.

In addition, legal restrictions on voting rights may exist, for example in the sense of § 136 of the German Stock Corporation Act or, insofar as the Company holds own shares, in the sense of § 71 b of the German Stock Corporation Act.

Capital interests (§ 315 Section 4 No. 3 of the German Commercial Code)

The following direct and indirect (pursuant to § 22 of the German Securities Trading Act) capital interests exceed 10 percent of the voting rights:

Name/company	Direct/indirect stakes exceeding 10 percent of voting rights
METRO Vermögensverwaltung GmbH & Co. KG, Düsseldorf/Germany	Direct and indirect
METRO Vermögensverwaltung GmbH, Düsseldorf/Germany	Indirect
1. HSB Beteiligungsverwaltung GmbH & Co. KG, Schönefeld-Waltersdorf/Germany	Direct and indirect
1. HSB Verwaltung GmbH, Schönefeld-Waltersdorf/Germany	Indirect
Haniel Finance B. V., Venlo/Netherlands	Indirect
Haniel Finance Deutschland GmbH, Duisburg/Germany	Direct and indirect
Franz Haniel & Cie. GmbH, Duisburg/Germany	Indirect
BVG Beteiligungs- und Vermögensverwaltung GmbH, Essen/Germany	Indirect
Gebr. Schmidt GmbH & Co. KG, Essen/Germany	Indirect
Gebr. Schmidt Verwaltungsgesellschaft mbH, Essen/Germany	Indirect
Dr Michael Schmidt-Ruthenbeck, Zurich/Switzerland	Indirect

The above information is based, in particular, on notifications under § 21 of the German Securities Trading Act that METRO AG has received and released.

Notifications of voting rights published by METRO AG can be found on the website www.metrogroup.de in the Investor Relations section.

Owners of shares with special rights and type of voting rights control where capital interests are held by employees (§ 315 Section 4 Nos. 4 and 5 of the German Commercial Code)

The Company has not issued any shares with special rights pursuant to § 315 Section 4 No. 4 of the German Commercial Code. No capital interests are held by employees pursuant to § 315 Section 4 No. 5 of the German Commercial Code.

Regulations governing the appointment and removal of members of the Management Board and changes to the Articles of Association (§ 315 Section 4 No. 6 of the German Commercial Code)

In instances where members of the Management Board of METRO AG are appointed and removed, legal regulations laid down in §§ 84, 85 of the German Stock Corporation Act and §§ 30, 31, 33 of the German Co-determination Act apply. A supplementary regulation is contained in § 5 of METRO AG's Articles of Association. It states that the Management Board shall have not less than 2 members and that, apart from this, the actual number of members of the Management Board will be determined by the Supervisory Board.

Changes to the Articles of Association of METRO AG are determined principally in accordance with §§ 179, 181, 133 of the German Stock Corporation Act. Numerous other sections of the German Stock Corporation Act would apply to a change to the Articles of Association, and modify or supersede the previously mentioned regulations, for example §§ 182 ff. of the German Stock Corporation Act during capital increases, §§ 222 ff. of the German Stock Corporation Act during capital reductions or § 262 of the German Stock Corporation Act during the dissolution of the AG. Pursuant to § 14 of METRO AG's Articles of Association, changes that would affect only the text of the Articles of Association may be decided by the Supervisory Board without a vote by the Annual General Meeting.

Authorities of the Management Board (§ 315 Section 4 No. 7 of the German Commercial Code)

Authorities to issue new shares

The previously existing and unutilised authorisations of the Management Board to increase the share capital by issuing new ordinary bearer shares in exchange for cash contributions for a total maximum of €40,000,000 by 23 May 2012 (former authorised capital I), by issuing new ordinary bearer shares in exchange for non-cash contributions for a maximum of €60,000,000 by 23 May 2012 (former authorised capital II) and by issuing new ordinary bearer shares in exchange for cash or non-cash contributions for a maximum of €225,000,000 by 12 May 2014 (former authorised capital III) have been subsumed in a single authorisation by resolution of the Annual General Meeting on 23 May 2012. This new, single authorisation authorises the Management Board to increase the share capital, with the consent of the Supervisory Board, by issuing new ordinary bearer shares in exchange for cash or non-cash contributions in one or several tranches for a total maximum of €325,000,000 by 22 May 2017 (authorised capital I).

In the process, a subscription right is to be granted to existing shareholders. The new shares may also be acquired by banks chosen by the Management Board if the banks agree to tender them to the shareholders. However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholder subscription rights in the following cases:

- to compensate for fractions of shares from rounding;
- insofar as shares are issued in exchange for non-cash contributions for the purpose of corporate mergers or for the acquisition of companies, divisions of companies or interests in companies;
- in the event of a capital increase in exchange for cash capital contributions to the extent necessary to grant subscription rights to new shares to the holders of warrant or convertible bonds issued by METRO AG and affiliates thereof in which METRO AG holds at least 90 percent of shares, directly or indirectly, in the scope to which they would be entitled upon exercise of the warrant or conversion rights or fulfilment of the warrant or conversion obligations;
- in the event of capital increases in exchange for cash capital contributions if the aggregate par value of such capital increases does not exceed 10 percent of the Company's share capital and the issue price of the new shares is not substantially lower than the stock exchange price of

existing shares of the same class. The limit of 10 percent of the Company's share capital is diminished by the share of the share capital represented by the Company's own shares which are (i) used as own shares or sold during the term of authorised capital while excluding subscription rights in analogous application of § 186 Section 3 Sentence 4 of the German Stock Corporation Act or (ii) issued from contingent capital to service warrant and convertible bonds which, in turn, have been or are issued while excluding subscription rights in analogous application of § 186 Section 3 Sentence 4 of the German Stock Corporation Act. Once a new authorisation for the exclusion of shareholder subscription rights issued by the Annual General Meeting pursuant to § 186 Section 3 Sentence 4 of the German Stock Corporation Act has become effective, the limit diminished in accordance with the above sentence is raised again to the extent of the new authorisation, but to a maximum of 10 percent of the share capital.

The Management Board is authorised, with the consent of the Supervisory Board, to define further details of the capital increases. To date, the newly created authorised capital I has not been used and no concrete plans exist as to the utilisation of this authorisation.

Authorisation to issue warrant and/or convertible bonds

The Annual General Meeting on 5 May 2010 authorised the Management Board, with the consent of the Supervisory Board, to issue warrant or convertible bonds made out to the bearer (in aggregate, "bonds") with an aggregate par value of €1,500,000,000 prior to 4 May 2015, at once or in several stages, and to grant the holders of warrant or convertible bonds warrant or conversion rights or impose warrant or conversion obligations upon them for ordinary bearer shares in the Company representing up to €127,825,000 of the share capital in accordance with the terms of the warrant or convertible bonds. This authorisation results in a contingent capital of up to €127,825,000.

The bonds may also be issued by affiliates of METRO AG in terms of § 18 of the German Stock Corporation Act in which METRO AG holds at least 90 percent of shares, directly or indirectly. In that case, the Management Board is authorised, with the consent of the Supervisory Board, to assume a guarantee for those bonds on behalf of the Company and grant their holders warrant or conversion rights to ordinary bearer shares in METRO AG or impose warrant or conversion obligations upon them.

Shareholders will be granted statutory subscription rights in that the bonds will be acquired by a bank or syndicate of banks contingent upon agreement to offer the bonds to the shareholders. If bonds are issued by an affiliate of METRO AG in terms of § 18 of the German Stock Corporation Act in which METRO AG holds at least 90 percent of shares, directly or indirectly, the Company must ensure that statutory subscription rights are granted to the shareholders of METRO AG in accordance with the above sentence.

However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholder subscription rights for residual amounts arising from proportional subscriptions to the extent necessary to grant or impose warrant or conversion rights or obligations with respect to the holders of existing warrant or conversion rights or obligations in the amount to which they would be entitled to as shareholders after exercise of the warrant or conversion right or fulfilment of the warrant or conversion obligation.

The Management Board is also authorised, with the consent of the Supervisory Board, to entirely exclude shareholder subscription rights to bonds issued in exchange for cash payment carrying warrant or conversion rights or obligations insofar as the Management Board concludes, after careful review, that the issue price of the bonds is not substantially lower than the hypothetical market value ascertained using recognised mathematical methods. This authorisation to exclude subscription rights applies for bonds which are issued with warrant or conversion rights or obligations to ordinary shares comprising no more than 10 percent of the share capital both at the time the authorisation takes effect or – if this value is lower – at the time the authorisation is exercised. The following count towards the aforementioned 10 percent limit: (i) new ordinary shares issued from authorised capital excluding subscription rights according to § 186 Section 3 Sentence 4 of the German Stock Corporation Act during the term of the authorisation prior to the issuance of bonds with warrant or conversion rights or obligations without subscription rights according to § 186 Section 3 Sentence 4 of the German Stock Corporation Act, (ii) ordinary shares acquired based on the authorisation of the Annual General Meeting according to § 71 Section 1 No. 8 of the German Stock Corporation Act and sold according to §§ 71 Section 1 No. 8 Sentence 5, 186 Section 3 Sentence 4 of the German Stock Corporation Act during the term of such authorisation, prior to the issuance of bonds with warrant or conversion rights or obligations excluding subscription rights according to § 186 Section 3 Sentence 4 of the German Stock Corporation Act.

If bonds carrying warrant or conversion rights or obligations are issued, the warrant or conversion price is determined based on the rules in § 4 Section 8 of METRO AG's Articles of Association.

In the case of bonds carrying warrant or conversion rights or obligations, the warrant or conversion price may be adjusted after closer determination in order to preserve the value of such rights or obligations in the event their economic value is diluted, unless such an adjustment is also provided for by law. The terms of the bonds may also provide for an adjustment of warrant or conversion rights or obligations in case of a capital reduction or other extraordinary measures or events (e.g., unusually high dividends, acquisition of control by third parties). In case of the acquisition of control by third parties, the terms of the bonds may provide for adjustment of the warrant or conversion price in accordance with typical market terms. Furthermore, the terms of the bonds may provide for a variable conversion ratio and/or variable warrant and conversion price whereby the warrant or conversion price is determined within a range to be set based on the development of the share price during the term. The minimum issue price based on the stipulations of § 4 Section 8 of METRO AG's Articles of Association may not be undercut.

The terms of the bonds may grant METRO AG the right, in lieu of providing ordinary shares upon the exercise of warrant or conversion rights, to make a cash payment corresponding to the volume-weighted average price of METRO AG ordinary shares on the XETRA trading system (or a functionally comparable successor system replacing the XETRA system) of the Frankfurt Stock Exchange during a period of several days before or after the exercise of warrant or conversion rights is announced for the number of ordinary shares which would otherwise be delivered. This period is to be determined by the Management Board. The terms of the bonds may also state that the warrant or convertible bonds may, at METRO AG's option, be converted into existing ordinary shares in METRO AG or shares in another exchange-listed company, in lieu of conversion into new ordinary shares from contingent capital, and that warrant rights or obligations can be fulfilled through the delivery of such shares.

The terms of the bonds may also call for a warrant or conversion obligation at the end of the term (or at any other time), or authorise METRO AG to grant bond holders ordinary shares in METRO AG or shares in another exchange-listed company upon maturity of bonds carrying warrant or conversion rights (incl. bonds which mature due to termination), in whole or in part, in

lieu of a maturity payment in cash. The percentage of share capital represented by the ordinary shares in METRO AG issued upon the exercise of warrant or conversion rights may not exceed the par value of the bonds. §§ 9 Section 1, 199 Section 2 of the German Stock Corporation Act apply.

The Management Board is authorised, with the consent of the Supervisory Board, to determine the further details pertaining to the issuance and terms of the bonds, particularly the coupon, issue price, term, division into shares, rules for the protection against dilution and the warrant or conversion period, or to define such details in consultation with the corporate officers of the affiliate of METRO AG which issues the warrant or convertible bonds.

To date, the authorisation to issue warrant and/or convertible bonds has not been used and no concrete plans exist as to the utilisation of this authorisation.

Authorisation to buy back the Company's own shares

The Company is authorised to buy back its own shares in accordance with § 71 of the German Stock Corporation Act. On the basis of § 71 Section 1 No. 8 of the German Stock Corporation Act, the Annual General meeting decided on 5 May 2010 to authorise the Company to acquire shares of the Company of any share class on or before 4 May 2015. The authorisation is limited to the acquisition of shares collectively representing a maximum of 10 percent of the share capital issued as of the date the Annual General Meeting resolution is passed. The authorisation to acquire own shares may be exercised in whole or in part, in the latter case also several times. It may also be exercised for the acquisition of either ordinary shares or preference shares only.

Shares may be acquired on the stock exchange or by way of a public tender offer. In the process, the authorisation includes prescriptions regarding the purchase price and procedures to be followed in case a public tender offer is oversubscribed.

In addition to selling acquired Company shares on the stock exchange or by offer to all shareholders, the Management Board is authorised, with the consent of the Supervisory Board, to use Company shares acquired in accordance with the above authorisation or on the basis of an earlier authorisation for any of the following purposes:

- Listing of shares of the Company on any foreign stock exchanges where it was not hitherto admitted for trading, whereby the authorisation includes prescriptions regarding the initial listing price.

- Transfer of shares in the Company to third parties in connection with corporate mergers or in connection with the acquisition of other companies, divisions of other companies or interests in other companies.
- Redemption of shares of the Company, without the need for any further resolution by the Annual General Meeting authorising such redemption and implementation of such. Such redemption may also be accomplished without a reduction in capital by adjusting the proportional value of the remaining no-par-value shares to the share capital of the Company. In this case, the Management Board is authorised to adjust the number of no-par-value shares in the Articles of Association.
- Sale of shares of the Company by means other than via the stock exchange or via an offer to all shareholders, provided that the sale is for cash payment and at a price not substantially lower than the stock exchange price in effect for listed shares of the Company with the same terms on the date of the sale. The foregoing authorisation is limited to the sale of shares collectively representing no more than 10 percent of the share capital. The limit of 10 percent of the share capital is reduced by the pro rata amount of share capital represented by any shares issued (i) during the effective period of this authorisation in the course of any capital increase under exclusion of subscription rights according to § 186 Section 3 Sentence 4 of the German Stock Corporation Act, or (ii) to service warrant or convertible bonds providing for warrant or conversion rights or obligations, insofar as such bonds were issued during the effective period of this authorisation under exclusion of subscription rights by analogous application of § 186 Section 3 Sentence 4 of the German Stock Corporation Act.
- Delivery of shares to holders of warrant or convertible bonds of the Company or its affiliates, according to the terms and conditions applicable to such warrant or convertible bonds; this also applies to the delivery of shares based upon the exercise of subscription rights, which in the event of a sale of Company shares through an offer to all shareholders may be granted to holders of warrant or convertible bonds of the Company or any of its affiliates, to the same extent that holders of such warrant or convertible bonds would have subscription rights for shares of the Company after exercising the warrant or conversion rights or performing the warrant or conversion obligations. The shares transferred based upon this authorisation shall collectively not exceed a pro rata amount of 10 percent of the share capital. Shares issued or sold by direct or analogous application of § 186 Section 3 Sentence 4 of the Ger-

man Stock Corporation Act during the effective period of this authorisation up to the date of use shall count towards the aforementioned limit.

The above authorisations to use the Company's own shares may be exercised on one or several occasions, in whole or in part, individually or collectively. Company shares acquired based on the above authorisation as collateral for liabilities under the performance share plan 2009 may be sold exclusively via the stock exchange.

The subscription rights of shareholders are excluded if Company shares are used for any of the purposes authorised above except for the authorisation for the redemption of shares.

To date, the authorisation to buy back the Company's own shares has not been used and no concrete plans currently exist as to the use of this authorisation.

Fundamental agreements related to the conditions of a takeover (§ 315 Section 4 No. 8 of the German Commercial Code)

As a borrower, METRO AG is currently a party to 2 syndicated loan agreements that the lender may cancel in the case of a takeover insofar as the credit rating of METRO AG also and as a result of the takeover drops in a way stipulated in the contract. The requirements of a takeover are, first, that the shareholders who controlled METRO AG at the time when each contract was signed lose control. The second requirement is the takeover of control of METRO AG by one or several parties. The lending banks may cancel the contract and demand the return of the loan only if the takeover and a resulting drop in the credit rating occur cumulatively. The regulations as described here are common market practice and serve the purpose of creditor protection. In 2012, these loans were not utilised.

Compensation agreements in case of a takeover (§ 315 Section 4 No. 9 of the German Commercial Code)

No compensation agreements with the members of the Management Board or employees have been concluded with a view to takeover offers.

10. Accounting-related internal monitoring and risk management system

METRO GROUP's accounting-related internal monitoring and risk management system employs coordinated instruments and measures for the prevention and early detection, assessment and management of risks. The Corporate Accounting department of METRO AG is responsible for the Group-wide implementation of these instruments and measures.

Overarching responsibility for all processes related to the preparation of the consolidated and individual financial statements of METRO AG rests with the Board department of the Chief Financial Officer of METRO AG, Mr Mark Frese. The actual preparation of the financial statements in the legal sense, however, is the responsibility of the Management Board of METRO AG. Following the preparation of the financial statements, the annual accounts are audited and approved by the auditor. They are then discussed and reviewed by the Supervisory Board of METRO AG. The auditor attends this Supervisory Board meeting, reports the key findings of his audit and answers additional questions. Barring any objections on the part of the Supervisory Board, the annual financial statements are approved by the Supervisory Board. The annual financial statements of METRO AG are released once this approval is given.

IFRS accounting guideline

The interim consolidated financial statements and the consolidated financial statements of METRO AG are prepared in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Commission. A Group-wide IFRS accounting guideline that is compulsory for all companies included in the consolidated financial statements ensures the uniform Group-wide application of accounting procedures in accordance with IFRS. The guideline explains IFRS regulations to Group companies and makes stipulations regarding accounting measurements. To monitor compliance with the IFRS accounting guideline, the management of each Group company is obliged to confirm compliance by means of a letter of representation. The IFRS accounting guideline covers all IFRS relevant to METRO AG and does not relate only to certain accounting events. The Corporate Accounting depart-

ment of METRO AG is responsible for ensuring compliance with this guideline. Amendments to IFRS are continually included in the IFRS accounting guideline and communicated to all companies included in the consolidated financial statements.

Accounting processes of companies included in the consolidated financial statements

The preparation of the individual financial statements of consolidated companies according to IFRS for consolidation purposes is principally carried out in SAP-based accounting systems (SAP FI). The organisational separation of central and subledger accounting, for example, asset accounting, provides for clear assignments among individual tasks related to the preparation of the financial statements. It also provides for a functional separation that ensures control processes such as the 2-signature principle. These systems are used to prepare the individual financial statements of a large share of Group companies based on a centrally managed table of accounts using uniform accounting rules.

The consolidation of financial data in the context of Group reporting is carried out by means of a centralised, SAP-based consolidation system (SAP EC-CS). All consolidated METRO GROUP companies are linked into this system without exception. This system provides for a uniform accounts table used by all consolidated companies in accordance with the IFRS accounting guideline. The accounts tables for the individual IFRS financial statements and the consolidated financial statements are interlinked.

Aside from failure to comply with accounting rules, risks can also arise from failure to observe formal deadlines. An online planning tool was introduced to help avoid these risks and document the obligatory processes required in the context of the preparation of individual and consolidated financial statements under IFRS, their sequence and the responsible persons. It is used to monitor content and timing of the processes related to the preparation of the individual and consolidated financial statements under IFRS. This provides for the necessary tracking and tracing systems to ensure that risks of overarching Group units can be detected and eliminated early on.

The planning tool divides the process of preparing the individual financial statements into key milestones, which in turn are divided into individual activities. In terms of content, these

milestones and activities are geared towards METRO GROUP's IFRS accounting guideline and thus reflect its implementation. Compliance with additional deadlines and milestones that are provided centrally by the planning tool for the purpose of structuring and coordinating the preparation of the consolidated financial statements is monitored by METRO AG's Corporate Accounting department. The scheduling and monitoring of the milestones and activities required to achieve these Group milestones as part of the preparation of individual financial statements are part of the responsibilities of the respective company's management.

Once they have been transmitted from the individual financial statements under IFRS to the SAP-based consolidation system, the financial data are subjected to an automated plausibility review in relation to accounting-specific contexts and dependencies. Any errors or warning messages generated by the system during this validation process must be addressed by the person responsible for the individual financial statements before the data are transmitted to the consolidation facility.

The report in which all essential Group companies provide a comparison of key items of the balance sheet and the income statement with prior-year figures as well as relevant comments represents another monitoring instrument. Every essential Group company must provide this report to METRO AG in the context of the preparation of individual financial statements.

Access regulations for accounting-related EDP systems (SAP FI) provide for IT security. Each company included in the consolidated financial statements is subject to the regulations concerning IT security. These regulations are summarised in an IT security guideline, with Group-wide compliance being monitored by the Group Internal Audit department of METRO AG. This ensures that users only have access to the information and systems needed to fulfil their specific task.

Accounting processes in the context of consolidation

The planning tool also divides the process of preparing the consolidated financial statements into key milestones, activities and deadlines. In the process, the completion of typical consolidation measures – including sales elimination, expense and income, liability and capital consolidation – represents specific milestones in the preparation of the consolidated financial statements. Personnel responsibilities for the consolidation

measures mentioned above are documented in consideration of stand-in arrangements.

The Group also relies on external service providers to handle support activities related to the preparation of the consolidated financial statements. These services essentially relate to valuations of real estate, pension obligations and share-based payments.

The consolidation measures required to prepare the consolidated financial statements are subject to various systematic and manual controls. The automated plausibility reviews (validations) used in individual financial statements data also apply to the consolidation measures. Additional monitoring mechanisms at Group level include target-performance comparisons as well as analyses dealing with the composition and changes of individual items in the balance sheet and the income statement. Compliance with internal controls covering the preparation and accounting process in the context of the compilation of the consolidated financial statements is regularly monitored by the Group Internal Audit department of METRO AG.

Access regulations for the consolidation system SAP EC-CS are implemented to ensure adherence to IT security regulations (writing and reading authorisations). Authorisations to use the consolidation system are managed centrally by METRO AG. The approval is given only from the Corporate Accounting and Corporate Planning & Controlling departments. This ensures that users only have access to data they require to fulfil their specific tasks.

Independent audit/control

Internal audit

The Group Internal Audit department of METRO AG provides independent and objective audit and consulting services within METRO GROUP and supports the Management Board of METRO AG and the management of the Group companies in reaching their goals through a potential-orientated assessment of key management and business processes. In coordination with the Management Board and the Group companies, the Group Internal Audit department develops a risk-orientated annual audit and project plan.

Based on the described principles, the Group Internal Audit department carries out independent audits of the controls governing the process of preparing the consolidated financial

statements, the implementation of the IFRS accounting guideline and Group accounting processes within METRO GROUP. In the process, focal topics are defined as part of risk-orientated planning for the annual audit.

External audit

The IFRS accounting guideline is reviewed by the auditor of the consolidated financial statements and made available to the auditors of the companies included in the consolidated financial statements. These, in turn, confirm the consistent application of the IFRS accounting guideline by the companies included in the consolidated financial statements.

In addition, the individual IFRS financial statements prepared by the Group companies for consolidation purposes and the consolidated financial statements of METRO AG are reviewed and monitored for compliance with applicable accounting regulations by the respective auditors. The interim consolidated financial statements for the 6-month period undergo an auditor's review and the full-year consolidated statements are audited. The final auditor's opinion on the consolidated financial statements is published in the annual report.

11. Risk report

In its operating activities, METRO GROUP is regularly exposed to risks that can impede the realisation of its short-term objectives or the implementation of long-term strategies. In some cases, we must consciously take controllable risks to be able to exploit opportunities in a targeted manner. We define risks as internal or external events resulting from uncertainty over future developments that can negatively impact the realisation of our corporate objectives. We define opportunities as possible successes that extend beyond the defined objectives and can thus positively impact our business development. We consider risks and opportunities as inextricably linked. For example, risks can emerge from missed or poorly exploited opportunities. Conversely, exploiting opportunities in dynamic growth markets always entails risks.

With this in mind, we consider our Company's risk management as a business management instrument that is geared towards realising our corporate goals. It is a systematic, Group-wide process. It helps the Company's management to identify, assess and control risks and opportunities. As such, opportunity and risk management is a uniform process. Risk management renders unfavourable developments and events transparent at an early stage and analyses their implications. This allows us to put the necessary countermeasures in place. At the same time, it allows us to systematically exploit emerging opportunities. We continually fine-tune our risk management and increasingly integrate it into our monitoring and control systems.

Centralised management and efficient organisation

Group-wide risk management tasks and responsibilities are clearly regulated and reflect METRO GROUP's corporate structure. We combine centralised business management by the management holding company METRO AG with the decentralised operating responsibility of the individual sales lines. Overall responsibility for the effectiveness of risk management lies with the Management Board of METRO AG. The sales lines and Group companies are responsible for identifying, assessing and managing risks. Key elements of internal monitoring and control include effectiveness checks in the form of self-assessments by the management and review by the internal audits.

The Supervisory Board of METRO AG is responsible for overseeing the effectiveness of risk management. In compliance

with the provisions of KonTraG (the German Corporate Sector Supervision and Transparency Act), the external auditor submits the Company's early-detection system as part of the risk management system to a periodic review. The results of this review are presented to the Management Board and Supervisory Board.

METRO GROUP's risk management officer determines the Company's risk management approaches, methods and standards. The risk management officer also coordinates the underlying process. In this context, he continuously and promptly informs the Management Board of METRO AG of important developments in risk management, ensures the Group-wide exchange of information and supports the continued development of risk management in all sales lines and Group units. The Group committee for risks and internal controls headed by the CFO of METRO AG regularly discusses risk management methods and the current risk situation. Aside from the risk management officer, permanent members of this committee include representatives of the Group's Corporate Accounting, Corporate Controlling, Corporate Legal Affairs & Compliance, Corporate Internal Audit and Corporate Strategy departments as well as the CFOs of METRO Cash & Carry and Real.

Group reporting is the central vehicle for internal risk communication. It is complemented by risk management reporting. The aim is to allow for the structured and continuous monitoring of risks and document this in line with legal stipulations. In addition, Group reporting is also tasked with communicating possible risks to the relevant responsible persons.

We conduct an annual risk inventory to systematically map and assess all material Group-wide risks based on uniform criteria. The risk management officer sums up the results in a risk portfolio, which includes a description and assessment based on quantitative and qualitative indicators in terms of the extent of damage and the probability of occurrence. This summary enables a comprehensive assessment of the risks and opportunities of METRO GROUP and serves as the basis for the risk report compiled by the risk management officer. The results of the risk inventory and the risk portfolio are updated on a quarterly basis and summed up in a report. An emergency notification system takes effect in case of sudden serious risks to our asset, financial and earnings position. In this case, the Management Board of METRO AG directly and promptly receives the necessary information. The Management Board regularly informs the Supervisory Board or the Accounting and Audit Committee about risk management issues. Once a year, the Supervisory Board receives a compre-

Risk management as a closed loop

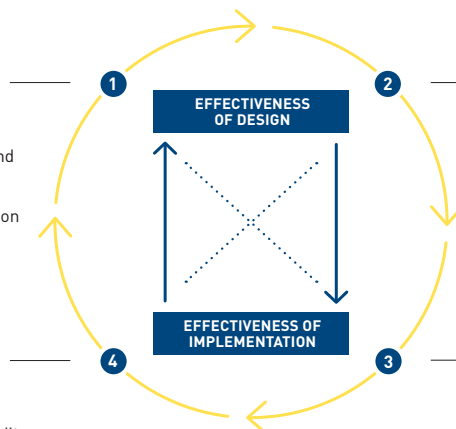
METRO AG

1 Definition of rules

- Definition of principles and strategy
- Derivation of risk areas from target and control system
- Definition of processes and organisation
- Provision of training material
- Group reporting

4 Monitoring/control (centralised)

- Validation of risk inventory
- Review of effectiveness by internal audit
- Internal risk management system controls



SALES DIVISIONS/SEGMENTS

2 Introduction and implementation

- Introduction of risk management system
- Process implementation
- Compilation of risk reports by units and functions
- Organisation of training programmes and knowledge transfer

3 Monitoring/control (decentralised)

- Self-assessment of risk management effectiveness
- Internal risk management controls
- Confirmation by management

hensive written report informing it about the organisation and alignment of risk management as well as the current risk situation.

The risk management system is organised as a closed loop to ensure the design's effectiveness with respect to the defined risk management rules. In addition, this allows us to guarantee an effective implementation and continuous improvement of the system based on results and experiences.

Strict risk policy principles

In principle, METRO GROUP takes entrepreneurial risks only if they are manageable and if the opportunities involved promise reasonable value added. The value contribution, which we calculate as EBITaC (EBIT after Cost of Capital), is a key metric for corporate success.

— Additional information on the key metric EBITaC can be found in the Group management report in chapter 3 Earnings position on pages 98 to 100.

Risks incurred in conjunction with the core processes of wholesaling and retailing are borne by METRO GROUP. The core processes include the development and implementation of

business models, decisions on store locations, and the procurement and sale of merchandise and services. Risks from support processes are reduced within the Group or, where this appears sensible, transferred to third parties. In principle, we do not assume risks that are not related to core processes or support processes.

Clearly defined risk management details

The coordinated application of risk management tools is assured by the compilation of all relevant facts in guidelines. These include the Articles of Association and by-laws of Group companies, internal Group procedures and METRO GROUP's Group-wide risk guideline. It defines

- the risk management framework (terms, basic structure, strategy, principles),
- the risk management organisation (roles and responsibilities, risk units),
- processes (risk identification, assessment and management),
- risk reporting as well as
- monitoring and controlling the effectiveness of risk management.

Based on the internationally recognised COSO II standard, the risk management framework addresses the 3 levels of risk management: corporate objectives, processes and organisation.

The first level of risk management relates to the clustering of corporate objectives. In this respect, METRO GROUP has defined the following clusters:

- Strategic objectives related to safeguarding the Company's future economic viability
- Operational objectives related to the attainment of set key operational metrics
- Corporate management objectives related to compliance with laws, regulations, internal guidelines and specified procedures
- Objectives related to appropriate preparations to mitigate event risks such as breakdowns, business interruptions and other crisis events

On the second risk management level – the process level –, the definition of objectives also serves as the starting point for risk mapping. In this context, we identify, assess and manage risks that would jeopardise or inhibit the achievement of our objectives should they materialise.

On the organisational level, we determine the corporate units responsible for setting objectives in a clearly defined area as well as identifying, assessing and managing risks. METRO GROUP's risk management defines these areas in line with the corporate organisation using independent risk units – generally companies – as well as in terms of function using categories that are responsible for a certain operational function or administrative task.

Opportunity identification

The timely recognition and exploitation of opportunities is a critical entrepreneurial duty and secures our Company's long-term success. Ascertaining and communicating opportunities is an integral part of the management and controlling systems between the consolidated subsidiaries and METRO AG. It is the direct responsibility of the management of the sales lines, companies and central holding company units to identify, analyse and exploit operating opportunities. The individual management groups examine detailed market and competition analyses, market scenarios, the relevant cost drivers and critical success factors, including those in the Company's political environment.

Presentation of the risk situation

METRO GROUP primarily faces the risks that are described in the following section.

Business and sector risks

As an international company, METRO GROUP is dependent on political and economic developments in the countries in which it operates. In many European countries, customers are deeply unsettled by the sovereign debt crisis and its effects, including government austerity programmes, as well as rising unemployment. This is dampening purchasing power, consumer confidence and, as a result, private consumption, which in turn makes it more difficult for us to achieve our sales growth objectives. Overall, we expect economic developments in Europe and other developed economies to bottom out in 2013 following a sharper than expected downturn in 2012. Despite a loss of momentum compared with previous years, we expect the growth markets of Asia to profit from a continued strengthening of domestic demand and the emergence of an affluent middle class. Compared with 2011, the risk-and-opportunities profile for the short- to medium-term development of the retail sector and thus for METRO GROUP has improved only slightly. We are continuing our selective expansion in the growth regions of Asia and Eastern Europe to reduce potential risks posed by the regional variation in economic developments. In the process, we are focusing on business units and countries where we can build a distinct profile and strong market position. For example, the METRO Cash & Carry sales line opened 12 new stores in China in 2012 – more than ever before within one year in one country.

Our international position requires us to address possible economic, legal and political risks. The situation in individual countries can change rapidly. Unrest, changes in political leadership, terrorist attacks or natural disasters can endanger METRO GROUP's business in the affected country. We insure ourselves as far as possible and to the appropriate extent against business interruptions that, for example, are the result of political unrest. Professional crisis management allows for a fast response and crisis management. At the same time, the international expansion of our business provides us with the opportunity to offset economic, legal and political risks as well as fluctuations in demand in individual countries.

To limit the risks of expansion as far as possible, we plan each market entry meticulously. We identify risks and opportunities by conducting feasibility studies. We only enter new markets when risks and opportunities are deemed to be manageable. Risks can also be reduced by forging partnerships with local

companies. These businesses know the legal, political and economic environment of the respective country. Even though we base our expansion decisions on the best available information, we cannot rule out the possibility that the growth momentum in individual countries will fall short of our expectations in the coming years.

Details about the assessment of economic developments can be found in the forecast report on pages 161 to 165.

Risks related to the retail business

The saturated markets of Western Europe, in particular, are characterised by rapid change and intense competition. The resulting conditions can influence business developments and represent natural business risks. A fundamental business risk is consumers' fluctuating propensity to consume.

Shifting consumer behaviour and customer expectations pose risks and opportunities – including in the face of demographic change and increasing digitalisation. Failing to adequately consider customer trends and price developments or missing trends in our assortments or with respect to new sales channels can have a negative impact on Group sales and jeopardise METRO GROUP's growth objectives. To account for these factors, we continually optimise our merchandising concepts and adapt them to our customers' needs and consumption patterns. For example, we are expanding our range of regionally traded products and increasingly customising our assortments to meet our customers' increasing demands with regard to ecological, social and health considerations. All sales lines have established growth programmes aimed at boosting sales and earnings and protecting the intrinsic value of our assets. To recognise market trends and changing consumer expectations early on, we regularly analyse internal and external information. In the process, the Group's own market research draws on qualitative market and trend analyses as well as quantitative methods such as time series analyses or forecasts of market developments derived from analyses of sales data and the results of panel market research. Time series analyses also include the observation of product segments on the market over a certain period of time. Our sales lines initially examine the practicability and acceptance of innovative concepts in test stores. Only after successful conclusion of these tests will innovations be introduced systematically and swiftly in other stores. METRO GROUP continuously allocates funds to optimise merchandising concepts and modernise stores. These measures help to secure and expand the competitive strength of all sales brands. Examples include a distinct intensification of our online activities and multichannel business, added delivery

options, measures to strengthen our own brands, investments in innovative sales formats and the expansion of our sales activities. In this way, we can reach customers even better and in a more targeted manner.

Internet sales are an important opportunity and, at the same time, a significant risk to our Company's future success. Online retail is experiencing strong growth. We expect this development to continue. As a result, it is imperative for METRO GROUP to further strengthen its Internet sales channel to ensure that it does not leave competitors any room to gain market share. We are taking successive steps to expand our sales lines' online business. In the financial year 2012, we made important strides in our transformation from a purely stationary provider to dovetailed multichannel sales operations with the online stores of Real, Media Markt, Saturn and Galeria Kaufhof. Risks related to this strategy include the high demands placed on logistics and information technology: the success of our multichannel offering depends on our ability to offer our customers fast and reliable deliveries and to guarantee safe, convenient ordering. In addition, it is important to optimally link the stationary business with electronic retailing. With the Redcoon group, one of the leading online retailers of electronic products, we have added a pure play online retailer to our portfolio to counter competition from the sales segment focused exclusively on the Internet.

Location risks

Various factors pose a risk to the intrinsic value of METRO GROUP's portfolio of locations. These include

- intense competition over suitable properties,
- the risk of poor decisions on the choice of location which can be reflected in new store openings failing to attract the expected customer response as well as
- a deterioration in the profitability of a location, for example due to declining sales or rent increases.

Additional risks include outdated locations and the need for maintenance or repair work.

METRO GROUP counters these risks through active property management and professional strategic and operative investment controlling as well as the technical risk management of our real estate company METRO PROPERTIES. In all countries, we select our locations on the basis of an intense examination. By continually monitoring the profitability of our network of locations, we can identify adverse developments at individual stores or retail outlets early on and respond quickly. If none of the measures taken produce the desired result and a sustained improvement in the situation at the respective store or retail

outlet is considered unlikely, we will divest of the store and thereby ensure the permanent optimisation of our network of locations.

Risks from portfolio changes

METRO GROUP aims to continuously optimise its portfolio. All portfolio changes and the related strategic and investment or divestment decisions focus on their contribution to the Company's success in terms of value-based management. We can reduce risks related to the intrinsic value of our assets – both in terms of individual groups of assets and our overall portfolio – through value-based management.

During the reporting year we sold the cash & carry stores of MAKRO Cash & Carry in the UK including its entire operating assets to Booker Group PLC. Also in 2012 we announced plans to sell the Eastern European business of our Real sales line. This transaction is subject to the approval of the relevant anti-trust authorities and is scheduled to be closed in 2013. Following a 2-year test phase, we have decided to discontinue the activities of Media Markt in China. Risks resulting from these portfolio changes are reflected in the financial statements.

Risks related to business performance: suppliers and products

As a retail and wholesale company, METRO GROUP depends on external providers for the supply of goods and services. We choose our suppliers very carefully, particularly in the own-brand area. We place a particularly high priority on the reliability of our suppliers in terms of product reliability and compliance with safety and social standards. Defective or unsafe products, an exploitation of our environment or inhumane working conditions would cause extensive damage to the image of METRO GROUP and pose a long-range threat to the Company's success. For this reason we continuously monitor our own-brand suppliers to check whether they adhere to METRO GROUP's high procurement policy standards. In particular, these include the quality standards tested by the Global Food Safety Initiative (GFSI), such as the International Food Safety Standard and the GLOBALGAP certification for agricultural products. They help to ensure the safety of foods on all cultivation, production and sales levels. In addition, we conduct special training programmes to help suppliers in emerging markets to fulfil safety standards. We will broaden the training curricula to cover environmental aspects and standards for fair and humane working conditions as well.

Above all, our requirements of our suppliers are regulated in special contracts which are regularly reviewed for compliance.

Violations of conditions can lead to exclusion from our supplier network or, in case of unacceptable production methods such as sandblasting of jeans, which is harmful to health, to a procurement ban on a product. In this way, we further minimise our supplier risk. Should, however, an incident related to quality occur, the process steps described in our manual on incidents and crises take effect. During this time, an appropriate management of the incident is our first priority. In addition, we examine possible improvements to our quality assurance systems.

To prevent disruptions in the supply of goods and to avoid becoming dependent on individual companies, we work with a variety of suppliers and ensure that we do not become dependent on individual companies. By taking this approach, we ensure that the desired product is practically always in stock in the desired quality and quantity and, in the process, achieve high levels of customer satisfaction.

Our success also depends heavily on the procurement prices of the products offered for sale. In many cases, our large purchasing volumes in numerous countries have a positive effect. Product prices are based on the availability of the required raw materials that may temporarily or continually become scarce. This can drive up procurement prices or lead to a certain level of volatility. For example, increased energy prices can lead to higher procurement prices for a variety of products.

But products themselves can become scarce, too. One case in point is fish, which can become scarce as a result of overfishing. For this reason, METRO GROUP launches own measures and supports initiatives fostering the sustainable use of natural resources. In the fisheries area, for example, we have developed a Group-wide procurement policy and play an active role in the Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC). These organisations award product seals for sustainable fishery or aquaculture aimed at the conservation of fish stocks. As early as 2011, METRO GROUP also joined the Roundtable on Sustainable Palm Oil (RSPO). The organisation, which includes companies and non-governmental organisations, works towards the sustainable cultivation of palm oil plants, a raw material used in cosmetics and sweets, in particular. Among other things, we address supply shortages resulting from population growth through central trading offices in key procurement markets.

Other examples of product risks include supply bottlenecks after natural disasters, longer delivery times and price increases. METRO GROUP's procurement management creates

the necessary structures to ensure a sufficient supply of goods at all times.

Our activities to foster a sustainable supply chain are described in chapter 7 Sustainability management on pages 121 to 133.

Business performance risks: logistics

The responsibility of logistics is to ensure a high security of goods supplies at optimised cost structures while considering sustainability-related aspects such as energy and fuel consumption. The wide variety of goods and articles and the high merchandise turnover, however, result in organisational, IT and logistics risks. The Company's international positioning and focus on national, regional and local product assortments increase these risks. Additional challenges arise from the expansion of our online activities and our multichannel business, delivery options and other innovative sales formats. Any disruptions in the supply chain, for example in the supply of goods, could lead to business interruptions. We reduce our dependency on individual suppliers and service providers by expanding our circle of business partners and employing the principle of efficient assignment of responsibilities.

Another logistics risk arises from the generally complex and at the same time underdeveloped supply structures that prevail in emerging markets, in particular. In many cases, these go hand in hand with particularly challenging climatic conditions that can result in food spoilage on the way from the producer to the store. METRO GROUP creates the necessary structures to ensure consistently high quality along the supply chain at all times. We use qualification programmes to prepare our suppliers in emerging markets for these logistics requirements.

In case of product incidents, our logistics systems must be prepared to trace the good's itinerary and origin within a very short time. This is done with the help of modern technologies and product identification standards. We actively engage in various international organisations to foster the developments of these standards and promote the introduction of innovative technologies for improved product identification.

Information technology risks

The demands of our information technology (IT) have markedly increased as a result of new formats and sales channels, such as online retail and deliveries. Other tasks include real-time analyses of business processes and timely monitoring and management of merchandise flows. Regulations, for example on data protection or credit card processing, the associated increased public debate

about misconduct as well as the increasing complexity of IT generate additional risks for our Company.

As a result, we have reinforced the organisational measures that ensure our compliance with internal and external IT regulations. We regularly check systems connected to the Internet for weak spots. We counter the increasing complexity of modern IT landscapes through tightened management regulations and a centralised corporate architecture, known as enterprise architecture management.

Important business processes such as product ordering, marketing and sales have used IT systems for many years. As a result, the continuous availability of the infrastructure is a critical factor in the development and implementation of our IT solutions. Systems that are essential business operations in the stores, above all checkouts, are largely self-contained and can continue to be used for some time even during events such as network failures or the failure of central systems. In case of partial network failures, they can automatically reroute shipments or switch to redundant routes.

Modern technologies such as server virtualisation allow us to make efficient use of hardware and ensure that key IT systems can swiftly be restored in case one or several servers break down. We operate several central computer centres, which enable us to compensate even for major failures and to limit business interruptions to a minimum. These organisational structures minimise numerous risks, including the risk of natural disasters or criminal acts.

In addition, we ensure that the data we process are correct and can only be viewed by authorised staff. The necessary user accounts and access authorisations are administered centrally according to predefined, partially automated processes – from the employees' hiring through departmental changes to their departure. We regularly check whether Group specifications are adhered to in case of critical user rights and provide centralised reports on the results of our examinations. In particular, this applies to systems serving the planning of corporate resources (ERP, enterprise resource planning). Key processes and IT systems of our central IT company METRO SYSTEMS are independently checked and certified. They are reviewed by a department of Internal Audit that specialises in IT auditing procedures and by external inspectors who certify our processes and systems in accordance with the international standard for audit reports of services companies ISAE 3402 (International Standard on Assurance Engagement).

Awareness of the importance of data protection prevails at all levels of our Group. The commitment to adhere to the data protection standards of the German Federal Data Protection Act (BDSG) is part of all employment contracts. In particular, employees of Company units that handle sensitive data undergo on-site training on data protection. Additional measures have been launched in the context of our new, Group-wide data protection guideline.

The dynamic development of information technologies also creates opportunities for our Company to optimise its own processes and offer its customers new solutions. Our first step in this area is to launch a pilot project to test the extent to which we can deploy an innovation at our Company. This approach ensures we can control feasibility and security risks as well as risks related to the integration of these innovations into our existing systems. In particular, we are currently examining the relevance of the following trends:

- IT solutions for private customers can also be used within the Company. This development is initially reflected in the use of mobile devices.
- We are testing the extent to which we can take delivery of computing and storage capacity from partners over the Internet within the context of cloud computing. Our company METRO SYSTEMS is also providing initial solutions of this type.
- Customers are increasingly using multiple channels to obtain information or purchase goods, including social networks and mobile technologies. We have started to position our Company in this area, for example through our own Facebook pages and applications for smartphones.

Human resources risks

The expertise, dedication and motivation of our employees are key success factors that have a decisive impact on METRO GROUP's competitive position. One prerequisite to achieving strategic goals are highly qualified experts and managers. It is an ongoing challenge to recruit and retain such valuable employees for the Group, in particular in the face of demographic change and intense competition for the best people. This makes in-house qualification measures indispensable. To foster the requisite skills among our employees, we optimise training and professional development programmes for employees at all levels. Training courses and targeted human resources development measures promote entrepreneurial thinking and actions; variable and performance-based pay components serve as an incentive. Direct participation in business success increases employees' identification with

METRO GROUP and enhances their awareness of risks and opportunities in all entrepreneurial decisions. With targeted training programmes, which we implement in cooperation with various partners, we manage to attract young people to a job at METRO GROUP and to optimally develop their particular strengths. This also includes integrating professionally and socially disadvantaged or disabled young people into our day-to-day work environment. The principle of diversity and equal opportunity among our employees helps us to attract the best experts and managers to our Company and retain them over the long term. Succession planning at METRO GROUP, in particular in senior management positions, is guaranteed through customised career paths and development perspectives.

Additional information on METRO GROUP's human resources policy can be found in chapter 5 Employees on pages 111 to 118.

Environmental risks

METRO GROUP is aware of its responsibility for our environment and has firmly embedded the principle of sustainable business in its corporate strategy. Environmentally harmful practices along the supply chain can seriously damage our image over the long term and endanger our business. This is why we implement numerous measures to ensure environmentally responsible business practices. For example, we were the first German retail and wholesale company to calculate its carbon footprint in 2008. This helps us to detect potential risks early on and introduce countermeasures. Smart metering systems provide us with detailed consumption data and thus enable us to further optimise our energy management, for example through the energetic renovation of existing locations. In view of increased expectations we project rising costs from compliance with standards. Conversely, energy saving measures can also help us to reduce our costs. Over the medium term, the effects of climate change can limit the availability of raw materials, for example in the cultivation of grains. METRO GROUP comprehensively reports about the opportunities and risks resulting from climate change within the context of its sustainability management as part of its membership in the Carbon Disclosure Project.

Additional information on environmental protection can be found in chapter 7 Sustainability management on pages 121 to 133.

Legal risks, tax risks

Legal risks arise primarily from labour and civil law cases. In addition, risks for METRO GROUP may arise from preliminary investigations, for example in the context of possible infringements of cartel or competition law. Tax risks are mainly connected to external audits which take a differing view of certain circumstances and transactions. In addition, risks may result from interpretations of sales tax regulations. The Tax department of METRO AG has established appropriate guidelines to ensure an early detection and minimisation of tax risks. These risks are regularly and systematically examined. The resulting risk minimisation measures are coordinated by the Tax department of METRO AG and the national subsidiaries.

Control of Media-Saturn-Holding GmbH

Based on the arbitral award of 8 August 2012 and the decision of the Higher Regional Court of Munich of 9 August 2012, the Management Board feels confirmed in its opinion that the consolidation of the Media-Saturn group of companies was rightfully effected according to the relevant IFRS regulations, both in the past and in the consolidated financial statements as of 31 December 2012. In September 2012, a minority shareholder had challenged the non-admission of an appeal against the decision of the Higher Regional Court of Munich of 9 August 2012 by filing a complaint against the denial of leave to appeal before the Federal Court of Justice. If, contrary to the expectations of the Management Board, the Federal Court of Justice were to permit the appeal and, in another procedural step, decide this matter to the disadvantage of METRO AG, the Management Board's opinion on the full consolidation of the Media-Saturn group of companies would have to be reviewed. In that case, a deconsolidation of the Media-Saturn group of companies might become necessary if the sustained power to exercise control cannot still be assumed. A deconsolidation of the Media-Saturn group of companies based on current values would lead to one-time non-cash deconsolidation income. Following the deconsolidation, the interest in the Media-Saturn group of companies would have to be recognised at equity. This change regarding the consolidation of the Media-Saturn group of companies could impact the Company's key financials.

Additional information on legal issues is included in the notes to the consolidated financial statements in no. 45 "Other legal issues".

Compliance risks

The activities of METRO GROUP are subject to various legal stipulations and self-imposed standards of conduct. Legal requirements in the various jurisdictions as well as the expectations of our customers and the public regarding corporate

compliance have generally increased and become more complex. In response to these requirements, METRO GROUP has established a Group-wide compliance system which it continuously refines. The aim of this system is to systematically and sustainably prevent regulatory infringements within the Company. METRO GROUP regularly identifies behavioural corporate risks.

A particular focus is placed on preventing corruption and anti-trust-law risks. Corruption risks arise both in dealings with public authorities and public officials, for example in the context of the Company's international expansion or authorisation processes, and in business dealings with suppliers and other business partners. Antitrust-law risks may arise in the context of business dealings with METRO GROUP suppliers, for example, when it has not been assured that agreed terms and conditions comply with applicable laws and regulations. In addition, the Group-wide compliance management system covers other relevant penal risks, data protection and labour-law-related risks such as discrimination.

As part of the compliance management system, the necessary organisational structures are established in consideration of all identified and assessed compliance risks. The responsible departments consistently manage and control the risks within the existing structures.

METRO AG has introduced standards of conduct to manage the identified compliance risks, including a handbook on antitrust law that provides guidelines on supplier negotiations, among other areas. This handbook also contains templates for anti-trust-law-compliant communications with suppliers. In addition, METRO AG has introduced Group-wide anticorruption policies outlining standards of conduct for dealings with both authorities and public officials and with business partners. The anti-corruption guidelines also stipulate that a compliance check must be carried out before entering into a business relationship with business partners in high-risk areas. These efforts are complemented by compulsory training courses, systematic and target-group-orientated communications and the consistent, disciplined handling of compliance incidents and follow-up measures. In addition, METRO GROUP employees, their business partners and customers have access to a professional reporting system which enables them to notify the Company of compliance violations and potential violations in all Group languages. Where necessary, incidents may be reported anonymously. The compliance organisation ensures that all reported cases are investigated in an appropriate fashion.

By strengthening its internal control system, the Company ensures that compliance requirements are being increasingly integrated into its operational business processes and reviewed. The internal audit department regularly reviews the effectiveness of internal controls as part of its audit schedule.

Financial risks

The financial department of METRO AG manages the financial risks of METRO GROUP. These include the risk of price changes (interest risks, currency risks, share price risks), liquidity risks, creditworthiness risks and risks arising from cash flow fluctuations.

Ensuring METRO GROUP's unlimited access to the capital markets is part of the management of financial risks. In the process, debt reduction forms an integral component of our strategy. Among other things, this is achieved by continuously optimising our net working capital and focusing our investment funds on measures that add value for the Company. In this way, we gain additional flexibility to finance the transformation of our business models in response to the continuously changing needs and demands of our customers while allowing for a stabilisation and mid-term improvement of our capital market rating.

————— These risks and their management are described in more detail in the notes to the consolidated financial statements in no. 42 "Management of financial risks".

Presentation of the opportunity situation

Chapter 12 Supplementary and forecast report on pages 161 to 168 describes the opportunities we expect to arise over the next few years.

Overall assessment of the risk situation by the Company's management

The Management Board, the Supervisory Board and other important bodies of METRO AG are regularly informed about the Company's risk situation. Overall, the risk-and-opportunities profile of METRO GROUP has improved slightly compared to the previous year, which is largely due to a certain stabilisation of

economic parameters. To evaluate the present risk situation, risks were not only examined in isolation: the interdependencies between risks were analysed and rated according to their probability. The assessment has shown that the overall risks are manageable. There are no potentially ruinous risks for the Company and no risks could be identified that could endanger the Company's future existence. This assessment is mirrored by the ratings of the 2 leading rating agencies: both Moody's and Standard & Poor's have awarded METRO GROUP an investment grade rating. The Management Board of METRO AG currently does not expect any fundamental change in the risk situation. The subject areas indicated in the following chart map METRO GROUP's overall risk situation.

Overall risk situation of METRO GROUP

STRATEGY	OPERATING ACTIVITIES	GOVERNANCE	EVENTS
↓ Absence of growth ↓ Economically viable store network	↓ Negative effects of European debt crisis ↔ Impairment of assets ↔ Inability to engineer cultural change, weak ability to execute ↔ Product quality deficiencies	↔ Unreliable or ineffective financial reporting ↔ Tax and compliance risks	↔ Business interruption
		Risk level ● catastrophic ● material to moderate ○ low to immaterial	Direction ↑ higher ↔ unchanged ↓ lower

12. Supplementary and forecast report

Supplementary report

Events after the balance sheet date

Between the balance sheet date (31 December 2012) and the auditor's report (1 March 2013), the following events of material importance to an assessment of the earnings, financial and asset position of METRO AG and METRO GROUP occurred:

On 4 February 2013, the Supervisory Board of METRO AG took the decision to expand the Company's Management Board. Pieter Haas, a member of the Management Board and Chief Operating Officer (COO) of Media-Saturn-Holding GmbH, will join the Management Board of METRO AG in the second quarter of 2013. He will oversee Media-Saturn and business innovation. As a result, the Management Board now has 5 members.

Forecast report

The forecast report of METRO GROUP considers relevant facts and events that were known at the time of preparation of the financial statements and that can have an impact on business developments at METRO GROUP.

Economic parameters for 2013 and 2013/14

The forecast report on economic parameters is based on the evaluation of lead indicators. In addition, it draws on the analyses of a number of national and international economic research institutes and organisations. Fundamentally speaking, the following conclusions reflect a mid-range scenario of expectations. Forecasts of economic parameters relate to calendar years 2013 and 2014 while the outlook for METRO GROUP and its segments considers the short financial year as well as the financial year 2013/14.

Future economic situation

At the beginning of 2013, the world's economy continued to experience of period of weakness that most probably will linger throughout the first half of the year. Generally speaking, this weakness is expected to impact all important economic centres – at various levels and intensities.

Thanks to steps taken by countries and the European Central Bank (ECB) in 2012, the situation in the eurozone has stabilised somewhat. As a result, the risks arising from the sovereign debt crisis have eased slightly. The measures being applied to reduce sovereign debt remain in place, however. This, in turn, dampens short- and mid-term economic expectations. At the same time, unemployment has climbed to record levels, and no reversal of this trend is in sight at present. In 2013, this development will sap purchasing power and weaken consumer demand. A difficult year is expected to lie ahead of eurozone members, particularly for Greece as well as the high-deficit periphery countries of Italy, Portugal and Spain. In the wake of the downturn experienced in the past year, we, like most economic research institutes, expect the economy to be on the verge of recession. Following a weak first half of the year, a gradual economic recovery is likely to begin in the second half of 2013.

Positive signals for the world economy are being produced once again by China. During the reporting year, the People's Republic produced its lowest level of economic growth since 1999. But the Chinese government succeeded in giving the economy a boost by ramping up investment in infrastructure. At the beginning of 2013, Chinese industry reached a level of output not seen since 2011. Prices simultaneously moved upward. Overall, China can be expected to provide somewhat stronger growth momentum for the world economy in 2013. At the same time, there is a risk that the government's economic policies could further enlarge the country's construction bubble.

The United States could also generate some slight momentum for the world economy as it continues its recovery. At the end of 2012, a temporary solution to the budget fight over the so-called fiscal cliff was found. Had this agreement not been reached, a number of tax cuts would have automatically expired and government spending cuts would have taken effect. Such an event would have dealt a hard blow to the economy. Generally speaking, though, the US sovereign debt and budgetary policies will remain a risk factor as the year progresses.

In 2013, we believe that the world economy will grow by about 2.5 percent, a slight rise from the 2.3 percent increase produced in the previous year. For 2014, we expect the slow recovery to continue. But this recovery will depend significantly on developments in the European financial and economic crisis. As a result of the economy's continuing below-average performance, we do not foresee any fundamental inflationary pressure in 2013. The performance of the retail industry will be hurt by the challenging economic parameters being shaped by the continuing effort to reduce sovereign debt and by high unemployment. For these reasons, the industry's results may only rise slightly above the level achieved in 2012. We see dynamic growth only in the emerging countries of Asia, which remain robust in comparison to the fragile state of the world economy.

Germany

In 2012, Germany was unable to escape the grip of the eurozone crisis. Subsequently, its economy contracted in the 4th quarter. This period of weakness will most likely continue in the first half of 2013. But economic lead indicators are already pointing to a rebound. For the entire year, though, we expect only weak growth of around 0.5 percent (previous year: 0.7 percent).

The positive trends in the German labour market lost significant momentum in the second half of 2012. Given the recent weakness in the German economy, we expect the annual rate of unemployment will rise slightly in 2013. Overall, though, it will remain at a comparatively low level.

The challenging business conditions will hurt private consumption and retailing. By contrast, positive momentum will be generated by disposable income, which is likely to continue to rise in 2013. As a result, we expect only slightly lower nominal growth in retailing compared with 2012. On a price-adjusted basis, it can be assumed that a decrease will occur.

Despite its recent setback, the German economy remains in good shape in a European comparison. It continues to profit from good economic conditions and a continuing high level of competitiveness – in contrast to other members of the EU. For this reason, we expect the economy to pick up speed this year and continue moving upwards in 2014.

Western Europe

The economy of Western Europe will continue to be shaped by the sovereign debt crisis in 2013. Even though a slight stabilisation has been achieved in the eurozone, further setbacks can be

expected to occur as work continues to cut sovereign debt. Added to this was the fact that many Western European countries remained in recession at the beginning of the year. Unemployment was at record levels, and government spending cuts were hurting the countries' economies and consumers. As a result of the reductions and the negative short-term effects arising from them, only a slight recovery can be expected. For the entire economic region of Western Europe, we expect that, at best, 2013 will be a year of stagnation following the contraction seen in the previous year. In the process, the periphery countries being hit hard by the sovereign debt crisis and the more robust core countries will continue to move in different directions. In 2013, we expect the economies of the crisis countries of Italy, Portugal and Spain to contract. For most of the other countries of Western Europe, we expect that growth will total less than 1 percent.

Private consumption and the retail industry may stagnate, too, following the declines they produced in 2012. Record unemployment and the drain on buying power being caused by government cuts go hand in hand with a loss of consumer confidence. All these factors could dampen private demand for another year.

Eastern Europe

The economies of Eastern Europe are also being hurt by the weakness of Western Europe because both regions are closely linked to each other. In a reflection of this, the sovereign debt crisis in Western Europe has caused Eastern Europe's export economy to slow considerably. Furthermore, direct foreign investment has fallen. As a result, the economic performance of Eastern Europe will primarily depend on a possible recovery in Western Europe. The growth prospects of countries with high levels of international debt will be significantly below those of countries with moderate levels. Overall, economic trends – like those in Western Europe – vary widely. For the entire region, we expect to see growth of more than 2 percent in 2013 following the 2 percent rate generated in 2012. Overall, growth will remain below the rates produced in the pre-crisis years. Like Asia, the region continues to have tremendous economic potential. For this reason, we think that Eastern Europe will generate strong economic growth over the mid-term.

As one of the region's major economies, Russia is expected once again to generate the highest growth rate in 2013, followed by Turkey, which is slowly bouncing back from a relatively weak year. We expect the growth rate for each country to exceed 3 percent. For Poland, we foresee growth of 2 percent, a rate that demonstrates once again that the country is not tap-

ping its full potential. The same can be said about Romania and Bulgaria. At a growth rate of nearly 2 percent, both countries are likely to expand more strongly than they did in the previous year. The Czech Republic and Hungary should produce only a slight gain of less than 1 percent in 2013 following the downturn both countries experienced in 2012. Greece will continue to bring up the rear as its economy shrinks for the sixth consecutive year. Boosted by a slow recovery in the second half of the year, average growth rates produced by Eastern Europe in 2014 are expected to exceed the levels achieved in 2013.

Consumer demand in Eastern Europe is growing faster than the overall economy. In 2013, the retail sector is expected to produce rates like those seen in the previous year. In the process, a slight counterbalancing effect should occur. Countries that have produced strong retail gains, including Russia and Ukraine, are expected to slow somewhat while the economies of countries like Romania and the Czech Republic that exhibited weakness in 2012 will slowly rebound.

Asia/Africa

Following a noticeable downturn in the emerging countries of Asia in 2012, we expect to see somewhat stronger economic momentum in 2013 and 2014. China is again viewed as the country with the most rebound potential. At the beginning of 2013, it was already generating high rates of growth in production, and its economy as a whole appears to be back on track for growth – while still facing the previously mentioned risks. After producing growth rates of 7.8 percent in 2012, China's economy should expand by more than 8 percent in 2013. Vietnam and India also should generate some renewed momentum in 2013 and 2014 – following a slowdown in 2012 that, at times, was very pronounced. But this momentum should remain below the levels generated in the pre-crisis years.

Private consumption should track similar trends in economic growth. After producing substantially lower growth rates at times during the reporting year, this segment should generate higher levels of growth in 2013 and 2014. This growth – like that of the economy itself – will not reach the rates achieved in recent years. By contrast, retailing in China, India and Vietnam may in some cases generate double-digit nominal growth rates in 2013 and 2014.

In Japan, the downturn that began in the second half of 2012 will initially continue. In spite of a far-reaching economic stimulus package and an expected improvement in economic conditions in the second half of 2013, growth rates will likely trail behind the levels produced in the previous year. In this satur-

ated market, the retail industry will experience another year of below-average growth. In 2014, we do not foresee any significantly higher level of growth due to the country's structural problems.

In 2013, the economic situation in Egypt will probably continue to be hurt by the country's continuing political uncertainty. Overall, though, we expect a slow economic recovery to occur.

Building on our forecast for economic and retail sector developments, the following section provides an overview of the resulting implications for individual sectors as well as our sales lines.

Future sector trends and developments at METRO GROUP

METRO Cash & Carry

The performance of the cash & carry segment is tied to macro-economic conditions. We expect that the phase of economic weakness will continue in the first half of 2013 and that a gradual recovery will begin in the second half of the year. This rebound should continue in 2014. Trends will vary among regions and within individual economic zones. We assume that these inconsistent economic activities will also be reflected in the performance of the cash & carry segment.

In Germany and Western Europe, we foresee no growth momentum arising for the cash & carry segment due to the financial and sovereign debt crisis. Demand in food retail should reach the same approximate level produced in previous years. Price increases could have a positive impact on revenue trends. Sales produced by nonfood products will most likely decline slightly in 2013. Depending on economic conditions, the negative trend could reverse in 2014. In countries being hit hard by the euro crisis, a moderate contraction is expected to occur in the cash & carry segment. In the Western European countries that are being less affected by the crisis, we foresee stable or slightly rising sales for the cash & carry segment in 2013 and 2014.

In Eastern Europe, we expect the cash & carry segment to continue growing in 2013 and 2014. In addition to price increases, which will exceed the Western European level, higher demand is expected to have a positive effect. In Russia and Turkey, the cash & carry segment will grow thanks to good business conditions. By contrast, we expect sales in Greece will dip in 2013 as the country's economy continues to contract. From 2014, new growth is possible – if the economy rebounds.

In Asia, cash & carry sales will rise in both 2013 and 2014. The cash & carry segment continues to generate very high growth rates in this region, and these rates exceed those of modern food retailing. In this region, the sector continues to have weak competition from other modern formats. As a result, traditional retailers, a key customer group of cash & carry businesses, continue to offer tremendous potential. We expect that this customer segment will remain very important following an easing of India's ban on direct investments by international retailing chains.

METRO Cash & Carry will press forward with its international expansion in 2013 and 2014. The focus will remain on the growth regions of Asia and Eastern Europe.

Real

Demand for food is primarily determined by direct needs. As a result, food retailing is affected by economic swings to a comparatively lesser degree. For this reason, we expect that, in 2013 and 2014, demand in German food retailing will remain at the level produced in the previous year. This should also remain the case should the euro crisis have a bigger impact on the German economy and labour market than experts are forecasting at the moment.

In 2013 and 2014, growth momentum for German food retailing is expected to be generated only by positive price effects primarily caused by high prices for raw materials. The rise will roughly equal the one produced in 2012. As a result, we expect that, in 2013 and 2014, German food retailing will continue to grow at the 2012 level.

Media-Saturn

Compared with other retail sectors, consumer electronics retailing is much more cyclical. Because countries' economic conditions are expected to differ widely in 2013 and 2014, the varying regional trends in consumer electronics retailing will continue.

For Germany, sales produced by consumer electronics retailing are expected to climb. This view is shared by both the German Association of Consumer and Communication Electronics and the trade association BITKOM. The experts predict that sales produced by both consumer electronics and information and communications technology will rise. The specialists also expect that demand for televisions in 2013 will once again reach the record level reached in the previous year, when more than 10 million sets were sold. Demand is also expected to climb for devices such as tablet PCs and smartphones. In 2014,

we expect the Winter Olympics and the World Cup football championships to generate growth momentum that will result in positive demand – as they have done in the past.

In Western Europe, the sector will continue to be impacted by the economic problems being experienced by many countries in 2013 and 2014. In 2013, we expect business performance will be weak particularly in such euro crisis countries as Italy, Spain and Portugal. After hitting bottom, the sector could rebound from 2014. On the other hand, we expect sales generated in the remaining Western European countries to be stable or positive in 2013 and 2014. Just like in Germany, both major sporting events scheduled for 2014 should have a positive impact in Western Europe. Despite these optimistic expectations, many uncertainties are associated with the outlook for the consumer electronics retailing sector as a result of the questions about general economic trends.

In Eastern Europe, we also foresee differing trends in consumer electronics retailing for 2013 and 2014. For Russia and Turkey, we expect to see continued growth in the sector during 2013 and 2014. Momentum will be generated in both countries by continued efforts to exploit these markets' untapped potential. In Russia, we also expect that the Winter Olympics in Sochi will produce a surge in demand during 2014. By contrast, the sector will continue to contract in Eastern European countries that are wrestling with economic problems. This is particularly the case for Greece.

Throughout the regions, online sales will continue to grow and gain market share at the expense of stationary consumer electronics stores. Multichannel providers like Media Markt and Saturn can profit from this trend by optimally combining the strengths of both sales channels. Media Markt and Saturn will continue to link both sales channels in other countries as a way of further expanding their own market position.

Galeria Kaufhof

In 2013, business developments at Galeria Kaufhof will depend on the extent to which the euro crisis negatively impacts the economy and consumer confidence in Germany. From the second half of 2013, the economic situation is likely to improve once again. In this case, private consumption may generate positive momentum for retailers. Galeria Kaufhof would profit from this as well. The trend will continue in 2014.

In 2013 and 2014, we expect that the department store sector will be weaker than the retail industry as a whole once again. On the one hand, this will result from the continued reduction

of overcapacities in the sector. On the other hand, the competitive pressure being exerted by rapidly expanding online retailers remains high and will extend to further product groups. To fend off this competition, stationary and online operations must be tightly linked, and a clear positioning in the store-based business must be established. As the concept and system leader in the department-store segment, Galeria Kaufhof has successfully established this link. As a result, we believe the sales line will outperform competitors in the next 2 years.

Expected earnings situation: outlook for METRO GROUP and its segments in 2013 and 2013/14

Change of financial year

On 23 May 2012, the Annual General Meeting of METRO AG took the decision to change, effective 1 October 2013, the financial year at METRO AG from the calendar year to the period of 1 October to 30 September of the following calendar year. For this reason, a short financial year extending from 1 January 2013 to 30 September 2013 will be used this year. In a reflection of this decision, this forecast report addresses both the short financial year 2013 (1 January to 30 September 2013) as well as the next financial year 2013/14 (1 October 2013 to 30 September 2014). Statements made about the short financial year 2013 are based on a comparison with the 9-month period of January to September 2012. Statements made about the financial year 2013/14 are based on a comparison with the period of 1 October 2012 to 30 September 2013.

Portfolio changes

It is possible to compare the short financial year with the same period in the previous year only to a limited extent due to portfolio actions taken or announced in 2012. This applies in particular to

- the deconsolidation of MAKRO Cash & Carry's UK activities on 30 September 2012 with retroactive effect from 4 July 2012,
- the divestment of Real's activities in Eastern Europe (excluding Turkey), an action that has already been contractually agreed on, but that is still awaiting approval by anti-trust authorities and
- the discontinuation of Media Markt's business in China.

Expected sales development at METRO GROUP in 2013 and 2013/14

For the short financial year 2013, we expect – in spite of the continuing difficult business conditions described above – to generate moderate growth in sales (adjusted for the previously described portfolio changes). In the subsequent financial year 2013/14, we expect to see this moderate growth in sales continue compared with the respective period for the previous year. These projections are based on the assumption of virtually unchanged exchange rates.

Expected earnings development at METRO GROUP in 2013 and 2013/14

Earnings trends in the abbreviated financial year 2013 will be impacted by the uncertain economic situation described earlier. As a result, we will continue to closely focus in 2013 and future years on efficient structures and strict cost management.

In the short financial year 2013, we expect EBIT before special items to increase compared to the level achieved in the corresponding period of the previous year (€704 million). This projection is based on the assumption of higher income from the sale of real estate assets compared to the year-earlier period. Due also to the lack of major sports events, operating earnings are expected to fall short of the level of the first 9 months of 2012.

Barring a sustained deterioration of economic parameters, we expect to generate higher EBIT before special items in the financial year 2013/14 compared to the corresponding period of the previous year.

Expected sales development of the segments of METRO GROUP in 2013 and 2013/14

In our forecast for the segments, we are applying the previously discussed expectations regarding general economic conditions and specific sector trends. In the process, we are comparing the short financial year 2013 with the respective period of the previous year (1 January to 30 September 2012). The comparisons made for the financial year 2013/14 (1 October 2013 to 30 September 2014) apply to the period of 1 October 2012 to 30 September 2013.

At METRO Cash & Carry, we expect limited sales growth in the short financial year 2013 (adjusted for the cash & carry business in the UK) and another small increase in sales during the financial year 2013/14.

At our hypermarket business Real (adjusted for Real Eastern Europe excluding Turkey), we expect to generate a moderate increase in sales during the short financial year 2013 and another small increase in sales during the financial year 2013/14.

At Media-Saturn, Europe's leading consumer electronics retailer, we expect sales generated during the short financial year 2013 to rise slightly (adjusted for Media-Saturn in China) and project another increase in sales in the financial year 2013/14.

At our department store business Galeria Kaufhof, we expect sales during the short financial year 2013 to remain roughly at the previous year's level in spite of 4 store closings in mid-2012. For the financial year 2013/14, we expect to generate a small increase in sales.

Expected EBIT development of the segments of METRO GROUP in 2013 and 2013/14

The short financial year 2013 will not include the Christmas quarter that plays such a major role in EBIT. This will have a significant impact on the operative sales lines where the non-food business plays an important role. For this reason, EBIT before special items in the short financial year 2013 will be determined in particular by METRO Cash & Carry and the real estate business. Barring a sustained deterioration of economic parameters, we expect a slight increase in earnings in all segments in the financial year 2013/14 compared to the corresponding period of the previous year.

Expected development of the financial result

In terms of the financial result, we expect to see a slight improvement during the short financial year 2013 due to the low level of interest rates. Compared with the respective period in the previous year, this improvement should continue in the financial year 2013/14.

Expected tax burden

For the short financial year 2013, we expect an above-average tax rate. This will arise primarily from the lower pre-tax result in the short financial year – due to the absence of the Christmas business. By contrast, tax expenses will be relatively high because no tax benefit from the measurement of domestic tax losses can be considered. A comparison between the tax rate of the 9-month period of 2012 and the expected tax rate of the short financial year is not possible. The reason is that taxes are determined during quarterly reporting under the rules of interim reporting using the so-called integral approach. Under this approach, the reported tax expenses correspond to the forecast tax rate for the year and cover a 12-month period. But

the tax result in the short financial year covers 9 months. We expect a lower tax rate in the financial year 2013/14.

Dividend policy

In the context of a dynamic dividend policy, the size of dividend payouts principally depends on the development of net profit for the period before special items. In future, we intend to continue to distribute a competitive and attractive dividend. But METRO GROUP generates a large share of its earnings in the final quarter of the calendar year. This all-important quarter will not be included in the short financial year 2013.

Expected employee development

The workforce of METRO GROUP will decrease largely as a result of the portfolio changes. This decline will be only partially offset by new store openings.

Expected financial position

Planned long-term financing measures

For many years now, METRO GROUP has enjoyed exceptional access to international capital markets. No bonds will become due in the short financial year 2013. The next maturity date is November 2013 when a bond totalling €500 million will mature. This bond was issued at the height of the financial market crisis and bears an annual interest rate of 9.375 percent. The repayment will substantially reduce the Company's interest rate obligations in the financial year 2013/14. A bond issued in December 2012 with an annual interest rate of only 2.25 percent can be used in its entirety to repay the initial bond. METRO GROUP can also draw on lines of credit for use in refinancing. No financing measures must be implemented in the short financial year. Depending on the market situation, taking such steps may be reasonable and possibly meet financing needs at an early stage for the financial year 2013/14, when a bond of €600 million becomes due in July 2014.

Further information about our refinancing measures can be found on pages 105 to 106.

Planned investments

During the short financial year 2013 and the subsequent financial year 2013/14, we are planning to carry out our investments in a focused, flexible manner that is guided by general economic trends. In particular, investments are being planned for modernisation, further development of concepts and the opening of new stores. Today, we expect that investment volume for the short financial year 2013 will fall below the level of

€954 million, which was invested in the same period of the previous year. We expect to open a total of 30 to 40 new stores at the sales lines METRO Cash & Carry and Media-Saturn. For the financial year 2013/14, we expect new openings to remain roughly at the level of the same period in the previous year.

Expected development of liquidity and net debt

In retailing, liquidity and net working capital are shaped by the importance of the fourth quarter. For this reason, net debt at the end of the short financial year 2013 will substantially exceed the total at the end of the calendar year 2012. Net financial debt after netting of cash and cash equivalents as well as monetary investments with borrowings (including finance leases) totalled €7.7 billion on 30 September 2012. At the end of the short financial year 2013, we expect to see a slight improvement compared with 30 September 2012 that should continue in the financial year 2013/14. In addition, we expect to generate additional liquidity by further optimising net working capital.

In addition, liquidity in the short financial year 2013 will likely be impacted by the effects of the portfolio changes and the acquisition of a stake in Media-Saturn-Holding GmbH.

Non-financial goals

In addition to its financial targets, METRO GROUP has set a number of non-financial goals. We discuss them in the sustainability report, which is being released simultaneously with the annual report for the first time. The non-financial goals involve 4 fields of activity: “supply chain and products”, “energy and resource management”, “employees and social affairs” as well as “social policies and stakeholder dialogue”.

Opportunities

METRO GROUP has a number of opportunities for future sustainable business development that also extend beyond the 2-year period covered in the forecast report. Global trends also play a role here. In particular, we see opportunities being created by new sales channels, by demographic change in the mature markets of Western Europe that have aging populations and by the continuing growth of the population in developing and emerging countries, a trend that will produce many new needs. Our sales lines analyse these trends and take decisions aimed at systematically exploiting opportunities of the future.

Opportunities from the development of business conditions

In contrast to Southern Europe and some countries in Eastern Europe, many other regions and countries have rebounded since the worldwide financial crisis subsided. Above all, Asia and Russia exhibited a very strong and promising development in 2012. Our sales and earnings could profit from a further improvement in the business situation. Demand – including for the long term – is rising in countries with growing populations. METRO GROUP does business in many markets where we can benefit from this trend.

Strategic business opportunities

Our sales lines have high levels of brand equity in the countries where we do business, and we have assumed leading positions in most of the markets. We must further strengthen and expand these. Developments of recent years have shown that weak market players must pull out or be put up for sale. Because this market share has to be redistributed, we are working to fill these gaps or, when reasonable, to take over the individual locations of competitors.

A major opportunity is being created by online sales. This channel enables us to reach new customers who consider online shopping to be a convenient alternative. All our sales lines have online shops in Germany and many other countries. Unlike strictly online providers, our multichannel approach creates real added value for customers. We expect to see market players in both the stationary and online business drop out.

Demography offers a tremendous opportunity for METRO GROUP. The population of Western Europe is aging, and customer needs are being shaped by this trend. Our sales line Galeria Kaufhof has already won several awards for the approach it is taking to focus on all age groups and to meet the needs of older people. The stores of our sales lines are easy to reach and, as a rule, are located on the ground level. In addition, the outlets offer assistance and products designed to meet the needs of customers from all generations.

Business performance opportunities

In addition to general cost cutting, we are creating a foundation for long-term success by increasing our productivity. This effort includes a number of projects that we have already initiated and will now systematically continue to pursue. As a result, we will continue to expand our delivery activities and increase the share of high-margin own-brand products in total sales.

In addition to cost components, quality is a critical differentiating factor that is particularly relevant for food. Using employees who continuously check and ensure quality, we can gain an edge on our competitors and create customer perception that will have a positive effect on sales and earnings.

Additional opportunities will arise from efforts to cut our greenhouse gas emissions. In this area, we have set a goal that will indeed require investments, but that will save money in the end by lowering energy costs. In turn, these savings will create an array of financial and environmental benefits and improvements. By 2020, we intend to reduce greenhouse gas emissions by 20 percent per square metre of selling space compared with the levels of 2011.

Overall statement by the Management Board of METRO AG on the expected course of METRO GROUP

In years to come, our goal is to achieve a long-term positive development for METRO GROUP. We will continue to expand METRO GROUP's position as one of the leading international retail and wholesale companies. The development of the multi-channel business offers enormous growth opportunities.

We have a successful portfolio of sales lines and countries, qualified employees and a corporate culture that places an emphasis on individual responsibility and entrepreneurial action. For this reason, we feel that METRO GROUP is well prepared for the future.

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CONSOLIDATED FINANCIAL STATEMENTS

Income statement

for the financial year from 1 January to 31 December 2012

€ million	Note no.	2011	2012
Net sales^{1,2}	1	65,926	66,739
Cost of sales ^{1,2}		-51,924	-52,798
Gross profit on sales		14,002	13,941
Other operating income	2	1,690	1,702
Selling expenses	3	-11,928	-12,393
General administrative expenses	4	-1,587	-1,664
Other operating expenses	5	-64	-195
Earnings before interest and taxes EBIT		2,113	1,391
Result from associated companies		1	2
Other investment result	6	41	15
Interest income	7	133	123
Interest expenses	7	-713	-685
Other financial result	8	-102	-36
Net financial result		-640	-581
Earnings before taxes EBT		1,473	810
Income taxes	10	-732	-709
Profit or loss for the period		741	101
Profit or loss for the period attributable to non-controlling interests	11	110	98
Profit or loss attributable to shareholders of METRO AG		631	3
Earnings per share in € (basic = diluted)	12	1.93	0.01

¹Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")²Revised terminology (see chapter "Notes to the Group accounting principles and methods")

Reconciliation from net profit for the period to total comprehensive income for the financial year from 1 January to 31 December 2012

€ million	2011	2012
Profit or loss for the period	741	101
Other comprehensive income		
Change in revaluation reserve	0	0
Actuarial gains/losses	0	0
Currency translation differences from the conversion of the accounts of foreign operations	-131	128
Effective portion of gains/losses from cash flow hedges and gains/losses from the revaluation of financial instruments in the category "available for sale"	28	-31
Other changes	0	0
Income tax attributable to components of "other comprehensive income"	-21	12
Total comprehensive income	617	210
Total comprehensive income attributable to non-controlling interests	102	102
Total comprehensive income attributable to shareholders of METRO AG	515	108

Balance sheet as of 31 December 2012

Assets

€ million	Note no.	31/12/2011	31/12/2012
Non-current assets		18,822	17,287
Goodwill	17, 18	4,045	3,780
Other intangible assets	17, 19	454	407
Tangible assets	17, 20	12,661	11,324
Investment properties	17, 21	209	199
Financial investments ¹	17, 22	76	247
Investments accounted for using the equity method ²	17, 22	3	92
Other financial and non-financial assets ¹	23	470	500
Deferred tax assets	24	904	738
Current assets		15,165	17,479
Inventories	25	7,608	6,826
Trade receivables	26	551	568
Financial investments ¹		119	22
Other financial and non-financial assets ¹	23	2,882	2,886
Entitlements to income tax refunds		431	347
Cash and cash equivalents	29	3,355	5,299
Assets held for sale	30	219	1,531
		33,987	34,766

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")² In the previous year included in "financial investments" (non-current)Statement of changes in equity¹

for the financial year from 1 January to 31 December 2012

€ million	Share capital	Capital reserve	Effective portion of gains/losses from cash flow hedges and from the revaluation of financial instruments in the category "available for sale"	Currency translation differences from the conversion of the accounts of foreign operations
1/1/2011	835	2,544	63	-315
Dividends	0	0	0	0
Comprehensive income	0	0	28	-123
Capital balance from acquisition of shares	0	0	0	0
Other changes	0	0	0	0
31/12/2011 / 1/1/2012	835	2,544	91	-438
Dividends	0	0	0	0
Comprehensive income	0	0	-31	124
Capital balance from acquisition of shares	0	0	0	0
Other changes	0	0	0	0
31/12/2012	835	2,544	60	-314

¹ Changes in equity are explained in the notes to the consolidated financial statements in no. 31 "Equity"

Liabilities

€ million	Note no.	31/12/2011	31/12/2012
Equity	31	6,437	6,101
Share capital		835	835
Capital reserve		2,544	2,544
Reserves retained from earnings		2,985	2,645
Non-controlling interests		73	77
Non-current liabilities		8,085	8,593
Provisions for pensions and similar commitments	32	1,028	1,047
Other provisions ¹	33	463	424
Borrowings ²	34, 36	5,835	6,736
Other financial and non-financial liabilities ^{1, 2}	34, 37	602	227
Deferred tax liabilities	24	157	159
Current liabilities		19,465	20,072
Trade liabilities ¹	34, 35	14,214	13,513
Provisions ¹	33	546	644
Borrowings ²	34, 36	1,606	1,814
Other financial and non-financial liabilities ^{1, 2}	34, 37	2,705	2,910
Income tax liabilities	34	394	291
Liabilities related to assets held for sale	30	0	900
		33,987	34,766

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

² Revised terminology (see chapter "Notes to the Group accounting principles and methods")

Income tax attributable to components of "other comprehensive income"	Other earnings reserves	Total reserves retained from earnings	Total equity before non-controlling interests	thereof attributable to "other comprehensive income"	Non-controlling interests	thereof attributable to "other comprehensive income"	Total equity
17	3,164	2,929	6,308		152		6,460
0	-442	-442	-442		-158		-600
-21	631	515	515	[-116]	102	[-8]	617
0	-4	-4	-4		-26		-30
0	-13	-13	-13		3		-10
-4	3,336	2,985	6,364		73		6,437
0	-442	-442	-442		-97		-539
12	3	108	108	[105]	102	[4]	210
0	-10	-10	-10		-4		-14
0	4	4	4		3		7
8	2,891	2,645	6,024		77		6,101

Cash flow statement¹

for the financial year from 1 January to 31 December 2012

€ million	2011	2012
EBIT	2,113	1,391
Depreciation/amortisation/Impairment losses/reversal of impairment losses of assets excl. financial investments ²	1,316	1,623
Change in provisions for pensions and other provisions ³	-24	144
Change in net working capital ³	-174	80
Income taxes paid	-632	-627
Reclassification of gains (-) / losses (+) from the disposal of fixed assets	-197	-232
Other ³	-310	-39
Cash flow from operating activities	2,092	2,340
Corporate acquisitions ⁴	-106	4
Investments in tangible assets (excl. finance leases) ³	-1,360	-1,304
Other investments	-172	-143
Divestments	2	14
Disposal of fixed assets	367	571
Gains (+) / losses (-) from the disposal of fixed assets	197	232
Cash flow from investing activities	-1,072	-626
Profit distribution		
to METRO AG shareholders	-442	-442
to other shareholders	-158	-97
Raising of borrowings ⁵	8,155	8,899
Redemption of borrowings ⁵	-9,403	-7,534
Interest paid	-683	-650
Interest received	120	147
Profit and loss transfers and other financing activities	-30	-44
Cash flow from financing activities	-2,441	279
Total cash flows	-1,421	1,993
Exchange rate effects on cash and cash equivalents	-23	17
Total change in cash and cash equivalents	-1,444	2,010
Total cash and cash equivalents on 1 January	4,799	3,355
Total cash and cash equivalents on 31 December	3,355	5,365
less cash and cash equivalents held for sale on 31 December	0	-66
Cash and cash equivalents held for sale on 31 December	3,355	5,299

¹ The cash flow statement is explained in the notes to the consolidated financial statements in no. 40 „Notes to the cash flow statement“² Also includes depreciation and amortisation on "assets held for sale"³ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")⁴ Adjustment of previous year by the "Change in cash and cash equivalents due to first-time consolidation of companies"⁵ The previous year's figure has been adjusted due to the gross statement of additions and disposals relating to the commercial paper programmes

NOTES

Segment reporting¹

Operating segments

	METRO Cash & Carry		Real		Media-Saturn		Galeria Kaufhof	
€ million	2011	2012	2011	2012	2011	2012	2011	2012
External sales (net)	31,121 ²	31,636	11,032 ²	11,017	20,604	20,970	3,119 ²	3,092
Internal sales (net)	22	30	0	0	0	1	0	0
Total sales (net)	31,143 ²	31,666	11,032 ²	11,017	20,604	20,971	3,119 ²	3,092
EBITDAR	1,958	1,811	675	631	1,407	1,210	441	485
EBITDA	1,297	1,131	292	223	767	570	193	240
Depreciation/amortisation/impairment losses	260	447	198	201	274	338	99	104
Reversals of impairment losses	0	0	0	3	0	4	0	0
EBIT	1,037	684	94	25	493	235	94	136
Investments	799	407	166	115	434	291	124	89
Segment assets	8,093	7,742	3,597	3,545	6,499	6,489	1,051	1,044
thereof non-current	(4,372)	(4,273)	(2,382)	(1,716)	(1,818)	(1,751)	(505)	(491)
Segment liabilities	6,337 ²	5,963	1,995	1,984	7,873	8,021	1,035	963
Selling space (1,000 m ²)	5,517	5,484	3,082	3,043	2,880	3,035	1,475	1,441
Locations (number)	728	743	426	421	893	942	140	137

Regional segments

	Germany		Western Europe (excl. Germany)		Eastern Europe		Asia/Africa	
€ million	2011	2012	2011	2012	2011	2012	2011	2012
External sales (net)	25,469 ²	25,630	20,699 ²	19,808	16,946 ²	17,752	2,812 ²	3,548
Internal sales (net)	101	200	70	76	6	13	35 ²	34
Total sales (net)	25,570 ²	25,831	20,769 ²	19,885	16,952 ²	17,765	2,847 ²	3,582
EBITDAR	1,529	1,468	1,476	1,266	1,396	1,365	49	1
EBITDA	1,021	938	1,162	938	1,214	1,175	22	-41
Depreciation/amortisation/impairment losses	652	625	268	458	365	449	65	103
Reversals of impairment losses	4	7	9	0	6	6	15	0
EBIT	373	320	903	480	855	731	-28	-144
Investments	1,046	519	379	397	524	386	146	135
Segment assets	11,876	11,458	7,554	6,906	7,890	8,019	1,759	1,659
thereof non-current	(6,953)	(6,587)	(4,038)	(3,668)	(5,598)	(4,730)	(1,112)	(1,076)
Segment liabilities	7,797 ²	7,953	6,119 ²	5,503	3,852	4,169	897	971
Selling space (1,000 m ²)	5,792	5,779	3,030	2,856	3,504	3,621	628	748
Locations (number)	937	945	619	614	531	560	100	124

¹ Segment reporting is explained in the notes to the consolidated financial statements in no. 41 "Segment reporting"

² Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

Real Estate		Others		Consolidation		METRO GROUP	
2011	2012	2011	2012	2011	2012	2011	2012
0	0	50 ²	24	0	0	65,926 ²	66,739
0	0	5,925 ²	5,889	-5,947 ²	-5,920	0	0
0	0	5,975 ²	5,913	-5,947 ²	-5,920	65,926 ²	66,739
39	74	-43	-99	-32	-10	4,445	4,102
1,008	1,039	-97	-166	-31	-24	3,429	3,014
399	432	124	118	-4	-5	1,350	1,635
30	0	4	6	0	0	34	12
639	607	-217	-278	-27	-19	2,113	1,391
448	425	124	111	0	0	2,095	1,437
8,695	8,247	1,787	1,557	-1,090	-1,040	28,632	27,585
(8,286)	(7,465)	(492)	(490)	(-158)	(-128)	(17,697)	(16,057)
461	434	1,811 ²	1,883	-1,268	-1,069	18,244 ²	18,179
0	0	0	0	0	0	12,954	13,003
0	0	0	0	0	0	2,187	2,243

International		Consolidation		METRO GROUP	
2011	2012	2011	2012	2011	2012
40,457 ²	41,108	0	0	65,926 ²	66,739
111 ²	123	-212 ²	-324	0	0
40,568 ²	41,232	-212 ²	-324	65,926 ²	66,739
2,921	2,632	-5	2	4,445	4,102
2,398	2,072	10	4	3,429	3,014
698	1,010	0	0	1,350	1,635
30	6	0	0	34	12
1,730	1,067	10	4	2,113	1,391
1,049	918	0	0	2,095	1,437
17,203	16,584	-447	-458	28,632	27,585
(10,748)	(9,474)	(-4)	(-4)	(17,697)	(16,057)
10,868 ²	10,644	-421 ²	-417	18,244 ²	18,179
7,162	7,225	0	0	12,954	13,003
1,250	1,298	0	0	2,187	2,243

Notes to the Group accounting principles and methods

Accounting principles

METRO AG, the parent company of METRO GROUP, has its head office at Schlüterstraße 1 in Düsseldorf, Germany. These consolidated financial statements as of 31 December 2012 were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London. They comply with all mandatory applicable accounting standards and interpretations adopted by the European Union as of this date. Compliance with these standards and interpretations ensures a true and fair view of the asset, liabilities, financial position and profit or loss of METRO AG.

The consolidated financial statements in their present form comply with the stipulations of § 315a of the German Commercial Code (HGB). Together with Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002 concerning the application of international accounting standards, they form the legal basis for group accounting according to international standards in Germany.

The date at which the Management Board of METRO AG signed the consolidated financial statements (1 March 2013) also represents the date at which the Management Board released the consolidated financial statements for publication and passed them on to the Supervisory Board.

These consolidated financial statements are based on the historical cost principle except for financial instruments recognised at fair value and assets and liabilities that are recognised at fair value as hedged items within a fair value hedge. Furthermore, non-current assets held for sale and disposal groups are recognised at fair value less costs to sell as long as this value is lower than the carrying amount. Liabilities from cash-settled share-based payments are also recognised at fair value. In addition, financial liabilities from put options granted to non-controlling interests are recognised at fair value.

The income statement has been prepared using the cost of sales method.

Certain items in the income statement and the balance sheet have been combined to increase transparency and informative value. These items are listed separately and described in detail in the notes.

The consolidated financial statements have been prepared in euros. All amounts are stated in million euros (€ million) unless otherwise indicated. Amounts below €0.5 million are rounded and reported as 0. In contrast to the practice of past years, only the amounts in the income statement, the reconciliation from profit or loss for the period to total comprehensive income, the balance sheet, the statement of changes in equity and the cash flow statement were rounded to produce the respective totals. In all other tables, the individual amounts and the totals were rounded separately. This may entail rounding differences.

The following accounting and measurement methods were used in the preparation of the consolidated financial statements.

Application of new accounting methods

Accounting standards applied for the first time in the financial year 2012

The accounting standards and interpretations revised, amended and newly adopted by the IASB that were binding for METRO AG in the financial year 2012 were applied for the first time in these consolidated financial statements:

IFRS 1 (First-time Adoption of International Financial Reporting Standards)

The amendment “Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters” clarifies how first-time adopters of IFRS should present financial statements in accordance with IFRS if their functional currency has been subject to severe hyperinflation before the transition to IFRS. The amendment also removed the fixed date for the first-time adoption of IFRS (1 January 2004).

As IFRS 1 only applies to first-time adopters of IFRS, METRO AG was not affected by this amendment.

IAS 12 (Income Taxes)

For companies measuring investment properties at fair value, the amendment “Deferred Tax: Recovery of Underlying Assets” introduces the rebuttable presumption that recovery of the carrying amount of these properties will be through sale. If this presumption is not rebutted, deferred taxes will be calculated at the tax rate likely to apply at the expected sale date.

This amendment to IAS 12 was not relevant to the consolidated financial statements of METRO AG as METRO AG measures investment properties at amortised cost and not at fair value.

IFRS 7 (Financial Instruments: Disclosures)

According to IAS 39 (Financial Instruments: Recognition and Measurement), a transferred financial asset is derecognised only if the entity surrenders control over all essential risks and opportunities associated with ownership of the financial asset. In the case of transactions where all significant risks and opportunities associated with ownership of the financial asset are neither transferred nor retained, the entity derecognises the transferred asset if control over this asset – i.e. the capacity to sell it – is given up. If control over the asset in question is retained, the entity continues to report the asset in accordance with the scope of the continued involvement.

Standard/ Interpretation	Title	Effective date according to IFRS ¹	Application at METRO AG from ²	Endorsed by EU ³
IFRS 1	First-time Adoption of International Financial Reporting Standards (Amendment: Government Loans ⁴)	1/1/2013	1/1/2013	No
IFRS 7	Financial Instruments: Disclosures (Amendment: Disclosures – Offsetting Financial Assets and Financial Liabilities)	1/1/2013	1/1/2013	Yes
IFRS 7	Financial Instruments: Disclosures (Amendment: Mandatory Effective Date and Transition Disclosures)	1/1/2015	1/10/2015 ⁵	No
IFRS 9	Financial Instruments (Phase 1: Classification and Measurement)	1/1/2015	1/10/2015 ⁵	No
IFRS 9	Financial Instruments (Amendment: Mandatory Effective Date and Transition Disclosures)	1/1/2015	1/10/2015 ⁵	No
IFRS 10	Consolidated Financial Statements	1/1/2013	1/10/2014 ⁶	Yes
IFRS 10	Consolidated Financial Statements (Amendment: Transition Guidance ⁴)	1/1/2013	1/10/2014 ⁶	No
IFRS 10	Consolidated Financial Statements (Amendment: Investment Entities ⁴)	1/1/2014	1/10/2014 ⁵	No
IFRS 11	Joint Arrangements	1/1/2013	1/10/2014 ⁶	Yes
IFRS 11	Joint Arrangements (Amendment: Transition Guidance ⁴)	1/1/2013	1/10/2014 ⁶	No
IFRS 12	Disclosure of Interests in Other Entities	1/1/2013	1/10/2014 ⁶	Yes
IFRS 12	Disclosure of Interests in Other Entities (Amendment: Transition Guidance ⁴)	1/1/2013	1/10/2014 ⁶	No
IFRS 12	Disclosure of Interests in Other Entities (Amendment: Investment Entities ⁴)	1/1/2014	1/10/2014 ⁵	No
IFRS 13	Fair Value Measurement	1/1/2013	1/1/2013	Yes
IAS 1	Presentation of Financial Statements (Amendment: Presentation of Items of Other Comprehensive Income)	1/7/2012	1/1/2013	Yes
IAS 19	Employee Benefits (Revision)	1/1/2013	1/1/2013	Yes
IAS 27	Separate Financial Statements (Revision and renaming as part of the introduction of IFRS 10)	1/1/2013	1/10/2014 ⁶	Yes
IAS 27	Separate Financial Statements (Amendment: Investment Entities ⁴)	1/1/2014	1/10/2014 ⁵	No
IAS 28	Investments in Associates and Joint Ventures (Revision and renaming as part of the introduction of IFRS 11)	1/1/2013	1/10/2014 ⁶	Yes
IAS 32	Financial Instruments: Presentation (Amendment: Offsetting Financial Assets and Financial Liabilities)	1/1/2014	1/10/2014 ⁵	Yes
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1/1/2013	1/1/2013	Yes
Diverse	Improvements to IFRSs (2009–2011)	1/1/2013	1/1/2013	No

¹ Without earlier application

² Precondition: EU endorsement has been effected

³ As of 31 December 2012

⁴ Own translation as official German title not yet known

⁵ Application as of 1 October due to change of financial year

⁶ Applicable for EU companies from 1 January 2014; application at METRO AG from 1 October due to change of financial year

The IFRS 7 amendment “Disclosures – Transfers of Financial Assets” expands the disclosure requirements for transferred financial assets that do not fully meet the derecognition criteria. In addition, the amendment results in new disclosure requirements for transferred financial assets that have been derecognised despite an entity’s continued involvement.

This amendment, which was mandatory for METRO AG from 1 January 2012, had no effect on these consolidated financial statements.

Accounting standards that were published but not yet applied in the financial year 2012

A number of other accounting standards and interpretations newly adopted or revised by the IASB were not yet applied by METRO AG during the financial year 2012 because they were either not yet mandatory or have not yet been endorsed by the European Commission.

IAS 19 (Employee Benefits)

Prior to the amendment, IAS 19 (Employee Benefits) provided the option to account for actuarial gains and losses from defined benefit pension plans either directly in the income statement, in equity outside of profit or loss or based on the so-called corridor approach. METRO AG currently uses the corridor method whereby actuarial gains and losses are recognised only to the extent that their cumulative amount which is not recognised in the income statement exceeds the higher of 10 percent of the present value of the defined benefit obligation or 10 percent of plan assets.

In June 2011, the IASB published a revised version of IAS 19. Essentially, the revision eliminates the choices on how to account for actuarial gains and losses (for example, due to changes in interest rates). In future, these must be recognised immediately in equity (other comprehensive income). The amounts collected in equity remain there and are not reclassified to the income statement in subsequent periods. As a result, the income statement will in future remain unaffected by actuarial gains and losses. Another change concerns the fact that, in future, returns on plan assets will be determined using the discount rate used to measure the pension obligations. In addition, past service costs will in future also be recognised fully in the income statement during the period in which the respective plan changes were effected. In addition, disclosure requirements about pension plans are expanded.

The amended IAS 19 applies to financial years from 1 January 2013. An adoption of the amendment in the financial year 2012 would have resulted in €616 million lower earnings reserves (previous year: €–203 million) – not considering the opposite effect from deferred taxes – and a corresponding increase in provisions for pensions and similar commitments, based on total actuarial gains and losses as of 31 December 2012. Other material effects from the first-time adoption of the revised IAS 19 are not expected.

IAS 32 (Financial Instruments: Presentation)

Pursuant to IAS 32 (Financial Instruments: Presentation), financial assets and financial liabilities should be offset if the following 2 preconditions are met: first, the entity must have a legally enforceable right to set off the amounts as of the balance sheet date; second, it must intend to either settle on a net basis or to realise the asset and settle the liability simultaneously. The amendment to IAS 32 “Offsetting of Financial Assets and Financial Liabilities” specifies when these conditions are considered met. In particular, it determines criteria for the existence of an unconditional legal claim.

The amendment to IAS 32 will apply to financial years from 1 January 2014. Given the change of financial year, METRO AG will therefore implement this amendment for the first time in the financial year 2014/15 which starts on 1 October 2014. At present, this amendment is not expected to have any material effect on the asset, financial and earnings position of METRO AG.

IFRS 9 (Financial Instruments – Phase 1: Classification and Measurement of Financial Assets and Financial Liabilities)

The new IFRS 9 standard (Financial Instruments) is to replace IAS 39 (Financial Instruments: Recognition and Measurement) covering the classification and measurement of financial instruments. IFRS 9 is developed in 3 phases of which only the first phase “Classification and Measurement of Financial Assets and Financial Liabilities” has been concluded so far. Additional planned phases are “Amortised Cost and Impairment of Financial Assets” and “Hedge Accounting”.

In its currently released state, IFRS 9 therefore contains only the results from the first phase, “Classification and Measurement of Financial Assets and Financial Liabilities”. As part of this first phase, the 4 IAS 39 measurement categories used in the classification of financial assets have been reduced to 2 – measurement at amortised cost and fair value measurement. Financial assets are classified to 1 of these 2 categories on the basis of the characteristics of contractual cash flow of the respective financial asset and the business model which the entity uses to manage its financial assets. Due to these criteria, equity instruments may in future only be measured at fair value. In addition, under IFRS 9, the fair value option for financial assets included in IAS 39 is permitted only if this eliminates or significantly reduces an accounting mismatch.

In general, financial liabilities are measured at amortised cost. Financial liabilities held for trading, in turn, are measured at fair value. In addition, IFRS 9 also provides for a fair value option for financial liabilities. However, in exercising this option, fair value changes resulting from changes in the entity’s creditworthiness must be recognised in equity outside of profit or loss, while other changes must be recognised in the income statement.

IFRS 9 in its current version is scheduled to apply as of 1 January 2015. Following METRO AG’s change of financial year, IFRS 9 will thus be applied at the Company for the first time in the financial year 2015/16 starting on 1 October 2015. As a result, the potential impact of this new standard cannot be determined at this point.

IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements) and IFRS 12 (Disclosure of Interests in Other Entities)

The new standards IFRS 10, 11 and 12 contain changes in accounting and disclosure requirements for consolidated financial statements. IFRS 10 (Consolidated Financial Statements) includes a new definition of control that determines which entities are consolidated. It replaces previous regulations governing consolidated financial statements included in IAS 27 (Consolidated and Separate Financial Statements – in future only Separate Financial Statements) and SIC-12 (Consolidation – Special Purpose Entities). The key change resulting from IFRS 10 concerns the introduction of a uniform definition of control. In future, 3 criteria must be met for the existence of control: the investor has power over the investee and resulting exposure or rights to variable returns from its involvement with

the investee; and the investor can use its power over the investee to affect the amount of the variable returns.

IFRS 11 (Joint Arrangements) describes the accounting for arrangements in which several parties have joint control over a joint venture or a joint operation. It replaces IAS 31 (Interests in Joint Ventures) and SIC-13 (Jointly Controlled Entities – Non-Monetary Contributions by Venturers) and amends IAS 28 (Investments in Associates – in future: Investments in Associates and Joint Ventures). IFRS eliminates the option currently granted under IAS 31 to apply proportionate consolidation to joint ventures. In future, joint ventures must be recognised using the equity method in accordance with the stipulations of IAS 28. As METRO AG has not made use of the option to apply proportionate consolidation, this amendment has no effect on the consolidated financial statements of METRO AG. According to IFRS 11, the individual partners in joint arrangements recognise their portion of jointly held assets and jointly incurred liabilities in their own balance sheet. Analogously, they also include their respective portion of sales, income and expenses deriving from the joint arrangement in their income statement.

The new IFRS 12 (Disclosure of Interests in Other Entities) markedly expands the disclosure requirements for investments in other entities. In future, detailed information must be provided on subsidiaries, associates, joint arrangements, joint ventures, consolidated special purpose entities (so-called structured entities) and all special purpose entities that are not consolidated but with which an entity maintains a relationship.

The new standards IFRS 10, 11 and 12 as well as the amendments to IAS 27 and 28 apply from 1 January 2013. However, in its endorsement of the new standards, the EU postponed the date of application for listed companies within the EU to 1 January 2014. As a result of the Company’s change of financial year, METRO AG will therefore apply the new standards for the first time in the financial year 2014/15 starting on 1 October 2014. The first-time application of these standards is not expected to have a material effect on the consolidated financial statements of METRO AG.

At this point, the first-time application of the other standards and interpretations listed in the table is not expected to have a material impact on the Group’s asset, financial and earnings position.

Revised disclosures**Commission sales**

Generally, sales revenues are reported as sale prices obtained or the fair value of sold goods and services. This type of reporting requires that a company be exposed to the essential opportunities and risks associated with the sale of the goods or the rendering of the services. Otherwise, sales revenues must be reported only in the amount of the commission a company receives in its role as an agent. IAS 18 (Revenue) includes indicators that could point to reporting sales revenues only in the amount of the commission. Since the first quarter of 2012, METRO GROUP has changed the interpretation of these indicators and adjusted reporting of certain transactions in the income statement to achieve a better comparability with other retail companies, especially with a view to the EBIT margin. In the process, sales revenues from so-called commission transactions are reported only in the amount of the commission the Company receives without reporting the corresponding cost of sales. The gross profit and EBIT, in turn, are not affected by the changed reporting. To ensure comparability, the sales proceeds and the cost of sales for the full year 2011 were adjusted by €-776 million each. In the external sales item in segment reporting, this affects METRO Cash & Carry at €-34 million, Real at €-198 million, Galeria Kaufhof at €-331 million and the "Others" segment at €-213 million.

Composition of net working capital

In the first quarter of 2012, the definition net working capital was expanded to include deferred sales and provisions related to customer loyalty programmes, deferred sales related to the sale of vouchers and provisions for rights of return. In future, the definition will exclude liabilities from the acquisition of other assets that were previously recognised in "trade liabilities". Analogously to liabilities from the acquisition of real estate assets, liabilities from the acquisition of other assets are recognised in cash flow from investing activities within the cash flow statement.

The changed definition has an impact on cash flow from operating activities and cash flow from investing activities. In the cash flow statement, comparable 2011 amounts were adjusted by €-40 million in the item "changes in provisions for pensions and similar commitments", by €6 million in the item "changes in net working capital", by €-19 million in "others" and by €54 million in "investments in tangible assets (excluding finance leases)".

In the course of the exclusion of liabilities from the acquisition of other assets from the definition of net working capital, prior-year figures in the balance sheet as of 31 December 2011 were adjusted as well. The reclassification has led to a decline in "trade liabilities" and a corresponding increase in "miscellaneous other liabilities" in the item "other financial and non-financial liabilities (current)" by €53 million as of 31 December 2011.

Put options of non-controlling interests

In the financial year 2012, the balance sheet treatment of put options of non-controlling interests was harmonised. Previously, liabilities from put options were recognised in the balance sheet item "other financial and non-financial liabilities" either under "liabilities to third-party interests" or "miscellaneous other liabilities". From the financial year 2012, they are recognised uniformly under "liabilities to third-party interests". Accordingly, an amount of €315 million was reclassified from "miscellaneous other liabilities" to "liabilities to third-party interests" in the previous year. This also led to a reduction of the previous year's segment liabilities in the segments Others and METRO Cash & Carry by €246 million and €69 million, respectively, as the "miscellaneous other liabilities" are included in segment liabilities, while "liabilities to third-party interests" are not. In this context, it was clarified that the liabilities from put options of non-controlling interests totalling €347 million (previous year: €389 million) are recognised in "other financial liabilities" not at amortised cost, but at fair value outside of profit or loss. Measurement is based on recognised valuation methods (level 3 in the fair value hierarchy).

Reclassifications

To account for the fact that they are part of the normal business cycle, deferred sales and provisions related to guarantees and customer loyalty programmes were reclassified from non-current to current liabilities. The comparative amounts as of 31 December 2011 were adjusted accordingly. The item "other financial and non-financial liabilities (non-current)" ("deferred income") was reduced by €154 million while "other financial and non-financial liabilities (current)" were increased by the same amount. A total of €15 million was reclassified from "other provisions (non-current)" to the current "provisions" item. In addition, in the item "other financial and non-financial liabilities (current)", €172 million was reclassified from "miscellaneous other liabilities" to "deferred income".

Changed terminology and new items**Changed terminology in the balance sheet**

On the asset side of the balance sheet, the item “financial assets” was renamed “financial investments” and the item “other receivables and assets” was renamed “other financial and non-financial assets”. On the liabilities side, the item “financial liabilities” was renamed “borrowings”. In addition, the item “other liabilities” is referred to as “other financial and non-financial liabilities” as of the financial year 2012. All of these changes apply equally to the respective non-current and current items. The aim of the change in terminology is to underscore the fact that the items previously referred to as “other receivables and assets” as well as “other liabilities” in some cases also include financial assets and financial liabilities.

New balance sheet items

As the amounts of investments accounted for using the equity method became material during the financial year 2012, they were recognised in a separate balance sheet item, “Investments accounted for using the equity method”, for the first time in the consolidated financial statements for 2012. They were previously included in the item “financial investments” (until 2011, “financial assets”).

Revision of prior-year figures**Future lease payments due (nominal)**

In the financial year 2011, “future lease payments due (nominal)” in some cases reflected excessive future payments by third parties. This resulted in a revision of prior-year figures in the term range up to 1 year by €–22 million, in the term range 1 to 5 years by €–54 million and over 5 years by €–84 million.

Other financial obligations

An in-depth contract analysis has shown that various events result in financial obligations qualifying as “purchasing/sourcing commitments” within “other financial obligations”. For this reason, the amount for 2011 was adjusted by €141 million.

Change of financial year in 2013

In 2013, METRO AG will close its financial year on 30 September rather than 31 December. For transition purposes, the financial year 2013 will be a short 9-month financial year from 1 January 2013 to 30 September 2013. The following financial year 2013/14 will be a regular, 12-month financial year from 1 October 2013 to 30 September 2014.

Consolidation group

Besides METRO AG, the consolidated financial statements comprise all subsidiaries in which METRO AG controls the financial and business policy through a majority of voting rights or according to the Articles of Association, company contract or contractual agreement. These include 701 German (previous year: 684) and 630 international (previous year: 610) subsidiaries controlled by METRO AG in accordance with IAS 27 (Consolidated and Separate Financial Statements) in conjunction with SIC-12 (Consolidation – Special Purpose Entities).

The group of consolidated companies changed as follows compared to the previous year:

As of 1/1/2012	1,295
Changes in the financial year 2012	
Companies merged with other consolidated subsidiaries	–8
Disposal of shareholdings	–6
Other disposals	–14
Newly founded companies	58
Acquisitions	7
As of 31/12/2012	1,332

Additions from newly founded companies (58 companies) are due, in particular, to the international expansion of Media-Saturn (38 companies). Acquisitions include the purchase of the xplace group by Media-Saturn with 5 companies. Disposals of shareholdings include 3 companies that were sold as part of the divestment of METRO GROUP’s cash & carry business in the United Kingdom. Disposals also include the previously fully consolidated subsidiary OPCI FRENCH WHOLESALE PROPERTIES – FWP (OPCI), which was shown under investments accounted for using the equity method as of 31 December 2012. Other disposals include mergers and liquidations as well as the divestment of Fachmarktzentrum Essen GmbH & Co. KG, which was shown under investments recognised at historical cost as of 31 December 2012.

Effects from changes in the consolidation group that are of special significance are explained separately in the respective items.

5 associated companies (previous year: 4) and 7 joint ventures (previous year: 8) were accounted for using the equity method. A total of 7 companies (previous year: 11) in which METRO AG holds between 20 and 50 percent of the voting rights were

valued at cost because they did not qualify as associated companies or because materiality considerations made the use of the equity method unnecessary.

— A complete list of Group companies and associated companies is shown in no. 53 "Overview of major fully consolidated Group companies". In addition, a complete list of all Group companies and associated companies is shown in no. 55 "Affiliated companies of METRO AG as of 31 December 2012 pursuant to § 313 of the German Commercial Code".

Consolidation principles

The financial statements of German and foreign subsidiaries included in the consolidated accounts are prepared using uniform accounting and valuation methods as required by IAS 27 (Consolidated and Separate Financial Statements).

Consolidated companies that, unlike METRO AG, do not close their financial year on 31 December prepared interim financial statements for consolidation purposes.

In accordance with IFRS 3 (Business Combinations), capital consolidation is accomplished using the purchase method. In the case of business combinations, the carrying amounts of the investments are offset against the revalued pro rata equity of the subsidiaries as of their acquisition dates. Any positive differences remaining after the allocation of hidden reserves and charges are capitalised as goodwill. Goodwill is tested for impairment regularly once a year – or more frequently if changes in circumstances indicate a possible impairment. If the carrying amount of a unit that was assigned goodwill exceeds the recoverable amount, an impairment loss of the goodwill is recognised to the lower recoverable amount.

In addition, in the case of business combinations, hidden reserves and charges attributable to non-controlling interests must be disclosed and reported in equity as "non-controlling interests". METRO GROUP does not use the option to recognise the goodwill attributable to non-controlling interests. In accordance with IFRS 3, any negative differences remaining after the allocation of hidden reserves and charges after another review during the period in which the business combination took place are amortised to income.

Purchases of additional shareholdings in companies where a controlling interest has already been acquired are recognised as equity transactions. As a result, the assets and liabilities are not remeasured at fair value nor are any gains or losses recog-

nised. Any differences between the cost of the additional shareholding and the carrying amount of the net assets on the date of acquisition are directly offset against the capital attributable to the buyer.

Investments accounted for using the equity method are treated in accordance with the principles applying to full consolidation, with existing goodwill being included in the recognition of the investment, and impairment losses of this goodwill being included in income from associated companies in the financial result. Any deviating accounting and measurement methods used in the financial statements' underlying equity valuation are retained as long as they do not substantially contradict METRO GROUP's uniform accounting and measurement methods.

Any impairment losses and reversals of impairment losses to shares in consolidated subsidiaries carried in the individual financial statements are reversed.

Intra-Group profits and losses are eliminated, sales, expenses and income as well as receivables and liabilities and/or provisions are consolidated. Interim results in fixed assets or inventories resulting from intra-Group transactions are eliminated unless they are of minor significance. In accordance with IAS 12 (Income Taxes), deferred taxes are recognised for consolidated transactions.

Currency translation

In the subsidiaries' separate financial statements, transactions in foreign currency are valued at the rate prevailing on the transaction date. Exchange rate fluctuations up to the closing date are taken into account in the valuation of receivables and payables in foreign currency; the resulting gains and losses are recognised in income. Currency translation differences from receivables and payables in foreign currency, which must be regarded as a net investment in a foreign business operation, are reported as reserves retained from earnings outside of profit or loss.

The annual financial statements of foreign subsidiaries are translated into euros according to the functional currency concept of IAS 21 (The Effects of Changes in Foreign Exchange Rates). The functional currency is defined as the currency of the primary economic environment of the subsidiary. Since all consolidated companies operate as financially, economically

and organisationally autonomous entities, their respective local currency is the functional currency. Assets and liabilities are therefore converted at the average exchange rate prevailing on the closing date, whereas income statement items are translated at the annual average exchange rate. Differences from the translation of the financial statements of non-German subsidiaries do not affect income and are shown as separate items under reserves retained from earnings. Such currency differences are recorded as income in the year in which foreign subsidiaries are deconsolidated.

In the financial year 2012, no functional currency of a consolidated company was classified as hyperinflationary as defined by IAS 29 (Financial Reporting in Hyperinflationary Economies).

The following exchange rates were applied in the translation of key currencies outside the European Monetary Union that are of major significance for METRO GROUP:

		Average exchange rate per €		Period-end exchange rate per €	
		2011	2012	31/12/2011	31/12/2012
Bosnian mark	BAM	1.95583	1.95583	1.95583	1.95583
Bulgarian lev	BGN	1.95583	1.95583	1.95583	1.95583
Chinese renminbi	CNY	8.99760	8.10830	8.15880	8.22070
Croatian kuna	HRK	7.43840	7.52157	7.53700	7.55750
Czech koruna	CZK	24.59169	25.14625	25.78700	25.15100
Danish krone	DKK	7.45061	7.44378	7.43420	7.46100
Egyptian pound	EGP	8.27979	7.80341	7.76610	8.33160
Hong Kong dollar	HKD	10.83782	9.97090	10.05100	10.22600
Hungarian forint	HUF	279.32945	289.34044	314.58000	292.30000
Indian rupee	INR	64.87245	68.59749	68.71300	72.56000
Indonesian rupee	IDR	12,207.29000	12,051.91000	11,731.47000	12,713.97000
Japanese yen	JPY	111.01395	102.62680	100.20000	113.61000
Kazakhstani tenge	KZT	204.20515	191.72246	191.72000	199.22000
Moldovan leu	MDL	16.33288	15.57239	15.07370	15.99670
New Romanian leu	RON	4.23824	4.45876	4.32330	4.44450
New Turkish lira	TRY	2.33596	2.31415	2.44320	2.35510
Norwegian krone	NOK	7.79424	7.47557	7.75400	7.34830
Pakistani rupee	PKR	120.25368	120.02184	116.19190	128.17930
Polish zloty	PLN	4.12026	4.18338	4.45800	4.07400
Pound Sterling	GBP	0.86803	0.81108	0.83530	0.81610
Russian rouble	RUB	40.88034	39.92102	41.76500	40.32950
Serbian dinar	RSD	101.96651	113.03958	104.64090	113.71830
Singapore dollar	SGD	1.74904	1.60594	1.68190	1.61110
Swedish krona	SEK	9.02905	8,70515	8,91200	8,58200
Swiss franc	CHF	1.23321	1.20529	1.21560	1.20720
Ukrainian hryvnia	UAH	11.09211	10.27073	10.29805	10.53717
US dollar	USD	1.39221	1.28539	1.29390	1.31940
Vietnamese dong	VND	28,489.89000	26,793.52000	26,955.60000	27,580.44000

Income statement

Recognition of income and expenses

In accordance with IAS 18 (Revenue), **net sales** and **other operating income** are reported immediately upon rendering of the service or delivery of the goods. In the latter case, the timing is determined by the transfer of risk to the customer. Where customers are granted the right to return goods and cancel services, sales are recognised only if the probability of return can be reliably estimated. To this end, return rates are calculated on the basis of historical data and projected to future take-back obligations. No sales are recognised for the portion allocated to the expected returns; instead, a provision is recognised. Net sales are shown after deduction of value added tax, rebates and discounts. Gross amounts are shown, i.e., at the level of the customer payment (less sales

tax and revenue reduction) where the Company continues to assume the essential opportunities and risks associated with the sale of the goods or services. Net sales are shown for commission transactions, as defined by the Company. Sales revenues from contracts with several contractual components (e.g., sale of goods plus additional services) are realised when the respective contractual components have been fulfilled. Sales are realised based on the estimated fair value of the individual contractual components.

Operating expenses are recognised as expenses upon availment or causation.

As a rule, **dividends** are recognised when the legal claim to payment arises.

Interest is recognised as income or expenses on an accrual basis using the effective interest method where applicable. Debt capital interests that are directly attributable to the acquisition, construction or production of a so-called qualified asset represent an exception as they must be included in the cost of the asset capitalised pursuant to IAS 23 (Borrowing Costs).

Income taxes

Income taxes concern direct taxes on income and deferred taxes.

Balance sheet

Goodwill

In accordance with IFRS 3 (Business Combinations), **goodwill** is capitalised. Goodwill resulting from business combinations is attributed to the group of so-called cash-generating units (CGUs) that benefits from the synergies of this business combination. In accordance with IAS 36 (Impairment of Assets), a CGU is defined as the smallest identifiable group of assets that generates cash inflows largely independently from the cash inflows of other assets or groups of assets. As a rule, single locations represent CGUs at METRO GROUP. Goodwill within METRO GROUP is monitored at the level of the organisational unit sales line per country for internal management purposes. Goodwill impairment tests are therefore conducted at the level of this respective group of cash-generating units.

Capitalised goodwill is tested for impairment regularly once a year – or more frequently if changes in circumstances indicate a possible impairment – and, if applicable, impairment losses are recognised. To determine a possible impairment, the recoverable amount of a CGU is compared to the respective carrying amount of the CGU. The recoverable amount is the higher of value in use and fair value less costs to sell. An impairment of the goodwill allocated to a CGU applies only if the recoverable amount is lower than the total of carrying amounts. No reversal of an impairment loss is performed if the reasons for the impairment in previous years have ceased to exist.

Other intangible assets

Purchased other intangible assets are recognised at cost of purchase. **Internally generated intangible assets** are capitalised at cost of manufacture for their development if the capitalisation criteria of IAS 38 (Intangible Assets) are met. Research costs, in turn, are not capitalised but recognised immediately as expenses. The cost of manufacture includes all expenditure directly attributable to the development process. This may include the following costs:

Direct costs	Direct material costs
	Direct production costs
	Special direct production costs
Overhead (directly attributable)	Material overhead
	Production overhead
	Depreciation of fixed assets
	Development-related administrative costs

Borrowing costs are factored into the determination of the cost of production only in the case of so-called qualified assets pursuant to IAS 23 (Borrowing Costs). Qualified assets are defined as non-financial assets that take a substantial period of time to get ready for their intended use or sale.

The subsequent measurement of other intangible assets is effected based on the historical cost principle. No use is made of the revaluation option. All other intangible assets of METRO GROUP have a limited useful life and are therefore subject to straight-line amortisation. Capitalised internally created and purchased software as well as comparable intangible assets are amortised over a period of up to ten years, licences over their useful life. These intangible assets are examined for indications of impairment at each closing date. If the recoverable amount is below the amortised cost, impairment losses are recognised. Impairment losses are reversed if the reasons for the impairment in previous periods have ceased to exist.

Tangible assets

Property, plant and equipment used in operations for a period of more than one year are recognised at amortised cost pursuant to IAS 16 (Property, Plant and Equipment). The manufacturing cost of internally generated assets includes both direct costs and appropriate portions of attributable overhead. Borrowing costs are only capitalised in relation to qualified assets as a component of cost of purchase or production. In line with IAS 20 (Accounting for Government Grants and Disclosure), **investment grants** received are offset against the purchase or manufacturing cost of the corresponding asset, with no item of deferral formed for the grants on the liabilities side. **Reinstatement obligations** are included in the cost of purchase or production at the discounted settlement value. Subsequent purchase or production costs of property, plant and equipment are only capitalised if they result in a higher future economic benefit for METRO GROUP.

Property, plant and equipment are depreciated solely on a straight-line basis using the cost model pursuant to IAS 16. The optional revaluation model is not applied. Throughout the Group, scheduled depreciation is based on the following useful lives:

Buildings	10 to 33 years
Leasehold improvements	8 to 15 years or shorter rental contract duration
Business and office equipment	3 to 13 years
Machinery	3 to 8 years

Capitalised reinstatement costs are depreciated on a pro rata basis over the useful life of the asset.

Pursuant to IAS 36, an impairment test will be carried out if there are any indications of impairment of property, plant and equipment. Impairment losses on the asset will be recognised if the recoverable amount is below the amortised cost. Impairment losses are reversed if the reasons for the impairment have ceased to exist.

In accordance with IAS 17 (Leases), economic ownership of leased assets is attributable to the lessee if all the material risks and rewards incidental to ownership of the asset are transferred to the lessee (**finance lease**). If economic ownership is attributable to a METRO GROUP company acting as lessee, the leased asset is capitalised at fair value or at the lower present value of the minimum lease payments when the lease is signed. In analogy to the comparable purchased property, plant and equipment, leased assets are subject to sched-

uled depreciation over their useful lives or the lease term if the latter is shorter. However, if it is sufficiently certain that ownership of the leased asset will be transferred to the lessee at the end of the lease term, the asset is depreciated over its useful life. Payment obligations resulting from future lease payments are carried as liabilities.

An operating lease applies when economic ownership of the leased object is not transferred to the lessee. The lessor does not recognise assets or liabilities for **operating leases**, but merely includes rental expenses linearised over the term of the lease in its income statement.

In the case of leasing agreements relating to buildings and related land, these two elements are generally treated separately and classified as finance and operating leases.

Investment properties

In accordance with IAS 40 (Investment Property), **investment properties** comprise real estate assets that are held to earn rentals and/or for capital appreciation. In analogy to property, plant and equipment, they are recognised at cost less scheduled depreciation and potentially required impairment losses based on the cost model. Measurement at fair value through profit or loss based on the "fair value model" does not apply. Scheduled depreciation of investment properties is effected over a useful life of 15 to 33 years. Furthermore, the fair value of these properties is stated in the notes. It is determined either on the basis of recognised valuation methods or independent expert opinions.

Financial assets and investments accounted for using the equity method

Financial assets that do not represent **associated companies** under IAS 28 (Investments in Associates) or joint ventures under IAS 31 (Interests in Joint Ventures) are recognised in accordance with IAS 39 (Financial Instruments: Recognition and Measurement) and assigned to one of the following categories:

- “Loans and receivables”
- “Held to maturity”
- “At fair value through profit or loss”
- “Available for sale”

Financial assets are measured at their fair value including transaction costs for the first reporting period in all categories except “at fair value through profit or loss”. Measurement is effected at the trade date.

Depending on the classification to the categories listed above, financial assets are capitalised either at amortised cost or at fair value:

- “**Loans and receivables**” are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised at amortised cost using the effective interest method.
- The measurement category “**held to maturity**” includes non-derivative financial assets with fixed or determinable payments and fixed maturity, with the Company having both the positive intention and ability to hold them to maturity. They are also recognised at amortised cost using the effective interest method.
- The category “**at fair value through profit or loss**” comprises all financial assets “held for trading” as the fair value option of IAS 39 is not applied within METRO GROUP. For clarification purposes, the entire category is referred to as “held for trading” in the notes to the consolidated financial statements. Financial instruments “held for trading” are financial assets that are either acquired or incurred principally for the purpose of selling or repurchasing in the near term or that are part of a portfolio of financial instruments that are managed together and for which there is evidence of recent actual pattern of short-term profit-taking. Furthermore, this category includes derivative financial instruments that are not part of an effective balance sheet hedge. Financial instruments “held for trading” are measured at fair value through profit or loss.
- The category “**available for sale**” represents a residual category for primary financial assets that cannot be assigned to any of the other three categories. METRO GROUP does not make use of the optional designation

of financial assets to the category “available for sale”. “Available for sale” financial assets are recognised at fair value outside of profit or loss. Fluctuations in the fair value of “available for sale” financial assets are recognised in equity without being reported as a profit or loss. The amounts recognised are not reclassified to profit or loss for the respective period until the financial asset is derecognised or an impairment of the assets has occurred.

Investments are assets to be classified as “available for sale”. **Securities** are classified as “held to maturity”, “available for sale” or “held for trading”. **Loans** are classified as “loans and receivables”.

Financial assets designated as **hedged items** as part of a fair value hedge are recognised at fair value through profit or loss.

Equity instruments for which no quoted price on an active market exists and whose fair value cannot be reliably measured, as well as derivatives on such equity instruments, are recognised at cost. This applies to several investments of METRO GROUP.

At each balance sheet date, financial assets that are not measured at fair value through profit or loss are examined for objective, substantial indications of impairment. If there are any such indications, the respective financial asset is tested for impairment by comparing the carrying amount to the fair value. If the fair value is lower than the carrying amount, the difference is impaired. Where decreases in fair value of financial assets in the category “held for sale” were previously recognised in equity outside of profit or loss, these are now eliminated in equity to the amount of determined impairment and recognised in profit or loss. The fair value of financial assets measured at amortised cost corresponds to the present value of expected future cash flows, discounted at the original effective interest rate. The fair value of equity instruments measured at cost in the category “available for sale” corresponds to the present value of expected future cash flows discounted at the current market interest rate.

If, at a later date, the fair value increases again, the impairment loss is reversed accordingly. In the case of financial assets recognised at amortised cost, the impairment loss reversal is limited to the amount of amortised cost which would have occurred without the impairment. In the category “available for sale”, debt instruments are written back in profit or loss, while equity instruments are written back outside of profit or loss.

Financial assets are derecognised when the contractual rights to cash flows from the item in question are extinguished or have expired or the financial asset is transferred.

Other financial and non-financial assets

The financial assets included in **other financial and non-financial assets** that are classified as “loans and receivables” under IAS 39 are measured at amortised cost.

Other assets include investments and derivative financial instruments to be classified as “held for trading” in accordance with IAS 39. All other receivables and assets are recognised at amortised cost.

The **prepaid expenses and deferred charges item** comprises transitory accruals.

Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are determined in accordance with IAS 12 (Income Taxes), which states that likely future tax benefits and liabilities are recognised for temporary differences between the carrying amounts of assets or liabilities in the consolidated financial statements and their tax base. Anticipated tax savings from the use of tax loss carry-forwards expected to be recoverable in future periods are capitalised.

Deferred tax assets in respect of deductible temporary differences and tax loss carry-forwards exceeding the deferred tax liabilities in respect of taxable temporary differences are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities are netted if these income tax assets and liabilities concern the same tax authority and refer to the same tax subject or a group of different tax subjects that are jointly assessed for income tax purposes.

Inventories

In accordance with IAS 2 (Inventories), merchandise carried as **inventories** is reported at cost of purchase. The cost of purchase is determined either on the basis of a separate valuation of additions from the perspective of the procurement market or by means of the weighted average cost method.

Merchandise is valued as of the closing date at the lower of cost or net realisable value. Merchandise is written down on a case-by-case basis if the anticipated net realisable value declines below the carrying amount of the inventories. Such net realisable value corresponds to the anticipated estimated selling price less the estimated direct costs necessary to make the sale.

When the reasons for a write-down of the merchandise have ceased to exist, the write-down is reversed.

METRO GROUP's inventories never meet the definition of so-called qualified assets. As a result, borrowing costs relating to inventories are not capitalised pursuant to IAS 23.

Trade receivables

In accordance with IAS 39, **trade receivables** are classified as “loans and receivables” and recognised at amortised cost. Where their recoverability appears doubtful, the trade receivables are recognised at the lower present value of the estimated future cash flows. Aside from the required specific bad debt allowances, a generalised specific allowance is carried out to account for the general credit risk.

Income tax assets and liabilities

The disclosed **income tax assets and liabilities** concern domestic and foreign income taxes for the reporting year as well as prior years. They are determined in compliance with the tax laws of the respective country.

Cash and cash equivalents

Cash and cash equivalents comprise cheques, cash on hand and bank deposits with a term of up to three months and are recognised at their respective nominal values.

Assets held for sale, liabilities related to assets held for sale and discontinued operations

In accordance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), an asset is classified as an **asset held for sale** if the respective carrying amount will be recovered principally through a sale transaction rather than through continuing use. A sale must be planned and realisable within the subsequent 12 months. The asset is measured at the lower of carrying amount and fair value less costs to sell and presented separately in the balance sheet. Analogously, **liabilities related to assets held for sale** are presented separately in the balance sheet.

In accordance with IFRS 5, a component of an entity is recognised as a **discontinued operation** if it is held for sale or has already been disposed of. The discontinued operation is measured at the lower of carrying amount and fair value less costs to sell. Discontinued operations are presented separately in the income statement, the balance sheet, the cash flow statement and the segment reporting, and explained in the notes. With the exception of the balance sheet, prior-year amounts are restated accordingly.

Provisions for pensions and similar commitments

The actuarial measurement of **pension provisions** for company pension plans is effected in accordance with the projected unit credit method stipulated by IAS 19 (Employee Benefits). This method takes account of pensions and pension entitlements known at the closing date as well as of future pay and pension increases using biometric data. Where the employee benefit obligations determined or the fair value of the plan assets increase or decrease between the beginning and end of a financial year as a result of experience adjustments (for example the expected return of pension assets) or changes in underlying actuarial assumptions (for example the discount rate), this will result in so called actuarial gains or losses. Based on the exercise of a measurement option, these are recognised using the corridor method at METRO GROUP (instead of the direct recognition through profit or loss in the income statement or the recognition in equity outside of profit or loss). Under the corridor method, actuarial gains and losses are recognised only if their cumulative, non-recognised amount exceeds the greater of 10 percent of the present value of the employee benefit obligations and 10 percent of the fair value of the plan assets. In that case, the actuarial gains or losses exceeding the corridor will be spread over the average remaining working lives of the employees within that pension plan as of the subsequent year and recognised as income or expenses. The corridor method accounts for the fact that actuarial gains and losses

may offset each other over the long term. This method prevents a high level of volatility in the income statement and/or equity. The interest element of the addition to the provision contained in the pension expense is shown as interest paid under the financial result. **Provisions for commitments similar to pensions** (for example, anniversary bonuses and death benefits) are formed on the basis of actuarial expert opinions under IAS 19.

(Other) provisions

In accordance with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets), **(other) provisions** are formed if legal or constructive obligations to third parties exist that are based on past business transactions or events and will probably result in an outflow of financial resources that can be reliably determined. The provisions are stated at the anticipated settlement amount with due regard to all identifiable risks attached. The settlement amount with the highest possible probability of occurrence is used. Long-term provisions with a term of more than 1 year are discounted to the balance sheet date. Reimbursement claims are not netted with provisions, but recognised separately as an asset if their realisation is considered virtually certain.

Provisions for onerous contracts are formed if the unavoidable costs of meeting the obligations under a contract exceed the expected economic benefits resulting from the contract. Provisions for deficient rental cover related to leased objects are based on a consideration of individual leased properties. Provisions in the amount of the present value of the funding gap are formed for all closed properties or properties with deficient rental cover. In addition, a provision is created for store-related risks related to leased, operational or not yet closed stores insofar as a deficient cover of operational costs or a deficient rental cover despite consideration of a possible subleasing for the respective location arises from current corporate planning over the basic rental term.

Provisions for restructuring measures are recognised if a constructive obligation to restructure was formalised by means of the adoption of a detailed restructuring plan and its communication vis-à-vis those affected as of the closing date. Restructuring provisions comprise only obligatory restructuring expenses that are not related to the Company's current activities.

Warranty provisions are formed based on past warranty claims and the sales of the current financial year.

Financial liabilities

According to IAS 39, **financial liabilities** that do not represent liabilities from finance leases are assigned to one of the following categories:

- “At fair value through profit or loss” (“held for trading”)
- “Other financial liabilities”

The first-time recognition of financial liabilities and subsequent measurement of financial liabilities “**held for trading**” is effected based on the same stipulations as for financial assets.

The category “**other financial liabilities**” comprises all financial liabilities that are not “held for trading”. They are carried at amortised cost using the effective interest method as the fair value option is not applied within METRO GROUP.

Financial liabilities designated as the hedged item in a fair value hedge are carried as liabilities at their fair value. The fair values indicated for the financial liabilities have been determined on the basis of the interest rates prevailing on the closing date for the remaining terms and redemption structures.

In principle, financial liabilities from finance leases are carried at the present value of future minimum lease payments.

A financial liability is derecognised only when it has expired, that is, when the contractual obligations have been redeemed or annulled or have expired.

Other liabilities

Other liabilities are carried at their settlement amounts unless they represent derivative financial instruments or commitments to stock tender rights, which are recognised at fair value under IAS 39.

Deferred income comprises transitory deferrals.

Trade liabilities

Trade liabilities are recognised at amortised cost.

Other**Contingent liabilities**

Contingent liabilities are, on the one hand, possible obligations arising from past events whose existence is confirmed only by the occurrence or non-occurrence of uncertain future events that are not entirely under the Company’s control. On the other hand, contingent liabilities represent current obligations arising from past events for which, however, an outflow of economic resources is not considered probable or whose amount cannot be determined with sufficient reliability. According to IAS 37, such liabilities are not recognised in the balance sheet but disclosed in the notes.

Accounting for derivative financial instruments and hedge accounting

Derivative financial instruments are exclusively used to reduce risks. They are used in accordance with the respective Group guideline.

In accordance with IAS 39, all derivative financial instruments are recognised at fair value and shown under other financial and non-financial assets or other financial and non-financial liabilities.

Derivative financial instruments are measured on the basis of interbank terms and conditions, possibly including the credit margin or stock exchange price applicable to METRO GROUP. The median prices at the balance sheet date are applied. Where no stock exchange prices are used, the fair value is determined by means of recognised financial models.

In the case of an effective **hedge accounting** transaction pursuant to IAS 39, fair value changes of derivatives designated as fair value hedges and the underlying transactions are reported in profit or loss. In cash flow hedges, the effective portion of the fair value change of the derivative is carried in equity outside of profit or loss. A transfer to the income statement is effected only when the underlying transaction is realised. The ineffective portion of the change in the value of the hedging instrument is immediately reported in profit or loss.

Accounting for share-based payments

The share bonuses granted under the share-based payments system are classified as “**cash-settled share-based payments**” pursuant to IFRS 2 (Share-based Payment). Proportionate provisions measured at the fair value of the obligations entered into are formed for these payments. The proportionate formation of the provisions is prorated over the underlying vesting period and recognised in profit or loss as personnel expenses. The fair value is remeasured at each balance sheet date during the vesting period until exercise based on an option pricing model. Provisions are adjusted accordingly in profit or loss.

Where granted share-based payments are hedged through corresponding hedging transactions, the hedging transactions are measured at fair value and shown under other financial and non-financial assets. The portion of the hedges' value fluctuation that corresponds to the value of fluctuation of the share-based payments is recognised in personnel expenses. The surplus amount of value fluctuations is recognised in equity outside of profit or loss.

Summary of selected measurement methods

Position	Measurement method
Assets	
Goodwill	At cost (subsequent measurement: impairment test)
Other intangible assets	
Acquired other intangible assets	At (amortised) cost
Internally generated intangible assets	At development costs (direct costs and directly attributable overhead)
Tangible assets	At (amortised) cost
Investment properties	At (amortised) cost
Financial investments	
“Loans and receivables”	At (amortised) cost
“Held to maturity”	At (amortised) cost
“At fair value through profit or loss” (“Held for trading”)	At fair value through profit or loss
“Available for sale”	At fair value recognised in equity
Inventories	Lower of cost and net realisable value
Trade receivables	At (amortised) cost
Cash and cash equivalents	At nominal value
Assets held for sale	Lower of carrying amount and fair value less costs to sell
Liabilities	
Provisions	
Pension provisions	Projected unit credit method
Other provisions	At discounted settlement value (with highest probability of occurrence)
Borrowings	
“At fair value through profit or loss” (“Held for trading”)	At fair value through profit or loss
“Other financial liabilities”	At (amortised) cost
Other financial and non-financial liabilities	At settlement value or fair value
Trade liabilities	At (amortised) cost

Judgements, estimates and assumptions

The preparation of the consolidated financial statements was based on a number of **judgements, estimates and assumptions** that had an effect on the value and presentation of the reported assets, liabilities, income and expenses as well as contingent liabilities. Further details on the listed topics and, where applicable, the respective carrying amounts, are included in the notes to the consolidated financial statements in the numbers indicated in the following list.

Judgements

The following topics, in particular, required judgements in the preparation of these consolidated financial statements:

- Determination of the consolidation group by assessing control opportunities (chapter “Consolidation group”). Aside from special purpose entities this concerns, in particular, investments where control is not necessarily tied in with a majority of voting rights due to special regulations in the Articles of Association.
- Classification of leases as finance lease or operating lease – including sale-and-lease-back transactions (no. 20 “Tangible assets”)
- Classification of real estate assets as investment properties (no. 21 “Investment properties”)
- Classification of financial instruments to the category “held to maturity” (no. 39 “Carrying amounts and fair values according to measurement category”)

Estimates and assumptions

Estimates and underlying assumptions with significant effects relate to the following circumstances, in particular:

- Uniform Group-wide determination of useful lives for limited-life assets (no. 13 “Depreciation/amortisation/impairment losses”, no. 17 “Fixed assets”, no. 19 “Other Intangible assets” and no. 20 “Tangible assets”)
- Event-related impairment tests relating to limited-life assets (no. 13 “Depreciation/amortisation/impairment losses”, no. 17 “Fixed assets”, no. 19 “Other intangible assets” and no. 20 “Tangible assets”)
- Annual goodwill impairment tests (no. 18 “Goodwill” – including sensitivity analyses)

- Recoverability of receivables – particularly receivables from suppliers (no. 23 “Other financial and non-financial assets”)
- Ability to realise tax receivables – particularly from loss carry-forwards (no. 24 “Deferred tax assets/deferred tax liabilities”)
- Measurement of inventories (no. 25 “Inventories”)
- Determination of provisions for pensions (no. 32 “Provisions for pensions and similar commitments”)
- Determination of other provisions – for example, for deficient rental covers, restructuring and warranties (no. 33 “Other provisions [non-current]/provisions [current]”)

Although great care has been taken in making these estimates and assumptions, actual values may deviate from them in individual cases. The estimates and assumptions used in the consolidated financial statements are regularly reviewed. Changes are taken into account at the time new information becomes available.

Capital management

The aim of the capital management strategy of METRO GROUP is to secure the Company’s continued business operations, to enhance its enterprise value, to create solid capital resources to finance its profitable growth and to provide for attractive dividend payments and capital service.

The capital management strategy of METRO GROUP has remained unchanged compared to the previous year.

EBIT after Cost of Capital (EBITaC)

METRO GROUP pursues a value-orientated corporate management approach based on EBIT after Cost of Capital (EBITaC). The focus is on the successful deployment of business assets and the achievement of a value contribution for METRO GROUP exceeding the cost of capital.

Further information on the development of EBIT after Cost of Capital is included in the Group management report – chapter 3 Earnings position – in the section “EBIT after Cost of Capital (EBITaC)”.

Rating

METRO GROUP's ratings by the two international agencies Moody's and Standard & Poor's communicate the Company's creditworthiness to existing and potential debt capital investors. Based on its current ratings, METRO GROUP has comprehensive access to all debt capital markets.

Detailed information on the METRO GROUP rating can be found in the Group management report – chapter 4 Financial and asset position – in the "Financial management" section.

Equity and liabilities and net debt in the consolidated financial statements

Equity amounted to €6,101 million (previous year: €6,437 million), while liabilities reached €28,665 million (previous year: €27,550 million). Net debt amounted to €3,245 million compared with €4,075 million in the previous year.

€ million	31/12/2011	31/12/2012
Equity	6,437	6,101
Liabilities	27,550	28,665
Net debt	4,075	3,245
Borrowings (incl. finance leases) ¹	7,441	8,550
Cash and cash equivalents according to the balance sheet	3,355	5,299
Monetary investments > 3 months ≤ 1 year ²	11	6

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

² Included in the balance sheet item "other financial and non-financial assets" (current)

Local capital requirements

The capital market strategy of METRO GROUP consistently aims to ensure that the Group companies' capital resources comply with local requirements. During the financial year, all external capital requirements were fulfilled. This includes, for example, adherence to a maximum level of indebtedness or a fixed equity ratio.

Notes on business combinations

Media-Saturn acquired a 25.01 percent stake in xplace GmbH, Göttingen, in April 2010. By contractual agreement of 8 March 2012, the company acquired an additional 25.00 percent in xplace GmbH with its subsidiaries in Great Britain, Spain and Russia, thereby assuming control of the group of companies.

xplace is a provider of digital customer information services for the retail sector. Media-Saturn expects this acquisition to strengthen its stationary sales promotion.

First-time consolidation of the business combination was effected on 1 April 2012. As a consequence, xplace is part of the Media-Saturn segment.

The purchase price for the shares newly acquired in the financial year 2012 amounted to €3 million. The (consolidated) fair values of the acquired assets and liabilities as of the acquisition date can be broken down as follows:

€ million	2012
Assets	
Intangible assets	4
Inventories	1
Other financial and non-financial assets (current) ¹	4
Cash and cash equivalents	4
	13
Liabilities	
Deferred tax liabilities	1
Trade liabilities	1
Other financial and non-financial liabilities and provisions (current) ¹	5
	7

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

The acquisition of xplace GmbH resulted in goodwill of €2 million. Media-Saturn Germany and xplace Germany expect to generate substantial synergies. As a result, the goodwill is attributed to the cash-generating unit Media-Saturn Germany.

Since its consolidation in METRO GROUP's financial statements, xplace has contributed €8 million to Group sales and €1 million to operating income.

Assuming the acquisition had been effected as of 1 January 2012, xplace would have contributed €9 million to METRO GROUP sales.

Before the acquisition of the second 25.00 percent shareholding the fair value of the previous stake (25.01 percent) amounted to €3 million. Income of €2 million, which resulted from the revaluation of the shares, was recognised in net financial result.

Notes to the income statement

1. Sales

(Net) sales can be broken down as follows:

€ million	2011 ¹	2012
METRO Cash & Carry	31,121	31,636
Real	11,032	11,017
Media-Saturn	20,604	20,970
Galeria Kaufhof	3,119	3,092
Others	50	24
	65,926	66,739

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

The sales listed in the "others" segment were mainly generated by MGB METRO Group Buying HK Ltd. at €9 million (previous year: €14 million) and the logistics companies at €12 million (previous year: €33 million).

A total of €41.1 billion (previous year: €40.4 billion) in sales was generated by Group companies based outside of Germany.

Sales developments by business and regional segments are presented in segment reporting.

2. Other operating income

€ million	2011	2012
Rents incl. reimbursements of subsidiary rental costs	488	489
Services rendered to suppliers	349	353
Services/cost refunds	318	347
Gains from the disposal of fixed assets and gains from reversal of impairment losses	251	271
Income from deconsolidation	28	33
Miscellaneous	256	209
	1,690	1,702

Gains from the disposal of fixed assets primarily include income from sale-and-lease-back transactions totalling €233 million (previous year: €198 million). Of these, gains of €119 million stem from the disposal of OPCI FRENCH WHOLE-SALE PROPERTIES – FWP and €1 million from the revaluation of the share in OPCI which remains at METRO GROUP and has been recognised in "investments recognised at equity" since 28 December 2012. In addition, this item includes income from

the reversal of impairment losses of €12 million (previous year: €34 million).

Income from deconsolidation essentially includes gains from the disposal of the cash & carry business in the United Kingdom (previous year: MEDIA SATURN FRANCE S.C.S.).

Miscellaneous other operating income comprises, in particular, income from damages totalling €16 million (previous year: €43 million). In addition, it includes income from construction services of €15 million (previous year: €11 million), public aid of €10 million (previous year: €10 million), income from the derecognition of statute-barred liabilities of €9 million (previous year: €15 million), income from other commissions of €7 million (previous year: €5 million) and income from canteen revenues of €6 million (previous year: €7 million), among other things.

3. Selling expenses

€ million	2011	2012
Personnel expenses	5,816	5,924
Cost of material	6,112	6,469
	11,928	12,393

The increase in selling expenses is largely due to extraordinary effects that arose during the financial year 2012 both in the context of the divestment of the cash & carry business in the United Kingdom and the decision to discontinue sales brand Media Markt's activities in China.

Higher personnel expenses essentially stem from the expansion of the METRO Cash & Carry and Media-Saturn sales lines. Restructuring measures, collective bargaining increases and higher performance-based payments compared with the previous year also contributed to the increase in personnel expenses. Opposite effects resulting from the decline in employee numbers compared to the previous year could not offset this increase.

The divestment of the cash & carry business in the United Kingdom, the decision to discontinue Media Markt's activities in China and the disposal of Real's Eastern European business, in particular, resulted in higher impairment losses and higher expenses for the formation of provisions in the cost of material. In addition, the expansion of the METRO Cash & Carry and Media-Saturn sales lines has also caused the cost of material to increase.

4. General administrative expenses

€ million	2011	2012
Personnel expenses	826	899
Cost of material	761	765
	1,587	1,664

In the financial year 2012, the reorganisation of administrative structures resulted in distinctly higher general administrative expenses.

Particularly in the area of personnel expenses, the resulting higher restructuring costs and severance payments led to an increase in general administrative expenses.

5. Other operating expenses

€ million	2011	2012
Losses from the disposal of fixed assets	23	27
Goodwill impairment	0	107
Miscellaneous	41	61
	64	195

Goodwill impairments can be attributed to the METRO Cash & Carry sales division and stems from Hungary (€50 million), the United Kingdom (€37 million) and Greece (€20 million).

Further details on goodwill amortisation are included in the notes to the consolidated financial statements in no. 18 "Goodwill".

Miscellaneous other operating expenses include, in particular, expenses from construction services totalling €14 million (previous year: €12 million).

6. Other investment result

The other investment result of €15 million (previous year: €41 million) mostly includes dividend disbursements.

7. Net interest income/interest expenses

The net interest result can be broken down as follows:

€ million	2011	2012
Interest income	133	123
thereof finance leases	(1)	(1)
thereof pension provisions	(43)	(41)
thereof financial instruments of the IAS 39 measurement categories:		
loans and receivables incl. cash and cash equivalents	(60)	(47)
held to maturity	(0)	(0)
held for trading incl. derivatives within hedges in accordance with IAS 39	(8)	(8)
available for sale	(0)	(0)
Interest expenses	-713	-685
thereof finance leases	(-134)	(-133)
thereof pension provisions	(-109)	(-107)
thereof financial instruments of the IAS 39 measurement categories:		
held for trading incl. derivatives within hedges in accordance with IAS 39	(-11)	(-12)
other financial liabilities	(-379)	(-362)
	-580	-562

Interest income and interest expenses from financial instruments are assigned to IAS 39 measurement categories on the basis of the underlying transaction.

8. Other financial result

€ million	2011	2012
Other financial income	151	248
thereof currency effects	(100)	(166)
thereof hedging transactions	(42)	(34)
Other financial expenses	-253	-284
thereof currency effects	(-127)	(-192)
thereof hedging transactions	(-66)	(-21)
Other financial result	-102	-36
thereof financial instruments of IAS 39 measurement categories:		
loans and receivables incl. cash and cash equivalents	(-19)	(-19)
held to maturity	(0)	(0)
held for trading	(-28)	(23)
available for sale	(1)	(3)
other financial liabilities	(-31)	(-46)
thereof fair value hedges:		
underlying transactions	(0)	(0)
hedging transactions	(0)	(0)
thereof cash flow hedges:		
ineffectiveness	(4)	(-5)

The other financial income and expenses from financial instruments are assigned to measurement categories on the basis of the underlying transactions pursuant to IAS 39. Besides income and expenses from the measurement of financial instruments according to IAS 39, this also includes the measurement of foreign currency positions according to IAS 21.

The overall result from currency effects and measurement results from hedging transactions and hedging relationships totalled €-12 million (previous year: €-51 million). This figure results largely from foreign currency financings in Eastern Europe. Developments in individual Eastern European currencies, in particular, resulted in a positive result in currency effects as well as hedging transactions compared to the previous year. Valuation yields of commodity contracts for energy and fuels resulted in expenses of €2 million (previous year: expenses of €3 million).

For possible effects from currency risks, see no. 42 "Management of financial risks".

9. Net results according to measurement categories

The key effects of income from financial instruments are as follows:

2011

€ million	Investments	Interest	Fair value measurements	Currency translation	Disposals	Impairment	Other	Net result
Loans and receivables incl. cash and cash equivalents	0	60	0	-19	0	-30	1	12
Held to maturity	0	0	0	0	0	0	0	0
Held for trading incl. derivatives within hedges in accordance with IAS 39	0	-3	-24	0	0	0	0	-27
Available for sale	41	0	1	0	0	0	0	42
Other financial liabilities	0	-379	0	-8	15	0	-23	-395
	41	-322	-23	-27	15	-30	-22	-368

2012

€ million	Investments	Interest	Fair value measurements	Currency translation	Disposals	Impairment	Other	Net result
Loans and receivables incl. cash and cash equivalents	0	47	0	0	0	-53	-1	-7
Held to maturity	0	0	0	0	0	0	0	0
Held for trading incl. derivatives within hedges in accordance with IAS 39	0	-4	17	0	0	0	0	13
Available for sale	15	0	0	0	3	0	0	18
Other financial liabilities	0	-362	0	-26	10	0	-19	-398
	15	-319	17	-26	13	-53	-20	-373

Income and expenses from financial instruments are assigned to measurement categories on the basis of the underlying transactions pursuant to IAS 39.

Investment income is included in other investment income. Interest income and expenses are part of the net interest result. Fair value measurements and effects from currency translations are included in other financial result. Income effects from the derecognition of other financial liabilities are included in earnings before interest and taxes (EBIT). In the same manner, expenses from impairments are essentially included in earnings before interest and taxes.

Impairments are detailed in no. 27 "Impairments of capitalised financial instruments".

Remaining financial income and expenses, which are included in other financial result, primarily concern bank commissions and similar expenses that are incurred within the context of assets and liabilities.

10. Income taxes

Income taxes include taxes on income paid or owed in the individual countries as well as deferred taxes.

€ million	2011	2012
Taxes paid or owed	741	528
thereof Germany	(174)	(161)
thereof international	(567)	(367)
thereof tax expenses/income of current period	(639)	(516)
thereof tax expenses/income of previous periods	(102)	(12)
Deferred taxes	-9	181
thereof Germany	(50)	(101)
thereof international	(-59)	(80)
	732	709

The income tax rate of the German companies of METRO GROUP consists of a corporate income tax of 15.00 percent plus a 5.50 percent solidarity surcharge on corporate income tax as well as the trade tax of 14.70 percent given an average assessment rate of 420.00 percent. All in all, this results in an aggregate tax rate of 30.53 percent. The tax rates are unchanged from the previous year. The income tax rates applied to foreign companies are based on the respective laws and regulations applying in the individual countries and vary in a range from 0.00 percent (tax holidays) to 40.69 percent. These tax rates are also unchanged from the previous year.

Deferred taxes are determined on the basis of the tax rates expected in each country upon realisation. In principle, these are based on the valid laws or legislation that has been passed at the time of the closing date.

Deferred tax income for the financial year 2012 includes an effect of €2 million from changes in tax rates (previous year: €1 million).

€ million	2011	2012
Deferred taxes in the income statement	-9	181
thereof from temporary differences	(-39)	(137)
thereof from loss and interest carry-forwards	(30)	(44)

At €709 million (previous year: €732 million), income tax expenses, which are fully included in the result from ordinary operations, are €462 million higher (previous year: €282 million) than the expected tax expenses of €247 million (previous year: €450 million) that would have resulted if the German corporate income tax rate had been applied to the Group's taxable income for the year.

Reconciliation of estimated to actual income tax expenses:

€ million	2011	2012
Earnings before taxes	1,473	810
Expected income tax expenses (30,53%)	450	247
Effects of differing national tax rates	-101	-63
Tax expenses and income relating to other periods	102	12
Non-deductible business expenses	102	127
Effects of not recognised or impaired deferred taxes	203	314
Additions and reductions for local taxes	27	19
Tax holidays	-24	-5
Other deviations	-27	58
Income tax expenses according to the income statement	732	709
Effective tax rate (in %)	49.71	87.48

The increase in not recognised or impaired deferred taxes is due, in particular, to expenses in connection with the sale of Real's Eastern European business, Media Markt's decision to exit the Chinese market and several restructuring programmes at METRO GROUP in Germany. These expenses were not measured with deferred taxes. The disproportionate increase in the tax rate must also be considered in this context. The change in other deviations is largely due to the tax-exempt divestment of the cash & carry business in the United Kingdom.

11. Profit or loss for the period attributable to non-controlling shareholders

Of profit or loss for the period attributable to non-controlling interests, profit shares accounted for €156 million (previous year: €211 million) and loss shares for €58 million (previous year: €101 million). This mainly concerns profit/loss shares of non-controlling interests in the Media-Saturn sales division.

12. Earnings per share

METRO AG defines earnings per share as earnings per ordinary share. In the financial year 2011, holders of preference shares of METRO AG were entitled to a dividend of €1.485 that was €0.135 higher than that paid to holders of ordinary shares. In the calculation of earnings per share, this additional dividend is deducted from profits attributable to METRO AG shareholders.

Earnings per share are determined by dividing earnings attributable to METRO AG shareholders by the weighted number of issued shares.

There was no dilution in the financial year 2012 or the year before from so-called potential shares.

	2011	2012
Weighted number of no-par-value shares outstanding	326,787,529	326,787,529
Profit or loss attributable to shareholders of METRO AG (€ million)	631	3
Earnings per share in € (basic = diluted)	1.93	0.01

Earnings per preference share amounted to €0.07 (previous year: €2.07) in the financial year 2012 and thus exceeded earnings per share by the amount of the additional dividend of €0.06.

13. Depreciation/amortisation/impairment losses

Depreciation, amortisation and impairment losses totalling €1,636 million (previous year: €1,351 million) include impairment losses totalling €411 million (previous year: €105 million). Impairments related to the divestment of the cash & carry business in the United Kingdom contributed €172 million to this. In addition, impairment losses include goodwill impairments at METRO Cash & Carry Hungary totalling €50 million and at METRO Cash & Carry Greece totalling €20 million as well as impairments related to the decision to discontinue Media Markt's operations in China totalling €36 million. Impairments related to the planned disposal of Real's Eastern European business contributed €31 million to impairment losses. The attribution of depreciation/amortisation/impairment losses in the income statement and the affected asset categories is as follows:

€ million	2011	2012
Selling expenses	1,171	1,341
thereof depreciation/amortisation	(1,069)	(1,052)
thereof impairment losses	(102)	(289)
General administrative expenses	167	169
thereof depreciation/amortisation	(165)	(156)
thereof impairment losses	(2)	(13)
Cost of sales	12	17
thereof depreciation/amortisation	(12)	(17)
thereof impairment losses	(0)	(0)
Other operating expenses	0	107
thereof impairment losses	(0)	(107)
Net financial result	1	1
thereof impairment losses	(1)	(1)
	1,351	1,636

€ million	2011	2012
Intangible assets	174	252
thereof depreciation/amortisation	(155)	(164)
thereof impairment losses	(19)	(88)
Tangible assets	1,159	1,197
thereof depreciation/amortisation	(1,078)	(1,049)
thereof impairment losses	(81)	(149)
Investment properties	17	13
thereof depreciation/amortisation	(13)	(13)
thereof impairment losses	(4)	(0)
Financial investments ^{1, 2}	1	1
thereof impairment losses	(1)	(1)
Assets held for sale	0	172
thereof impairment losses	(0)	(172)
	1,351	1,636

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

² Including investments accounted for using the equity method

METRO Cash & Carry accounts for €205 million (previous year: €10 million) of impairment losses, Real for €46 million (previous year: €12 million), Media-Saturn for €71 million (previous year: €23 million), the Real Estate segment for €86 million (previous year: €58 million) and other companies for €2 million (previous year: €2 million).

14. Cost of materials

The cost of sales include the following cost of materials:

€ million	2011 ¹	2012
Cost of raw materials, supplies and goods purchased	51,431	51,990
Cost of services purchased	21	17
	51,452	52,007

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

15. Personnel expenses

Personnel expenses can be broken down as follows:

€ million	2011	2012
Wages and salaries	5,959	6,124
Social security expenses, expenses for post-employment benefits and related employee benefits	1,327	1,371
thereof post-employment benefits	(69)	(72)
	7,286	7,495

In the financial year 2012, wages and salaries shown in personnel expenses include expenses relating to severance payments of €68 million (previous year: €55 million). In addition, wages and salaries reflect restructuring expenses of €119 million (previous year: €42 million), which also contain severance components. Personnel expenses include income from share-based payments totalling €3 million (previous year: €19 million) are also included in wages and salaries.

Annual average number of Group employees:

Number of employees	2011	2012
Blue collar/white collar	280,856	278,811
Apprentices/trainees	9,891	9,296
	290,747	288,107

The above figure includes an absolute number of 76,749 (previous year: 79,229) part-time employees. The percentage of employees working outside of Germany (full-time equivalents) stood at 64.1 percent compared to 63.5 percent in the previous year.

16. Other taxes

Other taxes (for example, tax on land and buildings, motor vehicle tax, excise tax and transaction tax) of €158 million (previous year: €163 million) are included in the cost of sales and the selling and general administrative expenses.

Notes to the balance sheet

17. Fixed assets

€ million	Goodwill	Other intangible assets	Tangible assets	Investment properties	Financial investments ^{1, 2}	Total
Acquisition or production costs						
As of 1/1/2011	4,064	1,535	21,882	499	259	28,239
Currency translation	-24	-7	-199	0	0	-230
Additions to consolidation group	0	40	4	0	0	44
Additions	84 ³	155	1,812	0	6	2,057
Disposals ⁴	-79 ³	-23	-909	-26	-61	-1,098
Transfers	0	3	-24	21	-112	-112
As of 31/12/2011 / 1/1/2012	4,045	1,703	22,566	494	92	28,900
Currency translation	17	5	134	-1	-2	152
Additions to consolidation group	0	4	46	7	0	57
Additions	9	137	1,233 ⁵	8	300	1,687
Disposals ⁴	-221 ³	-108	-3,163	-8	-12	-3,512
Transfers	0	1	7	1	-25	-17
As of 31/12/2012	3,850	1,741	20,822	500	353	27,266
Depreciation/amortisation						
As of 1/1/2011	0	1,099	9,400	261	11	10,771
Currency translation	0	-6	-77	0	0	-83
Additions, scheduled	0	155	1,078	13	0	1,246
Impairment losses	0	19	81	4	1	105
Disposals ⁴	0	-18	-521	-15	0	-554
Reversals of impairment losses	0	0	-31	-3	0	-34
Transfers	0	0	-25	25	1	1
As of 31/12/2011 / 1/1/2012	0	1,249	9,905	285	13	11,452
Currency translation	0	4	64	0	0	68
Additions, scheduled	0	164	1,049	13	0	1,226
Impairment losses	70	18	149	0	1	239
Disposals ⁴	0	-95	-1,638	-7	0	-1,740
Reversals of impairment losses	0	-6	-8	0	-1	-15
Transfers	0	0	-21	10	0	-11
As of 31/12/2012	70	1,334	9,498	301	14	11,216
Carrying amount at 1/1/2011	4,064	436	12,482	238	248	17,468
Carrying amount at 31/12/2011	4,045	454	12,661	209	79	17,448
Carrying amount at 31/12/2012	3,780	407	11,324	199	339	16,049

¹Revised terminology [see chapter "Notes to the Group accounting principles and methods"]

²Including investments accounted for using the equity method

³Including results of the revaluation of put options

⁴Including asset transfers to "assets held for sale"

⁵Including asset transfers from "assets held for sale" to tangible assets

In the financial year 2012, disposals of assets amounted to €1,772 million (previous year: €544 million). Reclassifications of assets to "assets held for sale" contributed €1,372 million (previous year: €291 million) to this total. Of these, goodwill accounted for €200 million (previous year: €0 million), other intangible assets for €1 million (previous year: €0 million), tangible assets for €1,170 million (previous year: €289 million) and investment properties for €1 million (previous year:

€2 million). These stemmed primarily from Real's Eastern European business held for sale (€870 million), the divestment of the cash & carry business in the United Kingdom (€329 million) and the reclassification of the assets of OPCI FRENCH WHOLESALE STORES – FWS (€114 million).

In addition, the current financial year includes impairment losses of €239 million (previous year: €105 million). These

mainly concern impairments of business and office equipment as well as goodwill impairments.

18. Goodwill

Goodwill amounts to €3,780 million (previous year: €4,045 million).

In 2012, the measurement of stock tender rights resulted in a goodwill decrease of €19 million at Media-Saturn (previous year: decrease of €52 million).

In 2009, the non-controlling shareholders of METRO Cash & Carry Romania were granted stock tender rights by METRO GROUP. The subsequent measurement of these stock tender rights resulted in a goodwill decrease of €2 million (previous year: decrease of €26 million).

In the context of the divestment of the cash & carry business in the United Kingdom, goodwill of MAKRO Cash & Carry UK amounting to €37 million was reclassified to “assets held for sale”. This was fully impaired as part of the write-down of this disposal group to its fair value less costs to sell.

By contractual agreement of 30 November 2012, METRO GROUP and the French retail group Groupe Auchan agreed on the sale of Real's Eastern European business to Groupe Auchan. Since the agreement's effective date, all assets and liabilities that fall under the agreement are treated as a disposal group pursuant to IFRS 5. In this context, goodwill of Real Poland and Real Russia was reclassified to the item “assets held for sale”.

At the closing date, the breakdown of goodwill among the major cash-generating units was as shown below:

31/12/2011			31/12/2012		
		WACC			WACC
	€ million	%	€ million	%	
Real Germany	1,083	6.7	1,083	5.9	
METRO Cash & Carry France	398	6.5	398	5.9	
METRO Cash & Carry Netherlands	352	7.0	352	6.0	
METRO Cash & Carry Poland	255	7.4	258	6.6	
METRO Cash & Carry Germany	223	6.7	223	5.9	
Media-Saturn Germany	218	8.2	211	7.7	
METRO Cash & Carry Hungary	239	8.9	189	8.7	
METRO Cash & Carry Italy	171	7.1	171	6.6	
METRO Cash & Carry Belgium	145	6.8	145	6.0	
METRO Cash & Carry Portugal	91	7.9	91	8.5	
Redcoon group	83	9.3	83	8.8	
Media-Saturn Italy	73	8.7	71	8.5	
Galeria Kaufhof department stores Belgium	57	7.1	57	6.9	
METRO Cash & Carry Romania	58	9.0	56	8.5	
METRO Cash & Carry Spain	51	6.9	51	7.2	
Real Poland	132	7.4	0	6.6	
Other companies < €50 million or corporate assets	416		341		
	4,045		3,780		

In accordance with IFRS 3 in conjunction with IAS 36, goodwill is tested for impairment once a year. This is carried out at the level of a group of cash-generating units. In the case of goodwill, this group is the organisational unit sales line per country. In the impairment test, the cumulative carrying amount of the group of cash-generating units is compared with the recoverable amount. The recoverable amount is defined as the fair value less costs to sell, which is calculated from discounted future cash flows. Expected future cash flows are based on a qualified planning process under consideration of the intra-Group experience as well as macroeconomic data collected by third-party sources. As a rule, the detailed planning period comprises 3 to 6 years. As in the previous year, the growth rates considered at the end of the detailed planning period are generally 1.0 percent. The capitalisation rate as the weighted average cost of capital (WACC) is determined using the capital asset pricing model. In the process, an individual peer group is assumed for all groups of cash-generating units operating in the same business segment. In addition, the capitalisation rates are determined on the basis of an assumed basic interest rate of 2.5 percent (previous year: 4.0 percent) and a market risk premium of 6.5 percent (previous year: 5.0 percent) in Germany. Country-specific risk premiums based on the respective country rating are applied to the equity cost of capital

and to the debt cost of capital. The capitalisation rates after taxes determined individually for each group of cash-generating units range from 5.9 to 10.7 percent (previous year: 6.4 to 15.0 percent).

As of 31 December 2012, the prescribed annual impairment test confirmed the recoverability of all capitalised goodwill with the exception of METRO Cash & Carry Hungary and METRO Cash & Carry Greece. Goodwill impairments of €50 million and €20 million, respectively, were conducted for METRO Cash & Carry Hungary and METRO Cash & Carry Greece.

In addition to the impairment test, 3 sensitivity analyses were conducted for each group of cash-generating units. The first sensitivity analysis was based on the assumption of a 1 percentage point lower growth rate. In the second sensitivity analysis, the interest rate for each group of cash-generating

units was raised by 10.0 percent. In the third sensitivity analysis, a lumpsum discount of 10.0 percent was applied to assumed perpetual EBIT. With the exception of METRO Cash & Carry Germany and Real Germany, these changes to the underlying assumptions would not result in impairment losses at any of the groups of cash-generating units. In the goodwill impairment test at METRO Cash & Carry Germany, the fair value less costs to sell exceeded the carrying amount by €64 million. The corresponding amount for Real Germany was €47 million. Assuming a capitalisation rate of 6.2 percent rather than 5.9 percent or a lumpsum discount of 7.1 percent on assumed perpetual EBIT, the fair value less costs to sell of METRO Cash & Carry Germany would correspond to the carrying amount. Assuming a capitalisation rate of 6.1 percent rather than 5.9 percent or a lumpsum discount of 3.7 percent on assumed perpetual EBIT, the fair value less costs to sell at Real Germany would correspond to the carrying amount.

19. Other intangible assets

€ million	Intangible assets without goodwill	(thereof internally generated intangible assets)
Acquisition or production costs		
As of 1/1/2011	1,535	(837)
Currency translation	-7	(-1)
Additions to consolidation group	40	(0)
Additions	155	(105)
Disposals ¹	-23	(-2)
Transfers	3	(-3)
As of 31/12/2011 / 1/1/2012	1,703	(936)
Currency translation	5	(1)
Additions to consolidation group	4	(4)
Additions	137	(87)
Disposals ¹	-108	(-56)
Transfers	1	(-1)
As of 31/12/2012	1,741	(971)
Depreciation/amortisation		
As of 1/1/2011	1,099	(609)
Currency translation	-6	(-1)
Additions, scheduled	155	(103)
Additions, non-scheduled	19	(1)
Disposals ¹	-18	(-1)
Reversals of impairment losses	0	(0)
Transfers	0	(0)
As of 31/12/2011 / 1/1/2012	1,249	(711)
Currency translation	4	(0)
Additions, scheduled	164	(106)
Additions, non-scheduled	18	(8)
Disposals ¹	-95	(-54)
Reversals of impairment losses	-6	(-6)
Transfers	0	(0)
As of 31/12/2012	1,334	(765)
Carrying amount at 1/1/2011	436	(228)
Carrying amount at 31/12/2011	454	(225)
Carrying amount at 31/12/2012	407	(206)

¹ Including asset transfers to "assets held for sale"

The other intangible assets have a finite useful life and are therefore subject to depreciation. Impairment losses concern internally generated software at €8 million (previous year: €1 million), lease and usage rights at €0 million (previous year: €13 million) as well as acquired concessions, rights and licenses at €10 million (previous year: €5 million).

The additions to amortisations on other intangible assets are shown in the cost of sales at an amount of €3 million (previous year: €1 million), in selling expenses at €58 million (previous year: €62 million) and in general administrative expenses at €121 million (previous year: €111 million).

Disposals include reclassifications of assets to “assets held for sale” in the amount of €1 million. These concern internally generated software.

Research and development expenses recognised in expenses essentially concern internally generated software and amounted to €47 million in the current financial year (previous year: €37 million).

As in the previous year, there are no material limits to the title or right to dispose of intangible assets. Purchasing obligations amounting to €2 million (previous year: €1 million).

20. Tangible assets

The decline in tangible assets results mainly from the reclassification of assets to “assets held for sale” in the amount of €1,170 million (previous year: €289 million). These concern land and buildings at €860 million (previous year: €284 million), other plant, business and office equipment at €263 million (previous year: €5 million) and assets under construction at €47 million (previous year: €0 million). They result mostly from Real’s Eastern European business held for sale (€707 million), the divestment of the Cash & Carry business in the United Kingdom (€291 million) and the reclassification of the assets of OPCI FRENCH WHOLESALE STORES – FWS (€114 million).

€ million	Land and buildings	Other plant, business and office equipment	Assets under construction	Total
Acquisition and production costs				
As of 1/1/2011	13,251	8,314	317	21,882
Currency translation	-100	-92	-7	-199
Additions to consolidation group	0	4	0	4
Additions	597	620	595	1,812
Disposals ¹	-445	-425	-39	-909
Transfers	188	354	-566	-24
As of 31/12/2011 / 1/1/2012	13,491	8,775	300	22,566
Currency translation	62	69	3	134
Additions to consolidation group	45	0	0	46
Additions	199 ²	521	513	1,233
Disposals ¹	-1,727	-1,335	-101	-3,163
Transfers	197	307	-497	7
As of 31/12/2012	12,266	8,337	218	20,822
Depreciation/amortisation				
As of 1/1/2011	4,145	5,243	12	9,400
Currency translation	-24	-52	-1	-77
Additions, scheduled	447	631	0	1,078
Impairment losses	47	34	0	81
Disposals ¹	-148	-373	0	-521
Reversals of impairment losses	-31	0	0	-31
Transfers	-72	52	-5	-25
As of 31/12/2011 / 1/1/2012	4,364	5,535	6	9,905
Currency translation	22	42	0	64
Additions, scheduled	423	626	0	1,049
Impairment losses	46	93	9	149
Disposals ¹	-610	-1,019	-9	-1,638
Reversals of impairment losses	-4	-4	0	-8
Transfers	-94	70	2	-21
As of 31/12/2012	4,147	5,342	9	9,498
Carrying amount at 1/1/2011	9,106	3,071	305	12,482
Carrying amount at 31/12/2011	9,127	3,240	294	12,661
Carrying amount at 31/12/2012	8,119	2,995	210	11,324

¹ Including asset transfers from “assets held for sale”

² Including asset transfers from “assets held for sale” to tangible assets

Aside from the reclassification of assets to “assets held for sale”, the financial year includes disposals of real estate assets in the amount of €257 million (previous year: €13 million).

The effects of currency translations led to an increase of tangible assets in the amount of €70 million (previous year: reduction by €122 million). This increase is mainly due to exchange rate developments in Russia and Poland.

Limitations to the disposal of assets in the form of liens and encumbrances amounted to €288 million (previous year: €314 million).

Contractual commitments for the acquisition of property, plant and equipment in the amount of €190 million (previous year: €251 million) were entered. €1 million of this amount is related to the planned disposal of Real's Eastern European business.

Assets used by the Group under the terms of finance lease agreements were valued at €1,026 million (previous year: €1,310 million). The assets involved are mainly leased buildings.

Finance leases generally have terms of 15 to 25 years with options under expiration to extend them at least once for 5 years. The interest rates in the leases vary by market and date of signing between 5.2 and 11.4 percent.

In addition to finance leases, METRO GROUP also signed other types of leases classified as operating leases based on their economic value. Operating leases generally have an initial term of up to 15 years. The interest rates in the leases are based partly on variable and partly on fixed rents.

Payments due under finance and operating leases in subsequent periods are shown as follows:

€ million	Up to 1 year	1 to 5 years	Over 5 years
Finance leases 31/12/2011			
Future lease payments due (nominal)	252	910	1,905
Discount	-18	-249	-1,014
Present value	234	661	891
Operating leases 31/12/2011			
Future lease payments due (nominal)	1,453	4,696	4,369
€ million			
Up to 1 year 1 to 5 years Over 5 years			
Finance leases 31/12/2012			
Future lease payments due (nominal)	251	851	1,756
Discount	-15	-232	-924
Present value	236	619	832
Operating leases 31/12/2012			
Future lease payments due (nominal)	1,556	4,949	4,469

The present values of liabilities from finance leases in 2012 include future payments with maturities of up to 1 year totalling €32 million, of 1 to 5 years totalling €56 million and of more than 5 years totalling €184 million related to Real's Eastern European business, which is scheduled to be disposed of.

The amounts shown for future payments due on operating leases (nominal) in 2012 concern future payments with terms of up to 1 year in the amount of €97 million, of 1 to 5 years in the amount of €337 million and of over 5 years in the amount of €353 million from Real's Eastern European business held for sale.

Future payments due on finance leases contain payments amounting to €42 million (previous year: €42 million) for options to purchase assets at favourable prices.

The nominal value of future lease payments due to METRO GROUP coming from the subleasing of assets held under finance leases amounts to €176 million (previous year: €183 million).

The nominal value of future lease payments due to METRO GROUP resulting from the subleasing of assets held under operating leases amounts to €958 million (previous year: €935 million). Of these lease payments of €958 million in 2012, €43 million stem from Real's Eastern European business held for sale.

Profit or loss for the period includes payments made under leasing agreements amounting to €1,584 million (previous year: €1,522 million) and payments received under subleasing

agreements amounting to €407 million (previous year: €421 million).

Contingent lease payments from finance and operating leases recognised as expenses during the period amount to €9 million (previous year: €7 million) and €78 million (previous year: €68 million), respectively.

Lease payments due in subsequent periods from entities outside METRO GROUP for the rental of properties that are legally owned by METRO GROUP (METRO GROUP as lessor) are shown below:

€ million	Up to 1 year	1 to 5 years	Over 5 years
Finance leases 31/12/2011			
Future lease payments due (nominal)	4	6	8
Discount	0	-1	-5
Present value	4	5	3
Operating leases 31/12/2011			
Future lease payments due (nominal) ¹	32	94	108
€ million			
Up to 1 year 1 to 5 years Over 5 years			
Finance leases 31/12/2012			
Future lease payments due (nominal) ¹	3	4	7
Discount	0	-1	-5
Present value	3	3	2
Operating leases 31/12/2012			
Future lease payments due (nominal)	33	107	109

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

From the perspective of the lessor, the unguaranteed residual value must be added to the nominal minimum lease payments of €14 million (previous year: €18 million) in existing finance leases. This amounted to €3 million during the financial year (previous year: €3 million). The resulting gross investment amount is €17 million (previous year: €21 million). In addition, there is an unrealised financial income of €6 million (previous year: €6 million).

21. Investment properties

Investment properties are recognised at amortised cost. As of 31 December 2012, this amounted to €199 million (previous year: €209 million). The fair value of these properties is determined by means of internationally recognised valuation methods, in particular the comparative value method and the discounted cash flow method. It totals €313 million (previous year: €298 million). Rental income from these properties amounts to €36 million (previous year: €33 million). The related expenses amount to €21 million (previous year: €23 million). Expenses of €1 million (previous year: €0 million) resulted from properties without rental income.

Limitations to the disposal of assets in the form of liens and encumbrances amounted to €28 million (previous year: €31 million). Contractual commitments for the acquisition of investment properties amount to €0 million (previous year: €0 million) were made.

22. Financial investments¹ and investments accounted for using the equity method

€ million	Loans	Invest- ments ²	Securities	Total
Acquisition and production costs				
As of 1/1/2011	130	13	116	259
Currency translation	0	0	0	0
Additions to consolidation group	0	0	0	0
Additions	5	1	0	6
Disposals	-23	0	-38	-61
Transfers	-35	0	-77	-112
As of 31/1/2011 / 1/1/2012	77	14	1	92
Currency translation	1	-3	0	-2
Additions to consolidation group	0	0	0	0
Additions	17	283	0	300
Disposals	-10	-2	0	-12
Transfers	-24	-1	0	-25
As of 31/12/2012	60	292	2	353
Depreciation/amortisation				
As of 1/1/2011	11	0	0	11
Currency translation	0	0	0	0
Additions, scheduled	0	0	0	0
Impairment losses	0	1	0	1
Disposals	0	0	0	0
Reversals of impairment losses	0	0	0	0
Transfers	1	0	0	1
As of 31/1/2011 / 1/1/2012	12	1	0	13
Currency translation	0	0	0	0
Additions, scheduled	0	0	0	0
Impairment losses	1	1	0	1
Disposals	0	0	0	0
Reversals of impairment losses	0	-1	0	-1
Transfers	0	0	0	0
As of 31/12/2012	13	1	0	14
Carrying amount at 1/1/2011	119	13	116	248
Carrying amount at 31/12/2011	65	13	1	79
Carrying amount at 31/12/2012	46	291	2	339

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

² Including investments accounted for using the equity method

The carrying amounts of investments include €92 million (previous year: €3 million) in investments in 5 associated companies (previous year: 4 associated companies), which are accounted for using the equity method. Key investments accounted for using the equity method are the companies OPCI FRENCH WHOLESALE PROPERTIES – FWP (share of 30.74 percent, carrying amount of €47 million) and Habib

METRO Pakistan (Pvt) Ltd (share of 40.00 percent, carrying amount of €43 million). Additions to investments (incl. investments accounted for using the equity method) totalling €283 million include the share capital of Booker Group PLC amounting to €190 million, which was acquired as part of the divestment of METRO GROUP's cash & carry business in the United Kingdom, as well as the acquisition of the associated companies OPCI FRENCH WHOLESALE PROPERTIES – FWP in the amount of €47 million and Habib METRO Pakistan (Pvt) Ltd in the amount of €43 million.

23. Other financial and non-financial assets¹

Receivables due from suppliers comprise subsequent income for suppliers (for example bonuses, advertising subsidies).

The item of prepaid expenses and deferred charges includes deferred rental, leasing and interest prepayments as well as other deferments.

The miscellaneous assets item essentially comprises receivables from credit card transactions in the amount of €203 million (previous year: €132 million), receivables from METRO Unterstützungskasse e.V. in the amount of €144 million (previous year: €98 million), assets for indirect pension commitments amounting to €143 million (previous year: €131 million), other financial and non-financial assets in the real estate area amounting to €73 million (previous year: €72 million), raw materials, supplies and goods purchased in the amount of €25 million (previous year: €30 million), financing provisions amounting to €22 million (previous year: €8 million) and receivables from other financial transactions in the amount of €19 million (previous year: €57 million).

The miscellaneous assets item includes €710 million in financial assets and €236 million in non-financial assets.

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

31/12/2011				31/12/2012			
€ million	Remaining term			Total	Remaining term		
	Total	Up to 1 year	Over 1 year		Total	Up to 1 year	Over 1 year
Due from suppliers	1,705	1,704	1	1,791	1,766	25	
Other tax reivables	342	342	0	269	269	0	
Prepaid expenses and deferred charges	396	107	289	380	97	283	
Miscellaneous assets	909	729	180	946	755	191	
	3,352	2,882	470	3,386	2,886	500	

24. Deferred tax assets/deferred tax liabilities

Deferred taxes on loss carry-forwards and temporary differences amount to €738 million, a decline of €166 million compared with the previous year. At €159 million, the carrying amount of deferred tax liabilities was unchanged from the previous year.

Deferred taxes recognised concern the following balance sheet items:

31/12/2011			31/12/2012		
€ million	Asset	Liability	Asset	Liability	
Goodwill	216	152	190	161	
Other intangible assets	106	57	76	64	
Tangible assets and investment properties	206	692	194	660	
Financial investments ¹	12	1	6	2	
Inventories	85	20	84	21	
Other financial and non-financial assets ¹	110	85	124	68	
Provisions for pensions and similar obligations	138	12	144	28	
Other provisions	101	11	82	4	
Borrowings ¹	483	4	452	5	
Other financial and non-financial liabilities ¹	158	81	135	72	
Outside basis differences	0	0	0	9	
Write-downs of temporary differences	-50	0	-67	0	
Loss carry-forwards	297	0	253	0	
Total	1,862	1,115	1,673	1,094	
Offset	-958	-958	-935	-935	
Book value of deferred taxes	904	157	738	159	

¹ Revised terminology [see chapter "Notes to the Group accounting principles and methods"]

In accordance with IAS 12 (Income Taxes), deferred taxes relating to differences between the carrying amount of a subsidiary's pro rata assets and liabilities in the balance sheet and the investment book value for this subsidiary in the parent company's tax statement must be capitalised (so-called outside basis differences) if the tax benefit is likely to be realised in future. No deferred taxes were recognised for retained earnings of subsidiaries as these earnings will be reinvested over an indefinite period of time or are not subject to relevant taxation. In the financial year, €9 million in deferred tax liabilities from outside basis differences were recognised for planned dividend payments. There were no circumstances leading to a corresponding deferral during the previous year.

No deferred taxes were capitalised for the following tax loss carry-forwards and interest carried forward as well as temporary differences because a short-term realisation is not expected:

€ million	2011	2012
Corporate tax losses	6,886	7,235
Trade tax losses	7,153	7,764
Interest carried forward	40	76
Temporary differences	164	298

The losses primarily concern Germany. They can be carried forward without limitation.

Tax effects on components of other comprehensive income

€ million	2011		
	Before taxes	Taxes	After taxes
Currency translation differences from the conversion of the accounts of foreign operations	-131	1	-130
thereof currency translation differences of netinvestments in foreign operations	(-16)	(1)	(-15)
Effective portion of gains/losses from cash flow hedges	28	-12	16
Gains/losses from the revaluation of financial instruments in the category "available for sale"	0	-1	-1
Other changes	0	0	0
Remaining income tax on other comprehensive income	0	-9	-9
	-103	-21	-124

2012		
Before taxes	Taxes	After taxes
128	-4	124
(25)	(-4)	(21)
-31	5	-26
0	1	1
0	0	0
0	10	10
97	12	109

25. Inventories

€ million	31/12/2011	31/12/2012
Food merchandise	2,292	1,972
Nonfood merchandise	5,316	4,854
	7,608	6,826

Inventories can be broken down by sales division as follows:

€ million	31/12/2011	31/12/2012
METRO Cash & Carry	2,713	2,373
Real	993	682
Media-Saturn	3,088	2,997
Galeria Kaufhof	469	472
Others	345	302
	7,608	6,826

Inventories of METRO GROUP declined by €782 million in the financial year 2012.

The METRO Cash & Carry sales division accounts for €340 million of this total. Key reasons are the sale of the cash & carry business in the United Kingdom in the financial year 2012 as well as inventory optimising measures in various countries.

The Real sales division contributed €311 million to the decline in inventories. This is due mostly to the planned divestment of Real's Eastern European business. As of the balance sheet date 31 December 2012, an amount of €293 million was reclassified from inventories to the balance sheet item "assets held for sale".

Inventories include write-downs of €283 million (previous year: €318 million).

26. Trade receivables

Of total trade receivables of €568 million (previous year: €551 million) €1 million (previous year: €0 million) is due in over 1 year.

Among other things, the increase in trade receivables is due to an altered year-end constellation of days and a 0 percent financing campaign, which the Media-Saturn sales line conducted in Switzerland during the year.

The reclassification of €13 million in trade receivables to “assets held for sale” in connection with the divestment of Real’s Eastern European business as well as improved receivables management partly offset this increase.

27. Impairments of capitalised financial instruments

Impairments of capitalised financial instruments that are measured at amortised cost are as follows:

€ million	Category “loans and receivables”	Category “held to maturity”
As of 1/1/2011	166	0
Currency translation	–2	0
Additions	112	0
Disposals	–81	0
Utilisation	–47	0
Transfers	0	0
As of 31/12/2011 / 1/1/2012	148	0
Currency translation	1	0
Additions	102	0
Disposals	–48	0
Utilisation	–36	0
Transfers	–5	0
As of 31/12/2012	161	0

Negative earnings effects from impairment in the amount of €53 million (previous year: €30 million) existed in the “loans and receivables” category. This also includes earnings from the receipt of cash from receivables of €1 million (previous year: €1 million) derecognised due to expected irrecoverability. As in the previous year, no earnings effects existed in the category “held to maturity”.

In the financial year 2012, this item includes €5 million (previous year: €0 million) in reclassifications of assets to “assets held for sale”.

28. Carrying amounts of past due capitalised financial instruments not individually impaired

The following capitalised financial instruments were past due as of the closing date and were not impaired:

€ million	thereof not impaired and past due as of the closing date					
	Total carrying amount 31/12/2011	Within the last 90 days	For 91 to 180 days	For 181 to 270 days	For 271 to 360 days	For more than 360 days
Assets						
in the category "loans and receivables"	2,921	132	7	1	1	2
in the category "held to maturity"	0	0	0	0	0	0
in the category "held for trading"	17	0	0	0	0	0
in the category "available for sale"	92	0	0	0	0	0
	3,030	132	7	1	1	2

€ million	thereof not impaired and past due as of the closing date					
	Total carrying amount 31/12/2012	Within the last 90 days	For 91 to 180 days	For 181 to 270 days	For 271 to 360 days	For more than 360 days
Assets						
in the category "loans and receivables"	3,117	122	8	2	1	1
in the category "held to maturity"	3	0	0	0	0	0
in the category "held for trading"	10	0	0	0	0	0
in the category "available for sale"	200	0	0	0	0	0
	3,330	122	8	2	1	1

Loans and receivables due within the last 90 days largely result from standard business payment transactions with immediate or short-term payment targets. For not impaired loans and receivables more than 90 days past due, there is no indication as of the closing date that debtors will not fulfil their payment obligations. This is also the case for all capitalised financial instruments that are not past due and not impaired.

29. Cash and cash equivalents

€ million	31/12/2011	31/12/2012
Cheques and cash on hand	147	141
Bank deposits and money in transit	3,208	5,158
	3,355	5,299

For further details, see the cash flow statement and no. 40 "Notes to the cash flow statement".

30. Assets held for sale/liabilities related to assets held for sale**Divestment of the cash & carry business in the United Kingdom**

On 30 May 2012, METRO GROUP and Booker Group PLC announced plans to merge METRO GROUP's cash & carry business in the United Kingdom (MAKRO Self Service Wholesalers Ltd) with the wholesaling business of Booker Group PLC to form a strategic partnership on the British market. In return for its 30 cash & carry stores including their real estate assets, it was agreed that METRO GROUP will receive 9.08 percent of the share capital of Booker Group PLC as well as a cash payment of €15.8 million.

Until July 2012, the transaction was subject to the approval of the shareholders of Booker Group PLC. From the time of the announcement of the combination, all assets (€484 million) and liabilities (€141 million) which were part of this transaction were treated as disposal groups in accordance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations) and accordingly recognised in the Group's interim financial statements as of 30 June 2012.

Expenses related to the depreciation of this disposal group to its fair value less cost to sell totalled €172 million. These impacted the METRO Cash & Carry segment in the amount of €127 million and the Real Estate segment in the amount of €45 million.

With the approval of the shareholders in the general shareholders' meeting of Booker Group PLC on 2 July 2012, the final remaining condition for the closing of this transaction was met. As a result, derecognition was effected for the first time in the quarterly financial report as of 30 September 2012.

Following the consolidation of all intra-Group circumstances, the divestment of the cash & carry business in the United Kingdom resulted in a reduction of "assets held for sale" of €321 million and "liabilities related to assets held for sale" of €145 million at the time of the disposal.

The divested assets and liabilities consist of the following items:

€ million	2012
Assets	
Tangible assets	168
Other financial and non-financial assets (non-current) ¹	9
Inventories	98
Trade receivables	1
Other financial and non-financial assets (current) ¹	33
Cash and cash equivalents	12
	321
Liabilities	
Trade liabilities	118
Provisions (current)	2
Other financial and non-financial liabilities (current) ¹	25
	145

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

The sale of the cash & carry business in the United Kingdom resulted in a positive EBIT contribution of €23 million, with €7 million attributable to METRO Cash & Carry and €16 million attributable to the Real Estate segment.

The derecognition of the translation effects that were previously recognised in equity resulted in a negative effect on the net financial result of €22 million.

The assets and liabilities derecognised in the context of this divestment reduced segment assets in the METRO Cash & Carry segment by €190 million and segment liabilities by €140 million. Segment assets and liabilities in the Real Estate segment declined by €128 million and €0 million, respectively.

Divestment of Real's Eastern European business

By contractual agreement of 30 November 2012, METRO GROUP and the French retail group Groupe Auchan agreed on the sale of Real's Eastern European business to Groupe Auchan. Real's Eastern European operations comprise 91 Real hypermarkets in Poland, Russia, Romania and Ukraine including real estate assets at 14 of these locations. The sale is still subject to the approval of the respective national antitrust authorities. Until the antitrust authorities have given their approval, Real's Eastern European business remains part of METRO GROUP and continues to contribute to Group results. Since the effective date of the agreement between METRO GROUP and Groupe Auchan, all assets and liabilities that fall under the agreement have been treated as a disposal group pursuant to IFRS 5. Following consolidation of all intra-Group assets and liabilities, they are therefore shown in the item "assets held for sale" (€1,250 million) or "liabilities related to assets held for sale" (€825 million) in the consolidated balance sheet as of 31 December 2012. They can be broken down as follows:

€ million	2012
Assets	
Intangible assets	163
Tangible assets	658
Other financial and non-financial assets (non-current) ¹	2
Inventories	282
Trade receivables	12
Other financial and non-financial assets (current) ¹	69
Cash and cash equivalents	64
	1,250
Liabilities	
Borrowings (non-current) ¹	217
Other financial and non-financial liabilities (non-current) ¹	26
Trade liabilities	490
Provisions (current)	23
Borrowings (current) ¹	5
Other financial and non-financial liabilities (current) ¹	62
Income tax liabilities	2
	825

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

The assets and liabilities held for sale that are related to Real's Eastern European business contribute €856 million to segment assets and €659 million to segment liabilities in the Real segment. In the Real Estate segment, they account for €298 million of segment assets and do not contribute to segment liabilities.

Expenses of €41 million arose in the context of the divestment to Groupe Auchan. No expenses related to the depreciation of the disposal group to the fair value less costs to sell occurred.

Moreover, additional assets and liabilities will be sold to other buyers in the context of the divestment of Real's Eastern European business. At €65 million and €75 million, respectively, these assets and liabilities are also recognised in "assets held for sale" and "liabilities related to assets held for sale". They contribute €45 million and €25 million, respectively, to segment assets and segment liabilities in the Real segment. Their share of segment assets in the Real Estate segment amounts to €23 million while they do not contribute to segment liabilities.

The sale of the additional assets and liabilities resulted in €38 million in expenses. No expenses were incurred through the depreciation of the disposal group to fair value less costs to sell.

METRO GROUP expects to have also closed the sale of assets and liabilities of Real's Eastern European business to other buyers during the upcoming abbreviated financial year, at the latest by December 2013.

Sale of French real estate assets

In December 2012, METRO GROUP sold 69.26 percent of its previously fully owned subsidiary OPCI FRENCH WHOLESALE PROPERTIES – FWP (OPCI) to a group of investors consisting of FWP LUX FEEDER ALPHA S.A., FWP LUX FEEDER BETA S.A., MUTUELLA D'EPARGNE, DE RETRAITE ET DE PROVOYNACE CARAC and OPCIMMO. The transfer of ownership took effect on 28 December 2012. Since that time, the remaining 30.74 percent shareholding in OPCI is recognised at equity as an associated company in the consolidated financial statements of METRO GROUP.

The OPCI added €120 million to "other operating income" in METRO GROUP's EBIT. This includes income of €1 million from the revaluation of the investment recognised at equity.

As of 31 December 2012, subsequent measurement of the investment recognised at equity resulted in expenses of €1 million, which are shown in the net financial result.

At the time of the disposal and after consolidation of all intra-Group circumstances, the OPCI sale resulted in a decrease of €124 million in “assets held for sale”. “Liabilities related to assets held for sale” were not incurred.

The assets that were derecognised as part of this transaction reduced segment assets in the Real Estate segment by €124 million. Segment assets in the METRO Cash & Carry segment increased by €16 million as a result of the capitalisation of 7 finance leases.

As part of the OPCI sale, METRO GROUP's METRO Cash & Carry segment divested of a total of 43 French locations. Of these, 7 locations were classified as finance leases in the context of a sale-and-lease-back transaction and are therefore recognised in METRO GROUP's fixed assets.

The sale of real estate assets reduced the carrying amounts of “assets held for sale” by €194 million, while plans to dispose of additional real estate assets in the course of 2013 and renovation-related additional capitalisations of real estate assets already recognised under assets held for sale added €191 million to this balance sheet item. This includes the second French real estate fund OPCI FRENCH WHOLESALE STORES – FWS with €114 million in assets.

METRO GROUP expects to dispose of the real estate assets recognised as “assets held for sale” during the course of 2013. No impairment losses to a lower fair value less costs to sell became necessary. Within segment reporting, these assets are recognised in segment assets of the Real Estate segment at €215 million.

31. Equity

In terms of amount and composition, i.e. the ratio of ordinary to preference shares, subscribed capital has not changed compared with 31 December 2011 and totals €835,419,052.27. It is divided as follows:

No-par-value bearer shares, accounting par value approx. €2.56		31/12/2011	31/12/2012
Ordinary shares	Shares	324,109,563	324,109,563
	€	828,572,941	828,572,941
Preference shares	Shares	2,677,966	2,677,966
	€	6,846,111	6,846,111
Total share capital	Shares	326,787,529	326,787,529
	€	835,419,052	835,419,052

Each ordinary share of METRO AG grants 1 voting right. In addition, ordinary shares of METRO AG entitle the holder to dividends. In contrast to ordinary shares, preference shares of METRO AG principally do not carry voting rights and give a preferential entitlement to profits in line with §21 of the Articles of Association of METRO AG, which state:

- “(1) Holders of non-voting preference shares will receive from the annual net earnings a preference dividend of €0.17 per preference share.
- (2) Should the net earnings available for distribution not suffice in any one financial year to pay the preference dividend, the arrears (excluding any interest) shall be paid from the net earnings of future financial years in an order based on age, i.e. in such manner that any older arrears are paid off prior to any more recent ones and that the preference dividends payable from the profit of a financial year are not distributed until all of any accumulated arrears have been paid.
- (3) After the preference dividend has been distributed, the holders of ordinary shares will receive a dividend of €0.17 per ordinary share. Thereafter, a non-cumulative extra dividend of €0.06 per share will be paid to the holders of non-voting preference shares. The extra dividend shall amount to 10 percent of such dividend as, in accordance with Section 4 herein below, will be paid to the holders of ordinary shares inasmuch as such dividend equals or exceeds €1.02 per ordinary share.

- (4) The holders of non-voting preference shares and of ordinary shares will equally share in any additional profit distribution in the proportion of their shares in the share capital."

Authorised capital

The previously existing and unutilised authorisations of the Management Board to increase the share capital by issuing new ordinary bearer shares in exchange for cash contributions for a total maximum of €40,000,000 by 23 May 2012 (former authorised capital I), by issuing new ordinary bearer shares in exchange for non-cash contributions for a maximum of €60,000,000 by 23 May 2012 (former authorised capital II), and by issuing new ordinary bearer shares in exchange for cash or non-cash contributions for a maximum of €225,000,000 by 12 May 2014 (former authorised capital III) have been subsumed in a single authorisation by resolution of the Annual General Meeting on 23 May 2012. This new, single authorisation authorises the Management Board to increase the share capital, with the consent of the Supervisory Board, by issuing new ordinary bearer shares in exchange for cash or non-cash contributions in 1 or several tranches for a total maximum of €325,000,000 by 22 May 2017 (authorised capital I). To date, the newly created authorised capital I has not been utilised.

Contingent capital

The Annual General Meeting on 5 May 2010 resolved a contingent increase in the share capital by up to €127,825,000, divided into up to 50,000,000 ordinary bearer shares (contingent capital I). This contingent capital increase is connected to the creation of a new authorisation for the Management Board to issue warrant or convertible bearer bonds ("bonds"), with the consent of the Supervisory Board, with a nominal value of up to €1,500,000,000 in 1 or several tranches by 4 May 2015 and to grant the bond holders warrant or convertible rights to up to 50,000,000 new ordinary shares in the Company based on the conditions of the bonds, to provide for the respective warrant or conversion obligations or to provide for the Company's right to redeem the bonds by providing ordinary shares in METRO AG, in whole or in part, in lieu of cash payment. To date, no warrant and/or convertible bonds have been issued based on said authorisation.

Share buyback

On the basis of § 71 Section 1 No. 8 of the German Stock Corporation Act, the Annual General Meeting on 5 May 2010 authorised the Company to acquire shares of the Company of any share class representing a maximum of 10 percent of the share

capital on or before 4 May 2015. To date, neither the Company nor any company controlled or majority-owned by the Company or any other company acting on behalf of the Company or of any company controlled or majority-owned by the Company has exercised this authorisation.

Additional information on authorised capital, contingent capital, on the authorisation to issue warrant and/or convertible bonds as well as on share buybacks can be found in chapter 9 "Notes pursuant to § 315 Section 4 of the German Commercial Code and explanatory report of the Management Board" in the Group management report.

Capital reserve

The capital reserve amounts to €2,544 million (previous year: €2,544 million).

Reserves retained from earnings

€ million	31/12/2011	31/12/2012
Effective portion of gains/losses from cash flow hedges and gains/losses from the revaluation of financial instruments in the category "available for sale"	91	60
Currency translation differences from the conversion of the accounts of foreign subsidiaries	-438	-314
Income tax on components of "other comprehensive income"	-4	8
Other reserves retained from earnings	3,336	2,891
	2,985	2,645

Changes in reserves for the effective portion of gains/losses from cash flow hedges and valuation effects on available-for-sale financial assets of €-31 million (previous year: €28 million) and income tax on "other comprehensive income" in the amount of €12 million (previous year: €-21 million) consist of the following components:

€ million	31/12/2011	31/12/2012
Derecognition of cash flow hedges	-8	19
thereof in inventories	(-7)	(24)
thereof in net financial result	(-1)	(-5)
First-time or subsequent measurement of derivative financial instruments	36	-56
Gains/losses from the revaluation of financial instruments in the category "available for sale"	0	6
	28	-31
Net deferred tax effect thereon	-21	12
	7	-19

In addition, an increase in equity due to currency translation differences of €124 million (previous year: reduction in equity of €123 million) is primarily attributable to Russia, Poland, Great Britain and Hungary, while a reduction in equity due to currency translation differences stems mostly from Ukraine, India and Serbia.

Due mostly to the dividend payout for the financial year 2011 other reserves retained from earnings declined by €442 million to €2,891 million.

Non-controlling interests

Non-controlling interests comprise the shares held by third parties in the share capital of the consolidated subsidiaries. At year-end, these amounted to €77 million (previous year: €73 million). The increase by €4 million is due mostly to the share of comprehensive income attributable to non-controlling interests (€102 million) less dividends (€-97 million). Significant non-controlling interests exist only at Media-Saturn-Holding GmbH.

Appropriation of the balance sheet profit, dividends

Dividend distribution of METRO AG is based on METRO AG's annual financial statements prepared under German commercial law.

As resolved by the Annual General Meeting on 23 May 2012, a dividend of €1.350 per ordinary share and €1.485 per preference share, for a total of €442 million, was paid in the financial year 2012 from the reported net profit of €462 million for the financial year 2011. The remaining amount was carried forward to the new account.

The Management Board of METRO AG will propose to the Annual General Meeting to pay from the reported net profit of €349 million for 2012 a dividend of €1.00 per ordinary share and €1.06 per preference share, for a total of €327 million, and to carry the remaining amount forward to the new account.

32. Provisions for pensions and similar commitments

€ million	31/12/2011	31/12/2012
Pension provisions (employer's commitments)	568	560
Provisions for indirect commitments	301	326
Provisions for severance benefits	81	80
Provisions for company pension upgrades	5	5
Provisions for company pension plans	955	971
Provisions for commitments similar to pensions	73	76
	1,028	1,047

Provisions for company pension plans consist, for the most part, of defined benefit plans directly from the employer (employer's commitments) and defined benefit plans from external providers (benevolent funds in Germany and international pension funds). The external providers' assets serve exclusively to finance the pension commitments and qualify as plan assets pursuant to IAS 19 (Employee Benefits). The benefits under the different plans are based on performance and length of service. Furthermore, the length-of-service benefits are provided on the basis of fixed amounts.

The most important pension plans are described in the following.

Germany

The essential plans foresee monthly pension benefits. The amounts are either fixed or depend on the length of service. In individual cases, state pension insurance entitlements are to be charged against these entitlements. Entitlements to widow's and widower's pensions also apply.

Netherlands

A defined-benefit pension plan exists in the Netherlands which foresees pension payments as well as invalidity and death benefits. The size of the benefits depends on the pensionable salary per year of service.

United Kingdom

In July 2012, METRO GROUP sold its cash & carry business in the United Kingdom to Booker Group PLC. Pension commitments were not part of the sale. Since the date of the sale, only vested benefits and current pensions from service years at METRO GROUP exist. In accordance with legal stipulations, the vested interests must be adjusted for inflation.

Italy

In Italy, employees receive payments upon termination of their employment relationship, irrespective of the reasons for termination. A pension reform law that took effect on 1 January 2007 is designed to promote company and individual retirement provisions. Companies with more than 50 employees are required to transfer employee entitlements incurred after the enforcement date to the newly established state fund.

Belgium

There are both retirement pensions as well as capital commitments whose size depends on the length of service and income. In addition, benefits are paid to employees aged 58 and older who become unemployed.

The above pension commitments are valued on the basis of actuarial calculations in accordance with IAS 19 using the legal, economic and tax circumstances of each country.

The following average assumptions are used in the actuarial valuation:

	31/12/2011					31/12/2012			
	Eurozone	Germany	Netherlands	United Kingdom		Eurozone	Germany	Netherlands	United Kingdom
Actuarial interest rate	5.20	5.13	5.70	5.10		3.40	3.35	3.60	4.50
Inflation rate	1.98	2.00	2.00	2.20		2.00	2.00	2.00	1.90
Pension trend	1.90	2.00	1.35	2.20		1.89	2.00	1.40	2.00
Income trend	2.29	2.15	2.50	–		2.21	2.09	2.50	–
Expected return on plan assets	4.39	4.36	4.60	5.50		–	–	–	–

The employee turnover rate is determined separately for each business, taking age/length of service into account. The average employee turnover rate in Germany is 3.10 percent (previous year: 3.10 percent).

The actuarial valuations are based on country-specific mortality tables. Calculations for the German Group companies are based on the 2005 tables from Prof. Dr Klaus Heubeck, which have been modified by new data from the German state pension insurance.

The fair value of plan assets by asset category can be broken down as follows:

%	31/12/2011	31/12/2012
Fixed-interest securities	51	49
Shares, funds	18	21
Real estate	18	17
Other assets	13	13
	100	100

A revised version of IAS 19 (see chapter “Notes to the Group accounting principles and methods”) applies to financial years starting on or after 1 January 2013. On change is that only net interest expenses corresponding to the actuarial interest on the formed provision will be determined in future. As a result, the expected income from plan assets no longer represents an assumption needed to determine annual expenses and is therefore no longer reported as of 31 December 2012.

Plan assets include properties used by METRO GROUP in the amount of €137 million (previous year: €137 million).

The actual gain from plan assets amounted to €89 million in the financial year (previous year: €45 million).

The financing status that results from the balance of the present value of defined benefit obligations and fair value of plan assets has developed as follows over the past 5 years:

€ million	31/12/2008	31/12/2009	31/12/2010	31/12/2011	31/12/2012
Net present value (DBO)	1,827	1,944	2,026	2,008	2,472
Plan assets	-845	-870	-936	-977	-1,029
Financing status	982	1,074	1,090	1,031	1,443
Experience-based adjustment of plan liabilities	-3	2	-13	-3	-5
Experience-based adjustment of plan assets	-82	13	38	2	48

In the financial year 2013 (9 months), payments to external pension providers are expected to amount to €19 million.

Changes in the present value of defined benefit obligations and plan assets of external pension providers are shown in the chart below:

€ million	2011	2012
Net present value (DBO)		
As of 1 January	2,026	2,008
Interest expenses	98	99
Service cost	37	37
Past service cost	-5	-11
Curtailments/settlements	0	-1
Plan costs	0	0
Pension payments	-125	-128
Actuarial gains (-)/losses (+)	-29	468
Change in consolidation group	0	-5
Currency effects	6	5
As of 31 December	2,008	2,472
Change in plan assets		
As of 1 January	936	977
Expected return on plan assets	43	41
Plan costs	-1	-1
Pension payments	-77	-78
Employer contribution	55	28
Contributions from plan participants	12	14
Actuarial gains (+)/losses (-)	2	48
Change in consolidation group	0	-5
Currency effects	7	5
As of 31 December	977	1,029
Financing status		
Net present value (DBO), not fund-financed	738	899
Net present value (DBO), wholly or partly fund-financed	1,270	1,573
Subtotal	2,008	2,472
Fair value of plan assets	-977	-1,029
As of 31 December	1,031	1,443
Actuarial gains (+)/losses (-) not yet considered	-203	-616
Past service cost	-6	-1
Account not shown as an asset due to definition of IAS 19.58 (b)	0	0
Recognised reimbursement claims pursuant to IAS 19.104A	0	0
Commitments measured based on local criteria	2	2
Recognised assets pursuant to IAS 19.58	131	143
Provisions for company pensions as of 31 December	955	971

Provisions for company pension plans in the amount of €971 million (previous year: €955 million) are netted against assets for indirect pension plans, particularly in the United Kingdom, the Netherlands and Belgium, of €143 million (previous year: €131 million).

The pension expenses of the direct and indirect company pension plans can be broken down as follows:

€ million	2011	2012
Interest expense on net present value (DB0)	98	99
Expected return on plan assets	-43	-41
Recognised actuarial gains (-)/losses (+)	11	7
Service cost ¹	28	25
Curtailment	0	-1
Asset limitation	0	0
Past service cost	-4	-6
	90	83

¹ Netted against employees' contributions

In addition to expenses from defined benefit pension commitments, expenses for payments to external pension providers relating to defined contribution pension commitments of €53 million (previous year: €50 million) were considered in the financial year 2012.

The **provisions for commitments similar to pensions** essentially comprise commitments from employment anniversary allowances, death benefits and pre-retirement part-time plans. Provisions amounting to €18 million (previous year: €21 million) were formed for commitments from pre-retirement part-time plans. The corresponding expenses amount to €4 million (previous year: €3 million).

The commitments are valued on the basis of actuarial expert opinions. In principle, the parameters used are identical to those employed in the company pension plan.

33. Other provisions (non-current)/provisions (current)

In the financial year 2012, other provisions (non-current)/provisions (current) changed as follows:

€ million	Real estate-related obligations	Obligations from trade transactions	Restructuring	Taxes	Others	Total
As of 1/1/2012	194	189	159	191	276	1,009
Currency translation	–1	1	0	0	2	3
Addition	138	163	139	79	271	790
Disposal	–33	–6	–15	–16	–50	–120
Utilisation	–72	–160	–101	–111	–151	–594
Change in consolidation group	0	0	0	0	–6	–6
Interest portion in addition/change in interest rate	8	2	2	0	1	13
Transfer	–18	–6	2	–1	–4	–27
As of 31/12/2012	217	184	186	142	339	1,068
Non-current	139	0	32	112	141	424
Current	78	184	154	30	198	644
As of 31/12/2012	217	184	186	142	339	1,068

Provisions for real estate-related obligations concern store-related risks in the amount of €116 million (previous year: €79 million), deficient rental covers of €22 million (previous year: €59 million), rental commitments of €46 million (previous year: €21 million) as well as reinstatement obligations in the amount of €20 million (previous year: €20 million).

Other real estate obligations in the amount of €13 million (previous year: €15 million) stem essentially from maintenance obligations.

Significant components of the obligations from trade transactions are provisions for rebates from customer loyalty programmes in the amount of €75 million (previous year: €78 million), provisions for warranty services in the amount of €52 million (previous year: €56 million) as well as provisions for rights of return of €40 million (previous year: €41 million).

Restructuring provisions totalling €186 million (previous year: 159 million) essentially concern the Real sales line in the amount of €67 million (previous year: €77 million), METRO Cash & Carry in the amount of €47 million (previous year: €35 million) and other companies in the amount of €50 million (previous year: €6 million).

The other provisions item contains mainly provisions for litigation costs/risks in the amount of €76 million (previous year: €47 million). These include, among other things, commitments related to a court-enforced out-of-court settlement in 2012 in connection with a shareholder action. In addition, the other provisions item includes severance obligations of €35 million (previous year: €22 million) as well as surety and guarantee risks of €22 million (previous year: €19 million). Provisions for share-based payments amount to €6 million (previous year: €9 million). In addition, this category includes interest on other provisions in the amount of €49 million (previous year: €75 million).

Supplementary explanations on share-based payments are provided in no. 48 “Share-based payment for executives”.

Changes in the consolidation group resulted from the divestment of the cash & carry business in the United Kingdom.

Transfers essentially concern provisions that were reclassified to “assets held for sale” in the context of the divestment of Real’s Eastern European business.

Depending on the respective terms and countries, interest rates of non-interest-bearing, non-current provisions range from 1.9 percent to 11.7 percent.

34. Liabilities

€ million	31/12/2011 Total	31/12/2012 Total	Remaining term		
			Up to 1 year	1 to 5 years	Over 5 years
Trade liabilities	14,214¹	13,513	13,513	0	0
thereof bills of exchange liabilities (non-interest-bearing)	(536)	(450)	(450)	(0)	(0)
Bonds	3,491	5,260	1,227	2,690	1,342
Liabilities due to banks	1,296	1,305	308	603	394
Promissory note loans	868	571	162	289	120
Liabilities from finance lease	1,786	1,414	117	394	902
Borrowings²	7,441	8,550	1,814	3,977	2,758
Other tax liabilities	633	615	615	0	0
Prepayment received on orders	41	45	45	0	0
Payroll liabilities	802	754	754	0	0
Liabilities from other financial transactions	32	45	29	16	0
Deferred income	595 ¹	568	475	55	38
Miscellaneous liabilities	1,204 ¹	1,110	992	95	23
Other financial and non-financial liabilities²	3,307	3,137	2,910	166	61
Income tax liabilities	394	291	290	0	0
	25,356	25,491	18,528	4,144	2,819

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

² Revised terminology (see chapter "Notes to the Group accounting principles and methods")

35. Trade liabilities

Trade liabilities declined by €701 million. This decline was due mostly to the METRO Cash & Carry sales line, at €301 million, and Real, at €466 million.

Aside from the divestment of the cash & carry business in the United Kingdom in the financial year 2012, inventory optimising measures and lower shopping volumes due to greater consumption reticence in Western Europe, in particular, are key reasons for the decline in liabilities at METRO Cash & Carry.

The reduction in trade liabilities in the Real sales line is essentially due to the planned divestment of Real's Eastern European business. As of the closing date of 31 December 2012, an amount of €508 million was reclassified from trade liabilities to the item "liabilities related to assets held for sale".

36. Borrowings¹

An ongoing capital market programme serves as a source of **medium- and long-term financing**. In 2012, the following transactions were conducted in the context of this programme:

Type of transaction	Issue date	Term	Maturity	Nominal volume	Coupon
Redemption	May 2007	5 years	May 2012	EUR 500 million	4.75% fixed
Redemption	July 2009	3 years	July 2012	RON 100 million	11.50% fixed
New issue	January 2012	8 years	January 2020	EUR 125 million	4.05% fixed
New issue	January 2012	4 years	January 2016	EUR 50 million	3.10% fixed
New issue	February 2012	4 years	February 2016	EUR 60 million	3.00% fixed
New issue	February 2012	6 years	February 2018	EUR 50 million	3.50% fixed
New issue	March 2012	7 years	March 2019	EUR 500 million	3.375% fixed
New issue	March 2012	4 years 2 months	May 2016	CHF 225 million	1.875% fixed
New issue	July 2012	12 years	July 2024	EUR 51 million	4.00% fixed
New issue	July 2012	10 years	July 2022	EUR 75 million	4.00% fixed
New issue	July 2012	5 years	July 2017	EUR 50 million	variabel spread 1.25%
New issue	August 2012	15 years	August 2027	EUR 50 million	4.00% fixed
New issue	December 2012	5 years 5 months	May 2018	EUR 500 million	2.25% fixed

Short-term financing requirements are covered through the Euro Commercial Paper Programme and a commercial paper programme geared especially to French investors. Both programmes have a maximum volume of €2 billion each. The average amount utilised from both programmes in 2012 was €1,629 million (previous year: €1,393 million). Utilisation of both programmes amounted to about €587 million (previous year: €0 million) as of the end of the year.

In addition, METRO GROUP has access to syndicated lines of credit totalling €2,500 million (previous year: €2,475 million) with terms ending between December 2015 and January 2017. If the credit lines are used, the interest rates range between EURIBOR +85.0 basis points (BP) and EURIBOR +95.0 BP. The average amount drawn on the credit lines in 2012 was €0 million (previous year: €0 million), the average amount drawn as of the closing date was €0 million (previous year: €0 million).

The contract terms for the syndicated lines of credit provide for an increase of 5 to 20 BP in the spread if METRO GROUP's credit rating is lowered by 1 step.

Additional bilateral bank lines of credit totalling €2,075 million (previous year: €2,244 million) were available to METRO GROUP as of 31 December 2012. Of this amount, €433 million (previous year: €309 million) had a remaining term of up to 1 year. On the closing date, €1,305 million (previous year: €1,296 million) of the bilateral lines of credit had been utilised. Of this amount, €308 million (previous year: €279 million) had a remaining term of up to 1 year.

¹ Changed terminology [see chapter "Notes to the Group accounting principles and methods"]

Unutilised lines of credit of METRO GROUP

€ million	31/12/2011		
	Remaining term		
	Total	Up to 1 year	Over 1 year
Bilateral lines of credit	2,244	309	1,935
Utilisation	-1,296	-279	-1,017
Unutilised bilateral lines of credit	948	30	918
Syndicated lines of credit	2,475	0	2,475
Utilisation	0	0	0
Unutilised syndicated lines of credit	2,475	0	2,475
Total lines of credit	4,719	309	4,410
Total utilisation	-1,296	-279	-1,017
Total unutilised lines of credit	3,423	30	3,393

	31/12/2012		
	Remaining term		
	Total	Up to 1 year	Over 1 year
	2,075	433	1,642
	-1,305	-308	-997
	770	125	645
	2,500	0	2,500
	0	0	0
	2,500	0	2,500
	4,575	433	4,142
	-1,305	-308	-997
	3,270	125	3,145

The defaulting of a lender can be covered at any time by the existing unutilised credit lines or the available money and capital market programmes. METRO GROUP therefore does not bear a significant credit default risk.

METRO GROUP principally does not provide collateral for borrowings. One exception concerns the first-time consolidation of METRO PROPERTIES GmbH & Co. KG (formerly METRO Group

Asset Management GmbH & Co. KG) and its subsidiaries in 2003. Collateral in the amount of €351 million (previous year: €373 million) was provided for the borrowings of these companies as of 31 December 2012.

The following table shows the maturity structure of the borrowings. The carrying amounts and fair values indicated include the interest accrued when the maturity is less than 1 year.

31/12/2011							31/12/2012			
Type of financing	Currency	Remaining term	Issue/ nominal volume in million currency	Nominal values € million	Carrying amounts € million	Fair values € million	Issue/ nominal volume in million currency	Nominal values € million	Carrying amounts € million	Fair values € million
Bonds	EUR	up to 1 year	500	500	625	629	1,030	1,030	1,167	1,207
		1 to 5 years	2,100	2,100	2,094	2,336	2,510	2,510	2,505	2,749
		over 5 years	750	750	748	773	1,351	1,351	1,342	1,356
	CHF	up to 1 year	0	0	0	0	0	0	3	3
		1 to 5 years	0	0	0	0	225	186	186	189
		over 5 years	0	0	0	0	0	0	0	0
	RON	up to 1 year	100	23	24	25	0	0	0	0
		1 to 5 years	0	0	0	0	0	0	0	0
		over 5 years	0	0	0	0	0	0	0	0
	USD	up to 1 year	0	0	0	0	75	57	57	57
		1 to 5 years	0	0	0	0	0	0	0	0
		over 5 years	0	0	0	0	0	0	0	0
Liabilities to banks (excl. open account) ¹	EUR	up to 1 year	54	54	54	110	141	141	148	170
		1 to 5 years	502	502	502	502	413	413	413	422
		over 5 years	336	336	336	341	364	364	364	367
	CNY	up to 1 year	0	0	0	0	0	0	0	0
		1 to 5 years	211	26	26	29	0	0	0	0
		over 5 years	0	0	0	0	0	0	0	0
	INR	up to 1 year	900	13	13	13	1,350	19	19	19
		1 to 5 years	3,177	46	46	81	3,251	45	45	48
		over 5 years	0	0	0	0	0	0	0	0
	JPY	up to 1 years	4,907	49	49	49	3,070	27	27	27
		1 to 5 years	1,700	17	17	17	8,703	77	77	78
		over 5 years	0	0	0	0	0	0	0	0
	RUB	up to 1 year	5	0	0	0	1	0	0	0
		1 to 5 years	0	0	0	0	0	0	0	0
		over 5 years	0	0	0	0	0	0	0	0
	TVND	up to 1 year	557	21	21	21	484	18	18	18
		1 to 5 years	0	0	0	0	0	0	0	0
		over 5 years	0	0	0	0	0	0	0	0
	UAH	up to 1 year	66	6	6	6	259	25	25	25
		1 to 5 years	0	0	0	0	0	0	0	0
		over 5 years	0	0	0	0	0	0	0	0
	USD	up to 1 years	28	22	22	32	29	22	22	22
		1 to 5 years	69	54	54	54	90	69	69	72
		over 5 years	46	36	36	36	39	29	29	30
	Other	up to 1 year	n/a	11	11	11	n/a	1	1	1
		1 to 5 years	n/a	0	0	0	n/a	0	0	0
		over 5 years	n/a	0	0	0	n/a	0	0	0
Promissory note loans	EUR	up to 1 year	550	550	562	564	150	150	162	162
		1 to 5 years	307	307	306	313	290	290	289	297
		over 5 years	0	0	0	0	121	121	120	124

¹ Adjustment of prior-year fair value amounts due to consideration of credit spreads

Redeemable loans that are shown under liabilities to banks are listed with the remaining terms corresponding to their redemption date. For remaining terms of over 1 year, the indicated fair value of these loans generally includes the carrying amount.

The difference between the carrying amount and the fair value of the entire loan is shown in maturities under 1 year.

The following table depicts the interest rate structure of the borrowings:

31/12/2011						31/12/2012					
Type of financing	Interest terms	Currency	Remaining terms	Weighted effective interest rate in % when issued	Issue/nominal volume € million	Weighted effective interest rate in % when issued	Issue/nominal volume € million	Weighted effective interest rate in % when issued	Issue/nominal volume € million	Weighted effective interest rate in % when issued	Issue/nominal volume € million
Bonds	Fixed interest	EUR	up to 1 year	4.75	500	4.85	1,030	5.93	2,460	3.11	1,351
			1 to 5 years	7.50	2,100	5.93	2,460	5.93	2,460	3.11	1,351
			over 5 years	4.25	750	3.11	1,351	3.11	1,351	3.11	1,351
		CHF	up to 1 year	–	0	–	0	1.88	186	–	0
			1 to 5 years	–	0	1.88	186	1.88	186	–	0
			over 5 years	–	0	–	0	–	0	–	0
		RON	up to 1 year	11.55	23	–	0	–	0	–	0
			1 to 5 years	–	0	–	0	–	0	–	0
			over 5 years	–	0	–	0	–	0	–	0
		USD	up to 1 year	–	0	0.77	57	0.77	57	–	0
			1 to 5 years	–	0	–	0	–	0	–	0
			over 5 years	–	0	–	0	–	0	–	0
	Variable interest	EUR	up to 1 year	–	0	–	0	–	0	–	0
			1 to 5 years	–	0	1.96	50	1.96	50	–	0
			over 5 years	–	0	–	0	–	0	–	0
Liabilities to banks (excl. open account)	Fixed interest	EUR	up to 1 year	5.04	54	4.41	91	4.41	91	4.41	91
			1 to 5 years	4.41	502	4.19	413	4.19	413	4.19	413
			over 5 years	4.37	336	4.05	364	4.05	364	4.05	364
		CNY	up to 1 year	–	0	–	0	–	0	–	0
			1 to 5 years	6.07	26	–	0	–	0	–	0
			over 5 years	–	0	–	0	–	0	–	0
		INR	up to 1 year	10.12	13	10.61	19	10.61	19	10.61	19
			1 to 5 years	10.82	46	10.83	45	10.83	45	10.83	45
			over 5 years	–	0	–	0	–	0	–	0
		JPY	up to 1 year	–	0	1.78	27	1.78	27	1.78	27
			1 to 5 years	–	0	1.78	77	1.78	77	1.78	77
			over 5 years	–	0	–	0	–	0	–	0
		RUB	up to 1 year	10.57	0	8.39	0	8.39	0	8.39	0
			1 to 5 years	–	0	–	0	–	0	–	0
			over 5 years	–	0	–	0	–	0	–	0
		TVND	up to 1 year	13.51	21	4.89	18	4.89	18	4.89	18
			1 to 5 years	–	0	–	0	–	0	–	0
			over 5 years	–	0	–	0	–	0	–	0
		UAH	up to 1 year	21.10	6	27.83	25	27.83	25	27.83	25
			1 to 5 years	–	0	–	0	–	0	–	0
			over 5 years	–	0	–	0	–	0	–	0
		USD	up to 1 year	3.71	17	2.52	18	2.52	18	2.52	18
			1 to 5 years	3.70	43	3.59	59	3.59	59	3.59	59
			over 5 years	3.60	34	3.60	29	3.60	29	3.60	29
		Other	up to 1 year	12.17	3	0.00	1	0.00	1	0.00	1
			1 to 5 years	–	0	–	0	–	0	–	0
			over 5 years	–	0	–	0	–	0	–	0

				31/12/2011		31/12/2012	
Type of financing	Interest terms	Currency	Remaining terms	Weighted effective interest rate in % when issued	Issue/nominal volume € million	Weighted effective interest rate in % when issued	Issue/nominal volume € million
Liabilities to banks (excl. open account)	Variable interest	EUR	up to 1 year	–	0	2.98	50
			1 to 5 years	–	0	–	0
			over 5 years	–	0	–	0
		JPY	up to 1 year	5.00	49	–	0
			1 to 5 years	1.78	17	–	0
			over 5 years	–	0	–	0
		USD	up to 1 year	1.23	5	1.12	4
			1 to 5 years	0.98	11	1.03	9
			over 5 years	1.04	2	0.96	1
		Other	up to 1 year	6.95	8	–	0
			1 to 5 years	–	0	–	0
			over 5 years	–	0	–	0
Promissory note loans	Fixed interest	EUR	up to 1 year	4.74	113	3.85	100
			1 to 5 years	4.29	131	3.72	95
			over 5 years	–	0	3.91	95
	Variable interest	EUR	up to 1 year	2.20	437	0.72	50
			1 to 5 years	3.94	176	2.97	196
			over 5 years	–	0	2.20	26

The fixed interest rate for short- and medium-term borrowings and the repricing dates of all fixed-interest liabilities essentially correspond to the displayed remaining terms. The repricing dates for variable interest rates are less than 1 year.

— The effects that changes in interest rates concerning the variable portion of borrowings have on the profit or loss for the period and equity of METRO GROUP are described in detail in no. 42 “Management of financial risks”.

37. Other financial and non-financial liabilities¹

The change in payroll liabilities is essentially attributable to reduced obligations from performance-based one-time payments.

Key items in remaining other liabilities are liabilities to third-party shareholders of €352 million (previous year: €393 million, adjustment of prior-year amounts – see chapter “Notes to the Group accounting principles and methods”), liabilities from purchase of other fixed assets of €304 million (previous year: €377 million), liabilities towards customers of €174 million (previous year: €138 million) as well as liabilities from real estate totalling €75 million (previous year: €86 million). In addition, the remaining other liabilities also include numerous other individual items.

The remaining other liabilities include financial liabilities of € 1,080 million and non-financial liabilities of €120 million.

€ million	31/12/2011			31/12/2012		
	Remaining term			Remaining term		
	Total	Up to 1 year	Over 1 year	Total	Up to 1 year	Over 1 year
Other tax liabilities	633	633	0	615	615	0
Payroll liabilities	802	800	2	754	754	0
Deferred income ²	595	475	120	568	475	92
Remaining other liabilities ²	1,277	797	480	1,200	1,066	135
	3,307	2,705	602	3,137	2,910	227

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

² Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

38. Undiscounted cash flows of financial liabilities

The undiscounted cash flows of borrowings, trade liabilities and derivative liabilities are as follows:

€ million	Carrying amount 31/12/2011	Cash flows 2012		Cash flows 2013–2016		Cash flows after 2016	
		Interest	Redemption	Interest	Redemption	Interest	Redemption
Financial liabilities							
Bonds	3,491	216	649	472	2,094	32	748
Liabilities to banks	1,296	51	279	111	645	18	372
Promissory note loans	868	20	562	16	306	0	0
Finance leases	1,786	136	116	440	470	705	1,200
Trade liabilities ¹	14,214	0	14,214	0	0	0	0
Fixed-interest derivatives carried as liabilities	8	0	0	8	0	0	0
Currency derivatives carried as liabilities	18	0	18	0	0	0	0
Commodity derivatives carried as liabilities ²	3	0	3	0	0	0	0

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

		Cash flows 2013		Cash flows 2014–2017		Cash flows after 2017	
€ million	Carrying amount 31/12/2012	Interest	Redemption	Interest	Redemption	Interest	Redemption
Financial liabilities							
Bonds	5,260	233	1,227	507	2,690	97	1,342
Liabilities to banks	1,305	45	308	86	603	15	394
Promissory note loans	571	17	162	29	289	15	120
Finance leases	1,414	134	117	457	394	854	902
Trade liabilities	13,513	0	13,513	0	0	0	0
Fixed-interest derivatives carried as liabilities	8	0	0	8	0	0	0
Currency derivatives carried as liabilities	31	0	23	0	8	0	0
Commodity derivatives carried as liabilities	4	0	4	0	0	0	0

39. Carrying amounts and fair values according to measurement category

The carrying amounts and fair values of recognised financial instruments are as follows:

31/12/2011					
€ million	Balance sheet value				
	Carrying amount	(Amortised) cost	Fair value affecting profit or loss	Fair value outside of profit or loss	Fair value
Assets	33,987	n/a	n/a	n/a	n/a
Loans and receivables	2,921	2,921	0	0	2,923
Loans and advance credit granted	106	106	0	0	106
Receivables due from suppliers	1,705	1,705	0	0	1,705
Trade receivables	551	551	0	0	551
Miscellaneous financial assets	559	559	0	0	561
Held to maturity	0	0	0	0	0
Miscellaneous financial assets	0	0	0	0	0
Held for trading	17	0	17	0	17
Derivative financial instruments not part of a hedge under IAS 39	17	0	17	0	17
Available for sale	92	11	0	81	n/a
Investments	11	11	0	0	n/a
Securities	81	0	0	81	81
Derivative financial instruments within hedges under IAS 39	25	0	0	25	25
Cash and cash equivalents	3,355	3,355	0	0	3,355
Receivables from finance lease (amount according to IAS 17)¹	14	n/a	n/a	n/a	17
Assets not classified under IFRS 7¹	27,563	n/a	n/a	n/a	n/a
Liabilities	33,987	n/a	n/a	n/a	n/a
Held for trading	20	0	20	0	20
Derivative financial instruments not part of a hedge under IAS 39	20	0	20	0	20
Other financial liabilities	21,874	21,485	0	389	22,209
Borrowings excl. finance leases					
(incl. underlying hedging transactions under IAS 39) ^{2,3}	5,655	5,655	0	0	5,989
Trade liabilities ⁴	14,214	14,214	0	0	14,214
Miscellaneous financial liabilities ⁴	2,005	1,616	0	389	2,006
Derivative financial instruments within hedges under IAS 39	9	0	0	9	9
Liabilities from finance lease (amount according to IAS 17)¹	1,786	n/a	n/a	n/a	1,996
Liabilities not classified under IFRS 7¹	10,298	n/a	n/a	n/a	n/a
Unrealised gain (+)/loss (–) from total difference between fair value and carrying amounts					–539

¹ Adjustment of previous year due to revised disclosure

² Adjustment of prior-year fair value due to consideration of credit spreads

³ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

⁴ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

31/12/2012					
Balance sheet value					
€ million	Carrying amount	(Amortised) cost	Fair value affecting profit or loss	Fair value outside of profit or loss	Fair value
Assets	34,766	n/a	n/a	n/a	n/a
Loans and receivables	3,117	3,117	0	0	3,116
Loans and advance credit granted	71	71	0	0	71
Receivables due from suppliers	1,791	1,791	0	0	1,791
Trade receivables	568	568	0	0	568
Miscellaneous financial assets	687	687	0	0	687
Held to maturity	3	3	0	0	3
Miscellaneous financial assets	3	3	0	0	3
Held for trading	10	0	10	0	10
Derivative financial instruments not part of a hedge under IAS 39	10	0	10	0	10
Available for sale	200	12	0	189	n/a
Investments	199	12	0	187	n/a
Securities	1	0	0	1	1
Derivative financial instruments within hedges under IAS 39	0	0	0	0	0
Cash and cash equivalents	5,299	5,299	0	0	5,299
Receivables from finance lease (amount according to IAS 17)	11	n/a	n/a	n/a	11
Assets not classified under IFRS 7	26,126	n/a	n/a	n/a	n/a
Liabilities	34,766	n/a	n/a	n/a	n/a
Held for trading	16	0	16	0	16
Derivative financial instruments not part of a hedge under IAS 39	16	0	16	0	16
Other financial liabilities	22,439	22,092	0	347	22,797
Borrowings excl. finance leases (incl. underlying hedging transactions under IAS 39) ¹	7,136	7,136	0	0	7,493
Trade liabilities	13,513	13,513	0	0	13,513
Miscellaneous financial liabilities	1,790	1,443	0	347	1,791
Derivative financial instruments within hedges under IAS 39	27	0	0	27	27
Liabilities from finance lease (amount according to IAS 17)	1,414	n/a	n/a	n/a	1,596
Liabilities not classified under IFRS 7	10,870	n/a	n/a	n/a	n/a
Unrealised gain (+)/loss (-) from total difference between fair value and carrying amount					-540

¹ Revised terminology (see chapter "Notes to the Group accounting principles and methods")

Due to their mostly short terms, the fair values of receivables due from suppliers, trade receivables and liabilities as well as cash and cash equivalents essentially correspond to their carrying amounts.

Of the total carrying amount of investments of €199 million (previous year: €11 million), €12 million (previous year: €11 million) are recognised at historical cost because a fair value cannot reliably be determined. These concern off-exchange financial instruments without an active market. The Company

currently does not plan to dispose of the investments recognised at historical cost. Listed investment totalling €187 million (previous year: €0 million) are measured at fair value outside of profit or loss.

The measurement of the fair value of bonds, liabilities to banks and promissory note loans is based on the market interest rate curve following the zero-coupon method in consideration of credit spreads. The amounts comprise the interest prorated to the closing date.

Other financial liabilities include liabilities from commitments from stock tender rights of non-controlling interests in the amount of €347 million (previous year: €389 million), which are subsequently measured at fair value outside of profit or loss.

The fair values of all other financial assets and liabilities that are not listed on an exchange correspond to the present value of payments underlying these balance sheet items. The calcu-

lation was based on the applicable country-specific yield curves as of the closing date.

The following table depicts the financial instruments that are recognised at fair value in the balance sheet. These are classified into a 3-level fair value hierarchy whose levels reflect the degree of closeness to the market of the data used in the determination of the fair values:

€ million	31/12/2011				31/12/2012			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets	98	81	17	0	199	189	10	0
Held for trading								
Derivative financial instruments not part of a hedge under IAS 39	17	0	17	0	10	0	10	0
Available for sale								
Investments	0	0	0	0	187	187	0	0
Securities	81	81	0	0	1	1	0	0
Liabilities	409	0	20	389	363	0	16	347
Held for trading								
Derivative financial instruments not part of a hedge under IAS 39	20	0	20	0	16	0	16	0
Other financial liabilities	0	0	0	0	0	0	0	0
Miscellaneous financial liabilities								
Other financial liabilities ¹	389	0	0	389	347	0	0	347
Total	-311	81	-3	-389	-165	189	-6	-347

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

The measurement of securities (level 1) is carried out based on quoted market prices on active markets.

Interest rate swaps and forex transactions (all level 2) are measured using the mark-to-market method based on quoted exchange rates and market yield curves.

The fair value of commodity derivatives (level 2) is calculated as the average of the past month's price noted on the exchange.

No transfers between levels 1 and 2 were effected during the reporting period.

Level 3 includes the fair values of liabilities from stock tender rights of non-controlling interests. The fair value measurement is based on the respective contract design.

Fair values of liabilities from stock tender rights, which are determined on the basis of the discounted cash flow method, are based on expected future cash flows over a detailed plan-

ning period of 3 to 5 years plus a perpetuity. The assumed growth rate for the perpetuity is 1.9 to 9.3 percent. The respective local WACC is used as the discount rate. In the financial year 2012, discount rates ranged from 9.5 to 17.6 percent. If individual interest rates were to increase by 10.0 percent, the fair value of these liabilities would decline by €7 million.

The fair values of other liabilities from stock tender rights are determined on the basis of historical sales and/or income, multiplied by contractually agreed multipliers, or correspond to the non-controlling interests' share in the net assets of the respective company as of the closing date. They essentially relate to current liabilities which in some cases will lead to a cash outflow in 2013. As a result, the fair values of the latter 2 valuation groups are not subject to sensitivity fluctuations.

Of changes in value of stock tender rights recognised as of 31 December 2012, €21 million result in a decline in goodwill. In addition, transaction costs of €23 million were incurred.

Other notes

40. Notes to the cash flow statement

In accordance with IAS 7 (Statement of Cash Flows), the consolidated statement of cash flows describes changes in the Group's "cash and cash" equivalents through cash inflows and outflows during the reporting year.

The item "cash and cash equivalents" includes cheques and cash on hand as well as cash in transit and bank deposits with a remaining term of up to 3 months.

The cash flow statement distinguishes between changes in cash levels from operating, investing and financing activities. Cash flows from discontinued operations are shown separately where they concern discontinued operations.

In December 2012, the assets and liabilities of Real's Eastern European business were classified as "assets held for sale" and "liabilities related to assets held for sale", respectively. The reclassified assets included cash and cash equivalents of €66 million.

During the financial year, net cash provided by operating activities amounted to €2,340 million (previous year: €2,092 million). Impairment losses concern property, plant and equipment at €1,198 million (previous year: €1,159 million), intangible assets at €252 million (previous year: €174 million) and "investment properties" at €13 million (previous year: €17 million). In the context of the divestment of the cash & carry business in the United Kingdom, this disposal group was devalued by €172 million. On the other hand, reversals of impairment losses amount to €12 million (previous year: €34 million).

The change in net working capital amounts to €80 million (previous year: €-174 million) and includes changes in inventories, trade receivables and receivables due from suppliers included in the item "other financial and non-financial assets", credit card receivables and prepayments made on inventories. In addition, the item includes changes in trade liabilities and liabilities to customers, deferred sales related to vouchers, customer loyalty programmes, provisions for customer loyalty programmes and rights of return as well as prepayments made on orders.

The "others" item includes various individual items. Key components are the change in payroll liabilities at €-19 million (previous year: €-117 million) and adjustments of unrealised exchange rate effects of €58 million (previous year: €-58 million). This resulted in an improvement in cash flow from operating activities of €214 million. The decline in payroll payments is essentially due to a decline in performance-based one-time payments. In addition, payments of €46 million (previous year: €39 million) were made to METRO Unterstützungskasse e. V. In addition, real estate assets in the amount of €15 million (previous year: €41 million) were acquired for resale.

During the financial year 2012, the Group recorded cash outflows of €626 million (previous year: €1,072 million) from investing activities of continuing operations. This includes inflows for the divestment of OPCI FRENCH WHOLESALE PROPERTIES – FWP in the amount of €203 million as well as €14 million for the divestment of MAKRO Cash & Carry in the United Kingdom. In the previous year, cash flow from investing activities included an outflow of €106 million for the acquisition of the Redcoon group. The amount of investments in fixed assets shown as cash outflows differs from the inflows shown in the asset statement in the amount of non-cash transactions. These essentially concern additions from finance leases, currency effects and changes in liabilities from the acquisition of miscellaneous other assets. Other investments include investments in intangible assets totalling €136 million (previous year: €155 million) as well as investments in financial assets totalling €7 million (previous year: €17 million).

In the financial year 2012, financing activities of continuing operations generated cash inflows of €279 million (previous year: cash outflows of €2,441 million). The improvement in cash flow from financing activities is essentially due to the issuance of bonds with a volume of €1,698 million.

41. Segment reporting

Segment reporting has been carried out in accordance with IFRS 8 (Operating Segments). The segmentation corresponds to the Group's internal controlling and reporting structures and is generally based on the division of the business into individual sectors.

METRO Cash & Carry

METRO Cash & Carry operates in the cash and carry sector in 29 countries of Europe, Asia and Africa through its METRO and MAKRO brands. Its broad product and service range is geared to commercial customers, in particular: hotel and restaurant owners, catering firms, independent retailers as well as service providers and public authorities.

Real

Real is a hypermarket operator in Germany where it operates both stationary stores and an online store. In addition, the sales line has locations in Poland, Romania, Russia, Turkey and Ukraine. All stores offer a broad food assortment with a large proportion of fresh produce that is complemented by a nonfood assortment.

Media-Saturn

Media-Saturn offers a comprehensive assortment of the latest brand products in consumer electronics retailing. The sales line is represented in 16 countries with 2 strong sales brands. In addition, the pure play online retailer Redcoon is part of Media-Saturn.

Galeria Kaufhof

Galeria Kaufhof operates department stores in Germany and Belgium. In Belgium, the sales line operates under the Galeria Inno name. The Galeria department stores offer international assortments and high-quality own brands with a focus on clothing. The stationary business is closely dovetailed with the online store.

Real Estate

METRO PROPERTIES is METRO GROUP's real estate company and manages retail locations in 29 countries. METRO PROPERTIES aims to add value to the Group's real estate assets over the long term through active portfolio management. Its activities include planning new locations, the development and construction of retail properties as well as energy management on behalf of METRO GROUP locations.

Additional information on the segments is provided in the Group management report.

Aside from the information on the operating segments listed above, equivalent information is provided on the METRO regions. Here, a distinction is made between the regions Germany, Western Europe (excluding Germany), Eastern Europe and Asia/Africa.

- External sales represent sales of the operating segments to third parties outside the Group.
- Internal sales represent sales between the Group's operating segments.
- Segment EBITDAR represents EBITDA before rental expenses less rental income.
- Segment EBITDA comprises EBIT before depreciation, amortisation and impairment and reversals of impairment on tangible and intangible assets.
- EBIT as the key ratio for segment reporting describes operating earnings for the period before net financial result and income taxes. Intra-Group rental contracts are shown as operating leases in the segments. The properties are leased at market rates. In principle, store-related risks and impairment risks related to non-current assets are only shown in the segments where they represent Group risks. In analogy, this also applies to deferred assets and liabilities, which are only shown at segment level if this was also required in the consolidated balance sheet.
- Segment investments include additions to non-current intangible and tangible assets (including additions to the consolidation group) as well as investment properties except for additions due to the reclassification of "assets held for sale" as non-current assets.
- Segment assets include non-current and current assets. They do not include mostly financial assets, investments recognised at equity, tax items, cash and cash equivalents and assets allocable to discontinued operations.

The reconciliation from segment assets to Group assets is shown in the following table:

€ million	31/12/2011	31/12/2012
Segment assets	28,632	27,585
Non-current and current financial investments ¹	195	269
Investments accounted for using the equity method ²	3	92
Cash and cash equivalents	3,355	5,299
Deferred tax assets	904	738
Entitlements to income tax refunds	431	347
Other entitlements to tax refunds ³	342	269
Assets held for sale	0	107
Receivables from other financial transactions ⁴	57	19
Other	68	40
Group assets	33,987	34,766

¹ Revised terminology [see chapter "Notes to the Group accounting principles and methods"]

² Included in financial investments (non-current) in the previous year

³ Included in the balance sheet item "other financial and non-financial assets" (current)

⁴ Included in the balance sheet items "other financial and non-financial assets" (non-current and current)

- Segment liabilities include non-current and current liabilities. They do not include, in particular, borrowings, tax items and liabilities allocable to discontinued operations.

The reconciliation from segment liabilities to Group liabilities is shown in the following table:

€ million	31/12/2011	31/12/2012
Segment liabilities¹	18,244	18,179
Non-current and current borrowings ²	7,441	8,550
Deferred tax liabilities	157	159
Income tax liabilities	394	291
Income tax provisions ³	155	106
Other tax liabilities ⁴	633	615
Liabilities from other financial transactions ⁴	32	45
Liabilities to third parties ^{1, 4}	393	352
Liabilities related to assets held for sale	0	287
Interest for other provisions ³	75	49
Other	26	32
Group liabilities	27,550	28,665

¹ Adjustment of previous year [see chapter "Notes to the Group accounting principles and methods"]

² Revised terminology [see chapter "Notes to the Group accounting principles and methods"]

³ Included in the balance sheet items "other receivables" (non-current) and "receivables" (current)

⁴ Included in the balance sheet items "other financial and non-financial liabilities" (non-current and current)

- In principle, transfers between segments are made based on the costs incurred from the Group's perspective.

42. Management of financial risks

The treasury of METRO AG manages the financial risks of METRO GROUP. These include, in particular

- price risks,
- liquidity risks,
- creditworthiness risks and
- cash flow risks.

Price risks

For METRO GROUP, price risks result from the impact of changes in market interest rates, foreign currency exchange rates, share price fluctuations or changes in commodity prices on the value of financial instruments.

Interest rate risks are caused by changes in interest rate levels. Interest rate swaps and interest limitation agreements are used to cap these risks.

METRO GROUP's remaining interest rate risk is assessed in accordance with IFRS 7 using a sensitivity analysis. In the process, the following assumptions are applied in the consideration of changes in interest rates:

- The total impact determined by the sensitivity analysis relates to the actual balance as of the closing date and reflects the impact for 1 year.
- Primary floating-rate financial instruments whose interest payments are not designated as the underlying transaction in a cash flow hedge against changes in interest rates are recognised in net interest result in the sensitivity analysis.
- Primary fixed-interest financial instruments generally are not recognised in net interest result. They are only recognised in other financial result if they are designated as the underlying transaction within a fair value hedge and measured at their fair value. In this case, however, the interest-related change in the value of the underlying transaction is offset by the change in the value of the hedging transaction upon full effectiveness of the hedging transaction. The variable interest flows within the Group that result from a fair value hedge are recognised in net interest result.
- Financial instruments designated as the hedging transaction within a cash flow hedge to hedge against variable interest flows will only be recognised in net interest result when the payment flows have actually been initiated. However, the measurement of the hedging transaction at fair value is recognised in reserves retained from earnings outside of profit or loss.

- Interest rate derivatives that are not part of a qualified hedging transaction under IAS 39 are recognised at fair value in other financial result and, through resulting interest flows, in net interest result.

At the closing date, the remaining interest rate risk of METRO GROUP results essentially from variable interest receivables and liabilities to banks with a total investment balance after consideration of hedging transactions in the amount of €4.852 million (previous year: €2.526 million).

Given this total balance, an interest rate rise of 100 basis points would result in €49 million (previous year: €25 million) higher earnings in net interest result per year. An interest rate reduction of 100 basis points would have a corresponding opposite effect in the amount of €-49 million (previous year: €-25 million).

In the event of an interest rate rise of 100 basis points, the measurement of interest rate swaps and interest rate/currency swaps with a nominal volume of €312 million (previous year: €126 million), which are part of a cash flow hedge, would result in an increase in equity in the amount of €8 million (previous year: €3 million). A lower interest rate would result in a reduction in equity of €8 million (previous year: €3 million).

METRO GROUP faces **currency risks** in its international procurement of merchandise and because of costs and financings that are incurred in a currency other than the relevant local currency or are pegged to the price of another currency. In accordance with the Group guideline "Foreign Currency Transactions", resulting foreign currency positions must be hedged. Exceptions from this hedging requirement exist where hedging is not economically reasonable and in the case of legal and regulatory restrictions in the respective countries. Forex futures as well as interest rate swaps and currency swaps are used to limit currency risks.

In line with IFRS 7, the presentation of the currency risk resulting from the exceptions is also based on a sensitivity analysis. In the process, the following assumptions are made in the consideration of a devaluation or revaluation of the euro vis-à-vis other currencies:

In terms of its amount and result characteristic, the total effect presented by the sensitivity analysis relates to the amounts of foreign currency held within the consolidated subsidiaries of METRO GROUP and states the effect of a devaluation or revaluation of the euro.

A devaluation of the euro will result in a positive effect if a foreign currency receivable exists at a subsidiary which uses the euro as its functional currency and if a liability in euro exists at a subsidiary which does not use the euro as its functional currency. A devaluation of the euro will result in a negative effect if a receivable in euro exists at a subsidiary which does not use the euro as its functional currency and if a liability in euro exists at a subsidiary which uses the euro as its functional currency. Conversely, any appreciation of the euro will have the opposite effect.

In the sensitivity analysis, the effects of the measurement of non-equity foreign currency positions that are calculated based on the closing date price in line with IAS 21 are recognised in the income statement. In the case of net investments in a foreign operation, the effects of the closing date measurement are recognised in equity outside of profit or loss.

Foreign currency futures/options and interest rate and currency swaps that are not part of a qualified hedge under IAS 39 are recognised through the fair value measurement in the income statement. In fully effective hedging transactions, this effect is offset by the effect from the measurement of the underlying foreign currency transaction.

Foreign currency futures/options and interest rate and currency swaps that are designated as the hedging transaction within a cash flow hedge to hedge against payment flows in foreign currency will only be recognised in the income statement when the payment flows are actually initiated. The measurement of the hedging transaction at its fair value, however, is recognised in reserves retained from earnings outside of profit or loss.

Effects from the currency translation of financial statements whose functional currency is not the reporting currency of METRO GROUP do not affect cash flows in local currency and are therefore not part of the sensitivity analysis.

As of the closing date, the remaining currency risk of METRO GROUP was as follows:

Impact of devaluation/appreciation of euro by 10%					
€ million	currency pair	Volume	31/12/2011	Volume	31/12/2012
Net profit for the period					
	CNY / EUR	-74	+/-7	-16	+/-2
	CZK / EUR	-151	+/-15	-124	+/-12
	EGP / EUR	-36	+/-4	-39	+/-4
	HUF / EUR	-8	+/-1	-1	+/-0
	JPY / EUR	-	-	14	+/-1
	KZT / EUR	-178	+/-18	-222	+/-22
	MAD / EUR	80	+/-8	0	+/-0
	MDL / EUR	-42	+/-4	-39	+/-4
	PLN / EUR	-188	+/-19	-118	+/-12
	RON / EUR	-204	+/-20	-189	+/-19
	RSD / EUR	-31	+/-3	-27	+/-3
	RUB / EUR	-141	+/-14	-293	+/-29
	SGD / EUR	-10	-/+1	-1	-/+0
	TRY / EUR	-26	+/-3	-24	+/-2
	UAH / EUR	-11	+/-1	-15	+/-2
	USD / EUR	3	+/-0	19	+/-2
	VND / EUR	-8	+/-1	-4	+/-0
			+/-117		+/-114
Equity					
	GBP / EUR	-3	+/-0	183	+/-18
	CNY / EUR	4	+/-0	56	+/-6
	JPY / EUR	25	+/-3	0	+/-0
	PLN / EUR	69	+/-7	75	+/-8
	RUB / EUR	-518	+/-52	-120	+/-12
	SEK / EUR	-51	+/-5	-52	+/-5
	TRY / EUR	-32	+/-3	-32	+/-3
	UAH / EUR	-248	+/-25	-242	+/-24
	USD / EUR	347	+/-35	252	+/-25
			+/-130		+/-101
			+/-247		+/-215

In addition, currency risks for the currency pairs USD / CNY, USD / HKD, USD / KZT, USD / RUB, USD / TRY, USD / VND, USD / UAH with an effect of €-/+18 million (previous year: €-/+18 million), CNY / HKD with an effect of €-/+2 million (previous year: €-/+2 million) and RUB / KZT with an effect of €+/-1 million (previous year: €+/-0 million) exist in the case of a devaluation or appreciation of the USD by 10 percent.

Share price risks result from share-based payment to METRO GROUP executives. The remuneration (monetary bonus) is essentially based on the price development of the METRO ordinary share as well as the ordinary share's relative performance in relation to defined indices.

To date, the share price risk from the performance share plan has not been limited.

Electricity prices affect the fair value of **electricity derivatives**. Fluctuations in value impact the other financial result.

As of the closing date, the value of the portfolio with a delivery in 2013 amounts to €20.9 million. The portfolio value refers to the value of procurement volumes as of the closing date.

Based on the determination of the value at risk, with a confidence level of 99 percent and a holding period of 20 days, a maximum gain of €1.6 million and a maximum loss of €1.6 million was calculated for the portfolio with a delivery in 2013. The value-at-risk model is based on a historic simulation of market prices for 2013 for the preceding 500 trading days.

Interest rate and currency risks are substantially reduced and limited by the principles laid down in the internal treasury guidelines of METRO GROUP. These include a regulation that is applicable throughout the Group whereby all hedging operations must adhere to predefined limits and may by no means lead to increased risk exposure. METRO GROUP is aware that this severely limits the opportunities to exploit current or expected interest rate and exchange rate movements to optimise results.

In addition, hedging may be carried out only with standard financial derivatives whose correct actuarial and accounting mapping and valuation in the treasury system are guaranteed.

As of the closing date, the following financial instruments were being used for risk reduction:

€ million	31/12/2011			31/12/2012		
	Fair values			Fair values		
	Nominal volume	Financial assets	Financial liabilities	Nominal volume	Financial assets	Financial liabilities
Interest rate transactions						
Interest rate swaps	126	0	8	126	0	8
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(126)	(0)	(8)	(126)	(0)	(8)
thereof not part of hedges	(0)	(0)	(0)	(0)	(0)	(0)
Currency transactions						
Currency futures/options	545	36	18	801	8	23
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(378)	(25)	(1)	(304)	(0)	(11)
thereof not part of hedges	(167)	(11)	(17)	(497)	(7)	(12)
Interest rate/currency swaps	23	2	0	186	0	8
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(0)	(0)	(186)	(0)	(8)
thereof not part of hedges	(23)	(2)	(0)	(0)	(0)	(0)
	568	38	18	988	8	31
Commodity transactions						
Forex futures	12,000 t 759 GWh	4	3	7,000 t 468 GWh	3	4
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof not part of hedges	(12,000 t 759 GWh)	(4)	(3)	(12,000 t 468 GWh)	(3)	(4)
	n/a	42	29	n/a	11	43

The nominal volume of forex futures/options and interest limitation agreements results from the net position of the buying and selling values in foreign currency underlying the individual transactions translated at the relevant exchange rate on the closing date. The nominal volume of interest rate swaps or interest rate/currency swaps and interest rate hedging agreements is shown. The nominal volume of commodity futures refers to diesel derivatives in metric tonnes (t), which corresponds to about 1,183 litres, and to electricity derivatives in gigawatt hours (GWh).

All fair values represent the theoretical value of these instruments upon dissolution of the transaction at the end of the period. Under the premise that instruments are held until the end of their term, these are unrealised gains and losses that, by the end of the term, will be fully set off by gains and losses from the underlying transactions in the case of fully effective hedging transactions.

For the purpose of showing this reconciliation appropriately for the period, relationships are created between hedging transactions and underlying transactions and recognised as follows:

- Within a fair value hedge, both the hedging transaction and the hedged risk of the underlying transaction are rec-

ognised at their fair value. The value fluctuations of both trades are shown in the income statement, where they will be fully set off against each other in the case of full effectiveness.

- Within a cash flow hedge, the hedging transactions are also principally recognised at their fair value. In the case of full effectiveness of the hedging transaction, the value changes will be recognised in equity until the hedged payment flows or expected transactions impact the result. Only then will they be recognised in the income statement.
- Hedging transactions that, according to IAS 39, are not part of a hedge are recognised at their fair value. Value changes are recognised directly in the income statement. Even if no formal hedging relationship was created, these are hedging transactions that are closely connected to the underlying business and whose impact on earnings will be netted by the underlying transaction (natural hedge).

The currency derivatives are used primarily for pound sterling, Danish krone, Japanese yen, Polish złoty, Romanian leu, Russian rouble, Swiss franc, Czech koruna, Turkish lira, Hungarian forint as well as US dollar.

The derivative financial instruments have the following maturities:

€ million	31/12/2011 Fair values			31/12/2012 Fair values		
	Maturities			Maturities		
	Up to 1 year	1 to 5 years	Over 5 years	Up to 1 year	1 to 5 years	Over 5 years
Interest rate transactions						
Interest rate swaps	0	–8	0	0	–8	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(–8)	(0)	(0)	(–8)	(0)
thereof not part of hedges	(0)	(0)	(0)	(0)	(0)	(0)
Currency transactions						
Currency futures/options	18	0	0	–16	0	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(24)	(0)	(0)	(–10)	(0)	(0)
thereof not part of hedges	(–6)	(0)	(0)	(–5)	(0)	(0)
Interest rate/currency swaps	2	0	0	0	–8	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(0)	(0)	(0)	(–8)	(0)
thereof not part of hedges	(2)	(0)	(0)	(0)	(0)	(0)
	20	0	0	–16	–8	0
Commodity transactions						
Forex futures	–2	3	0	–2	1	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof not part of hedges	(–2)	(3)	(0)	(–2)	(1)	(0)
	18	–5	0	–18	–15	0

Listed below the maturities are the fair values of the financial assets and liabilities that fall due during these periods.

Variable interest rates are adjusted at intervals of less than 1 year.

Liquidity risks

METRO AG acts as financial coordinator for METRO GROUP companies to ensure that they are provided with the necessary financing to fund their operating and investing activities at all times and in the most cost-efficient manner possible. The necessary information is provided by means of a Group financial plan, which is updated monthly and checked monthly for deviations. This financial plan is complemented by a weekly rolling 14-day liquidity plan.

Financial instruments utilised include money and capital market products (time deposits, call money, promissory note loans,

commercial papers and listed bonds sold as part of ongoing issue programmes) as well as bilateral and syndicated loans. METRO GROUP has a sufficient liquidity reserve so that there is no danger of liquidity risks even if an unexpected event has a negative financial impact on the Company's liquidity situation. Further details on financial instruments and credit lines are provided by the explanatory notes to the respective balance sheet items.

Intra-Group cash pooling reduces the amount of debt and optimises the money market and capital market investments of METRO GROUP, which has a positive effect on net interest result. Cash pooling allows the surplus liquidity of individual Group companies to be used to fund other Group companies internally.

In addition, METRO AG draws on all the financial expertise pooled in the treasury of METRO AG to advise the Group com-

panies in all relevant financial matters and provide support. This ranges from the elaboration of investment financing concepts to supporting the responsible financial officers of the individual Group companies in their negotiations with local banks and financial service providers. This ensures, on the one hand, that the financial resources of METRO GROUP are optimally employed, and, on the other hand, that all Group companies benefit from the strength and credit standing of METRO GROUP in negotiating their financing terms.

Creditworthiness risks

Creditworthiness risks arise from the total or partial loss of a counterparty, for example through bankruptcy or in connection with monetary investments and derivative financial instruments with positive market values. METRO GROUP's maximum default exposure as of the closing date is reflected by the carrying amount of financial assets totalling €8,640 million (previous year: €6,424 million).

Further details on the size of the respective carrying amounts are listed in the notes to the consolidated financial statements in no. 39 "Carrying amounts and fair values according to measurement category".

Cash on hand considered in cash and cash equivalents totalling €138 million (previous year: €145 million) is not susceptible to any default risk.

In the course of the risk management of monetary investments totalling €4.765 million (previous year: €2.982 million) and derivative financial instruments totalling €11 million (previous year: €42 million), minimum creditworthiness requirements and maximum exposure limits have been defined for all business partners of METRO GROUP. Cheques and money in circulation are not considered in the determination of creditworthiness risks. This is based on a system of limits laid down in the treasury guidelines, which are based mainly on the ratings of international rating agencies, developments of credit default swaps or internal credit assessments. An individual limit is allocated to every counterparty of METRO GROUP; compliance is constantly monitored by the treasury systems.

The following table shows a breakdown of counterparties by credit rating:

Rating classes									Volume in %				
									Monetary investments				
Grade		Moody's	Standard & Poor's	Germany	Western Europe excl. Germany	Eastern Europe	Asia and others	Derivates with positive market values	Total				
Investment grade		Aaa	AAA	0.00	0.00	0.00	0.00	0.00	95.10				
		Aa1 to Aa3	AA+ to AA-	1.10	2.70	1.10	0.60	0.00					
		A1 to A3	A+ to A-	46.90	13.30	7.20	2.10	0.30					
		Baa1 to Baa3	BBB+ to BBB-	10.20	6.20	2.90	0.50	0.00					
Non-investment grade		Ba1 to Ba3	BB+ to BB-	0.00	1.80	0.80	0.00	0.00	3.00				
		B1 to B3	B+ to B-	0.00	0.00	0.10	0.10	0.00					
		C	C	0.00	0.00	0.20	0.00	0.00					
No rating				0.10	1.80	0.00	0.00	0.00	1.90				
				58.30	25.80	12.30	3.30	0.30	100.00				

The table shows that, as of the closing date, about 95.1 of the capital investment volume, including the positive market value of derivatives, had been placed with investment-grade counterparties, in other words, those with good or very good credit ratings. Most of the counterparties that do not yet have an internationally accepted rating are respected financial institutions whose creditworthiness can be considered flawless based on our own analyses. METRO GROUP also operates in countries where local financial institutions do not have investment-grade ratings due to the rating of their country. For country-specific reasons as well as cost and efficiency considerations, cooperation with these institutions is unavoidable. These institutions account for about 4.9 percent of the total volume.

METRO GROUP's level of exposure to creditworthiness risks is thus very low.

Cash flow risks

A future change in interest rates may cause cash flow from variable interest rate asset and liability items to fluctuate. Part of the variable interest rate debt has been hedged with derivative financial instruments. Stress tests are used to determine the potential impact interest rate changes may have on cash flow.

43. Contingent liabilities

€ million	2011	2012
Liabilities from suretyships and guarantees	18	15
Liabilities from guarantee and warranty contracts	51	51
	69	66

In the financial year, no contingent liabilities are attributable to Real's Eastern European business, which is held for sale.

44. Other financial obligations

The other financial obligations mainly concern service agreements and are stated at their nominal values.

€ million	2011	2012
Purchasing/sourcing commitments ¹	603	611
Miscellaneous	15	18
	618	629

¹ Adjustment of previous year (see chapter "Notes to the Group accounting principles and methods")

Of an amount of €629 million in the financial year 2012, €17 million stem from Real's Eastern European business, which is held for sale. These are attributed in full to the category of purchasing/sourcing commitments.

Please see notes nos. 19 "Other intangible assets", 20 "Tangible assets" and 21 "Investment properties" for information on contractual commitments for the acquisition of other intangible assets and property, plant and equipment, obligations from finance and operating leases as well as investment properties.

45. Other legal issues

Status of appraisal processes

In the context of the incorporation of ASKO Deutsche KAUFHAUS AG (ASKO) and Deutsche SB-Kauf AG (DSBK) into METRO AG in 1996, appraisal processes were pending in district courts located in Saarbrücken and Frankfurt am Main. The petitioners maintained that the respective exchange ratios were set too low, putting them at a disadvantage. Both legal challenges have now been concluded by means of court-enforced out-of-court settlements that took effect on 19 December 2012. In the settlements, METRO AG pledged to make another cash payment to all former outside investors of ASKO and DSBK who exchanged their shares in ASKO or DSBK for METRO AG shares in the context of the incorporation.

Control of Media-Saturn-Holding GmbH

METRO AG indirectly – through its subsidiary METRO KAUFHAUS und Fachmarkt Holding GmbH (METRO KFH) – holds 75.41 percent of the shares in Media-Saturn-Holding GmbH (MSH). In March 2011, the shareholders' general meeting of MSH decided, with the votes of METRO KFH, to create an advisory board to strengthen the governance structures at MSH. The advisory board takes decisions by simple majority in number on operational measures proposed by the executive board of MSH that require approval. According to the Articles of Association of MSH, METRO AG, or METRO KFH, has the right to delegate 1 more member to the advisory board than the collective body of shareholders and therefore has a majority by number on the advisory board.

The appellate court dealing with the appeal of a non-controlling shareholder ruled fully in favour of METRO AG, endorsing the effective establishment of an advisory board and determining that the arbitration court is the responsible authority for all issues of authority and majority requirements of the advisory board. The arbitration court to which METRO KFH had appealed also decided in favour of METRO AG in key aspects. The advisory board can take decisions by simple majority in number

on transactions proposed by the executive board of MSH that require approval.

The details of the legal dispute are as follows: In March 2011, a non-controlling shareholder of MSH had initiated legal action to rescind the shareholders' decision to create an advisory board and initiated an action for a declaratory judgement to obtain a judgement to have the advisory board declared not responsible for certain transactions requiring approval and obligate the board to take all decisions with an 80 percent majority in the shareholders' general meeting. From the very start, METRO AG rigorously countered these attacks, in particular because, from METRO AG's perspective, they also wrongfully attacked a statutory body of MSH. For this reason, METRO KFH also submitted an arbitration action in March 2011 with the aim of having the advisory board of MSH declared the body responsible for transactions requiring approval and of enabling it to take decisions in these areas by simple majority.

The Higher Regional Court of Munich (appellate court) dismissed the action of the non-controlling shareholder on 9 August 2012, confirming the lawful creation of the advisory board of MSH. In addition, the Higher Regional Court of Munich decided that the arbitration court to which METRO KFH had appealed is the sole body responsible for the determination of the authority of the advisory board and its majority requirements. As a result, METRO AG's interpretation of the law fully prevailed and was confirmed in all key aspects decided upon by the Higher Regional Court of Munich, which has also not permitted an appeal. In September 2012, the non-controlling shareholder filed an appeal against denial of leave to appeal at the Federal Court of Justice. The chances of success of this appeal, including its admission, are low.

Upon the appeal of METRO KFH, the arbitration court decided on 8 August 2012 that the advisory board must approve transactions requiring approval that are proposed by the executive board of MSH. The advisory board's approval authority includes the acquisition and sale of land, companies and/or interests in companies as well as the conclusion of material leases by MSH, the annual budget (particularly sales, investment, personnel and financial planning), the appointment and removal of managing directors at all national holding and management companies, the preparation of the annual financial statements and management report and the preparation of and amendments to the by-laws of the executive board of MSH. In addition, the arbitration court decided, in line with METRO AG's initial position, that such transactions requiring approval can be

approved by simple majority in number. This means that METRO AG prevailed in the key question of majority requirements. In August 2012, METRO KFH filed an application for leave to issue execution of this arbitral verdict to the Higher Regional Court of Munich.

The decisions of the Higher Regional Court of Munich and the arbitration court have settled the issue of control of the Media-Saturn Group. In accordance with IFRS regulations, the Media-Saturn Group is therefore fully consolidated.

The first meeting of the advisory board of MSH took place on 3 December 2012. 1 member of the advisory board filed suit against the advisory board's resolution on approving the budget, another member of the advisory board filed suit against the advisory board's resolution on approving the adoption of the annual financial statements of MSH as of 30 September 2012. They criticise, in particular, the fact that an 80 percent voting majority is required on the advisory board and that this majority was not achieved, that the meeting took place in Munich and that dependent METRO GROUP representatives participated in the meeting. In METRO's view, the chances of success of this challenge are low. In particular, the arbitration court has already clarified the majority voting requirement.

Investigations by the Federal Cartel Office

On 14 January 2010, the Federal Cartel Office searched former business premises of MGB METRO GROUP Buying GmbH. On 19 December 2011, the Federal Cartel Office extended the scope of the investigation to also include METRO AG, METRO Cash & Carry International GmbH and METRO Dienstleistungs-Holding GmbH. This extension results from the merger of MGB METRO GROUP Buying GmbH into METRO Dienstleistungs-Holding GmbH as part of the decentralisation of central procurement in Germany. The Federal Cartel Office used this as a reason to extend the investigation to the parent or Group holding company in view of the risk that the legal opponent may cease to exist due to a corporate restructuring with a change of legal form. The Federal Cartel Office's investigation is ongoing; to date, the authority has raised no concrete and individualised allegations against any METRO GROUP company. As a result, the Company is unable to comment on the possible impact of these investigations on the consolidated financial statements of METRO AG at this point in time.

International tax audit

In 2011, income tax arrears in the double-digit millions were incurred at an international Group company in connection with

a tax audit dating back to 2006. The case is currently pending. An assertion for possible claims for recourse is currently being made.

Claims for damages due to interbank fees in violation of antitrust law

METRO GROUP companies have filed suit in a London court against companies of the MasterCard group. The legal challenge asserts claims for damages based on a decision of the EU Commission which found that the cross-border interbank fees imposed by MasterCard in the period 1992 to 2007 as part of its credit card system, which also impacted national interbank fees, violated European antitrust law. Traditionally, retailers' banks charge inter-bank fees to the retailer as part of retail fees.

Remaining legal issues

In addition, companies of METRO GROUP are parties to other judicial or arbitrational and antitrust law proceedings in various European countries. At the present time, however, METRO GROUP does not expect the legal issues that are not detailed separately in this section to have a material effect on its asset, financial and earnings position.

In addition, METRO GROUP is increasingly exposed to regulatory changes related to procurement and changed sales tax regulations in some countries.

46. Events after the balance sheet date

Between the balance sheet date (31 December 2012) and the date of presentation of the accounts (1 March 2013), the following event of material importance to an assessment of the earnings, financial and asset position of METRO AG and METRO GROUP occurred:

On 4 February 2013, the Supervisory Board of METRO AG decided to expand the Management Board. Pieter Haas, formerly a member of the executive board and Chief Operating Officer (COO) of Media-Saturn-Holding GmbH, will join the Management Board of METRO AG as a new member responsible for Media-Saturn and Business Innovation in the second quarter of 2013. As a result, the Management Board will have 5 members.

47. Notes on related parties

In 2012, METRO GROUP maintained the following business relations to related companies:

€ million	2011	2012
Goods/services provided	3	3
thereof to associated companies	(0)	(0)
Goods/services received	60	19
thereof from associated companies	(6)	(5)
Receivables from goods/services provided	0	0
Liabilities from goods/services received	3	2

In the financial year 2012, METRO GROUP companies provided goods/services totalling €3 million to companies included in the group of related companies. This concerns primarily the granting of energy and lease rights.

The goods/services totalling €19 million that METRO GROUP companies received from related companies in the financial year 2012 consisted of services, at an amount of €12 million, and real estate leases, at an amount of €7 million. The decline in goods/services received is essentially due to the termination of leases with related parties or rent adjustments in existing leases.

The basic principles of the remuneration system and the amount of Management and Supervisory Board compensation are included in the remuneration report, which is part of the Group management report.

Business relations with related parties are based on contractual agreements providing for arm's length prices. As in 2011, METRO GROUP had no business relations with related natural persons in the financial year 2012.

48. Share-based payment for executives

METRO AG has been implementing share-based payment programmes since 1999 to enable executives to participate in the Company's value development and reward their contribution to the sustained success of METRO GROUP compared with its competitors. The members of the Management Board and other executives of METRO AG as well as managing directors and executives of the other operating METRO GROUP companies are eligible.

Performance share plan and share ownership guidelines (2009–2013)

In 2009, METRO AG introduced a performance share plan for a period of 5 years.

Executives are given an individual target amount for the performance share plan (target value) in accordance with the significance of their functional responsibilities. The target number of performance shares is calculated by dividing this target value by the share price upon allotment, based on the average price of the METRO share during the 3 months up to the allotment date. A performance share entitles its holder to a cash payment matching the price of the METRO share on the payment date, based on the average price of the METRO share during the 3 months up to the payment date.

Based on the relative performance of the METRO share compared to the median of the DAX 30 and Dow Jones Euro STOXX Retail indices – total return – the final number of payable performance shares is determined after the end of a performance period of at least 3 and at most 4.25 years. It corresponds to the target number of shares when an equal performance with said stock market indices is achieved. Up to an outperformance of 60 percent, the number increases on a straight-line basis to a maximum of 200 percent of the target amount. Up to an underperformance of 30 percent, the number is accordingly reduced to a minimum of 50 percent. In the case of an underperformance of more than 30 percent, the number is reduced to 0.

Payment can be made at 6 possible times. The earliest payment date is 3 years after allotment of the performance shares. From this time, payment can be made every 3 months. Executives can choose the payment date upon which they wish to exercise their performance shares. A distribution over several payment dates is not allowed. The payment cap amounts to 5 times the target value.

METRO GROUP introduced so-called share ownership guidelines along with its performance share plan: as a precondition for payments of performance shares, eligible executives are obliged to undertake a continuous self-financed investment in METRO shares up to the end of the 3-year vesting period. This ensures that, as shareholders, they will directly participate in share price gains as well as potential losses of the METRO share. The required investment volume amounts to about 50 percent of the individual target value.

The value of the performance shares allotted in 2012 amounted to €31 million (previous year: €20 million) at the time of the allotment and was calculated by external experts using recognised financial-mathematical methods (Monte Carlo simulation). The following conditions apply:

Performance share plan (tranches 2009 to 2012)

Tranche	End of vesting period	3-month average price before allotment	Number of performance shares as of 31/12/2012
2009	August 2012	€36.67	647,162
2010	August 2013	€42.91	648,481
2011	August 2014	€41.73	728,080
2012	April 2015	€29.18	1,128,100

The tranches of share-based payment programmes that applied in the financial year 2012 generated income of €3 million (previous year: €18 million). This was essentially due to the decline in the METRO share, which directly impacts the determination of the obligation.

The related provisions as of 31 December 2012 amount to €6 million (previous year: €9 million). The 2009 tranche accounts for €0 million (previous year: €3 million) of this total, the 2010 tranche for €3 million (previous year: €4 million), the 2011 tranche for €1 million (previous year: €2 million) and the 2012 tranche for €2 million.

49. Management Board and Supervisory Board

Compensation of members of the Management Board in the financial year 2012

Remuneration of the active members of the Management Board essentially consists of a fixed salary, performance-based entitlements (short-term incentive) as well as the share-based payments (long-term incentive) granted in the financial year 2012.

The amount of the performance-based remuneration for members of the Management Board essentially depends on the development of net earnings and the return on capital employed (RoCE) and also considers the attainment of individually set targets. The use of the key ratio net earnings combined with RoCE rewards profitable growth of METRO GROUP.

Remuneration of the active members of the Management Board in the financial year 2012 amounted to €9.3 million (previous year: €11.0 million). This includes €3.8 million (previous year: €3.8 million) in fixed salaries, €0.5 million (previous year: €5.3 million) in performance-based entitlements, €4.5 million (previous year: €1.6 million) in share-based payments and €0.5 million (previous year: €0.3 million) in other remuneration.

Share-based payments granted in the financial year 2012 (performance shares) are posted at fair value at the time of granting. In the financial year 2012, value changes resulted from the current tranches of share-based remuneration programmes. The Company's expenses amounted to €0.063 million for Mr Koch, €0.021 million for Mr Frese and €0.052 million for Mr Hutmacher. Share-based remuneration for Mr Muller resulted in income of €0.042 million. No material value changes resulted from share-based remuneration for Mr Saveuse until his departure from the Management Board.

The members of the Management Board received 161,754 performance shares.

Other remuneration consists of non-cash benefits.

Total compensation of former members of the Management Board

Former members of the Management Boards of METRO AG and the companies that were merged into METRO AG as well as their surviving dependants received €8.3 million (previous year: €9.4 million). The present value of provisions for current pensions and pension entitlements made for this group amounts to €55.1 million (previous year: €47.8 million).

— The information released pursuant to § 314 Section 1 No. 6 a Sentence 5 to 9 of the German Commercial Code can be found in the extensive remuneration report in chapter 8 of the Group management report.

Compensation of members of the Supervisory Board

The total remuneration of all members of the Supervisory Board in the financial year 2012 amounted to €1.7 million (previous year: €1.7 million).

— Additional information on the remuneration of members of the Supervisory Board can be found in the extensive remuneration report in chapter 8 of the Group management report.

50. Auditor's fees

The following fees related to the services rendered by the auditor KPMG AG Wirtschaftsprüfungsgesellschaft were calculated.

€ million	31/12/2011	31/12/2012
Audit	8	8
Other certification or evaluation services	2	2
Tax consultation services	1	1
Other services	4	4
	15	15

Only services that are consistent with the task of the auditor of the annual financial statements of METRO AG were provided.

**51. Declaration of compliance with the
German Corporate Governance Code**

The Management Board and the Supervisory Board in December 2012 made a declaration of compliance with the recommendations of the Government Commission on the German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act, which can be accessed on the METRO AG website (www.metrogroup.de).

**52. Election to be exempt from §§ 264 Section 3 and 264 b
of the German Commercial Code**

The following domestic subsidiaries in the legal form of stock corporations or partnerships will use the exemption requirements according to § 264 Section 3 and § 264 b of the German Commercial Code, and will thus refrain from disclosing their annual financial statements for 2012 as well as mostly from disclosing their notes and management report (according to the German Commercial Code).

a) Operating companies and service entities	
„Buch und Zeit“ Verlagsgesellschaft mit beschränkter Haftung	Cologne
CH-Vermögensverwaltung GmbH	Düsseldorf
DAYCONOMY GmbH	Düsseldorf
Dinea Gastronomie GmbH	Cologne
emotions GmbH	Cologne
Fulltrade International GmbH	Düsseldorf
Galeria Kaufhof GmbH	Cologne
GALERIA Logistik GmbH	Cologne
GALERIA Personalservice GmbH	Cologne
Goldhand Lebensmittel- u. Verbrauchsgüter-Vertriebsgesellschaft mit beschränkter Haftung	Düsseldorf
Johannes Berg GmbH, Weinkellerei	Düsseldorf
Kaufhof Trading GmbH	Cologne
Liqueur & Wine Trade GmbH	Düsseldorf
MCC Trading Deutschland GmbH	Düsseldorf
MCC Trading International GmbH	Düsseldorf
Meister feines Fleisch – feine Wurst GmbH	Gäufelden
METRO Beteiligungsmanagement Düsseldorf GmbH & Co. KG	Düsseldorf
Metro Cash & Carry Brunnthal GmbH & Co. KG	Brunnthal
METRO Cash & Carry Deutschland GmbH	Düsseldorf
METRO Cash & Carry International GmbH	Düsseldorf
METRO Cash & Carry International Management GmbH	Düsseldorf
METRO Dienstleistungs-Holding GmbH	Düsseldorf
METRO Fünfzehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
METRO Groß- und Lebensmitteleinzelhandel Holding GmbH	Düsseldorf
METRO Großhandelsgesellschaft mbH	Düsseldorf
METRO Group Accounting Center GmbH	Alzey
Metro International Beteiligungs GmbH	Düsseldorf
METRO INTERNATIONAL SUPPLY GmbH	Düsseldorf
METRO Kaufhaus und Fachmarkt Holding GmbH	Düsseldorf
METRO LOGISTICS Germany GmbH	Sarstedt
Metro SB-Großmärkte GmbH & Co. Kommanditgesellschaft	Linden
Metro SB-Großmärkte GmbH & Co. Kommanditgesellschaft	Esslingen am Neckar
Metro SB-Großmärkte Verwaltungsgesellschaft mit beschränkter Haftung	Mülheim an der Ruhr
METRO Siebte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
METRO SYSTEMS GmbH	Düsseldorf
METRO Vierzehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
METRO Zehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
METRO Zwölfte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
MGA METRO Group Advertising GmbH	Düsseldorf
MGC METRO Group Clearing GmbH	Düsseldorf
MGE Warenhandelsgesellschaft mbH	Düsseldorf
MGL METRO Group Logistics GmbH	Düsseldorf
MGL METRO Group Logistics Warehousing Beteiligungs GmbH	Sarstedt
MGP METRO Group Account Processing GmbH	Kehl
MGT METRO Group Travel Services GmbH	Düsseldorf
MIB METRO Group Insurance Broker GmbH	Düsseldorf
MIP METRO Group Intellectual Property GmbH & Co. KG	Düsseldorf
MIP METRO Group Intellectual Property Management GmbH	Düsseldorf

MTT METRO Group Textiles Transport GmbH	Düsseldorf
Multi-Center Warenvertriebs GmbH	Düsseldorf
N & NF Trading GmbH	Düsseldorf
Nedema GmbH	Cologne
real,- Group Holding GmbH	Düsseldorf
real,- Handels GmbH	Düsseldorf
real,- Holding GmbH	Alzey
real,- SB-Warenhaus GmbH	Alzey
SIL Verwaltung GmbH & Co. Objekt Haidach KG	Schwabhausen
SPORTARENA GmbH	Cologne
Weinkellerei Thomas Rath GmbH	Düsseldorf
Zweite real,- Multi-Markt Verwaltungsgesellschaft mbH	Alzey
Zweite real,- SB-Warenhaus GmbH	Alzey

b) Real estate companies

1. Schaper Objekt GmbH & Co. Wächtersbach KG	Düsseldorf
2. Schaper Objekt GmbH & Co. Kiel KG	Düsseldorf
3. Schaper Objekt GmbH & Co. Erlangen KG	Düsseldorf
ADAGIO 2. Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
ADAGIO 3. Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
ADAGIO Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
Adolf Schaper GmbH & Co. Grundbesitz-KG	Saarbrücken
AlB Verwaltungs GmbH	Düsseldorf
ARKON Grundbesitzverwaltung GmbH	Saarbrücken
ASH Grundstücksverwaltung XXX GmbH	Saarbrücken
ASSET Grundbesitz GmbH	Düsseldorf
ASSET Immobilienbeteiligungen GmbH	Saarbrücken
ASSET Köln-Kalk GmbH	Saarbrücken
ASSET Objekte Vermögensverwaltungsgesellschaft mbH	Saarbrücken
ASSET Verwaltungs-GmbH	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Aachen II KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Aachen, Adalbertstraße 20-30 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Aschaffenburg KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Bonn, Acherstraße KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Darmstadt KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Dortmund KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Düsseldorf, Königsallee 1 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Frankfurt Hauptwache KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Freiburg im Breisgau KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Gelsenkirchen KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Hanau KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Hannover KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Kassel KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Kassel, Obere Königstraße KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Krefeld II KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Leipzig KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Mainz KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Mönchengladbach KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Nürnberg, Königstraße 42-52 KG	Saarbrücken

ASSET Verwaltungs-GmbH & Co. Objekt Offenbach KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Saarbrücken, Bahnhofstraße 82–92, 98–100 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Siegburg KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Stuttgart Königstraße 6 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Stuttgart-Bad Cannstatt Badstraße, Marktstraße 3 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Würzburg KG	Saarbrücken
ASSET Zweite Immobilienbeteiligungen GmbH	Düsseldorf
BAUGRU Immobilien – Beteiligungsgesellschaft mit beschränkter Haftung & Co. Grundstücksverwaltung KG	Saarbrücken
Blabert Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
BLK Grundstücksverwaltung GmbH	Saarbrücken
Deutsche SB-Kauf GmbH & Co. KG	Saarbrücken
DFI Verwaltungs GmbH	Saarbrücken
Dorina Immobilien-Vermietungsgesellschaft mbH	Düsseldorf
FZB Fachmarktzentrum Bous Verwaltungsgesellschaft mbH & Co. KG	Saarbrücken
FZG Fachmarktzentrum Guben Verwaltungsgesellschaft mbH ¹	Saarbrücken
FZG Fachmarktzentrum Guben Verwaltungsgesellschaft mbH & Co. Vermietungs - Kommanditgesellschaft ¹	Saarbrücken
GBS Gesellschaft für Unternehmensbeteiligungen mit beschränkter Haftung	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. 10. Objekt-KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. 25. Objekt-KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. 6. Objekt-KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. 8. Objekt-KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Arrondierungsgrundstücke KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Entwicklungsgrundstücke KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Gewerbegrundstücke KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Bochum Ottostraße KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Brühl KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Duisburg KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Edingen-Neckarhausen KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Emden KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Espelkamp KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Finowfurt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal Lager KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal Lager Nord KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal-Studernheim KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Gäufelden KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Gelsenkirchen KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Haibach KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hamburg-Neuwiedenthal KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover/Davenstedter Straße KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover Fössestraße KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover-Linden KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Heinsberg KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Herten KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hildesheim-Senking KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hörselgau KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Mönchengladbach-Rheydt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Münster-Kinderhaus KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Oldenburg KG	Saarbrücken

GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Paderborn „Südring Center“ KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rastatt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Ratingen KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rinteln KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rüsselsheim KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Saar-Grund KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Wiesbaden-Nordenstadt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mit beschränkter Haftung	Saarbrücken
Horten Düsseldorf Berliner Allee GmbH	Saarbrücken
Horten Giessen GmbH	Saarbrücken
Horten GmbH	Düsseldorf
Horten Nürnberg GmbH	Saarbrücken
Horten Verwaltungs GmbH	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Duisburg KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Düsseldorf Carschhaus KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Erlangen KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Hannover KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Heidelberg KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Heilbronn KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Hildesheim KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Ingolstadt KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Kempten KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Münster KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Oldenburg KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Pforzheim KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Regensburg KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Reutlingen KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Schweinfurt KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Stuttgart KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Trier KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Ulm KG	Saarbrücken
Horten Verwaltungs-GmbH & Co. Objekt Wiesbaden KG	Saarbrücken
Kaufhalle GmbH	Saarbrücken
Kaufhalle GmbH & Co. Objekt Hamburg Mönckebergstraße KG	Saarbrücken
Kaufhalle GmbH & Co. Objekt Lager Apfelstädt KG	Saarbrücken
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Berlin Prerower Platz KG	Düsseldorf
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Halle KG	Düsseldorf
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Krefeld KG	Düsseldorf
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Mannheim KG	Düsseldorf
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Wuppertal-Elberfeld KG	Düsseldorf
Kaufhof Warenhaus am Alex GmbH	Berlin
Kaufhof Warenhaus Neubrandenburg GmbH	Saarbrücken
Kaufhof Warenhaus Rostock GmbH	Düsseldorf
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Berlin-Friedrichshain KG	Saarbrücken
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Hamburg-Altona KG	Saarbrücken
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt München-Pasing KG	Saarbrücken
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Porta-Westfalica KG	Saarbrücken
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Schwelm KG	Saarbrücken
MDH Secundus GmbH & Co. KG	Düsseldorf

Metro Cash & Carry Grundstücksverwaltungsgesellschaft mbH	Düsseldorf
METRO Group Asset Management Services GmbH	Saarbrücken
METRO Group Retail Real Estate GmbH	Düsseldorf
METRO Group Wholesale Real Estate GmbH	Düsseldorf
METRO Leasing GmbH	Saarbrücken
METRO PROPERTIES Energy Management GmbH ¹	Düsseldorf
METRO PROPERTIES GmbH & Co. KG	Saarbrücken
METRO PROPERTIES Holding GmbH	Düsseldorf
METRO PROPERTIES Management GmbH ¹	Saarbrücken
MFM METRO Group Facility Management GmbH	Düsseldorf
PIL Grundstücksverwaltung GmbH	Saarbrücken
Pro. FS GmbH	Böblingen
Renate Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
RUDU Verwaltungsgesellschaft mbH	Düsseldorf
Saalbau-Verein Ulm GmbH	Saarbrücken
Schaper Grundbesitz-Verwaltungsgesellschaft mbH	Saarbrücken
Secundus Grundstücksverwertungs-GmbH & Co. Objekt Stuttgart Königstraße KG	Saarbrücken
SIL Verwaltung GmbH & Co. Objekt Haidach KG	Schwabhausen
STW Grundstücksverwaltung Gesellschaft mit beschränkter Haftung	Saarbrücken
TANDOS Grundstücks-Verwaltungsgesellschaft mbH	Saarbrücken
Wirichs Immobilien GmbH	Saarbrücken
Wirichs Immobilien GmbH & Co. Objekt Herford KG	Saarbrücken
Wirichs Verwaltungsgesellschaft mbH & Co. Objekt Schwelm KG	Saarbrücken
Wirichs Verwaltungsgesellschaft mbH & Co. Objekt Voerde und Kamen KG	Saarbrücken
Wolfgang Wirichs GmbH	Saarbrücken
Zentra Beteiligungsgesellschaft mit beschränkter Haftung	Saarbrücken

¹ The company utilises the exemptive option pursuant to § 264 Section 3 of the German Commercial Code only for the management report

53. Overview of major fully consolidated Group companies

Name	Head office	Stake in %	Sales ¹ in € million
Holding companies			
METRO AG	Düsseldorf, Germany		0
METRO Kaufhaus und Fachmarkt Holding GmbH	Düsseldorf, Germany	100.00	0
METRO Groß- und Lebensmitteleinzelhandel Holding GmbH	Düsseldorf, Germany	100.00	0
Cash & Carry			
METRO Großhandelsgesellschaft mbH	Düsseldorf, Germany	100.00	4,956
METRO Cash & Carry OOO	Moscow, Russia	100.00	4,124
METRO Cash & Carry France S.A.S.	Nanterre, France	100.00	4,028
METRO Jinjiang Cash & Carry Co., Ltd.	Shanghai, China	90.00	1,882
METRO Italia Cash and Carry S. p. A.	San Donato Milanese, Italy	100.00	1,721
Makro Cash and Carry Polska S.A.	Warsaw, Poland	100.00	1,629
Makro Autoservicio Mayorista S. A. U.	Madrid, Spain	100.00	1,232
MAKRO Cash & Carry Belgium NV	Antwerp, Belgium	100.00	1,201
METRO Distributie Nederland B. V.	Amsterdam, Netherlands	100.00	1,194
Metro Grosmarket Bakirköy Alisveris Hizmetleri Ticaret Ltd. Sirketi	Istanbul, Turkey	100.00	1,192
MAKRO Cash & Carry CR s.r.o.	Prague, Czech Republic	100.00	1,092
METRO CASH & CARRY ROMANIA SRL	Bucharest, Romania	85.00	1,018
Hypermarkets			
real,- SB-Warenhaus GmbH	Alzey, Germany	100.00	6,526
Zweite real,- SB-Warenhaus GmbH	Alzey, Germany	100.00	1,591
real,- Sp. z o.o.i Spółka spółka komandytowa	Warsaw, Poland	100.00	1,161
Consumer electronics stores			
Media-Saturn-Holding GmbH	Ingolstadt, Germany	75.41	9,427
Mediamarket S. p. A.	Curno, Italy	75.41	2,233
MEDIA MARKT SATURN, S.A. UNIPERSONAL	El Prat de Llobregat, Spain	75.41	1,481
Media Markt Saturn Holding Nederland B. V.	Rotterdam, Netherlands	75.41	1,355
Media - Saturn Beteiligungsges.m.b.H.	Vösendorf, Austria	75.41	1,075
OOO Media-Markt-Saturn	Moscow, Russia	75.41	1,035
Department stores			
Galeria Kaufhof GmbH	Cologne, Germany	100.00	2,757
INNO SA/NV	Brussels, Belgium	100.00	184
Other companies			
METRO LOGISTICS Germany GmbH	Sarstedt, Germany	100.00	5,595
MGB METRO Group Buying HK Limited	Hong Kong, China	100.00	43
METRO PROPERTIES GmbH & Co. KG	Saarbrücken, Germany	99.51	0
MIAG Commanditaire Vennootschap	Diemen, Netherlands	100.00	0
METRO SYSTEMS GmbH	Düsseldorf, Germany	100.00	0

¹Including consolidated national subsidiaries

54. Corporate Boards of METRO AG and their mandates¹

Members of the Supervisory Board

Franz M. Haniel (Chairman)

Chairman of the Supervisory Board of
Franz Haniel & Cie. GmbH

- a) BMW AG
 - Delton AG (Vice Chairman)
 - Franz Haniel & Cie. GmbH (Chairman)
 - Heraeus Holding GmbH
 - secunet Security Networks AG
- b) TBG Limited, St. Julian's, Malta – Board of Directors

Werner Klockhaus (Vice Chairman)

Chairman of the Group Works Council of METRO AG
Vice Chairman of the General Works Council of real,-
SB-Warenhaus GmbH

- a) real,- Holding GmbH, since 1 May 2012
- b) None

Prof. Dr oec. Dr iur. Ann-Kristin Achleitner

Director of the Center for Entrepreneurial
and Financial Studies (CEFS) at the Technical University of
Munich

- a) Linde Aktiengesellschaft
 - Münchener Rückversicherungs-Gesellschaft
Aktiengesellschaft, since 3 January 2013
- b) Bank Vontobel AG, Zurich, Switzerland – Board of Directors
 - Vontobel Holding AG, Zurich, Switzerland – Board of Directors
 - GDF SUEZ S.A., Paris, France – Board of Directors, since 19 September 2012

Dr Wulf H. Bernotat

Former Chairman of the Management Board of E.ON AG
Managing Director of Bernotat & Cie. GmbH

- a) Allianz SE (Vice Chairman, since 15 August 2012)
 - Bertelsmann AG
 - (until the change of legal form on 20 August 2012)
 - Bertelsmann SE & Co. KGaA
 - (since the change of legal form on 20 August 2012)
 - Bertelsmann Management SE,
 - since 20 August 2012
 - Deutsche Telekom AG
- b) None

Ulrich Dalibor

National Chairman of the Retail Section of the ver.di trade union

- a) Zweite real,- SB-Warenhaus GmbH (Vice Chairman)
- b) None

Jürgen Fitschen

Co-Chairman of the Management Board and Group Executive
Committee of Deutsche Bank AG

- a) Schott AG, until 14 June 2012
- b) Deutsche Bank A.Ş., Istanbul, Turkey – Board of Directors (Chairman), until 21 November 2012
 - Deutsche Bank S.p.A., Milan, Italy – Supervisory Board (Chairman)
 - Deutsche Securities Saudi Arabia LLC, Riad, Kingdom of Saudi Arabia – Board of Managers (Chairman)
 - Kühne + Nagel International AG, Schindellegi, Switzerland – Board of Directors
 - 000 Deutsche Bank, Moscow, Russia – Supervisory Board (Chairman), until 12 December 2012

Hubert Frieling

Section Head of Payroll Accounting at real,-
SB-Warenhaus GmbH

- a) None
- b) None

Dr Florian Funck

Since 23 May 2012

Member of the Management Board of
Franz Haniel & Cie. GmbH

- a) Celesio AG, since 16 May 2012
 - SmartLoyalty AG, until 27 December 2012
 - TAKKT AG
- b) None

Prof. Dr Dr h. c. mult. Erich Greipl

Managing Director of Otto Beisheim Group GmbH & Co. KG

- a) Galeria Kaufhof GmbH
 - METRO Großhandelsgesellschaft mbH
 - real,- Holding GmbH
 - Zweite real,- SB-Warenhaus GmbH
- b) BHS Verwaltungs AG, Baar, Switzerland – Board of Directors (President)
 - Bürgschaftsbank Bayern GmbH – Board of Directors (first Vice Chairman)

¹Status of the mandates: 1 March 2013 or date of the respective departure from the Board of METRO AG

a) Member of other statutory supervisory boards in accordance with § 125 Section 1 Sentence 5, 1st Alt. of the German Stock Corporation Act

b) Member of comparable German and international supervisory boards of business enterprises in accordance with § 125 Section 1 Sentence 5, 2nd Alt. of the German Stock Corporation Act

Andreas Herwarth

Chairman of the Works Council of METRO AG

- a) None
- b) Grundstücksgesellschaft Willich mbH – Supervisory Board (Chairman)

Uwe Hoepfel

Vice Chairman of the Group Works Council of METRO AG

Chairman of the General Works Council of
Galeria Kaufhof GmbH

- a) Galeria Kaufhof GmbH (Vice Chairman)
- b) None

Peter Küpfer

Business Consultant

- a) None
- b) ARH Resort Holding AG, Zurich, Switzerland – Board of Directors
Bank Julius Bär & Co. AG, Zurich, Switzerland – Board of Directors, until 11 April 2012
bmpi AG, Zurich, Switzerland – Board of Directors
Breda Consulting AG, Zurich, Switzerland – Board of Directors
Gebr. Schmidt GmbH & Co. KG – Advisory Board
GE Money Bank AG, Zurich, Switzerland – Board of Directors (President)
Holcim Ltd., Jona, Switzerland – Board of Directors
Julius Bär Gruppe AG, Zurich, Switzerland – Board of Directors, until 11 April 2012
Karl Steiner Holding AG, Zurich, Switzerland – Board of Directors (Vice President, until 21 November 2012)
Peter Steiner Holding AG, Zurich, Switzerland – Board of Directors
Supra Holding AG, Baar, Switzerland – Board of Directors
Travel Charme Hotels & Resorts Holding AG, Zurich, Switzerland – Board of Directors

Rainer Kuschewski

Secretary of the National Executive Board
of the ver.di trade union

- a) real,- Holding GmbH
- b) None

Prof. Dr Klaus Mangold

Chairman of the Supervisory Board of Rothschild GmbH

- a) Continental AG
TUI AG (Chairman)
- b) Alstom S.A., Paris, France – Board of Directors
Ernst & Young Global Ltd., New York, United States of America – Global Advisory Board
Leipziger Messe GmbH – Supervisory Board
Rothschild Europe B.V., Amsterdam, Netherlands – Supervisory Board (Vice Chairman)
Rothschild GmbH – Supervisory Board (Chairman)

Dr-Ing. e. h. Bernd Pischetsrieder

Until 23 May 2012

Chairman of the Supervisory Board of Münchener
Rückversicherungs-Gesellschaft Aktiengesellschaft

- a) Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft (Chairman, since 1 January 2013)
- b) Tetra Laval International S.A., Pully, Switzerland – Supervisory Board

Mattheus P. M. (Theo) de Raad

Member of the Supervisory Board of CSM N.V.

- a) None
- b) CSM N.V., Diemen, Netherlands – Supervisory Board (Chairman, until 7 May 2012)
HAL Holding N.V., Willemstad, Curaçao, Dutch Antilles – Supervisory Board
Vion N.V., Eindhoven, Netherlands – Supervisory Board
Vollenhoven Olie Groep B.V., Tilburg, Netherlands – Supervisory Board

Gabriele Schendel

Vice Chairwoman of the General Works Council of

Galeria Kaufhof GmbH

- a) Galeria Kaufhof GmbH
- b) None

Xaver Schiller

Chairman of the General Works Council of METRO

Cash & Carry Deutschland GmbH

Chairman of the Works Council of the METRO Cash & Carry
store Munich-Brunnthal

- a) METRO Großhandelsgesellschaft mbH (Vice Chairman, since 28 November 2012)
- b) None

Dr jur. Hans-Jürgen Schinzler

Honorary Chairman of the Supervisory Board of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft

- a) Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft (Chairman), until 31 December 2012
- b) UniCredit S.p.A., Genoa, Italy – Board of Directors, until 11 May 2012

Peter Stieger

Chairman of the General Works Council of real,- SB-Warenhaus GmbH

- a) real,- Holding GmbH (Vice Chairman)
- b) None

Angelika Will

Chairwoman of the Works Council of the METRO Cash & Carry store Düsseldorf

- a) METRO Großhandelsgesellschaft mbH
- b) None

Committees of the Supervisory Board and their mandates

Presidential Committee

Franz M. Haniel (Chairman)
Werner Klockhaus (Vice Chairman)
Dr Wulf H. Bernotat
Peter Stieger

Personnel Committee

Franz M. Haniel (Chairman)
Werner Klockhaus (Vice Chairman)
Dr Wulf H. Bernotat
Peter Stieger

Accounting and Audit Committee

Dr jur. Hans-Jürgen Schinzler (Chairman)
Werner Klockhaus (Vice Chairman)
Prof. Dr Dr h. c. mult. Erich Greipl
Franz M. Haniel
Xaver Schiller
Peter Stieger

Nominations Committee

Franz M. Haniel (Chairman)
Jürgen Fitschen
Dr jur. Hans-Jürgen Schinzler

Mediation Committee pursuant to § 27 Section 3 of the German Co-determination Act

Franz M. Haniel
Prof. Dr Dr h. c. mult. Erich Greipl
Werner Klockhaus
Peter Stieger

Members of the Management Board

Olaf Koch (Chairman)

- a) Galeria Kaufhof GmbH (Chairman)
real,- Holding GmbH, since 1 April 2012 (Chairman, since 24 May 2012)
- b) Media-Saturn-Holding GmbH – Advisory Board (Chairman, since 11 October 2012)
MediaMarkt (China) International Retail Holding Limited, Hong Kong, China – Board of Directors (Chairman), since 1 June 2012
METRO Finance B.V., Venlo, Netherlands – Supervisory Board, until 29 February 2012
METRO PROPERTIES GmbH & Co. KG – Shareholders' Committee (Chairman), from 31 January 2012 to 15 May 2012
METRO Reinsurance N.V., Amsterdam, Netherlands – Supervisory Board, until 29 February 2012
MGB METRO Group Buying HK Limited, Hong Kong, China – Board of Directors, since 31 March 2012

Mark Frese

- a) Galeria Kaufhof GmbH, since 13 January 2012
METRO Großhandelsgesellschaft mbH
- b) METRO Cash & Carry International Holding GmbH, Vösendorf, Austria – Supervisory Board
METRO Distributie Nederland B.V., Diemen, Netherlands – Supervisory Board
METRO Finance B.V., Venlo, Netherlands – Supervisory Board, since 29 February 2012
METRO Reinsurance N.V., Amsterdam, Netherlands – Supervisory Board, since 29 February 2012

Heiko Hutmacher (Chief Human Resources Officer)

- a) METRO Großhandelsgesellschaft mbH, since 1 April 2012
real,- Holding GmbH, since 1 April 2012
- b) None

Frans W. H. Muller

- a) METRO Großhandelsgesellschaft mbH (Chairman), since 1 March 2012
- b) Makro Cash and Carry Polska S.A., Warsaw, Poland – Supervisory Board, since 14 February 2012
MediaMarkt (China) International Retail Holding Limited, Hong Kong, China – Board of Directors
METRO Cash & Carry International Holding GmbH, Vösendorf, Austria – Supervisory Board (Chairman)
METRO Distributie Nederland B.V., Diemen, Netherlands – Supervisory Board, since 1 March 2012
Metro Dolomiti S.p.A., Milan, Italy – Board of Directors (Chairman), since 10 May 2012
Metro Holding France S.A., Vitry-sur-Seine, France – Board of Directors (Chairman), since 21 February 2012
METRO Italia Cash and Carry S.p.A., Milan, Italy – Board of Directors (Chairman), since 10 May 2012
METRO Jinjiang Cash & Carry Co., Ltd., Shanghai, China – Board of Directors
METRO PROPERTIES GmbH & Co. KG – shareholders' committee (Chairman), until 23 January 2012
PT Paserda Indonesia, Jakarta, Indonesia – Supervisory Board (Chairman)

Joël Saveuse

Until 31 March 2012

- a) METRO Großhandelsgesellschaft mbH (Chairman), until 29 February 2012
real,- Holding GmbH (Chairman), until 31 March 2012
Zweite real,- SB-Warenhaus GmbH (Chairman), until 31 March 2012
- b) HF Company S.A., Tauxigny, France – Board of Directors
MAKRO Cash and Carry Polska S.A., Warsaw, Poland – Supervisory Board, until 14 February 2012
METRO Cash & Carry International Holding GmbH, Vösendorf, Austria – Supervisory Board, until 21 February 2012
METRO Distributie Nederland B.V., Amsterdam, Netherlands – Supervisory Board, until 29 February 2012
METRO Holding France S.A., Vitry-sur-Seine, France – Board of Directors (Chairman), until 20 February 2012
MGB METRO Group Buying HK Limited, Hong Kong, China – Board of Directors, until 31 March 2012

55. Affiliated companies of METRO AG as of 31 December 2012 pursuant to § 313 of the German Commercial Code

Name	Registered office	Country	Share in capital in %
Consolidated subsidiaries			
„Buch und Zeit“ Verlagsgesellschaft mit beschränkter Haftung	Cologne	Germany	100.00
1. Schaper Objekt GmbH & Co. Wächtersbach KG	Düsseldorf	Germany	100.00
2. CR Immobilien-Vermietungsgesellschaft mbH & Co. Objekt Brandenburg KG	Düsseldorf	Germany	1.00 ¹
2. Schaper Objekt GmbH & Co. Kiel KG	Düsseldorf	Germany	100.00
24-7 ENTERTAINMENT ApS	Copenhagen	Denmark	100.00
24-7 Entertainment GmbH	Berlin	Germany	100.00
24-7 ENTERTAINMENT SERVICES LIMITED	Bournemouth	Great Britain	100.00
3. Schaper Objekt GmbH & Co. Erlangen KG	Düsseldorf	Germany	100.00
ADAGIO 2. Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
ADAGIO 3. Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
ADAGIO Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
Adolf Schaper GmbH & Co. Grundbesitz-KG	Saarbrücken	Germany	100.00
AIB Verwaltungs GmbH	Düsseldorf	Germany	100.00
ARKON Grundbesitzverwaltung GmbH	Saarbrücken	Germany	100.00
ASH Grundstücksverwaltung XXX GmbH	Saarbrücken	Germany	100.00
ASSET Grundbesitz GmbH	Düsseldorf	Germany	100.00
ASSET Immobilienbeteiligungen GmbH	Saarbrücken	Germany	100.00
ASSET Köln-Kalk GmbH	Saarbrücken	Germany	100.00
ASSET Objekte Vermögensverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Aachen II KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Aachen, Adalbertstraße 20-30 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Aschaffenburg KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Bonn, Acherstraße KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Darmstadt KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Dortmund KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Düsseldorf, Königsallee 1 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Frankfurt Hauptwache KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Freiburg im Breisgau KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Gelsenkirchen KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Hanau KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Hannover KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Kassel KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Kassel, Obere Königstraße KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Krefeld II KG	Saarbrücken	Germany	94.00
ASSET Verwaltungs-GmbH & Co. Objekt Leipzig KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Mainz KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Mönchengladbach KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Nürnberg, Königstraße 42-52 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Offenbach KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Saarbrücken, Bahnhofstraße 82-92, 98-100 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Siegburg KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Stuttgart Königstraße 6 KG	Saarbrücken	Germany	100.00

ASSET Verwaltungs-GmbH & Co. Objekt Stuttgart-Bad Cannstatt Badstraße, Marktstraße 3 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Würzburg KG	Saarbrücken	Germany	100.00
ASSET Zweite Immobilienbeteiligungen GmbH	Düsseldorf	Germany	100.00
Assevermag AG	Baar	Switzerland	79.20
Avilo Marketing Gesellschaft m. b. H.	Vösendorf	Austria	100.00
BAUGRU Immobilien - Beteiligungsgesellschaft mit beschränkter Haftung & Co. Grundstücksverwaltung KG	Saarbrücken	Germany	100.00
Blabert Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	94.00
BLK Grundstücksverwaltung GmbH	Saarbrücken	Germany	100.00
CH-Vermögensverwaltung GmbH	Düsseldorf	Germany	100.00
CJSC METRO Management Ukraine	Kiev	Ukraine	100.00
Cofalux Immobilière S. A.	Strassen	Luxembourg	100.00
COM.TVmarkt Verwaltungs-GmbH	Ingolstadt	Germany	100.00
Concarneau Trading Office SAS	Concarneau	France	100.00
Dalian Metro Warehouse Management Co., Ltd.	Dalian	China	100.00
DAYCONOMY GmbH	Düsseldorf	Germany	100.00
Deelnemingsmaatschappij Arodema B.V.	Amsterdam	Netherlands	100.00
Deutsche SB-Kauf GmbH & Co. KG	Saarbrücken	Germany	100.00
DFI Verwaltungs GmbH	Saarbrücken	Germany	100.00
DINEA Gastronomie GmbH	Cologne	Germany	100.00
DINEA Gastronomie GmbH	Linz	Austria	100.00
Dorina Immobilien-Vermietungsgesellschaft mbH	Düsseldorf	Germany	100.00
Doxa Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Mönchengladbach KG	Mainz	Germany	0.00 ¹
Duplex Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Schaper Bremen-Habenhausen KG	Mainz	Germany	0.00 ¹
Electronics Retail Real Estate Limited Liability Company	Moscow	Russia	100.00
emotions GmbH	Cologne	Germany	100.00
Fromentus Grundstücksverwaltungsgesellschaft mbH	Mainz	Germany	0.00 ¹
Fulltrade International GmbH	Düsseldorf	Germany	100.00
FZB Fachmarktzentrum Bous Verwaltungsgesellschaft mbH & Co. KG	Saarbrücken	Germany	100.00
FZG Fachmarktzentrum Guben Verwaltungsgesellschaft mbH	Saarbrücken	Germany	50.00
FZG Fachmarktzentrum Guben Verwaltungsgesellschaft mbH & Co. Vermietungs - Kommanditgesellschaft	Saarbrücken	Germany	50.00
Galeria Kaufhof GmbH	Cologne	Germany	100.00
GALERIA Logistik GmbH	Cologne	Germany	100.00
GALERIA Personalservice GmbH	Cologne	Germany	100.00
GBS Gesellschaft für Unternehmensbeteiligungen mit beschränkter Haftung	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. 10. Objekt-KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. 25. Objekt-KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. 6. Objekt - KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. 8. Objekt - KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Arrondierungsgrundstücke KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Entwicklungsgrundstücke KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Gewerbegrundstücke KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Bochum Otto Straße KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Brühl KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Duisburg KG	Saarbrücken	Germany	94.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Edingen-Neckarhausen KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Emden KG	Saarbrücken	Germany	100.00

GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Espelkamp KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Finowfurt KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal Lager KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal Lager Nord KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal-Studernheim KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Gäufelden KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Gelsenkirchen KG	Saarbrücken	Germany	99.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Haibach KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hamburg-Neuwiedenthal KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover/Davenstedter Straße KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover Fössestraße KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover-Linden KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Heinsberg KG	Saarbrücken	Germany	94.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Herten KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hildesheim-Senking KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hörselgau KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Mönchengladbach-Rheydt KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Münster-Kinderhaus KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Oldenburg KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Paderborn "Südring Center" KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rastatt KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Ratingen KG	Saarbrücken	Germany	94.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rinteln KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rüsselsheim KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Saar-Grund KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Wiesbaden-Nordenstadt KG	Saarbrücken	Germany	100.00
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Media Markt CCCIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCCIX TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
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Media Markt CCCVIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
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MEDIA MARKT CCLIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCLXIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
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Media Markt CCXCIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
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MEDIA MARKT MAMMUT Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
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Media Markt Marin SA	La Tène	Switzerland	90.00
MEDIA MARKT MATARO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Mataro	Spain	99.90
MEDIA MARKT Mechelen NV	Mechelen	Belgium	100.00
MEDIA MARKT Megapark Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Media Markt Meyrin SA	Meyrin	Switzerland	90.00
Media Markt Middelburg B.V.	Middelburg	Netherlands	90.10
MEDIA MARKT Miskolc Video TV Hifi Elektro Photo Computer Kereskedelmi Kft	Miskolc	Hungary	90.00
MEDIA MARKT Mons SA	Mons	Belgium	100.00
MEDIA MARKT MURCIA NUEVA CONDOMINA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Murcia	Spain	99.90
MEDIA MARKT MURCIA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Murcia	Spain	99.90
Media Markt Muri b. Bern AG	Muri bei Bern	Switzerland	90.00
MEDIA MARKT NASCENTE - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Norrköping TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Nyíregyháza Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Nyíregyháza	Hungary	90.00
Media Markt Oberwart TV-Hifi-Elektro GmbH	Eisenstadt	Austria	90.00
Media Markt Oftringen AG	Oftringen	Switzerland	90.00
MEDIA MARKT Oostakker NV	Oostakker	Belgium	90.00
MEDIA MARKT Oostende NV	Oostende	Belgium	90.00
Media Markt Örebro TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
MEDIA MARKT ORIHUELA S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT PALMA DE MALLORCA S.A.U.	Palma de Mallorca	Spain	100.00
MEDIA MARKT Pécs Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Pécs	Hungary	90.00
MEDIA MARKT PLAZA - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Polska Sp. z o.o.	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 19 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 21 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 22 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 25 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 26 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 27 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 9 Sp. z o.o. Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. Białystok Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Bydgoszcz Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Chorzów Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Gdańsk II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Gdynia I Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. Głogów Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Gorzów Wielkopolski Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Kalisz Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Konin Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Koszalin Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Kraków II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Legnica Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Nowy Sącz Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Piotrków Trybunalski Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Płock Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Poznań II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Przemyśl Spółka Komandytowa	Warsaw	Poland	90.00

Media Markt Polska Sp. z o.o. Radom Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Rybnik Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Stupsk Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. Tarnów Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Toruń Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Wałbrzych Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Zamość Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Zielona Góra Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Bielsko-Biała Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Czeladź Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Częstochowa Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Gdańsk I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Katowice I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Kielce Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Kraków I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Łódź I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Łódź II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Lublin Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Olsztyn Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Opole Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Poznań I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Rzeszów Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Szczecin Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Warszawa 1 Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Warszawa II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Warszawa III Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Warszawa IV Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Wrocław I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Wrocław II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Zabrze Spółka Komandytowa	Warsaw	Poland	90.00
MEDIA MARKT Pólus Center Video TV Hifi Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Media Markt Pratteln AG	Pratteln	Switzerland	90.00
MEDIA MARKT PUERTO REAL VIDEO-TV-HIFI-ELECTRO-COMPUTER-FOTO, S.A.	Cádiz	Spain	99.90
MEDIA MARKT QUART DE POBLET, S.A.U.	Quart de Poblet	Spain	100.00
Media Markt Rijswijk B.V.	Rijswijk (Den Haag)	Netherlands	90.10
MEDIA MARKT RIVAS-VACIAMADRID VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Madrid	Spain	99.90
Media Markt Roermond B.V.	Roermond	Netherlands	90.10
MEDIA MARKT Roeselare NV	Roeselare	Belgium	90.00
Media Markt Rotterdam Beijerlandse laan B.V.	Rotterdam	Netherlands	100.00
MEDIA MARKT SALAMANCA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Santa Marta de Tormes	Spain	99.90
MEDIA MARKT San Juan de Aznalfarache VIDEO-TV-HIFI-ELECTRO-COMPUTER-FOTO, S.A.	Seville	Spain	99.90
MEDIA MARKT SAN SEBASTIAN DE LOS REYES VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	San Sebastian de los Reyes	Spain	99.99
MEDIA MARKT SANT CUGAT DEL VALLÈS VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Sant Cugat del Vallès	Spain	99.90
MEDIA MARKT Santander Video-TV-Hifi-Elektro-Computer-Foto, S.A.	Santander	Spain	99.90
MEDIA MARKT SATURN ADMINISTRACION ESPAÑA, S.A.U.	El Prat de Llobregat	Spain	100.00
Media Markt Saturn Holding Magyarország Kft.	Budaörs	Hungary	100.00
Media Markt Saturn Holding Nederland B.V.	Rotterdam	Netherlands	100.00

MEDIA MARKT SATURN, S.A. UNIPERSONAL	El Prat de Llobregat	Spain	100.00
MEDIA MARKT Schoten NV	Schoten	Belgium	100.00
Media Markt Setúbal - Produtos Informáticos e Electrónicos, LDA.	Lisbon	Portugal	90.00
MEDIA MARKT SEVILLA-SANTA JUSTA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Seville	Spain	99.90
MEDIA MARKT SIERO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Lugones (Siero)	Spain	99.90
MEDIA MARKT Sint-Lambrechts-Woluwe NV	Sint-Lambrechts-Woluwe	Belgium	90.00
MEDIA MARKT Sint-Pieters-Leeuw NV	Sint-Pieters-Leeuw	Belgium	90.00
MEDIA MARKT SINTRA - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Skövde TV-Hifi-Elektro AB	Skövde	Sweden	100.00
Media Markt Södertälje TV-Hifi-Elektro AB	Stockholm	Sweden	100.00
Media Markt Spittal TV-Hifi-Elektro GmbH	Spittal an der Drau	Austria	90.00
Media Markt St. Gallen AG	St. Gallen	Switzerland	90.00
Media Markt St. Lorenzen TV-Hifi-Elektro GmbH	St. Lorenzen im Mürtal	Austria	90.00
Media Markt Steyr TV-Hifi-Elektro GmbH	Steyr	Austria	90.00
Media Markt Stockholm-Barkarby TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Stockholm-Gallerian TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Stockholm-Heron City TV-HiFi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Stockholm-Länna TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Stockholm-Nacka TV-Hifi-Elektro AB	Stockholm	Sweden	100.00
MEDIA MARKT Stop Shop Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Media Markt Sundsvall TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
MEDIA MARKT Szeged Video-TV-Hifi-Elektro-Photo-Computer-Kereskedelmi Kft.	Szeged	Hungary	90.00
MEDIA MARKT Székesfehérvár Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Székesfehérvár	Hungary	90.00
Media Markt Szolnok Video Tv Hifi Elektro Photo Computer Kereskedelmi Kft.	Szolnok	Hungary	90.00
MEDIA MARKT Szombathely Video-TV-Hifi-Elektro-Photo-Computer-Kereskedelmi Kft.	Szombathely	Hungary	90.00
MEDIA MARKT TARRAGONA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Tarragona	Spain	99.90
Media Markt Tatabánya Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budaörs	Hungary	100.00
MEDIA MARKT TELDE VIDEO-TV- HIFI- ELEKTRO- COMPUTER- FOTO, S.A.	Telde	Spain	99.90
MEDIA MARKT TENERIFE VIDEO-TV-HIFI-ELEKTRO-COMPUTER-COMPUTER, S.A.	Santa Cruz de Tenerife	Spain	99.90
Media Markt The Corner B.V.	Rotterdam	Netherlands	90.10
MEDIA MARKT TOLEDO S.A.	Toledo	Spain	99.90
Media Markt TV-HiFi-Elektro Athens I Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens II Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens III Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-Hifi-Elektro ATHENS IV Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens V Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens VI Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens VII Commercial Anonymi Eteria	Athens	Greece	100.00
MEDIA MARKT TV-HiFi-Elektro Gesellschaft m.b.H.	Seiersberg	Austria	90.00
MEDIA MARKT TV-HiFi-Elektro Gesellschaft m.b.H.	Innsbruck	Austria	90.00
MEDIA MARKT TV-HiFi-Elektro Gesellschaft m.b.H.	Klagenfurt	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Gesellschaft m.b.H.	Leonding	Austria	90.00
MEDIA Markt TV-Hifi-Elektro Gesellschaft m.b.H.	Salzburg	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Gesellschaft m.b.H.	Villach	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Gesellschaft m.b.H.	Vösendorf	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro GmbH	Viennaer Neustadt	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro GmbH	St. Pölten	Austria	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH	Bad Dürkheim	Germany	90.00

MEDIA Markt TV-HiFi-Elektro GmbH	Hallstadt	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH	Herzogenrath	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH	Schwentinental	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH	Lüneburg	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH	Belm	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH	Peißen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH	Porta Westfalica	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH	Schiffdorf-Spaden	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH	Dornbirn	Austria	90.00
Media Markt TV-HiFi-Elektro GmbH	Krems an der Donau	Austria	90.00
Media Markt TV-HiFi-Elektro GmbH & Co. KG Bruchsal	Bruchsal	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Albstadt	Albstadt	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Alzey	Alzey	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Ansbach	Ansbach	Germany	90.05
MEDIA Markt TV-HiFi-Elektro GmbH Aschaffenburg	Aschaffenburg	Germany	90.05
MEDIA Markt TV-HiFi-Elektro GmbH Augsburg	Augsburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Augsburg-Göggingen	Augsburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Bad Kreuznach	Bad Kreuznach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Bad Neustadt an der Saale	Bad Neustadt an der Saale	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Baden-Baden	Baden-Baden	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Bayreuth	Bayreuth	Germany	90.05
MEDIA Markt TV-HiFi-Elektro GmbH Berlin-Biesdorf	Berlin	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Berlin-Charlottenburg	Berlin	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Berlin-Gropiusstadt	Berlin	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Berlin-Hohenschönhausen	Berlin	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Berlin-Mitte	Berlin	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Berlin-Neukölln	Berlin	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Berlin-Prenzlauer Berg	Berlin	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Berlin-Schöneeweide	Berlin	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Berlin-Spandau	Berlin	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Berlin-Steglitz	Berlin	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Berlin-Tegel	Berlin	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Berlin-Tempelhof	Berlin	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Berlin-Wedding	Berlin	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Bernau	Bernau bei Berlin	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Bielefeld	Bielefeld	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Bischofsheim	Bischofsheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Bochum	Bochum	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Bochum-Ruhrpark	Bochum	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Brandenburg an der Havel	Brandenburg an der Havel	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Braunschweig	Braunschweig	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Bremen	Bremen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Bremen-Waterfront	Bremen	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Buchholz in der Nordheide	Buchholz in der Nordheide	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Buxtehude	Buxtehude	Germany	100.00
MEDIA MARKT TV-HiFi-Elektro GmbH Castrop-Rauxel	Castrop-Rauxel	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Chemnitz	Chemnitz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Chemnitz-Röhrsdorf	Chemnitz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Cottbus/Groß Gaglow	Cottbus	Germany	90.05

Media Markt TV-HiFi-Elektro GmbH Deggendorf	Deggendorf	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Dessau	Dessau-Roßlau	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Dietzenbach	Dietzenbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Donauwörth	Donauwörth	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Dortmund-Oespel	Dortmund	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Dresden Centrum	Dresden	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Dresden-Mickten	Dresden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Duisburg	Duisburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Duisburg-Großenbaum	Duisburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Düsseldorf	Düsseldorf	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Düsseldorf-Bilk	Düsseldorf	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Egelsbach	Egelsbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Eiche	Ahrensfelde-Eiche	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Elmshorn	Elmshorn	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Emden	Emden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Erding	Erding	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Erfurt Thüringen-Park	Erfurt	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Erfurt-Daberstedt	Erfurt	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Erlangen	Erlangen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Eschweiler	Eschweiler	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Essen	Essen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Esslingen	Esslingen am Neckar	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Fellbach	Fellbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Flensburg	Flensburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Frankfurt	Frankfurt am Main	Germany	100.00
MEDIA MARKT TV-HiFi-Elektro GmbH Frankfurt-Borsigallee	Frankfurt am Main	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Freiburg	Freiburg im Breisgau	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Friedrichshafen	Friedrichshafen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Fulda	Fulda	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Gießen	Gießen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Goslar	Goslar	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Göttingen	Göttingen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Greifswald	Greifswald	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Gründau-Liebos	Gründau-Liebos	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Günthersdorf	Günthersdorf	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Gütersloh	Gütersloh	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Halberstadt	Halberstadt	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Halstenbek	Halstenbek	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg- Wandsbek	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg-Altona	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg-Billstedt	Hamburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Hamburg-Harburg	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg-Hummelsbüttel	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg-Nedderfeld	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hameln	Hameln	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Hannover-Vahrenheide	Hannover	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Hannover-Wülfel	Hannover	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Heide	Heide	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Heidelberg	Heidelberg	Germany	90.00

MEDIA MARKT TV-HiFi-Elektro GmbH Heidelberg-Rohrbach	Heidelberg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Henstedt-Ulzburg	Henstedt-Ulzburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Heppenheim	Heppenheim (Bergstraße)	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hildesheim	Hildesheim	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Hof	Hof	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Holzminden	Holzminden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Homburg/Saar	Homburg	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Hückelhoven	Hückelhoven	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Idar-Oberstein	Idar-Oberstein	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Itzehoe	Itzehoe	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Jena	Jena	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Kaiserslautern	Kaiserslautern	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Karlsruhe	Karlsruhe	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Karlsruhe-Ettlinger Tor	Karlsruhe	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Kassel	Kassel	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Kempten	Kempten (Allgäu)	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Kiel	Kiel	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Koblenz	Koblenz	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Köln Hohe Straße	Cologne	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Köln-Chorweiler	Cologne	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Köln-Kalk	Cologne	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Köln-Marsdorf	Cologne	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Konstanz	Konstanz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Krefeld	Krefeld	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Lahr	Lahr	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Landau/Pfalz	Landau in der Pfalz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Landsberg/Lech	Landsberg am Lech	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Landshut	Landshut	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Leipzig-Paunsdorf	Leipzig	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Lichtenfels	Lichtenfels	Germany	100.00
MEDIA MARKT TV-HiFi-Elektro GmbH Limburg	Limburg a. d. Lahn	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Lingen	Lingen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Lippstadt	Lippstadt	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Lübeck	Lübeck	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Ludwigsburg	Ludwigsburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Ludwigshafen	Ludwigshafen	Germany	95.00
MEDIA MARKT TV-HiFi-Elektro GmbH Magdeburg	Magdeburg	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Magdeburg-Bördepark	Magdeburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Main-Taunus-Zentrum	Sulzbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mainz	Mainz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mannheim	Mannheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mannheim-Sandhofen	Mannheim	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Marburg	Marburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Marktredwitz	Marktredwitz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Meerane	Meerane	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Memmingen	Memmingen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mönchengladbach	Mönchengladbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mühlendorf/Inn	Mühlendorf am Inn	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mülheim	Mülheim an der Ruhr	Germany	90.05

Media Markt TV-HiFi-Elektro GmbH München-Aubing	Munich	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH München-Haidhausen	Munich	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH München-Solln	Munich	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Münster	Münster	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Nagold	Nagold	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neubrandenburg	Neubrandenburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Neumünster	Neumünster	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Neunkirchen	Neunkirchen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neuss	Neuss	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neustadt an der Weinstraße	Neustadt an der Weinstraße	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neutraubling	Neutraubling	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neu-Ulm	Neu-Ulm	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Neuwied	Neuwied	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Nienburg	Nienburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Nordhorn	Nordhorn	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Nürnberg-Kleinreuth	Nuremberg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Nürnberg-Langwasser	Nuremberg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Nürnberg-Schoppershof	Nuremberg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Offenburg	Offenburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Oldenburg	Oldenburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Oststeinbek	Oststeinbek	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Paderborn	Paderborn	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Papenburg	Papenburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Passau	Passau	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Peine	Peine	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Pforzheim	Pforzheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Pirmasens	Pirmasens	Germany	95.00
Media Markt TV-HiFi-Elektro GmbH Plauen	Plauen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Potsdam	Potsdam	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Ravensburg	Ravensburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Recklinghausen	Recklinghausen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Regensburg	Regensburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Reutlingen	Reutlingen	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Rheine	Rheine	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Riesa	Riesa	Germany	100.00
MEDIA MARKT TV-HiFi-Elektro GmbH Rödingen	Rödingen	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Rosenheim	Rosenheim	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Rostock	Sievershagen	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Rostock-Brinckmansdorf	Rostock	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Saarbrücken	Saarbrücken	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Saarbrücken-Saarterrassen	Saarbrücken	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Saarlouis	Saarlouis	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Schleswig	Schleswig	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Schwabach	Schwabach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Schwedt	Schwedt/Oder	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Schweinfurt	Schweinfurt	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Schwerin	Schwerin	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Siegen	Siegen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Sindelfingen	Sindelfingen	Germany	90.00

MEDIA MARKT TV-HiFi-Elektro GmbH Singen	Singen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Speyer	Speyer	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Stade	Stade	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Stadthagen	Stadthagen	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Stralsund	Stralsund	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Straubing	Straubing	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Stuhr	Stuhr	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Stuttgart-Feuerbach	Stuttgart	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Stuttgart-Vaihingen	Stuttgart	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Traunreut	Traunreut	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Traunstein	Traunstein	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Trier	Trier	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Ulm	Ulm	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Velbert	Velbert	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Viernheim	Viernheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Waltersdorf bei Berlin	Schönefeld	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Weiden	Weiden in der Oberpfalz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Weilheim	Weilheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Weiterstadt	Weiterstadt	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wetzlar	Wetzlar	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wiesbaden	Wiesbaden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wiesbaden-Äppelallee	Wiesbaden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wilhelmshaven	Wilhelmshaven	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wolfsburg	Wolfsburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Worms	Worms	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wuppertal	Wuppertal	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Würzburg	Würzburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Würzburg – Alfred-Nobel-Straße	Würzburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Zella-Mehlis	Zella-Mehlis	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Zwickau	Zwickau	Germany	90.05
Media Markt TV-HiFi-Elektro Larissa Commercial Anonymi Eteria	Athens	Greece	100.00
MEDIA Markt TV-HiFi-Elektro Licht GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt TV-HiFi-Elektro Thessaloniki I Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Thessaloniki II Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Thessaloniki III Commercial Anonymi Eteria	Athens	Greece	100.00
MEDIA MARKT TV-Hifi-Elektro Wien XI Gesellschaft m.b.H.	Vienna	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Wien XIII GmbH	Vienna	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Wien XXI Gesellschaft m.b.H.	Vienna	Austria	90.00
MEDIA MARKT Twee Torens Hasselt NV	Hasselt	Belgium	99.65
Media Markt Umeå TV-Hifi-Elektro AB	Umeå	Sweden	90.01
Media Markt Uppsala TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Utrecht B.V.	Utrecht	Netherlands	90.10
MEDIA MARKT VALÈNCIA-CAMPANAR VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	València	Spain	99.90
MEDIA MARKT VALLADOLID VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Valladolid	Spain	99.90
Media Markt Västerås TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Växjö TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Verbund Heilbronn-Franken GmbH	Heilbronn	Germany	90.00
MEDIA MARKT VIGO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Vigo	Spain	99.90

MEDIA MARKT VITORIA-GASTEIZ VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Vitoria	Spain	99.90
Media Markt Vöcklabruck TV-Hifi-Elektro GmbH	Vöcklabruck	Austria	90.00
Media Markt Wels TV-Hifi-Elektro GmbH	Wels	Austria	90.00
MEDIA MARKT- West End Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Media Markt Wien III TV-Hifi-Elektro GmbH	Vienna	Austria	90.00
Media Markt Wien XV TV-Hifi-Elektro GmbH	Vienna	Austria	90.00
Media Markt Wien XXII TV-Hifi-Elektro GmbH	Vienna	Austria	90.00
MEDIA MARKT Wörgl TV-Hifi-Elektro GmbH	Wörgl	Austria	100.00
MEDIA MARKT XCV TV-Hifi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT XI - Produtos Informáticos e Electrónicos, LDA.	Lisbon	Portugal	100.00
MEDIA MARKT XII - Produtos Informáticos e Electrónicos, LDA.	Lisbon	Portugal	100.00
Media Markt Zalaegerszeg Video TV Hifi Elektro Computer Kereskedelmi Kft.	Zalaegerszeg	Hungary	100.00
MEDIA MARKT ZARAGOZA PUERTO VENECIA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Zaragoza	Spain	99.90
MEDIA MARKT ZARAGOZA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Zaragoza	Spain	99.90
Media Markt Zell am See TV-Hifi-Elektro GmbH	Zell am See	Austria	90.00
Media Markt Zoetermeer B.V.	Zoetermeer	Netherlands	90.10
Media Markt Zürich AG	Zürich	Switzerland	93.50
Media Markt zwei TV-Hifi-Elektro GmbH Dresden-Prohlis	Dresden	Germany	90.00
MEDIA MARKT Zwijnaarde NV	Zwijnaarde	Belgium	100.00
Media Markt Zwolle B.V.	Zwolle	Netherlands	90.10
MEDIA MARKT-SATURN BELGIUM NV	Asse-Zellik	Belgium	100.00
Media Saturn - Servicos de Apoio Administrativo, Lda.	Lisbon	Portugal	100.00
Media Saturn Electronics Hellas Commercial and Holding Anonymi Eteria	Athens	Greece	100.00
Media Saturn Hellas Company Administration Anonymi Eteria	Athens	Greece	100.00
Media Saturn Holding Polska Sp.z.o.o.	Warsaw	Poland	100.00
Media Saturn Management AG	Geroldswil	Switzerland	100.00
MEDIA SATURN MULTICHANNEL S.A.U.	El Prat de Llobregat	Spain	100.00
Media Saturn Online Spółka z ograniczoną odpowiedzialnością	Warsaw	Poland	100.00
Media Saturn Power Service AG	Oftringen	Switzerland	90.00
Mediamarket S.p.A.	Curno	Italy	97.00
MediaMarkt (China) International Retail Holding Limited	Hong Kong	China	75.00
MediaMarkt (Shanghai) Commercial & Trading Company Limited	Shanghai	China	100.00
MediaMarkt (Shanghai) Consulting Service Company Limited	Shanghai	China	100.00
MEDIA-Markt TV-Hifi-Elektro GmbH Aachen	Aachen	Germany	90.00
MediaOnline GmbH	Ingolstadt	Germany	100.00
MEDIA-SATURN (PORTUGAL), SGPS, UNIPESSOAL LDA	Lisbon	Portugal	100.00
Media-Saturn China-Holding GmbH	Ingolstadt	Germany	75.41
Media-Saturn China-Holding Limited	Hong Kong	China	100.00
Media-Saturn Deutschland GmbH	Ingolstadt	Germany	100.00
Media-Saturn e-handel Norge AS	Oslo	Norway	100.00
Media-Saturn e-handel Sverige AB	Stockholm	Sweden	100.00
Media-Saturn Helvetia Holding GmbH	Ingolstadt	Germany	100.00
Media-Saturn Holding Norway AS	Oslo	Norway	100.00
Media-Saturn Holding Sweden AB	Stockholm	Sweden	100.00
Media-Saturn Internationale Beteiligungen GmbH	Munich	Germany	100.00
Media-Saturn IT Services GmbH	Ingolstadt	Germany	100.00
Media-Saturn Nordic Shared Services AB	Stockholm	Sweden	100.00
media-saturn-e-business GmbH	Ingolstadt	Germany	100.00

Media-Saturn-Holding GmbH	Ingolstadt	Germany	75.41
Meister feines Fleisch – feine Wurst GmbH	Gäufelden	Germany	100.00
MEM METRO Group Energy Production & Management Sp. z o.o.	Warsaw	Poland	100.00
METRO (Changchun) Property Service Co. Ltd.	Changchun	China	100.00
Metro Accounting Center of Excellence Private Limited	Pune	India	100.00
METRO Beteiligungsmanagement Düsseldorf GmbH & Co. KG	Düsseldorf	Germany	100.00
METRO Cash & Carry Asia Pacific Holding GmbH	Vösendorf	Austria	100.00
Metro Cash & Carry Brunnthal GmbH & Co. KG	Brunnthal	Germany	100.00
METRO Cash & Carry Bulgaria EOOD	Sofia	Bulgaria	100.00
METRO Cash & Carry Central Asia Holding GmbH	Vösendorf	Austria	100.00
METRO Cash & Carry d.o.o.	Zagreb	Croatia	100.00
METRO Cash & Carry d.o.o.	Belgrad	Serbia	100.00
Metro Cash & Carry Danmark ApS.	Glostrup	Denmark	100.00
METRO Cash & Carry Deutschland GmbH	Düsseldorf	Germany	100.00
METRO Cash & Carry France S.A.S.	Nanterre	France	100.00
Metro Cash & Carry Grundstücksverwaltungsgesellschaft mbH	Düsseldorf	Germany	100.00
METRO Cash & Carry Import Limited Liability Company	Kaliningrad	Russia	100.00
METRO Cash & Carry India Private Limited	Bangalore	India	100.00
METRO Cash & Carry International GmbH	Düsseldorf	Germany	100.00
METRO Cash & Carry International Holding B. V.	Amsterdam	Netherlands	100.00
METRO Cash & Carry International Holding GmbH	Vösendorf	Austria	100.00
METRO Cash & Carry International Management GmbH	Düsseldorf	Germany	100.00
METRO Cash & Carry Japan KK	Tokio	Japan	100.00
METRO Cash & Carry Limited Liability Partnership	Almaty	Kazakhstan	100.00
Metro Cash & Carry Nederland B.V.	Amsterdam	Netherlands	100.00
METRO Cash & Carry OOO	Moscow	Russia	100.00
METRO Cash & Carry Österreich GmbH	Vösendorf	Austria	73.00
METRO CASH & CARRY ROMANIA SRL	Bucharest	Romania	85.00
METRO Cash & Carry SR s.r.o.	Ivanka pri Dunaji	Slovakia	100.00
METRO Cash & Carry Ukraine Ltd.	Kiev	Ukraine	100.00
METRO Cash & Carry Vietnam Ltd.	Ho-Chi-Minh-Stadt	Vietnam	100.00
Metro Cash & Carry Wines	Hyderabad	India	99.99
METRO Central East Europe GmbH	Vienna	Austria	100.00
METRO Danmark Holding ApS	Glostrup	Denmark	100.00
METRO Dienstleistungs-Holding GmbH	Düsseldorf	Germany	100.00
METRO Distributie Nederland B. V.	Amsterdam	Netherlands	100.00
METRO DOLOMITI SpA	San Donato Milanese	Italy	100.00
METRO FIM S.p.A.	Cinisello Balsamo	Italy	100.00
METRO Finance B. V.	Venlo	Netherlands	100.00
Metro France Immobiliere S. a. r. l.	Nanterre	France	100.00
METRO Fünfzehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
Metro Grosmarket Bakirköy Alisveris Hizmetleri Ticaret Ltd. Sirketi	Istanbul	Turkey	100.00
METRO Groß- und Lebensmitteleinzelhandel Holding GmbH	Düsseldorf	Germany	100.00
METRO Großhandels-gesellschaft mbH	Düsseldorf	Germany	100.00
METRO GROUP Accounting Center GmbH	Alzey	Germany	100.00
METRO Group Asset Management B.V.	Amsterdam	Netherlands	100.00
METRO Group Asset Management Ingatlan Kft.	Budaörs	Hungary	100.00
METRO Group Asset Management Property Ukraine Limited Liability Company	Kiev	Ukraine	100.00
METRO Group Asset Management Services GmbH	Saarbrücken	Germany	100.00

METRO Group Asset Management Ukraine, Limited Liability Company	Kiev	Ukraine	100.00
METRO Group Buying Ukraine Ltd.	Kiev	Ukraine	100.00
METRO Group Properties SR s.r.o.	Ivanka pri Dunaji	Slovakia	100.00
METRO GROUP REAL ESTATE ESPANA S.L.	Madrid	Spain	100.00
Metro Group Real Estate Private Limited Company	Karachi	Pakistan	99.75
METRO Group Retail Real Estate GmbH	Düsseldorf	Germany	100.00
METRO Group Retail Real Estate Romania S.R.L.	Voluntari	Romania	100.00
Metro Group Settlement AG	Chur	Switzerland	100.00
METRO Group Wholesale Real Estate Bulgaria EOOD	Sofia	Bulgaria	100.00
METRO Group Wholesale Real Estate GmbH	Düsseldorf	Germany	100.00
METRO Habib Cash & Carry Pakistan (Private) Limited	Lahore	Pakistan	75.00
Metro Holding France S. A.	Vitry-sur-Seine	France	100.00
METRO International AG	Baar	Switzerland	100.00
Metro International Beteiligungs GmbH	Düsseldorf	Germany	100.00
METRO INTERNATIONAL SUPPLY GmbH	Düsseldorf	Germany	100.00
METRO Italia Cash and Carry S. p. A.	San Donato Milanese	Italy	100.00
METRO Jinjiang Cash & Carry Co., Ltd.	Shanghai	China	90.00
METRO Kaufhaus und Fachmarkt Holding GmbH	Düsseldorf	Germany	100.00
METRO Kereskedelmi Kft.	Budaörs	Hungary	100.00
METRO Leasing GmbH	Saarbrücken	Germany	100.00
METRO LOGISTICS Germany GmbH	Sarstedt	Germany	100.00
METRO Management EOOD	Sofia	Bulgaria	100.00
METRO North Warehouse Management (Chongqing) Co. Ltd.	Chongqing	China	100.00
Metro Properties B.V.	Amsterdam	Netherlands	100.00
METRO Properties CR s.r.o.	Pragueue	Czech Republic	100.00
Metro Properties Danmark ApS.	Glostrup	Denmark	100.00
METRO PROPERTIES Energy Management GmbH	Düsseldorf	Germany	100.00
METRO PROPERTIES France SAS	Nanterre	France	100.00
Metro Properties Gayrimenkul Yatirim A.Ş.	Istanbul	Turkey	99.93
METRO PROPERTIES GmbH & Co. KG	Saarbrücken	Germany	99.51
METRO PROPERTIES Holding GmbH	Düsseldorf	Germany	100.00
METRO PROPERTIES Limited Liability Company	Moscow	Russia	100.00
METRO PROPERTIES Management GmbH	Saarbrücken	Germany	66.67
METRO PROPERTIES Services Sp.z o. o.	Warsaw	Poland	100.00
METRO PROPERTIES Sp.z o.o.	Warsaw	Poland	100.00
METRO Property Management (Beijing) Co. Ltd.	Peking	China	100.00
Metro Property Management (Changsha) Co., Ltd.	Changsha	China	100.00
METRO Property Management (Changshu) Co. Ltd.	Changshu	China	100.00
Metro Property Management (Changzhou) Co. Ltd.	Changzhou	China	100.00
Metro Property Management (Chengdu Qingyang) Co., Ltd.	Chengdu	China	100.00
METRO Property Management (Chongqing) Co. Ltd.	Chongqing	China	100.00
Metro Property Management (Cixi) Co., Limited	Cixi	China	100.00
Metro Property Management (Dongguan) Co. Ltd.	Dongguan	China	100.00
Metro Property Management (Hangzhou) Company Limited	Hangzhou	China	100.00
METRO Property Management (Harbin) Co. Ltd.	Harbin	China	100.00
Metro Property Management (Hefei) Co. Ltd.	Hefei	China	100.00
METRO Property Management (Huai'an) Co., Ltd.	Huai'an	China	100.00
Metro Property Management (Jiangyin) Company Limited	Jiangyin	China	100.00
Metro Property Management (Jiaxing) Co. Ltd.	Jiaxing	China	100.00

Metro Property Management (Kunshan) Co. Ltd.	Suzhou	China	100.00
METRO Property Management (Nanchang Qingshanhu) Co. Ltd.	Nanchang	China	100.00
Metro Property Management (Nantong) Co. Ltd.	Nantong	China	100.00
Metro Property Management (Qingdao) Company Limited	Qingdao	China	100.00
METRO Property Management (Shenyang) Co. Ltd.	Shenyang	China	100.00
METRO Property Management (Shenzhen) Co. Ltd.	Shenzhen	China	100.00
Metro Property Management (Suzhou) Co., Ltd.	Suzhou	China	100.00
METRO Property Management (Tianjin Hongqiao) Co., Ltd.	Tianjin	China	100.00
Metro Property Management (Wuhan) Co., Ltd.	Wuhan	China	100.00
METRO Property Management (Xiamen) Co., Ltd.	Xiamen	China	100.00
METRO Property Management (Xian) Co., Ltd.	Xian	China	100.00
METRO Property Management (Xiangyang) Co. Ltd.	Xiangyang	China	100.00
METRO Property Management (Zhangjiagang) Co. Ltd.	Zhangjiagang	China	100.00
Metro Property Management (Zhengzhou) Co., Ltd.	Zhengzhou	China	100.00
METRO Property Management (Zhongshan) Co. Limited	Zhongshan	China	100.00
METRO Property Management Wuxi Co. Ltd.	Wuxi	China	100.00
METRO Real Estate Ltd.	Zagreb	Croatia	100.00
Metro Reinsurance N.V.	Amsterdam	Netherlands	100.00
Metro SB-Großmärkte GmbH & Co. Kommanditgesellschaft	Esslingen am Neckar	Germany	100.00
Metro SB-Großmärkte GmbH & Co. Kommanditgesellschaft	Linden	Germany	100.00
Metro SB-Großmärkte Verwaltungsgesellschaft mit beschränkter Haftung	Mülheim an der Ruhr	Germany	100.00
METRO Service GmbH	Vösendorf	Austria	100.00
METRO Services PL spółka z ograniczoną odpowiedzialnością	Warsaw	Poland	100.00
METRO Siebte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
METRO South East Asia Holding GmbH	Vösendorf	Austria	100.00
METRO SYSTEMS GmbH	Düsseldorf	Germany	100.00
Metro Systems Romania S.R.L.	Bucharest	Romania	100.00
METRO SYSTEMS RU Limited Liability Company	Moscow	Russia	100.00
METRO Systems Ukraine LLC	Kiev	Ukraine	100.00
METRO Vierzehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
METRO Warehouse Management (Chongqing) Co. Ltd.	Chongqing	China	100.00
Metro Warehouse Management (Hangzhou) Co. Ltd.	Hangzhou	China	100.00
METRO Warehouse Management (Suzhou) Co. Ltd.	Suzhou	China	100.00
Metro Warehouse Management (Taizhou) Co. Ltd	Taizhou	China	100.00
Metro Warehouse Management (Wuhan) Co. Ltd.	Wuhan	China	100.00
Metro Warehouse Management (Yantai) Co., Limited	Yantai	China	100.00
METRO Warehouse Management (Zibo) Co., Ltd.	Zibo	China	100.00
Metro Warehouse Noginsk Limited Liability Company	Moscow	Russia	100.00
METRO Zehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
METRO Zwölfte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
MFM METRO Group Facility Management GmbH	Düsseldorf	Germany	100.00
MGA METRO Group Advertising GmbH	Düsseldorf	Germany	100.00
MGA METRO Group Advertising Polska Sp. z o.o. i Spółka Sp.k.	Warsaw	Poland	100.00
MGA METRO Group Advertising Polska Spółka z ograniczona odpowiedzialoscia	Warsaw	Poland	100.00
MGA METRO Group Advertising Romania srl	Bucharest	Romania	100.00
MGA METRO Group Advertising Rus OOO	Moscow	Russia	100.00
MGB METRO Group Buying (Shanghai) Co., Ltd.	Shanghai	China	100.00
MGB METRO Group Buying HK Limited	Hong Kong	China	100.00
MGB Metro Group Buying Romania SRL	Bucharest	Romania	100.00

MGB METRO Group Buying RUS 000	Moscow	Russia	100.00
MGB METRO Group Buying TR Satinalma Ticaret Limited Sirketi	Istanbul	Turkey	100.00
MGC METRO Group Clearing GmbH	Düsseldorf	Germany	100.00
MGE Warenhandelsgesellschaft mbH	Düsseldorf	Germany	100.00
MGI Metro Group İletişim ve Enformasyon Ticaret Limited Sirketi	Istanbul	Turkey	100.00
MGL LOGISTICS SERVICES GREECE Eteria Periorismenis Efthinis	Agios Ioannis Rentis	Greece	100.00
MGL METRO Group Logistics Bulgaria LTD	Sofia	Bulgaria	100.00
MGL METRO Group Logistics GmbH	Düsseldorf	Germany	100.00
MGL METRO Group Logistics Limited Liability Company	Moscow	Russia	100.00
MGL METRO Group Logistics Polska Sp. z o.o.	Warsaw	Poland	100.00
MGL METRO Group Logistics Polska Sp. z o.o. i Spółka Sp.k.	Warsaw	Poland	99.87
MGL METRO GROUP LOGISTICS UKRAINE LLC	Kiev	Ukraine	100.00
MGL METRO Group Logistics Warehousing Beteiligungs GmbH	Sarstedt	Germany	100.00
MGL METRO Group Lojistik Hizmetleri Ticaret Limited sirketi	Istanbul	Turkey	100.00
MGP METRO Group Account Processing GmbH	Kehl	Germany	100.00
MGP METRO Group Account Processing International AG	Baar	Switzerland	100.00
MGT METRO Group Travel Services GmbH	Düsseldorf	Germany	100.00
MIAG Asia Co. Ltd.	Hong Kong	China	100.00
MIAG B.V.	Venlo	Netherlands	100.00
MIAG Commanditaire Vennootschap	Diemen	Netherlands	100.00
MIAG RUS Limited Liability Company	Kotelniki	Russia	100.00
MIB METRO Group Insurance Broker GmbH	Düsseldorf	Germany	100.00
MIB Services (UK) Ltd	Manchester	Great Britain	100.00
MIP METRO Group Intellectual Property GmbH & Co. KG	Düsseldorf	Germany	100.00
MIP METRO Group Intellectual Property Management GmbH	Düsseldorf	Germany	100.00
MMS ONLINE BELGIË	Zellik	Belgium	100.00
MMS Online Nederland B.V.	Rotterdam	Netherlands	100.00
Morocco Fish Trading Company SARL AU	Casablanca	Marocco	100.00
MRE Sp. z o.o. Wholesale Real Estate Poland S.K.A.	Warsaw	Poland	100.00
MRE Spółka z ograniczoną odpowiedzialnością	Warsaw	Poland	100.00
MS Digital Download S.a.r.l.	Esch-sur-Alzette	Luxembourg	100.00
MS E-Business Concepts & Service GmbH	Ingolstadt	Germany	100.00
MS E-Commerce AG	Geroldswil	Switzerland	100.00
MS E-Commerce GmbH	Viennaer Neustadt	Austria	100.00
MS E-Commerce Kereskedelmi Korlátolt Felelősségű Társaság	Budaörs	Hungary	100.00
MS ISTANBUL IC VE DIS TICARET LIMITED SIRKETI	Istanbul	Turkey	100.00
MS Multichannel Retailing Ges.m.b.H.	Vösendorf	Austria	100.00
MS Powerservice GmbH	Vösendorf	Austria	100.00
MTE Grundstücksverwaltung GmbH & Co. Objekt Duisburg oHG	Pullach im Isartal	Germany	19.00 ¹
MTT METRO Group Textiles Transport GmbH	Düsseldorf	Germany	100.00
multi media Kommunikationstechnik Zwei GmbH	Heilbronn	Germany	100.00
multi media Service GmbH	Heilbronn	Germany	90.00
Multi-Center Warenvertriebs GmbH	Düsseldorf	Germany	100.00
my-xplace GmbH	Göttingen	Germany	100.00
N & NF Trading GmbH	Düsseldorf	Germany	100.00
Nedema GmbH	Cologne	Germany	100.00
NIGRA Verwaltung GmbH & Co. Objekt Detmold KG	Pullach im Isartal	Germany	19.00 ¹
NIGRA Verwaltung GmbH & Co. Objekt Eschweiler KG	Pullach im Isartal	Germany	19.00 ¹
NIGRA Verwaltung GmbH & Co. Objekt Germersheim KG	Pullach im Isartal	Germany	19.00 ¹

NIGRA Verwaltung GmbH & Co. Objekt Langendreer KG	Pullach im Isartal	Germany	19.00 ¹
NIGRA Verwaltung GmbH & Co. Objekt Ludwigshafen KG	Pullach im Isartal	Germany	49.00 ¹
NIGRA Verwaltung GmbH & Co. Objekt Moers KG	Pullach im Isartal	Germany	19.00 ¹
NIGRA Verwaltung GmbH & Co. Objekt Neunkirchen KG	Pullach im Isartal	Germany	19.00 ¹
NIGRA Verwaltung GmbH & Co. Objekt Oberhausen oHG	Pullach im Isartal	Germany	19.00 ¹
NIGRA Verwaltung GmbH & Co. Objekt Rendsburg KG	Pullach im Isartal	Germany	19.00 ¹
NIGRA Verwaltung GmbH & Co. Objekt Salzgitter KG	Pullach im Isartal	Germany	19.00 ¹
000 "CE trading solutions"	Moscow	Russia	100.00
000 Media-Markt-Saturn	Moscow	Russia	100.00
000 Media-Saturn-Russland	Moscow	Russia	100.00
000 Saturn	Moscow	Russia	100.00
000 xplace	Moscow	Russia	100.00
OPCI FRENCH WHOLESALE STORES - FWS	Paris	France	100.00
OSKUS Verwaltung GmbH & Co. Objekt Aachen SB-Warenhaus KG	Pullach im Isartal	Germany	0.00 ¹
OSKUS Verwaltung GmbH & Co. Objekt Krefeld KG	Pullach im Isartal	Germany	0.00 ¹
PAROS Verwaltung GmbH & Co. Objekt Bitterfeld KG	Pullach im Isartal	Germany	10.00 ¹
PAROS Verwaltung GmbH & Co. Objekt Hürth KG	Pullach im Isartal	Germany	0.00 ¹
PAROS Verwaltung GmbH & Co. Objekt Stralsund KG	Pullach im Isartal	Germany	10.00 ¹
PAROS Verwaltung GmbH & Co. Vermietungs-KG	Pullach im Isartal	Germany	1.00 ¹
PayRed Card Services AG	Geroldswil	Switzerland	100.00
Peoplefone Beteiligungsgesellschaft mbH	Ingolstadt	Germany	100.00
PIL Grundstücksverwaltung GmbH	Saarbrücken	Germany	100.00
Power Service GmbH	Cologne	Germany	100.00
PowerService Nederland B.V.	Rotterdam	Netherlands	100.00
Pro. FS GmbH	Böblingen	Germany	100.00
PT Paserda Indonesia	Jakarta	Indonesia	75.00
Qingdao Metro Warehouse Management Co. Ltd.	Qingdao	China	100.00
RaW Real Estate Asia Pte.Ltd.	Singapore	Singapore	100.00
real,- Sp. z o.o. i Spółka spółka komandytowa	Warsaw	Poland	100.00
Real Estate Management Mistr Limited Liability Company	Cairo	Egypt	100.00
Real Properties Ukraine LLC	Kiev	Ukraine	100.00
real,- Group Holding GmbH	Düsseldorf	Germany	100.00
real,- Handels GmbH	Düsseldorf	Germany	100.00
real,- Hipermarketler Zinciri Anonim Sirketi	Istanbul	Turkey	99.75
real,- Holding GmbH	Alzey	Germany	100.00
real,- Hypermarket 000	Moscow	Russia	100.00
real,- Hypermarket Romania S.R.L.	Bucharest	Romania	100.00
real,- SB-Warenhaus GmbH	Alzey	Germany	100.00
real,- Spółka z ograniczona odpowiedzialnoscia	Warsaw	Poland	100.00
red blue Marketing GmbH	Munich	Germany	100.00
Redcoon Benelux B. V.	Tilburg	Netherlands	100.00
REDCOON DANMARK ApS	Copenhagen	Denmark	100.00
REDCOON ELECTRONIC TRADE, S.L.	El Prat de Llobregat	Spain	100.00
Redcoon GmbH	Aschaffenburg	Germany	90.00
redcoon GmbH	Vienna	Austria	100.00
REDCOON ITALIA S.R.L.	Turin	Italy	100.00
redcoon Logistics GmbH	Erfurt	Germany	100.00
REDCOON POLSKA Sp. z o.o.	Bydgoszcz	Poland	100.00
Remo Zaandam B.V.	Zaandam	Netherlands	100.00

Renate Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
Retail Real Estate Limited Liability Company	Moscow	Russia	100.00
ROSARIA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Gerlingen KG	Düsseldorf	Germany	94.00 ¹
Rotterdam Trading Office B.V.	Diemen	Netherlands	100.00
RUDU Verwaltungsgesellschaft mbH	Düsseldorf	Germany	100.00
RUTIL Verwaltung GmbH & Co. SB-Warenhaus Bielefeld KG	Pullach im Isartal	Germany	19.00 ¹
Saalbau-Verein Ulm GmbH	Saarbrücken	Germany	100.00
SAS REDCOON FRANCE	Villepinte	France	100.00
SATURN ALICANTE ELECTRO, S.A.U.	Alicante	Spain	100.00
Saturn Amersfoort B.V.	Amersfoort	Netherlands	100.00
Saturn Amsterdam ODE B.V.	Amsterdam	Netherlands	100.00
Saturn Athens III Commercial Anonymi Eteria	Athens	Greece	100.00
SATURN BARAKALDO ELEKTRO, S.A.U.	Barakaldo	Spain	100.00
SATURN Basel Stücki AG	Basel	Switzerland	90.00
SATURN Brugge NV	Brügge	Belgium	90.00
SATURN E502 ELECTRO, S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN E503 ELECTRO, S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN E-515 Electro, S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN E-516 ELECTRO S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN E-517 ELECTRO S.A.U.	El Prat de Llobregat	Spain	100.00
Saturn Electro-Handelsges.m.b.H.	Salzburg	Austria	90.00
Saturn Electro-Handelsges.m.b.H.	Vienna	Austria	90.00
Saturn Electro-Handelsges.m.b.H.	Graz	Austria	90.00
Saturn Electro-Handelsgesellschaft m.b.H.	Vösendorf	Austria	90.00
Saturn Electro-Handelsgesellschaft m.b.H.	Linz	Austria	90.00
Saturn Electro-Handelsgesellschaft mbH	Karlsruhe	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Ansbach	Ansbach	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Augsburg	Augsburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bad Homburg	Bad Homburg v.d.Höhe	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bad Oeynhausen	Bad Oeynhausen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin I	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Charlottenburg	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Gesundbrunnen	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Hellersdorf	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Märkische Zeile	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Marzahn	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Potsdamer Platz	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Reinickendorf	Berlin	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Spandau	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Steglitz	Berlin	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Berlin-Treptow	Berlin	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Zehlendorf	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bielefeld	Bielefeld	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Bocholt	Bocholt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bochum	Bochum	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Braunschweig	Braunschweig	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bremen	Bremen	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Bremen-Habenhausen	Bremen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bremerhaven	Bremerhaven	Germany	90.00

Saturn Electro-Handelsgesellschaft mbH Celle	Celle	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Chemnitz	Chemnitz	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Chemnitz-Zentrum	Chemnitz	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Darmstadt	Darmstadt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Delmenhorst	Delmenhorst	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Dessau	Dessau-Roßlau	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Dortmund	Dortmund	Germany	90.01
Saturn Electro-Handelsgesellschaft mbH Dortmund-Eving	Dortmund	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Dresden	Dresden	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Duisburg	Duisburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Erfurt	Erfurt	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Erlangen	Erlangen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Essen City	Essen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Essen-Steele	Essen	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Esslingen	Esslingen am Neckar	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Euskirchen	Euskirchen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Flensburg	Flensburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Frankfurt/Main	Frankfurt am Main	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Freiburg	Freiburg im Breisgau	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Freising	Freising	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Fürth	Fürth	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Gelsenkirchen	Gelsenkirchen	Germany	95.00
Saturn Electro-Handelsgesellschaft mbH Gelsenkirchen-Buer	Gelsenkirchen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Gießen	Gießen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Göttingen	Göttingen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Gummersbach	Gummersbach	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hagen	Hagen	Germany	95.00
Saturn Electro-Handelsgesellschaft mbH Hamburg-Altstadt	Hamburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hamm	Hamm	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hanau	Hanau	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hannover	Hannover	Germany	90.01
Saturn Electro-Handelsgesellschaft mbH Hattingen	Hattingen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Heidelberg	Heidelberg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Herford	Herford	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Hildesheim	Hildesheim	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Ingolstadt	Ingolstadt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Isernhagen	Isernhagen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kaiserslautern	Kaiserslautern	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Karlsruhe-Durlach	Karlsruhe	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kassel	Kassel	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kempten	Kempten (Allgäu)	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kerpen	Kerpen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kiel	Kiel	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Kleve	Kleve	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Koblenz	Koblenz	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Krefeld	Krefeld	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Landshut	Landshut	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Leipzig	Leipzig	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Leipzig-Hauptbahnhof	Leipzig	Germany	90.00

Saturn Electro-Handelsgesellschaft mbH Leonberg	Leonberg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Lübeck	Lübeck	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Lüdenschaid	Lüdenschaid	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Ludwigsburg	Ludwigsburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Ludwigshafen	Ludwigshafen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Lünen	Lünen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Magdeburg	Magdeburg	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Mainz	Mainz	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Mannheim	Mannheim	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Marl	Marl	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Moers	Moers	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Mülheim	Mülheim an der Ruhr	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH München	Munich	Germany	90.07
Saturn Electro-Handelsgesellschaft mbH München-Riem	Munich	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Münster	Münster	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Neckarsulm	Neckarsulm	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Neu-Isenburg	Neu-Isenburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Nürnberg	Nuremberg	Germany	90.01
Saturn Electro-Handelsgesellschaft mbH Oberhausen	Oberhausen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Oldenburg	Oldenburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Osnabrück	Osnabrück	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Passau	Passau	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Pforzheim	Pforzheim	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Regensburg	Regensburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Remscheid	Remscheid	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Reutlingen	Reutlingen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Rostock	Rostock	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Saarbrücken	Saarbrücken	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Schweinfurt	Schweinfurt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Senden	Senden	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Soest	Soest	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Solingen	Solingen	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Stuttgart	Stuttgart	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Tübingen	Tübingen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Weimar	Weimar	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Weiterstadt	Weiterstadt	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Wesel	Wesel	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Wiesbaden	Wiesbaden	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Witten	Witten	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Wolfsburg	Wolfsburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Wuppertal-Barmen	Wuppertal	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Zwickau	Zwickau	Germany	90.00
Saturn Electro-Handelsgesellschaft mit beschränkter Haftung	Cologne	Germany	100.00
Saturn Gerasdorf Electro-Handelsges.m.b.H.	Gerasdorf bei Vienna	Austria	90.00
Saturn Graz V VertriebsgmbH	Graz	Austria	90.00
Saturn Groningen B.V.	Groningen	Netherlands	90.10
Saturn Haid Electro-Handelsges.m.b.H.	Haid	Austria	90.00
Saturn Heerhugowaard B.V.	Heerhugowaard	Netherlands	90.10
Saturn Hoofddorp B.V.	Hoofddorp	Netherlands	90.10

Saturn Innsbruck Electro-Handelsges.m.b.H.	Innsbruck	Austria	90.00
Saturn Klagenfurt Electro-Handelsges.m.b.H.	Klagenfurt	Austria	90.00
SATURN Kortrijk NV	Kortrijk	Belgium	90.00
SATURN LAS PALMAS G.C. S.A.	Las Palmas de Gran Canaria	Spain	99.90
Saturn Leidsche Rijn B.V.	Utrecht	Netherlands	90.10
SATURN Liège Médiacité SA	Liège	Belgium	100.00
Saturn Luxembourg S.A.	Luxemburg	Luxembourg	100.00
SATURN MADRID CARABANCHEL ELECTRO, S.A.U.	Madrid	Spain	100.00
SATURN MADRID-PLENILUNIO ELEKTRO, S.A.	Madrid	Spain	99.90
Saturn Management GmbH	Ingolstadt	Germany	100.00
SATURN MASSALFASAR-VALENCIA ELECTRO, S.A.	València	Spain	99.90
Saturn Mega Markt GmbH Wuppertal	Wuppertal	Germany	90.05
SATURN Meir Antwerpen NV	Antwerp	Belgium	100.00
SATURN MURCIA THADER ELECTRO, S.A.	Murcia	Spain	99.90
Saturn Nieuwegein B.V.	Nieuwegein	Netherlands	90.10
Saturn online GmbH	Ingolstadt	Germany	100.00
SATURN OVIEDO ELECTRO, S.A.	Oviedo	Spain	99.90
SATURN PLANET Sp. z o.o.	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 11 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 13 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 16 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 17 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 18 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 19 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 9 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. Bydgoszcz Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Gdańsk I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Gliwice Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. Katowice I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Kraków I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Łódź I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Łódź II Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Lubin Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. Poznań I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Szczecin I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Tychy Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa II Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa III Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa IV Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa V Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Wrocław I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Wrocław II Spółka Komandytowa	Warsaw	Poland	90.00
SATURN RIVAS VACIAMADRID ELECTRO, S.A.U.	Madrid	Spain	100.00
Saturn Rotterdam Zuidplein BV	Rotterdam	Netherlands	100.00
SATURN SAN JUAN DE AZNALFARACHE ELECTRO, S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN SAN SEBASTIAN DE LOS REYES ELECTRO, S.A.	Madrid	Spain	99.90
SATURN Schönbühl (Moosseedorf) AG	Moosseedorf	Switzerland	90.00
Saturn Spijkenisse B.V.	Spijkenisse	Netherlands	100.00

SATURN Spreitenbach AG	Spreitenbach	Switzerland	90.00
Saturn Techno-Electro-Handelsgesellschaft mbH	Cologne	Germany	100.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Hürth	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Neuss	Germany	90.09
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Leverkusen	Germany	90.09
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Aachen	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Mönchengladbach	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Siegen	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Sankt Augustin	Germany	90.09
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Düren	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Bergisch Gladbach	Germany	90.20
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Cologne	Germany	100.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH Düsseldorf – Flingern	Düsseldorf	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH Düsseldorf – Königsallee	Düsseldorf	Germany	90.00
SATURN TENERIFE 3 DE MAYO ELECTRO, S.A.	Santa Cruz de Tenerife	Spain	99.90
Saturn Thessaloniki II Comercial Anonymi Eteria	Athens	Greece	100.00
SATURN Thun AG	Thun	Switzerland	90.00
Saturn Tilburg B.V.	Tilburg	Netherlands	90.10
Saturn Venlo B.V.	Venlo	Netherlands	90.10
SATURN Volketswil AG	Volketswil	Switzerland	90.00
Saturn Wien X VertriebsgmbH	Vienna	Austria	90.00
Saturn Wien XIV Electro-Handelsges.m.b.H.	Vienna	Austria	90.00
Saturn Wien XX VertriebsgmbH	Vienna	Austria	90.00
Saturn Wien XXII Electro-Handelsges.m.b.H.	Vienna	Austria	90.00
Saturn Wien XXIII Electro-Handelsges.m.b.H.	Vienna	Austria	90.00
SATURN Wilrijk NV	Wilrijk	Belgium	90.00
SATURN Winterthur AG	Winterthur	Switzerland	90.00
Saturn Zaandam B.V.	Zaandam	Netherlands	100.00
Saturn-Mega Markt GmbH Halle	Halle (Saale)	Germany	90.05
Saturn-Mega Markt GmbH Trier	Trier	Germany	90.05
Schaper Grundbesitz-Verwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
Secundus Grundstücksverwertungs-GmbH & Co. Objekt Stuttgart-Königstraße KG	Saarbrücken	Germany	100.00
SEZAM XVI Closed-end Non-public Asset Investment Fund	Warsaw	Poland	100.00
SIG Import GmbH	Düsseldorf	Germany	100.00
SIL Verwaltung GmbH & Co. Objekt Haidach KG	Schwabhausen	Germany	92.00
Sinco Großhandelsgesellschaft m. b. H.	Vösendorf	Austria	73.00
Singapore Trading Office (MAG) Pte. Ltd.	Singapore	Singapore	100.00
Smart Retail Kft.	Budaörs	Hungary	100.00
Sociedad Ibérica Restaurantes de Tecnología Avanzada S. A. U.	Madrid	Spain	100.00
SOLUM Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Promohypermarkt Donauaeschingen KG	Düsseldorf	Germany	100.00
SOLUM Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Promohypermarkt Köln KG	Düsseldorf	Germany	100.00
SPORTARENA GmbH	Cologne	Germany	100.00
Star Farm (Shanghai) Agriculture Information Consulting Company Limited	Shanghai	China	100.00
Star Farm Pakistan Pvt. Ltd.	Lahore	Pakistan	100.00
STW Grundstücksverwaltung Gesellschaft mit beschränkter Haftung	Saarbrücken	Germany	100.00
TALEA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Bremen-Vahr KG	Pullach im Isartal	Germany	6.00 ¹
TALEA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Emden KG	Pullach im Isartal	Germany	6.00 ¹
TALEA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Groß-Zimmern KG	Pullach im Isartal	Germany	6.00 ¹

TALEA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Norden KG	Pullach im Isartal	Germany	6.00 ¹
TANDOS Grundstücks-Verwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
TECHNO-Service Reparatur und Wartungs GmbH	Landshut	Germany	51.00
Tertia Handelsbeteiligungsgesellschaft mbH	Cologne	Germany	60.00
TIMUG GmbH & Co. Objekt Homburg KG	Pullach im Isartal	Germany	0.00 ¹
Trading Office Gida Ticaret Ltd. Şti	Antalya	Turkey	100.00
VALENCIA TRADING OFFICE, S.L.	Madrid	Spain	100.00
VR-LEASING METRO GmbH & Co. Objekte Rhein-Neckar KG	Eschborn	Germany	0.00 ¹
Weinkellerei Thomas Rath GmbH	Düsseldorf	Germany	100.00
Wholesale Real Estate Belgium N.V.	Wommelgem	Belgium	100.00
Wirichs Immobilien GmbH	Saarbrücken	Germany	100.00
Wirichs Immobilien GmbH & Co. Objekt Herford KG	Saarbrücken	Germany	63.64
Wirichs Verwaltungsgesellschaft mbH & Co. Objekt Schwelm KG	Saarbrücken	Germany	100.00
Wirichs Verwaltungsgesellschaft mbH & Co. Objekt Voerde und Kamen KG	Saarbrücken	Germany	100.00
Wolfgang Wirichs GmbH	Saarbrücken	Germany	100.00
World Import N. V.	Puurs	Belgium	100.00
WRE Real Estate Limited Liability Partnership	Almaty	Kazakhstan	100.00
X Place Spain SL	Barcelona	Spain	100.00
Xi'an METRO Commercial and Trading Company Limited	Xi'an	China	100.00
xplace GmbH	Göttingen	Germany	50.01
XPLACE UK LIMITED	London	Great Britain	100.00
Yugengaisha MIAG Japan	Tokio	Japan	100.00
ZARUS Verwaltung GmbH & Co. Dritte Vermietungs-oHG	Pullach im Isartal	Germany	19.00 ¹
ZARUS Verwaltung GmbH & Co. Objekt Braunschweig Berliner Straße KG	Pullach im Isartal	Germany	19.00 ¹
ZARUS Verwaltung GmbH & Co. Objekt Mutterstadt KG	Pullach im Isartal	Germany	19.00 ¹
ZARUS Verwaltung GmbH & Co. Objekt Osnabrück KG	Pullach im Isartal	Germany	19.00 ¹
ZARUS Verwaltung GmbH & Co. Objekte Niedersachsen KG	Pullach im Isartal	Germany	19.00 ¹
Zentra Beteiligungsgesellschaft mit beschränkter Haftung	Saarbrücken	Germany	100.00
Zentra-Grundstücksgesellschaft mit beschränkter Haftung	Saarbrücken	Germany	100.00
Zeta Capital B.V.	Rotterdam	Netherlands	100.00
Zweite real,- Multi-Markt Verwaltungsgesellschaft mbH	Alzey	Germany	100.00
Zweite real,- SB-Warenhaus GmbH	Alzey	Germany	100.00

Joint ventures

Intercompra LDA	Lisbon	Portugal	50.00
MAXXAM B.V.	Ede	Netherlands	25.00
MAXXAM C.V.	Ede	Netherlands	25.00
MEC METRO-ECE Centermanagement GmbH & Co. KG	Düsseldorf	Germany	50.00
MEC METRO-ECE Centermanagement Verwaltungs GmbH	Düsseldorf	Germany	50.00
METSPA Beszerzési és Kereskedelmi Kft.	Budaörs	Hungary	33.33
METSPA d.o.o. za trgovinu	Zagreb	Croatia	50.00

Investments accounted for using the equity method

European EPC Competence Center GmbH	Cologne	Germany	30.00
Habib METRO Pakistan (Pvt) Ltd	Karachi	Pakistan	40.00
Iniziativa Methab s.r.l.	Bozen	Italy	50.00
OPCI FRENCH WHOLESALE PROPERTIES – FWP	Paris	France	30.74
Peoplefone Polska Spółka Akcyjna	Warsaw	Poland	49.00

Investments not accounted for using the equity method

EZW Kauf- und Freizeitpark GmbH & Co. Kommanditgesellschaft	Bremen	Germany	49.00 ²
EZW Kauf- und Freizeitpark Verwaltungs-GmbH	Bremen	Germany	49.04 ²
IFH Institut für Handelsforschung GmbH	Cologne	Germany	16.67 ²
Metro plus Grundstücks-Vermietungsgesellschaft mbH	Düsseldorf	Germany	20.00 ²

Investments

Booker Group PLC	Wellingborough	Great Britain	9.08
EKS Handelsgesellschaft mbH	Salzburg	Austria	25.00
EKS Handelsgesellschaft mbH & Co. KG	Salzburg	Austria	25.00
Elbrus Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Frankfurt-Zeil KG	Mainz	Germany	94.00
Erschließungsgesellschaft Schwerin-Krebsförden mbH & Co. Kommanditgesellschaft	Lüneburg	Germany	18.18
Fachmarktzentrum Essen GmbH & Co. KG	Pullach im Isartal	Germany	94.00
Fiege Mega Center Erfurt GmbH & Co. KG	Nesse-Apfelstädt	Germany	49.00
Fiege Mega Center Erfurt Verwaltungs GmbH	Nesse-Apfelstädt	Germany	49.00
Flip4 GmbH	Friedrichsdorf	Germany	16.00
MobiLab Solutions GmbH	Cologne	Germany	13.68
QUANTIS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Darmstadt KG	Schönefeld	Germany	6.00
QUANTIS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Junior Augsburg KG	Schönefeld	Germany	6.00
Stadtmarketinggesellschaft Hamm mbH	Hamm	Germany	6.25
Verwaltungsgesellschaft Lebensmittelgesellschaft "GLAWA" mbH & Co. KG	Hamburg	Germany	18.75
VR-LEASING MUSCARI GmbH & Co. Immobilien KG	Eschborn	Germany	94.00

¹ Disclosure according to SIC-12² Not accounted for using the equity method due to minor materiality for the true and fair view of the asset, financial and earnings position

1 March 2013

The Management Board



OLAF KOCH



MARK FRESE



HEIKO HUTMACHER



FRANS W. H. MULLER

Statement of the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

1 March 2013

The Management Board



OLAF KOCH



MARK FRESE



HEIKO HUTMACHER



FRANS W. H. MULLER

AUDITOR'S REPORT

We have audited the consolidated financial statements prepared by METRO AG – comprising the balance sheet, the income statement, the reconciliation from net profit for the period to comprehensive profit, the statement of changes in equity, the cash flow statement and the notes to the consolidated financial statements – together with the Group management report for the financial year from 1 January to 31 December 2012. The preparation of the consolidated financial statements and the Group management report in accordance with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315 a Section 1 of the German Commercial Code and supplementary provisions of the articles of incorporation are the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the Group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 of the German Commercial Code and generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group

and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the Group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRS, as adopted by the EU, the additional requirements of German commercial law pursuant to § 315 a Section 1 of the German Commercial Code and supplementary provisions of the articles of incorporation and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The Group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunity and risks of future development.

Cologne, 1 March 2013

KPMG AG

Wirtschaftsprüfungsgesellschaft

LURWEG
Auditor

KLAASSEN
Auditor