METRO GROUP CONDENSED REPORT 2014/15

# WWW.METRO GROUP.DE/ OPEN–MINDED

METRO GROUP

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This report is the condensed version of the METRO GROUP Annual Report 2014/15. You can find the full version at:

WWW.METROGROUP.DE/OPEN-MINDED

# Dear readers,

A brilliant idea doesn't make an innovation. Knowing how to take that idea and develop it into a viable and successful business concept requires a great deal more. It demands a keen feel for trends, courage in abundance and a great deal of tenacity. Here at METRO GROUP, it's no different. We've made it our mission to always go the extra mile, drive innovations and create solutions that help our customers and our company forward.

The attitude that makes innovative thinking and action possible is best summed up by the term "open-minded". The title of our condensed report picks up on this thought, and at the same time shows: we're setting out in new directions. This even applies to the medium of this year's annual report itself, which is for the first time appearing exclusively and entirely in digital form.

In the condensed report before you, we present an overview of the most important figures and developments from financial year 2014/15. And we take you to the places where ideas are born, innovative solutions are put to everyday use and contents are interconnected. We tell you about pioneering thinkers and initiators, seasoned experts who understand customers and the market, and networkers and concept developers of tomorrow – open minds one and all, who are advancing our company and helping to shape the far-reaching transformation in our industry.

Prepare to be inspired!

OLAF KOCH
CHAIRMAN OF THE MANAGEMENT BOARD OF METRO AG

# METRO GROUP STRATEGY



METRO GROUP, based in Düsseldorf, is a leading international retail company. Worldwide, more than 220,000 employees dedicate themselves to optimally fulfilling the expectations of our customers. Our operating business focuses on wholesale and retail, including online retail. In these areas, our three independent sales lines are leaders:

— METRO Cash & Carry is a leading international player in self-service wholesale trade.
— Media-Saturn is number one among consumer electronics stores in Europe.
— Real is one of the leading hypermarket companies in Germany.

With their products and services, our sales lines serve professional and private customers in 30 countries in Europe and Asia. To reach new target groups and establish long-term relationships with customers, the sales lines are tapping new sales channels and increasingly dovetailing their store-based business with online retail. In addition, Media-Saturn's subsidiaries offer pure online shopping options.

## Focus on customer value

The objective of METRO GROUP's strategy is generating long-range, sustainable growth. First and foremost, our aim is to improve like-for-like sales and earnings. We are also boosting our performance strength and appeal by optimising our cost position and cash flow, improving our margins and reducing our net debt. The prerequisite for METRO GROUP's long-range, sustainable growth is our persistent focus on creating value for our customers. Five focal points guide us in this work: transform, grow, improve, expand and innovate. They provide the strategic framework for our business activities and lend a shared direction to our group across all sales lines and companies.

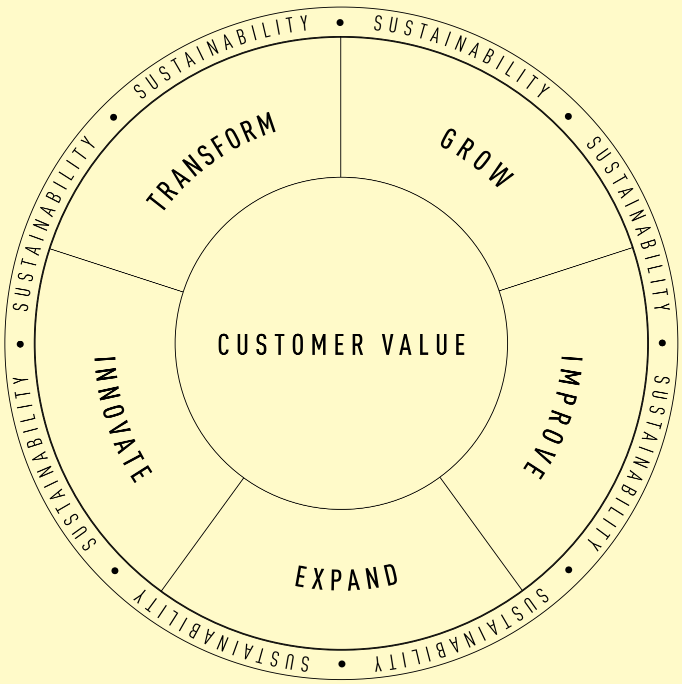
## Transform

Our customers' needs and expectations form the starting point for all our strategic considerations. Which product ranges do they need in their local stores? Can we offer new services to pique the interest of consumers or professional customers in our business models? Which sales channels do we have to develop to meet our customers' increasing demands? Using these questions as our starting point, we have already made significant strides in the areas of multichannel marketing, delivery, franchising and own brands. In these and other areas, we are rigorously forging ahead with the strategic repositioning of our sales lines.

## Grow

Our second focal point is growth in all business segments. We intend to achieve this first and foremost by improving sales per square metre of selling space in existing stores. An absolute focus on the customer and engaging in socially and environmentally responsible business practices are crucial to this effort. We also aim to significantly improve customer satisfaction. To raise our appeal to consumers and professional customers, we are making targeted investments in new services. In addition, we are selectively adjusting our sales lines' price levels to further bolster

**The strategic focal points of METRO GROUP. The prerequisite for the company's long-range, sustainable growth is a persistent focus on creating customer value.**




Many countries in which METRO GROUP is active offer excellent opportunities for enhancing our footprint. We are currently focusing our expansion and are seizing new opportunities: by opening new stores in such countries as China, Russia, Turkey and India as well as by enhancing our offering in all other countries.

### Innovate

Creating value for customers means responding to changing needs early on or even shaping this change by recognising technological, societal and consumer trends, by identifying their potential relevance to our own business and by devising specific solutions such as new processes or sales concepts. This work begins by firmly anchoring business innovation within our company structure as well as defining innovation focal points that are relevant to our customers and hold growth potential. The key is cultivating a structured network with internal and external experts. This approach forms the foundation of our innovation management.

their competitive positions. Finally, we are realigning our incentive systems for employees to encourage additional productivity enhancements.

### Improve

A company's competitiveness depends as much on its process performance as on an attractive product and service offering. Our objective is to create streamlined, effective organisational structures. For this reason, we must continually examine our processes, systematically review our country portfolio and improve our cost structure. In this way, we can improve our cash flow and create headroom for additional investments.

### Expand

Efficient processes, optimised cash flow and sales growth with stable or improved earnings represent the foundation for our further expansion outside our home market of Germany. After all, our mission is to invest in a business model that is customer-focused, competitive and sustainable.

### Framework for sustainable growth

Our business objectives are aligned with ecological and social requirements. For this reason, we have firmly anchored the principle of sustainability within our corporate strategy. Our sustainability vision serves as a group-wide foundation for the long-term transformation of METRO GROUP: "METRO GROUP. We offer quality of life. For our customers, for our employees, for all who work for us, for the environment and for society."

For more information about the strategy of METRO GROUP and its sales lines, visit the online Annual Report 2014/15 at www.metrogroup.de/open-minded/strategy

# THE MANAGEMENT BOARD

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At METRO GROUP, we're always open to inspiration. We're curious about new trends, give creative ideas the decisive spin and put tomorrow's technologies to work today – all in the interest of continually developing our company.

This is also true of the Management Board of METRO AG. At the photo shoot for this year's annual report, the members boldly shifted into the third dimension. With great enthusiasm for the pioneering 3D printing technology, Olaf Koch, Pieter C. Boone, Mark Frese, Pieter Haas and Heiko Hutmacher had themselves cast as three-dimensional models. A scan was first made of each member of the Management Board. From the digital data sets, the 3D printer then produced figures roughly 25 centimetres in height out of hard plastic, layer by layer. The resulting portrait of the Management Board embodies what's important to us: adaptability, an innovative spirit and trust in new technologies.

HEIKO HUTMACHER
CHIEF HUMAN RESOURCES OFFICER

MARK FRESE
CHIEF FINANCIAL OFFICER

OLAF KOCH
CHAIRMAN OF THE MANAGEMENT BOARD

PIETER C. BOONE
MEMBER OF THE MANAGEMENT BOARD

PIETER HAAS
MEMBER OF THE MANAGEMENT BOARD

# Perspectives on a financial year_



## “We can only achieve true customer focus …

… if we establish great proximity and constantly look for ways to strive for the best solutions. To be able to do this even better, we localised and focused our business even more during the reporting year and considerably expanded our activities in the area of innovation.”_

OLAF KOCH
CHAIRMAN OF THE MANAGEMENT BOARD

**Olaf Koch**

Chairman of the Management Board

**Responsibilities:** Corporate Communications, Group Strategy, Corporate M&A, Corporate Legal Affairs & Compliance, Corporate Office, Corporate Public Policy, Digital Horeca, Business Innovation/New Ventures, METRO Cash & Carry (until 30 September 2015), Real

**Profile:** Olaf Koch took over as Chairman of the Management Board of METRO AG on 1 January 2012 and is appointed until 13 September 2018. In addition, he was CEO of METRO Cash & Carry until 30 September 2015, a position he held jointly with Pieter C. Boone from 1 July 2015. The 45-year-old joined the Management Board of METRO AG as CFO in September 2009. He previously worked for the financial investor Permira. Koch, who holds a degree in business administration, launched his career in 1994 at Daimler-Benz AG. From 2002 to 2007, he was a member of the Executive Board of Mercedes Car Group.

# "We at METRO Cash & Carry aim to be …

… a true champion for independent business – that demands feeling and acting like an entrepreneur. Consequently, in financial year 2014/15, we introduced a new operating model to give more empowerment to our national subsidiaries. Value creation is local, and proximity to our customers and business partners is the key. This results in more freedom of discretion, more flexibility and a higher speed of implementation on site."_

PIETER C. BOONE
MEMBER OF THE MANAGEMENT BOARD



**Pieter C. Boone**

Member of the Management Board

**Responsibilities:** METRO Cash & Carry (as part of the management succession process, Mr Koch and Mr Boone were jointly responsible for the METRO Cash & Carry Board department from 1 July to 30 September 2015)

**Profile:** Pieter C. Boone has been a member of the Management Board of METRO AG since 1 July 2015 and is appointed until 30 June 2018. The 48-year-old has been with METRO GROUP since 2011. In March 2012, he was appointed Managing Director of METRO Cash & Carry Russia. He previously held various management positions at the Dutch trading company SHV Holdings in Peru, the Philippines, Malaysia, Thailand and Indonesia.

“We had set out to further bolster the balance sheet of METRO GROUP and reduce debt.

Once again, we’ve achieved both of these goals during this financial year. As a result, we had greater leeway for doing business and were able, for instance, to make some attractive acquisitions. What is almost even more important is that we can now once again spend our financial as well as human resources on precisely those activities with which we expect to generate maximum value added.”_



MARK FRESE
CHIEF FINANCIAL OFFICER

Mark Frese

Chief Financial Officer

Responsibilities: Group Finance (Corporate Planning & Controlling, Corporate Treasury, Corporate Group Financial Services), Corporate Accounting, Global Business Services, Corporate Group Tax, Corporate Investor Relations, Corporate Risk Management & Internal Control Finance, Galeria Kaufhof (until 30 September 2015), METRO PROPERTIES, MIB METRO GROUP Insurance Broker, METRO LOGISTICS

Profile: Mark Frese was named Chief Financial Officer of METRO AG on 1 January 2012. The 51-year-old is appointed until 31 December 2017. In addition, he served as CFO of METRO Cash & Carry from April 2012 to July 2015. Frese has worked for METRO GROUP since 1994. After serving in various management positions at former group subsidiary Galeria Kaufhof, he was appointed to the position of Head of Planning & Controlling at METRO AG in 2009. In September 2010, he took over as CFO of METRO Cash & Carry Europe/MENA.

“I measure our progress largely by the fact …

… that we have advanced far along the road towards becoming a digital commerce company. The point is to see the full range of digitalisation instead of just regarding it in the context of a web shop or a mobile shop. What this means is that we use digital technologies in our stores, where we sell more and more digital products and communicate even more strongly with our customers using digital media. Plus, we are specifically looking for new digital business models.”_

PIETER HAAS
MEMBER OF THE MANAGEMENT BOARD

# “The further development of METRO GROUP …

… would not be possible without a comprehensive transformation of our corporate culture. From the beginning, there was no doubt that such a process requires the active commitment of executives and employees alike. I'm all the more pleased that we've already advanced considerably along our path and that the cultural change is being carried by the staff. We've become a more open and courageous company. And we're able to respond to changes faster.”_

**HEIKO HUTMACHER**
CHIEF HUMAN RESOURCES OFFICER



**Heiko Hutmacher**

Chief Human Resources Officer

**Responsibilities:** Human Resources (HR Campus, Corporate House of Learning, Corporate Performance & Rewards, Executive Resources, Group Labour Relations & Labour Law, HR Operations, HR Processes, Analytics & Projects, Talent Management, Leadership & Change), Corporate IT Management, Group Internal Audit, Sustainability & Regulatory Affairs, METRO SYSTEMS, MGT METRO GROUP Travel Services

**Profile:** Heiko Hutmacher has been a member of the Management Board of METRO AG since October 2011 with responsibility for Human Resources. From April 2012 to June 2015, the 58-year-old also oversaw human resources at METRO Cash & Carry. The businessman has more than 30 years of experience in human resources management, including at IBM and Akzo Nobel. Heiko Hutmacher is appointed until 30 September 2017.

**Pieter Haas**

Member of the Management Board

**Responsibilities:** Media-Saturn

**Profile:** Pieter Haas has been a member of the Management Board since 1 April 2013 and is appointed until 31 March 2019. He has been Vice Chairman of the Management Board of Media-Saturn-Holding GmbH since 6 May 2014. He had already worked for the sales line. In 2001, he took on the role of managing director at the sales line's Dutch subsidiary. Haas was appointed to the management board of Media-Saturn-Holding GmbH as COO in 2008. In the ten years leading up to his career at Media-Saturn, the 52-year-old businessman held leading positions at various companies.

DR STEFANIE LEMCKE
TREND SCOUT AND CONSULTANT
FOR INNOVATION AND TECHNOLOGY

NEW YORK CITY, USA



# THINKING

ANDREAS WÜRFEL
HEAD OF BUSINESS INNOVATION, METRO GROUP

NEW YORK CITY, USA




# AHEAD

New York is a hot spot in the international start-up scene – and a meeting point for trailblazing thinkers like Stefanie Lemcke and Andreas Würfel.



From a warehouse to a hot location: Gansevoort Market captivates with its casual atmosphere and culinary delights.

# Where ideas are born …_

Andreas Würfel is a professional forward-thinker. His mission: finding new concepts, technologies and relevant innovations so that the company can offer customers the best possible products and services. That sounds like freedom, adventure and inventive talent, but in practice it has more to do with experience, a healthy dose of realism and a strong team.

> "Together with our trend scouts, I identify relevant innovations and what drives them, all the way through to potential innovation projects."_
>
> ANDREAS WÜRFEL
> HEAD OF BUSINESS INNOVATION, METRO GROUP

Andreas Würfel has been Head of Business Innovation at METRO GROUP since 2014. "As an internal consultant, I stand with one foot outside – where the trends emerge and develop – and one foot inside the group, supporting our sales lines." When the innovation manager says outside, he especially means the hot spots of the international start-up scene: places where new ideas emerge, are tested and rejected – or developed into promising concepts – on an almost daily basis. New York is one such place.

"We've built up an international scouting expert network. It includes regional innovation consultants in the USA, Europe, Asia and, since October 2015, also in Africa," says Würfel. One of these consultants is Dr Stefanie Lemcke. She works for METRO GROUP in New York and has a workplace that is the envy of others: "My desk is in my office in Manhattan, but most of the time I'm out and about in the city," Lemcke explains. "I go to pitch events, meet start-up owners, check their concepts and pass on my recommendations to the Business Innovation team at METRO GROUP." The well-connected consultant is never short of exciting new ideas – New York is the essence of inspiration.



On the move in the Meatpacking District: while touring the area, Stefanie Lemcke and Andreas Würfel discuss innovative concepts and ideas.





Eating from the net: numerous start-ups in New York are developing on-demand platforms and services for the hospitality sector.

# Ideas for the think tank_

DR STEFANIE LEMCKE

TREND SCOUT AND CONSULTANT FOR INNOVATION AND TECHNOLOGY

"The interface between digital and bricks-and-mortar retail is much further developed here than in Europe – the US is up to two years ahead."_

Fascinating and diverse, incredibly fast-paced and ahead of the times, New York is one of the most popular locations in the world for start-ups. The city's leading minds and innovators generate important ideas, concepts and technologies – including for METRO GROUP's internal think tank.

"Here in New York, it's very easy to observe changes in consumer behaviour," says Stefanie Lemcke, whose company, New York International, focuses on innovation consultancy in the retail, food, "internet of things", mobile, media and e-commerce sectors. "As soon as trends emerge here, concepts are quickly developed – and I take a look at them immediately." Adopting a very practical approach, the consultant downloads the apps produced by start-ups onto her smartphone or tablet, tests them in shops, documents everything on video and shares information about the latest ideas from the start-up scene with Andreas Würfel on a regular basis.

After an initial check, METRO GROUP's innovation area managers select the ideas that will be developed into pilot projects. "They check to what extent the concepts are feasible in the sales lines. Here, customer benefit is a keyword, and it's also a key reason why we often end up with a shortlist of only three or four out of 100 start-ups," says Würfel. Some are such a good fit that the decision is easy. This was the case, for instance, with Culinary Agents, an American networking and job matching site. Its partnership with METRO GROUP is an example of the successful collaboration between Stefanie Lemcke and Andreas Würfel.





ALICE CHENG
FOUNDER AND CEO OF CULINARY AGENTS

NEW YORK CITY, USA


# BEING

PATRICE MARNAT
OWNER OF LES DIAMANTAIRES

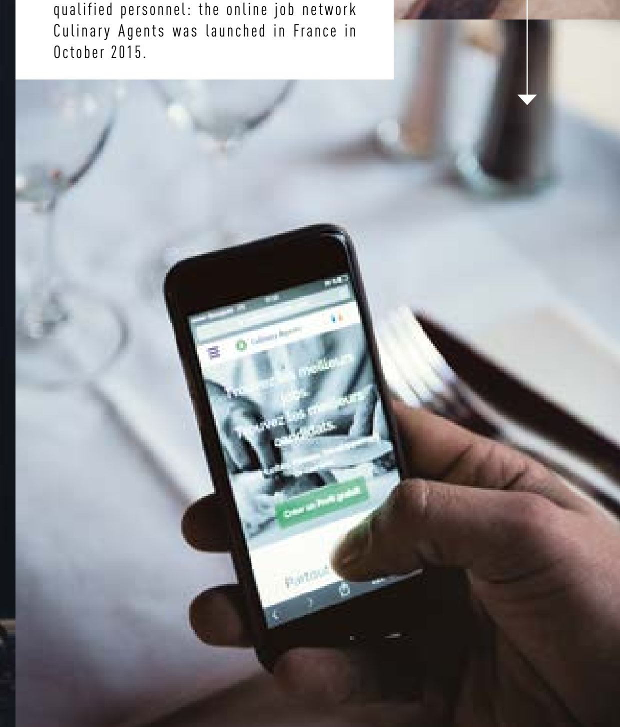
PARIS, FRANCE



# OPEN




Professional support in the search for qualified personnel: the online job network Culinary Agents was launched in France in October 2015.



Making all the right moves: Patrice Marnat can rely on his team one hundred per cent.

Nothing out of place: as the chef, Patrice Marnat's son, Anthony, not only creates the cuisine but also makes sure it is perfectly presented.

# Wanted, found_

"I've already posted job offers on Culinary Agents – and received decidedly good responses. One especially positive thing I've noticed is that all the interested candidates were very competent."_

PATRICE MARNAT
OWNER OF LES DIAMANTAIRES

Paris at just past noon on a typical Thursday: Patrice Marnat's Les Diamantaires is bustling. The comfortable restaurant in the 9th arrondissement is especially popular with lunchtime customers. Not only exploring tourists, but also office workers from the neighbourhood like to come here to fortify themselves on feuilletés au fromage, Armenian-style ravioli and tarte Tatin.

The perfect location in the heart of the metropolis on the Seine, a history reaching back to 1929, the creative cuisine of French and Middle Eastern inspiration – all of this contributes to the success of Les Diamantaires. But the most important reason guests keep coming back to the Rue La Fayette is the restaurant's team. It's the soul of the enterprise. Patrice Marnat employs a staff of 14 in his establishment, which, the proprietor and qualified chef stresses, "couldn't exist without them and their dedication." As Marnat says, "the restaurant competition in Paris is unbelievably tough – a professional structure and the perfect personnel line-up are crucial to survival." Under such conditions, the search for expert staff can pose an existential challenge.

This is where the online job network Culinary Agents comes in, with pragmatic and reliable help. In the spring of 2015, METRO GROUP launched a cooperative venture as shareholding partner alongside the American start-up, which specialises in professional networking and job placement for skilled personnel in the hospitality industry. Culinary Agents began operations in France and Italy in autumn 2015. Patrice Marnat is enthusiastic about the new service: "I've already posted job offers on the platform – and received decidedly good responses. One especially positive thing I've noticed is that all the interested candidates were very competent and a good match to my postings." Thanks to Culinary Agents, the restaurateur was able to quickly fill two positions with qualified employees. And that makes not only the boss happy, but also the guests of Les Diamantaires.

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Alice Cheng in conversation with Suzanne Cupps, head chef of Untitled at New York's Whitney Museum; the restaurant and Studio Cafe teams were hired using Culinary Agents.

The Culinary Agents team is always working on many projects at once – at the whiteboard, Alice Cheng stays on top of it all.



# Special agent on a mission_

New York today, L. A. tomorrow, Paris the day after: Alice Cheng is constantly on the go. When it comes to establishing contacts, networking and conversing with existing and potential customers on-site, the founder of the start-up Culinary Agents takes matters into her own hands.

Ms Cheng, in the USA, some 4,500 companies are already using your job networking website. Since October 2015, Culinary Agents has additionally been active in cooperation with METRO GROUP in France and Italy. That's a remarkable leap for a start-up …

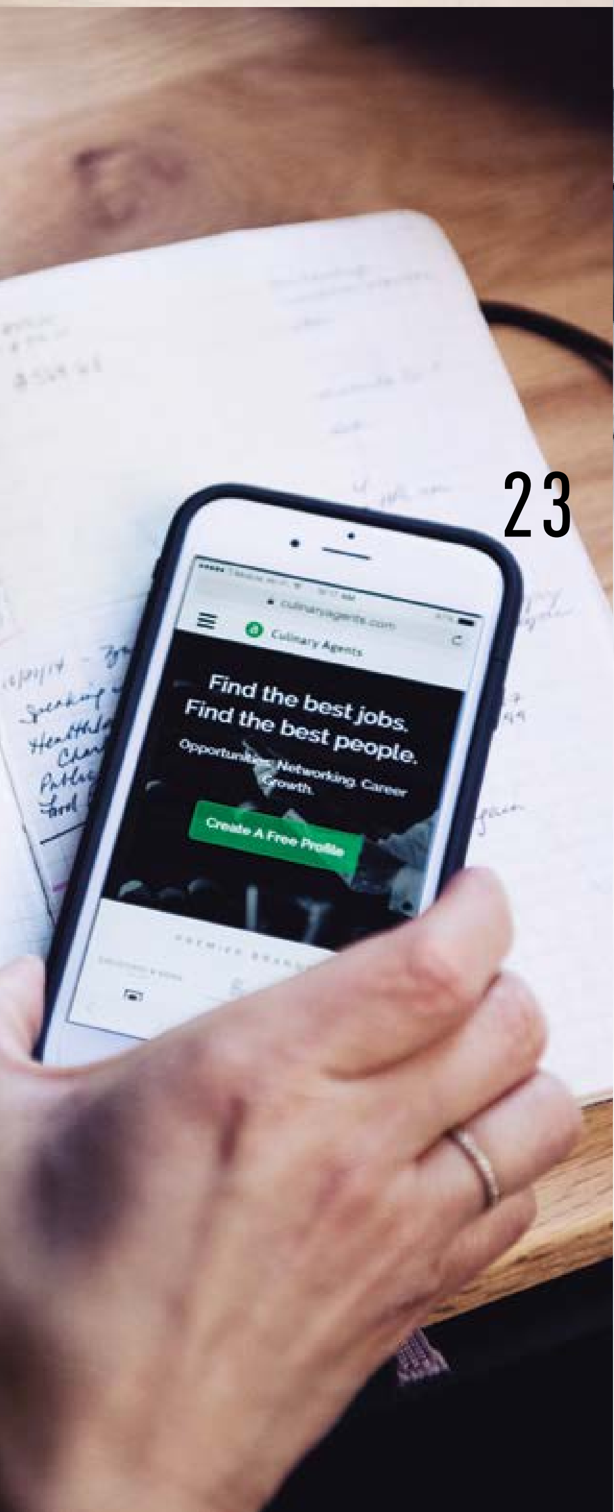
… Yes, absolutely! When we presented our concept to Olaf Koch and his team, we were all excited: both sides very quickly came to a clear vision of how our service could support the customers of METRO Cash & Carry and how we could bring together our respective areas of expertise to collaborate in new markets. It was the ideal basis for a successful partnership!

What makes the French and Italian markets so attractive for Culinary Agents?

France and Italy have always had a tremendous influence on gastronomic culture and culinary trends worldwide. They are ideal countries in which to launch this European expansion. At the same time, our users from France and Italy enrich our network enormously because many of our American customers are looking for jobs internationally and have a great interest in coming to Europe to further their development. Our portal provides them with perfectly suited career offerings and mentoring programmes.

An American start-up and a major German corporation – how does that work out in practice?

Brilliantly! Both companies are fully focused on creating real added value for customers. We complement each other perfectly in this: as a start-up, we want reliable investors who enable us to establish and expand our concepts. We benefit from METRO GROUP's excellent market knowledge and close customer relationships. In turn, we bring a proven digital solution, new ideas and well-developed concepts to the partnership – and we've got plenty more to offer! ×






MARCOS QUIROGA FERNÁNDEZ
PROJECT LEAD UNITED, CORPORATE COMMUNICATIONS, METRO GROUP

DÜSSELDORF, GERMANY

# ENABLING


NADINE WIEGRATZ
EXPERT EMPLOYER BRANDING, CORPORATE TALENT MANAGEMENT, LEADERSHIP & CHANGE, METRO GROUP

DÜSSELDORF, GERMANY



# NEW THINGS

Employer branding expert Nadine Wiegratz is wild about social media. Her work without UNITED? Unimaginable!

Networking to transcend borders: as Project Lead for UNITED, Marcos Fernández is also responsible for training colleagues around the world.



# Networking into the future_

For Marcos Quiroga Fernández, space and time are relative. Not because the Corporate Communications Manager for METRO GROUP possesses superpowers, but because, thanks to UNITED, he is perfectly networked in the company – across hierarchies, national borders and time zones. With the launch of its internal social network in April 2015, METRO GROUP has created a new basis for promoting exchange among its employees and making targeted use of digital networking opportunities.

"UNITED adds to our digital offer and provides us with a new way to demonstrate that we embrace openness and transparency. Our way to move this company forward."_

FROM THE UNITED MANIFESTO

"UNITED is a platform through which colleagues worldwide can make contact with one another, share knowledge, exchange ideas and collaborate on tasks and projects – quickly and directly," explains project lead Fernández. "For example, the network offers virtual workspaces, a wall for posting one's own contributions and a comprehensive search function for locating people and topics." Fernández emphasises that the technology is "state of the art" and every bit as agile as its users. It is designed for ongoing development as the network grows in response to demand.

The employees of METRO AG, all METRO Cash & Carry countries and numerous service companies can already access UNITED. In the future, the entire group of companies is to be networked on the platform. Marcos Fernández knows that this will take time: "Beyond carefully defining the legal framework, this is about supporting and accompanying METRO's far-reaching change process. Moving from e-mails and the static intranet to a dynamic social network is a big step, but one that I'm firmly convinced is worth taking. UNITED is not just the best example of how we're opening up – it's also our means of having new things happen in our company."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Enthusiastic ambassadors for UNITED: Nadine Wiegratz and Marcos Fernández are dedicated networkers.



# Making connections. Bringing people together._

"Every day, I see how UNITED is changing our collaboration for the better. That's why I'm working to make sure more and more employees join up and get networked."_

NADINE WIEGRATZ
EXPERT EMPLOYER BRANDING, CORPORATE TALENT MANAGEMENT, LEADERSHIP & CHANGE

Nadine Wiegratz is not just well networked in her job, she is also an active part of UNITED. When the employer branding expert starts up her computer in the morning, the first thing she sees is the social network as her home page – and she uses it all day long.

"For me, UNITED has become just as indispensable as e-mail and the telephone," says Wiegratz. "I can hardly imagine working without the network anymore." What she particularly values about the innovative platform is the ability to quickly and easily share topics and information, upload documents and make them accessible to all who are specifically looking for or may be interested in them. UNITED also benefits Nadine Wiegratz's collaboration with her "community" – her employer branding colleagues in 26 METRO Cash & Carry countries. For example, rather than sending the minutes of regular meetings out by e-mail, Wiegratz now only posts them on UNITED. The same is true for journal articles, notices for events such as Campus Week or links to informative contributions, for example, on the global Linkedin site. "Thanks to UNITED," Wiegratz stresses, "we're simply better connected now."

Meanwhile, there are many such examples of the new communication and networking possibilities in METRO GROUP: The social network is used to communicate the global employee survey METRO Voice as well as for the weekly presentation of and commentary on the company's share price by Investor Relations. The Quality Assurance department uses UNITED to send out invitations to product tastings, and employees from IT support make targeted use of the platform in the transnational search for solutions to IT problems. And they are happy to find out that they do not always have to reinvent the wheel – it's often enough to know where the construction plans are.


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THE FINALIST TEAMS
OF THE TECHSTARS METRO ACCELERATOR

BERLIN, GERMANY

# DRIVING

ALEXANDER ZUMDIECK
MANAGING DIRECTOR, TECHSTARS METRO ACCELERATOR

BERLIN, GERMANY



# INNOVATION


Start-ups – a matter for the boss: Olaf Koch, Chairman of the Management Board of METRO AG, welcomes the finalists of the Techstars METRO Accelerator in Berlin.


In the former East German state council building, the start-ups work on new ideas for the food service, hotel and catering industries.

Eye on the clock: countdown to Demo Day, when the concepts are presented to the jury and potential investors.

# Accelerated development_

Software solutions, apps and mobile marketing instruments: in many countries, only a modest range of digital solutions are currently available to hotel, food service and catering businesses. This assessment by METRO led to its decision to advance digitalisation in this sector by launching the Techstars METRO Accelerator in April 2015. Developed in cooperation with the American company Techstars and the digital advertising agency R/GA, the promotional programme aims to find and provide support to the best and most creative technology start-ups that bring added value to the hospitality industry.

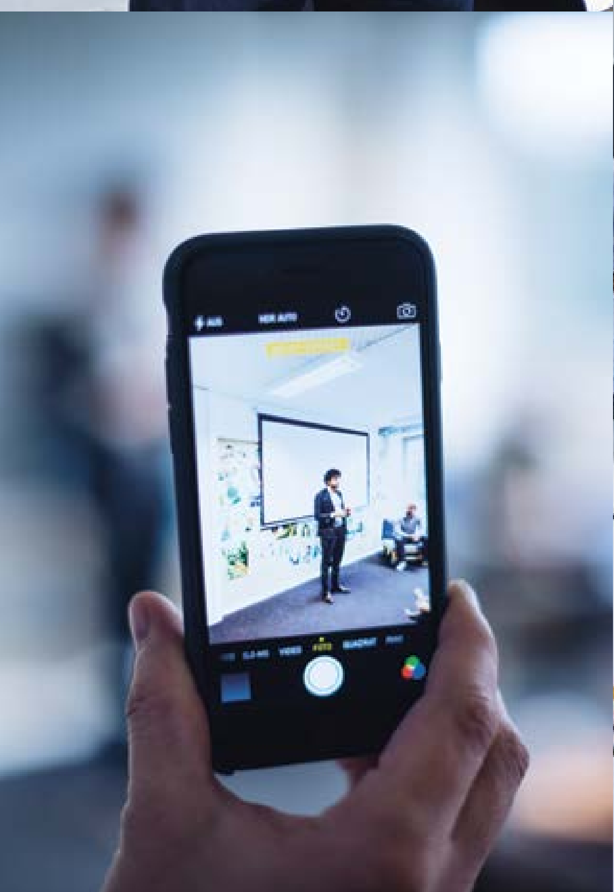
Several hundred teams of business founders submitted their concepts during the three-month application period. Eleven of these made the leap into the concluding round. The finalists now have until the end of January 2016 to further develop their concepts in collaboration with the mentors in the Techstars METRO Accelerator – and convince the jury of their ideas on the so-called Demo Day. Not only the participants themselves are excited about the finals!

OLAF KOCH
CHAIRMAN OF THE MANAGEMENT BOARD OF METRO AG

"The Accelerator has helped us to find eleven brilliant concepts, which we now want to intensively support on their way to greater productive capacity and success."_

"METRO is a strong brand in the international retail and wholesale sector – that attracted the attention of a lot of exciting start-ups to the programme."_

DAVID BROWN
MANAGING PARTNER AND CO-FOUNDER OF TECHSTARS



Teamwork inside: sharp focus and high spirits at the budding entrepreneurs' workshops.






Teamwork outside: at the selfie scavenger hunt in Berlin, participants were able to get their own picture of the capital.



# "It's the complete package that counts."_

ALEXANDER ZUMDIECK
MANAGING DIRECTOR,
TECHSTARS METRO ACCELERATOR

Berlin's Mitte district, former GDR state council building, fourth floor: where creative minds are working on the business ideas of the future, Alexander Zumdieck can't be far away. The Managing Director of Techstars METRO Accelerator is the interface between the programme participants and METRO. A conversation about new opportunities, teams that have what it takes, and the freedom to simply and quickly put things in action.

Mr Zumdieck, several hundred start-up companies from 20 countries applied to take part in the Techstars METRO Accelerator. What were the criteria for selecting the eleven finalists?

We didn't have one decisive criterion that everything depended on. What was important to us was much more the overall package: a good idea, a concept that complements our METRO philosophy, the scalability of the business model and, above all, a convincing team.

In what concrete ways can METRO Cash & Carry customers profit from the ideas and concepts of the start-up founders?

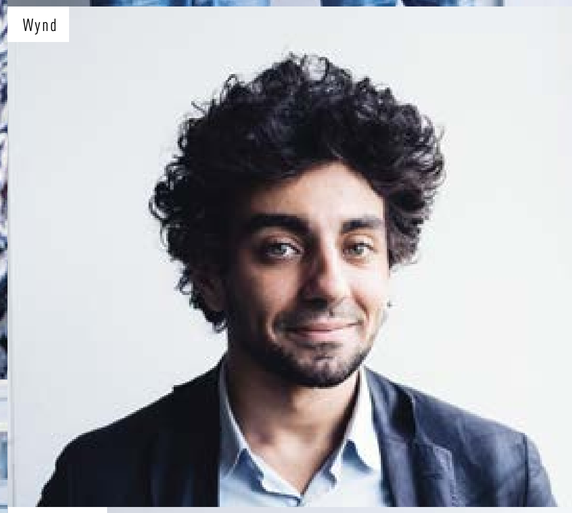
One good example is Zenchef, a provider of software for the hospitality sector. METRO Cash & Carry is already cooperating with this start-up in France. In the framework of the Techstars METRO Accelerator, we're now supporting the further development of the product and the internationalisation of the company. It's similar with the other start-ups. For example, a number of pilot customers of METRO Cash & Carry are testing the products and services of our programme participants. It's this combination of innovation and practice that creates the great opportunity for everyone involved in the Accelerator.

And what might a future cooperation between METRO and the start-up companies look like?

I think we're going to see a broad spectrum in this regard: from close cooperation in certain markets to even more investment, all the way to open partnerships. We can't wait to see what emerges!

Coffee Cloud

Gastrozentrale



Wynd

Groupraise

Poshpacker

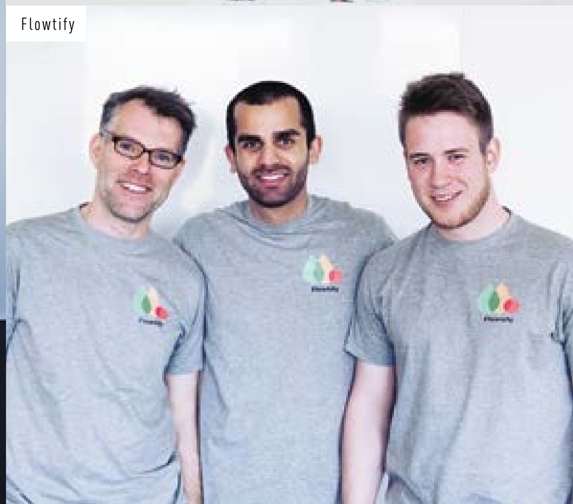
Lunchio

Journy

Zenchef

Rublys

Roomatic



Flowtify

# Creative minds – innovative ideas_

The eleven finalist teams of the Techstars METRO Accelerator and their concepts

## COFFEE CLOUD

Founders: Miroslav Kovač, Andreja Kovač

Founded: 2015 in Tartu, Estonia

Espresso machines with a wireless connection – this application by the entrepreneurial pair from Estonia ensures reliable accounting by saving the data on the cups of coffee it prepares in real time. It additionally notifies you when cleaning or repairs are necessary.

www.coffeecloud.co

## GASTROZENTRALE.DE

Founder: Moritz Grumbach

Founded: 2014 in Munich, Germany

Interested in ordering refrigerators, radiant heaters or serviettes online? This Munich online B2B shop for catering supplies and kitchen technology makes it possible – for big commercial kitchens and small take-aways alike.

www.gastrozentrale.de

## WYND

Founders: Ismaél Ould, Arthur Perticoz

Founded: 2013 in Paris, France

Tailor-made IT solutions: to support the digitalisation of restaurants and cafés, these Paris entrepreneurs offer a software package that can be put together to meet the client's specific needs.

www.wynd.eu

## GROUPRAISE.COM

Founders: Devin Baptiste, Kevin Valdez, Paul Kwiatkowski, Sean Park

Founded: 2011 in Houston, USA

Dining to donate – that's the idea behind this website from the USA. Groups make restaurant reservations online, and part of the profits are donated to an aid project of the diners' choice.

www.groupraise.com

## POSHPACKER

Founders: Anna Kojzar, Tania Cruz

Founded: 2013 in Washington DC, USA

Want to spend a night in an igloo or cave? Along with hotels, hostels and apartments, this American reservation site offers lots of extraordinary places to bed down.

www.poshpacker.co

## LUNCHIO

Founders: Deniz Caglayan, Dennis Ortmann, Jan Christian Saupe, Sebastian Blautzik

Founded: 2015 in Witten, Germany

Lunchio promises a midday break without a wait. The app allows the user to order and pay for their desired meal in advance – and enjoy a stress-free lunch break in the restaurant.

www.lunchio.de

## JOURNY

Founders: Susan Ho, Amy Guo, Leiti Hsu

Founded: 2014 in New York City, USA

From New York, a concept for individualised city trips: visitors to the website indicate what they want to see and do. The service contacts local experts and creates the itinerary.

www.gojourny.com

## ZENCHEF

Founders: Xavier Zeitoun, Thomas Zeitoun, Julien Balmont

Founded: 2010 in Paris, France

Busy restaurant managers can now build their website, manage their bookings, check their reviews and engage directly with their customers via e-mail. All with no effort.

www.zenchef.com

## RUBLYS

Founder: Manuel Zwittag

Founded: 2013 in Vienna, Austria

Mobile marketing from Vienna. Users of the app can choose from scratch-and-win chances offered by companies for free – a playful way to acquire new customers.

www.rublys.com

## ROOMATIC

Founders: Andreas van de Castel, Arnis Vuškāns

Founded: 2015 in Tallinn, Estonia

Mobile concierge and guest satisfaction platform: this app is useful to both guests and hoteliers alike. Get service without making a phone call and provide feedback to the hotel – on your smartphone, wherever you go.

www.roomatic.net

## FLOWTIFY

Founders: Daniel Vollmer, Gabriel Schlatter, Parshin Mortazi

Founded: 2015 in Cologne, Germany

This team from Cologne introduces an app for better consumer protection. Flowtify enables the paperless execution, documentation and archiving of quality and hygienic measures in accordance with HACCP (Hazard Analysis and Critical Control Points).

www.flowtify.de

# CONTENTS

This condensed report contains excerpts from the METRO GROUP Annual Report 2014/15. You can find the full version at:

WWW.METROGROUP.DE/OPEN-MINDED

# LETTER TO THE SHAREHOLDERS

*Dear Ladies and Gentlemen,*

Financial year 2014/15 was a very important year for METRO GROUP. In an environment that remained challenging in certain countries, we not only continued to move the transformation process forward, but did so at an accelerated pace. Both at METRO Cash & Carry and Media-Saturn, we achieved a positive development in like-for-like sales that is still ongoing and is also reflected in earnings in local currency. At Real, we made important progress in the design of the future concept.

One major event was the sale of Galeria Kaufhof to the Canadian Hudson's Bay Company (HBC). The possibility of a sale had been a repeated topic of discussion in recent years. However, we sought purposefully but without haste for the best solution for everyone involved. We have now found it, and with €2,825 million also achieved an attractive transaction price.

**METRO Cash & Carry** is not only responsible for giving METRO GROUP its name, it is also our biggest and most international business. During the reporting year, we turned our attention even more strongly to the needs of our professional customers and, among other things, successfully further expanded our delivery service. With the New Operating Model, METRO Cash & Carry is placing the focus in the future on value creation in the national subsidiaries. The aim of the new management model is to foster an entrepreneurial spirit within our organisation by transferring creative freedom and a greater responsibility to the national subsidiaries while providing for an international coordination of measures for specific groups of customers. This is being accompanied by a new and more flexible form of strategic corporate planning. Each country is tasked with producing an individual Value Creation Plan, in which it lays down its strategic and financial planning for the forthcoming three to five years. A team of ten Operating Partners supports the local management in this process.

A further milestone at METRO Cash & Carry was the takeover of the Classic Fine Foods group (CFF), one of the leading Asian companies in the fast-growing wholesale food delivery business. The Classic Fine Foods group, which is headquartered in Singapore, directly supplies businesses operating in the hotel, restaurant and catering (Horeca) sector with food products. The customers include premium hotels and restaurants in major cities of Asia and in the Middle East.

We also succeeded in making important progress in the field of digitalisation. Our goal in this case is to make our customers even more attractive, efficient and successful with new digital solutions. In this way, we aim to further enhance our value and relevance to our customers and continue to strengthen our problem-solving reputation. The investment in Culinary Agents and the launch of the Techstars METRO Accelerator were milestones in the implementation of this strategy.

In operational terms, the success of the new course is now clearly making itself felt: for nine quarters in succession, like-for-like sales of METRO Cash & Carry increased. This shows that we are on the right track. However, we still have big plans

for METRO Cash & Carry, always with the goal in mind of creating value for our customers – independent entrepreneurs – and being the best partner for them.

**Media-Saturn** has successfully transformed itself from a purely bricks-and-mortar seller of consumer electronics into a successful multichannel retailer, and is on the way to becoming a digital commerce company. With a share of internet-generated sales of more than 8 per cent in financial year 2014/15, we have achieved a new peak and are only a short step away from reaching our first milestone. In the medium term, this share is expected to grow to 20 per cent. Five quarters in a row with rising like-for-like sales demonstrate the success of our multichannel strategy and confirm that we are on the right course. With now more than 1,000 Media Markt and Saturn locations, we are very well placed in the bricks-and-mortar business, and have also responded to trends in traditional retail with new, smaller formats.

We intend to further expand on service at Media-Saturn. To this end, we signed a contract in August 2015 to acquire a majority interest in RTS, a provider of customer and repair services. The company's range of activities includes the planning, installation, inspection, maintenance and repair of a wide variety of electronic products all the way to the configuration of fully networked homes.

Media-Saturn also managed to increase its margin compared to the previous year, thanks in part to a better sales mix and a greater share accounted for by services, but also to continually efficient cost management.

**Real** operates almost 300 hypermarkets in Germany. We are concentrating on making these more competitive and fit for the future. One key driver are the stores that have been renovated along the lines of the successful Essen store model and now radiate much more modernity as well as a stronger service orientation and product differentiation. All in all, this generates a more emotional and enjoyable shopping experience and therefore also leads to higher customer traffic and better sales growth compared to the other hypermarkets. Consequently, we converted a further 57 Real stores to the successful new concept in financial year 2014/15. We now have 107 of these modern, future-ready stores in operation. Additional store conversions are in planning.

This means that one of the important factors for future growth has been put in place. However, competitive costs are also needed for this. In this regard, we made progress in many areas during the past financial year – for example, in logistics or the settlement of goods, which is now being handled by the Swiss company Markant AG. Our efforts to achieve fair conditions in relation to staff costs left us with no choice but to leave the system of collective industrial pay settlements in June 2015 as we find ourselves faced with considerable cost disadvantages compared to our competitors. We have offered the trade union negotiations on a company pay agreement aimed at securing the future of the jobs and this part of the business.

**Galeria Kaufhof** is included in this report as a discontinued operation. Therefore, the sale – which was completed at the end of September 2015 – has already been taken into account in the figures contained in this annual report. The profit generated in the year under review, however, is still included in full in the consolidated result.

The decisive factor for us was that we found a buyer in Hudson's Bay Company who was willing to pay a very good price, who presented a clear financing concept and who gave binding commitments to take over the roughly 21,000 employees in Germany and Belgium. The preconditions for the success story of the business to continue are therefore in place. We wish the employees of Galeria Kaufhof all the very best for the future.

Altogether, the consolidation of METRO GROUP made further progress in financial year 2014/15. We have now completely divested ourselves of Real's Eastern European business. We sold the wholesale business in Greece and submitted all the documents for approval of the sale in Vietnam. We expect to see completion of the sale in financial year 2015/16.

We will then have completed all the major measures under our portfolio optimisation programme, though we will still continue to subject our portfolio of stores and countries to constant review. With the acquisitions of CFF and RTS, we have now turned the switch back to growth and are looking out for attractive expansion opportunities.

While the economy in Southern Europe has improved, the situation in Greece, Russia and Ukraine remains tense. The sanctions and exchange rate developments arising from the Russia/Ukraine conflict are also having an impact on our business. However, we took the necessary steps at an early stage to enable us to continue operating successfully even in this difficult environment, and are cautiously optimistic about the future development there.

# "I wish to thank our employees worldwide …"_

So how were the figures in financial year 2014/15? Altogether, the development was positive, and we achieved our forecasts for METRO GROUP. Sales amounted to €59.2 billion and therefore fell by 1.2 per cent. Like-for-like sales, however, rose by 1.5 per cent. EBIT before special items amounted to €1,511 million and rose following adjustment for negative currency effects. We succeeded in sharply reducing the net debt from the previous year's closing date by €2.2 billion to €2.5 billion.

The altogether good development at METRO GROUP in financial year 2014/15 was initially also positively reflected in the share price. However, the turbulence on the stock markets – not least as a result of the situation in China and Greece – also left its mark on your company. The price of METRO's ordinary shares closed at the end of September at €24.69, a fall of 5.3 per cent in the course of financial year 2014/15.

On the basis of earnings per share before special items of €1.91, the Management Board and the Supervisory Board are recommending that you, our shareholders, receive a dividend of €1.00 per ordinary share. This recommendation is based on the improved economic situation of METRO GROUP and is in line with our new dividend policy, which calls for a dividend amounting to about 45 to 55 per cent of earnings per share before special items (previously about 40 to 50 per cent). With the proposed payment, the actual payout rate will amount to 52.4 per cent. You will have an opportunity to vote on this at our forthcoming Annual General Meeting in Düsseldorf, to which I hereby most cordially invite you. I hope that as many of you as possible will attend.

So what does the current financial year hold in store? We will once again press ahead on our new course in financial year 2015/16 to also create added value for you, our shareholders. Many projects which have already been partially implemented or for which we have laid the foundations may impact positively on sales and earnings. We still have a great deal of work before us. But it lies in the nature of a retail company to continually adjust to market circumstances and to strive with passion to meet the demands of its customers. Leaving aside the political risks and turbulences, we have – with many new ideas and innovations and with great enthusiasm for our customers – laid the foundations for METRO GROUP to continue on its course of growth. The phase of consolidation is largely completed. Our aim now will be to focus even more strongly on the needs of our customers. To achieve this, we will take advantage of promising acquisition opportunities and expand into new countries. With the Techstars METRO Accelerator in Berlin, we foster and develop new ideas. Through programmes like this, we specifically search for innovations which tie in with our strengths and which we can therefore develop better than others. As a result, we are very well equipped for the future.

What does that mean in concrete terms for financial year 2015/16? As far as like-for-like sales and EBIT before special items adjusted for currency effects are concerned, we expect to see a slight increase in comparison to the previous year. The lower level of net debt also provides us with a solid foundation for future development, giving us more scope for investments which in future years will have a positive impact on sales and earnings.

I wish to thank our employees worldwide who devote their energy and passion every day to serving the needs of our customers. It is ultimately also thanks to them that METRO GROUP has been able to develop so positively. The commitment of our employees, their ideas and their diverse personalities are what give us a crucial advantage in a competitive environment. With this, they make a key contribution to the overall success of METRO GROUP. Together, we can look forward to a successful future.

Finally, I would like to thank you most sincerely for the confidence you place in us.

Best regards,

OLAF KOCH
CHAIRMAN OF THE MANAGEMENT BOARD OF METRO AG

# OVERVIEW OF FINANCIAL YEAR 2014/15

**Earnings position**

- METRO GROUP's like-for-like sales climbed by 1.5 per cent in financial year 2014/15
- Due to negative currency and portfolio effects, reported sales for financial year 2014/15 decreased by 1.2 per cent to €59.2 billion (in local currency: +0.5 per cent)
- EBIT from continuing operations before special items: €1,511 million (2013/14: €1,531 million)
- Profit or loss for the period before special items: €688 million (2013/14: €673 million)
- Earnings per share before special items improved to €1.91 (2013/14: €1.84)

**Financial and asset position**

- Net debt declined by €2.2 billion to €2.5 billion (30/9/2014: €4.7 billion)
- Investments totalled €1.4 billion (2013/14: €1.0 billion)
- Cash flow from operating activities reached €1.8 billion (2013/14: €2.0 billion)
- Total assets amounted to €27.7 billion (30/9/2014: €28.2 billion)
- Equity: €5.2 billion (30/9/2014: €5.0 billion); equity ratio: 18.7 per cent (30/9/2014: 17.8 per cent)
- Long-term rating: BBB– (Standard & Poor's)

**Sales and earnings development**

METRO GROUP's like-for-like sales grew by 1.5 per cent in financial year 2014/15. Sales in local currency rose by 0.5 per cent. Due to negative currency and portfolio effects, however, reported sales of €59.2 billion were 1.2 per cent lower than in the previous year.

In **Germany,** like-for-like sales matched the previous year's level. Sales totalled €22.5 billion, a slight decline of 0.3 per cent compared with the previous year's figure. This was due to lower sales at METRO Cash & Carry and Real. At Real, store closures had a negative impact on reported sales. In contrast, Media-Saturn posted higher sales.

Like-for-like sales in the **international business** increased by 2.4 per cent. International sales rose by 1.0 per cent in local currency. Reported sales declined by 1.7 per cent to €36.7 billion. This decline was primarily due to currency effects as well as store disposals and closures. International sales accounted for 62.0 per cent of total sales (2013/14: 62.4 per cent).

In **Western Europe (excluding Germany),** like-for-like sales rose by 1.1 per cent. Sales in local currency increased by 0.7 per cent. Reported sales improved by 1.0 per cent to €19.1 billion. This was due largely to positive developments in Italy, Spain and the Netherlands.

Like-for-like sales in **Eastern Europe** rose markedly by 5.3 per cent. Adjusted for currency effects, sales climbed by 1.7 per cent. Business developments in Russia and Hungary especially contributed to this increase. However, due to negative exchange rate developments and active portfolio measures (Real Eastern Europe and METRO Cash & Carry Greece), reported sales declined by 9.7 per cent to €13.3 billion.

While like-for-like sales in the **Asia/Africa** region declined slightly by 0.4 per cent overall, the trend in India was positive. Sales in local currency improved by 0.5 per cent. Due to positive currency trends, reported sales rose by 16.1 per cent to €4.3 billion.

In financial year 2014/15, METRO GROUP's EBIT amounted to €711 million, a decline of €366 million compared with the previous year's level (2013/14: €1,077 million). However, this figure includes special items amounting to €800 million (2013/14: €454 million). These special items can be broken down into impairment losses on goodwill (particularly at Real Germany, with €446 million), restructuring and efficiency improvement measures amounting to €285 million (essentially planned closures) as well as other special items of €66 million. Portfolio changes produced a net positive special item of €23 million.

In addition, gains from the sale of Galeria Kaufhof resulted in a positive special item of €841 million in discontinued operations.

Special items include transactions that do not regularly recur, 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.

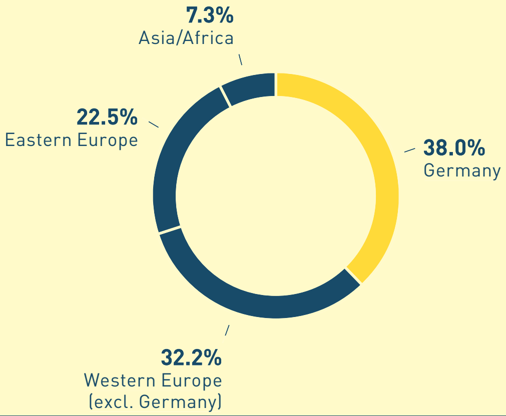
In financial year 2014/15, EBIT before special items at METRO GROUP fell from €1,531 million to €1,511 million. However, this figure includes negative currency effects of €117 million, meaning that METRO GROUP recorded higher EBIT before special items in local currency.

**Development of group sales**
by sales line and region

| | | | Change in % compared with the previous year's period | | | |
|---|---|---|---|---|---|---|
| | 2013/14[1] € million | 2014/15 € million | in € | Currency effects in percentage points | in local currency | like-for-like sales in local currency |
| METRO Cash & Carry | 30,513 | **29,690** | −2.7 | −2.7 | 0.0 | 0.9 |
| Media-Saturn | 20,981 | **21,737** | 3.6 | −1.0 | 4.6 | 3.1 |
| Real | 8,432 | **7,735** | −8.3 | 0.0 | −8.3 | −0.8 |
| Others | 10 | **56** | – | – | – | – |
| **METRO GROUP** | **59,937** | **59,219** | **−1.2** | **−1.7** | **0.5** | **1.5** |
| thereof Germany | 22,558 | **22,490** | −0.3 | 0.0 | −0.3 | 0.1 |
| thereof international | 37,379 | **36,728** | −1.7 | −2.8 | 1.0 | 2.4 |
| Western Europe (excl. Germany) | 18,902 | **19,090** | 1.0 | 0.3 | 0.7 | 1.1 |
| Eastern Europe | 14,755 | **13,318** | −9.7 | −11.4 | 1.7 | 5.3 |
| Asia/Africa | 3,722 | **4,319** | 16.1 | 15.5 | 0.5 | −0.4 |

[1] Adjustment of previous year's figures due to discontinued operations (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)

**Group sales of METRO GROUP 2014/15**
by region



**Development of group EBIT and EBIT of the sales lines**

| | EBIT[1] | |
|---|---|---|
| **€ million** | **2013/14[2]** | **2014/15** |
| METRO Cash & Carry | 1,125 | **1,050** |
| Media-Saturn | 335 | **442** |
| Real | 81 | **88** |
| Others | –10 | **–63** |
| Consolidation | 0 | **–5** |
| **METRO GROUP** | **1,531** | **1,511** |

[1] Before special items
[2] Adjustment of previous year's figures due to discontinued operations (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)

## Net financial result and taxes

| **€ million** | **2013/14[1]** | **2014/15** |
|---|---|---|
| **Earnings before interest and taxes EBIT** | **1,077** | **711** |
| Result from associates and joint ventures | 9 | **2** |
| Other investment result | 78 | **0** |
| Interest income/expenses (interest result) | –386 | **–282** |
| Other financial result | –242 | **–172** |
| **Net financial result** | **–541** | **–452** |
| **Earnings before taxes EBT** | **536** | **259** |
| Income taxes | –539 | **–480** |
| **Profit or loss for the period from continuing operations** | **–3** | **–221** |
| Profit or loss for the period from discontinued operations after taxes | 185 | **935** |
| **Profit or loss for the period** | **182** | **714** |

[1] Adjustment of previous year's figures due to discontinued operations (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)

### Net financial result

The financial result primarily comprises the interest result of €–282 million (2013/14: €–386 million) and the other financial result of €–172 million (2013/14: €–242 million). The interest result improved thanks largely to the lower level of interest rates as well as reduced debt. The change in the other financial result of €70 million was caused primarily by negative currency effects, particularly in Russia and Kazakhstan, and the absence of currency effects in the amount of around €–122 million resulting from the disposal of subsidiaries (Real Poland and Turkey) that were shown in the income statement in the previous year. In the previous year, income of €62 million from the disposal of a 9 per cent stake in Booker Group PLC had impacted the other investment result.

### Taxes

Reported income tax expenses of €480 million (2013/14: €539 million) are €59 million beneath the previous year's level. This is due to a large number of individual effects at various individual companies as well as exchange rate fluctuations.

In the reporting period, the group tax rate from continuing operations stood at 185.5 per cent (2013/14: 100.6 per cent). Adjusted for special items, the rate amounted to 48.6 per cent (2013/14: 54.0 per cent). The group tax rate represents the relationship between recognised income tax expenses and earnings before taxes. The large difference between the reported tax rate and the tax rate adjusted for special items largely results from the fact that the expenses related to the special items generally have no corresponding tax effect (in particular, expenses related to impairment losses on goodwill at Real Germany). Under consideration of discontinued operations, the group tax rate amounts to 42.0 per cent (2013/14: 74.3 per cent). Adjusted for special items, the group tax rate under consideration of discontinued activities amounts to 43.7 per cent (2013/14: 45.4 per cent). This is primarily due to gains from the deconsolidation of the department store business of the Galeria Kaufhof group as well as expenses from impairment losses on goodwill at Real Germany.

### Profit or loss for the period and earnings per share

Profit for the period in financial year 2014/15 totalled €714 million, an increase of €532 million over the previous year's result (2013/14: €182 million). Profit for the period included special items totalling €–26 million (2013/14: €491 million). As a result, profit for the period adjusted for these special items stood at €688 million (2013/14: €673 million).

Net of non-controlling interests, profit for the period attributable to the shareholders of METRO AG totalled €672 million (2013/14: €127 million). This represents a significant improvement of €545 million.

In financial year 2014/15, METRO GROUP improved its earnings per share to €2.06 (2013/14: €0.39). The calculation for the reporting period continued to be based on a weighted number of 326,787,529 shares. Profit for the period attributable to the shareholders of METRO AG of €672 million was distributed according to this number of shares. There was no dilution from so-called potential shares in financial year 2014/15 or in the previous year.

Earnings per share before special items totalled €1.91 (2013/14: €1.84). This result forms the basis for the dividend recommendation.

| | | | | Change | |
|---|---|---|---|---|---|
| | | 2013/14[1] | 2014/15 | absolute | % |
| Profit or loss for the period from continuing operations | € million | −3 | **−221** | 218 | – |
| Profit or loss for the period from discontinued operations after taxes | € million | 185 | **935** | −750 | – |
| Profit or loss for the period | € million | 182 | **714** | 532 | – |
| Profit or loss for the period attributable to non-controlling interests | € million | 55 | **42** | −13 | −23.8 |
| from continuing operations | € million | 54 | **42** | −12 | −23.0 |
| from discontinued operations | € million | 1 | **0** | −1 | – |
| Profit or loss for the period attributable to shareholders of METRO AG | € million | 127 | **672** | 545 | – |
| from continuing operations | € million | −57 | **−263** | −206 | – |
| from discontinued operations | € million | 184 | **935** | 751 | – |
| Earnings per share (basic = diluted)[2] | € | 0.39 | **2.06** | 1.67 | – |
| from continuing operations | € | −0.18 | **−0.80** | −0.62 | – |
| from discontinued operations | € | 0.57 | **2.86** | 2.29 | – |
| Earnings per share before special items[2] | € | 1.84 | **1.91** | 0.07 | 4.1 |
| from continuing operations | € | 1.27 | **1.48** | 0.21 | 16.9 |
| from discontinued operations | € | 0.57 | **0.43** | −0.14 | −24.6 |

[1] Adjustment of previous year's figures due to discontinued operations (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)
[2] After non-controlling interests

**Liquidity (cash flow statement)**

METRO GROUP's liquidity is calculated on the basis of the cash flow statement. The cash flow statement serves to calculate and display the cash flows that METRO GROUP generated or employed during the financial year from 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.

Cash inflow from operating activities in financial year 2014/15 amounted to €1,846 million (2013/14: €+2,008 million). Investing activities led to a cash inflow of €785 million (2013/14: €−715 million). Compared with the previous year's period, this represents an increase in cash flow before financing activities of €1,338 million to €2,631 million. Cash outflow from financing activities totalled €597 million (2013/14: €−1,448 million).

**For more information, see the Annual Report 2014/15 at www.metrogroup.de/open-minded/asset-financial-earnings-position.**

# METRO SHARE

Following a very positive development over the course of the year, the METRO share finally closed financial year 2014/15 with a decline in prices. The price of the ordinary share dropped 5.3 per cent to €24.69, while the Dow Jones Euro STOXX Retail industry index developed very positively with a gain of 16.7 per cent. The positive index development was primarily due to the share price performance of companies with a focus on the non-food business. The German DAX stock market index reached new all-time highs during the reporting year and closed the period with a gain of 2.0 per cent.

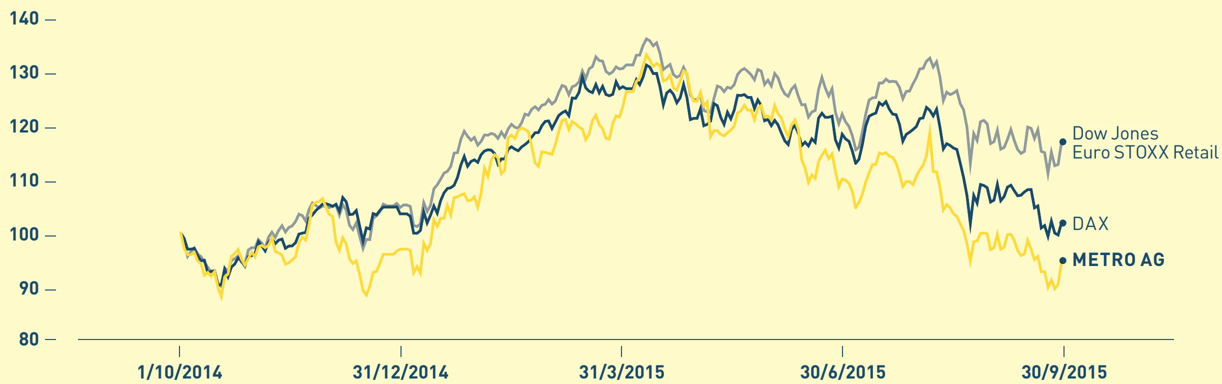
At the start of financial year 2014/15, the METRO AG ordinary share initially fell in sync with the DAX and the Dow Jones Euro STOXX Retail industry index. On 16 October 2014, the METRO share fell to its lowest level in financial year 2014/15 at €23.06. Amid a recovery in early November 2014, the METRO share again rose in sync with the indices. The geopolitical situation in Russia and Ukraine in combination with the weakening currencies in these countries weighed heavily on the METRO share at the end of November 2014. From mid-December 2014, positive reports about financial year 2013/14 and the announcement of an attractive dividend caused the share to rally again. Starting in January 2015, the share rose continuously in line with the DAX and the Dow Jones Euro STOXX Retail. Stronger economic momentum in Europe and the European Central Bank's decision to initiate a major quantitative easing programme with €60 billion in monthly bond purchases at the beginning of March 2015 fuelled the positive market sentiment. In addition, many export-oriented European companies have benefited from the strengthening US dollar. In this positive environment, the METRO share reached its high for financial year 2014/15 at €34.56 on 10 April 2015. Over the course of April, the debate about a possible "Grexit" – a potential exit of Greece from the Eurozone – had a largely negative impact on European stock markets. This caused indices and stock prices to decline markedly, with the METRO share unable to decouple from this trend. Global stock markets plummeted on 24 August 2015. This "Black Monday" was triggered by declining growth in China. The subsequent weeks were characterised by very high volatility. In September 2015, an incident at a major German carmaker exerted strong downward pressure on the German stock market, causing the share prices of companies even beyond the immediately affected sectors to decline. As a result, the METRO ordinary share approached its low for the year before recovering and closing financial year 2014/15 at €24.69 following the completion of the sale of Galeria Kaufhof.

In Deutsche Börse's index ranking, the METRO AG share ranked 43rd in terms of market capitalisation and 32nd in terms of stock market trading volume as of the end of September 2015.

The METRO share is one of the MDAX's largest members in terms of market capitalisation and boasts the second-highest stock market trading volume. METRO AG remains a member of the industry index Dow Jones Euro STOXX Retail.

**For more information, see the Annual Report 2014/15 at www.metrogroup.de/open-minded/share.**

## Development of the METRO share price (%)




## METRO shares

| | | | 2013/14 | 2014/15 |
|---|---|---|---|---|
| Closing price | Ordinary shares | € | 26.08 | **24.69** |
| | Preference shares | € | 20.25 | **20.20** |
| High | Ordinary shares | € | 37.28 | **34.56** |
| | Preference shares | € | 29.20 | **24.44** |
| Low | Ordinary shares | € | 25.00 | **23.06** |
| | Preference shares | € | 20.09 | **19.31** |
| Dividend | Ordinary shares | € | 0.90 | **1.00**[1] |
| | Preference shares | € | 1.13 | **1.06**[1] |
| Dividend yield | Ordinary shares | % | 3.5 | **4.1**[1] |
| based on closing price | Preference shares | % | 5.6 | **5.2**[1] |
| Market capitalisation (billion) | | € | 8.5 | **8.1** |

[1] Subject to the resolution of the Annual General Meeting
Data based on Xetra closing prices
Source: Bloomberg

## Information about the METRO shares

| | Ordinary shares | Preference shares |
|---|---|---|
| Code number | 725 750 | 725 753 |
| ISIN code | DE 000 725 750 3 | DE 000 725 753 7 |
| Reuters code | MEOG.DE | MEOG_p.DE |
| Bloomberg code | MEO GR | MEO3 GR |
| Number of shares | 324,109,563 | 2,677,966 |

# GROUP BUSINESS MODEL

METRO GROUP's corporate structure is characterised by a clear division of responsibilities. The group is headed by METRO AG. As a central management holding company, it oversees group management functions, including, in particular, Finance, Controlling, Legal and Compliance. The central management and administrative functions for METRO Cash & Carry are formally anchored within METRO AG.

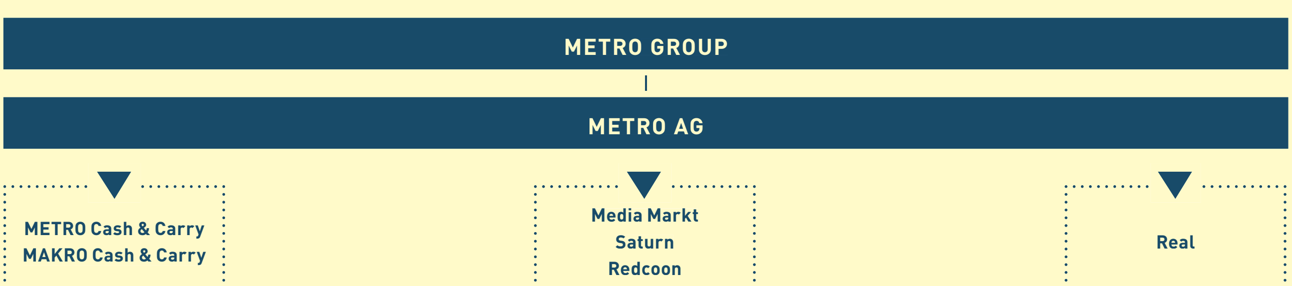
The group's operational business is handled by our three sales lines. In some cases, the sales lines operate in the market with several sales brands or through subsidiaries, depending on the respective strategy, segment and specific competitive environment.

METRO Cash & Carry is responsible for the group's wholesale business, Media-Saturn for consumer electronics retailing and Real for hypermarkets. All sales lines have undivided responsibility for their entire value chain – from procurement to logistics to store-based retail and online sales.

Galeria Kaufhof was sold to Hudson's Bay Company (HBC) during financial year 2014/15. The transaction was successfully completed at the end of September 2015. Due to the sale, Galeria Kaufhof is no longer shown as a separate segment, but under discontinued operations.

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

**Overview of METRO GROUP**



## Store network by countries and segments

| | METRO Cash & Carry[1] | | Media-Saturn | | Real | | METRO GROUP | | Discontinued operations | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 |
| **Germany** | **107** | **107** | **415** | **417** | **307** | **293** | **829** | **817** | **122** | **118** |
| Austria | 12 | **12** | 47 | **48** | | | 59 | **60** | | |
| Belgium | 15 | **15** | 23 | **23** | | | 38 | **38** | 15 | **16** |
| Denmark | 5 | **0** | | | | | 5 | **0** | | |
| France | 93 | **93** | | | | | 93 | **93** | | |
| Italy | 49 | **48** | 117 | **110** | | | 166 | **158** | | |
| Luxembourg | | | 2 | **2** | | | 2 | **2** | | |
| Netherlands | 17 | **17** | 45 | **49** | | | 62 | **66** | | |
| Portugal | 10 | **10** | 9 | **9** | | | 19 | **19** | | |
| Spain | 37 | **37** | 72 | **77** | | | 109 | **114** | | |
| Sweden | | | 27 | **27** | | | 27 | **27** | | |
| Switzerland | | | 25 | **27** | | | 25 | **27** | | |
| **Western Europe (excl. Germany)** | **238** | **232** | **367** | **372** | | | **605** | **604** | **15** | **16** |
| Bulgaria | 14 | **11** | | | | | 14 | **11** | | |
| Croatia | 7 | **8** | | | | | 7 | **8** | | |
| Czech Republic | 13 | **13** | | | | | 13 | **13** | | |
| Greece | 9 | **0** | 10 | **10** | | | 19 | **10** | | |
| Hungary | 13 | **13** | 21 | **21** | | | 34 | **34** | | |
| Kazakhstan | 8 | **7** | | | | | 8 | **7** | | |
| Moldova | 3 | **3** | | | | | 3 | **3** | | |
| Poland | 41 | **41** | 71 | **79** | | | 112 | **120** | | |
| Romania | 32 | **31** | | | 4 | **0**[2] | 36 | **31** | | |
| Russia | 73 | **84** | 63 | **67** | | | 136 | **151** | | |
| Serbia | 10 | **10** | | | | | 10 | **10** | | |
| Slovakia | 6 | **6** | | | | | 6 | **6** | | |
| Turkey | 28 | **29** | 39 | **41** | | | 67 | **70** | | |
| Ukraine | 33 | **32** | | | | | 33 | **32** | | |
| **Eastern Europe** | **290** | **288** | **204** | **218** | | | **498** | **506** | | |
| China | 78 | **82** | | | | | 78 | **82** | | |
| India | 16 | **18** | | | | | 16 | **18** | | |
| Japan | 9 | **9** | | | | | 9 | **9** | | |
| Pakistan | 9 | **9** | | | | | 9 | **9** | | |
| Vietnam | 19 | **19** | | | | | 19 | **19** | | |
| **Asia/Africa** | **131** | **137** | | | | | **131** | **137** | | |
| **International** | **659** | **657** | **571** | **590** | **4** | **0** | **1,234** | **1,247** | **15** | **16** |
| **METRO GROUP** | **766** | **764** | **986** | **1,007** | **311** | **293** | **2,063** | **2,068**[3] | **137** | **134** |

[1] The METRO Cash & Carry segment also includes the business of the Classic Fine Foods group in China (including Hong Kong), France, Indonesia, Japan, Korea, Macau, Malaysia, the Philippines, Singapore, Thailand, the United Arab Emirates, the United Kingdom and Vietnam. The locations and countries of the Classic Fine Foods group are not shown in the table as they relate to distribution centres and warehouses whereas this table only covers sales locations.
[2] As of financial year 2014/15, the four stores in Romania are shown in the Others segment
[3] Including four stores in the Others segment

# METRO CASH & CARRY


METRO Cash & Carry is a leading international player in self-service wholesale trade. Its brands METRO and MAKRO operate in 26 countries throughout Europe and Asia. 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.

Like-for-like **sales** at METRO Cash & Carry rose by 0.9 per cent in financial year 2014/15, with positive sales growth in all quarters. The previous year's figure was matched in terms of sales in local currency. Due to exchange rate developments – particularly with respect to the Russian rouble – and portfolio changes, reported sales declined by 2.7 per cent to €29.7 billion.

Sales in the delivery business continued their strong momentum and rose by 11.6 per cent in local currency. Reported sales rose by as much as 13.7 per cent to €3.1 billion (2013/14: €2.8 billion). The share of delivery sales in total sales improved to 10.6 per cent.

Like-for-like sales in **Germany** fell by 1.7 per cent in financial year 2014/15. Reported sales also declined by 1.7 per cent to €4.7 billion. However, the trend improved as the financial year progressed.

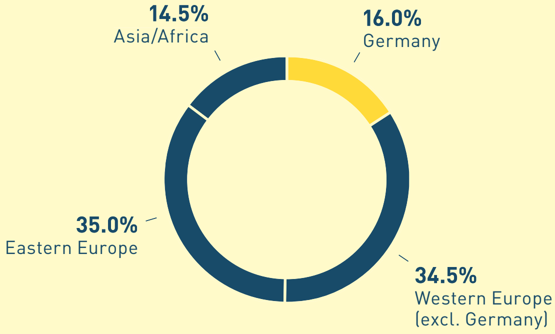
In **Western Europe (excluding Germany),** like-for-like sales retreated by 0.7 per cent. Sales declined in Belgium and the Netherlands, but increased in Italy, Portugal and Spain. Sales also fell by 0.7 per cent in local currency. Reported sales retreated by 2.8 per cent to €10.2 billion (2013/14: €10.5 billion). This is partially due to the withdrawal from Denmark at the end of 2014.

**Key figures METRO Cash & Carry 2014/15**
in year-on-year comparison

| | | | Change in % compared with the previous year's period | | | |
|---|---|---|---|---|---|---|
| | 2013/14 € million | 2014/15 € million | in € | Currency effects in percentage points | in local currency | like-for-like sales in local currency |
| Sales | 30,513 | **29,690** | −2.7 | −2.7 | 0.0 | 0.9 |
| Germany | 4,819 | **4,739** | −1.7 | 0.0 | −1.7 | −1.7 |
| Western Europe (excl. Germany) | 10,547 | **10,247** | −2.8 | 0.0 | −2.8 | −0.7 |
| Eastern Europe | 11,431 | **10,392** | −9.1 | −12.6 | 3.5 | 4.5 |
| Asia/Africa | 3,716 | **4,312** | 16.1 | 15.5 | 0.5 | −0.4 |
| EBIT[1] | 1,125 | **1,050** | −6.6 | – | – | – |
| EBIT margin (%)[1] | 3.7 | **3.5** | – | – | – | – |
| Locations (number) | 766 | **764** | – | – | – | – |
| Selling space (1,000 m²) | 5,576 | **5,468** | – | – | – | – |

[1] Before special items

**Sales of METRO Cash & Carry 2014/15**
by region




Like-for-like sales in **Eastern Europe** increased by 4.5 per cent. In spite of the difficult political situation, like-for-like sales in Russia increased, driven partly by inflation. Like-for-like sales also increased in all other Eastern European countries with the exception of Poland and Romania. Sales rose by 3.5 per cent in local currency. Reported sales fell by 9.1 per cent to €10.4 billion due to very negative currency effects and the sale of the Greek business.

Like-for-like sales in **Asia/Africa** declined slightly by 0.4 per cent, with India and Japan posting higher like-for-like sales. However, sales rose by 0.5 per cent in local currency. Thanks to positive currency effects, reported sales improved by 16.1 per cent to €4.3 billion.

In financial year 2014/15, the international share of sales of METRO Cash & Carry fell slightly from 84.2 per cent to 84.0 per cent as a result of currency effects.

**EBIT** at METRO Cash & Carry totalled €975 million in financial year 2014/15 (2013/14: €904 million). This figure includes special items totalling €75 million (2013/14: €221 million). These particularly related to restructuring and efficiency improvement measures at, among others, METRO Cash & Carry Germany.

EBIT before special items amounted to €1,050 million (2013/14: €1,125 million). This decline was due largely to negative currency effects in Russia. Adjusted for these effects, earnings before special items improved.

On 30 September 2015, METRO Cash & Carry operated 764 stores in 26 countries. Of these stores, 107 were in Germany, 232 in Western Europe (excluding Germany), 288 in Eastern Europe and 137 in Asia.

**For more information, see the Annual Report 2014/15 at www.metrogroup.de/open-minded/asset-financial-earnings-position.**

## DELIVERING DIRECTLY TO THE KITCHEN

METRO Cash & Carry is constantly working on expanding and enhancing its food service distribution (FSD) delivery concept. The sales line's goal is to have its existing delivery service better fulfil market and customer expectations.

To best serve Horeca customer needs, the countries' delivery and food service teams are focusing on developing a relevant commercial model for enhancing METRO Cash & Carry's value proposition and use of assets worldwide. In so doing, they are focusing on providing their customers a consistently high level of service. This transformation initiative continues to influence the sales line's processes and capabilities, and is currently being implemented in eight countries, including Germany, China, Russia and the Czech Republic.

In addition, METRO Cash & Carry is extending its FSD business with the acquisition of the Classic Fine Foods group (CFF), which was completed in August 2015. CFF is one of the leading delivery services for premium hotels, restaurants and catering businesses and is represented in 25 major cities in 14 countries, primarily in Asia.

# MEDIA-SATURN


Media-Saturn is Europe's number one consumer electronics retailer. The sales line's success is based on a combination of factors: the strong Media Markt and Saturn brands, a decentralised organisational structure with local managing directors holding minority stakes, and the close dovetailing of all distribution channels and services in a seamless offer for customers. In pure online retail, Media-Saturn has a presence in eight countries through the online retailer Redcoon, a fully owned subsidiary of Media-Saturn, and is represented in Russia through the 003.ru brand.

Like-for-like **sales** of Media-Saturn grew by 3.1 per cent in financial year 2014/15, with positive sales growth in all quarters. Sales in local currency increased by 4.6 per cent, while reported sales rose by 3.6 per cent to €21.7 billion.

Online retail also continued its strong momentum: internet sales climbed by more than 20 per cent to €1.8 billion. As a result, online sales now account for more than 8 per cent of total sales.

Like-for-like sales in **Germany** increased by 1.6 per cent. Reported sales grew by 2.3 per cent to €10.0 billion. Sales trends during the year were very positive, with the only interruption in summer due to the comparison with the high reference values of the previous year in connection with the 2014 FIFA World Cup.

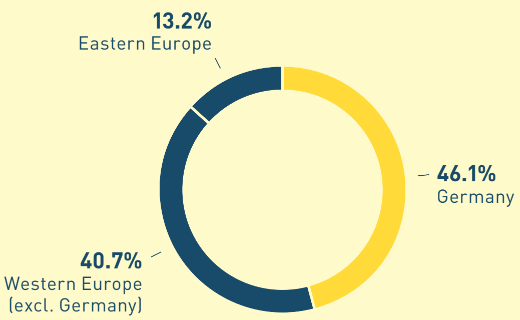
Customers' very positive response to the continued dovetailing of sales channels was reflected in a pick-up rate of about 40 per cent for goods purchased online. The online product range was expanded once again. At the end of September 2015, it consisted of more than 150,000 items at mediamarkt.de and about 130,000 at saturn.de. As such, the online selection markedly exceeds the product range available in most Media-Saturn stores.

**Key figures Media-Saturn 2014/15**
in year-on-year comparison

| | | | Change in % compared with the previous year's period | | | |
|---|---|---|---|---|---|---|
| | 2013/14 € million | 2014/15 € million | in € | Currency effects in percentage points | in local currency | like-for-like sales in local currency |
| Sales | 20,981 | **21,737** | 3.6 | −1.0 | 4.6 | 3.1 |
| Germany | 9,795 | **10,016** | 2.3 | 0.0 | 2.3 | 1.6 |
| Western Europe (excl. Germany) | 8,356 | **8,843** | 5.8 | 0.7 | 5.1 | 3.4 |
| Eastern Europe | 2,831 | **2,878** | 1.7 | −10.6 | 12.3 | 8.4 |
| EBIT[1] | 335 | **442** | 32.2 | – | – | – |
| EBIT margin (%)[1] | 1.6 | **2.0** | – | – | – | – |
| Locations (number) | 986 | **1,007** | – | – | – | – |
| Selling space (1,000 m²) | 3,070 | **3,034** | – | – | – | – |

[1] Before special items

**Sales of Media-Saturn 2014/15**
by region




In **Western Europe (excluding Germany),** like-for-like sales rose by 3.4 per cent. Particularly Spain stood out due to double-digit sales growth. However, like-for-like sales also developed very favourably in Sweden, the Netherlands and Austria. In Switzerland, the strong Swiss franc dampened domestic demand. As a result, sales also declined at Media-Saturn. Across Western Europe, sales in local currency improved markedly by 5.1 per cent. Reported sales increased by 5.8 per cent to €8.8 billion. METRO GROUP captured additional market share in nearly all countries.

In **Eastern Europe,** like-for-like sales rose noticeably by 8.4 per cent. Once again, the two countries that stood out with double-digit growth rates were Hungary and Turkey. Measured in local currency, sales rose steeply by 12.3 per cent. Reported sales grew by 1.7 per cent to €2.9 billion. Negative currency effects had a significant negative impact on sales in the region.

The international share of sales rose from 53.3 per cent to 53.9 per cent in financial year 2014/15.

**EBIT** at Media-Saturn climbed to €336 million (2013/14: €244 million). This figure includes special items totalling €107 million (2013/14: €91 million). These items involved a large number of restructuring and efficiency improvement measures.

EBIT before special items increased noticeably from €335 million to €442 million. A better sales mix and a higher share of services as well as continually efficient cost management had a positive effect here. Stronger consumption in Russia in anticipation of continued depreciation of the Russian rouble provided for an additional boost in the Christmas quarter.

On 30 September 2015, Media-Saturn had 1,007 consumer electronics stores in 15 countries, including 417 in Germany, 372 in Western Europe (excluding Germany) and 218 in Eastern Europe.

**For more information, see the Annual Report 2014/15 at www.metrogroup.de/open-minded/asset-financial-earnings-position.**

## JUST ORDERED – AND ALREADY HERE

Media-Saturn launched an express delivery service in seven selected cities in May 2014. Additional Media Markt and Saturn stores have since been added. Over the past financial year, the two consumer electronics retailers significantly expanded their same-day delivery service, which they are providing in over 80 per cent of Germany during the 2015 Christmas season. This means that products ordered online or bought in store can be delivered to the customer's home within three hours of purchase. Same-day delivery specialist tiramizoo of Munich remains the partner for this service offering.

# REAL


Real is one of the leading hypermarket operators in Germany, where it is active both in store-based and online retail. All Real hypermarkets are characterised by a large proportion of high-quality fresh produce, a wide range of non-food articles and attractive prices offering good value for money.

**Sales** at Real declined by 8.3 per cent to €7.7 billion in financial year 2014/15 as parts of the sold European business had still contributed to sales in financial year 2013/14.

Like-for-like sales of Real in **Germany** fell by 0.8 per cent in financial year 2014/15. Due mostly to store closures, reported sales retreated by 2.6 per cent to €7.7 billion. Sales were particularly dampened by persistently intense competition in food retail. The sales volume and customer traffic were positively impacted by the store modernisation programme based on the successful renovation of the store in Essen, which has now been implemented at 107 sites.

**Key figures Real 2014/15**
in year-on-year comparison

| | | | Change in % compared with the previous year's period | | | |
|---|---|---|---|---|---|---|
| | 2013/14 € million | 2014/15 € million | in € | Currency effects in percentage points | in local currency | like-for-like sales in local currency |
| Sales | 8,432 | **7,735** | –8.3 | 0.0 | –8.3 | –0.8 |
| Germany | 7,939 | **7,735** | –2.6 | 0.0 | –2.6 | –0.8 |
| EBIT[1] | 81 | **88** | 8.3 | – | – | – |
| EBIT margin (%)[1] | 1.0 | **1.1** | – | – | – | – |
| Locations (number) | 311 | **293** | – | – | – | – |
| Selling space (1,000 m²) | 2,145 | **2,031** | – | – | – | – |

[1] Before special items

**EBIT** at Real totalled €–441 million in financial year 2014/15 (2013/14: €19 million). This included special items of €529 million relating in particular to non-cash impairment losses on goodwill and store closures.

EBIT before special items increased from €81 million in the previous year to €88 million. The previous year's figure still included negative earnings contributions from Real Eastern Europe in the amount of €6 million.

In financial year 2014/15, Real's store network in Germany was reduced by 14 to 293 sites.

**For more information, see the Annual Report 2014/15 at www.metrogroup.de/open-minded/asset-financial-earnings-position.**

## NEW STORE CONCEPT – INCREASED FOOTFALL

In 2015, Real continued the modernisation of its hypermarkets that it began two years ago. A total of 57 outlets were refurbished and adapted to the new store concept. This brings the number of hypermarkets that completed the reorientation by the end of financial year 2014/15 to 107 – or more than one third of all locations. The innovations in the stores are consistently geared toward changing customer behaviour. Added value for the customer is increased by the new structure of the product range and the optimised placement of goods in the stores as well as by new services such as free Wi-Fi access. These measures underscore Real's strong position in the food retail sector while also improving its competitiveness. The positive response and increased footfall in the modernised stores confirm this.

# EMPLOYEES

It is the goal of our company to ensure that it produces long-term growth in sales and earnings. To achieve this goal, we need dedicated employees who bring our strategy to life in their everyday work and create added value for our customers. One thing is certain: METRO GROUP can only grow if we support our employees. Our human resource strategy focuses on two key aspects: on human resource management, which includes employee recruitment, retention and development, and on occupational safety and health management. Our objective is to attract the very best employees, to support them in accordance with their drive and abilities, and to strengthen their long-term connection to our company. By taking this approach, we strive to be the employer of choice among current and future employees.

**Employee engagement**

A key instrument to determine the engagement of the workforce and their loyalty to the company is our global employee survey. We conduct it regularly in the countries in which METRO Cash & Carry operates, both at the service companies and at METRO AG. During the reporting period, the survey took place for the eighth time, this time with the motto "Your opinion. Our dialogue." Around 98,500 employees in the company units surveyed participated, corresponding to a rate of 88 per cent. Since the last survey, the level of engagement – which indicates the degree of solidarity, pride in the company, loyalty and motivation – rose by 3 percentage points to 75 per cent. Thus the level is significantly (17 percentage points) higher than Aon Hewitt's Global Retail Benchmark. This positive development can be attributed, on the one hand, to an intensive follow-up process: managers receive detailed insight into the survey results and discuss these together with their teams to develop suitable measures to raise the level of engagement. On the other hand, we established group-wide initiatives that we use to increasingly promote a focus on innovative ideas and encourage the appreciation and recognition of our staff. A comparative study, which was prepared in collaboration with Aon Hewitt, reveals that employee engagement has a positive effect on customer satisfaction and thus for the first time demonstrates the business impact of the level of engagement.

**Development of staff numbers**

During the reporting period, METRO GROUP employed an average of 203,773 (2013/14: 209,398) full-time equivalents. This is a decrease of 2.7 per cent from the same period of the previous year. The majority of our employees work outside of our home market of Germany. In Western Europe (excluding Germany), Eastern Europe and Asia/Africa, we had 132,958 full-time equivalents, 4.0 per cent less than during the same period of the previous year. This decline is primarily due to the sale of Real's Eastern European business and METRO Cash & Carry's withdrawal from Denmark, Greece and Vietnam. In Germany, the number of full-time equivalents fell slightly by 0.2 per cent to 70,815.

**Development of personnel expenses**

Our personnel expenses increased by 0.9 per cent to €6.5 billion compared with the same period of the previous year (2013/14: €6.4 billion). Of that amount, €5.3 billion (2013/14: €5.2 billion) was attributable to wages and salaries, including income taxes and employee contributions to social insurance programmes. The rest was attributable to social welfare contributions, pension expenses and employee benefits.

**For more information, see the Annual Report 2014/15 at www.metrogroup.de/open-minded/employees.**

## Development of employee numbers by country and segment

by headcount as of closing date of 30/9

| | METRO Cash & Carry | | Media-Saturn | | Real | | Others | | METRO GROUP | | Discontinued operations | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 |
| **Germany** | **14,788** | **14,647** | **26,906** | **27,304** | **36,538** | **36,063** | **6,065** | **5,935** | **84,297** | **83,949** | **19,851** | **19,436** |
| Austria | 2,113 | **2,116** | 2,737 | **2,861** | | | | | 4,850 | **4,977** | | |
| Belgium | 3,312 | **3,026** | 1,603 | **1,623** | | | | | 4,915 | **4,649** | 1,264 | **1,292** |
| Denmark | 667 | **0** | 35 | **33** | | | | | 702 | **33** | | |
| France | 8,559 | **8,539** | 12 | **0** | | | | | 8,571 | **8,539** | | |
| Italy | 4,429 | **4,375** | 6,499 | **5,826** | | | | | 10,928 | **10,201** | | |
| Luxembourg | | | 127 | **122** | | | | | 127 | **122** | | |
| Netherlands | 4,080 | **4,414** | 4,513 | **4,796** | | | 11 | **11** | 8,604 | **9,221** | | |
| Portugal | 1,188 | **944** | 504 | **546** | | | | | 1,692 | **1,490** | | |
| Spain | 3,881 | **3,744** | 5,494 | **6,508** | | | | | 9,375 | **10,252** | | |
| Sweden | | | 1,491 | **1,511** | | | | | 1,491 | **1,511** | | |
| Switzerland | | | 1,224 | **1,295** | | | 87 | **82** | 1,311 | **1,377** | | |
| **Western Europe (excl. Germany)** | **28,229** | **27,158** | **24,239** | **25,121** | | | **98** | **93** | **52,566** | **52,372** | **1,264** | **1,292** |
| Bulgaria | 2,268 | **2,208** | | | | | | | 2,268 | **2,208** | | |
| Croatia | 1,140 | **1,142** | | | | | | | 1,140 | **1,142** | | |
| Czech Republic | 3,440 | **3,466** | | | | | | | 3,440 | **3,466** | | |
| Greece | 1,010 | **0** | 783 | **813** | | | | | 1,793 | **813** | | |
| Hungary | 2,626 | **2,547** | 1,096 | **1,185** | | | 6 | **6** | 3,728 | **3,738** | | |
| Kazakhstan | 1,012 | **887** | | | | | | | 1,012 | **887** | | |
| Moldova | 617 | **598** | | | | | | | 617 | **598** | | |
| Poland | 6,147 | **5,981** | 4,915 | **5,035** | | | 511 | **294** | 11,573 | **11,310** | | |
| Romania | 4,931 | **4,349** | | | 655 | **0** | 703 | **1,459** | 6,289 | **5,808** | | |
| Russia | 17,669 | **17,800** | 4,305 | **3,481** | | | 561 | **586** | 22,535 | **21,867** | | |
| Serbia | 1,309 | **1,241** | | | | | | | 1,309 | **1,241** | | |
| Slovakia | 1,275 | **1,188** | | | | | | | 1,275 | **1,188** | | |
| Turkey | 4,565 | **4,555** | 2,224 | **1,982** | | | 115 | **104** | 6,904 | **6,641** | | |
| Ukraine | 4,250 | **3,426** | | | | | 1 | **0** | 4,251 | **3,426** | | |
| **Eastern Europe** | **52,259** | **49,388** | **13,323** | **12,496** | **655** | **0** | **1,897** | **2,449** | **68,134** | **64,333** | | |
| China[1] | 11,935 | **11,899** | 15 | **14** | | | 515 | **501** | 12,465 | **12,414** | | |
| Egypt | 55 | **0** | | | | | | | 55 | **0** | | |
| India | 3,349 | **3,598** | | | | | 529 | **650** | 3,878 | **4,248** | | |
| Japan | 1,080 | **1,063** | | | | | | | 1,080 | **1,063** | | |
| Pakistan | 1,852 | **1,715** | | | | | | | 1,852 | **1,715** | | |
| Vietnam | 3,703 | **3,363** | | | | | | | 3,703 | **3,363** | | |
| **Asia/Africa** | **21,974** | **21,638** | **15** | **14** | | | **1,044** | **1,151** | **23,033** | **22,803** | | |
| **USA[2]** | 5 | **5** | | | | | | | 5 | **5** | | |
| **International** | **102,467** | **98,189** | **37,577** | **37,631** | **655** | **0** | **3,039** | **3,693** | **143,738** | **139,513** | **1,264** | **1,292** |
| **METRO GROUP** | **117,255** | **112,836** | **64,483** | **64,935** | **37,193** | **36,063** | **9,104** | **9,628** | **228,035** | **223,462** | **21,115** | **20,728** |

[1] All employees of the Classic Fine Foods group are attributed to the Asia/Africa (China) region
[2] US employees are employees of the Boston Trading Office (BTO). The trading office is responsible for seafood procurement.

# SUSTAINABILITY

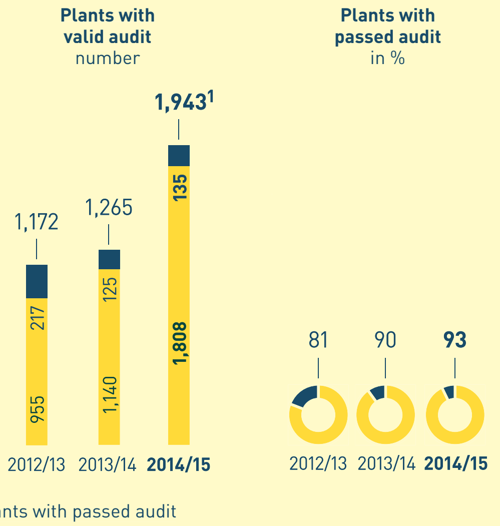
METRO GROUP views itself as a member of society that contributes to social value creation. As part of its corporate responsibilities, our company strives to create a strong bond between economic goals that extend beyond legal requirements and the needs of society as well as those of customers, employees, investors and partners. We must respect the limits placed on us by the environment. By taking this approach, we act today for the good of tomorrow. In line with METRO GROUP's sustainability vision "we offer quality of life", our business activities are designed to create added value while reducing negative effects. This makes all aspects of our business sustainable.

In financial year 2014/15, METRO GROUP once again qualified for a place among the world's most sustainable retail companies and is listed both in the Dow Jones Sustainability World Index and the Dow Jones Sustainability Europe Index. Moreover, METRO GROUP was named an industry group leader in the category of "Food & Staples Retailing" for the first time in its history. The group's total score increased to 77 from 71 in financial year 2013/14. This represents a significant improvement for METRO GROUP.

### Procurement, production and processing

In our procurement activities, we strive to purchase high-quality and safe products with sound social and economic credentials. We do this by defining verifiable quality and sustainability criteria, by monitoring our compliance with these criteria and by supporting our suppliers with training. Our group-wide sustainable procurement policy applies to all product purchases and considers sustainability criteria. It is complemented by regular reviews of our defined standards by independent third parties as well as close collaboration with our suppliers through pooled purchases and regional procurement.

**Social audits of own imports through MGB Hong Kong and non-food own brands of the METRO GROUP sales lines**
as of closing date 30/9



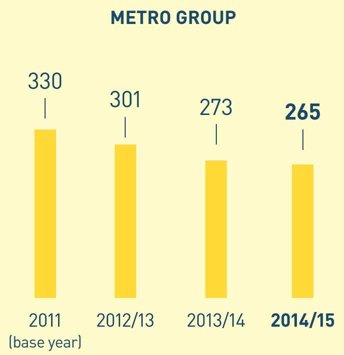

Plants that have passed the audit can demonstrate their successful compliance with the BSCI standard or an equivalent social standard system by presenting a certificate awarded by an independent third party.

[1] Adjustment of previous year's figures for social audits at plants relating to own imports through MGB Hong Kong. In addition, plants in 2014/15 relate to non-food own brands of the METRO GROUP sales lines.

### Transport, warehousing and stores

We need energy and natural resources to successfully operate our core business and to meet our customers' needs. This deployment of resources is reflected in our operating costs and has negative environmental impacts. As a result, we strive to reduce the greenhouse gas emissions of our business operations and our resource consumption. We do this by reducing our energy demand through increased efficiency and a conscious use of energy, responsible management of such resources as our logistics fleet, cooling agents and paper, as well as sustainable property management.

**Status climate protection target**
greenhouse gas emissions in kg $CO_2$ ($CO_2$ equivalent) per m² of selling space




## Customers

Our sales lines aim to create added value for their customers. Their products and services must not just meet quality and safety requirements. Consumers also attach increasing importance to sound social and environmental credentials when purchasing goods or services. We want our customers to be sure of these credentials when they shop and implement targeted measures to encourage responsible consumption. We do this by ensuring a high level of transparency along the value chain through traceability and by supporting responsible consumption and improved customer interaction. Measures that contribute to this effort include, among other things, targeted product information and labelling as well as an assortment design with a focus on sustainable, energy-efficient and resource-conserving products.

In financial year 2014/15, METRO Cash & Carry and Real generated sales of nearly €9 million in Germany from fair trade products. That figure includes all articles bearing a Fairtrade or GEPA label. In the same period, our sales lines generated a total of €107 million in Germany-wide sales of products certified in accordance with the EU regulation on organic farming. Our stores also offer products from sustainable, environmentally conscious fisheries. The seal of the Marine Stewardship Council (MSC) communicates this fact to customers. In financial year 2014/15, the sustainable fish product range of our sales lines METRO Cash & Carry and Real in Germany comprised 108 MSC-certified own-brand products and 773 brand items. In addition, those two sales lines distributed fish products bearing the ASC label for sustainable aquaculture as well as the "dolphin-safe" label. In total, sales of approximately €90 million were generated from our portfolio of sustainable fish products in Germany. Real increasingly offers its customers regional products and products from sustainable forestry. The sales line generated sales of nearly €302 million from regional products during the past financial year. Sales of products bearing either the FSC (Forest Stewardship Council) or the PEFC (Programme for the Endorsement of Forest Certification) label amounted to just under €22 million. Media-Saturn generated more than €3 billion from energy-efficient electrical appliances.

## Disposal

Our commitment to responsible resource management starts at the beginning of the value chain where we verify the origin of the raw materials used in our products and packaging. In the same way, we examine possible approaches to recycling raw materials at the end of a product's useful life or disposing of them in the most environmentally sound manner. To this end, we focus on avoiding waste, reusing and recycling resources and reducing food spoilage.

## Social commitment

As a retail company, METRO GROUP has close ties to its local communities. We interact with several million people every day. We also regard our local social and environmental activities as a form of value creation since they help to overcome social challenges. To this end, we foster intercultural dialogue, support our sites and their local communities, and provide targeted help to disadvantaged people, for example, through our support of food bank initiatives as well as donations and local community projects.

**For more information and key performance indicators, see the Annual Report 2014/15 at www.metrogroup.de/open-minded/sustainability as well as our website in the section "responsibility".**

# OUTLOOK

The outlook is based on the current group structure and adjusted for currency effects. In addition, it is based on the assumption of a continuously complex geopolitical situation.

**Expected sales development at METRO GROUP in 2015/16**

For financial year 2015/16, METRO GROUP expects to see a slight rise in overall sales, despite the persistently challenging economic environment.

In like-for-like sales, METRO GROUP foresees another slight increase that will follow the reporting period's rise of 1.5 per cent. The sales lines METRO Cash & Carry and Media-Saturn in particular are expected to contribute to both overall sales and like-for-like sales growth; we expect the Real sales line to improve its performance compared with financial year 2014/15.

**Expected earnings development at METRO GROUP in 2015/16**

In financial year 2015/16, earnings development will also be shaped by the persistently challenging economic environment.

Nevertheless, METRO GROUP is confident that it can again achieve an earnings increase as a result of the progress it has made and will continue to make in transforming its business models. Aside from operational improvements, METRO GROUP will again closely focus on efficient structures and strict cost management in this context in 2015/16.

For these reasons, we expect EBIT before special items to rise slightly above the €1,511 million achieved in financial year 2014/15, including income from real estate sales. METRO Cash & Carry and Media-Saturn in particular are expected to contribute to this development, while the development of the Real sales line will depend on the successful implementation of the measures that have been initiated.

**Overall statement by the Management Board of METRO AG on the medium-term development of METRO GROUP**

METRO GROUP's goal for the upcoming financial years is to continue the positive trend in sales and earnings. We will continue to sustainably expand METRO GROUP's position as one of the leading international retail companies. In particular, multichannel sales and the delivery business still hold major growth potential.

METRO GROUP has 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 positioned for the future.

**For more information, see the Annual Report 2014/15 at www.metrogroup.de/open-minded/outlook.**

# CONSOLIDATED FINANCIAL STATEMENTS (EXTRACT)

**Income statement**
**for the financial year from 1 October 2014 to 30 September 2015**

| € million | Note no. | 2013/14[1] | 2014/15 |
|---|---|---|---|
| **Sales** | 1 | **59,937** | **59,219** |
| Cost of sales | | −48,176 | **−47,577** |
| **Gross profit on sales** | | **11,761** | **11,642** |
| Other operating income | 2 | 1,298 | **1,275** |
| Selling expenses | 3 | −10,513 | **−10,221** |
| General administrative expenses | 4 | −1,326 | **−1,467** |
| Other operating expenses | 5 | −143 | **−518** |
| **Earnings before interest and taxes EBIT** | | **1,077** | **711** |
| Result from associates and joint ventures | 6 | 9 | **2** |
| Other investment result | 7 | 78 | **0** |
| Interest income | 8 | 48 | **62** |
| Interest expenses | 8 | −434 | **−344** |
| Other financial result | 9 | −242 | **−172** |
| **Net financial result** | | **−541** | **−452** |
| **Earnings before taxes EBT** | | **536** | **259** |
| Income taxes | 11 | −539 | **−480** |
| **Profit or loss for the period from continuing operations** | | **−3** | **−221** |
| Profit or loss for the period from discontinued operations after taxes | 12 | 185 | **935** |
| **Profit or loss for the period** | | **182** | **714** |
| Profit or loss for the period attributable to non-controlling interests | 13 | 55 | **42** |
| from continuing operations | | (54) | **(42)** |
| from discontinued operations | | (1) | **(0)** |
| Profit or loss for the period attributable to shareholders of METRO AG | | 127 | **672** |
| from continuing operations | | (−57) | **(−263)** |
| from discontinued operations | | (184) | **(935)** |
| **Earnings per share in € (basic = diluted)** | 14 | **0.39** | **2.06** |
| from continuing operations | | (−0.18) | **(−0.80)** |
| from discontinued operations | | (0.57) | **(2.86)** |

[1] Adjustment of previous year's figures due to discontinued operations
(see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)

## Balance sheet as of 30 September 2015

### Assets

| € million | Note no. | 30/9/2014 | 30/9/2015 |
|---|---|---|---|
| **Non-current assets** | | **15,572** | **13,207** |
| Goodwill | 19 | 3,671 | **3,301** |
| Other intangible assets | 20 | 380 | **464** |
| Property, plant and equipment | 21 | 10,025 | **7,955** |
| Investment properties | 22 | 223 | **170** |
| Financial investments | 23 | 71 | **117** |
| Investments accounted for using the equity method | 23 | 95 | **184** |
| Other financial and non-financial assets | 24 | 272 | **292** |
| Deferred tax assets | 25 | 835 | **724** |
| **Current assets** | | **12,584** | **14,449** |
| Inventories | 26 | 5,946 | **5,439** |
| Trade receivables | 27 | 560 | **702** |
| Financial assets | | 1 | **6** |
| Other financial and non-financial assets | 24 | 2,981[1] | **3,435** |
| Entitlements to income tax refunds | | 223 | **202** |
| Cash and cash equivalents | 30 | 2,406 | **4,415** |
| Assets held for sale | 31 | 467[1] | **250** |
| | | **28,156** | **27,656** |

### Equity and liabilities

| € million | Note no. | 30/9/2014 | 30/9/2015 |
|---|---|---|---|
| **Equity** | 32 | **4,999** | **5,172** |
| Share capital | | 835 | **835** |
| Capital reserve | | 2,551 | **2,551** |
| Reserves retained from earnings | | 1,602 | **1,793** |
| Non-controlling interests | | 11 | **−7** |
| **Non-current liabilities** | | **6,921** | **6,841** |
| Provisions for pensions and similar obligations | 33 | 1,684 | **1,270** |
| Other provisions | 34 | 478 | **492** |
| Borrowings | 35, 37 | 4,453 | **4,731** |
| Other financial and non-financial liabilities | 35, 38 | 176 | **206** |
| Deferred tax liabilities | 25 | 130 | **142** |
| **Current liabilities** | | **16,236** | **15,643** |
| Trade liabilities | 35, 36 | 10,075[1] | **9,550** |
| Provisions | 34 | 615 | **628** |
| Borrowings | 35, 37 | 2,615 | **2,635** |
| Other financial and non-financial liabilities | 35, 38 | 2,528 | **2,488** |
| Income tax liabilities | 35 | 198 | **148** |
| Liabilities related to assets held for sale | 31 | 205[1] | **194** |
| | | **28,156** | **27,656** |

[1] Adjustment of previous year's figures (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)

**Cash flow statement[1]**
**for the financial year from 1 October 2014 to 30 September 2015**

| € million | 2013/14[2] | 2014/15 |
|---|---|---|
| EBIT | 1,077 | **711** |
| Depreciation/amortisation/impairment losses/reversal of impairment losses of assets excl. financial investments | 1,151 | **1,465** |
| Change in provisions for pensions and other provisions | 19 | **104** |
| Change in net working capital | 3 | **–305** |
| Income taxes paid | –383 | **–547** |
| Reclassification of gains (–) / losses (+) from the disposal of fixed assets | –101 | **–214** |
| Other | –12 | **381** |
| **Cash flow from operating activities of continuing operations** | 1,754 | **1,595** |
| Cash flow from operating activities of discontinued operations | 254 | **251** |
| **Cash flow from operating activities** | **2,008** | **1,846** |
| Corporate acquisitions | 0 | **–251** |
| Investments in property, plant and equipment (excl. finance leases) | –762 | **–986** |
| Other investments | –365 | **–619** |
| Disposals of subsidiaries | –89 | **66** |
| Disposal of long-term assets | 522 | **389** |
| Gains (+) / losses (–) from the disposal of fixed assets | 101 | **214** |
| **Cash flow from investing activities of continuing operations** | –593 | **–1,187** |
| Cash flow from investing activities of discontinued operations | –122 | **1,972** |
| **Cash flow from investing activities** | **–715** | **785** |
| Dividends paid | | |
| to METRO AG shareholders | 0 | **–319**[3] |
| to other shareholders | –86 | **–45**[4] |
| Redemption of liabilities from put options of non-controlling interests | –1 | **0** |
| Proceeds from long-term borrowings | 3,372 | **3,537** |
| Redemption of borrowings | –4,255 | **–3,624** |
| Interest paid | –406 | **–334** |
| Interest received | 47 | **59** |
| Profit and loss transfers and other financing activities | –23 | **8** |
| Cash outflow for financing of discontinued operations | 0 | **0** |
| **Cash flow from financing activities of continuing operations** | –1,352 | **–718** |
| Cash flow from financing activities of discontinued operations | –96 | **121** |
| **Cash flow from financing activities** | **–1,448** | **–597** |
| **Total cash flows** | **–155** | **2,034** |
| Currency effects on cash and cash equivalents | –1 | **–25** |
| **Total change in cash and cash equivalents** | **–156** | **2,009** |
| Cash and cash equivalents as of 1 October | 2,564 | **2,408** |
| Cash and cash equivalents shown under IFRS 5 assets | 0 | **2** |
| **Cash and cash equivalents as of 1 October** | **2,564** | **2,406** |
| Total cash and cash equivalents as of 30 September | 2,408 | **4,417** |
| Cash and cash equivalents shown under IFRS 5 assets | 2 | **2** |
| **Cash and cash equivalents as of 30 September** | **2,406** | **4,415** |

[1] The cash flow statement is explained in the notes to the consolidated financial statements in no. 42 – notes to the cash flow statement (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes)
[2] Adjustment of previous year's figures due to discontinued operations (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)
[3] The reported dividend includes dividends of approximately €–25 million to non-controlling interests whose interests are shown fully as debt capital due to put options
[4] The reported dividend includes dividends of approximately €–7 million to non-controlling interests whose interests are shown fully as debt capital due to put options

# METRO GROUP IN FIGURES[1]

| € million | | 2012/13[2, 3] | 2013/14[4] | 2014/15 | Change in % |
|---|---|---|---|---|---|
| **Key financial figures** | | | | | |
| Like-for-like sales development | % | −1.3 | 0.1 | **1.5** | – |
| Sales development adjusted for portfolio and currency effects | % | −1.4 | 1.3 | **2.0** | – |
| Sales (net) | | 65,679 | 59,937 | **59,219** | −1.2 |
| thereof METRO Cash & Carry | | 31,165 | 30,513 | **29,690** | −2.7 |
| thereof Media-Saturn | | 21,053 | 20,981 | **21,737** | 3.6 |
| thereof Real | | 10,366 | 8,432 | **7,735** | −8.3 |
| thereof Galeria Kaufhof | | 3,082 | 0 | **0** | – |
| EBITDA | | 3,133 | 2,228 | **2,177** | −2.3 |
| EBITDA before special items[5] | | 3,230 | 2,509 | **2,458** | −2.0 |
| EBIT | | 1,688 | 1,077 | **711** | −34.0 |
| EBIT before special items[5] | | 2,000 | 1,531 | **1,511** | −1.3 |
| thereof METRO Cash & Carry[5] | | 1,379[6] | 1,125 | **1,050** | −6.6 |
| thereof Media-Saturn[5] | | 299 | 335 | **442** | 32.2 |
| thereof Real[5] | | 145[6] | 81 | **88** | 8.3 |
| thereof Galeria Kaufhof[5] | | 229[6] | 0 | **0** | – |
| EBT (earnings before taxes) | | 1,048 | 536 | **259** | −51.7 |
| Earnings before taxes and special items | | 1,429 | 1,060 | **1,067** | 0.7 |
| Profit or loss for the period[7] | | 58 | 182 | **714** | – |
| from continuing operations | | 58 | −3 | **−221** | – |
| from discontinued operations | | 0 | 185 | **935** | – |
| Profit or loss for the period before special items[5, 7, 8] | | 481 | 600 | **625** | 4.1 |
| Earnings per share (basic = diluted)[7, 8] | € | −0.11 | 0.39 | **2.06** | – |
| Earnings per share before special items[5, 7, 8] | € | 1.47 | 1.84 | **1.91** | 4.1 |
| Dividend per ordinary share | € | – | 0.90 | **1.00**[9] | 11.1 |
| Dividend per preference share | € | – | 1.13[10] | **1.06**[9] | −6.2 |
| Cash flow from operating activities[7] | | 2,667 | 2,008 | **1,846** | −8.1 |
| Investments | | 1,175 | 1,001 | **1,411** | 41.0 |
| Equity ratio[7] | % | 18.1 | 17.8[11] | **18.7** | – |
| Net debt[7] | | 5,391 | 4,655 | **2,527** | −45.7 |
| Employees (annual average by headcount) | | 272,867 | 233,584 | **226,895** | −2.9 |
| Locations | | 2,221 | 2,063 | **2,068** | 0.2 |
| Selling space (1,000 m²) | | 12,773 | 10,790 | **10,563** | −2.1 |

[1] Rounding differences may occur
[2] The period 12M 2012/13 consists of the sum of the former quarters Q4 2012, Q1 2013, Q2 2013 and Q3 2013 and was calculated for comparison purposes
[3] Unaudited
[4] Adjustment of previous year's figures due to discontinued operations (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)
[5] Special items for 2013/14 and 2014/15 are found in the chapter "asset, financial and earnings position" (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/asset-financial-earnings-position)
[6] Adjustment due to revised presentation in financial year 2013/14
[7] Including discontinued operations
[8] After non-controlling interests
[9] Subject to the resolution of the Annual General Meeting
[10] The dividend contains a preference dividend of €0.17 per preference share to cover the dividend that was not paid in the short financial year 2013 and that must be subsequently paid in accordance with the Articles of Association of METRO AG
[11] Adjustment of previous year's figures (see the Annual Report 2014/15 at www.metrogroup.de/open-minded/notes – notes to the group accounting principles and methods)

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METRO AG


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**Disclaimer**

This annual report contains forward-looking statements that are based on certain assumptions and expectations at the time of its publication. These statements are therefore subject to risks and uncertainties, which means that actual results may differ substantially from the future-oriented statements made here. Many of these risks and uncertainties relate to factors that are beyond METRO GROUP's ability to control or estimate precisely. This includes future market conditions and economic developments, the behaviour of other market participants, the achievement of expected synergy effects as well as legal and political decisions. METRO GROUP does not undertake any obligation to publicly correct or update these forward-looking statements to reflect events or circumstances that have occurred after the publication date of this material.




Published on 15 December 2015


# FINANCIAL CALENDAR 2015/16

**12 January 2016**
TRADING STATEMENT CHRISTMAS QUARTER 2015

**11 February 2016**
QUARTERLY FINANCIAL REPORT Q1 2015/16

**19 February 2016**
ANNUAL GENERAL MEETING 2016

**11 May 2016**
HALF-YEAR FINANCIAL REPORT H1/Q2 2015/16

**2 August 2016**
QUARTERLY REPORT 9M/Q3 2015/16

**19 October 2016**
TRADING STATEMENT FINANCIAL YEAR 2015/16

You can download the condensed as well as the full version of the METRO GROUP Annual Report 2014/15 online at:
WWW.METROGROUP.DE/OPEN-MINDED/DOWNLOADS-EN

"The world is cha
faster pace than
so protecting the
for the future."_

nging at a much
ever before,
past is no formula

OLAF KOCH

CHAIRMAN OF THE MANAGEMENT BOARD OF METRO AG