METRO GROUP
MADE TO TRADE.

24/7 ONLINE
– SHOPPING! –

TAKING A FAR-SIGHTED VIEW!

WE'RE CREATING PROGRESS

INTEGRATED DISTRIBUTION
WITH NEW ONLINE OFFERS

ANNUAL REPORT
CONSOLIDATED
FINANCIAL STATEMENTS
OF METRO AG

2011

KEY FIGURES: PLEASE OPEN

METRO GROUP ANNUAL REPORT 2011

TAKING A FAR-SIGHTED VIEW!
THE MAGAZINE

METRO GROUP in figures[1]

€ million		2009[2]	2010	2011	Change in %
Key financial figures					
Sales (net)		65,529	67,258	66,702	−0.8
Metro Cash & Carry		30,613	31,095	31,155	0.2
Real		11,298	11,499	11,230	−2.3
Media-Saturn		19,693	20,794	20,604	−0.9
Galeria Kaufhof		3,539	3,584	3,450	−3.7
Others		386	286	263	−7.8
EBITDA		3,068[3]	3,591	3,429	−4.5
EBITDA before special items[4]		3,319[3]	3,726[5]	3,651[5]	−2.0
EBIT		1,681	2,211	2,113	−4.4
EBIT before special items[4]		2,024	2,415[5]	2,372[5]	−1.8
Metro Cash & Carry[4]		936	1,104[5]	1,148[5]	4.0
Real[4]		52	132[5]	134[5]	1.2
Media-Saturn[4]		608	625[5]	542[5]	−13.4
Galeria Kaufhof[4]		119	138[5]	121[5]	−12.5
Real Estate[4]		551	698[5]	643[5]	−7.9
Others[4]		−230	−282[5]	−197[5]	30.3
Consolidation		−12	0[5]	−19[5]	–
Financial result		−631	−581	−640	−10.3
Earnings before taxes		1,050	1,630	1,473	−9.6
Earnings before taxes and special items[4]		1,393	1,834[5]	1,732[5]	−5.6
Net profit for the period		519	936	741	−20.9
Net profit for the period before special items[4]		824	1,139	979	−14.1
Earnings per share	€	1.17	2.60	1.93	−25.8
Earnings per share before special items[4, 6]	€	2.10	3.12	2.63	−15.8
Dividend per ordinary share	€	1.18	1.35	1.35[7]	–
Dividend per preference share	€	1.298	1.485	1.485[7]	–
Cash flow from operating activities		2,494	2,514	2,146	−14.6
Investments		1,517	1,683	2,095	24.4
Depreciation/amortisation		1,396	1,427	1,350	−5.4
Equity		5,992	6,460	6,437	−0.4
Equity ratio	%	18.0	18.4	18.9	–
Net debt		3,724	3,478	4,075	17.2
Employees (annual average headcount)		286,329	283,280	280,856	−0.9
Locations		2,127	2,131	2,187	2.6
Selling space (1,000 sqm)		12,629	12,771	12,954	1.4

1 Only continuing operations (discontinued operations: 2009 Adler)
2 Adjustment due to revised disclosure in the financial year 2010
3 Adjustment due to netting of non-scheduled write-downs and write-backs in EBITDA totalling €9 million (Real), €6 million (Real Estate) and €−6 million (consolidation) in the financial year 2010
4 2009, 2010 and 2011 adjusted for special items from Shape 2012
5 2011 (2010) adjusted for special items from Shape 2012: €222 million (€135 million) was adjusted in EBITDA, with Metro Cash & Carry accounting for €111 million (€11 million), Real for €29 million (€11 million), Media-Saturn for €42 million (€58 million), Galeria Kaufhof for €26 million (€−1 million), Real Estate for €−14 million (€−14 million), the "others" segment for €20 million (€41 million) and consolidation for €8 million (€29 million); €259 million (€204 million) was adjusted in EBIT and in earnings before taxes, with Metro Cash & Carry accounting for €111 million (€10 million), Real for €40 million (€27 million), Media-Saturn for €49 million (€133 million), Galeria Kaufhof for €27 million (€0 million), Real Estate for €4 million (€−20 million), the "others" segment for €20 million (€41 million) and consolidation for €8 million (€13 million)
6 After non-controlling interests
7 Subject to the resolution of the Annual General Meeting

303

LETTER TO THE SHAREHOLDERS

OLAF KOCH

CHAIRMAN OF THE MANAGEMENT BOARD OF METRO AG

Dear Ladies and Gentlemen,

As the new Chairman of the Management Board of METRO AG, I am pleased to present the 2011 Annual Report to you. "Made to Trade": that is the principle that continued to guide your Company as it worked to create sustainable value during the reporting year – value for our customers, for our staff and for you.

Looking back, 2011 was an eventful year: Following initial signs of recovery, economic growth cooled in some parts of the world during the second half of the year. The ongoing sovereign debt crisis in Europe and the United States made consumers more reluctant to spend money. In addition, we watched political revolutions unfold in North Africa and the Middle East. They were followed by a massive earthquake in Japan that triggered a devastating tsunami and the nuclear catastrophe in Fukushima. All in all, the economies of the world grew at varied rates. From METRO GROUP's perspective, however, global economic developments in 2011 fell distinctly short of expectations for the year and of actual developments in 2010.

Despite all this, METRO GROUP was able to keep Group sales and EBIT before special items at nearly the high level generated in the previous year. Please keep one point in mind: in 2010, we generated the highest result before special items in the history of METRO GROUP. In 2011, EBIT before special items totalled €2.4 billion as Group sales climbed to €66.7 billion.

In my opinion, our performance is primarily the result of a cultural change that was initiated by our value-enhancing programme Shape 2012. Your Company is now addressing challenges in a more determined and efficient manner. It is more focused on creating value for customers and is developing forward-looking solutions more systematically. The pillars and drivers of this change are our 280,856 employees, whom I would like to thank on behalf of the entire Management Board. Because of them, METRO GROUP is more competitive and more customer-focused than it was just a few years ago. Examples of these achievements can be found throughout the entire Company.

Our wholesale business Metro Cash & Carry has further expanded its range of own-brand products that are tailored to the needs of professional customers. The same is true of our delivery service, which we were able to significantly expand once again. New formats and targeted ways of approaching customers also enabled us to acquire and retain customers. Furthermore, we were able to grow our international business, in particular in the dynamic markets of Eastern Europe and Asia.

Our Real sales division also considerably expanded its range of own-brand products. Customers can now choose between more than 4,000 products. The integration of the concept modules – that is, fixtures for a modern product presentation – has advanced further. The success of these measures is backed up by the figures.

At Media-Saturn, we are setting the course for the future. This included the purchase of the online retailer Redcoon, enhancing the sales division's online presence. In October 2011, Saturn launched its multichannel marketing effort in Germany, our most important market by far. Media Markt has also been online since January 2012. Dovetailing the sales division's stationary sales with online retailing is an enormous competitive advantage. At the same time, Media-Saturn has sharpened its price profile in an effort to further improve its competitive position. Our goals are just as ambitious: we want to also position the sales division as the leading consumer electronics retailer on the Internet over the long term.

Galeria Kaufhof remains one of the leading operators of department stores in Germany and has maintained its profitability. In 2011, we continued to enhance the sales division, adding, for instance, a new online shop. As you know, we decided in January 2012 to discontinue sales negotiations until further notice. The current capital market environment does not offer the right parameters for such an important transaction. For this reason, we took a decision that is in your best interest and are pressing forward with further value-enhancing steps on our own.

METRO GROUP is not just a retail and wholesale company. It is also a major property manager. With 2,187 sites in 33 countries, we boast a unique portfolio of retail locations. In 2011, we stepped up our active portfolio management efforts and further improved our real estate expertise.

To sum up: your Company once again made progress in 2011. This progress is not yet reflected in the share price, which performed disappointingly in 2011. In light of this, we would like to thank you all the more for your trust. METRO GROUP's continually high earnings strength allows us to propose an unchanged dividend of €1.35 per ordinary share at the Annual General Meeting on 23 May 2012.

Today, it is clear that the current financial year will be a very challenging one. Your Company is better equipped than ever to deal with these challenges and successfully continue down the path of long-term growth. Our activities are focused on our customers and the benefits or added value we can offer them – by intensifying our core competencies and continually improving our offer. We continue to expand our customer-focused sales channels, assortments and services. Metro Cash & Carry is diversifying its business model through such complementary offers as a delivery service, new formats and e-commerce. Media-Saturn will expand its multichannel marketing in Europe, and Galeria Kaufhof is also bolstering its online presence. These measures are accompanied by continued efforts to improve our cost efficiency to enhance our attractiveness for our customers.

I am confident that all sales divisions have significant potential to perform even better. Along with cultural change, we are also fostering entrepreneurial spirit, making increased individual responsibility and greater efficiency part of everyday reality at METRO GROUP. We will energetically exploit the opportunities that arise, take a far-sighted approach and continue to boost our competitiveness.

Sincerely,

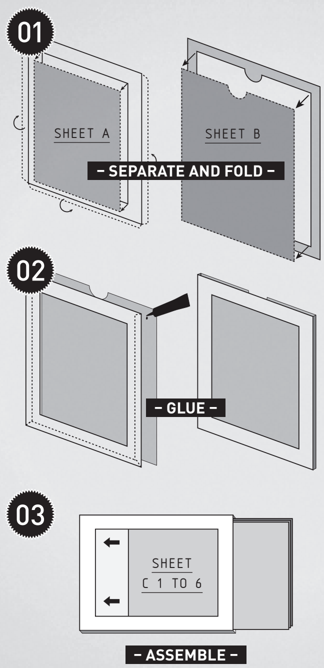
OLAF KOCH
CHAIRMAN OF THE MANAGEMENT BOARD
OF METRO AG

EXPERIENCE A NEW DIMENSION IN

ONLINE SHOPPING

Millions of customers are at the heart of our activities.
We serve them by tapping future-orientated sales channels – with innovative ideas, new services and customer-focused concepts.

This is why we are pushing ahead with the expansion of our multichannel business. Experience this new dimension in shopping, live on the Internet or in one of our stores in your vicinity. Or get a taste of it right now **with our DIY tablet PC.**



24/7 ONLINE – SHOPPING! –

PUSH OUT

FOLD

SEPARATE

ADHESIVE SURFACE

ADHESIVE SURFACE

SEPARATE

FOLD

FOLD

ADHESIVE SURFACE

DESIGN SHEET:

→ FRONT SIDE OF TABLET PC

A

FOLD

SEPARATE

PUSH OUT

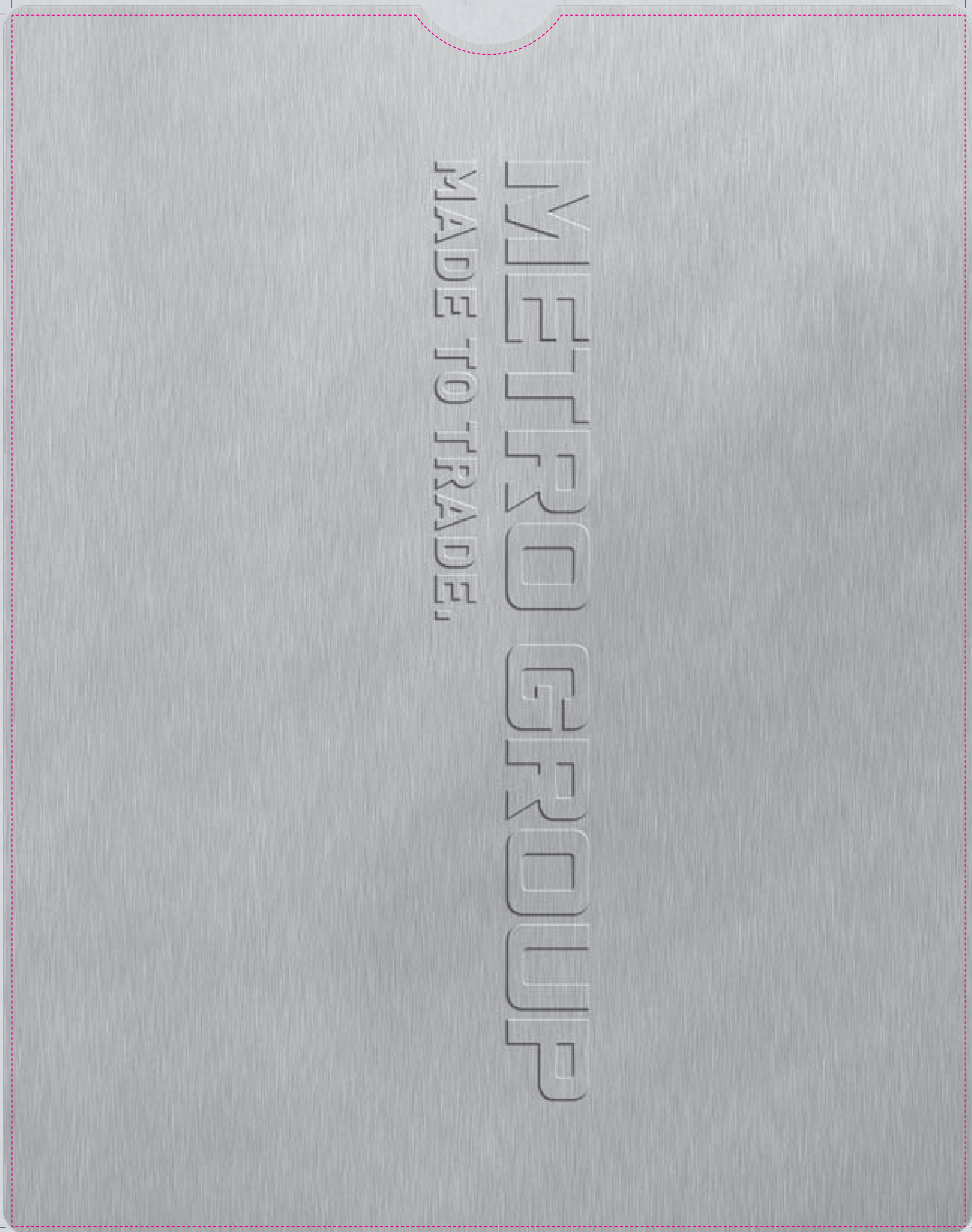
FOLD

SEPARATE

FOLD

SEPARATE

SEPARATE



SEPARATE

SEPARATE

HTTP://WWW.METROGROUP.DE

DESIGN SHEET:

→ REAR SIDE OF TABLET PC

B

SEPARATE

SEPARATE

SEPARATE

SEPARATE

ONLY AVAILABLE IN GERMANY

SEPARATE

SEPARATE

HTTP://WWW.METRO-WEIN.DE

SEPARATE

SEPARATE

8 NOVEMBER 2011

METRO CASH & CARRY LAUNCHES ONLINE WINE STORE

24/7 SHOPPING!

ONLY AVAILABLE IN GERMANY

SEPARATE

SEPARATE

HTTP://WWW.METRO-WEIN.DE

SEPARATE

SEPARATE

C.1

350 DIFFERENT WINES IN THE INITIAL ASSORTMENT

ONLY AVAILABLE IN GERMANY

SEPARATE

SEPARATE

HTTP://WWW.REAL-DRIVE.DE

SEPARATE

SEPARATE

9 NOVEMBER 2010

REAL DRIVE LAUNCHED

24/7 SHOPPING!

C.2

ONLY AVAILABLE IN GERMANY

SEPARATE

SEPARATE

HTTP://WWW.REAL-DRIVE.DE

SEPARATE

SEPARATE

C.2

MORE THAN **5,000** ARTICLES AVAILABLE AT REAL DRIVE

ALSO AVAILABLE IN OTHER COUNTRIES

SEPARATE

SEPARATE

HTTP://WWW.MEDIAMARKT.DE

SEPARATE

SEPARATE

16 JANUARY 2012

MEDIA MARKT
LAUNCHES
ONLINE STORE

24/7
SHOPPING!

ALSO AVAILABLE IN OTHER COUNTRIES

HTTP://WWW.MEDIAMARKT.DE

SEPARATE

SEPARATE

SEPARATE

SEPARATE

C.3

AROUND **2,500** ARTICLES CURRENTLY AVAILABLE; CONTINUALLY GROWING ASSORTMENT

ALSO AVAILABLE IN OTHER COUNTRIES

SEPARATE

SEPARATE

SEPARATE

SEPARATE

HTTP://WWW.SATURN.DE

10 OCTOBER 2011

SATURN
LAUNCHES
ONLINE STORE

24/7
SHOPPING!

C.4

ALSO AVAILABLE IN OTHER COUNTRIES

SEPARATE

SEPARATE

HTTP://WWW.SATURN.DE

SEPARATE

SEPARATE

C.4

AROUND 2,500 ARTICLES CURRENTLY AVAILABLE; CONTINUALLY GROWING ASSORTMENT

ALSO AVAILABLE IN OTHER COUNTRIES

SEPARATE

SEPARATE

SEPARATE

SEPARATE

HTTP://WWW.REDCOON.DE

28 MARCH 2003

REDCOON LAUNCHES ONLINE STORE

24/7 SHOPPING!

C.5

ALSO AVAILABLE IN OTHER COUNTRIES

SEPARATE

SEPARATE

HTTP://WWW.REDCOON.DE

VISITED ON 29 FEBRUARY 2012.

SEPARATE

SEPARATE

C.5

AROUND 36,000 CONSUMER ELECTRONICS ARTICLES TO CHOOSE FROM

ONLY AVAILABLE IN GERMANY

SEPARATE

HTTP://WWW.GALERIA-KAUFHOF.DE

7 OCTOBER 2011 GALERIA KAUFHOF EXPANDS ONLINE STORE

24/7 SHOPPING!

C.6

ONLY AVAILABLE IN GERMANY

SEPARATE

HTTP://WWW.GALERIA-KAUFHOF.DE

SEPARATE

C.6

MORE THAN **40,000** ARTICLES AVAILABLE IN THE ONLINE STORE

MORE VALUE

METRO GROUP

Sales of €66.7 billion, EBIT before special items of €2.4 billion
with 2,187 locations in 33 countries

METRO CASH & CARRY → SELF-SERVICE WHOLESALE

Sales of €31.2 billion, EBIT before special items of €1,148 million
with 728 locations in 30 countries

REAL → HYPERMARKETS

Sales of €11.2 billion, EBIT before special items of €134 million
with 426 locations in 6 countries

MEDIA-SATURN → CONSUMER ELECTRONICS STORES

Sales of €20.6 billion, EBIT before special items of €542 million
with 893 locations in 16 countries

GALERIA KAUFHOF → DEPARTMENT STORES

Sales of €3.4 billion, EBIT before special items of €121 million
with 140 locations in 2 countries

REAL ESTATE

EBIT before special items of €643 million
with real estate assets in 30 countries

OTHERS

Sales of €0.3 billion, EBIT before special items of €–197 million

MANAGEMENT BOARD

Joël Saveuse

Responsibilities: Real; MGB METRO GROUP Buying Hong Kong; MGL METRO GROUP Logistics

Profile: Joël Saveuse was born in Tours-en-Vimeu, France, in 1953. From 1985 to 1996 he was chairman of the executive board of Metro Cash & Carry France as well as Metro Cash & Carry Germany. He has been CEO of the Real sales division since September 2007. In April 2008, he was appointed to the Management Board of METRO AG. He is appointed to the METRO AG Management Board until 30 April 2013.

Heiko Hutmacher

CHIEF HUMAN RESOURCES OFFICER

Responsibilities: Human Resources (HR Management & Strategy; Collective Bargaining & Labour Law; Corporate House of Training; Corporate Social Development; Executive Development, Staffing, Succession; Leadership & Transformation)

Profile: Heiko Hutmacher was born in Birkesdorf (district of Düren) in 1957. He is married and has two children. Hutmacher holds a degree in business management and has around 30 years experience in human resources management. He joined the Management Board of METRO AG on 1 October 2011 as Chief Human Resources Officer and Labour Director. He is appointed until 30 September 2014.

Olaf Koch

CHAIRMAN

Responsibilities: Investor Relations; Corporate Legal Affairs & Compliance; Corporate Internal Audit; Corporate Strategy; Corporate Projects and M&A; Corporate Communications, Public Affairs, CSR; Corporate Office; Media-Saturn; Galeria Kaufhof; METRO PROPERTIES

Profile: Olaf Koch was born in Bad Soden am Taunus in 1970. He is married and has three children. Koch, who holds a degree in business administration, joined the Management Board of METRO AG as CFO in September 2009, and took over as Chairman of the Management Board of METRO AG on 1 January 2012. He is appointed until 13 September 2015.

→ p. 021

Mark Frese

CHIEF FINANCIAL OFFICER

Responsibilities: Corporate Treasury; Corporate Accounting; Corporate Controlling; Corporate Risk Management; Corporate Group Tax; Programme Office Shape; Information Technology; Insurance

Profile: Mark Frese, born in 1964, has held management positions at METRO AG and its sales divisions since 1994. From April 2009 to August 2010, he was divisional head of Planning & Controlling at METRO AG, and until December 2011 Chief Financial Officer at Metro Cash & Carry Europe/MENA. Mark Frese, who holds a degree in economics, was appointed Chief Financial Officer of METRO AG on 1 January 2012 and is appointed until 31 December 2014.

Frans W. H. Muller

Responsibilities: Metro Cash & Carry Asia/New Markets; Metro Cash & Carry Europe/MENA; MGA METRO GROUP Advertising

Profile: Frans W. H. Muller was born in Nieuwer-Amstel, Netherlands, in 1961. Muller, who holds a degree in economics and business studies, has held various management positions in different METRO GROUP companies since 1997. From 2005 to 2006 he was General Manager at METRO AG. He was appointed to the Management Board in August 2006 and has been CEO of Metro Cash & Carry since 2008, with responsibility for the Asia/CIS/New Markets business unit since April 2008 and responsibility for the Europe/MENA business unit since January 2012. Frans W. H. Muller is appointed until 31 July 2014.

304

THANK YOU!

Vibrant entrepreneurial spirit: that is what sets METRO GROUP apart. It is evident in our day-to-day work, our dealings with customers and the wide range of projects that our workforce brings to life with their passion, know-how and commitment.

It is the 280,856 employees who shape our Company. They create value for our customers; they are representatives of METRO GROUP's internationalisation and sustainable growth.

For this reason, we would like to take this opportunity to thank the people who have once again worked so hard on behalf of our Company and have created added value for our customers, our shareholders and society. Together we will continue to move forward on our chosen path: with vigour, determination and entrepreneurial spirit.

THE MANAGEMENT BOARD OF METRO AG

OLAF KOCH | **MARK FRESE** | **HEIKO HUTMACHER** | **FRANS W. H. MULLER** | **JOËL SAVEUSE**

→ p. 023

STRATEGY 1

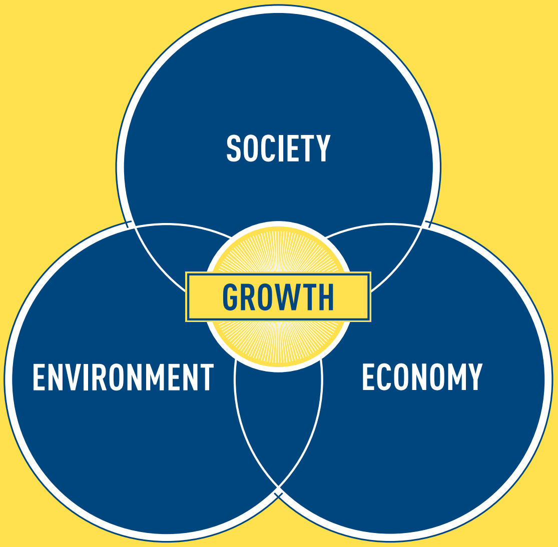
– METRO GROUP – FOCUSED ON ITS STRATEGY

FACETS OF SUSTAINABILITY AT METRO GROUP

A HOLISTIC APPROACH UNDERPINS OUR SUCCESS

To remain on our profitable growth path, we must conduct our core business sustainably. This means that we want to consider environmental and social requirements in all our business decisions and in all processes along the value chain. We combine this approach with our economic objectives to create a broad growth-generating strategy. In this way, sustainability complements our operating business and creates new opportunities for our Company as it engages in a dialogue with its customers, shareholders, employees and other stakeholders.

201



STRATEGY

ACTING STRATEGICALLY! — LONG-TERM VALUE CREATION — TAKING A FAR-SIGHTED VIEW!

THE CUSTOMER DECIDES

– 2011 – METRO GROUP

"OUR TOP PRIORITY IS ADDED VALUE FOR THE CUSTOMER."

416

AN INTERVIEW WITH OLAF KOCH, CHAIRMAN OF THE MANAGEMENT BOARD OF METRO AG, ON CUSTOMER RELEVANCE, GROWTH PLANS AND THE COMPANY'S COMMITMENT TO SUSTAINABILITY

– PERSONAL DATA –

• OLAF KOCH •

has been Chairman of the Management Board of METRO AG since 1 January 2012. The 41-year-old was previously Chief Financial Officer of the retail and wholesale Group, which he joined in September 2009. Olaf Koch is married and has three children.

Mr Koch, do you prefer to do your shopping online or in the city centre?

☞ **OLAF KOCH:** Online retailing just keeps growing and growing. My shopping behaviour is changing as well: sure, I, like many other people, do shop in the city centre or in malls – because I like to experience products "live". But I frequently do not have the time for such excursions, and I already know exactly what I want: on these occasions, I will just order the item online from shops like the one run by Saturn.

This shop went online in October 2011. Critics argue that you entered the online business too late.

☞ **OLAF KOCH:** I acknowledge that we did get off to a late start and may have not taken the needs of customers seriously enough for a long time. But we were certainly not too late because the growth momentum generated by the online business will continue. What matters most to me, though, is not the particular launch time. I am more interested in having a convincing concept. The online stores of Media Markt and Saturn are now closely dovetailed with their stationary business: customers can now do such things as order products online and then pick them up at the nearest store. Complaints and returns are not tied to the place where the products were purchased. They can be addressed either at a store or in the online shop. We are also applying this multichannel approach at Galeria Kaufhof – a clear competitive edge over pure play online retailers. Real has been online since 2010 and has also created an attractive new format with its drive-in grocery store. Metro Cash & Carry has its own online store at the country level, including in Germany where it operates an online wine shop for commercial customers. In a nutshell: all sales divisions are now online with their strong brands. This Internet-based strategy is also being carried out by Redcoon, a strong online discounter that joined METRO GROUP in 2011. As a result, we will gain a direct stake in the rapid growth of online retailing and become a relevant player in this sales channel.

Multichannel sales, own-brand products, new sales formats – it appears that METRO GROUP is trying out a lot of new things. What is the ultimate goal?

☞ **OLAF KOCH:** We are indeed working on many new concepts in many areas on behalf of our customers and are making tremendous progress. The overarching

– TRANSFORM –

"I am more interested in having a convincing concept. The online stores of Media Markt and Saturn are now closely dovetailed with their stationary business."

– CUSTOMER VALUE –

"The overarching goal must be to offer our customers real added value. To be able to respond to their needs, we must constantly evolve: after all, no format lives forever."

goal of all activities must be to offer our customers real added value. To be able to respond to their needs, we must constantly evolve: after all, no format lives forever. In the end, it is the customer who decides about success and failure in retailing. We can and want to forcefully meet this challenge, as well as continuously hone our strong business models to meet customer needs, including with targeted innovations. Hand in hand with this evolution goes a change in our corporate culture: we intend to further strengthen the entrepreneurial spirit of our employees. They develop improvement suggestions and ideas that further intensify the Company's focus on the customer. The potential is huge here – we have already put many good ideas into action.

Do you think Shape 2012 is on the road to success since being introduced three years ago?

☞ **OLAF KOCH:** Yes. We have begun to make the transition from a heavily procurement-driven business to a customer-focused company. And we will continue to move in this direction. After all, customer focus must form the core of our identity as a retail and wholesale company. We have also become much more efficient, and have clear structures and a new attitude about costs. But we are not where we want to be in terms of productivity gains that are needed to produce sustainable growth on a like-for-like basis. For this purpose, we must integrate entrepreneurial change into METRO GROUP on a more intense, long-term basis.

Sales and earnings have been rather modest lately. In December 2011, you even reduced your sales forecast.

☞ **OLAF KOCH:** This was an act of transparency. The year of 2011 was a difficult one for the trade and retail industry, and not just for METRO GROUP. In many European countries, consumers are very anxious in view of the growing sovereign debt crisis, high unemployment and austerity programmes, developments that cause them to cut back their spending. On top of this, Christmas business was weak in our largest market, Germany. After we released our preliminary sales figures in January, the capital markets rewarded us for hitting our – albeit reduced – targets.

In 2010, the Metro share was one of the top performers in the DAX 30. But anybody who invested in the Company's stock at the beginning of 2011 had suffered nearly a 50 percent loss by the end of the year. Does an investment in the Company pay off?

☞ **OLAF KOCH:** One point is clear: the current share price does not appropriately reflect the value of METRO GROUP, much less its potential. Our strategy is designed for sustained sales and earnings growth. A key element here is the Company's continued international expansion: in 2011, we opened 100 new stores around the world and created thousands of jobs in the process. We must now demonstrate that we can tap the huge potential that METRO GROUP possesses.

On the other hand, your sustainability strategy has been well received by capital markets. METRO GROUP's presence in important indices has considerably improved in recent years. What does this mean for METRO GROUP?

☞ **OLAF KOCH:** The importance of these indices has risen substantially in recent years. When making their decisions, many investors consider how sustainably a company does business. The evaluation processes related to these indices also

ACTING STRATEGICALLY! LONG-TERM VALUE CREATION TAKING A FAR-SIGHTED VIEW!

– EXPANSION –

"A key element is the Company's continued international expansion: in 2011, we opened 100 new stores around the world and created thousands of jobs in the process."

– SUSTAINABILITY –

"METRO GROUP is cognisant not only of its social and environmental responsibilities, but also of their economic significance and its responsibility to secure the Company's future successful existence."

help us to better recognise our own shortcomings and to find solutions to them. At the end of the day, we apply sustainable business practices because we want to secure our own future and our long-term growth potential.

Your predecessor Dr Eckhard Cordes was a driving force behind the issue of sustainability. What sort of priority do you give it?

☞ **OLAF KOCH:** In future, we will align our business operations even more closely with the guidelines of socially and environmentally sustainable practices. METRO GROUP's Management Board believes that we can create real added value for customers, employees and shareholders only if we act within the context of a long-term strategy. METRO GROUP is cognisant not only of its social and environmental responsibilities, but also of their economic significance and its responsibility to secure the Company's future successful existence.

What hurdles are you facing in this effort?

☞ **OLAF KOCH:** With its independently operating sales divisions, METRO GROUP is active in 33 countries whose markets perform very differently. As a result, the meaning of sustainability can differ considerably. For this reason, we must continue to strive to develop a common understanding of sustainability among our employees around the world if we intend to be successful over the long term. The guidelines I just mentioned form the foundation for this.

Let's turn to another subject: you have suspended negotiations about the sale of Galeria Kaufhof until further notice. What will be the next steps in the portfolio strategy?

☞ **OLAF KOCH:** We suspended the negotiations about the sale of Galeria Kaufhof in January because the situation on the capital markets did not offer suitable conditions for such an important transaction. But nothing has changed in our portfolio strategy as a result. I also believe that Galeria Kaufhof has an excellent future if we systematically carry out the programmes that have been initiated. It is an exceptional business with great employees.

You have been Chairman of the Management Board for three months now. What are your focuses and goals?

☞ **OLAF KOCH:** METRO GROUP has an enormous reservoir of performance potential. We have an attractive portfolio of sales divisions, do business in numerous growth markets in Asia and Eastern Europe and have qualified and dedicated employees. I am happy to repeat: we will demonstrate just what type of top performer METRO GROUP really is. The focal point of my work is: I intend to join our employees and all other stakeholders in producing more value. Our top priority is to create added value for our customers. The basis for accomplishing this is very strong in every sales division.

What goals must be met in order for you to say at the end of 2012 that this was a good year for METRO GROUP?

☞ **OLAF KOCH:** If we hit our sales and earnings targets, if we successfully expand the multichannel business, if we offer true added value to our customers every day, if we continue to develop a corporate culture characterised by entrepreneurship and customer focus, and if we make further progress regarding sustainability. We will concentrate in particular on increasing our relevance on behalf of our customers, and this will ultimately be reflected in positive sales trends.

EXEMPLARY EFFICIENCY AND VALUE ENHANCEMENT

417

FIVE SUCCESS STORIES SERVE AS EXAMPLES SHOWING HOW METRO GROUP BOOSTS ITS COMPETITIVENESS THROUGH THE SHAPE 2012 PROGRAMME.

METRO CASH & CARRY

On course to become Germany's best wine seller

The wholesale stores of Metro Cash & Carry Germany offer commercial customers a comprehensive assortment of about 2,000 different types of wine, sparkling wine and spirits. In addition, the self-service wholesaler offers customers from the gastronomy sector an exclusive wine catalogue comprising an additional 400 noble wines as well as premium sparkling wine and champagne from more than ten countries. A proprietary online wine shop, which the sales division opened in November 2011, rounds out the offer that is geared specially to customer needs.

Metro Cash & Carry Germany systematically focuses on this strategic, high-margin assortment as one of its key product categories. As a result, it has successively implemented a set of measures that it developed in 2009 based on a comprehensive market analysis. Metro Cash & Carry Germany has adjusted existing assortments, expanded direct wine purchases from vineyards and improved its merchandise presentation. A qualification campaign for wine consultants has been another key element of these efforts. More than 100 specially trained employees of Metro Cash & Carry Germany offer customers detailed advice in the selection of suitable wines. In addition, customers can taste a large number of wines. Walk-in wine humidors, which are already available in ten wholesale stores, play a key role in this process. Here, customers are offered an exclusive assortment and professional advice as well as the opportunity to attend special wine seminars. In addition, the humidors serve as storage space for other stores. All products can be supplied to the desired wholesale store at short notice.

REAL

Entering new markets on the Internet

Real has formulated the goal of participating in the growth of online retailing. To this end, the sales division pursues a multichannel strategy reacting to customers' changed shopping habits. For example, Real opened its own online store in the nonfood segment in May 2010. The sales division has progressively expanded its assortment from 2,200 to more than 10,000 products. Since 2011, www.real-onlineshop.de has also been offering products for pets, such as pet food. Distribution is handled through Real's own central warehouse. The intelligent link-up of the online store and the stationary business has proven a key factor: orders placed in the online store can also be paid and picked up in the local store. Enhanced customer loyalty testifies to the success of this approach: the average transaction value of customers who also shop in the online store is markedly higher than that of customers who shop exclusively in the hypermarket.

ACTING STRATEGICALLY! — LONG-TERM VALUE CREATION — TAKING A FAR-SIGHTED VIEW!

MEDIA-SATURN

Powerful service features

Due partly to the success of online platforms, competitive pressure in the consumer electronics sector has increased markedly over the past few years. To set itself apart from the competition, Media-Saturn has professionally marketed additional, specialised services complementing classical delivery options in 2009. Under the name "Power Service", the sales division offers such services as equipment installation, the set-up of computer systems, maintenance services and technical advice. To be able to provide on-site services, Media-Saturn has set up a decentrally managed network of regional and national partners during the reporting year. This approach allows the division to guarantee high quality at competitive prices. At the end of 2011, the "Power Service" was already available in eleven countries.

GALERIA KAUFHOF

Stores focused on local requirements

Department stores in small and medium-sized cities face particular challenges with respect to sales growth and financing. Since 2009, Galeria Kaufhof has addressed these challenges by focusing its 30 city stores on local requirements. Based on a location-specific analysis of assortments, customer potential and cost structures, the sales division launched a growth programme for each department store that boils down to a focus of assortments and advertising on local requirements. In addition, in cooperation with central departments, the store managers can implement own measures to enhance customer focus and reduce costs. Following the successful implementation in 2010, Galeria Kaufhof started rolling out the local approach to all German department stores in 2011.

METRO PROPERTIES

Improved yield through revitalisation

Since the acquisition of the German Wal-Mart business in 2006, the Dreieich location has been part of METRO GROUP's real estate portfolio. The sale of the property planned for 2009 had to be called off because the Company failed to realise an appropriate price for its location. A key reason for this: the state of the property fell short of current standards. To optimise its negotiating position, METRO PROPERTIES therefore undertook a comprehensive modernisation of the property. In this way, the company has been able to reduce potential risks for investors, for example with respect to the building's basic structure. Thanks partly to the good cooperation between commercial and technical project teams, the revitalisation of the property was completed below budget. The property was finally sold in the reporting year. Even after the deduction of modernisation costs, revenues from this divestment markedly exceeded the price that could have been attained in 2009.

THE YEAR IN REVIEW

418

SELECTED EVENTS DURING THE FINANCIAL YEAR 2011

·Q1/2011·

International sponsor

24/3/2011: METRO GROUP and its sales divisions Metro Cash & Carry, Saturn and Galeria Kaufhof support the Eurovision Song Contest as an international sponsor. In addition, Metro Cash & Carry is the event's official supplier.

EUROVISION SONG CONTEST DÜSSELDORF 2011
OFFICIAL PARTNER
METRO GROUP
METRO/MAKRO C&C SATURN GALERIA KAUFHOF

·Q2/2011·

New umbrella brand communication

6/5/2011: METRO GROUP launches a new umbrella brand communication with the slogan "Made to Trade.". The objective is to reinforce the strength and economic relevance of the retail and wholesale industry and of the Group.

·Q3/2011·

Multichannel strategy expanded

14/7/2011: Media-Saturn acquires online retailer Redcoon, expanding its business model by adding a pure play Internet sales platform.

MORE THAN
3 MILLION
CUSTOMERS AT REDCOON

Cooperation with UNIDO extended

2/9/2011: The United Nations Industrial Development Organisation (UNIDO) and METRO GROUP reinforce their commitment to more efficient supply chains and better food supplies. In 2011, the two partners initiated training programmes for producers and suppliers in India and Russia. Such countries as Kazakhstan and China are scheduled to follow suit.

Listing in DJSI World

8/9/2011: METRO GROUP is again listed in the "Dow Jones Sustainability Index World" (DJSI). The index includes companies that lead their sector in terms of environmental, social and economic performance.

Dow Jones Sustainability Indexes
Member 2011/12

Inclusion in Carbon Disclosure Leadership Index

16/9/2011: The Carbon Disclosure Project (CDP) includes METRO GROUP in its "Carbon Disclosure Leadership Index" for the first time. The index only includes about 50 of the world's largest companies that stand out for their highly transparent climate change disclosure.

Real estate fund placed

29/9/2011: METRO PROPERTIES places 20 Italian Metro Cash & Carry stores into a closed-end real estate fund and sells all fund shares to institutional investors. Gross revenue from the transaction amounts to about €300 million.

€300 MILLION
TRANSACTION REVENUE

ACTING STRATEGICALLY!

LONG-TERM VALUE CREATION

TAKING A FAR-SIGHTED VIEW!

• Q4/2011 •

Change on the Management Board (1)

1/10/2011: Effective 1 October 2011, Heiko Hutmacher joins the Management Board of METRO AG as Chief Human Resources Officer (CHRO), taking over from Dr Eckhard Cordes. His appointment extends the Board from four to five members.

Joint venture for specialty stores

1/10/2011: Effective 1 October 2011, METRO PROPERTIES brings its specialty store business into a joint venture with shopping centre developer and operator ECE. The company MEC METRO-ECE Centermanagement GmbH & Co. KG (MEC) handles management, operations, rental and marketing of 38 specialty stores in Germany.

Galeria Kaufhof launches online shop

7/10/2011: Galeria Kaufhof's virtual department store enables customers to shop comfortably on their computer. The online shop's assortment comprises nearly all product groups offered in the sales division's physical stores.

Saturn web shop goes online

10/10/2011: On the occasion of its 50th anniversary, the sales brand transforms itself from a stationary retailer into a multichannel provider, launching its German online shop.

ONLINE SHOPPING AT
WWW.SATURN.DE

Second Real Drive opened

10/10/2011: Real opens its second drive-in station in Germany in Cologne-Porz where customers can pick up groceries preordered over the Internet.

International target agreement

17/10/2011: METRO GROUP commits to increasing the share of women in management positions worldwide to 20 percent by the end of 2013 and 25 percent by the end of 2015.

Change on the Management Board (2)

18/11/2011: The Supervisory Board appoints Olaf Koch as new Chairman of the Management Board of METRO AG effective 1 January 2012. He succeeds Dr Eckhard Cordes, who left the Company on 31 December 2011.

Change on the Supervisory Board

18/11/2011: Franz Markus Haniel is elected as new Chairman of the Supervisory Board of METRO AG. He succeeds Prof. Dr Jürgen Kluge who resigned from his office effective 17 November 2011.

700th wholesale store worldwide

24/11/2011: Metro Cash & Carry opens its 700th store worldwide in Kagithane, a district of Istanbul.

Sales and earnings forecast reduced

6/12/2011: METRO GROUP adjusts its sales and earnings forecast for the financial year 2011 following a weak start to the Christmas business, negative currency effects and the increasingly tangible effects of the sovereign debt crisis on economic growth and consumer confidence.

Changes on the Management Board (3)

16/12/2011: Mark Frese is appointed new Chief Financial Officer of METRO AG effective 1 January 2012. He succeeds Olaf Koch who takes over as Chairman of the Management Board of METRO AG. In future, Joël Saveuse will oversee the strategic development of the Real sales division. Frans W. H. Muller assumes overall responsibility for Metro Cash & Carry worldwide.

WWW.METROGROUP.DE

YOU SHOP AT OUR STORES EVERY DAY …

419

… BUT HOW WELL DO YOU REALLY KNOW US? THAT IS THE CENTRAL QUESTION OF THE UMBRELLA BRAND CAMPAIGN THAT WE LAUNCHED IN 2011 TO CELEBRATE OUR COMPANY'S 15TH ANNIVERSARY. OUR FIVE STRATEGIC FOCAL POINTS ARE THE HEART OF THIS CAMPAIGN.

Measured by its sales and workforce, METRO GROUP is one of Germany's largest companies. The Group is also a leading force in international trade. In May 2011, we launched a far-reaching advertising campaign highlighting our Company's strengths and our industry's economic and social impact. With this campaign, we are accentuating METRO GROUP's role as the umbrella brand of our sales divisions and companies. The central slogan of the campaign is simple: we are "Made to Trade.". At the same time, we are positioning our Company as a key player among decision-makers and opinion leaders from the worlds of politics, business, media and social affairs.

Spotlight on strategic focal points

The campaign is centred on METRO GROUP's five strategic focal points. We explain what these value drivers mean to us in detail and how we integrate them into our day-to-day work in short stories about the everyday operations of METRO GROUP's international businesses and the daily activities of its sales divisions. The campaign consists of various building blocks. Central elements include an online magazine, enhanced stakeholder dialogue as well as print and outdoor advertisements.

12
KEY ADVERTISING MOTIFS
FEATURED IN METRO GROUP'S UMBRELLA BRAND CAMPAIGN

Informative online magazine

Since the Annual General Meeting on 6 May 2011, the online magazine for trade expertise has been available at www.zumhandelngeschaffen.de (English version available in the course of 2012 at www.madetotrade.de). This is a platform where we present a wide range of industry topics and discuss our sector's significance in a journalistic format. Numerous trade articles and glossary-like entries offer news, viewpoints and background information. The magazine is designed not only for industry executives, but also for interested students and pupils, teachers and consumers. Its goal is to take a closer look at a vibrant, multifaceted sector and pique interest in the numerous facets of trade and retail.

Intensive dialogue

In tandem with the launch of the umbrella brand campaign, METRO GROUP intensified its dialogue with government representatives and non-governmental organisations. In consulting with the various groups in society, we intend to respond to the high expectations of stakeholders with regard to sustainable business practices. One platform for dialogue is the "Mittwochsgesellschaft des Handels" (Wednesday Society for Retail) in Berlin. The dialogue series holds four events each year that we host in cooperation with the German Retail Federation. Guests discuss current retail topics, including sustainability and environmental growth.

Eye-catching advertisements

The most visible element of the umbrella brand campaign is the eye-catching advertisements that we place in leading German and select international print publications. They also feature our strategic focal points. To celebrate METRO GROUP's 15th anniversary, we published a newspaper supplement featuring all advertising images in 2011. In the reporting year, we were also an official partner of the Eurovision Song Contest that was held in Düsseldorf, the city where our Company is headquartered. With billboard-sized advertisements and numerous marketing activities, we helped to shape the cityscape of Düsseldorf in May.


THINK GLOBALLY. ACT LOCALLY.
SHOP DIVINELY. AROUND 2,200 TIMES.
MORE THAN 280,000 EMPLOYEES, AROUND 2,200 LOCATIONS, 33 COUNTRIES, 1 COMPANY.
METRO GROUP is one of the most international retail and wholesale companies worldwide. We offer private and professional customers a comprehensive range of products and services with strong brands. These are the best foundations to grow further. And to grow with us. www.metrogroup.de
METRO GROUP
MADE TO TRADE.
METRO
real,-
MediaMarkt
SATURN
GALERIA

HOW DO YOU SELL A
SOMEONE WHO’S 22,


A PAIR OF SHOES TO
018,393 FEET AWAY?
WE RECOGNISE AND ADAPT TO LOCAL REQUIREMENTS QUICKLY.
Did you know that Indians' feet tend to be on the large side? And that's why we supply consumers there with comfortably wide shoes. Local strength to us always means asking about the needs of people anywhere in the world. Listening closely. And offering exactly what they want. www.metrogroup.de
METRO GROUP
MADE TO TRADE.
METRO
real,-
MediaMarkt
SATURN
GALERIA

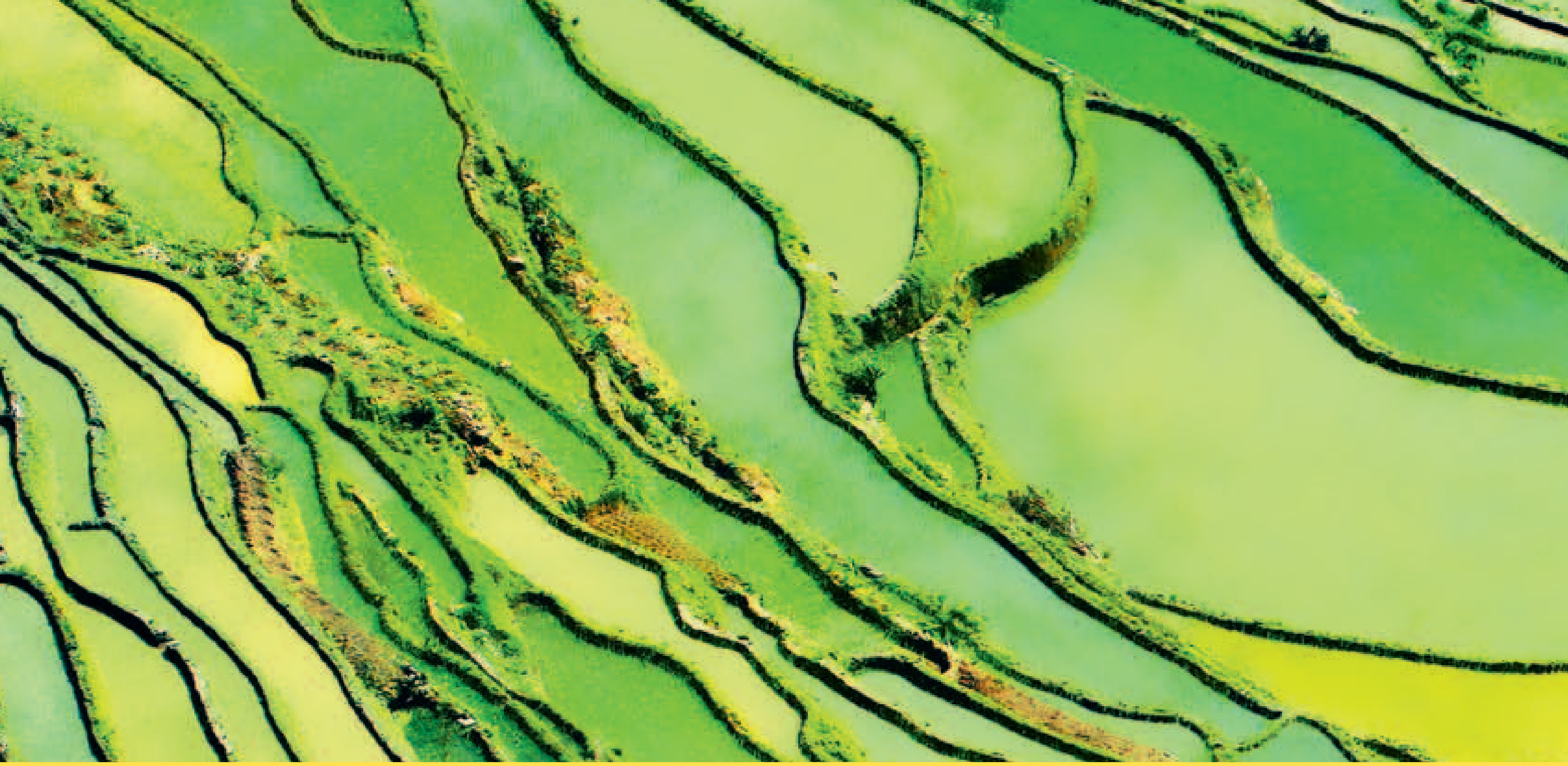
WHEN A GIANT WA
BETTER BE PREPAR


AKES UP, YOU HAD
ED FOR BREAKFAST.
GOOD MORNING, CHINA!
SOON AT AROUND 100 LOCATIONS.
China's booming – and we are part of this boom. We already have 52 Metro Cash & Carry stores. And we are still growing: to approximately 100 locations in 2015. We are also accelerating the construction of new stores in the whole Asian growth market. Thus we will be prepared everywhere – and not only for breakfast. www.metrogroup.de
METRO GROUP
MADE TO TRADE.
METRO real,- MediaMarkt SATURN GALERIA


GROWTH IS NOTHIN


G WITHOUT CHANGE.
WHAT SECURING GROWTH MEANS FOR US: MOVING FORWARD.
Entrepreneurial spirit is important – for our employees too. Therefore, we are giving them more scope for action, as part of Shape 2012. This generates thousands of projects and ideas that help us grow significantly. That makes Shape 2012 our biggest, most important step towards our shared future.
www.metrogroup.de
METRO GROUP
MADE TO TRADE.
METRO
real,-
MediaMarkt
SATURN
GALERIA

WHAT? NO MOR



BEFORE A FARM
WHO CULTIVATE


ER CULTIVATES,
S THE FARMER?
SUSTAINABLE TRADE.
SUSTAINABLE GROWTH.
Sustainability is our top priority. Because we want to shape the world of tomorrow. One example is our strategic partnership with UNIDO, the United Nations Industrial Development Organization. Together, we are investing in training farmers and fishermen in Asia. And thus in better products for a better life. www.metrogroup.de
METRO GROUP
MADE TO TRADE.
METRO real,- MediaMarkt SATURN GALERIA

→ p. 044

OUR
STRATEGIC FOCAL POINTS

→ p. 045

420

STRATEGIC POSITIONING OF METRO GROUP

METRO GROUP

METRO GROUP, based in Düsseldorf, is one of the world's leading retail and wholesale companies. Our operating business involves self-service wholesale trade, hypermarkets, consumer electronics stores, department stores and online trade. Our four sales divisions – Metro Cash & Carry, Real, Media-Saturn and Galeria Kaufhof – have gained leading positions in their respective business areas. They conduct their business activities autonomously in the marketplace and provide private and professional customers in 33 countries across Europe, Asia and Africa with a comprehensive range of products and services. In the process, they continuously tap new sales channels in order to establish long-term relationships with existing customers and to reach new target groups. Multichannel marketing is becoming increasingly important to us: the close dovetailing of our stationary business with online retailing. In addition, we have bundled our real estate activities into METRO PROPERTIES.

We want to set the pace, actively shape the retail trade and enable the entire industry to evolve. In many countries where we do business, our sales divisions have become pioneers by enabling people and companies to gain access to modern retail structures. With our business activities, we actively promote high standards of living and growth. METRO GROUP's strategy is designed to create economic, environmental and social value: on behalf of customers, employees, investors and society. This means that we strive for a sustained positive earnings development. The foundation of this effort is formed by our strategic focal points: Transform, Grow, Improve, Expand and Innovate. They describe our business approach and thus lend a shared identity and a shared direction to our Company – creating added value for our customers (Customer Value). We continue to place great value in the issue of sustainability. This means that all our business activities consider social and environmental requirements.

Customer Value

We place the creation of added value for our customers at the centre of our activities. Our behaviour is guided by the maxim of offering consumers and professional customers assortments and services at competitive prices. This means that we tailor our sales channels to our customers' needs and shopping habits. In all sales divisions, we take account of local requirements in different markets. In the process, we closely identify areas in which we can sharpen our performance profile to enhance customer satisfaction. This also includes targeted investments in new capabilities and offers.

Transform

Based on defined change requirements we reposition and modernise our business segments in a targeted manner. This includes adapting assortments to local needs, expanding our own-brand assortment, intensifying our service activities as well as opening and tapping new sales channels, for example through multichannel concepts and delivery services in the wholesale business. We implement these measures in a targeted manner and based on clear priorities to achieve fast effectiveness. In the process, we draw on the proven instruments that we have introduced in the context of our value-enhancing programme Shape 2012.

Grow

The aim of the transformation of our sales divisions is to achieve sustained enhancements in the attractiveness of our product and service offers to our customers. In this way, we create growth impulses in all business areas and thus underscore our competitiveness. We believe that sustained like-for-like growth is a key precondition of the long-term success of our sales divisions. We have made this objective one of our top priorities. To achieve this, we are prepared to make targeted investments in new product and service offers as well as selective investments in our sales divisions' price level.

Improve

We undertake all necessary efforts to secure the economic viability of our growth plans. This means that we continually increase our cost efficiency and our cash flow. Our underlying conviction is that continuous improvement processes must also be a core component of the business model of retail and wholesale companies. Permanent cost optimisations are a key element here. We will also undertake every possible effort in terms of Customer Value to avoid unnecessary costs. Only that will allow us to invest in the creation of added value for our customers while also stabilising and increasing our long-term earnings strength. Cash flow optimisation is another top priority because this is the key funding source of our investments. As a retail and wholesale group, we focus on all areas of cash flow optimisation and intend to markedly increase our cash flow in the coming years.

Expand

The past years' strong internationalisation continues to offer us extraordinary growth opportunities. We see excellent possibilities for expanding our presence in many countries where METRO GROUP does business. This applies above all to the regions of Eastern Europe and Asia. We will continue our targeted expansion in these regions while markedly increasing the efficiency of our investments. We plan a substantial increase in total investments based on our cash flow to ensure that we can rigorously tap existing opportunities for expansion.

Innovate

In an era of global interconnectedness and ever-shorter product cycles, our customers' requirements will evolve much more dynamically. We regard this as both a challenge and an opportunity that we rigorously face up to. To this end, we intend to continue to strengthen our organisation's innovative strength and tap the broad expertise available across our international Group. In addition, we engage in select innovation networks to better influence and exploit changes in our environment.

METRO GROUP's innovation management is discussed on pages 122 through 124.

Sustainability

Our economic growth targets are compatible with social and environmental needs. We have firmly integrated the principle of sustainability into our business strategy. We are active along the entire supply chain, especially in those areas where we exercise direct responsibility and can contribute our expertise. As a result, we can optimally tackle global challenges regarding food safety, conservation of resources, demographic change and sustainable consumption. For this reason, our sustainability management involves the four areas of activity of "supply chain and products", "energy and resource management", "employees and social affairs" and "social policies and stakeholder dialogue".

METRO GROUP's sustainability management is discussed on pages 125 through 138.

Metro Cash & Carry 421

The Metro Cash & Carry sales division is the international leader in self-service wholesale trade. It operates under the brand names Metro and Makro in 30 countries in Europe, Asia and Africa. In Germany, the portfolio is complemented by the C+C Schaper brand. Every day, more than 100,000 employees around the world offer commercial customers, including hotel and restaurant owners, catering firms, independent retailers, service providers and public authorities, excellent service and professional advice. With about 20,000 food and around 30,000 nonfood items, the sales division's assortment is tailored specifically to these target groups. The cash & carry company markets brand products of renowned producers as well as exclusive own-brand products that couple high quality with attractive prices.

Focused on the customer: tailor-made sales formats

A broad product range, quality, freshness and tailor-made services are the compelling advantages Metro Cash & Carry offers commercial customers in 30 countries around the world. Metro Cash & Carry emphasises local products: up to 90 percent of its assortment is purchased from local producers and providers. Another strength is Metro Cash & Carry's flexible sales concept which can be optimally adapted to meet the specific conditions and needs of the respective countries. The core is formed by the three store formats Classic, Junior and Eco, all of which have different amounts of selling space and assortment depth. With a selling space of 10,000 to 16,000 square metres, the Classic format is primarily used in Western Europe. In Eastern Europe and Asia, Metro Cash & Carry employs the Junior format with a selling space of between 6,500 and 8,500 square metres. The Eco wholesale stores have a selling space of 2,500 to 6,500 square metres and specialise in fresh foods. This format plays a major role particularly in France as well as in Southern Europe and Japan.

In addition, Metro Cash & Carry is increasingly adding new sales formats to account for different customer groups' expectations and needs. Smaller-area store concepts, in particular, are gaining importance. The wholesaler's "MAKRO Punkt" format, for example, is especially geared towards independent regional retailers in Poland. On a selling space of about 1,500 square metres, the store primarily offers dairy products, fruit and vegetables, beverages and tinned foods. At the end of 2011, Metro Cash & Carry operated nine "MAKRO Punkt" stores in Poland; about 2,000 food products are always on sale in the stores that are supplied by the regional wholesale stores. Using different brand names, Metro Cash & Carry is now rolling out the concept in five additional countries: Bulgaria, Croatia, Romania, Serbia and Ukraine. These so-called satellite stores are shown separately as locations.

Metro Cash & Carry has developed a special format for city centre locations that it has already introduced successfully in China and France. The stores with a selling space of up to 3,000 square metres address the needs of hotels, restaurants, catering firms and smaller food retailers, in particular. Their central location ensures short trips for customers, providing for fast and comfortable shopping. In June 2011, Metro Cash & Carry opened another store in the 12th district of Paris, France, which focuses on fresh foods and is targeted at food retailers and bistros in the vicinity. It is the second wholesale store of its kind in the French capital. In Shanghai and Guangzhou, China, the sales division also operates two specialised stores in city centre locations.

Another sales concept tailored to commercial customers' needs is Metro Drive. With this format, which was introduced in France in 2009, Metro Cash & Carry aims to tap new trading areas to reach professional customers who do not have a wholesale store in their vicinity. The professional customers order their products as usual and can pick them up 48 hours later at one of the local drive-in stores. All in all, Metro Cash & Carry now operates 12 such stores in France.

With its new formats, Metro Cash & Carry can tap business opportunities outside metropolitan areas and continue to strengthen its leading role in the self-service wholesale segment.

Expanded business model: customer-orientated delivery

Key milestones of the successful development of the sales concept include the delivery service which Metro Cash & Carry set up in Germany as early as 2009. The sales division has now expanded the model to cover a total of 29 countries. Around the world, several thousand employees work to process customer orders, package products and then deliver them. By expanding its business model, Metro Cash & Carry aims to win new customers, with a particular focus on hotel and restaurant owners as well as catering firms. At the same time, the sales division thus improves the service it provides to its current top customers. During the reporting year, the sales division generated sales of about €1.6 billion with this service.

Rigorous service focus: innovative concepts

Metro Cash & Carry also ventures down new avenues with specially tailored trader support programmes. The key aim of these programmes is to bolster the competitiveness of small retailers and establish long-term business relationships with these customers. The programmes comprise country-specific measures that help to professionalise and modernise commercial customers' business. Together with the customer, for example, Metro Cash & Carry analyses and assesses specific store parameters and operations. Based on the collected data, the sales division's employees develop specific improvement measures, for example with a view to assortments, prices, store layout and marketing. In Russia and India, Metro Cash & Carry organises seminars where retailers can acquire specific trade knowledge. At the same time, our sales division is testing a franchise-type concept, for example in Poland: here, Metro Cash & Carry acts as a kind of franchisor which offers training, advice on assortment design and professional price comparisons. Franchisees also receive professional support in the marketing of their stores. In Poland, these stores operate under the name "ODIDO". In addition, the assortment of the food stores is designed to ensure that consumers find everything to satisfy their daily needs – including fresh fruit and vegetables. In return, retailers agree, among other things, to include a minimum number of own-brand articles and products in their assortments. The store owners manage their stores completely independently. More than 600 small retailers have already joined the franchise concept in Poland.

Tapping a new sales channel: online business launched

Metro Cash & Carry continues to improve its service for customers. Going beyond stationary sales and delivery services, the sales division offers customers in a number of countries the opportunity to shop online. During the reporting year, the cash & carry company started its first online shops in Hungary and Denmark. At www.metroirodaszer.hu and www.metroshop.dk, customers can now order office supplies, sweets and beverages and have the requested quantities delivered. In addition, Metro Cash & Carry launched an exclusive online wine store for commercial customers in Germany in November 2011. The articles, which can only be purchased on the Internet, complement the assortment of the wholesale stores. The initial assortment comprised about 200 wines. Metro Cash & Carry plans to expand the offer to 500 articles over the medium term.

Strong own brands for professional customers

Since 2009, Metro Cash & Carry has been forging ahead with its own-brand strategy through a focused product portfolio: the six core own brands of Aro, H-Line, Horeca Select, Fine Food, Rioba and Sigma offer excellent value for money and thus real added value, particularly for professional customers. The own-brand share of Metro Cash & Carry's total sales rose by 2.4 percentage points to 15.7 percent in the reporting year compared with the previous year.

The new own brand Rioba, which comprises tailor-made product solutions for cafés and bars, has proven successful. The assortment ranges from professional espresso machines to complete dish assortments and from premium coffee to biscuits. In the context of a partnership model between Metro Cash & Carry and a café operator, the first Rioba Coffee Bar was opened at the airport in the Ukrainian capital of Kiev in July 2011. Operated as a complete solution, this bar offers only products from the own-brand assortment. Four additional such bars have since been opened in Athens (Greece), Düsseldorf (Germany), Maastricht and Rotterdam (Netherlands).

Expansion: new locations around the world

Metro Cash & Carry operates in 30 countries on three continents where it has to deal with widely divergent market parameters. While trade structures in the Western European markets are already fully developed, markets in Eastern Europe, Asia and Africa are in different development phases. In November 2011, Metro Cash & Carry opened its 700th wholesale store worldwide in Kağithane, a district of Istanbul. In December 2011, the sales division celebrated the opening of its 50th Chinese store, which is located in Guangzhou. A total of 37 wholesale stores and satellite locations were newly opened during the reporting year.

Metro Cash & Carry continues to focus its expansion on the growth regions of Eastern Europe and Asia.

Real 422

A comprehensive range of food including a large share of high-quality fresh items, a broad assortment of nonfood products and an attractive price-performance ratio: these are the strengths of our Real sales division. Real is among Germany's leading hypermarket operators. It also has stores in Poland, Romania, Russia, Turkey and Ukraine. The 426 hypermarkets have up to 15,000 square metres of selling space. In these stores, customers find all the products that cover their daily needs under a single roof – just as the advertising slogan says: "One store, you won't need more!".

Real generates three-fourths of its sales with food items. The centrepieces of its product range are fresh foods, including fruit, vegetables, meat, sausage, fish and cheese. Real also offers a wide range of nonfood items, including electronic devices, household products and textiles. Customers can find up to 80,000 different items in every Real hypermarket. To increase profitability over the long term, Real has been pressing forward with its realignment since 2008. Against this backdrop, it continued to adjust its costs and structures, optimise its sales network and further sharpen the profile of the Real brand in 2011.

Gaining an edge on competitors

One of Real's key long-term success factors is its high level of customer orientation. This involves the selection of products, as well as quality and freshness, prices, product displays and services. Because customers place a high priority on the product groups of meat, fish, sausage and cheese, the sales division is systematically expanding its fresh-food expertise. Real's goal is to establish the best image in Germany. A number of awards presented to the sales division during the reporting year testify to its success. In June 2011, the trade publication Lebensmittel Zeitung awarded Real the Salescup in the category in-store promotion for its bakery concept, calling the hypermarket in Wiesbaden a pioneer in Germany's food retail business. Also in June 2011, the store located in the Rheinpark-Center in Neuss won the so-called Cool-Cup for Germany's best refrigerated foods section, an award that was presented by the trade publication Rundschau für den Lebensmittelhandel. The hypermarket in Karlsruhe-Durlach was named "fish counter of the year 2011", an award that is handed out each year by the trade publication Lebensmittel Praxis. Finally, the more than 70,000 readers of the magazine "Meine Familie & ich" nominated the Real store in Passau as one of Germany's ten best hypermarkets.

In addition, the results of the customer barometer 2011 demonstrate that Real continued to improve in key aspects such as friendliness, competence and staff availability. The customer barometer is a telephone survey of about 34,000 German consumers which Real conducts once a year, most recently in January and February 2011. The survey questions address service aspects that are very important to Real, including the friendliness and competence of its staff, waiting times at checkouts, quality, cleanliness and product availability. These features provide the basis for the calculation of a performance index. In addition, Real has used additional indexes to measure the trust and loyalty of its customers since 2010.

Own-brand products strengthened again

With the three own brands "real,- QUALITY", "real,- BIO" and "real,- SELECTION", the sales division offers its customers an alternative to traditional brand products priced in the medium to upper ranges that is both inexpensive and of equal quality. With "TiP", Real also offers one of Germany's most well-known private labels in the budget price segment. In 2011, Real offered about 4,000 own-brand products in its assortment – about one-third more than in the previous year. The products that Real sells under its own name help to sharpen the brand's profile. In addition, Real further increases its gross earnings because the margins for own-brand products are better than they are with traditional brand products. With a broad selection of own-brand products, complemented by many items made by well-known companies, Real optimally meets the diverse needs of its customers.

Upgrading of stores moves forward

To make its hypermarkets more attractive to customers, Real is systematically modernising its stores as part of the sales division's new strategic focus on Germany. Among the steps being taken as part of this effort, the sales division is integrating concept modules into its stores. These are product groups that are showcased together in a uniform manner. The concepts at Real include "Der Meistermetzger" (The Master Butcher), which has now been implemented in all stores. The key elements of this concept are a contemporary display, friendlier colours, decorations for the service counter and assortment optimisation. The Master Butcher also primarily offers products from regional providers in order to reduce transport distances. Surveys have found that customers especially want local and fresh products.

About three-quarters of the store network in Germany has now been upgraded. During the reporting year, Real substantially remodelled six hypermarkets: the locations in Langenfeld, Wildau, Oststeinbek, Kirchheim, Dreieich and Wuppertal-Langerfeld are now exemplary illustrations of an appealing shopping atmosphere. The product range boasts freshly made food items – including bread, rolls and meat products prepared in-house – and a large selection of nonfood articles.

Pilot project for more entrepreneurship expanded

As early as July 2010, Real launched a pilot project called "Entrepreneurship at the Local Level". The aim of this project is to expand the decision-making freedom of general managers. Within a defined period, they can autonomously take decisions about the product range, prices, product placement, advertising, processes and personnel. This approach helps central guidelines to be more effectively modified to meet local needs. The locations Passau, Singen, Saarlouis and Monschau joined the project at the beginning of 2011. Real constantly monitors sales and earnings trends at these hypermarkets to measure the programme's success. Meanwhile, there are increasing indications that the project has enabled the sales division to improve the exchange between responsible store managers and category management, in particular. As a result, Real offers even more customer-focused products in many areas of its assortments. In 2012, the sales division intends to expand the project to another 30 hypermarkets.

Continued international profitability

In the reporting year, the sales division once again increased its profitability in Eastern Europe. Despite continuing economic challenges – particularly in Poland and Romania – Real boosted its international earnings once again. The sales division also opened two stores in Russia.

New department created: "Corporate Social Responsibility"

To systemise sustainability management, Real set up a corporate social responsibility department in July 2011. This department bundles and coordinates all programmes and future projects related to the sales division's corporate social and environmental activities and fuels Real's sustainability activities. The cross-departmental projects are broken down into four categories: supply chain, energy & environment, employees & corporate culture, and customers & society. By taking this approach, Real is playing an active role in the effort to protect the environment and conserve resources on behalf of future generations.

The relationship between stores and head offices

As a result of the positive approach to customer orientation practised in stores for the last three years, Real gave the starting signal for the project "customer orientation in the head office" in 2010. The main goal of this effort is for the head offices to support the hypermarkets in such a way that they can optimally serve customers' expectations. It was based on an internal customer survey that enabled the stores to evaluate the working relationship with the central functional areas for the first time. The survey is conducted twice a year. On the basis of the survey results, Real has developed service rules for the head office. For example, it aims to ensure that the stores have permanent access to a contact person at the head office. In addition, workshops with store and head office employees have been held. To improve cooperation and communication in the units, Real has agreed on a comprehensive package of more than 800 measures. A large number of these measures were already implemented during the reporting year to improve the quality of product and service offers.

New sales channels set up

Since May 2010, customers in Germany have been able to shop online at Real: at www.real-onlineshop.de, the sales division offers more than 10,000 products from the areas of multimedia, sports & leisure time, home & garden, toys, the world of babies, health & wellness and foods & chemist items. In 2011, the company tripled its online product range compared with the previous year. In the reporting year, employees processed about 280,000 orders. The online shop creates an opportunity for the sales division to tap new customer groups and generate additional sales.

As part of its multichannel marketing, Real also opened a second independent drive-in store at the beginning of October 2011 in Cologne-Porz, Germany. Customers can order food and chemist items online at www.real-drive.de and then pick up the order two hours later at the drive-in station. It takes no more than five minutes to pay and receive the items, which saves Real Drive customers significant amounts of time. Other drive-in stores are scheduled to be opened in Germany in 2012.

Successful advertising campaign

In the summer of 2011, Real conducted a customer loyalty campaign in Germany for six weeks. During the “marble fever” campaign, customers in Germany could collect 20 different glass balls. They received one marble free of charge for every €15 they spent at the store. The campaign received a great reception: during the campaign, the 316 hypermarkets in Germany gave away about 44 million marbles. In January 2012, the sales division followed the successful marble campaign with a six-week “funky bean” promotion in all German hypermarkets.

In dialogue with customers

In December 2010, Real created its own official page on the online platform Facebook. The objective is to intensify the dialogue with customers, answer questions and receive suggestions about products and services. At the same time, Real uses the platform to inform people about new developments and to attract customers to campaigns. For example, the sales division provided comprehensive information about the new format in the context of the opening of the drive-in store in Cologne-Porz. At the end of December 2011, Real’s Facebook page had more than 72,000 fans.

Media-Saturn 423

In terms of sales and number of employees, Media-Saturn is METRO GROUP’s second-largest sales division and No. 1 among consumer electronics stores in Europe. Media Markt, Saturn and the online retailer Redcoon, which joined the Media-Saturn group of companies in July 2011, do business autonomously in the marketplace and compete against one another. The sales brands Media Markt and Saturn are characterised by attractive prices, a large selection of innovative products, a comprehensive assortment of top brands, the best service and creative, eye-catching advertising. A decentralised organisational structure, dedicated staff and entrepreneurial boldness are the heart of the company’s philosophy. They underpin international growth in Europe and beyond. Redcoon, on the other hand, is a discount provider of electronic products that sells these exclusively online.

A culture of competition

Because Media Markt, Saturn and Redcoon conduct their operating business independently of one another, each company has its own management. The arrangement nurtures competition among the sales brands and boosts their performance. In addition, the individual Media Markt and Saturn consumer electronics stores are also positioned as independent companies in which the local managing director holds a stake of up to ten percent. This results in broad decision-making freedom. For example, advertising campaigns, product selection and personnel planning are managed directly by the consumer electronics stores. Staff also have a high degree of independence in the operating business. This increases identification with the company, strengthens motivation, and encourages – not least – customer orientation. After all, employees are in direct contact with customers and have a first-hand understanding of their needs and local business conditions. The organisational structure of Media Markt and Saturn ensures that employees can react flexibly to these.

Comprehensive selection

Media Markt and Saturn view themselves as trendsetters in their sector, a fact that is reflected in the product range, product displays and store design. The entire assortment in flagship stores – marquee stores in excellent locations – includes up to 100,000 items, particularly small and large electronic devices as well as entertainment media. The sales brands also offer such services as financing, delivery, PC services, set-up and installation. Under the umbrella of "Power Service", Media Markt and Saturn provide a number of additional services, including data recovery, the inspection of built-in units and satellite systems, and maintenance packages. The selling space in the consumer electronics stores ranges from 2,500 to 10,000 square metres. In the course of its expansion and multichannel strategy in Germany, Media Markt decided in 2011 to also open stores in smaller cities with an attractive trading area. The key difference between these new stores and the established stores is their size. In addition, they use a store-specific space concept and operate as full-assortment stores with the largest local offer and accordingly targeted focus areas. In addition, the new stores use online terminals which offer customers an even larger assortment. During the reporting year, Media Markt opened two such stores: in Neutraubling and Schleswig. Additional stores will follow in 2012.

Dual online strategy

Consumers are increasingly going online to learn about products and to obtain products and services. Media Markt and Saturn have responded to this trend, offering digital products – including music and film files, video games, computer programs and e-books – online for several years now. 24-7 Entertainment GmbH, a subsidiary of the Media-Saturn group of companies, launched "JUKE" in 2011. This online service provides customers with unlimited access to 15 million titles through a subscription system.

To be able to continue to fulfil customers' needs and address their buying habits, Media-Saturn expanded its business model in 2011. The sales division's objective is to also lead the European market in online consumer electronics retailing. A core element of this effort is multichannel marketing in which the consumer electronics stores are closely linked to an online shop. In October 2011, Saturn began to offer its customers in Germany the opportunity to obtain products either online or in their local consumer electronics store. As a result, a product can be ordered online and, if available, picked up on the same day at the nearest store. If a customer needs additional assistance with the product purchased online, he or she can also get this at a selected Saturn store. Media Markt has been using this sales concept since 2010 in Austria and the Netherlands. The sales brand's online shop in Germany was launched in January 2012. Media Markt has added a new price strategy to its multichannel marketing effort that is more transparent and reliable for customers. As a result, the consumer electronics business group has abandoned the model in which price leadership was primarily demonstrated through bargains. To secure profitability, Media-Saturn has introduced the Improve! programme with which the sales division is pushing cost-cutting and efficiency-enhancing measures.

A second core element of the online strategy of Media-Saturn is the sales brand Redcoon, one of the largest discounters for television sets, digital cameras, notebooks, stereos, car stereos and household appliances in German-language online sites. The sales brand is represented in a total of ten European countries. The acquisition of Redcoon in July 2011 enables the sales division to reach price-conscious consumers who shop online and do not expect additional services.

Own-brand family completed

In 2010, Media Markt and Saturn began to offer own brands in Europe: "ok" for the budget priced segment, and "KOENIC" for high-quality small and large household appliances. At the end of 2011, both own brands were available in twelve countries. In addition, the sales division introduced, as planned, the "PEAQ" brand for consumer electronics in Austria, Belgium, Germany, Italy and the Netherlands as well as the "ISY" brand for accessories in Austria and Germany. As a result, the consumer electronics stores cover all price segments and an array of product categories. To assure the highest possible product quality, the sales division is working closely with well-known brand-name manufacturers. Media-Saturn continually moves forward the gradual introduction of the own-brand family into all 16 countries.

Strong marketing campaigns

Media Markt and Saturn are known for their spectacular advertising campaigns and memorable slogans – in Germany and in other countries, too. Media Markt and Saturn advertisements are designed to inform, polarise and attract people. During the reporting year, the sales brands once again launched marketing campaigns that got people's attention. In the fall of 2011, Media Markt launched a national campaign in Germany that announced the new price strategy of the sales brand and rounded off the advertising year with an offensive Christmas campaign. Under the slogan "Geil ist geil!" (Cool is cool!) Saturn celebrated its 50th anniversary. Since the Christmas shopping season of 2011, Saturn has been employing a revised advertising campaign using the slogan "Soo! muss Technik" (Technology: The way it has to be!) The campaign spotlights the sales brand's passion for and expertise in technology.

Dynamic expansion

In Europe, Media-Saturn has already turned its vision into reality: being No. 1 in consumer electronics retailing. At the end of 2011, the sales division had 893 stores in 16 countries. This is 16 more consumer electronics stores than in the previous year, with 57 new openings in 2011. Since Media Markt entered the Chinese market in November 2010, the sales brand has strongly moved ahead with its expansion there. Media Markt now has seven stores in Shanghai. The Saturn stores in France were divested. Nonetheless, Media-Saturn will continue to expand and open additional new stores in other countries during 2012.

Galeria Kaufhof

424

Our Galeria Kaufhof sales division is one of Europe's leading department store operators. Its stores are characterised by powerful international product ranges and high-quality own-brand products. The product range focuses on fashion, shoes, bags, accessories, jewellery, undergarments, stockings and perfumery items. With its range of products and services, the sales division competes against speciality shops and vertical providers – including clothing manufacturers who operate their own shops. Galeria Kaufhof is positioned as a modern retail brand with an unmistakable profile. The department stores, which have between 7,000 and 35,000 square metres of selling space, are generally located in prime city centre locations. In Germany, the sales division does business under the names Galeria Kaufhof and Kaufhof. In Belgium, it is known as Galeria Inno. Its portfolio also includes Sportarena, a sales format that specialises in sports gear and clothing. The service company Dinea operates the restaurant section of the department stores.

Adapted to meet local customer needs, markets and competitors

Galeria Kaufhof is a trendsetter in city centre retail. In order to optimally adapt the company to the customer structure, shopping behaviour, the market and the competition in local areas, the sales division has conducted in-depth analyses of all store locations. Galeria Kaufhof is applying the results – supplemented by findings in trend research – to develop a tailored strategy for each individual department store. Employees of the functional areas and the stores are developing specific measures regarding assortment, service, customer communications and staff. Galeria Kaufhof initiated the process of intensified local positioning of the stores in 2010 and systematically continued it in the reporting year. In 2011, the sales division remodelled 45 department stores in accordance with the individual strategies. In spite of the localisation effort, the sales division's marketing continued to ensure that customers experience Galeria Kaufhof as an unmistakable, recognisable brand.

Core assortment reinforced

Galeria Kaufhof took the decision to give up its departments for consumer electronics and media. A major reason for this decision was that the sales division could use the newly available space for other, higher-margin assortments, particularly textiles. In 2011, Galeria Kaufhof converted the selling space of 31 department stores, and the remaining twelve will be completed by mid-2012.

During the reporting year, the sales division continued to refine its assortment, adding new brands to it. These brands include such well-known manufacturers as Diesel, Tommy Hilfiger Denim, Pepe, G-Star, Cinque, Strenesse blue, René Lezard, Napapijri and New Zealand. Customers will find these brands in the flagship stores of Galeria Kaufhof, including the one at Alexanderplatz in Berlin.

Galeria Kaufhof continuously optimises its own-brand products by sharpening their profile and orientating them even more precisely at individual target groups. In the reporting year, the sales division completely overhauled the identity of the own brand "manguun" – ten years after its introduction – and updated the logo, among other steps. By the end of 2012, Galeria Kaufhof intends to reduce the number of own brands from 24 to 20. Differentiation within the individual fashion lines will be covered by sub-brands in an approach that is comparable to the one taken by producer's brands. At the beginning of February 2012, for instance, the "Miss H" brand was incorporated into the "manguun collection" line. The assortment of "Werther", the rather traditional own brand of men's clothing, was completely integrated into "Rover & Lakes" in 2011. The same step was also taken with "C. Comberti" for the men's accessory area.

Internet and department store are close partners

Since 2000, customers of Galeria Kaufhof have also been able to order products online. Up to now, though, the range was limited to selected products. In October 2011, the sales division began to offer fashion and accessories – the products with the largest share of sales in the department stores – in a completely remodelled online shop at www.galeria-kaufhof.de. In taking this step, it nearly doubled the number of products available online. Through this approach, Galeria Kaufhof not only enables its customers to enjoy its usual wide variety of products, but also provides them with the opportunity to take advantage of the items and services in a stationary or virtual department store. As a result, customers can have their orders delivered directly to a store or return them there. Products not in stock at the department store can be ordered online from there and delivered to the customer. This multichannel marketing is an important element of Galeria Kaufhof's effort to provide current and future customers with a contemporary shopping experience and to cultivate their loyalty to the sales division. The expansion of multichannel services is planned.

The brand for style and lifestyle

The sales division's customers expect the Galeria Kaufhof brand to provide them with inspiration for their personal lifestyles. For this reason, the sales division continued its partnership with Wolfgang Joop in 2011. The star designer joined a creative team consisting of employees from the functional areas of marketing, procurement and sales to develop new concepts that speak to customers on an emotional level. A highlight of the partnership during the reporting year was the "GALERIA 1879" collection designed by Wolfgang Joop. The clothing and accessories were available on a limited basis in department stores beginning in September 2011 and generated large sales volumes. With the collection, whose name refers to the year that Kaufhof was established, the sales division demonstrated its skills in terms of style and lifestyle once again.

Sportarena: independent formats

In March 2011, the Sportarena sales format introduced a new store concept for selling space measuring between 400 and 500 square metres: "Wanderzeit" offers functional clothing made by well-known brands like Jack Wolfskin, The North Face, Schöffel and Meindl as well as accessories, including backpacks, water bottles, map material and GPS systems. During the reporting year, Sportarena opened three "Wanderzeit" stores in Aalen, Neuss and Hamburg. The concept is to be introduced at other stores in 2012.

Dinea: more fresh products

Today, every sixth customer of Galeria Kaufhof drops by the Dinea restaurants located in the store. To meet customers' growing standard regarding healthy food, freshness and preparation, the service company began to test a new concept at stores in Frankfurt am Main and at "Main-Taunus-Zentrum" shopping centre in 2011: the food is cooked right in front of the customers' eyes. Over the medium term, Dinea sees potential for implementing this concept in about 10 to 15 department stores. Individual components of the concept will also be introduced in the other restaurants.

Continuous optimisation

Galeria Kaufhof regularly analyses market conditions and the environment in which the department stores do business. Applying this approach, the sales division also optimised its store portfolio during the reporting year and adapted it to local market and customer requirements. In February 2011, Galeria Kaufhof closed the store in Leipzig-Paunsdorf. When leases expire in mid-2012, the sales division will also close department stores in Gießen, Cologne-Kalk, Nuremberg-Aufseßplatz and Oberhausen's city centre. In recent years, market trends have turned negative in these areas, and these department stores offer no long-term potential to be operated profitably.

At Galeria Kaufhof, employees of all functional areas are devising measures designed to further improve internal processes and systems to create more value for the customer. As part of the outlets' concentration on local needs, a trend that will remain a high priority in future years, systematic support of the planning process will become increasingly important. For this reason, Galeria Kaufhof began to introduce a new planning system for the product range in 2011. With the help of this system, the sales division can use inventory and movement data to spot trends. As a result, specific management information can be generated and measures developed from it. The rollout is scheduled to be completed in 2012.

Real Estate 425

METRO PROPERTIES is the real estate company of METRO GROUP. It owns 687 retail properties and manages another 153 retail-related properties. The primary job of METRO PROPERTIES is to increase the value of the Group's real estate assets, whose current book value amounts to about €8 billion, over the long term by practicing active, strategic portfolio management. The company acts as a service provider that assists with the search for suitable business locations as well as the development, construction and management of retail properties. By taking this approach, METRO PROPERTIES supports and accelerates the international expansion of our sales divisions. Other services include energy management as well as facility management for retailing, administrative and warehouse locations. METRO GROUP reports real estate as an independent segment in order to better underscore its value contribution. During the reporting year, METRO PROPERTIES expanded its range of services – which, in the past, had generally been used within the Group – and also introduced them into the marketplace.

Single-source real estate management

As part of a reorganisation effort, we changed the name of our real estate company from METRO Group Asset Management to METRO PROPERTIES during the reporting year. On 1 October 2011, we also integrated the departments for Expansion & Construction at Metro Cash & Carry into the real estate company. As a result of these changes, all real estate management at METRO GROUP is overseen by a single unit with clear, efficient structures and areas of responsibility. Through this effort, we have laid the foundation on which the service range can be expanded for all sales divisions and particularly for Metro Cash & Carry. By taking this approach, METRO PROPERTIES can better employ the know-how of its staff in the expansion of international markets. This helps to significantly accelerate the pace of this growth. We are also tapping new savings potential by bundling volume and are producing higher quality at lower costs.

Value-orientated portfolio strategy

METRO PROPERTIES regularly evaluates and analyses all global and local markets, locations and properties as a basis for strategic real estate management. Its employees develop lucrative formats and work out targets for the individual locations and properties in order to achieve systematic and long-term gains in revenue and value. METRO PROPERTIES does this by optimally leveraging investment cycles. The company aims to sell properties at the height of their value appreciation. Profitable acquisitions are made in those markets where real estate prices show long-term growth potential. In a reflection of this approach, real estate assets at Metro Cash & Carry Italy were once again successfully placed on the market in 2011 as part of a funds transaction. Gross transaction proceeds totalled about €300 million.

Experts for project development and construction management

For new buildings, modernisations, reconstructions or expansions, METRO PROPERTIES offers tailor-made solutions for all demands in retail properties. A team of project developers, architects and engineers works closely with the sales divisions of METRO GROUP as well as with external customers.

Joint venture for centre management

In 2011, METRO PROPERTIES transferred centre management in Germany to a joint venture with the Hamburg-based property developer ECE. Both partners hold an equal stake in the new MEC METRO-ECE Centermanagement GmbH & Co. KG, based in Düsseldorf. At the end of the financial year, the company was managing 38 shopping centres in Germany. By undertaking this merger, METRO PROPERTIES strengthened the position of centre management in the German market and opened new growth opportunities for it.

Energy efficiency as a job of the future

For METRO GROUP, the energy-related optimisation of its locations is a long-range, strategic undertaking. By applying this approach, the Group can respond to continuously rising energy prices and achieve its goals of reducing the impact of its business activities on the environment. METRO PROPERTIES develops concepts that enable METRO GROUP to lower its energy consumption and carbon-dioxide emissions – such as using alternative energies and renewable electricity production. The METRO GROUP Energy Management System provides a basis for this concept. In 2011, the Company made significant progress in its work to expand the system, which centrally and uniformly records the Group's energy consumption. The monitoring of energy-intensive refrigeration, ventilation and lighting systems for more than 1,600 METRO GROUP locations is already under way, including in Austria, Germany, the Netherlands, Poland, Russia and Ukraine. As a result of this analysis, METRO GROUP is able to plan the necessary refurbishment activities and trendsetting technical system concepts and, thus, can take an extensive number of energy-saving steps. In the reporting year, we drew on a special energy conservation budget of €21 million to make rapidly achievable improvements in ventilation, heating and lighting systems used in German stores and locations. This optimisation work was carried out at Metro Cash & Carry, Real, Galeria Kaufhof and MGL METRO GROUP Logistics. It will be continued through 2014. We expect that the steps will pay for themselves within an average of four years.

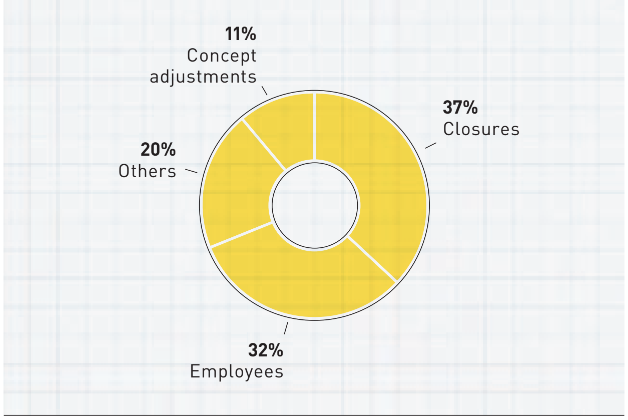
426

SHAPE 2012

We rigorously build on our Company's strengths to realise our ambitious growth objectives because we need an effective organisation to fully leverage our strategic focal points. This is why we launched the efficiency and value-enhancing programme Shape 2012 as early as the beginning of 2009.

Cost-saving potential was largely realised. We also made significant advances in our repositioning, our assortments, our own-brand products and new business models. In individual areas, however, the effect on earnings fell short of our expectations. In view of the increasingly challenging global economic environment we therefore initiated additional measures in 2011 that can help us to increase the efficiency and value of our Company. Amongst other things, these include the Improve! programme at Media-Saturn, which the sales division has launched to achieve a sustained and competition-orientated improvement in its cost position. We raised one-time expenses for Shape 2012 from an initial €100 million to €259 million during the reporting year to be able to implement additional efficiency and value-enhancing measures. These additional amounts were used largely to implement additional structural adjustments and optimise our network of locations. The unbalanced one-time expenses for the financial years 2009 to 2011 thus amount to €806 million.

Shape 2012: planning of one-time expenses
according to type (2009–2011)



Clear structures

We defined five key areas of action when we first launched Shape 2012 at the beginning of 2009:

1. New management model for greater market and customer centricity
2. Undivided operational responsibility of the sales divisions
3. Strict organisational structure for finance, compliance and sustainability
4. Real estate portfolio as profit centre
5. Centralised return targets for strict management

Shape 2012 thus marks the largest transformation process in the history of METRO GROUP. Already existing improvement programmes of our sales divisions and programmes that were launched during the past three years have been integrated into Shape 2012 to allow for uniform, Group-wide management.

We implemented a number of additional structural adjustments in 2011:

- Effective 1 October 2011, the real estate resources, structures and functions of METRO Group Asset Management and Metro Cash & Carry were bundled in the new company METRO PROPERTIES. The management of 36 German retail parks has been spun off from the existing company and was also brought into a joint venture with Hamburg-based real estate developer ECE as of 1 October 2011. MEC METRO-ECE Centermanagement GmbH & Co. KG operates, leases and markets a total of 38 retail parks in Germany. METRO GROUP and ECE each hold 50 percent in the company.
- Our shared service centre organisation in Alzey has been operating since 1 December 2011. It is a central unit that carries out accounting tasks on behalf of Metro Cash & Carry Germany, Real Germany, METRO AG and MGL METRO GROUP Logistics, amongst others. We also operate similar service centres in Eastern Europe and Asia and will continue to expand these to provide for consistently high, Group-wide quality standards based on uniform requirements and processes. At the same time, this organisation allows us to meet increased governance requirements and operate even more efficiently.

For those instances in which organisational changes required personnel adjustments to be made, these adjustments were implemented through a well-regulated and fair process. All material measures were coordinated with the employee representatives in line with legal regulations. As far as possible, staff reductions required under Shape 2012 are implemented through normal turnover.

Changed corporate culture

During the reporting year, our employees further developed and/or implemented about 6,800 measures in the context of Shape 2012. Shape 2012 has kicked off a continuous renewal process. For example, more than 750 new measures were approved and introduced in the second half of 2011 alone.

In the context of Shape 2012 we place great value on strengthening our employees' entrepreneurial spirit and innovative strength. With our commitment we strive to rigorously grasp opportunities for the Company and implement new ideas faster. The new multichannel sales offers that METRO GROUP introduced during the reporting year and that expand our business model exemplify this profound change in our corporate culture. All sales divisions now offer their customers the opportunity to also order goods and services over the Internet. Metro Cash & Carry is a case in point: in November, our self-service wholesaler opened an online wine shop in Germany where commercial customers can choose from a wide assortment of exclusive wines that can only be bought over the Internet. Our sales division Media-Saturn acquired online retailer Redcoon in 2011. In addition, Saturn started selling electronics, consumer media and household goods over the Internet in October 2011. What makes this approach so special is its close integration with the stationary business. For example, customers can order articles at www.saturn.de and, depending on their availability, pick them up from a nearby store the same day. Goods purchased online, in turn, can be exchanged at the local store. Galeria Kaufhof has also adopted this integrated approach. The sales division's online store, www.galeria-kaufhof.de, offers nearly all product groups offered at a department store, including, since October 2011, a comprehensive range of textiles. Media Markt's online store was launched in January 2012.

All METRO GROUP companies continue to implement efficiency-enhancing and cost-cutting measures. During the reporting year, Galeria Kaufhof, for example, rolled out its productivity programme, which was initially implemented in 30 German stores, in all of its department stores. In this context, the sales division rigorously adapts all local assortments and advertising to local customer needs. In addition, it fully optimises the cost structures of all stores. At Media-Saturn, the Improve! programme that was launched during the reporting year aims to establish the sales division as the cost leader in the consumer electronics sector. These two examples show that systematic efficiency and value enhancements will remain a permanent feature of our Company beyond Shape 2012.

Consistent controls

Management of Shape 2012 is supported by a targeted implementation method. Each company develops own measures to meet centrally specified objectives. These measures are documented in detail in a proprietary database. This database also serves to continually monitor the degree of target achievements: the companies conduct progress assessments, identify deviations from plans and, if necessary, adjust their measures. This process enables us to provide a transparent overview of implemented changes, to effectively manage individual measures and to foster the cooperation among all involved.

Shape 2012 is managed on the basis of seven focal areas:

- Customer orientation
- Procurement
- Own-brand management
- New business models
- Delivery services
- Processes in the stores, outlets and administrative departments
- Logistics

Management support

Our executives are key drivers of change in our organisational structures and corporate culture. We support them in this role by offering them targeted training and comprehensive internal communications material. The Group's leadership philosophy was also a key topic at our management conference in May 2011. The Management Board of METRO AG and the roughly 400 participants discussed ways in which they can contribute to the Company's value enhancement.

We expanded internal communications related to Shape 2012 during the reporting year to motivate employees to implement this programme. The "success stories" – reports about best-practice measures which the Management Board of METRO AG regularly sends out to executives and which have also been published on METRO GROUP's intranet since 2011 – continue to form a key communication element. Our goal is to intensify the exchange of experiences within METRO GROUP and honour successful changes.

→ p. 061

INVESTMENT 2

FACETS OF SUSTAINABILITY AT METRO GROUP

TRANSPARENT INFORMATION ASSURES PUBLIC RECOGNITION

Independent sustainability experts and institutes regularly assess companies' adherence to economic, environmental and social criteria. METRO GROUP welcomes critical analyses – within the context of an ongoing dialogue and of transparent information policies. Our Company is listed in relevant indices such as the Dow Jones Sustainability World. For the first time in 2011, the Carbon Disclosure Project (CDP) included us in its Global 500 Leadership Index. This ranks us among the leading international companies that have reached the forefront in terms of climate-related information policies based on our own assessment.

201

CDP 500 RANKING
METRO GROUP INCLUDED IN GLOBAL 500 LEADERSHIP INDEX

INVESTMENT

513

METRO SHARES

After very strong performance in 2010, when the Metro share markedly outperformed the German DAX blue-chip index, stock market trends in 2011 pointed downward. Both the market in general and the Metro share, in particular, suffered distinct losses. More than anything, the heightened sovereign debt crisis in Europe and the USA unsettled investors, leading to high market volatility. Other concerns weighing on global stock markets included high energy and commodity prices as well as the economic outlook, which led to a broad-based drawdown. The Metro share was not immune to this trend either. In addition, METRO GROUP's relatively high proportion of sales in crisis-ridden regions such as Southern Europe and several Eastern European countries put pressure on its stock price. METRO GROUP's high share of nonfood sales also dampened performance. Customers' buying behaviour in this product segment is particularly sensitive to macroeconomic parameters. A strong increase in the dividend by nearly 15 percent also failed to bolster the share price. The release of the Company's results for the first half of 2011 and the challenging sector environment for consumer electronics, in particular, put additional pressure on the share price. In autumn, the Metro share recovered slightly and performed in line with the DAX. The adjustment of the Company's sales and earnings guidance at the start of December was greeted with a distinct markdown, causing the Metro share to drop to a low for the year. The share failed to recover from this drop until the end of 2011.

The Metro share closed the year at €28.20, 47.7 percent lower than a year earlier. The DAX ended the year with a loss of 14.7 percent. The sector index Dow Jones Euro Stoxx Retail experienced a similar development with a decline of 15.9 percent.

Shareholder structure of METRO AG 514

The shareholders Haniel, Schmidt-Ruthenbeck and Beisheim are the major shareholders of METRO AG. According to the information available to METRO AG, they held 59.98 percent of the voting rights at the end of 2011. The shareholder groups Haniel and Schmidt-Ruthenbeck are the Group's major shareholders. According to notifications of voting rights pursuant to the German Securities Trading Act (WpHG), they hold 50.01 percent of the voting rights. The Beisheim shareholder group holds 9.97 percent of the voting rights according to voting rights notifications. The remaining 40.02 percent free-float share is divided among a large number of national and international investors. Notifications from fund management firms and other data sources indicate that US and British investors now account for the largest share of institutional investors, followed by French and German investors. In addition, METRO AG's shareholder base includes an estimated 60,000 private investors.

Market capitalisation and index inclusion 515

The share price losses markedly reduced METRO AG's market capitalisation. At the end of December 2011, it stood at €9.2 billion. The trading volume of the Metro share exceeded the previous year's level in 2011. On an average trading day, 1.3 million ordinary shares of METRO AG were traded, compared with 1.0 million a year earlier. Average daily trading volume of illiquid preference shares was 6,500 shares.

As Germany's largest listed retail and wholesale group, METRO AG is a member of the German DAX stock market index.

Development of the Metro share price (%)

Performance comparison of Metro ordinary share in 2011 vs DAX vs Dow Jones Euro Stoxx Retail

METRO GROUP	DAX	Dow Jones Euro Stoxx Retail
–47.7%	–14.7%	–15.9%

Source: Bloomberg

Metro shares 2009–2011 (€)

		2009	2010	2011
Annual closing price	Ordinary share	42.57	53.88	28.20
	Preference share	35.00	36.09	24.16
Annual high	Ordinary share	43.50	58.53	55.91
	Preference share	37.50	40.89	39.24
Annual low	Ordinary share	20.07	37.28	27.39
	Preference share	21.90	32.00	22.43
Cash dividend	Ordinary share	1.18	1.35	1.35[1]
	Preference share	1.298	1.485	1.485[1]
Dividend yield based on closing price for the year (%)	Ordinary share	2.8	2.5	4.8[1]
	Preference share	3.7	4.1	6.1[1]
Market capitalisation (€ billion)		13.9	17.6	9.2

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

Information about the Metro shares

	Ordinary share	Preference share
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

METRO GROUP's prominent position in national and international capital markets is also reflected in the membership of the Metro share in other major indices such as the Dow Jones Euro Stoxx and the corresponding sector index Dow Jones Euro Stoxx Retail. The METRO AG share is also listed in the Morgan Stanley Capital International (MSCI) Euro Index. Thanks to its above-average dividend yield, METRO AG is also included in the DivDAX, a stock market index comprised of the 15 DAX companies with the highest dividend yield.

The corporate sustainability principle is not just a key aspect of METRO GROUP's corporate strategy, but is also gaining importance among institutional and private investors. Relevant index memberships testify to our Company's advances in this area. For many years now, the Metro share has been listed in the Dow Jones Sustainability World Index. METRO GROUP received special recognition in analysts' assessments for its commitment to the economic dimension of sustainability, which includes sound risk management, effective anti-corruption rules and efficient customer management. For the first time, METRO AG was included in the "Carbon Disclosure Leadership Index" of the international non-profit organisation Carbon Disclosure Project (CDP) in the reporting year.

Dividend 516

METRO AG wants to offer its shareholders an attractive dividend. At the Annual General Meeting on 23 May 2012, the Management and Supervisory Boards will therefore propose a dividend of €1.35 per ordinary share and €1.485 per preference share for the financial year 2012. This would correspond to a dividend yield of 4.8 percent on the closing price for 2011 of €28.20 for the Metro ordinary share. The closing price of the Metro preference share was €24.16, which results in a dividend yield of 6.1 percent. Based on earnings per share before special items of €2.63, the payout ratio would amount to 51.3 percent.

Dividend yield 2005–2011

2005	2006	2007	2008	2009	2010	2011
2.5%	2.3%	2.1%	4.1%	2.8%	2.5%	4.8%

Payout ratio 2005–2011

2005	2006	2007	2008	2009	2010	2011
41.3%	42.4%	45.2%	38.7%	56.2%	43.3%	51.3%

Investor relations 517

METRO GROUP places great value on an intensive dialogue with shareholders, potential investors and analysts. Transparent and trust-based information of capital market participants has become even more important at a time of high volatility and negative external impacts. Communication of the Investor Relations department follows METRO AG's principles of creating transparency, conveying reliability and building trust. The year's capital market communication work kicked off in January 2011 with the release of the sales results for 2010, the so-called trading statement. In March 2011, the annual report covering business developments in 2010 was presented at the analysts' conference in Düsseldorf. A month after the end of each quarter, METRO AG held a conference call to inform capital market participants about the past period. The conference can be watched online and is made available on the investor relations pages on the Internet after the event. Related documentation and reports are also made available there and are mailed to interested parties upon request.

In July 2011, the Investor Relations department received about 50 invited analysts and investors in Aschaffenburg on the occasion of the acquisition of online retailer Redcoon, which strategically complements the Media-Saturn business. In this context, the management of Media-Saturn explained the Internet strategy in great detail.

In 2011, we continued our direct dialogue with shareholders, potential investors and analysts through presentations in key financial markets in Europe, the USA and Asia. 8 conferences and 34 road show days in 14 countries as well as a direct exchange and store visits at the METRO AG location in Düsseldorf supported the Group's capital market communication. The investor relations team again conducted numerous one-on-one and group meetings in 2011.

METRO GROUP is covered by about 40 analysts from respected national and international banks. METRO GROUP regularly reports the respective recommendations and share price targets on its investor relations pages on the Internet. Following the adjustment of Group guidance in December 2011, nearly all analysts revised their recommendations. As of the end of 2011, 31 percent (previous year: 50 percent) of analysts recommended the Metro share as a "buy"; 56 percent (previous year: 38 percent) reduced it to "hold" and 13 percent (previous year: 12 percent) rated the share a "sell". The median value of share price targets declined to €35 compared to €58 at the end of 2010.

Private investors are another important shareholder group – the largest in terms of numbers. METRO GROUP's investor relations pages on the Internet are their first point of call and offer them insights into the Company's strategy and business development as well as new publications. In addition, they can contact the investor relations team directly. The number of questions addressed to this team increased markedly in 2011. The dialogue with investors also includes on-site events such as the Annual General Meeting, shareholder days and stock market days. At the "FinanceDays" investor fair, for example, which was held in Cologne in November 2011, corporate issuers, banks and asset managers provided information on capital investments. METRO GROUP used this opportunity to present itself to interested private investors.

In 2011, METRO GROUP again received several awards for its investor relations work. For example, METRO AG came second in the DAX category for the German Investor Relations Award presented by the German Investor Relations Association in cooperation with "WirtschaftsWoche" business magazine. For a repeated time, METRO AG also ranked first in the trade sector in Thomson Reuters' "Extel Pan-European Survey" – both in the individual and in the team assessment. For the eighth consecutive time, the international business magazine "Institutional Investor" presented METRO GROUP with the award for the best investor relations work in the European trade industry.

We regard these and various other awards as an endorsement of our successful investor relations communication. Nonetheless, we continue to strive for a comprehensive and transparent capital market dialogue, which is indispensable – irrespective of the current market mood or the performance of the Metro share.

→ p. 067

BUSINESS 3

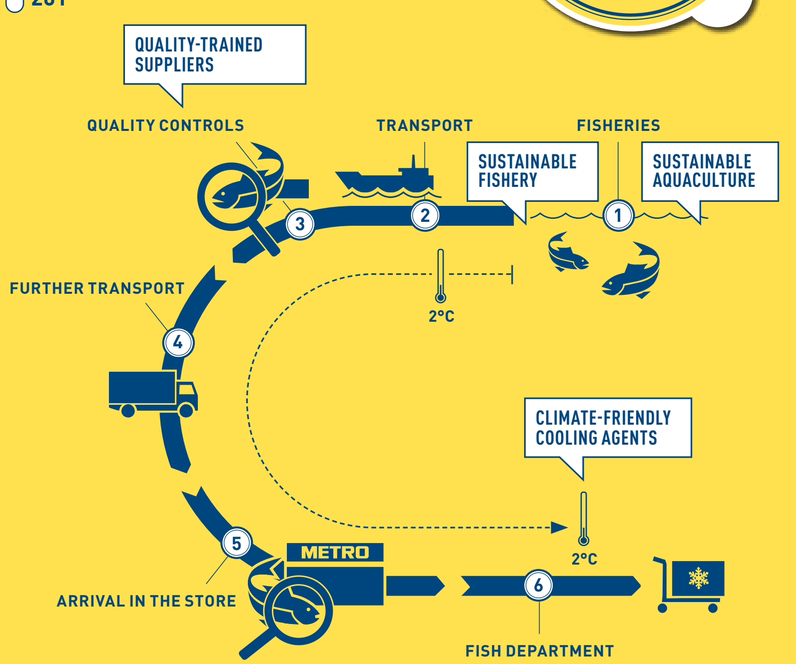
– METRO GROUP – COMMITTED TO OUR CORE BUSINESS

FACETS OF SUSTAINABILITY AT METRO GROUP

RESPONSIBILITY FOR THE COMPLETE SUPPLY CHAIN

Our sustainability strategy starts with our core business where our impact is greatest. Fish is a good example: in 2011, we adopted a Group-wide purchasing policy that covers all segments of the supply chain. We support sustainable fishery and aquaculture, among other things, and actively promote environmentally conscious fishing methods (1). We provide quality assurance (3, 5), optimise logistics processes (2, 4), foster the use of climate-friendly cooling agents (6), and develop and promote seals for improved labelling and tracing to provide for a sustainable, customer-focused product range.

201



BUSINESS

601

REPORT OF THE SUPERVISORY BOARD

Franz M. Haniel
CHAIRMAN OF THE SUPERVISORY BOARD

Dear Shareholders,

The financial year 2011 was filled with extraordinary events, including the sovereign debt crisis as well as high unemployment and austerity programmes in many European countries. These events dealt a severe blow to consumer confidence and subsequently posed major challenges for METRO GROUP. In spite of the difficult business conditions, Group sales remained nearly unchanged from the previous year, at €66.7 billion. EBIT before special items amounted to €2.4 billion, just below the previous year's level.

The focal point of the Supervisory Board's work in 2011 was the strategy related to the continued sustainable growth of METRO GROUP. The Management Board of METRO AG has defined clear goals for the various business activities and regions, including, in particular, the goal to develop the Group's online business. The Supervisory Board intensely discussed the necessary objectives for each sales division in the Group with the Management Board and assured this Board that the Supervisory Board would completely support the implementation of the strategy.

Another major issue addressed by the Supervisory Board in 2011 was changes to the Management Board of METRO AG. In October 2011, Mr Heiko Hutmacher joined the Management Board as Chief Human Resources Officer and Labour Director. Dr Eckhard Cordes left the Management Board at the end of the reporting year. His successor as Chairman of the Management board is Mr Olaf Koch. Mr Mark Frese became the new Chief Financial Officer on 1 January 2012.

The Supervisory Board expresses its gratitude to Dr Cordes, the members of the Management Board and the Group's employees for their hard work.

Supervision of executives and cooperation with the Management Board

In 2011, the Supervisory Board also carried out the consultation and monitoring duties set forth by law and by the Company's Articles of Association. It thoroughly advised the Management Board on the management of METRO AG and METRO GROUP and constantly supervised the management. The Supervisory

FRANZ M. HANIEL

CHAIRMAN OF THE SUPERVISORY BOARD

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

Board was deeply involved at an early stage in all fundamental decisions that were of material importance to METRO AG or METRO GROUP.

The work of the Supervisory Board was based on the oral and written reports pursuant to § 90 of the German Stock Corporation Act, which the Management Board provided both during and outside meetings held by the Supervisory Board and its committees. The Management Board provided the Supervisory Board with detailed and timely reports about all developments of material importance to METRO GROUP. The reports covered, in particular, proposed business policies and fundamental questions about Company planning. Other report topics included profitability, current business developments, including the position of METRO GROUP, and operations of material importance for the profitability and liquidity of the Group. The reports were provided regularly pursuant to § 90 Section 2 of the German Stock Corporation Act. The Management Board explained any deviations in business developments from set plans and objectives and announced appropriate countermeasures.

The Supervisory Board approved all matters that were submitted to it by the Management Board pursuant to the by-laws of the Supervisory Board and the Management Board as subjects for authorisation. These matters included sales from the real estate portfolio, projects in Asia and the related investments, and the acquisition of the online consumer electronics retailer Redcoon by Media-Saturn. The Supervisory Board also endorsed changes in the division of business responsibilities for the Management Board as well as the budget plans submitted by the Management Board for 2012, including mid-term planning. In these and other instances, the Supervisory Board regularly received written documentation for preparing its decisions: The Supervisory Board made no use of the rights of inspection and audit granted under § 111 Section 2 Sentence 1 and 2 of the German Stock Corporation Act because no matters requiring clarification arose.

Between meetings, the Chairman of the Supervisory Board – Prof. Dr Jürgen Kluge until 17 November 2011 and then his successor, Franz M. Haniel – were in continuous dialogue with the Chairman of the Management Board. They were kept abreast of important business developments and pending decisions.

The Supervisory Board thoroughly discussed and reviewed all reports and documents that were submitted to it. Further details will be provided in the following sections. No objections about the Management Board's activities were raised.

Conflicts of interest

The remuneration system for members of the Management Board stipulates that the Supervisory Board may resolve an adjustment for special items for the determination of the performance-based compensation that is based on performance metrics. In the financial year 2011, the Supervisory Board exercised this opportunity. As previously announced, member of the Supervisory Board Andreas Herwarth abstained from voting. Mr Herwarth said his decision was based on the Management Board's plan to apply the regulations for this executive body to the employees of METRO AG. He informed the Supervisory Board that, as an employee of METRO AG, he would be indirectly affected by the resolution.

Meetings and resolutions of the Supervisory Board

In the financial year 2011, seven meetings of the Supervisory Board were held, of which one was unscheduled. One resolution of the Supervisory Board was made in a written procedure.

The German Corporate Governance Code recommends that a mention be made in this report if a member of the Supervisory Board attended fewer than half of all Supervisory Board meetings in any given financial year. In 2011, changes were made in the membership of the Supervisory Board of METRO AG. Ms Marie-Christine Lombard and Mr Klaus Bruns left the Board during the first half of the year. Mr Franz M. Haniel joined it late in the year. Because they did not serve a full year as a result of the departures and appointments, these individuals were unable to attend at least half of the meetings held during the reporting year. Of the group who were part of the Board for the full year, no member of the Supervisory Board attended fewer than half of the meetings.

Key issues covered by Supervisory Board meetings and resolutions in 2011 at a glance

March 2011 – The Supervisory Board's audit meeting focused on the annual and consolidated financial statements for the financial year 2010, the METRO AG management report for 2010, the Group management report for 2010, the Management Board's proposal for the appropriation of the balance sheet profit at the Annual General Meeting 2011 as well as the Management Board's report about relations with associated companies in 2010. The auditor attended this meeting and reported on the key findings of his review. Management Board remuneration was a second scheduled focal point of the meeting. The Supervisory Board took a decision about remuneration for 2010 that was based on key performance metrics and determined that the total compensation of individual members of the Management Board in 2010 was appropriate. The Supervisory Board also approved the sale of a real estate portfolio, the acquisition of the online consumer electronics retailer Redcoon and investments in Metro Cash & Carry's market entry in Indonesia. Other issues discussed during this meeting of the Supervisory Board were the updating of the division of responsibilities for the Management Board and preparations for the Annual General Meeting 2011, including the Supervisory Board elections, the report of the Supervisory Board and the corporate governance report. Subject to the election of the auditors by the Annual General Meeting 2011, the audit assignments for the annual and consolidated financial statements for 2011 and for the abbreviated half-year financial statements and interim management report for 2011 were also adopted. The Management Board reported about business developments, the risk management system, current projects and the regular distribution of donations in the financial year 2010. The Management Board also reported about the upcoming and now ongoing legal conflict with the non-controlling shareholders of Media-Saturn-Holding GmbH. It also explained how it planned to approach the conflict.

May 2011 – During the meeting of the Supervisory Board held immediately before the start of the Annual General Meeting on 6 May 2011, the Management Board reported about current business developments. To address instances in which a legal challenge is filed against resolutions of the Annual General Meeting 2011, the Supervisory Board also took a precautionary decision concerning a delegation of authority to a firm of solicitors.

A strategy meeting was held on 24 May 2011. The Management Board reported about its assessment of business, market and competitor trends, strategic priorities and areas essential to the implementation of the Board's strategy. Executives of the Group's sales divisions also attended the meeting. Following an in-depth discussion, the Supervisory Board expressed its full support for the strategic plan presented by the Management Board. During the meeting, the Supervisory Board also carried out an efficiency review that was prepared in the spring of 2011 with interviews that an external expert had conducted with the members of the Management Board and Supervisory Board of METRO AG.

June 2011 – In a written procedure, the Supervisory Board approved the conclusion of a joint venture agreement between Metro Cash & Carry and Thal Limited as well as the investments related to this agreement. On the basis of this agreement, the wholesaler Makro Habib, a member of the Thal Group, and METRO Cash & Carry plan to combine their business activities in Pakistan and to exploit economies of scale in the process. This merger is subject to the approval of Pakistan's High Court.

July 2011 – The summer meeting of the Supervisory Board was held in St Petersburg and included store visits and meetings with regional executives of METRO GROUP. During the Board meeting, the status quo and strategy of METRO GROUP in Russia were discussed at length with the Management Board. Following Mr Klaus Bruns' departure from the Supervisory Board, the Board elected Mr Werner Klockhaus as its Vice Chairman and changed the membership assignments on committees. Personnel issues on the Management Board were another focal point of the meeting. The Supervisory Board appointed Mr Heiko Hutmacher as a member of the Management Board and the new Chief Human Resources Officer of METRO AG for a period of three years. Mr Hutmacher assumed both positions on 1 October 2011. With the approval of the Supervisory Board, the division of business responsibilities for the Management Board was modified accordingly. Other resolution issues during the meeting included the employment contract of Mr Hutmacher, the determination of a target value for performance-based remuneration of the member of the Management Board Joël Saveuse, the updating of ancillary benefits clauses in the employment contracts of members of the Management Board and the sale of a real estate portfolio. In particular, the Management Board informed the Supervisory Board about current business developments, the advanced preparations for the market entry into Indonesia, risk management and the Group's compliance activities.

November 2011 – In a meeting held on 2 November 2011, the Supervisory Board decided to extend the appointment of Mr Olaf Koch to the Management Board of METRO AG for an additional three years and approved his new employment contract. In addition, the Supervisory Board composed a resolution regarding the manner for introducing individual aspects of the new Management Board remuneration system that was approved by an overwhelming majority at the Annual General Meeting 2011. The Supervisory Board also discussed successor planning for the Management Board and approved the sale of a real estate portfolio. During this meeting, the Management Board provided information about business trends, including the latest results and projects – particularly at Media-Saturn – as well as the strategy for Metro Cash & Carry in Europe, the Middle East and North Africa.

Following the resignation of Prof. Dr Jürgen Kluge, the Supervisory Board elected Franz M. Haniel as its new Chairman in a special meeting held on 18 November 2011. Personnel issues on the Management

Board were the second point on the meeting's agenda. Dr Eckhard Cordes announced on 9 October 2011 that he was no longer interested in remaining Chairman of the Management Board at METRO AG following the expiration of his appointment on 31 October 2012. Dr Cordes also announced his willingness to leave the Company as of 31 December 2011, provided that the Supervisory Board had found this step to be appropriate as part of a plan of succession. Following intense discussions, the Supervisory Board appointed Mr Olaf Koch to serve as Chairman of the Management Board from 1 January 2012 to 13 September 2015. The appointment of Dr Eckhard Cordes to the Management Board of METRO AG was dissolved by mutual agreement on 31 December 2011. The Supervisory Board also approved an agreement to terminate the contract with Dr Eckhard Cordes. Afterwards, the Management Board informed the Supervisory Board about the most recent meetings with parties interested in acquiring the Group's department store segment.

December 2011 – In the final Supervisory Board meeting of the reporting year, the Supervisory Board appointed Mr Mark Frese to a three-year term as CFO of METRO AG commencing on 1 January 2012. The Supervisory Board also took a decision about the new employment contracts of Messrs Mark Frese and Olaf Koch. As a result of the personnel changes, the Management Board presented a new division of business areas that would take effect on 1 January 2012. This plan was approved by the Supervisory Board. The Supervisory Board also prepared resolutions on future remuneration of Mr Joël Saveuse that is based on the performance of the Real sales division and the issuance of a declaration of compliance for 2011 pursuant to § 161 of the German Stock Corporation Act. The Supervisory Board approved the budget plan presented by the Management Board, including investments in the further expansion of Media Markt in China. The Management Board reported about current developments, business trends and the status of further meetings with parties interested in acquiring the Group's department store segment.

Meetings and resolutions of the Supervisory Board committees

In 2011, the Supervisory Board of METRO AG had five committees: the Presidential Committee, the Personnel Committee, the Accounting and Audit Committee, the Nominations Committee and the Mediation Committee pursuant to § 27 Section 3 of the German Co-determination Act (MitbestG). In the Supervisory Board, the committee chairmen regularly report about the issues and results of past committee meetings.

Accounting and Audit Committee – The Accounting and Audit Committee primarily handles accounting and auditing issues as well as risk management and compliance. In the financial year 2011, a total of six meetings were held: a special meeting in December 2011 and five regularly scheduled meetings held in March, May, July, November and December.

The meeting held in March 2011 essentially served to prepare the Supervisory Board's balance sheet meeting. The committee reviewed the annual and consolidated financial statements for 2010, the management reports and the report of the Management Board on relations with associated companies. The results of the audit were also discussed in the presence of the auditors. In addition, the Accounting and Audit Committee made concrete recommendations to the Supervisory Board. These included the recommendation to the Annual General Meeting that the Supervisory Board approve the Management Board's proposal on the appropriation of the balance sheet profit. The recommendation that the Supervisory Board would make to the Annual General Meeting regarding the selection of the auditor was approved as well. In addition, the Accounting and Audit Committee prepared the assignment of the auditing mandates for the annual and Group financial statements 2011 as well as for the Group's half-year report 2011 by the Supervisory Board. The Management Board reported about the risk management of METRO GROUP, donations made in the financial year 2010 and about current developments and projects. In addition, the Accounting and Audit Committee examined the relevant results of interviews that an external consultant conducted in preparation of the Supervisory Board's efficiency review in 2011.

The other meetings that the Accounting and Audit Committee held in the financial year 2011 focused on the quarterly reports and the half-year report of METRO AG prior to their publication. Other topics of the committee's work included the Group's internal control systems, risk management, compliance and internal auditing. The committee's other topics of discussion included the further development of international accounting standards, corporate governance of METRO GROUP, dependency issues and corporate tax planning. The committee also prepared the Supervisory Board's scheduled decision on the Management Board's budget planning. In a special meeting, the Management Board informed committee members about discussions being held with parties interested in acquiring the Group's department store segment.

As a result of a change on the Supervisory Board, the Accounting and Audit Committee elected Mr Werner Klockhaus as its new Vice Chairman in the reporting year.

Personnel Committee – The Personnel Committee deals primarily with personnel issues concerning the Management Board. The committee met eight times during the financial year 2011: two regularly scheduled sessions in February and November (in February with the Presidential Committee) and six special meetings in February, June, July, October, November and December (in October with the Presidential Committee).

The work of the Personnel Committee was dominated by preparations for the resolutions of the Supervisory Board regarding the appointments of Messrs Mark Frese, Heiko Hutmacher and Olaf Koch as members of the Management Board of METRO AG, regarding the amicable termination of the tenure of Dr Eckhard Cordes on the Management Board at the end of 2011 and the appointment of Mr Olaf Koch as the new Chairman of the Management Board as of 1 January 2012. In addition, the committee discussed employment contract issues, including the remuneration system for members of the Management Board. The Personnel Committee regularly examined trends involving the variable component of the remuneration received by members of the Management Board. It also discussed the future approach to implementing individual aspects of the new remuneration system for members of the Management Board.

Presidential Committee – The Presidential Committee deals with the corporate and regional strategy, the monitoring of compliance with legal regulations and the application of the German Corporate Governance Code. In consideration of § 107 Section 3 Sentence 3 of the German Stock Corporation Act, the Presidential Committee takes decisions about urgent matters and matters submitted to it by the Supervisory Board.

The Presidential Committee met twice in the financial year 2011, both times with the Personnel Committee. The committee primarily discussed corporate governance of METRO GROUP, including remuneration for members of the Management Board, which is detailed in the annual corporate governance report. In addition, the Management Board informed the Presidential Committee about current developments and transactions. The Management Board reported in particular about the upcoming and now ongoing legal dispute with the non-controlling shareholders of Media-Saturn-Holding GmbH. It also informed the committee about its planned approach to this dispute.

Nominations Committee – The Nominations Committee is responsible for proposing suitable candidates for the Supervisory Board's election proposals to the Annual General Meeting.

In the financial year 2011, the Nominations Committee met once and made the recommendation to the Annual General Meeting 2011 that Mr Peter Küpfer and Prof. Dr oec. Dr iur. Ann-Kristin Achleitner be nominated for appointment to the Supervisory Board of METRO AG.

Mediation Committee – The Mediation Committee formulates proposals for the appointment and dismissal of members of the Management Board in cases pursuant to § 31 of the German Co-determination Act (MitbestG). The Mediation Committee did not have to meet in the financial year 2011.

Corporate Governance

The Management Board and the Supervisory Board report on METRO GROUP's corporate governance in the corporate governance report for 2011.

In December 2011, the Management Board and the Supervisory Board of METRO AG issued their most recent declaration of compliance with regard to the recommendations of the Government Commission on the German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act. The declaration was made permanently available to shareholders on the Internet site www.metrogroup.de. It appears in full in the corporate governance report 2011.

Before the Supervisory Board's accounts meeting on 15 March 2012, the auditor issued a declaration of autonomy required under Subsection 7.2.1 of the German Corporate Governance Code. The requirements of Subsection 7.2 of the German Corporate Governance Code governing the contractual relationship between the Company and its auditors have thus been fulfilled. Among other things, it was agreed that the auditors would promptly inform the Chairmen of the Supervisory Board and the Accounting and Audit Committee about any possible disqualification or bias issues arising during the audit that cannot be promptly corrected. By the conclusion of the audit on 29 February 2012, the auditor had not reported any disqualification or bias issues. Furthermore, the Supervisory Board had at no time any reason to believe that there had ever been any disqualification or bias issues.

Annual and consolidated financial statements 2011, report on relations with associated companies 2011

The annual financial statements of METRO AG, in consideration of accounting, for the financial year 2011 that were submitted by the Management Board pursuant to regulations laid down in the German Commercial Code, the METRO AG management report for 2011, the consolidated financial statements 2011 compiled by METRO AG according to International Financial Reporting Standards (IFRS) – as they are to be applied in the European Union – and the Group's management report 2011 were reviewed by KPMG AG Wirtschaftsprüfungsgesellschaft and were given unqualified approval. The auditor provided a written report on the findings.

The Supervisory Board reviewed the annual financial statements of METRO AG and the consolidated financial statements for the financial year 2011, the management report of METRO AG and the Group's management report for the financial year 2011 as well as the Management Board's proposal to the Annual General Meeting 2012 on the appropriation of the balance sheet profit. For this purpose, these documents and the reports of the auditor were provided in a timely manner to the Supervisory Board, and were discussed and reviewed in detail during the Supervisory Board's annual accounts meeting held on 15 March 2012. The auditor attended this meeting, reported the key findings of the reviews and was at the Supervisory Board's disposal to answer questions and to provide additional information – even in the absence of the Management Board. The auditor did not report any material weaknesses of the internal monitoring and risk management system with regard to the accounting process. The auditor also provided information on services rendered in addition to auditing services. According to the information provided, no disqualification or bias issues arose. The Supervisory Board concurred with the findings of the auditor's review. In a concluding finding of its own review, the Supervisory Board determined that no objections were necessary. The Supervisory Board, in particular, supports the conclusions reached by the Management Board in the management report of METRO AG and the Group's management report. The Supervisory Board has endorsed the annual financial statements made by the Management Board. As a result, the annual financial statements of METRO AG 2011 have been adopted. The Supervisory Board also supports the Management Board's proposed appropriation of the balance sheet profit after considering shareholders' interest in a disbursement and the Company's interest in retained earnings.

Pursuant to § 312 of the German Stock Corporation Act, the Management Board of METRO AG prepared a report about relations with associated companies for the financial year 2011 (in short, dependency report). The auditor reviewed this report, provided a written statement about the findings of the review and issued the following opinion:

"After our due audit and assessment, we confirm that

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

The dependency report was submitted to the Supervisory Board together with the audit report in a timely manner and was discussed and reviewed particularly in terms of thoroughness and accuracy during the annual accounts meeting that the Supervisory Board held on 15 March 2012. The auditor attended this meeting, reported the key findings of the review, and was at the Supervisory Board's disposal to answer questions and to provide information – even in the absence of the Management Board. The Supervisory Board concurred with the findings of the auditor's review. In a concluding finding of its own review, the Supervisory Board determined that no objections have to be made with respect to the statement of the Management Board at the conclusion of the dependency report.

The aforementioned reviews by the Supervisory Board of the 2011 annual financial statements were carefully prepared by the Accounting and Audit Committee on 14 March 2012. With the auditor in attendance, the committee thoroughly reviewed and discussed the annual and consolidated financial statements, the management reports, the auditor's auditing reports, the proposal on the appropriation of the balance sheet profit, the Management Board's report on relations with associated companies and the associated auditing review by the auditor. The Accounting and Audit Committee urged the Supervisory Board to approve the prepared financial statements and endorse the Management Board's recommendation for appropriation of the balance sheet profit.

Appointments and resignations

Ms Marie-Christine Lombard resigned from her seat on the Supervisory Board effective 28 March 2011. She was succeeded by Prof. Dr oec. Dr iur. Ann-Kristin Achleitner, who was elected to the Supervisory Board by the Annual General Meeting on 6 May 2011.

On 30 June 2011, Mr Klaus Bruns left the Supervisory Board. Through a decision by the Düsseldorf district court, he was replaced on the Supervisory Board by Ms Gabriele Schendel.

Prof. Dr Jürgen Kluge resigned from his positions as Chairman and as a member of the Supervisory Board effective 17 November 2011. Through a decision by the Düsseldorf district court, Mr Franz M. Haniel was named to the Supervisory Board on 18 November 2011 and was elected the new Chairman by the members of the Board on the same day.

Düsseldorf, 15 March 2012

The Supervisory Board

F. Haniel

FRANZ M. HANIEL
CHAIRMAN

→ p. 078

602

CORPORATE GOVERNANCE REPORT

Pursuant to the recommendation of Subsection 3.10 of the German Corporate Governance Code, the Management Board and the Supervisory Board of METRO AG deliver the following report on corporate governance at METRO GROUP.[1]

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

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

Declaration of compliance with the German Corporate Governance Code

The Management Board and Supervisory Board of METRO AG discuss METRO GROUP's implementation of the recommendations of the German Corporate Governance Code at least once a year, most recently during the Supervisory Board meeting in December 2011. For the financial year 2011, both organs determined that these recommendations had been implemented without exception at METRO AG. In December 2011, the Management Board and Supervisory Board of METRO AG therefore issued the following declaration pursuant to § 161 of the German Stock Corporation Act, and also made it permanently accessible to shareholders on the website www.metrogroup.de:

> "The Management Board and Supervisory Board of METRO AG hereby declare that the recommendations of the Government Commission on the German Corporate Governance Code published by the Federal Ministry of Justice in the official section of the electronic Federal Bulletin in the version of 26 May 2010 have been complied with in full since the issue of the last declaration of compliance in December 2010.
>
> The Management Board and the Supervisory Board intend to also comply with the recommendations of the Government Commission in its version of 26 May 2010 without exception in future."

Suggestions of the German Corporate Governance Code

The declarations of compliance issued by the Management Board and the Supervisory Board of METRO AG pursuant to § 161 of the German Stock Corporation Act, in accordance with the law, are directed only at the recommendations of the German Corporate Governance Code. In addition to the recommendations, the Code contains suggestions that a company can, but does not have to address. METRO AG follows the vast majority of these suggestions. In the financial year 2011, there were only two points that were not fully implemented:

1. Subsection 2.3.4 of the Code calls for enabling shareholders to follow the Annual General Meeting via modern

[1] As a statement on corporate management pursuant to § 289a of the German Commercial Code, the corporate governance report is also part of the management report of METRO AG 2011

communication media such as the Internet. As in the previous year, METRO AG broadcast only the speech by the Chairman of the Management Board in 2011. This practice will be continued in 2012.

2. Subsection 3.6 of the Code applies to co-determined supervisory boards. It calls for representatives of shareholders and employees to separately prepare supervisory board meetings and, if necessary, with members of the management board. Members of METRO AG's Supervisory Board generally hold such preparatory meetings, but not before every Supervisory Board meeting.

Corporate management practices

The German Corporate Governance Code emphasises the management and supervisory boards' obligation to ensure the company's continued existence and sustainable value creation in accordance with the principles of the social market economy. In the exercise of this responsibility, the Management Board of METRO AG has gone beyond legal requirements and developed and established guidelines and standards within the Company. The issues of compliance, risk management and sustainability are of particular importance to METRO GROUP's sustained value creation.

Compliance
METRO GROUP's activities are subject to various legal regulations and self-imposed conduct guidelines. In 2007, METRO GROUP bundled and expanded existing measures securing compliance with these rules and regulations in its uniform Group-wide compliance programme. Since then, the Company has established a Group-wide compliance organisation, which it has refined and advanced so that it meets both increased legal requirements in the various applicable jurisdictions as well as public expectations.

METRO GROUP's compliance system aims to sustainably prevent or at least hinder regulatory infringements within the Company. METRO GROUP regularly identifies behavioural risks, establishes the necessary organisational structures and rigorously monitors and controls these risks through the responsible divisions.

The responsible management teams and all employees at the holding companies of METRO GROUP's sales divisions, all major service companies of the Group and all national subsidiaries can draw on the support and advice of Compliance Officers. METRO GROUP's Chief Compliance Officer reports directly to the Chairman of the Management Board of METRO AG, Olaf Koch.

The key measures taken by METRO AG to consistently monitor behavioural risks include the assignment of clear responsibilities for areas of risk, the adaptation or introduction of clear standards of conduct and the development and provision of sensible risk management and control processes. These are complemented by training courses, systematic and target-group-orientated communications and the transparent handling and monitoring of compliance risks. In addition, a professional reporting system is available to METRO GROUP employees. Through this system, employees can notify the Company of compliance violations and potential violations in all Group languages. Where necessary, incidents can be reported anonymously. The compliance function ensures that all reported cases are investigated in an appropriate fashion.

Reaching back to 2007, METRO GROUP's business principles represent the core component of the Group-wide compliance initiatives and have been firmly anchored across the Group through continuous training. Other essential elements of the compliance programme include the standards of conduct and guidelines on antitrust law as well as the anti-corruption guidelines covering dealings with public officials and private business partners which were introduced across the Group. Training courses designed for managers and employees, the creation and review of internal controls as well as the integration of compliance requirements into operating business processes are directly related to the compliance initiatives.

Additional information on the subject of compliance can be found on the website www.metrogroup.de in the section Company – Compliance. The business principles for employees of METRO AG are also available for download there.

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

In further developing its risk management, METRO GROUP in 2011 focused on strengthening the link between risk management and Group reporting as well as its integration into business processes. This includes process improvements through the consolidation of divisional risk and opportunity management as well as an extension of organisational structures.

Sustainability and responsibility

A company can only generate sustained positive earnings developments if it acts responsibly towards society and the environment. That is why METRO GROUP has declared sustainability to be an integral component of the Company's strategy. This means that the Company also considers social and environmental needs in all business decisions and processes. The aim of METRO GROUP's sustainability management is to ensure the Company's future viability. At the same time, by acting responsibly, the Company responds to the increased expectations of various stakeholders.

Integrated management systems and an organisational structure with clearly defined responsibilities are preconditions for a sustainability approach that promotes growth and value creation. For this reason, METRO GROUP created a Sustainability Board in 2009. This body develops Group-wide standards for sustainable business practices and helps to incorporate these into Company practices.

Additional information on the subject of sustainability and responsibility is available on the website www.metrogroup.de in the section Sustainability & CSR. The Company's Sustainability Report is also available for download there.

Our employees

Added value for the customer is of vital importance for retail and wholesale companies. That is why METRO GROUP needs dedicated and qualified employees who are familiar with customers' expectations and buying habits and can respond to these accordingly. In a reflection of this, our commitment to our own employees is a central focus of the sustainability management of METRO GROUP. As a result of demographic change, the working-age population in many countries will continue to decline. Consequently, it is of great importance to METRO GROUP to ensure the long-term supply of employees, particularly qualified workers and executives, through forward-looking and innovative personnel concepts. This includes, amongst other things, pursuing active diversity management.

METRO GROUP advocates fair and equitable working conditions around the world. Within its own stores and companies, it is, amongst others, unreservedly committed to the four core labour standards of the International Labour Organisation (ILO).

Extensive information on the subject of employees is available on the website www.metrogroup.de in the section Career. Information on the topics of working conditions, training, further training and employee retention as well as on the core labour standards of the ILO can be called up in the section Sustainability & CSR – Employees.

High supply chain standards

METRO GROUP's own-brand suppliers also have to meet high standards – from the manufacturing site to the store shelf. These include demanding quality specifications as well as considerations of human rights, animal welfare and environmental aspects. Prohibitions of forced labour, child labour or any other form of exploitation are an integral part of METRO GROUP's written agreements with its suppliers.

With respect to imports of certain products from outside the European Union, METRO GROUP has pledged to screen and monitor its suppliers and to help them to introduce better working conditions. METRO GROUP is a founding member of the Business Social Compliance Initiative, or BSCI, whose objective is to ensure basic human rights in production and along the supply chain. In order to guarantee minimum social standards in the product manufacturing stage, METRO GROUP makes compliance with the BSCI Code of Conduct mandatory for its own-brand suppliers.

The BSCI Code of Conduct and background information on the BSCI management system are available on the website www.metrogroup.de in the section Sustainability & CSR – Supply Chain or at www.bsci-intl.org.

Efficient energy management and resource protection

The production, sale and use of food and other consumer goods are associated with various environmental effects. METRO GROUP is part of this supply chain. It has the greatest influence on such environmental processes as the consumption of energy and resources as well as the production of harmful emissions at its own stores and operations. In order to reduce the Company's climate impact and running costs, METRO GROUP's environmental management primarily focuses on the cost-effective and efficient use of resources.

Examples of projects that show how METRO GROUP secures its business foundations and competitive advantages by acting in an environmentally conscious manner are presented on the website www.metrogroup.de in the section Sustainability & CSR – Environment.

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

The clear division between corporate management on the one hand and corporate supervision on the other is a key element of corporate governance for German stock corporations. Duties and areas of responsibility are clearly divided between the Management Board and the Supervisory Board. The standards actively practised within METRO GROUP augment this fundamental structure specified by the German Stock Corporation Act.

The Management Board

The Management Board of METRO AG has five members:

→ Olaf Koch (Chairman of the Management Board)
→ Mark Frese (CFO)
→ Heiko Hutmacher (CHRO)
→ Frans W. H. Muller
→ Joël Saveuse

As of 27 February 2012

Information on each member of the Management Board is provided in the Management Board chapter in METRO GROUP's annual report for 2011 as well as on the Internet at www.metrogroup.de in the section Company – The Boards – Management Board.

The Management Board is responsible for running METRO AG and the Group. The management duties of the Management Board of METRO AG include, in particular, the development and implementation of the Group's strategic positioning in coordination with the Supervisory Board. In addition, the Management Board of METRO AG ensures the availability of investment funds and decides on their allocation within the Group. METRO AG also handles the Group-wide task of attracting and supporting highly qualified managers. METRO AG's other tasks include the provision of the organisational structures and control and monitoring systems needed to ensure effective business management. All METRO GROUP sales divisions are represented on the Management Board to ensure that key Group functions are effectively orientated towards necessary operational requirements. Frans W. H. Muller is CEO of the Metro Cash & Carry sales division (business units Asia/CIS[1]/New Markets as well as Europe/MENA[2]). Joël Saveuse is CEO of the Real Group. Olaf Koch is responsible for the sales divisions Media-Saturn and Galeria Kaufhof as well as the real estate business.

Fundamental regulations governing the working relationship within the Management Board are specified in the by-laws the Management Board has adopted with the consent of the Supervisory Board. The members of the Management Board assume joint responsibility for the Group's overall management. They work as a team and regularly inform each other of important measures and developments in their respective business segments. Irrespective of the Management Board's collective responsibility, the individual members of the Management Board are personally responsible for managing their respective business segments. Matters requiring a Board resolution are specified in the by-laws of the Management Board. These include, for example, all fundamental issues related to organisational matters, business policy and investment and financial planning of METRO GROUP. The Chairman of the Management Board is responsible for the coordination of all business segments and the Board's representation towards shareholders and the public. In addition, he is the first point of contact for the Supervisory Board Chairman.

In accordance with the by-laws of the Management Board, resolutions of the Management Board are generally made in meetings that are required to take place at least every two weeks. The by-laws of the Management Board include specifications outlining the convention and agenda of these meetings as well as the required majorities for Management Board resolutions.

[1] Commonwealth of Independent States
[2] Middle East and North Africa

The Supervisory Board

Pursuant to the German Co-determination Act, METRO AG's Supervisory Board is composed of ten shareholder representatives and ten employee representatives.

Shareholder representatives	Employee representatives
Franz M. Haniel, Chairman	Werner Klockhaus, Vice Chairman
Prof. Dr oec. Dr iur. Ann-Kristin Achleitner	Ulrich Dalibor
Dr Wulf H. Bernotat	Hubert Frieling
Jürgen Fitschen	Andreas Herwarth
Prof. Dr Dr h. c. mult. Erich Greipl	Uwe Hoepfel
Peter Küpfer	Rainer Kuschewski
Prof. Dr Klaus Mangold	Gabriele Schendel
Dr-Ing. e. h. Bernd Pischetsrieder	Xaver Schiller
M. P. M. (Theo) de Raad	Peter Stieger
Dr jur. Hans-Jürgen Schinzler	Angelika Will

As of 27 February 2012

Information on the personnel composition of the Supervisory Board as well as on each member of the Supervisory Board is also available on the Internet at www.metrogroup.de in the section Company – The Boards – Supervisory Board.

Objectives regarding the composition of the Supervisory Board and implementation status

To properly carry out its duties, the Supervisory Board must possess a broad range of knowledge, skills and specialist experience. To this end, the Supervisory Board has specified certain objectives regarding the qualification and appointment of members of the Supervisory Board that extend beyond legal requirements. These objectives were considered in the election proposals of the shareholder representatives to the Annual General Meeting. In October 2010, METRO AG's Supervisory Board further developed the objectives regarding its composition, specifying the following concrete objectives:

Diversity

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

An objective regarding the female representation on the Supervisory Board has been determined to make better use of the pool of qualified candidates available for appointment to the Supervisory Board. The Supervisory Board aims to fill at least 20 percent of its seats with women following the Supervisory Board election in 2013. By 2018, the female proportion is to reach at least 30 percent. At present, female representation on the Supervisory Board amounts to 15 percent (31 December 2010: 10 percent).

Accounting and Audit Committee, independence of the committee Chairman

To ensure a qualified appointment of the Accounting and Audit Committee from the members of the Supervisory Board, at least one member of the Board must fulfil the requirements stipulated for the chair of the Accounting and Audit Committee. Pursuant to the by-laws of the Accounting and Audit Committee, the committee Chairman must be impartial and possess professional knowledge in the areas of accounting and auditing as well as internal control measures (financial expert). Five other committee members, who are appointed from the Supervisory Board, should possess sufficient professional knowledge and experience in these areas. Ideally, one potential member of the Accounting and Audit Committee should also possess special knowledge in the areas of corporate governance and compliance.

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

Potential conflicts of interest/age restrictions

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

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

The Supervisory Board's future proposals for the election of members of the Supervisory Board will be based on the above objectives. However, the Supervisory Board of METRO AG does not have the right to propose candidates for the election of employee representatives to the Supervisory Board. Irrespective of this, the members of the Supervisory Board strive to jointly attain the above objectives for both shareholder and employee representatives.

Duties and tasks of the Supervisory Board

The Supervisory Board of METRO AG advises the Management Board and monitors its corporate management including its attainment of long-term corporate objectives. The Supervisory Board is brought into the planning of the development of METRO GROUP by the Management Board to the same degree that it is included in decisions about important measures. Aside from its legally prescribed approval obligations, the Supervisory Board has determined its own approval requirements for certain actions and business dealings of the Management Board.

The Supervisory Board of METRO AG regularly convenes for five meetings in each financial year. Guidelines on the scheduling of meetings and resolutions are laid down in the by-laws of the Supervisory Board. Details on the meetings and the collaboration between the Management and Supervisory Boards of METRO AG in the financial year 2011 can be found in the report of the Supervisory Board.

The Management Board informs the Supervisory Board in accordance with legal stipulations, the regulations of the German Corporate Governance Code, regulations in the by-laws of the Management Board, the Supervisory Board or Supervisory Board committees or in cases where the Supervisory Board has special information needs.

Supervisory Board committees

Five committees support the Supervisory Board in its work, contributing greatly to the Board's overall efficiency.

Presidential Committee

The Supervisory Board Presidential Committee addresses the following issues:

- the results of the continued development of the Group and regional strategy of METRO AG and its dependent subsidiaries;
- monitoring compliance with legal stipulations and the application of the German Corporate Governance Code; the Presidential Committee prepares the annual declaration of compliance;
- resolutions in cases when rapid determination is needed to avoid significant disadvantages, which cannot be achieved at the level of the Supervisory Board, and
- other issues the Supervisory Board has assigned to the Presidential Committee via resolution.

The by-laws of the Supervisory Board of METRO AG call for the Chairman of the Supervisory Board to head the Presidential Committee. The Supervisory Board Presidential Committee includes Franz M. Haniel (Chairman), Werner Klockhaus (Vice Chairman), Dr Wulf H. Bernotat and Peter Stieger.

Personnel Committee

The Personnel Committee helps the Supervisory Board prepare the following issues and may present recommendations for resolutions:

- appointment and discharge of members of the Management Board;
- determination of the remuneration system for members of the Management Board and determination or, if required, reduction of the respective Board member salary.

In lieu of the Supervisory Board, the Personnel Committee decides on the following issues, in particular:

- non-remuneration-relevant elements of employment contracts with members of the Management Board;
- approval of ancillary activities of members of the Management Board, in particular Supervisory Board mandates outside of METRO GROUP;
- succession planning for the Management Board;
- certain legal transactions with members of the Management Board, for example pursuant to § 112 of the German Stock Corporation Act;
- granting of loans to members of the Management Board and the Supervisory Board; if the granting of a loan to a member of the Management Board can be regarded as part of his or her remuneration, the Personnel Committee, however, will merely prepare the draft resolution for the Supervisory Board;
- approval of contracts with members of the Supervisory Board pursuant to § 114 of the German Stock Corporation Act.

METRO AG's by-laws also call for the Chairman of the Supervisory Board to chair the Personnel Committee. Members of the Personnel Committee include Franz M. Haniel (Chairman), Werner Klockhaus (Vice Chairman), Dr Wulf H. Bernotat and Peter Stieger.

Accounting and Audit Committee

The Accounting and Audit Committee supports the Supervisory Board particularly in matters pertaining to accounting and financial reporting, dependency controlling, auditing, compliance and risk management. In lieu of the Supervisory Board, the committee handles the following key duties:

- addressing accounting issues and monitoring the accounting process;
- discussing the quarterly and half-year financial reports;
- monitoring the audit, in particular scrutinising the impartiality required of the auditor and the supplemental services provided by the auditor as well as determining the audit's focus;
- handling issues related to Group tax planning;
- handling issues related to dependency controlling with regard to METRO AG.

In addition, the Accounting and Audit Committee prepares Supervisory Board meetings and presents draft resolutions. The preparatory tasks of the Accounting and Audit Committee include, in particular:

- monitoring the effectiveness of the risk management system, internal auditing, internal control systems and anti-fraud measures;
- handling issues related to compliance and supervision of the compliance system within METRO GROUP;
- auditing the annual and consolidated financial statements including the respective management reports;
- inspection of the dependency report;
- the Supervisory Board's nomination of an auditor at the Annual General Meeting as well as commissioning the audit assignment to the auditors and preparation of the fee agreement;
- medium-term planning of the annual budget of METRO GROUP;
- compliance monitoring and submission of the declaration of compliance in accordance with § 161 of the German Stock Corporation Act.

The Chairman of the Accounting and Audit Committee is elected by its members. The personal requirements for this office are laid down in the committee's by-laws. As stipulated in the objectives for the composition of the Supervisory Board, the committee Chairman must be impartial and possess professional knowledge in the areas of accounting and auditing as well as internal control measures (financial expert). In addition, the Chairman must be a shareholder representative. The position of Chairman or Vice Chairman of the Accounting and Audit Committee should not be assigned to a former member of the Management Board whose appointment was terminated less than two years previously. In the interest of good corporate governance, the Chairman of the Supervisory Board should also not serve as Chairman or Vice Chairman of the Accounting and Audit Committee at the same time. Based on these requirements, the Accounting and Audit Committee elected Dr jur. Hans-Jürgen Schinzler as Chairman of the committee in the financial year 2007. The requirements of §§ 107 Section 4, 100 Section 5 of the German Stock Corporation Act are thereby fulfilled.

The other members of the Accounting and Audit Committee should possess sufficient professional knowledge and experience in accounting and auditing as well as internal control processes. Ideally, one member should, in addition, possess specialist knowledge in the area of corporate governance and compliance.

Members of the Accounting and Audit Committee include, aside from Dr jur. Hans-Jürgen Schinzler (Chairman), Werner Klockhaus (Vice Chairman), Prof. Dr Dr h. c. mult. Erich Greipl, Franz M. Haniel, Xaver Schiller and Peter Stieger.

Nominations Committee

The shareholder representatives of the Supervisory Board of METRO AG are elected at the Annual General Meeting. The Supervisory Board submits its proposals for election with the support of the Nominations Committee. The committee looks for suitable candidates and makes recommendations to the Supervisory Board. In the process, the committee considers legal stipulations, the recommendations of the German Corporate Governance Code and the Supervisory Board's own objectives regarding its composition. When making its suggestions, the Nominations Committee also ensures that a qualified appointment to the committees is possible.

The Nominations Committee is comprised exclusively of shareholder representatives. In line with the by-laws of the Supervisory Board, it consists of the Supervisory Board Chairman as well as two impartial shareholder representatives. With this determination, the Supervisory Board of METRO AG underscores its commitment to take advice from a committee tied to the interests of all shareholders when determining suitable candidates for Supervisory Board membership.

Members of the Nominations Committee include Franz M. Haniel (Chairman), Dr-Ing. e. h. Bernd Pischetsrieder and Dr jur. Hans-Jürgen Schinzler.

Mediation Committee

The German Co-determination Act prescribes the establishment of a Mediation Committee. It submits personnel proposals to the Supervisory Board when the two-thirds majority required for appointing and removing members of the Management Board has not been achieved.

Members of the Mediation Committee include Franz M. Haniel (Chairman), Werner Klockhaus (Vice Chairman), Prof. Dr Dr h. c. mult. Erich Greipl and Peter Stieger.

Information provided to the Supervisory Board by committees and the Management Board

The respective committee Chairman promptly informs the Supervisory Board of committee deliberations and resolutions. Usually, an oral report is made at the next Supervisory Board meeting.

The Management Board's information obligations to the Supervisory Board and its committees are governed by an information guideline that is part of the Management Board's by-laws. Its specifications regarding information and reporting policies are substantiated by the meeting and subject schedule of the Supervisory Board and its committees. It prescribes at what time regular and focus topics must be discussed. The meeting and subject schedule is part of the Supervisory Board's by-laws.

Efficiency reviews of the Supervisory Board

The Supervisory Board of METRO AG regularly reviews the efficiency of its activities. The latest efficiency review was conducted during the reporting year. The next review is scheduled for 2013.

Transparent corporate management

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

The General Meeting

METRO AG's Annual General Meeting gives its shareholders the opportunity to use their legal rights, that is, in particular, to exercise their rights to vote (where these apply) as well as to address questions to the Company's Management Board.

To help shareholders exercise their individual rights at the Annual General Meeting, documents and information for each Annual General Meeting are made available ahead of time on the METRO GROUP website.

The registration and legitimisation procedure for METRO AG's Annual General Meeting is in line with the German Stock Corporation Act and international standards. Each shareholder who would like to participate in an Annual General Meeting of METRO AG and exercise his or her voting right there must register and supply proof of the right to participate and exercise voting rights. Written proof of share ownership in German or English from the institution maintaining the securities deposit account satisfies this requirement. Deposit of shares is not necessary. Proof of share ownership corresponds to the beginning of the 21st day before each Annual General Meeting. Like the registration for the Annual General Meeting, it must be submitted to METRO AG at the address specified in the invitation within the timeframe specified by law and in the Articles of Association. Concrete registration and participation conditions are made public in the invitation for each Annual General Meeting.

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

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

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

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

Pursuant to § 15a of the German Securities Trading Act (WpHG), members of the Management and Supervisory Boards must inform METRO AG of any transactions involving their own Metro shares or related financial instruments (directors' dealings). This obligation also applies to persons who have a close relationship with members of these two corporate bodies. No disclosure requirement applies as long as the transactions conducted by a member of the Board and the person who has a close relationship with the member of the Board do not reach a total amount of €5,000 by the end of the calendar year.

Notifications of directors' dealings during the reporting year 2011 have been published on the website www.metrogroup.de in the section Investor Relations – Publications – Directors' Dealings.

METRO AG also observes the transparency recommendations laid down in Subsection 6.6 of the German Corporate Governance Code. METRO AG thus discloses ownership of METRO AG shares or related financial instruments by members of the Management or Supervisory Boards when these directly or indirectly exceed 1 percent of the shares issued by the Company. If the total share ownership of all members of the Management and Supervisory Boards exceeds 1 percent of the shares issued by the Company, the total ownership is stated separately for the Management Board and Supervisory Board. The threshold values of 1 percent were not reached in the financial year 2011.

Accounts audit

Audits 2011
METRO AG's Annual General Meeting in May 2011 elected KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG) to be the auditor for the financial year 2011. The Supervisory Board's commissioning of the contract to carry out the accounts audit was prepared by the Accounting and Audit Committee and considered the recommendations listed in Subsection 7.2 of the German Corporate Governance Code.

Throughout the audit, KPMG made no reports to the Supervisory Board regarding grounds for disqualification or conflicts. There was also no evidence that any existed. Furthermore, in the course of the audit, there were no unexpected, substantial findings and events concerning Supervisory Board functions. As a result, an extraordinary report from the auditor to the Supervisory Board was not required. The auditor found no deviations from the Management and Supervisory Boards' statements of compliance with the German Corporate Governance Code.

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

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

Remuneration report 2011

The remuneration report for 2011 can be found in chapter 8 of the Group management report. The Supervisory Board thoroughly reviewed the remuneration report and adopted its contents in the context of the corporate governance report pursuant to Subsection 3.10 of the German Corporate Governance Code.

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

GROUP MANAGEMENT REPORT

603

GROUP MANAGEMENT REPORT

Overview of the financial year 2011 and forecast

Sales of METRO GROUP fell by 0.8 percent. EBIT before special items totalled €2,372 million, 1.8 percent below the same figure in the previous year.

Earnings position

- → Sales of METRO GROUP fell in 2011 by 0.8 percent to €66.7 billion (in local currencies: −0.2 percent)
- → International sales decreased by 0.7 percent (in local currencies: +0.4 percent)
- → Sales in Germany dropped by 1.0 percent as a result of store closures
- → Group EBIT before special items reached €2.4 billion (previous year: €2.4 billion)
- → Net profit for the period totalled €741 million (previous year: €936 million) and included special items from Shape 2012 totalling €238 million (previous year: €203 million)
- → Earnings per share before special items amounted to €2.63 compared with €3.12 in the previous year

Financial and asset position

- → Investments rose by €0.4 billion to €2.1 billion
- → Balance-sheet net debt increased by €0.6 billion to €4.1 billion
- → Long-term rating remained unchanged at "BBB" (Standard & Poor's) and "Baa2" (Moody's)
- → Cash flow from continuing operations decreased by €0.4 billion to €2.1 billion
- → Total assets amounted to €34.0 billion, a decrease of €1.1 billion compared with the previous year
- → At €6.4 billion, equity remained at nearly the previous year's total. The equity ratio rose by 0.5 percentage points to 18.9 percent

Forecast of METRO GROUP

Sales
The continued economic problems and slower price increases are likely to have a negative impact on sales in 2012. On the other hand, all sales divisions are taking various steps designed to increase sales. Therefore, we expect a rise in sales in 2012. In 2013, we anticipate the positive sales development to continue as the economy recovers.

Earnings
METRO GROUP's strategy aims for sustained sales and earnings growth.

The persistently challenging economic situation will dampen earnings developments in 2012. METRO GROUP will continue to invest in its competitiveness in 2012. This will comprise productivity measures under our programme Shape 2012 as well as targeted price investments. In addition, we intend to lay the foundation for an acceleration of our expansion, which will also entail additional costs. However, in 2012 we expect EBIT before special items to approximately reach the previous year's amount (EBIT before special items: €2,372 million), although the described burdens and economic uncertainties make any forecast difficult at this early stage. Like sales, we expect earnings to rise in 2013.

604

1. Group structure

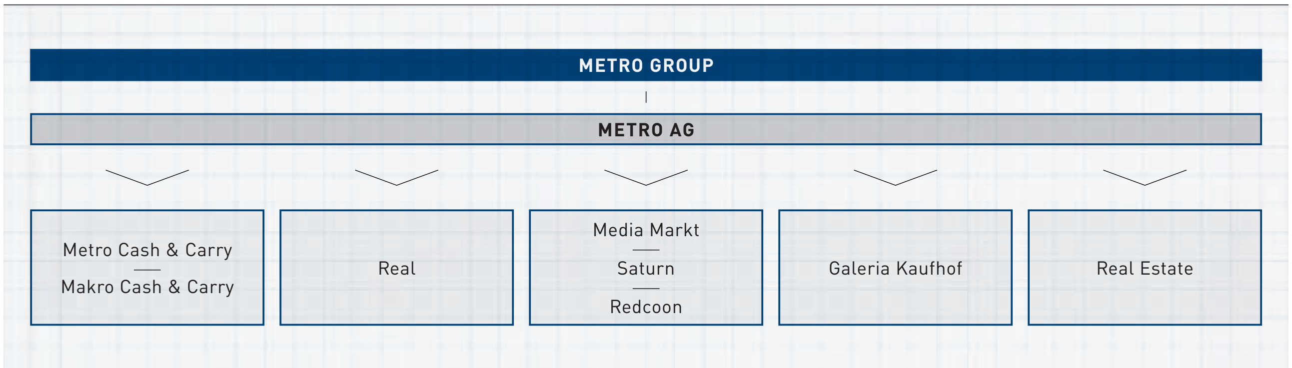
METRO GROUP's corporate structure is characterised by a clear division of responsibilities. The Company is headed by METRO AG. As a central management holding company, it oversees Group management functions, including, in particular, Finance, Controlling and Compliance. In addition, METRO AG oversees the management and administrative functions of our largest sales division, Metro Cash & Carry.

The Group's operating business is handled by our four sales divisions. With the exception of Metro Cash & Carry, they have their own head offices. In some cases, the sales divisions operate in the market with several sales brands, depending on the respective strategy and specific competitive environment. The Group's cash & carry business is bundled in Metro Cash & Carry, hypermarkets in Real, consumer electronics retailing in Media-Saturn and department stores in Galeria Kaufhof. All sales divisions have undivided responsibility for their entire supply chain – from procurement through logistics to stationary and online sales.

As of 1 October 2011, we have bundled the real estate capabilities, structures and functions of METRO Group Asset Management and our Metro Cash & Carry sales division in a company called METRO PROPERTIES which now oversees our Company's real estate portfolio in 30 countries. This company continues to act as an independent profit centre and is shown as a separate segment.

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

Overview of METRO GROUP



Overview of METRO GROUP

Metro Cash & Carry is the world's leading player in the cash & carry sector. Its brands Metro and Makro operate in 30 countries throughout Europe, Asia and Africa. The wholesale stores offer products and services tailored to the specific needs of commercial customers, such as hotel and restaurant operators, catering firms, independent retailers, service providers and public authorities.

Real is one of the leading hypermarket operators in Germany, where it runs both stationary stores and an online store. In addition, the sales division has locations in Poland, Romania, Russia, Turkey and Ukraine. All Real stores are characterised by a large proportion of high-quality fresh produce, a wide range of nonfood articles and attractive prices offering good value for money.

Media-Saturn is Europe's No. 1 in consumer electronics retailing. The sales division is represented in 16 different countries through its Media Markt and Saturn sales brands. The pure play online retailer Redcoon, which has been part of Media-Saturn since 2011, sells its products in ten countries. A decentralised organisational structure, attractive offers, dedicated employees and innovative marketing all contribute to the success of the sales division.

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

Real Estate: METRO PROPERTIES is METRO GROUP's real estate company. Its portfolio comprises 687 retail properties as well as 153 trade-related real estate assets. The Company aims to add value to the Group's real estate assets through active portfolio management. Its activities include planning new locations, the development and construction of retail properties as well as energy management on behalf of METRO GROUP locations.

Portfolio of locations by country and segment

	Metro Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		METRO GROUP	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Germany	**117**	**107**	**320**	**316**	**382**	**389**	**123**	**125**	**942**	**937**
Austria	12	12			42	44			54	56
Belgium	11	11			20	21	15	15	46	47
Denmark	5	5							5	5
France	91	92			34	0			125	92
Italy	48	48			104	110			152	158
Luxembourg					2	2			2	2
Netherlands	17	17			36	38			53	55
Portugal	11	11			9	10			20	21
Spain	34	34			64	68			98	102
Sweden					19	24			19	24
Switzerland					23	27			23	27
United Kingdom	30	30							30	30
Western Europe (excl. Germany)	**259**	**260**			**353**	**344**	**15**	**15**	**627**	**619**
Bulgaria	11	14[1]							11	14[1]
Croatia	6	7							6	7
Czech Republic	13	13							13	13
Greece	9	9			13	10			22	19
Hungary	13	13			21	21			34	34
Kazakhstan	5	6							5	6
Moldova	3	3							3	3
Poland	29	39[1]	54	54	59	61			142	154[1]
Romania	26	32[1]	25	25					51	57[1]
Russia	57	62	16	18	31	36			104	116
Serbia	6	9[1]							6	9[1]
Slovakia	6	6							6	6
Turkey	18	24	13	12	17	25			48	61
Ukraine	26	31[1]	1	1					27	32[1]
Eastern Europe	**228**	**268[1]**	**109**	**110**	**141**	**153**			**478**	**531[1]**
China	48	52			1	7			49	59
Egypt	2	2							2	2
India	6	9							6	9
Japan	9	9							9	9
Pakistan	5	5							5	5
Vietnam	13	16							13	16
Asia/Africa	**83**	**93**			**1**	**7**			**84**	**100**
International	**570**	**621[1]**	**109**	**110**	**495**	**504**	**15**	**15**	**1,189**	**1,250[1]**
METRO GROUP	**687**	**728[1]**	**429**	**426**	**877**	**893**	**138**	**140**	**2,131**	**2,187[1]**

[1] Including first-time inclusion of satellite stores opened in 2009/2010 (total of 14)

605

2. Economic parameters

The global economy continued to recover in early 2011, but economic momentum weakened significantly during the second half of the year when the effects of the European and American debt crisis increasingly spread from the financial markets to the real economy. Towards the end of 2011, growing uncertainties unsettled companies and private households and dampened real economic investment. This led to stagnation in Europe, capping full-year growth for 2011 below the previous year's level. The economic weakening coupled with continued consolidation measures to stabilise public debts, including tax hikes, are weighing on disposable incomes and consumers' purchasing power.

The Asian emerging markets, in particular, remained the key driver of global growth in 2011, while many developed economies experienced very sluggish economic growth. Growth trends in Europe diverged as some countries recovered faster from the global financial crisis while others struggled with high public debts, in particular.

Meanwhile, an increase in commodity prices during the first half of the year resulted in above-average inflation rates that only slowed slightly towards the end of the year. Oil and food products, in particular, became distinctly more expensive, hurting consumers in most emerging markets where spending on food generally accounts for a high share of disposable income.

Cautious outlook for consumer goods retailing

Retail sales trends mirrored these challenging economic parameters. Consumer goods retailers generally experienced modest growth, particularly in Western Europe. While the trend pointed slightly upward in Eastern Europe, these countries also failed to match pre-crisis growth rates. The Asian emerging markets, in contrast, continued to experience strong retail sales growth in 2011.

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

	2010	2011
Asia	7.1	3.9
Eastern Europe	3.1	3.4
Germany	3.7	3.0
World	4.3	2.6
Western Europe (excl. Germany)	1.6	1.2

Source: FERI

The trade industry was also hurt by the economic slowdown during the second half of the year, although the continuously low reference figures limited its effect.

Germany

Germany remained Europe's economic growth engine in 2011 with GDP growth of 3.0 percent. However, the German economy also was not immune to the general downswing and experienced a distinct slowdown towards the end of the year. While the labour market situation and disposable incomes improved throughout the year, the ongoing eurozone debt crisis temporarily dampened consumer sentiment. In addition, strong inflationary pressure squeezed real disposable incomes. As a result, private consumption once again lagged behind macroeconomic growth during the reporting year. The economy grew by a real 1.5 percent. The retail sector posted nominal growth of 2.5 percent. The price-adjusted increase, however, was less than 1 percent.

Western Europe

In contrast to developments in Germany, economic growth in Western Europe began to stall during the first half of the year and actually contracted towards the end of the year. The overall picture was marked by the divergent economic momentum of financially unstable economies and robust core countries. Austria and Switzerland, the Benelux states and the Scandinavian countries experienced broadly solid growth in 2011. The Portuguese economy, in contrast, weakened significantly, and Spain and Italy also experienced only slight growth.

After the Western European economies started the year on a solid growth path, the spreading of the sovereign debt crisis to Italy, Portugal and Spain dampened momentum during the course of the year. In addition, the austerity programmes implemented in many countries served as a brake on growth. At the same time, unemployment in the eurozone rose again in the second half of the year and reached its highest level since 1998 at the end of 2011.

Unemployment and weak consumer confidence were also reflected in private consumption, which increased only slightly. Rising inflationary pressure dampened consumer sentiment as well. Higher energy and food prices, in particular, lifted the inflation rate to the highest level in nearly three years in 2011. In this environment, the trade industry also experienced only modest growth. Adjusted for price increases, retail sales actually declined. The debt-ridden countries of Italy, Portugal and Spain were hit hardest by this trend. Developments in Austria, Belgium and France proved comparatively positive.

Eastern Europe
In a generally subdued economic environment, the Eastern European economies continued their recovery, albeit with strong regional divergence. Developments in Poland, Russia and Turkey were generally rather positive, while Croatia, Greece, Hungary and Romania, in particular, continued to struggle with the effects of the financial crisis. In addition, the Eastern European economies felt the effects of the sovereign debt crisis afflicting many Western European countries. As a result, Eastern Europe also experienced an economic slowdown during the second half of the year. Rising commodity prices and falling currency values fuelled inflation, with some countries experiencing food price increases in the double digits. Inflationary pressure subsided during the second half of the year, however. All in all, Eastern Europe failed to return to its pre-crisis growth path.

The slow economic recovery during the first half of the year also led to a slight year-on-year increase in retail sales which, however, remained far below pre-crisis levels. Strong price increases, in particular, drove growth, with price-adjusted sales trends being distinctly more modest. Individual countries experienced widely diverging growth trends: Russia, Turkey and Ukraine, in particular, posted strong retail sales growth while Croatia, Greece, Romania and Serbia, in particular, continued to struggle.

Asia/Africa
The Asian emerging markets continued to drive global economic growth in 2011. Mostly as a result of government interventions to counter any signs of overheating, growth momentum slowed during the course of the year. Despite monetary tightening, the inflation rate declined only very slowly in 2011. The general picture changed towards the end of the year as China, in particular, loosened its monetary policy in response to the slowdown in growth. Japan found itself in an exceptional economic situation: following the collapse caused by the devastating earthquake, tsunami and nuclear disaster in March, the Japanese economy recovered noticeably during the second half of the year.

Egypt's economy experienced weak growth as a result of the political turmoil in Northern Africa.

The mostly dynamic economic momentum provided for persistently strong private consumer demand. Once again in 2011, the Asian emerging markets recorded the strongest retail sales growth of all regions where METRO GROUP does business. China and India recorded double-digit growth again, and even price-adjusted gains were high.

Development of gross domestic product in METRO GROUP countries in 2011
real percentage change year-on-year

	2010	2011
China	10.4	9.2
Turkey	9.0	8.0
India	10.2	6.8
Moldova	6.9	6.3
Kazakhstan	7.4	6.2
Vietnam	6.8	6.2
Ukraine	4.3	5.1
Sweden	5.6	4.4
Poland	3.9	4.0
Russia	4.0	4.0
Luxembourg	3.5	3.3
Austria	2.4	3.2
Germany	3.7	3.0
Slovakia	4.0	2.9
Pakistan	4.1	2.4
Romania	–1.3	2.2
Belgium	2.3	2.0
Bulgaria	0.2	1.9
Serbia	1.7	1.9
Egypt	5.1	1.8
Czech Republic	2.7	1.8
Switzerland	2.7	1.7
France	1.4	1.6
Netherlands	1.6	1.5
Hungary	1.3	1.4
Denmark	1.3	1.0
United Kingdom	2.1	0.9
Spain	–0.1	0.7
Italy	1.4	0.5
Croatia	–1.2	0.3
Japan	4.5	–0.7
Portugal	1.4	–1.9
Greece	–3.5	–5.9

Things looked much different in Japan which only recovered slowly from the disaster in March and temporarily experienced an economic downturn.

Metro Cash & Carry: development of the cash & carry business

In terms of sales and internationalisation, the Metro Cash & Carry sales division remains the undisputed international market leader in the cash & carry segment.

In 2011, sales in the German cash & carry segment fell slightly short of the previous year's level. To a large extent, this was due to the consolidation of the store network in the cash & carry segment that had been initiated in 2010. As a result of store divestments, Metro Cash & Carry's generally high market share declined slightly in 2011. Amid varying macroeconomic parameters, the divergent development in the Western European cash & carry segment continued. Thanks partially to rising food prices, overall sector sales exceeded the previous year's level again during the financial year 2011.

Sales growth in the Eastern European cash & carry segment continued, with growth fuelled by positive price effects, among others. Varying macroeconomic parameters resulted in divergent regional developments: in a favourable economic environment, the cash & carry segment in Russia and Turkey continued its positive sales trend. In contrast, Greece and Hungary saw a year-on-year decline in sales. Metro Cash & Carry reinforced its expansion into Eastern European markets in 2011, strengthening its regional market share.

In Asia, the cash & carry segment continued its dynamic growth course in 2011. As in the previous year, sales in the cash & carry segment outgrew modern grocery retailing. Given its continually low market concentration and the large proportion of small, traditional retailers, the region continues to offer strong growth potential. As a result, Asia remained a focal point of Metro Cash & Carry's international expansion in 2011.

Real: development of the food retail business

The Real sales division is Germany's number two in large-area food retailing and one of the leading providers of this sales format in Eastern Europe.

Year-on-year sales growth in the German food retail sector accelerated distinctly during the reporting year. Food price increases contributed decisively to this positive trend. Small superstores and discounters outperformed the overall market. Nominal sales growth at large-area superstores with a selling space of more than 2,500 square metres matched overall market growth in the food retail segment. Like-for-like sales of large superstores, in turn, continued the slight downward trend seen in 2010. In comparison, Real again outperformed its comparable competitors slightly in terms of like-for-like sales in 2011.

In 2011, sales in modern grocery retailing continued to increase markedly in the Eastern European countries where Real does business, with growth nearly matching the previous years' rates. Key reasons for this positive market development include rising end consumer prices in the food segment as well as stronger expansion at modern hypermarkets, in particular. In most countries, the large-area formats were able to at least defend their share of the food retail market and gained additional market share in Russia, one of the markets at the core of Real's expansion strategy, as well as Romania.

Media-Saturn: developments in consumer electronics retailing

The Media-Saturn group of companies maintained its market-leading position in the European electronics retail sector during the reporting year. Following the opening of the first Media Markt in Shanghai at the end of 2010, the sales division continued to expand its Chinese network of locations to seven stores at the end of 2011. The acquisition of Redcoon, a pure play online retailer, and the launching of Saturn's online shop in Germany allowed Media-Saturn to markedly strengthen its presence in the fast-growing Internet sales channel.

The German consumer electronics retailing market continued its positive development in 2011. Market growth was supported by strong demand for information technology, particularly among commercial customers. In the consumer electronics segment, a key product segment for Media-Saturn, demand for flat-screen televisions also exceeded the previous year's level. Continued price pressure, in turn, had a negative impact, causing sales of LCD TV sets to decline year on year. The same applies to the consumer electronics segment as a whole. Online sales grew disproportionately. The acquisition of Redcoon, a pure play online retailer, helped Media-Saturn to nearly maintain its German market share in 2011.

Sector developments diverged markedly between Western and Eastern Europe, influenced heavily by macroeconomic parameters.

Sales declined in Western Europe in 2011, with most countries where Media-Saturn does business failing to match the previous year's sales level. In particular, the countries most heavily affected by the euro crisis, such as Portugal and Spain, experienced some particularly sharp drops in sales. In Western Europe, the Internet sales channel continued to gain importance in 2011. Despite the difficult economic parameters, Media-Saturn continued to expand its Western European market share.

Sales in the Eastern European electronics retail sector increased in 2011, driven by double-digit growth in Russia and Turkey that was fuelled by favourable economic parameters. Meanwhile, the previous year's negative trend continued to have a strong hold over Greece. Following several years of decline, the sector returned to growth in Hungary, while sales in Poland remained stable. With the exception of Hungary and Poland, Media-Saturn was able to expand its market share across Eastern Europe in 2011.

Galeria Kaufhof: developments in the department store business

The department store segment in Germany trailed the German retail sector as a whole in 2011.

Sales developments in the department store sector were driven largely by sales trends in the textile and clothing segments. Following a good first six months, the textiles market weakened distinctly during the second half of the year, with both trends due largely to weather-related seasonal shifts. All in all, textile and clothing sales rose slightly year-on-year. The positive market development was driven largely by strong growth in Internet and mail-order retail, while sales in stationary textiles retailing declined. The department store sector was also not immune to this trend.

In Belgium, Galeria Inno continued its positive sales development during the reporting year, with sales once again outgrowing the retail sector as a whole.

Real estate: developments in the real estate business

In view of increasing global economic headwinds, real estate fundamentals remained comparatively positive in 2011. Across the world, commercial real-estate investments were at a high level. However, market sentiment dampened somewhat towards the end of the year, causing the market to weaken. Investors remained risk-averse and invested almost exclusively in so-called core properties in established locations with strong tenants and long-term leases.

Real estate market performance varied across regions. Across Europe, market development was rather slow and, in line with overall economic developments, heterogeneous. In 2011, Europe-wide real estate trading volumes amounted to €115 billion, an increase of just over 10 percent compared to the same period a year earlier. Nearly one-third of transactions related to retail properties. The UK and German markets accounted for about half of total investments. Real estate yields stabilised or contracted slightly across Europe. The European rental market, in turn, developed positively. All in all, we project a continued positive trend. The deterioration of the economic environment has made local real estate market corrections more likely as this market generally lags behind the economic cycle.

In Germany, the commercial real estate market profited from generally favourable economic developments. Transaction volumes increased by 22 percent year-on-year in 2011 as Germany remained a key target market for national and international investors. The combination of limited supply of prime real estate in top locations and investors' persistently strong risk aversion sparked fresh interest in secondary locations, particularly in Germany.

As in the previous year, developments in Eastern Europe were mixed. In general terms, the region profited from continually high demand in the eurozone. As a result, in the period up until the end of November 2011, the volume of commercial property transactions was nearly twice as high as in the same period a year earlier. Investors continued to focus on the more mature markets of the Czech Republic, Poland and Russia. The higher risk awareness in Europe was felt by the smaller emerging South-East European markets such as Hungary and Serbia, in particular, which recorded hardly any investment activity. Yields largely remained stable or declined slightly across Eastern Europe.

Some of Asia's commercial real estate markets began to feel the effects of global economic weakness, albeit to different degrees: in some markets, demand for rental space trended in opposite directions. For example, occupier demand declined in India but recovered in China. Rental values, in turn, generally stabilised. Commercial property transaction volumes grew slightly again compared with 2010 – even though the natural and nuclear disaster caused the region's most important real estate market, Japan, to collapse during the second quarter of 2011. The market began to recover in the third quarter, however. Local investors continue to dominate the Asian investment market, with cross-border investments accounting for only about 10 percent of transaction volumes. Yield pressure weakened somewhat, resulting in a broad stabilisation of yields. Strong inflationary pressure and expanding credit growth, however, raised concerns of an overheating of the Chinese real estate market in 2011. Speculative bubbles formed in major Chinese cities, in particular. The steep increase in speculative investments and rising real estate prices in the housing segment can put pressure on the Chinese government. As a result, the housing market is likely to see some downward price corrections. In addition, a bursting housing bubble could also result in dislocations in the commercial real estate market and banking sector.

606

3. Earnings position

Overview of Group business developments

METRO GROUP can look back on generally solid business developments in 2011, a year characterised by extraordinary economic parameters. The sovereign debt crisis, high unemployment and austerity programmes in many European countries, in particular, dampened customers' willingness to spend money in 2011. Despite these challenging market conditions and additional negative sales impacts of portfolio changes, METRO GROUP generated sales of €66.7 billion in the financial year, a decrease of 0.8 percent compared with the previous year. In local currency, sales rose slightly by 0.2 percent, nearly matching the previous year's level.

EBITDA fell to €3,429 million from €3,591 million in the previous year. Adjusted for special items, EBITDA declined by 2.0 percent to €3,651 million in the reporting year.

Group EBIT decreased by €98 million to €2,113 million. EBIT before special items fell by 1.8 percent to €2,372 million.

Sales and earnings developments

In the financial year 2011, METRO GROUP sales declined by 0.8 percent to €66.7 billion (previous year: €67.3 billion). Aside from currency developments, the disappointing Christmas business dampened sales.

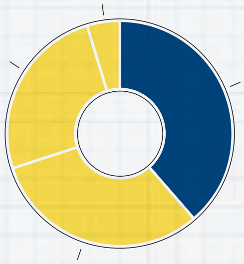
In Germany, sales declined by 1.0 percent to €25.9 billion and were affected by store divestments at Metro Cash & Carry and Real. International sales fell by 0.7 percent to €40.8 billion. In local currencies, however, sales increased by 0.4 percent. As a result, the international share of sales rose slightly from 61.1 percent to 61.2 percent. In Western Europe, sales decreased by 3.1 percent to €20.9 billion (in local currencies: –3.6 percent), due partly to the sale of the French operations of Media-Saturn. In Eastern Europe, sales rose by 0.4 percent to €16.9 billion (in local currencies: +3.3 percent). In Asia/Africa, sales continued to grow dynamically despite the divestment of Metro Cash & Carry Morocco, rising by 11.2 percent to €3.0 billion (in local currencies: +14.3 percent).

METRO GROUP's EBIT declined by 4.4 percent to €2,113 million in the financial year 2011 compared to the previous year's

Development of Group sales
by sales division and region

	2010 € million	2011 € million	Change in % in €	Change in % Currency effects in percentage points	Change in % In local currencies
Metro Cash & Carry	31,095	31,155	0.2	–1.2	1.4
Real	11,499	11,230	–2.3	–0.9	–1.4
Media-Saturn	20,794	20,604	–0.9	0.1	–1.0
Galeria Kaufhof	3,584	3,450	–3.7	0.0	–3.7
Others	286	263	–7.8	0.0	–7.8
METRO GROUP	**67,258**	**66,702**	**–0.8**	**–0.6**	**–0.2**
thereof Germany	26,130	25,865	–1.0	0.0	–1.0
thereof international	41,128	40,837	–0.7	–1.1	0.4
Western Europe	21,528	20,859	–3.1	0.5	–3.6
Eastern Europe	16,880	16,953	0.4	–2.9	3.3
Asia/Africa	2,720	3,025	11.2	–3.1	14.3

Group sales of METRO GROUP 2011
by region



level. Negative earnings effects resulting from difficult market conditions were partially compensated by positive earnings contributions from the efficiency and value-enhancing programme Shape 2012. EBIT includes special items from Shape 2012 totalling €259 million. EBIT before special items declined by just 1.8 percent to €2,372 million.

In Germany, EBIT decreased by €26 million to €373 million. EBIT before special items in Germany fell by €20 million to €504 million. International EBIT remained below the previous year's level. In Western Europe, EBIT rose by €15 million to

Development of Group and divisional EBITDA/EBIT

€ million	EBITDA[1] 2010	EBITDA[1] 2011	EBIT[1] 2010	EBIT[1] 2011
Metro Cash & Carry	1,374	1,408	1,104	1,148
Real	321	321	132	134
Media-Saturn	876	809	625	542
Galeria Kaufhof	233	219	138	121
Real Estate	1,087	994	698	643
Others	–166	–77	–282	–197
Consolidation	1	–23	0	–19
METRO GROUP	**3,726**	**3,651**	**2,415**	**2,372**

[1] 2011 (2010) adjusted for special items from Shape 2012: in EBITDA by €222 million (€135 million), including €111 million (€11 million) at Metro Cash & Carry, €29 million (€11 million) at Real, €42 million (€58 million) at Media-Saturn, €26 million (€–1 million) at Galeria Kaufhof, €–14 million (€–14 million) in the Real Estate segment, €20 million (€41 million) in the "others" segment and €8 million (€29 million) in the consolidation segment; in EBIT and in earnings before taxes by €259 million (€204 million), including €111 million (€10 million) at Metro Cash & Carry, €40 million (€27 million) at Real, €49 million (€133 million) at Media-Saturn, €27 million (€0 million) at Galeria Kaufhof, €4 million (€–20 million) in the Real Estate segment, €20 million (€41 million) in the "others" segment and €8 million (€13 million) in the consolidation segment

€903 million. EBIT before special items fell by €70 million to €956 million. In Eastern Europe, EBIT decreased by €65 million to €855 million. EBIT before special items rose by €10 million to €927 million. EBIT in the Asia/Africa region declined by €33 million to €–28 million. This was due mostly to the operative start-up losses at Media Markt in China and the divestment of Metro Cash & Carry in Morocco. EBIT before special items in the Asia/Africa region improved by €26 million to €–25 million.

Divisional sales and earnings developments

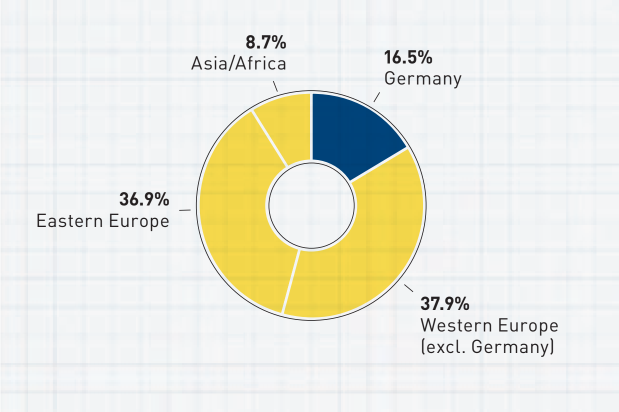
Metro Cash & Carry

Sales of Metro Cash & Carry rose by 0.2 percent (in local currencies: +1.4 percent) to €31.2 billion in 2011. Like-for-like sales increased by 0.1 percent. The profiling merchandise groups of meat, fresh fish and wine developed particularly favourably. Delivery sales continued their strong growth: Metro Cash & Carry generated delivery sales of about €1.6 billion. The sales share of own-brand products also rose strongly to 15.7 percent – an increase of 2.4 percentage points compared to the previous year. The exit from the Moroccan market, however, dampened sales growth at Metro Cash & Carry.

In Germany, the decline in sales by 2.8 percent to €5.2 billion in the financial year 2011 was due mostly to location and other divestments. Like-for-like sales increased slightly by 0.1 percent.

Metro Cash & Carry's international share of sales increased to 83.5 percent from 82.9 percent.

Sales of Metro Cash & Carry 2011
by region



In a continually difficult economic environment, sales in Western Europe fell short of the previous year's level in 2011, declining by 0.9 percent to €11.8 billion (in local currencies: –0.8 percent). In Italy and Spain, sales fell only slightly short of the previous year's level in a very challenging market environment.

In Eastern Europe, sales rose by 0.7 percent to €11.5 billion in the financial year 2011. The region profited from double-digit growth in Russia, in particular. Sales growth in Eastern Europe was stronger in local currencies, with an increase of 3.2 percent. Like-for-like sales in Eastern Europe, however, declined by 1.2 percent. As in the previous year, the food business developed markedly better than the nonfood business.

The strong sales momentum in the Asia/Africa region continued in the financial year 2011. Sales grew by 9.4 percent to €2.7 billion (in local currencies: +12.7 percent). The exit from the Moroccan market was clearly offset by strong sales growth in Asia. All Asian countries recorded double-digit sales growth.

As of 31 December 2011, Metro Cash & Carry was represented in 728 locations across 30 countries: 107 stores in Germany, 260 in Western Europe, 268 in Eastern Europe and 93 in Asia/Africa.

Metro Cash & Carry's EBIT declined by 5.2 percent to €1,037 million. EBIT before special items rose by 4.0 percent to €1,148 million. This earnings growth is essentially due to margin improvements related to Shape 2012. In addition, the higher sales proportion of own brands had a positive impact on margin developments. With an improved EBIT margin, Metro Cash & Carry managed to improve its return again in a difficult environment.

Key figures Metro Cash & Carry 2011
in year-on-year comparison

	2010 € million	2011 € million	Change in % in €	Currency effects in percentage points	in local currencies	Like-for-like (local currencies)
Sales	31,095	31,155	0.2	−1.2	1.4	0.1
Germany	5,302	5,152	−2.8	0.0	−2.8	0.1
Western Europe	11,912	11,805	−0.9	−0.1	−0.8	−1.0
Eastern Europe	11,407	11,492	0.7	−2.5	3.2	−1.2
Asia/Africa	2,474	2,706	9.4	−3.3	12.7	12.7
EBITDA	1,374[1]	1,408[1]	2.4	–	–	–
EBIT	1,104[1]	1,148[1]	4.0	–	–	–
EBIT margin (%)	3.6[1]	3.7[1]	–	–	–	–
Locations (number)	687	728[2]	6.0	–	–	–
Selling space (1,000 sqm)	5,355	5,517	3.0	–	–	–

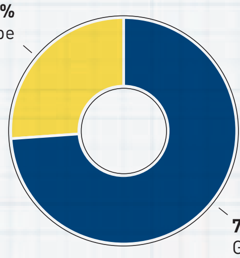
[1] Before special items from Shape 2012
[2] Including first-time inclusien of satellite stores opend in 2009/2010 (total of 14)

Real

Due partly to store divestments, Real's sales declined by 2.3 percent to €11.2 billion in 2011 (in local currencies: −1.4 percent). The challenging nonfood business and the disappointing Christmas business, in particular, continued to weigh on developments. Like-for-like sales declined by 0.8 percent.

In Germany, sales fell by 1.6 percent to €8.3 billion in 2011. This development is largely due to store divestments: like-for-like sales remained stable at the previous year's level.

Sales of Real 2011
by region



Real's international share of sales declined to 26.1 percent from 26.6 percent.

In Eastern Europe, sales fell by 4.3 percent to €2.9 billion in 2011 (in local currencies: −0.9 percent). Like-for-like sales in Eastern Europe retreated by 3.0 percent. Although Real continued to record strong sales growth in Russia, Polish and Romanian consumers' general reluctance to spend money weighed on sales developments in Eastern Europe.

Key figures Real 2011
in year-on-year comparison

	2010 € million	2011 € million	Change in % in €	Currency effects in percentage points	in local currencies	Like-for-like (local currencies)
Sales	11,499	11,230	−2.3	−0.9	−1.4	−0.8
Germany	8,441	8,304	−1.6	0.0	−1.6	−0.1
Eastern Europe	3,058	2,926	−4.3	−3.4	−0.9	−3.0
EBITDA	321[1]	321[1]	−0.3	–	–	–
EBIT	132[1]	134[1]	1.2	–	–	–
EBIT margin (%)	1.1[1]	1.2[1]	–	–	–	–
Locations (number)	429	426	−0.7	–	–	–
Selling space (1,000 sqm)	3,107	3,082	−0.8	–	–	–

[1] Before special items from Shape 2012

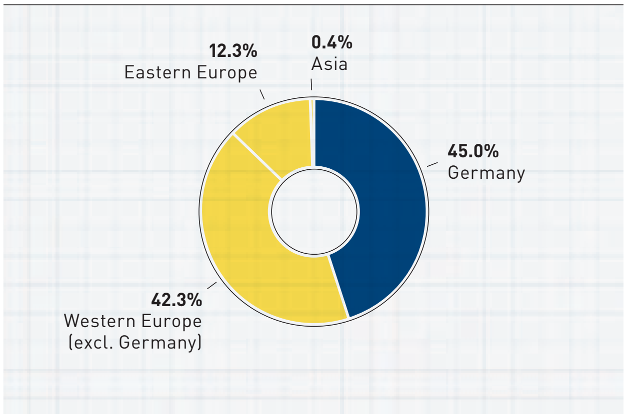
At the end of 2011, Real's network of locations comprised 426 hypermarkets in 6 countries: 316 in Germany and 110 in Eastern Europe.

EBIT declined by €11 million to €94 million. EBIT before special items, in turn, rose by €2 million to €134 million. In Germany, the slight decline in EBIT compared with the previous year's level was largely due to the Christmas business. Meanwhile, the positive EBIT trend in Eastern Europe continued, based on cost savings related to Shape 2012. In particular, Russia and Poland posted better results.

Media-Saturn

Media-Saturn reaffirmed its leading market position in Europe in 2011. Despite a challenging economic environment, sales fell by just 0.9 percent to €20.6 billion in the financial year 2011 (in local currencies: −1.0 percent). This decline in sales is also attributable to the divestment of the French Saturn consumer electronics stores as of 30 June 2011. Like-for-like sales fell by 4.3 percent. The online retailer Redcoon, which was consolidated from the third quarter, contributed positively to sales developments. In 2011, Internet sales including Redcoon amounted to €348 million.

Sales of Media-Saturn 2011
by region



In Germany, sales rose by 2.0 percent in 2011 and were supported by the acquisition of Redcoon. Both the new pricing strategy at Media Markt, which met with a positive customer response, and the successful launching of www.saturn.de on 10 October 2011 contributed to this increase. Like-for-like sales nearly matched the previous year's level.

The international share of sales at Media-Saturn declined to 55.0 percent from 56.3 percent.

Sales in Western Europe fell by 6.2 percent to €8.7 billion in 2011 (in local currencies: −7.4 percent). The challenging market environment and the divestment of the French consumer electronics stores dampened sales developments. Like-for-like sales declined by 9.0 percent in a reflection of the difficult market environment in the consumer electronics sector. The online business in Austria, Italy and the Netherlands, however, posted strong growth rates.

In Eastern Europe, Media-Saturn posted sales growth of 4.9 percent to €2.5 billion in the financial year 2011 (in local currencies: +9.2 percent). The key drivers of this growth were Russia and Turkey. Like-for-like sales declined by 1.4 percent.

In Asia, the Media Markt sales brand opened another 6 locations in Shanghai, China, during the financial year 2011. Sales amounted to €92 million after €9 million in the previous year.

At the end of 2011, the location network of Media-Saturn comprised 893 consumer electronics stores: 389 in Germany, 344 in Western Europe, 153 in Eastern Europe and 7 locations in Asia.

EBIT of Media-Saturn totalled €493 million after €492 million in the previous year. EBIT before special items declined by €83 million to €542 million. This figure includes higher operative start-up costs for the market entry in China as well as the launching of the online business.

Key figures Media-Saturn 2011
in year-on-year comparison

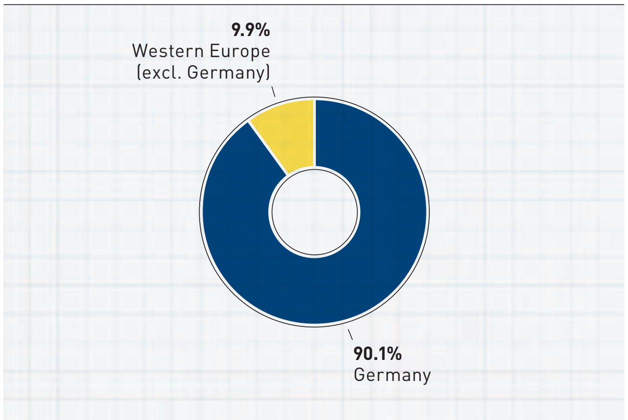
			Change in %			
	2010 € million	2011 € million	in €	Currency effects in percentage points	in local currencies	Like-for-like (local currencies)
Sales	20,794	20,604	−0.9	0.1	−1.0	−4.3
Germany	9,087	9,266	2.0	0.0	2.0	−0.6
Western Europe	9,283	8,712	−6.2	1.2	−7.4	−9.0
Eastern Europe	2,415	2,534	4.9	−4.3	9.2	−1.4
Asia/Africa	9	92	–	–	–	–
EBITDA	876[1]	809[1]	−7.6	–	–	–
EBIT	625[1]	542[1]	−13.4	–	–	–
EBIT margin (%)	3.0[1]	2.6[1]	–	–	–	–
Locations (number)	877	893	1.8	–	–	–
Selling space (1,000 sqm)	2,829	2,880	1.8	–	–	–

[1] Before special items from Shape 2012

Galeria Kaufhof

Sales of Galeria Kaufhof declined by 3.7 percent to €3.4 billion in 2011 compared with the previous year. Like-for-like sales fell by 3.4 percent.

Sales of Galeria Kaufhof 2011
by region



In Germany, Galeria Kaufhof generated sales of €3.1 billion in 2011 – a decline of 4.4 percent compared with the previous year. Like-for-like sales fell by 3.9 percent. The atypical weather had a distinctly negative impact on sales of seasonal merchandise. Following a disappointing start of the Christmas business, hardware sales ended the year satisfactorily, but could not offset weak textile sales. In addition, Galeria Kaufhof started to phase out sales of the low-margin technical assortment in order to make more profitable use of the selling space with typical department store product categories such as leather goods, shoes and accessories. The related remodelling measures had a negative impact on business development.

Key figures Galeria Kaufhof 2011
in year-on-year comparison

			Change in %			
	2010 € million	2011 € million	in €	Currency effects in percentage points	in local currencies	Like-for-like (local currencies)
Sales	3,584	3,450	−3.7	0.0	−3.7	−3.4
Germany	3,251	3,107	−4.4	0.0	−4.4	−3.9
Western Europe	333	343	3.1	0.0	3.1	2.4
EBITDA	233[1]	219[1]	−5.8	–	–	–
EBIT	138[1]	121[1]	−12.5	–	–	–
EBIT margin (%)	3.9[1]	3.5[1]	–	–	–	–
Locations (number)	138	140	1.4	–	–	–
Selling space (1,000 sqm)	1,480	1,475	−0.3	–	–	–

[1] Before special items from Shape 2012

Sales in Western Europe rose by 3.1 percent to €343 million. Like-for-like sales increased by 2.4 percent.

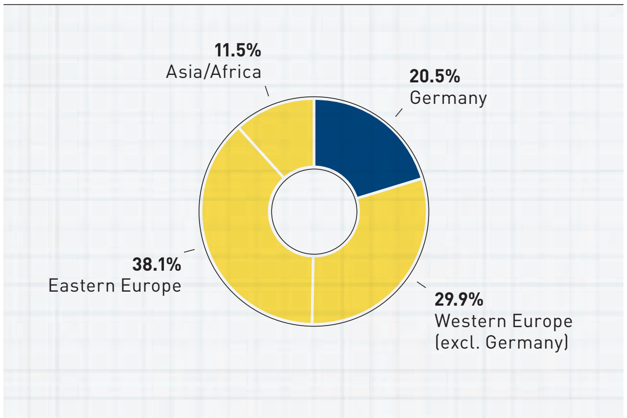
At the end of 2011, Galeria Kaufhof operated 140 locations: 125 in Germany and 15 in Belgium.

EBIT declined to €94 million after €138 million in the previous year. EBIT before special items retreated by €17 million to €121 million from €138 million a year earlier.

Real Estate

The Real Estate segment comprises all real estate assets owned by METRO GROUP as well as real estate-related services.

Property locations (687 locations)
by region



EBIT fell to €639 million from €718 million. EBIT before special items amounted to €643 million, a decline of €55 million that is due largely to lower earnings from active portfolio management as well as to lower net rental income due to asset disposals.

Others

The “others” segment comprises, among others, METRO AG as the strategic management holding company of METRO GROUP, the procurement organisation in Hong Kong, which also operates on behalf of third parties, as well as logistics services. In 2011, sales of the "others" segment declined by 7.8 percent to €263 million. This drop is partly due to the divestment of Grillpfanne locations as well as a decline in third-party procurement volumes.

EBIT amounted to €–217 million after €–323 million in 2010. EBIT before special items improved by €85 million to €–197 million compared with the previous year. The EBIT improvement is largely due to cost savings in administrative and cross-departmental functions. In addition, one-time expenses related to the departure of members of the Management Board of METRO AG no longer applied. This had a positive effect on earnings.

Financial result and taxes

€ million	2010	2011
Earnings before interest and taxes EBIT	**2,211[1]**	**2,113[1]**
Result from associated companies	0	1
Other investment result	15	41
Interest income/expenses (net result)	–606	–580
Other financial results	10	–102
Net financial income	**–581**	**–640**
Earnings before taxes EBT	**1,630[1]**	**1,473[1]**
Income taxes	–694	–732
Net profit for the period	**936[2]**	**741[2]**

[1] Includes special items from Shape 2012 of €259 million (previous year: €204 million) in 2011
[2] Includes special items from Shape 2012 after taxes of €238 million (previous year: €203 million) in 2011

Financial result

The financial result comprises above all the net interest result of €–580 million (previous year: €–606 million) and other financial results of €–102 million (previous year: €10 million). Interest income improved as a result of higher interest income from loans and receivables including cash and cash equivalents as well as lower interest expenses related to company pensions and other financial liabilities. On the other hand, higher interest expenses from financing leases had a negative effect. Other financial results fell by €112 million to €–102 million. This was due mostly to the €79 million decline in cumulative results from currency effects and valuation results from hedging transactions and hedging relationships. This decline is due largely to developments of some Eastern European currencies and the related exchange rate effects.

Additional information on the financial results is contained in the notes to the consolidated financial statements in nos. 6 to 8 "Other investment result", "Interest income/interest expenses" and "Other financial result".

Taxes

The increase in taxes paid or due resulted largely from the completion of tax audits in Germany and abroad.

€ million	2010	2011
Taxes paid or due	659	741
thereof Germany	(215)	(174)
thereof international	(444)	(567)
thereof tax expenses/income of the current period	(610)	(639)
thereof tax expenses/income from previous periods	(49)	(102)
Deferred taxes	35	–9
thereof Germany	(22)	(50)
thereof international	(13)	(–59)
	694	**732**

The effective tax rate stood at 49.71 percent in the reporting year (previous year: 42.56 percent). Adjusted for special items from the efficiency and value-enhancing programme Shape 2012, the **Group's overall tax rate** amounted to 43.47 percent (previous year: 37.88 percent).

Additional information about income taxes is contained in the consolidated financial statements in no. 10 "Income taxes".

Group net profit and earnings per share

In 2011, net profit for the period (Group net profit) totalled €741 million, 20.9 percent lower than in the previous year. Net of non-controlling interests, the Group's net profit attributable to the shareholders of METRO AG amounted to €631 million (previous year: €850 million).

Net profit for the period comprises special items totalling €238 million (previous year: €203 million) from Shape 2012. Adjusted for special items, net profit for the period thus amounted to €979 million (previous year: €1,139 million).

In the financial year 2011, METRO GROUP generated earnings per share of €1.93 (previous year: €2.60). As in the previous year, the calculation was based on a weighted number of 326,787,529 shares. Group net profit attributable to the shareholders of €631 million was distributed according to this number of shares. There was no dilution from so-called potential shares in the reporting year or in the previous year.

Earnings per share before special items, that is adjusted for the special items from Shape 2012, totalled €2.63 (previous year: €3.12).

				Change	
		2010	2011	Absolute	%
Net profit for the period	€ million	936[1]	741[1]	−195	−20.9
Net profit attributable to non-controlling interests	€ million	86	110	24	27.0
Net profit attributable to shareholders of METRO AG	€ million	850[2]	631[2]	−219	−25.8
Earnings per share[3]	€	2.60[4]	1.93[4]	−0.67	−25.8
Earnings per share before special items[3, 5]	€	3.12	2.63	−0.49	−15.8

[1] Includes special items from Shape 2012 after taxes of €238 million (previous year: €203 million)
[2] Includes special items from Shape 2012 after taxes of €228 million (previous year: €169 million)
[3] Net of non-controlling interests
[4] Includes special items from Shape 2012 after taxes of €0.70 per share (previous year: €0.52)
[5] Adjusted for special items from Shape 2012

EBIT after Cost of Capital (EBITaC)

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

EBITaC = EBIT[1] – cost of capital
= EBIT[1] – (capital employed x WACC)

[1] Special items from Shape 2012 generally periodised over four years

The use of the performance metric EBITaC enables METRO GROUP to focus on the key drivers of the operating business that management can influence: increases in operational efficiency, value-creating growth and the optimisation of capital employed. The efficiency and value-enhancing programme Shape 2012 contributes, in particular, to increases in operational efficiency and the optimisation of capital employed. Value-creating growth, in turn, continues to derive largely from METRO GROUP's strategy of investing in the high-margin growth regions of Eastern Europe and Asia.

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

The cost of capital before taxes corresponds to the minimum return on capital demanded by capital providers. It reflects the total cost of capital employed and thus consists of equity and debt capital costs. In 2011, METRO GROUP's weighted cost of capital before taxes amounted to 9.1 percent. This figure is calculated from the segment-specific weighted cost of capital weighted according to capital employed.

Business assets represent interest-carrying assets. They comprise segment assets plus net working capital less trade payables as well as deferred liabilities. We principally use an average capital employed that is calculated from quarterly financial statements in order to also consider developments in capital employed that occur during the relevant period.

In the calculation of EBITaC, special items from Shape 2012 are generally distributed over four years on a straight-line basis and considered in earnings before interest and taxes (EBIT) during the reporting year. As the respective positive EBIT effects largely arise with a time lag to expenses, the distribution of these special items over several years provides for an improved presentation of operating performance. As a result, short-term special effects do not fully impact earnings during the period in which they occur. In addition, the periodisation helps to ensure that measures that create value over the long term are not abandoned because of negative short-term earnings effects.

The results of the EBITaC analysis are used, among other things, for the management of METRO GROUP's portfolio as well as for the allocation of investment funds. Medium- to long-term effects on value creation are the key factor determining the allocation of investment funds. As a result, the cash value of future value added represents the key criterion for all investments within METRO GROUP. In order to also consider tax aspects in decisions on future expansion, value added after taxes is calculated for these cases. In

EQUITY CAPITAL COSTS

Risk-free rate of return	4.3%
+	
Market risk premium	5.0%
x Beta factor (specific risk premium for METRO GROUP)	1.0
=	**9.3%**

Weighting at market rates 50%

DEBT CAPITAL COSTS

Risk-free rate of return	4.3%
+	
Average long-term risk premium	1.5%
=	5.8%
– Tax effect	–1.5%
=	**4.3%**

Weighting at market rates 50%

6.8% Group WACC after taxes

Tax effect (1–25.4%)

9.1% Group WACC before taxes

addition to the value added of investment projects, free cash flow and the cash recovery period are used as additional liquidity-based key performance metrics. Above all in times of capital squeeze, a ranking of alternative investment projects represents an important success factor in corporate management.

€ million	**2010[1]**	**2011**	**Delta**
EBIT before special items	2,415	2,372	–43
EBIT after periodisation of special items[2]	2,219	2,111	–108
Ø Business assets	15,895	16,698	803
WACC before taxes	9.1%	9.1%	–
Cost of capital	–1,454	–1,527	–73
EBITaC	765	584	–181

[1] Previous year adjusted for comparability reasons
[2] The effect of the special items is spread over four years

In 2011, METRO GROUP successfully deployed its business assets and achieved a positive EBITaC of €584 million. After periodisation of special items from Shape 2012 in the amount of €259 million, and consideration of periodised one-time expenses from Shape 2012 from the years 2008 (€237 million), 2009 (€343 million) and 2010 (€204 million), EBIT for 2011 totalled €2,111 million. Given average business assets of €16,698 million, the cost of capital amounted to €1,527 million. The growth in business assets, the decline in EBIT and the one-time expenses related to Shape that arose in 2011 capped value added below the previous year’s level.

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

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

Income statement for the financial year from 1 January to 31 December 2011 prepared under the German Commercial Code (HGB)

€ million	2010	2011
Investment income	920	956
Financial result	–178	–125
Other operating income	305	553
Personnel expenses	–154	–137
Depreciation/amortisation on intangible and tangible assets	–38	–66
Other operating expenses	–292	–458
NOPAT	**563**	**723**
Extraordinary result	–31	0
Income taxes	–36	–26
Other taxes	–4	1
Net income	**492**	**698**
Profit carried forward from the previous year	24	14
Additions to revenue reserves	–60	–250
Balance sheet profit	**456**	**462**

Balance sheet profit of METRO AG and profit appropriation

For the financial year 2011, METRO AG posted investment income of €956 million, compared with €920 million in the previous year.

In consideration of other income, expenses and taxes as well as the transfer of €250 million to revenue reserves, the Company reported a balance sheet profit of €462 million compared with €456 million in 2010.

The Management Board of METRO AG will propose to the Annual General Meeting that, from the reported balance sheet profit of €462 million, a dividend of €442 million be paid and that the balance of €20 million be carried forward to the new account. The balance sheet profit of €462 million includes retained earnings of €14 million. The dividend proposed by the Management Board amounts to

→ €1.350 per ordinary share and
→ €1.485 per preference share.

Balance sheet as at 31 December 2011

Assets

€ million	31/12/2010	31/12/2011
Fixed assets		
Intangible assets	148	84
Tangible assets	5	4
Financial assets	7,921	8,660
	8,074	**8,748**
Current assets		
Receivables and other assets	2,829	2,352
Cash on hand, bank deposits and cheques	2,200	914
	5,029	**3,266**
Prepaid expenses and deferred charges	**19**	**15**
	13,122	**12,029**

Liabilities

€ million	31/12/2010	31/12/2011
Equity		
Share capital	835	835
Ordinary shares	828	828
Preference shares	7	7
(Contingent capital)	(128)	(128)
Capital reserve	2,558	2,558
Reserves retained from earnings	1,727	1,977
Balance sheet profit	456	462
	5,576	**5,832**
Provisions	**371**	**374**
Liabilities	**7,173**	**5,815**
Deferred income	**2**	**8**
	13,122	**12,029**

Special items from Shape 2012
by sales division

€ million		2010 as reported	2011 as reported	2010 special items	2011 special items	2010 before special items	2011 before special items
EBITDA		3,591	3,429	135	222	3,726	3,651
thereof	Metro Cash & Carry	1,363	1,297	11	111	1,374	1,408
	Real	310	292	11	29	321	321
	Media-Saturn	818	767	58	42	876	809
	Galeria Kaufhof	234	193	–1	26	233	219
	Real Estate	1,101	1,008	–14	–14	1,087	994
	Others	–207	–97	41	20	–166	–77
	Consolidation	–28	–31	29	8	1	–23
EBIT		2,211	2,113	204	259	2,415	2,372
thereof	Metro Cash & Carry	1,094	1,037	10	111	1,104	1,148
	Real	105	94	27	40	132	134
	Media-Saturn	492	493	133	49	625	542
	Galeria Kaufhof	138	94	0	27	138	121
	Real Estate	718	639	–20	4	698	643
	Others	–323	–217	41	20	–282	–197
	Consolidation	–13	–27	13	8	0	–19
Earnings before taxes EBT		**1,630**	**1,473**	**204**	**259**	**1,834**	**1,732**
Earnings per share (€)		**2.60**	**1.93**	**0.52**	**0.70**	**3.12**	**2.63**

Special items from Shape 2012
by region

€ million		2010 as reported	2011 as reported	2010 special items	2011 special items	2010 before special items	2011 before special items
EBITDA		3,591	3,429	135	222	3,726	3,651
thereof	Germany	1,057	1,021	111	117	1,168	1,138
	Western Europe (excl. Germany)	1,242	1,162	67	51	1,309	1,213
	Eastern Europe	1,242	1,214	9	51	1,251	1,265
	Asia/Africa	51	22	–52	3	–1	25
	International	2,535	2,398	24	105	2,559	2,503
	Consolidation	–1	10	0	0	–1	10
EBIT		2,211	2,113	204	259	2,415	2,372
thereof	Germany	399	373	125	131	524	504
	Western Europe (excl. Germany)	888	903	138	53	1,026	956
	Eastern Europe	920	855	–3	72	917	927
	Asia/Africa	5	–28	–56	3	–51	–25
	International	1,813	1,730	79	128	1,892	1,858
	Consolidation	–1	10	0	0	–1	10
Earnings before taxes EBT		**1,630**	**1,473**	**204**	**259**	**1,834**	**1,732**
Earnings per share (€)		**2.60**	**1.93**	**0.52**	**0.70**	**3.12**	**2.63**

607

4. Financial and asset position

Financial management

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

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

METRO AG's current long-term investment grade rating of BBB/Baa2 and short-term rating of A-2/P-2 ensure access to capital markets.

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

Financial unity
By presenting one face to the financial markets, the Group can optimise financial market conditions.

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

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

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

Exclusively authorised contractual partners
METRO GROUP conducts financial transactions only with contractual partners who have been authorised by METRO AG. The creditworthiness of these contractual partners is tracked on a daily basis based on their ratings and the monitoring of their credit risk ratios. On this basis, the risk controlling unit of METRO AG's finance department continuously monitors the arranged limits.

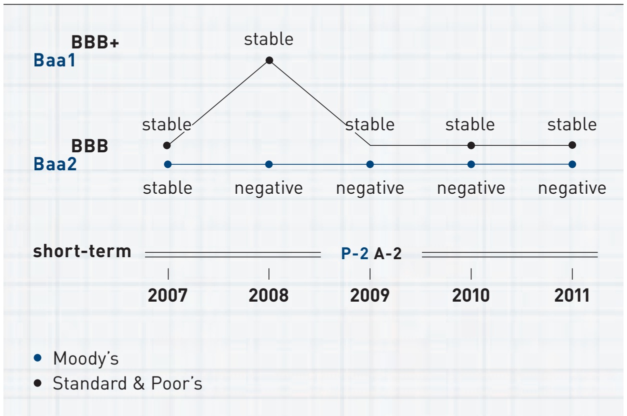
Approval requirement
As a matter of principle, all financial transactions of METRO GROUP are conducted with METRO AG. In cases where this is not possible for legal reasons, these transactions are concluded directly between a Group company and a financial partner after METRO AG has given its approval.

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

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

The following chart illustrates the development of long- and short-term ratings over the past five years:

Rating development and outlook



Moody's and Standard & Poor's currently rate METRO GROUP as follows:

	2011	
Category	**Moody's**	**Standard & Poor's**
Long-term	Baa2	BBB
Short-term	P-2	A-2
Outlook	negative	stable

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

Financing measures

An ongoing capital market issuance programme serves as a source of medium- and long-term financing. In 2011, we conducted the following transactions in the context of this programme:

Type of transaction	Issue date	Term	Maturity	Nominal volume	Coupon
Redemption	May 2004	7 years	May 2011	€750 million	4.625% fixed
Redemption	June 2009	2 years	June 2011	€350 million	3.625% fixed

Short-term financing requirements are covered through the Euro Commercial Paper Programme and a commercial paper programme geared especially to French investors. Both programmes have a maximum volume of €2 billion each. The average amount utilised from both programmes in 2011 was €1,393 million. No utilisation occurred as of the end of the year. Conversely, METRO GROUP used credit lines totalling €1,296 million as per the balance sheet date.

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

Aside from the established issuance programmes, the Company had access to sufficient liquidity via comprehensive, generally multi-year credit lines at all times. These are listed in the table below.

Unutilised credit lines of METRO GROUP

	31/12/2010			31/12/2011		
€ million	**Total**	**Up to 1 year**	**Over 1 year**	**Total**	**Up to 1 year**	**Over 1 year**
Bilateral lines of credit	2,204	1,006	1,198	2,244	309	1,935
Utilisation	–1,211	–375	–836	–1,296	–279	–1,017
Unutilised bilateral lines of credit	993	631	362	948	30	918
Syndicated lines of credit	2,475	0	2,475	2,475	0	2,475
Utilisation	0	0	0	0	0	0
Unutilised syndicated lines of credit	2,475	0	2,475	2,475	0	2,475
Total lines of credit	4,679	1,006	3,673	4,719	309	4,410
Total utilisation	–1,211	–375	–836	–1,296	–279	–1,017
Total unutilised lines of credit	**3,468**	**631**	**2,837**	**3,423**	**30**	**3,393**

Investments/divestments

In the financial year 2011, METRO GROUP invested €2.1 billion. This was about €0.4 billion, or around 24.4 percent, more than in the previous year. About one-third of investments made during the reporting year flowed into the continued international expansion of the sales divisions Metro Cash & Carry, Real and Media-Saturn (including the acquisition of the Redcoon group). In addition, investments were made in the modernisation of the existing network of locations. Furthermore, investments include about €0.4 billion in cash additions from finance leases for existing locations in Germany.

			Change	
€ million	**2010**	**2011**	**Absolute**	**%**
Metro Cash & Carry	499	799	300	60.0
Real	156	166	10	6.5
Media-Saturn	362	434	72	19.7
Galeria Kaufhof	104	124	20	19.0
Real Estate	490	448	–42	–8.5
Others	72	124	52	72.2
METRO GROUP	**1,683**	**2,095**	**412**	**24.4**

Metro Cash & Carry invested €799 million in the reporting year, with non-cash additions of finance leases for existing locations accounting for €373 million of this. The sales division opened 37 new stores around the world (including 11 so-called satellite locations). The focus of the expansion was on the growth regions of Eastern Europe and Asia/Africa with 26 and 10 new stores, respectively. The cash & carry operator added 6 new stores each to its network in Poland and Turkey. The sales division opened 5 stores in Russia and 4 stores in China. It added 3 new stores each in India, Vietnam and Ukraine. In Romania, the number of new store openings totalled 2. One new store each was added in Bulgaria, Croatia, Serbia, Kazakhstan and France. By closing 10 stores in Germany, including 9 stores of the C+C Schaper sales brand, the sales division Metro Cash & Carry systematically continued its strategic portfolio optimisation.

At **Real,** investments in the reporting year totalled €166 million, €10 million more than in the previous year. Real expanded its store network by adding 2 hypermarkets in Russia. As part of the streamlining of its store network, 5 stores, including 4 in Germany, were divested. In addition, Real pushed ahead with the conceptual repositioning of its existing stores and invested in conceptual and modernisation measures, particularly in Germany (€82 million).

The investments made by **Media-Saturn** totalled €434 million during the reporting year, up more than €70 million compared with the previous year. The acquisition of the Redcoon group, which strengthens the online business of the Media-Saturn group, accounted for €125 million of this. The sales division also continued to systematically expand its national and international network of stores in 2011. Media-Saturn opened a total of 57 consumer electronics stores, including 8 in Germany. With 34 store openings, the focus of the expansion was on Western Europe (including Germany). 6 stores were added in Italy, 5 in Sweden and 4 each in Spain and Switzerland. 2 each were opened in Austria and the Netherlands, 1 each in Portugal, Belgium and France. Media-Saturn opened 17 stores in Eastern Europe, including 8 in Turkey, 5 in Russia and 2 each in Poland and Hungary. Following market entry in China in 2010, Media-Saturn opened 6 additional consumer electronics stores in Shanghai in 2011. Aside from the sale of 35 stores in France in June 2011, another 6 stores were disposed of.

During the reporting year, investments by **Galeria Kaufhof** totalled €124 million, up €20 million from the previous year. The primary focus of these investments was on conceptual and modernisation measures (€99 million). During the financial year 2011, 4 stores were opened, including 1 "Sportarena" store and 3 "Wanderzeit" stores. 2 locations were closed.

In the **Real Estate** segment, investments made during the reporting year totalled €448 million, €42 million below the previous year's level. The investments primarily involved the acquisition of real estate in connection with the expansion of the Metro Cash & Carry and Real sales divisions.

Investments made in the **"Others"** segment totalled €124 million in the reporting year, up €52 million from the previous year's level. The investments were largely attributable to intangible assets and business and office equipment.

Investment obligations totalled €252 million. Information on this is included in the notes to the consolidated financial statements in no. 19 "Other intangible assets", no. 20 "Tangible assets" and no. 21 "Investment properties".

From divestments, METRO GROUP received cash and cash equivalents of €566 million, which resulted primarily from the sale of real estate. Additional information about divestments is contained in the "Cash flow statement" in the consolidated financial statements and in the notes to the consolidated financial statements in no. 40 "Notes to the cash flow statement".

Consolidated cash flow statement[1]

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

During the reporting year, total cash flow of €2,146 million (previous year: €2,514 million) was generated from current operating activities. Investing activities led to cash outflows of €1,133 million (previous year: €961 million). This results in a year-on-year decline in cash flow before financing activities of €540 million to €1,013 million in 2011. Cash flow from financing activities showed outflows of €2,441 million (previous year: €734 million).

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

Cash flow

€ million	2010	2011
Cash flow from operating activities	**2,514**	**2,146**
Cash flow from investing activities	**–961**	**–1,133**
Cash flow before financing activities	**1,553**	**1,013**
Cash flow from financing activities	**–734**	**–2,441**
Total cash flows	**819**	**–1,428**
Currency effects on cash and cash equivalents	13	–23
Change in cash and cash equivalents due to initial consolidation	0	7
Change in cash and cash equivalents	**832**	**–1,444**

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

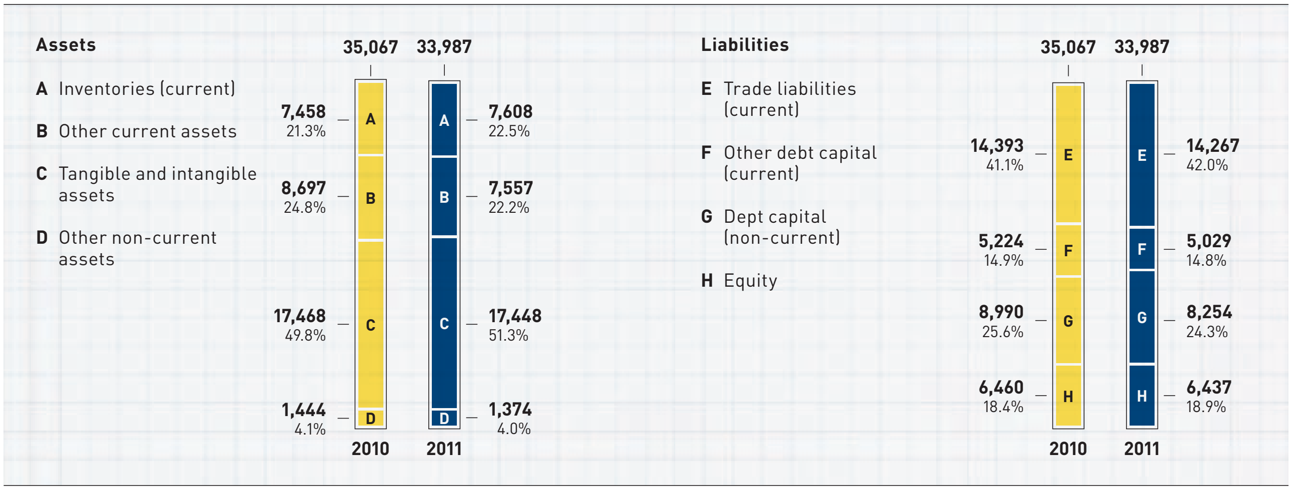
Capital structure

At the end of 2011, METRO GROUP's balance sheet showed equity of €6,437 million compared with €6,460 million in the previous year. Revenue reserves rose by €56 million. This increase essentially derived from the contribution of period income attributable to shareholders of METRO AG for 2011 (€631 million), while the dividend payment for 2010 of €–442 million as well as a currency-related reduction in equity of €–123 million had a negative impact. The equity ratio rose by 0.5 percentage points to 18.9 percent. The share of revenue reserves in equity totalled 46.4 percent compared with 45.3 percent in the previous year. Non-controlling interests declined by €79 million to €73 million. Alongside the changes in profit attributable to non-controlling interests (€102 million) and dividends (€–158 million), this decline was due to the disposal of Media Markt France and other changes in consolidation.

Net financial debt after netting of cash and cash equivalents according to the balance sheet as well as monetary investments with financial debts, including finance leases, totalled €4,075 million after €3,478 million in 2010. Non-current financial liabilities fell by €698 million to €5,835 million. Current financial liabilities decreased by €144 million to €1,606 million. During the first half of 2011, bonds with a nominal value of €750 million and €350 million, respectively, were redeemed upon maturity. During the financial year 2011, cash and cash equivalents declined by €1,444 million to €3,355 million.

The debt capital ratio decreased by 0.5 percentage points to 81.1 percent. Current liabilities accounted for 70.0 percent of total debt compared with 68.6 percent in the previous financial year.

Capital structure METRO GROUP
€ million



€ million	Note no.	31/12/2010	31/12/2011
Equity	31	**6,460**	**6,437**
Subscribed capital		835	835
Capital reserves		2,544	2,544
Reserves retained from earnings		2,929	2,985
Non-controlling interests		152	73

€ million	31/12/2010	31/12/2011
Cash and cash equivalents according to the balance sheet	4,799	3,355
Monetary investments > 3 months ≤ 1 year[1]	6	11
Financial liabilities (incl. finance leases)	8,283	7,441
Net financial debt	**3,478**	**4,075**

[1] Shown in the balance sheet under "other receivables and assets" (current)

Non-current financial liabilities fell by €698 million to €5,835 million during the reporting year. This decrease is largely attributable to the reclassification to current liabilities of bonds and note loans totalling €1,073 million that reach maturity in 2012. This was netted against new borrowing and new finance leases. As of 31 December 2011, current financial liabilities totalled €1,606 million. The reclassification effect from the change in maturities was compensated by the redemption of maturing bonds totalling €1,100 million. In addition, the decline in current financial liabilities resulted from the repayment of liabilities to banks. Trade payables declined largely as a result of currency effects by €126 million to €14,267 million. The decline in deferred tax liabilities by €55 million resulted from the increased netting of deferred tax liabilities and assets compared with the previous year, which was due to disposals and additions from finance leases. The increase in income tax liabilities was largely due to a real estate transaction in which real estate assets were brought into a fund structure. In addition, audits of foreign operations resulted in income tax expenses. Liabilities related to assets held for sale declined by €193 million to €0 million during the reporting year as a result of the divestiture of consumer electronics stores in France.

Information on the maturity, currency and interest rate structure of financial liabilities as well as on lines of credit is included in the notes to the financial statements in no. 36 "Financial liabilities".

€ million	Note no.	31/12/2010	31/12/2011
Non-current liabilities		**8,990**	**8,254**
Provisions for pensions and other commitments	32	1,016	1,028
Other provisions	33	472	478
Financial liabilities	34,36	6,533	5,835
Other liabilities	34,37	757	756
Deferred tax liabilities	24	212	157
Current liabilities		**19,617**	**19,296**
Trade payables	34,35	14,393	14,267
Provisions	33	532	531
Financial liabilities	34,36	1,750	1,606
Other liabilities	34,37	2,458	2,498
Income tax liabilities	34	291	394
Liabilities connected to assets held for sale	30	193	0

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

Asset position

In the financial year 2011, total assets declined by €1,080 million to €33,987 million. Non-current assets decreased by €90 million during 2011 to €18,822 million. Current assets also declined by €990 million to €15,165 million.

Non-current assets

€ million	Note no.	31/12/2010	31/12/2011
Non-current assets		**18,912**	**18,822**
Goodwill	17, 18	4,064	4,045
Other intangible assets	17, 19	436	454
Tangible assets	17, 20	12,482	12,661
Investment properties	17, 21	238	209
Financial assets	17, 22	248	79
Other receivables and assets	23	444	470
Deferred tax assets	24	1,000	904

The increase in tangible assets by €179 million is largely attributable to the opening of new stores at Metro Cash & Carry and the addition of finance leases. The decline in non-current financial assets by €169 million is essentially due to the partial realisation of a receivable and the reclassification of the residual value to current financial assets given the now short remaining term. The decrease in deferred tax assets by €96 million largely resulted from the higher netting of deferred tax assets and liabilities compared with the previous year. This is due to disposals and additions of finance leases.

Further information on the development of non-current assets is contained in the notes to the consolidated financial statements in the numbers listed in the table.

Current assets

€ million	Note no.	31/12/2010	31/12/2011
Current assets		**16,155**	**15,165**
Inventories	25	7,458	7,608
Trade receivables	26	526	551
Financial assets		3	119
Other receivables and assets	23	2,724	2,882
Income tax refund entitlements		412	431
Cash and cash equivalents	29	4,799	3,355
Assets held for sale	30	233	219

Inventories rose by €150 million to €7,608 million. This increase is largely due to the international expansion of the Metro Cash & Carry sales division. The decline in cash and cash equivalents resulted from the year-end reduction of short-term commercial papers with which bonds totalling €1,100 million that matured in 2011 had been funded. The sale of consumer electronics stores in France resulted in a reduction of "assets held for sale" by €196 million. In addition, real estate assets and an investment were sold (€49 million). Added to this was the reclassification of several real estate assets from non-current assets. Renovation-related retroactive capitalisations of real estate assets already classified as "assets held for sale" were increased in value (€231 million). All in all, "assets held for sale" declined by €14 million.

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

 → p. 114

608

5. Employees

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

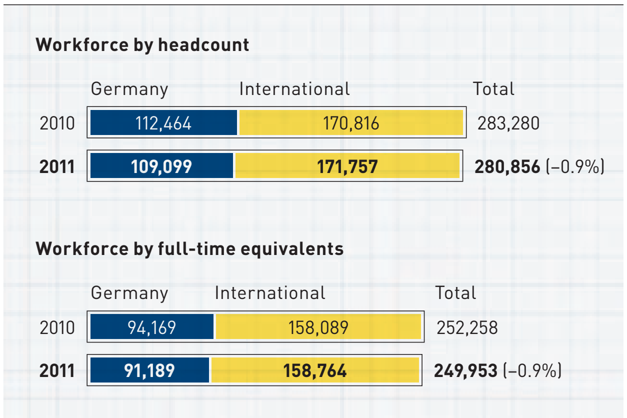
Development of employee numbers

In the financial year 2011, METRO GROUP employed an average number of 249,953 full-time equivalents, 0.9 percent less than in the previous year. Our personnel expenses fell by 1.1 percent to €7.3 billion (previous year: €7.4 billion). Of this total, €6.0 billion was attributable to wages and salaries, including wage taxes and employees' contribution to social insurance programmes. The rest was attributable to social welfare contributions, pension expenses and employee benefits.

Further information about personnel expenses is included in no. 15 of the notes to the consolidated financial statements "Personnel expenses".

The largest number of METRO GROUP's employees work outside our domestic market of Germany. Our workforce in Western Europe (excluding Germany), Eastern Europe and Asia/Africa rose slightly by 0.4 percent to 158,764 full-time equivalents in 2011. A major reason for this increase was our accelerating international expansion. On average, we employ 50 to 250 employees at each new location – depending on the sales format. In Germany, by contrast, the number of full-time equivalents fell by 3.2 percent to 91,189.

Development of employee numbers of METRO GROUP
annual average



In 2011, our sales division Metro Cash & Carry employed an annual average of 112,588 full-time equivalents, 2.6 percent more than in the previous year. The number of full-time equivalents at Real dropped by 6.0 percent to 52,431. The sales division Media-Saturn had an annual average of 57,585 full-time equivalents in 2011 – that is, 2.2 percent less than in the previous year. The main reason for this decline was the sale of 35 Saturn stores in France to the HTM Group in the second quarter of 2011. At Galeria Kaufhof, the number of full-time equivalents dropped by 3.2 percent to 18,522. In the real estate business area, we employed 1,213 full-time equivalents, 8.2 percent less than in the previous year. The number of full-time equivalents in the "others" segment rose slightly by 2.9 percent to 7,614.

Development of employee numbers by country and segment

average full-time equivalents[1]

	Metro Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		Real Estate		Others		METRO GROUP	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Germany	**14,725**	**13,952**	**30,921**	**29,932**	**24,095**	**23,562**	**18,068**	**17,478**	**727**	**626**	**5,633**	**5,639**	**94,169**	**91,189**
Austria	1,870	1,876			2,289	2,300							4,159	4,176
Belgium	2,810	2,815			1,381	1,420	1,061	1,044					5,251	5,279
Denmark	499	490			23	25							522	515
France	8,368	8,430			2,023	485							10,390	8,914
Italy	3,986	3,977			6,263	6,294					1	0	10,250	10,272
Luxembourg					93	112							93	112
Netherlands	3,000	2,948			2,218	2,329					8	8	5,226	5,286
Portugal	1,429	1,455			762	702							2,192	2,157
Spain	3,394	3,409			5,367	5,029							8,761	8,437
Sweden					1,517	1,497							1,517	1,497
Switzerland					1,278	1,239					83	84	1,362	1,323
United Kingdom	3,020	2,706			3	2							3,023	2,708
Western Europe (excl. Germany)	**28,375**	**28,106**			**23,218**	**21,433**	**1,061**	**1,044**			**92**	**92**	**52,746**	**50,675**
Bulgaria	2,485	2,523											2,485	2,523
Croatia	1,212	1,157											1,212	1,157
Czech Republic	3,510	3,474											3,510	3,474
Greece	1,166	1,098			1,012	860							2,177	1,958
Hungary	2,872	2,701			1,396	1,358			72	63	2	0	4,342	4,123
Kazakhstan	621	1,154							0	1			621	1,155
Moldova	676	663											676	663
Poland	6,838	6,391	10,481	9,652	5,001	4,907			284	317	196	165	22,800	21,432
Romania	5,636	5,535	7,973	6,343					1	1	369	430	13,978	12,309
Russia	13,689	15,968	4,118	4,350	2,798	3,338			104	89	452	647	21,160	24,393
Serbia	1,390	1,655											1,390	1,655
Slovakia	1,343	1,468											1,343	1,468
Turkey	3,167	3,822	1,889	1,735	1,218	1,418			132	117	38	38	6,443	7,129
Ukraine	6,579	6,395	422	419					2	0	9	8	7,011	6,822
Eastern Europe	**51,182**	**54,005**	**24,883**	**22,499**	**11,424**	**11,882**			**595**	**587**	**1,065**	**1,287**	**89,149**	**90,260**
China	7,734	8,234			160	708					607	576	8,501	9,518
Egypt	447	600											447	600
India	1,426	2,136									0	20	1,426	2,156
Indonesia	0	11											0	11
Japan	687	816											687	816
Morocco	1,056	0											1,056	0
Pakistan	1,286	1,404											1,286	1,404
Vietnam	2,792	3,323											2,792	3,323
Asia/Africa	**15,427**	**16,524**			**160**	**708**					**607**	**596**	**16,194**	**17,828**
USA[2]	**0**	**1**											**0**	**1**
International	**94,984**	**98,635**	**24,883**	**22,499**	**34,802**	**34,023**	**1,061**	**1,044**	**595**	**587**	**1,764**	**1,975**	**158,089**	**158,764**
METRO GROUP	**109,709**	**112,588**	**55,804**	**52,431**	**58,897**	**57,585**	**19,129**	**18,522**	**1,322**	**1,213**	**7,397**	**7,614**	**252,258**	**249,953**

[1] Including possible rounding differences
[2] US employees are employees of the Boston Trading Office (BTO). The trading office is responsible for seafood procurement.

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

	Metro Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		Real Estate		Others		METRO GROUP	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Germany	**16,687**	**16,295**	**40,342**	**38,805**	**26,885**	**26,134**	**22,992**	**22,346**	**828**	**656**	**5,696**	**5,942**	**113,430**	**110,178**
Austria	2,134	2,123			2,857	2,652							4,991	4,775
Belgium	3,667	3,681			1,514	1,558	1,431	1,422					6,612	6,661
Denmark	715	698			23	26							738	724
France	8,696	8,846			2,140	12							10,836	8,858
Italy	4,736	4,647			7,115	6,993							11,851	11,640
Luxembourg					130	108							130	108
Netherlands	5,006	5,080			4,179	4,337					9	9	9,194	9,426
Portugal	1,505	1,504			807	693							2,312	2,197
Spain	3,816	3,860			6,707	6,440							10,523	10,300
Sweden					2,035	2,168							2,035	2,168
Switzerland					1,456	1,430					87	94	1,543	1,524
United Kingdom	3,858	3,281			3	3							3,861	3,284
Western Europe (excl. Germany)	**34,133**	**33,720**			**28,966**	**26,420**	**1,431**	**1,422**			**96**	**103**	**64,626**	**61,665**
Bulgaria	2,600	2,581											2,600	2,581
Croatia	1,206	1,172											1,206	1,172
Czech Republic	3,586	3,723											3,586	3,723
Greece	1,158	1,092			1,047	807							2,205	1,899
Hungary	3,072	2,781			1,443	1,388			72	60			4,587	4,229
Kazakhstan	1,050	1,280							8	7			1,058	1,287
Moldova	766	723											766	723
Poland	7,252	6,829	11,185	10,305	5,057	4,955			292	319	190	148	23,976	22,556
Romania	5,716	5,615	7,482	6,422					1	1	359	468	13,558	12,506
Russia	15,582	18,054	4,471	4,690	3,253	3,615			104	96	504	789	23,914	27,244
Serbia	1,519	1,622											1,519	1,622
Slovakia	1,550	1,474											1,550	1,474
Turkey	3,437	4,117	2,012	1,858	1,261	1,593			119	124	37	35	6,866	7,727
Ukraine	6,861	7,144	422	424							8	8	7,291	7,576
Eastern Europe	**55,355**	**58,207**	**25,572**	**23,699**	**12,061**	**12,358**			**596**	**607**	**1,098**	**1,448**	**94,682**	**96,319**
China	8,212	8,492			391	992					602	572	9,205	10,056
Egypt	679	590											679	590
India	1,528	2,729									0	75	1,528	2,804
Indonesia	0	43											0	43
Japan	1,096	1,077											1,096	1,077
Morocco	0	0											0	0
Pakistan	1,304	1,388											1,304	1,388
Vietnam	3,396	3,805											3,396	3,805
Asia/Africa	**16,215**	**18,124**			**391**	**992**					**602**	**647**	**17,208**	**19,763**
USA[1]	**0**	**4**											**0**	**4**
International	**105,703**	**110,055**	**25,572**	**23,699**	**41,418**	**39,770**	**1,431**	**1,422**	**596**	**607**	**1,796**	**2,198**	**176,516**	**177,751**
METRO GROUP	**122,390**	**126,350**	**65,914**	**62,504**	**68,303**	**65,904**	**24,423**	**23,768**	**1,424**	**1,263**	**7,492**	**8,140**	**289,946**	**287,929**

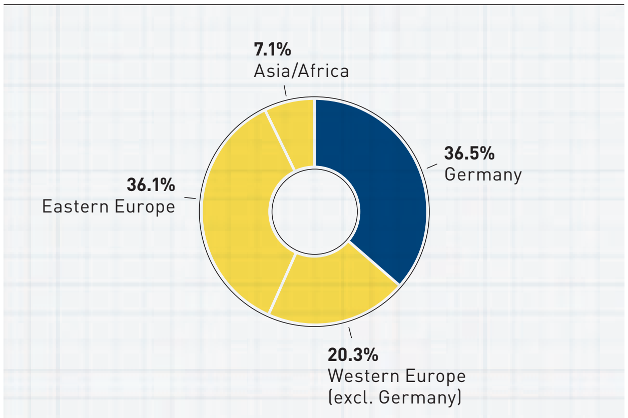
[1] US employees are employees of the Boston Trading Office (BTO). The trading office is responsible for seafood procurement.

Development of employee numbers by country and segment
full-time equivalents[1] as of closing date 31 December

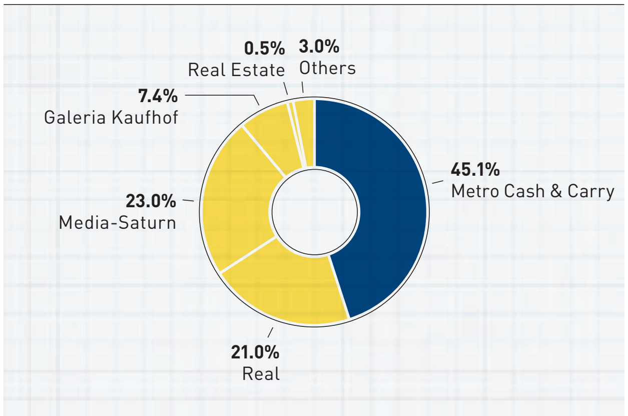
	Metro Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		Real Estate		Others		METRO GROUP	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Germany	**14,359**	**14,015**	**30,753**	**29,781**	**24,302**	**23,479**	**18,753**	**18,157**	**713**	**618**	**5,546**	**5,764**	**94,426**	**91,814**
Austria	1,909	1,897			2,521	2,310							4,430	4,207
Belgium	3,008	2,990			1,419	1,455	1,111	1,100					5,538	5,545
Denmark	487	486			22	26							509	512
France	8,347	8,480			2,053	12							10,400	8,492
Italy	4,121	4,067			6,622	6,497							10,743	10,564
Luxembourg					126	105							126	105
Netherlands	3,126	3,093			2,358	2,429					8	8	5,492	5,530
Portugal	1,421	1,432			769	653							2,190	2,085
Spain	3,446	3,492			5,846	5,521							9,292	9,012
Sweden					1,689	1,689							1,689	1,689
Switzerland					1,335	1,299					82	88	1,417	1,386
United Kingdom	2,999	2,527			2	2							3,001	2,529
Western Europe (excl. Germany)	**28,864**	**28,464**			**24,762**	**21,997**	**1,111**	**1,100**			**90**	**96**	**54,827**	**51,657**
Bulgaria	2,573	2,532											2,573	2,532
Croatia	1,201	1,164											1,201	1,164
Czech Republic	3,460	3,453											3,460	3,453
Greece	1,156	1,092			977	750							2,133	1,842
Hungary	2,856	2,589			1,420	1,362			72	60			4,348	4,011
Kazakhstan	1,049	1,277							1	1			1,050	1,278
Moldova	766	723											766	723
Poland	6,860	6,419	10,258	9,471	4,996	4,893			291	318	184	141	22,589	21,242
Romania	5,686	5,593	7,390	6,321					1	1	359	468	13,436	12,384
Russia	15,471	17,883	4,306	4,545	3,237	3,597			102	93	498	781	23,613	26,899
Serbia	1,519	1,622											1,519	1,622
Slovakia	1,519	1,453											1,519	1,453
Turkey	3,437	4,115	1,819	1,672	1,261	1,590			119	124	37	35	6,673	7,536
Ukraine	6,708	6,285	421	424							8	8	7,137	6,717
Eastern Europe	**54,261**	**56,199**	**24,195**	**22,433**	**11,891**	**12,192**			**586**	**597**	**1,086**	**1,433**	**92,018**	**92,854**
China	8,205	8,484			391	992					595	566	9,191	10,042
Egypt	656	590											656	590
India	1,520	2,724									0	41	1,520	2,765
Indonesia	0	43											0	43
Japan	808	808											808	808
Morocco	0	0											0	0
Pakistan	1,284	1,372											1,284	1,372
Vietnam	3,298	3,704											3,298	3,704
Asia/Africa	**15,772**	**17,726**			**391**	**992**					**595**	**607**	**16,758**	**19,325**
USA[2]	**0**	**4**											**0**	**4**
International	**98,897**	**102,393**	**24,195**	**22,433**	**37,044**	**35,181**	**1,111**	**1,100**	**586**	**597**	**1,770**	**2,136**	**163,603**	**163,840**
METRO GROUP	**113,256**	**116,408**	**54,948**	**52,214**	**61,346**	**58,660**	**19,865**	**19,257**	**1,299**	**1,215**	**7,316**	**7,900**	**258,029**	**255,654**

[1] Including possible rounding differences
[2] US employees are employees of the Boston Trading Office (BTO). The trading office is responsible for seafood procurement.

Employees by region
full-time equivalents



Employees by segment
full-time equivalents



Far-sighted human resources policies

Our Company's future largely depends on our ability to react flexibly and rapidly to changing business conditions and customer needs. For this reason, our human resources policies enable our employees to play an active role in shaping these changes and in optimally fulfilling the expectations of our customers. By assuming the social responsibility that falls to us as an employer, we are simultaneously responding to demographic change: a shrinking labour pool, a rising average age of employees around the world and growing migration to Western Europe. In the race to attract the best experts and managers, our far-sighted human resources policies give us a considerable edge.

To us, assuming responsibility for our staff means:

→ We promote a value-orientated managerial culture that serves as a foundation for our executives in their work to implement and refine METRO GROUP's strategy. To ensure that we can largely meet our need for skilled managers from our own ranks, we provide our potential managers with tailored career and professional growth opportunities.
→ We are training leader in the trade sector. We raise young people's enthusiasm for the multifaceted opportunities offered by our sector at an early stage and teach the necessary retail expertise to future skilled workers.
→ We create attractive working conditions to ensure that our employees remain highly productive and motivated over the long term.
→ We strengthen the employer brand METRO GROUP in order to position our Company, rise above our competitors and attract new employees.

These efforts play a part in contributing to the long-term commitment of our current staff to our Company and to our ability to attract new employees as our business needs require.

Value-based managerial culture

METRO GROUP sets high standards for its managers. And the reason for this is clear: our executives serve as role models. In addition, they must encourage their employees to be highly productive because it is these very employees who make such a large contribution to METRO GROUP's success. Our managers also carry out our business strategy and/or refine it. The type of abilities and characteristics that an executive at METRO GROUP should have is described in a model that we newly developed during the financial year. It forms the framework for systematic career planning and the professional growth of our managers. It comprises five dimensions and applies to executives in levels 1 to 3 – that is, Management Board/General Management, divisional management, main departmental or departmental management and store management. There are 5,121 employees in this group around the world.

The executives of METRO GROUP

→ act in a value-focused, ethical and responsible manner,
→ have entrepreneurial spirit and are passionate, bold and results-driven,

→ think and act in a customer-focused way,
→ are open to change processes and actively shape them,
→ promote the growth of people and organisations.

Centralised management of executive development and succession planning

At METRO GROUP, systematic executive development is a central responsibility of the strategic holding company, METRO AG. By taking this approach, we ensure that the abilities and expertise of our managers are consistently designed to meet our Company's needs and strategic goals. Furthermore, we can systematically offer international career paths to our executives – regardless of the sales division and segment where they work. Centralised career planning also enables us to identify the right candidates for key positions in the Company, support them and thus ensure optimal succession planning. In the reporting year, the in-house succession rate for the top management level – that is, in particular managing directors of Group companies as well as divisional heads of METRO AG – stood at about 78 percent, well above our target of 75 percent.

To promote discussions among our young managers and to communicate the dimensions of the executive model at an early stage, we organise several events. In the reporting year, for instance, 100 employees attended the Young Talent Day 2011. This conference was designed to inform the Company's future executives about leadership and sustainability.

Individual career assessments

The foundation of career planning is the annual performance and potential assessment that we conduct on an individual basis with our executives and employees in key positions. The objective is to be able to better estimate progress and abilities – on the basis of the five dimensions described in our executive model. During this performance evaluation, employees and their supervisors jointly create a subsequent career development plan. This process ensures that we identify and support suitable candidates for key positions at an early stage.

Tailor-made initial and ongoing training

We largely meet our need for qualified skilled employees by conducting our own training programmes. In 2011, the number of trainees around the world totalled 9,891 (previous year: 10,682), which corresponds to a drop of 7.4 percent. In Germany, we hired 2,281 trainees during the reporting year. The total number in Germany amounted to 7,176 trainees in 25 training occupations – 718 fewer than in the previous year. This drop was primarily due to our decision to adjust the number of training slots to current needs. With a share of 7.9 percent, we continue to be one of Germany's largest providers of vocational training. In the reporting year, 2,349 of our trainees completed their programmes at METRO GROUP, a success rate of 96 percent. Afterwards, we offered employment contracts to 61 percent of them.

Trainees
annual average

	2010	2011
Germany	7,894	7,176
Share	8.4%	7.9%
Total	**10,682**	**9,891**

Qualification programmes

International expansion and new sales concepts make our industry extremely diverse. They also cause the demands placed on our employees to constantly change. As part of our human resources policies, we apply comprehensive professional development programmes to teach and refine the required skills. METRO University is the central platform where we develop and qualify our current and future managers. It brings together our professional development programmes that we offer at various international locations. In 2011, we repositioned METRO University and altered its course offerings in order to address current strategic approaches and methods used in executive and employee development. We continue to work with highly respected international institutions to provide our managers with access to external know-how. Our partners include the "Institut Européen d'Administration des Affaires" (INSEAD) in Fontainebleau, France, and the International Institute for Management Development (IMD) in Lausanne, Switzerland. In 2011, about 800 managers at METRO GROUP attended programmes and professional development courses at METRO University.

An attractive working environment

To attract qualified employees to our Company, to motivate them and to gain their long-term commitment to the Company, we offer them state-of-the-art working conditions. For this reason, we systematically invest in human resources programmes and develop concepts to promote employee health and work-life balance.

Active health management

We give a high priority to the health and safety of our employees. For this reason, we work to create safe and secure working conditions. By offering such programmes as back exercises, fitness sessions, corporate sports activities, nutrition tips, ergonomic counselling and stress-prevention training, we help our employees to remain physically fit and mentally sharp throughout their working lives. We placed these and other offerings under the umbrella of the health campaign GO in 2004.

Diversity as a competitive edge

METRO GROUP is one of the world's leading retail and wholesale companies. We truly believe that the diverse cultures and skills of our employees create a competitive edge for us. The diversity of our workforce is the basis for creativity and multifaceted approaches to our business. We draw energy from this to develop optimal solutions for markets and customers – in every country where we do business. As an employer, we promote talent and abilities in such a way that employees can perform at optimal levels, regardless of gender, age, nationality, ethnic background, sexual orientation, possible disability or religion.

In the reporting year, people from 179 countries worked for METRO GROUP. The average age of our workforce was 37.9 years (previous year: 37.4 years). We also open the way for older employees to join the working world. In Germany, METRO GROUP hired 741 employees who were in the age group of 50plus in 2011. Internationally, the total was 1,287 employees. The share of employees who are 50 and older in the entire workforce was 17.5 percent (previous year: 16.8 percent). In Germany, the share was 30.3 percent (previous year: 28.9 percent). In the reporting year, we also employed 5,684 people with recognised severe disabilities or the equivalent.

As part of our human resources management, we promote equal professional opportunities for men and women. The share of women in the entire workforce was 55.6 percent in the reporting year. The share of women in managerial positions on levels 1 to 3 was 19.2 percent (previous year: 18.6 percent). As a result, METRO GROUP is above the average of DAX 30 companies. The share of women in executive positions is particularly high in Eastern Europe at 32.8 percent. In the reporting year, METRO GROUP made a voluntary commitment to increase the percentage of women on management levels 1 to 3: to 20 percent by the end of 2013 and to 25 percent by the end of 2015 worldwide. We will keep these goals in mind while recruiting and in succession planning.

Flexibly living and working

To encourage diversity in the workforce and to address our employees' interest in individually planning their lives, we provide them with flexible work schedule and job models. These models include rules governing trust-based working hours and telework at home. The share of part-time employees at METRO GROUP fell slightly to 28.2 percent in 2011 (previous year: 28.6 percent). In Germany, 44.3 percent of employees worked part time (previous year: 44.5 percent).

As part of our effort to increase the number of women in managerial positions, we offer programmes which help employees to better balance their family and professional lives. Our male employees also profit from this commitment. At our headquarters in Düsseldorf, we operated two bilingual day-care centres with 142 full-time childcare slots during the reporting year. In January 2012, we opened a third facility with an additional 96 childcare slots. As a result, we can guarantee all single parents at the headquarters a kindergarten slot and provide the children of our employees with a diverse programme during all school holidays. METRO AG also supports the care of family members. Employees who care for such relatives on a full-time basis can receive leave from their positions for two years after the end of the statutory nursing period. During this period, METRO AG provides supplementary assistance to statutory social benefits.

Group-wide retirement provision model

We help our employees to expand their private retirement planning. The Group-wide Future Package provides additional voluntary benefits that go beyond the stipulations of collective bargaining agreements in the industry. In Germany, 57,462 of all employees took advantage of this opportunity in 2011 (previous year: 58,311 employees). This corresponds to a share of 54.2 percent.

Personnel marketing

In the competition for the best skilled employees and executives, we take steps that polish our image among potential applicants. To ensure that a targeted message is delivered to skilled employees and executives, we sharpened our profile as an employer brand, which consists of seven core elements, in the reporting year. We are an attractive employer because we offer

→ internationality,
→ Group-wide career opportunities,
→ exceptional managerial development programmes,
→ training,
→ sustainability,
→ diversity and
→ compatibility of family and professional life.

We highlight these core elements in all personnel-marketing steps we take. In the reporting year, for instance, we conducted an advertising campaign that focused on women who have launched their international careers at METRO GROUP. To introduce ourselves to future managers, we work with selected universities, universities of applied sciences and student groups. In 2002, we launched a conference called Meeting Metro that is designed for students in all majors. At this conference, we inform them about our Company and the multifaceted entry-level and career opportunities it can offer them.

Employee retention

The human resources policies of METRO GROUP are designed to promote long-term commitment to our Company among our best employees. In the reporting year, average job tenure climbed by 0.5 to 8.6 years. The Group-wide turnover rate was 18.0 percent, and it was 8.5 percent in Germany. Independently prepared studies have confirmed the quality of our human resources policies: in one reflection of this, the CRF Institute certified us as a top employer in 2011. The institute ranks us in their list of Germany's top 50 employers.

6. Innovation management

As a retail and wholesale company, METRO GROUP does not conduct research and development in the strictest sense of the term. Rather, we practise systematic innovation management. After all, new concepts and technologies help our sales divisions to better meet customers' needs and respond to their shopping habits. Moreover, innovations help us to make processes more efficient along the entire supply chain, including programmes undertaken in collaboration with suppliers and industry partners. By employing this approach, our innovation management supports the long-term profitable growth of our Company.

Innovation management at METRO GROUP is systematically organised: we continuously identify customer needs, market requirements and trends as well as relevant technological and conceptual innovations. We jointly develop, test and evaluate innovations with internal and external partners. Should they meet our expectations, we will introduce them into our stores. In the process, METRO AG provides our companies with sufficient resources, for example, in the form of testing facilities.

In terms of a Group-wide dialogue, employees responsible for innovation at the internal IT service provider METRO SYSTEMS work closely with specialists in the sales divisions. As a result, relevant knowledge and qualifications can be created and shared within the Group. Furthermore, it is assured that the innovations that are developed, address customers' needs and the specific requirements of the sales divisions. In introducing new concepts and technological innovations, we conduct an open, constructive dialogue with external partners. These partners include consumer groups and labour unions. We are a member of national and international organisations in order to support the development of standards.

In 2011, we carried forward projects already launched and augmented them with other programmes from the sales divisions. The goal continues to be to successfully introduce new concepts into everyday business practices, to use innovative technologies in stores and warehouses as well as to expand their use in cooperation with suppliers and business partners. The focal points of these efforts are cutting-edge information and communication technologies (ICT) and Radio Frequency Identification (RFID), through which products and product movements can be registered without contact in IT systems. One additional focal point is mobile shopping – access to our products through such mobile end devices as smartphones.

Working relationships with external partners

As early as 2002, we launched the METRO GROUP Future Store Initiative. More than 75 partners from the academic world, the consumer goods industry as well as the service and ICT sector are currently members of this alliance. Working together with these partners, we test innovative solutions in our efforts to address the operating challenges faced by the sales divisions. The focal point of the partnership, which was successfully continued during the reporting year, is always customers and their needs.

A central testing platform for the initiative is the METRO GROUP Future Store in Tönisvorst, a city in the German state of North Rhine-Westphalia. The store is a Real hypermarket in which the sales division has been testing new concepts and technologies with the assistance of the partners of the METRO GROUP Future Store Initiative since 2008. Innovations that prove themselves in the Future Store are gradually introduced by Real and in some cases even by Metro Cash & Carry.

Mobile shopping

One of the critical challenges facing retailing concerns changing customer shopping habits, which are shaped by such megatrends as mobility and digitalisation. METRO GROUP is addressing these trends as part of its innovation management. In particular, the increasing use of smartphones facilitates new ways to approach and retain customers. In the process, so-called apps, software programmes with limited functions that are directly tailored to the users' needs, are gaining importance. METRO GROUP and its sales divisions offer a myriad of these applications for various platforms, including for iOS, Apple's popular operating system. With Real's app, for example, customers can create electronic shopping lists, check on discounted items and get directions to the nearest Real hypermarket. In 2011, this free application was installed on smartphones more than 820,000 times. Users downloaded our "Das Gute essen" (Eat good food) cookbook app more than 430,000 times during the reporting year. It provides access to more than 500 recipes as well as sustainability-related information.

The Metro Cash & Carry wholesale stores have also developed their own smartphone applications. The "METRO einfach lecker" (METRO simply delicious) programme, for example, offers cooks an extensive collection of recipes, including step-by-step instructions on how to prepare the dishes. The "TischBAR" gastronomy platform operated by the sales division has also been available for smartphones since 2011. With this programme, users can find and rate cafés, bars, bistros and restaurants on the go. The "METROphone" application, on the other hand, caters to selected users of the delivery service. All products from the personal customer order list and the entire delivery range of the respective Metro Cash & Carry wholesale store can be ordered directly from this app. Customers can check the status of the order over their smartphone at any time until the time of shipping. The sales division introduced "METROphone" in Germany in 2011. During the reporting year, the app was tested by professional customers in the Czech Republic, Poland and Spain.

Contactless payment

In our Real Future Store in Tönisvorst, a city in the German state of North Rhine-Westphalia, we began to test a payment method based on so-called Near Field Communication (NFC) technology in November 2011. With this technology, data can be transferred in a secure, contactless manner over a short distance of up to ten centimetres. Computer chips that can be integrated into such devices as credit cards or mobile phones serve as both sender and receiver during the transfer of data. The primary strength of this technology is that the wireless connection is established quickly and effortlessly.

To pay for their purchases in the Real Future Store, customers simply have to hold a compatible NFC card, such as a Payback Maestro card, next to the reader at the checkout. The amount to be paid is then automatically deducted from the cardholder's bank account. This pilot project is the first to use the new standard for contactless payment. We will collaborate with the international standardisation organisation GS1 and other companies to develop this standard. The aim of the project is to create an industry-wide, internationally uniform payment method based on NFC technology.

Multichannel marketing bolstered

In an effort to add more value for our customers, we are combining the strengths of Internet shopping with those of stationary retailing as a way of creating a unique selling proposition by providing service, authenticity and quality. We are dovetailing sales channels to retain our sales divisions' existing customer groups and reach new customers. The online shop of our Saturn sales brand that was launched in 2011 allows customers to make purchases online, among other things. They can then have their order sent to their houses or can pick it up from their local consumer electronics store on the same day.

An additional example of the multichannel marketing approach is the sales format "Metro Drive", which Metro Cash & Carry first tested in France in 2009. As a result, the wholesaler gives its professional customers the opportunity to order goods by telephone, fax or over the Internet round the clock. The customer can then collect the products at the nearest pick-up point. In 2011, Metro Cash & Carry introduced the service in other countries, including in Greece and Hungary.

In Cologne, the Real sales division opened its second drive-in food store in Germany. On the website www.real-drive.de, customers can select from a range of about 5,000 products – including frozen and fresh foods – and put together their purchases. Customers can pick up their orders just two hours later at drive-in stations, which are independently operated and located next to Real hypermarkets. Customers are charged a fee of just €1 for the service; the product prices are the same ones charged at hypermarkets. The "Real Drive" is still designed as a test store. Since the first store opened in Isernhagen-Altwarmbüchen, a city near Hanover, Germany, the sales division has continuously refined the concept. In doing so, Real has, for instance, modified the range of products that can be ordered and made the Internet platform easier to use.

Expanded services

One example of how we are expanding the services of our sales divisions through innovation is the iPad checkout system for restaurateurs, which Metro Cash & Carry has been offering since 2011. Developed by METRO SYSTEMS, this system markedly simplifies ordering and payment processes. The solution comprises software, the Apple iPad and printers. Restaurant employees take down patrons' orders on an iPad, which wirelessly sends the information to another iPad at the cash register. For every order, an order slip that is then used by the kitchen staff is printed out. The main benefits of this solution: fewer mistakes when taking food orders and shorter walking distances for employees.

→ p. 124

Operational use of RFID

Our Company is a pioneer in Radio Frequency Identification (RFID) in the trade industry. The technology makes it possible to automatically register product movements throughout the entire supply chain and to transmit the information in a contactless manner to IT systems. RFID helps retailers and wholesalers to optimise processes in logistics and warehouse management, to more efficiently design anti-theft systems and to continue to increase customer satisfaction. The heart of the technology is the RFID transponder, a miniature computer chip with antenna. An Electronic Product Code (EPC) is usually stored on this chip. With an RFID reader, the EPC can be registered extremely quickly without physical or visual contact and in large numbers and refers to product information in the merchandise management system – including the product's origin, manufacturer and best-before date.

METRO GROUP has been using RFID in logistics since 2007. The technology facilitates more efficient processing in the incoming goods area at about 400 Company locations. As a result, METRO GROUP remains the pacesetter in European trading and retailing. We use RFID in our Metro Cash & Carry sales divisions in Germany and France, at Real and at MGL METRO GROUP Logistics in Germany. In our central warehouses in Unna and Hamm, more than 700,000 pallets are registered each year with the assistance of the technology.

Holistic logistics approach
In order to continue to reduce costs along the supply chain and enhance service levels, MGL METRO GROUP Logistics developed a new model that allows for a comprehensive assessment of procurement, logistics and sales processes based on empirical data. Calculations consider such parameters as savings effects at the supplier level, shipment volumes, the number of pallets, the number of interim stops per delivery and the Electronic Data Interchange (EDI) format. As a result, the Company can identify and exploit existing optimisation potential in a targeted manner. The German Association Materials Management, Purchasing and Logistics (AMMPL) awarded MGL METRO GROUP Logistics its innovation prize for the 2011 model.

Project promoting use of RFID in outer packaging
During the reporting year, METRO GROUP and additional partners participated in a competitive bidding process sponsored by the North Rhine-Westphalian Ministry for Economic Affairs, Energy, Building, Housing and Transport. Under the motto of "Smart.NRW", the partners – including the company Mars and the RWTH Aachen University – developed a model for optimising placement and integration of RFID transponders into packaging. An additional aspect of the project is to improve the flow of goods in stores. This includes being able to report on the basis of information made available by RFID exactly how many articles of each product are on store shelves. "Smart.NRW" is sponsored by the state of North Rhine-Westphalia. The project spans three years.

→ p. 125

610

7. Sustainability management

A company can generate profitable growth only if it acts responsibly towards society and the environment. We deeply believe in this principle of sustainability. That is why we have made it an integral component of our Company's strategy. This means that we consider social and environmental requirements in all business decisions and processes – particularly with regard to such pressing global challenges as the security of food supplies as well as the conservation of resources, demographic change and sustainable consumption. These challenges do not just impact METRO GROUP alone, but also society as a whole. We believe that our business activities should make a long-term contribution to meeting these challenges. At the same time, we are responding to the increased expectations of various stakeholders by addressing such challenges.

The guiding principle of sustainability

With the "Go sustainable 2012" programme we initiated in 2010, we laid the groundwork for integrating sustainability into the core business of METRO GROUP, thus establishing it as an integral component of our Company's strategy. Building on the tenets of this programme, we developed a mission statement of sustainability for our Company during the reporting year. In it, we describe the four fields of activity of METRO GROUP and our sustainability management organisation. Above all, we define our understanding of sustainability: as a reliable partner for our customers and suppliers, we intend to do business in a way that also enables the needs of future generations to be met by our business activities. The goal of our sustainability activities is to ensure the Company's future viability. We will accomplish this by effectively exploiting our growth opportunities, recognising risks at an early stage, preventing negative consequences, improving our image and bolstering our stakeholders' confidence in us.

The positive assessments of independent capital market experts document our progress: Oekom Research, one of the world's leading rating agencies in the field of sustainable investments, awarded METRO GROUP the Prime Status in the reporting year. By doing so, Oekom Research has recommended our Company's share to investors who place a high priority on environmental and social criteria. Another sign of our progress is our renewed inclusion in the Dow Jones Sustainability World Index (DJSI World). Their analysts commended METRO GROUP's good risk management, its effective anti-corruption guidelines and its efficient customer management. Only 10 percent of the world's 2,500 largest companies are included in the index.

In December 2010, METRO GROUP joined the United Nations Global Compact, committing itself to integrating the network's ten fundamental principles of corporate social responsibility into its daily work, business strategy and corporate culture as well as to issuing a progress report about its programmes and achievements in the areas of human rights, labour standards, environmental protection and anti-corruption. At the end of 2011, we issued our first such Communication of Progress.

Central Board

We regard sustainability as the foundation of our long-term profitable growth and thus a key value driver for our Company. Integrated management systems and an organisational structure with clearly defined responsibilities are the foundation for this. As the central organ of sustainability management, the Sustainability Board of METRO GROUP that was created in September 2009 helps us to integrate sustainability into all relevant Group functions and units. Led by the Management Board of METRO AG, the Board develops binding Group-wide guidelines, standards and targets, bundles and oversees the sustainability activities already being undertaken and continuously refines the Company's sustainability strategy. Furthermore, the Sustainability Board determines focal points and key performance indicators. Working with the risk management unit, the Board ensures that opportunities and risks in the area of sustainability are systematically defined and business processes are optimised accordingly. In addition to the heads of the central holding functions, each sales division is represented on the Sustainability Board by one member of its own Management Board as well as additional relevant representatives. The composition of the Sustainability Board ensures the practicality of all decisions.

Working groups consisting of experts from the corporate departments and the sales divisions prepare the resolutions to be made by the Sustainability Board. They develop specific programmes and devise monitoring processes in accordance with binding rules. The operating business units report project progress and provide the data needed to track the Company's sustainability performance.

Fields of CSR activity

In consideration of global social and environmental challenges as well as the various expectations of our stakeholders, we have identified four fields of CSR activity that apply throughout the entire Group:

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

These fields of activity address issues along the entire value chain and include the manifold points of METRO GROUP's contact with society. They point out where we have the greatest influence on processes that are relevant to sustainability.

Supply chain and products

In addition to brand name products made by well-known companies, we offer our customers a variety of high-quality own-brand products. We assume a special responsibility for them. From the supply chain to the design of the assortment, we are able to take broad steps to shape the production and working conditions related to these products. The responsible approach to procurement and the sustainable use of resources will help to assure the availability of certain products in future. We are committed to meeting high production quality and environmental protection standards as well as to complying with the fundamental work standards of the International Labour Organization (ILO). By helping suppliers and manufacturers to fulfil quality, social and environmental standards, we can also take systematic steps to prevent food from spoiling and being wasted – an issue that is increasingly becoming the focus of public discussions.

Supplier qualifications programme expanded further

Local manufacturers and producers are important partners to us. The reason for this close relationship is clear: we obtain a large portion of the food in our stores from them. With training courses developed in-house and established qualification programmes that we offer in developing countries and transitional economies, we help our suppliers to meet high quality standards. As part of strategic partnerships with such international development organisations as the United Nations Industrial Development Organisation (UNIDO) and the German Society for International Cooperation (Deutsche Gesellschaft für Internationale Zusammenarbeit, GIZ), we train the local producers and suppliers of fresh foods. The focal points of this training include food safety and hygiene, storage, transport and processing. The courses help participants to meet the requirements laid down by the Global Food Safety Initiative (GFSI) and to qualify for an internationally recognised certificate. The programmes can help to reduce producers' post-harvest losses by up to 40 percent, increase the volume of their marketable goods and improve their incomes.

A pilot project organised as part of the strategic partnership between METRO GROUP and UNIDO was launched in Egypt in 2010. In mid-2011, we applied the concept, which focuses on the processing of fish, meat and dairy products, in Russia as well. Using the train-the-trainer approach, we and UNIDO provided instruction to three national food experts. These experts then taught the principles to the suppliers of the own-brand products at Metro Cash & Carry and Real Russia. During the reporting year, we provided qualifications to 17 suppliers. Another project was launched in June 2011 in Bangalore, India. In its first phase, the training programme for our Indian suppliers is also based on the requirements of the GFSI Global Markets Protocol for the processing of food. By the end of the year, eight suppliers had completed the programme.

METRO GROUP and UNIDO intend not only to strengthen their joint efforts on behalf of sustainable supply chains and improved food supplies in the area of food safety, but also to add social, environmental and ethical standards to the subjects covered by the training. For this purpose, the partners renewed their cooperation agreement at the beginning of September 2011. As a result, the training programmes for producers and suppliers will be expanded and introduced in such countries as Kazakhstan. In addition, the training courses already being offered in such countries as Egypt, India and Russia are to be expanded as well.

Group-wide purchasing policy for fish

As Europe's largest retailer of fish, METRO GROUP offers a vast fish assortment to consumers and commercial customers like hotel and restaurant owners. Demand for fish as a source of nutrition has never been higher. At the same time, though, the existence of many fish species is threatened. In response to this development, our Sustainability Board prepared a Group-wide purchasing policy for fish in 2011. The policy defines eight core elements regarding fish purchasing by the Group. They are:

- → Establishing and expanding an environmentally sustainable range of fish that meets customer demands
- → Developing and promoting internationally recognised and sustainable environmental and social standards and relevant labels along the entire fish supply chain
- → Encouraging sustainable fisheries and aquacultures
- → Optimising fishing methods, traceability and labelling of fish
- → Optimising procurement and logistics operations
- → Maintaining a close relationship with suppliers and producers
- → Engaging in a regular dialogue with the scientific and political communities
- → Issuing progress reports

The core elements include goals that were previously addressed while also forming the foundation for new initiatives. Their operational implementation is the responsibility of the sales divisions and country organisations. It is their job to develop their own specific fish purchasing guidelines.

For years now, METRO GROUP has been committed to the principles of sustainable, environmentally conscious fishing practices. In 2002, for instance, we became the first retail and wholesale company in Germany to offer own-brand products bearing the label of the Marine Stewardship Council (MSC) for wild fish. The label indicates that a product came from responsibly managed fishing. Today, consumers find a large selection of MSC-certified brand-name product and own-brand products in the assortments of our sales divisions. Nonetheless, we are determined to continuously track the sales of products from certified sustainable fishing not just in the area of wild fish. In order to take a holistic approach, we are increasingly working on the development of the new standard of the Aquaculture Stewardship Council (ASC) for fish products from sustainable aquaculture. In 2009, we took part in the first discussions of the Aquaculture Dialogues initiated by the World Wildlife Fund (WWF). These discussions form the foundation of the ASC standards.

New standards for product-specific traceability

Safety along the entire supply chain is a key issue for METRO GROUP. Food crises like the dioxin scandal involving meats and eggs or the EHEC crisis in Germany reaffirmed the importance of increased transparency and seamless monitoring during the reporting year. To be able to trace the origin of products in a faster, product-specific manner, we are supporting efforts to create internationally uniform food labelling. Today, the worldwide identification standard for food products is the Global Trade Item Number (GTIN). It offers general information about the properties of a product in a certain product group, including colour and size. But it does not provide a clear identification of an individual product. Our goal is the introduction of a Serialized Global Trade Item Number (SGTIN) that will serve as a standard for manufacturers and producers. A serial number (SGTIN) will be added to the GTIN. Both the GTIN and the SGTIN have been developed by the organisation GS1 into standardised numbers and can be used around the world. Possible carriers of the SGTIN include the GS1 Databar, a linear barcode that encodes supplemental information about the best-before date or weight. METRO GROUP uses Radio Frequency Identification (RFID) for a seamless documentation of the goods' journey through the supply chain.

Additional information on RFID is included in chapter 6 Innovation Management on pages 122 to 124.

Extension of the voluntary commitment

To integrate the principle of responsible business practices into the supply chain, we have committed ourselves to maintaining sustainable standards. We also play an active role in committees and programmes that are involved in the development of standards in this area, among other things. In a reflection of this work, METRO GROUP became a member of the Roundtable on Sustainable Palm Oil (RSPO) in mid-May 2011. The organisation was set up in 2004 with the aim of promoting sustainable farming techniques for palm oil and of identifying alternatives to the use of non-sustainable palm oil. As a member of the round–table, we have pledged to integrate RSPO's principles into our management system and take related actions. Drawing on our work with our fish purchasing policy, we will also devise a purchasing policy for sustainable palm oil.

To us, assuming responsibility in the supply chain involves taking forceful steps regarding non-sustainable production practices. In February 2011, a Group-wide ban was imposed on the purchase of sandblasted jeans from current and future suppliers. Sandblasting gives jeans and other clothes a used look. But the process is considered to be a threat to workers' health, and METRO GROUP is now refusing to purchase sandblasted products as a result.

Energy and resource management

Every day, METRO GROUP provides millions of people across the world with high-quality food products and consumer goods. Because energy and other resources important to the supply chain are limited and expensive, efficient business practices are a central pillar of our commitment to sustainability. To bring our internal energy-data management to a higher level, we have taken such steps as introducing an Internet-based data collection programme and CO_2 measurement programme: by increasingly using digital energy measurement devices, we are improving the validity and transparency of calculation bases and of the interpretation of our greenhouse gas emissions. With these optimised data management practices and the targeted steps taken at our stores, we were also able to convince the capital market of our performance: in the reporting year, METRO GROUP was listed for the first time in the Carbon Disclosure Leadership Index of the Carbon Disclosure Project (CDP). The mission of this independent organisation is, among other things, to energise efforts to lower greenhouse gas emissions. The Carbon Disclosure Leadership Index includes only 53 of the world's 500 largest companies. It is an important component of the annual Global 500 report issued by the CDP and highlights those companies that professionally manage business operations in terms of climate change.

Smart metering system in all consumer electronics stores worldwide

A solid basis of data is needed to systematically plan and introduce energy-saving and efficiency programmes. To more precisely measure their stores' energy consumption and to better monitor successes, METRO GROUP's sales divisions use smart metering systems, which enable the electricity, gas and heating oil usage of a store to be measured in a continuous, consumption-orientated manner. At the end of 2011, about 1,700 Group stores and outlets were equipped with smart metering systems – more than twice as many as in the previous year. As a result, more than 80 percent of our stores now use this technology. Media-Saturn is the pacesetter among our sales divisions: all consumer electronics stores with their own connection to the power grid have digital energy measuring devices today. By using this measuring equipment, Media-Saturn can automate and thus optimise such parameters as the times when lights are turned on or off and the regulation of heating and air-conditioning units.

Fuelling energy-related retrofitting

To be able to systematically optimise the energy usage of its real estate properties, METRO GROUP is closely examining its stores. As part of this effort, the Real sales division conducted specific energy analyses as part of an assessment of the technical facilities of 25 hypermarkets. The results were used to select 7 stores in Germany for energy saving programmes. A high level of energy savings potential was found in ventilation and air-conditioning systems. The reasons include fresh air intake systems that are not adjusted to needs, oversized design of air-conditioning systems and hydraulic and heating distribution networks that are insufficiently designed for today's operational requirements. Thanks to specially devised energy saving measures, the Real hypermarket in Erfurt, a city in Eastern Germany, was able to reduce heat consumption by 11.9 percent and electricity usage by 8.4 percent after a year in operation. At all 7 stores, heat consumption was cut by an average of 13 percent and electricity usage by 5.3 percent during the reporting year compared with 2010.

Carbon footprint 2011

At the end of 2010, METRO GROUP began to develop a uniform, Group-wide system to collect consumption data and to calculate CO_2 emissions on the basis of the international standard of the Greenhouse Gas (GHG) Protocol. This means that we are required not just to continuously improve the quality and breadth of data in our carbon footprint. Thanks to the uniform system in place, we can also be measured against many companies in the world that also use the GHG Protocol.

We have thus reached our goal of securing and improving the validity and transparency of our calculation basis. The validation of prior-year figures and the quality and quantity of current reporting year data, however, marked only a first step in this process. As a result, we can now focus our activities on another key effort: even better and faster identification of areas with improvement potential and a more targeted management of relevant measures. During the reporting year, we realised that we failed to achieve three quantitative targets of our energy and resource management in 2011: the reduction of diesel, cooling agent and energy consumption. The higher than expected diesel usage is due to higher consumption values for low-emission trucks, changed requirements with respect to the pre-cooling of trucks as well as increased congestion on logistics routes. Our failure to achieve our targeted reduction of cooling agent and energy consumption is due, among other things, to changes in data collection.

METRO GROUP's carbon footprint 2011 will be audited by KPMG for the first time. Among other things, this independent audit will enhance the credibility of our published information.

Energy Management Award 2011
Where it makes sense, METRO GROUP itself becomes an energy producer. Examples of this effort include the solar units in use at various stores, the vertical wind turbine at the fish logistics centre in the southern German town of Groß-Gerau and the geothermal unit in Munich-Pasing. As an alternative to geothermal energy, we are using solar-power absorption refrigeration systems in such places as Rome and Antalya. During the reporting year, the successful combination of state-of-the-art technology and resource conservation used at the Metro Cash & Carry store in Schwelm, Germany, received particularly high praise: the EHI Retail Institute presented the EHI Energy Management Award 2011 to the micro-gas turbine designed especially for this wholesale store. The turbine supplies the store with environmentally conscious, cost-efficient electricity and heat. By means of an absorption refrigerator, the wholesale store uses the heat for low-freezing goods. It uses the electricity for deep-freezing and store operations.

Employees and social affairs

A company that places the customer at the centre of its focus needs motivated and qualified people who can turn this goal into a reality every day. For this reason, a commitment to the Company's employees is one of the focal points of our sustainability management. As a result of demographic change, the number of employable people will decline further in many countries. It thus becomes that much more important for us to secure the long-term availability of employees, particularly skilled workers and managers, by applying far-sighted, innovative human resources concepts. It is our aim to attract motivated and qualified employees in an internationally competitive environment, to support them and to gain their long-term commitment to the Company. After all, our employees serve as public representatives of METRO GROUP's messages and values. In their direct dealings with our customers, partners and suppliers each day, they gain valuable insights that we use to further optimise our range of products and services.

The human resources policies of METRO GROUP are discussed in chapter 5 Employees of the Group management report on pages 114 to 121.

Social policies and stakeholder dialogue

Trust, credibility and transparency are the critical factors of trading and retailing. Our customers expect us to provide safe products, supply chain traceability and compliance with social and environmental standards. To succeed in business, METRO GROUP must be convincing not only in the marketplace of products, but also in the marketplace of opinion. This means that we must precisely know what relevant stakeholder groups expect from us. We conduct regular dialogue to get to know the diverse needs a these people and to be able to better fulfil them. This discussion is the basis for stable and trusting relationships and, as a result, is a critical factor in our Company's success.

Dialogue and strategy formats in Berlin
The Group's representative office that we opened in Berlin in 2010 conducts a continuous, open and transparent discussion with the German government, parliament, trade associations, relevant interest groups and non-governmental organisations in Germany. In this work, we apply new approaches to cooperative political work. The central dialogue format is the "Mittwochsgesellschaft des Handels" (Wednesday Society of Retail) in Berlin. This gathering was held four times in 2011 and has gained a fixed place on the political calendar of events in the German capital. In a candid discussion that representatives of METRO AG and the sales divisions of METRO GROUP conduct with members of the political, academic and social affairs communities in Berlin, we explore current issues like green growth and food quality, safety and labelling. In the process, we develop new ideas. The series of discussions has a website that contains interactive elements and its own channel on the Internet video platform Youtube. The use of social media facilitates continuous dialogue.

We invite leading election campaign experts and the heads of the strategy departments of the political parties serving in the German Parliament to the political workshop "METROpolis", which we organised for the first time in 2010. Representatives of our Group representative office in Berlin discuss economic policy issues for several hours with these guests and then draw up recommended actions. The focus of the meeting held in December 2011 was the euro and the outlook for the upcoming parliamentary elections in Germany.

We plan to hold the event once a year. Documents from the 2011 conference were distributed to all members of the German parliament. They also can be downloaded at www.metrogroup.de/berlin.

Creation of customer advisory councils at Real Germany
In Germany, Real created a special format for stakeholder communication in 2011: the customer advisory council. This group consists of ten to 15 representatives of various customer segments. Since then, the customer has become the central communication partner in more than 100 hypermarkets. In Germany, Real is one of the few retailers that enable advisory council work to be done with customers at the local market level. Four times a year, the members of the council meet and point out areas they like at the local store and areas they think require improvement. The recommendations primarily affect the local store, including the introduction of regional products. The aim is to gradually set up a customer advisory council at all Real stores.

Commitment to international relationships with neighbours
As an international retail and wholesale company, METRO GROUP also assumes social responsibility. We act as a responsible corporate citizen in a number of programmes and projects. One example of this commitment was a panel discussion held in connection with the exhibit "Tür an Tür. Polen – Deutschland. 1.000 Jahre Kunst und Geschichte" (Door to Door. Poland – Germany. 1,000 Years of Art and History). As a main sponsor, METRO GROUP used the event to underscore its commitment to cultivating the German-Polish partnership. The approximately 100 guests from society, business and the church agreed that the relationship between Poland and Germany had developed well. Companies like METRO GROUP help to expand the shared interests of the two countries and increase mutual understanding.

Partnership with Tafel food banks extended
METRO GROUP has extended its long-standing partnership with the Bundesverband Deutsche Tafel e. V., reassuring the financial support that was scheduled to expire in 2011 by three years. As a result, we will remain the reliable partner of the Deutsche Tafel food bank organisation in years to come. We began our support of the Bundesverband Deutsche Tafel in 2006 and do our part to ensure that people in need regularly receive nutritious food. The German Metro Cash & Carry and Real stores regularly donate large amounts of food and material goods to local Tafel food banks. More than 90 percent of Real's stores in Germany provide goods to Tafel food banks and increased the amount of donated food once again in the reporting year. This increase was due to the decision to provide fresh foods like sausage and dairy products to the food banks in 2011 for the first time and not due to a growing number of surplus products in the stores.

→ p. 131

GOALS 2011

Within the focused areas of activity, we have set specific goals for the purpose of continuously improving our sustainability efforts and defined the steps that we will take to reach these goals. The extent to which a goal has been reached is reflected in the reported status of each individual goal and the measures related to it.

Measure initiated · Measure ongoing · Measure concluded · Goal not reached · Goal not yet reached · Goal reached

Areas of activity: Company

Theme	Goals	Status goals	Measures	Status measures
Compliance organisation and management	METRO GROUP continuously updates its compliance management system.		→ Implementation of the comprehensive communication strategy to inform employees through Group-wide awareness campaigns in various formats (e.g. Compliance Day), reports in newsletters, the Intranet and employee magazines, etc.	
			→ Introduction of Group-wide anti-corruption guidelines and enhancement of the Group-wide competition law compliance programme with extensive training programmes.	
			→ Implementation of an internal control system to manage compliance risks within operational processes, includ-ing systemic controls, dual-control principle and separation of functions.	
			→ Group-wide online survey among managers on levels 1, 2 and 3 to measure the progress of compliance at METRO GROUP. The results are reported to the Management Board and included in the Compliance Newsletter. The next survey will be conducted in 2012.	
Risk management	Establishment of the integration of sustainability criteria into the risk management system by 2012.		→ Systematic inclusion of sustainability criteria that are critical to METRO GROUP into the risk management system. Beginning in 2012, this will be covered by risk management guidelines.	

Areas of activity: supply chain and products

Theme	Goals	Status goals	Measures	Status measures
Conservation of resources/food safety/ supplier qualifications	METRO GROUP continues to refine its strategy on sustainable fishing.	↺	→ In 2011, training of fish buyers in the use of the fish inventory database www.portal-fischerei.de by Thünen Institute.	
		↺	→ Internal training for buyers to increase awareness of the issue of sustainable fishing.	
		↺	→ Preparation of a METRO GROUP purchasing policy on sustainable fishing.	
		↺	→ Development of division- and country-specific implementation guidelines for METRO GROUP's purchasing policy on sustainable fishing.	
	The sustainable range of fish is being expanded by 15 percent from 96 items (brands and own brands) in 2009 to 110 MSC-certified items at the end of 2011.	✓	→ Systematic procurement of MSC items.	
	METRO GROUP is expanding its supplier training programme in developing and emerging countries.	↺	→ In March 2011, a UNIDO partnership project with 120 own-brand suppliers of Metro Cash & Carry and Real is launched in Russia.	
		↺	→ In 2011, a UNIDO partnership project with own-brand suppliers of Metro Cash & Carry is launched in India.	
		↺	→ In 2011, an IFC partnership project with suppliers of Metro Cash & Carry is launched in Ukraine.	
		↺	→ The "Star Farm" programme of Metro Cash & Carry was further expanded in 2010. A training programme starts in Pakistan in 2011.	
		↺	→ A partnership agreement regarding supplier development programmes was concluded with Bayer CropScience.	

→ p. 133

Areas of activity: supply chain and products

Theme	Goals	Status goals	Measures	Status measures
Conservation of resources/ design of product range	Conversion of several Real own-brand cleaning agents to A.I.S.E. certification.		→ An agreement was concluded with A.I.S.E. in 2011. Individual cleaning agents are being converted.	
Conservation of resources/ packaging design	Real Germany contributes to the development of more sustainable packaging.		→ Beginning in 2011, conversion of several Real own-brand Tetra Pak/ Combi Block packaging materials to Forest Stewardship Council.	
International labour standards/ social standards	Integration of all nonfood own-brand import suppliers who serve via MGB Hong Kong into a BSCI or equivalent social standard system by 2015, provided the product was made in a risk country (definition of risk country according to BSCI).		→ Development of a project plan to reach this goal.	
	METRO GROUP intensifies its commitment to fair working conditions among its suppliers.		→ Internal procedures to monitor and document social standard systems are improved through the introduction of systematic IT support.	
			→ In cooperation with GLOBALGAP, the new social standard for agricultural production GRASP was to be tested by five suppliers. The project was not carried out.	
			→ Ban on the harmful production technique sandblasting, e.g. for jeans, beginning in February 2011.	
Animal protection	Improved animal husbandry conditions.		→ At Real Germany, definition of in-house criteria regarding goose and duck husbandry. First suppliers are recruited for the goose and duck criteria. Since 2011, Real Germany has stopped selling rabbits raised in cages.	
Quality assurance	90 percent of nonfood suppliers of METRO GROUP who have the greatest risk and sales potential will be certified under the BRC Consumer Product Standard by the end of 2015.		→ Two introductory training courses were conducted with suppliers in China in 2010. The current version of the BRC standards proved to be impractical. The revision of this standard is still pending. For this reason, the measure has been put on hold.	

Areas of activity: energy and resource management

Theme	Goals	Status goals	Measures	Status measures
Climate protection/ resource management	Improvement of data quality by upgrading primary data coverage and increasing the quality of primary data for targeted management and increased planning security by the end of 2013.		→ Introduction of a new collection and calculation system with a shortening of reporting times in 2011 and 2012.	
	Greenhouse gas emissions are to fall by 15 percent from 355 kg/sqm (figure adjusted) in 2006 to 302 kg/sqm in 2015.		→ Implementation of the "low hanging fruit" programme in 2011–2014.	
	Energy consumption per sqm of selling space is to fall by 3 percent from 414 kWh in 2009 to 402 kWh in 2011.		→ Energy efficiency steps were introduced as part of the "low hanging fruit" programme 2011–2014. The goal of 402 kWh per sqm of selling space was not reached in 2011. The reasons for this include changes in data collection.	
	METRO GROUP continues to improve its energy management.		→ Expansion of collection and monitoring of energy consumption with the help of smart metering systems. At the end of 2011, 80 percent of all stores around the world were equipped with such systems.	
			→ Expanding the qualifications and responsibilities of employees, e.g. by regular training of in-house technicians and annual energy checks.	
			→ Development of uniform standards for new and remodelled sites.	
			→ Roll-out of successful efficiency measures.	
	Complete installation of the METRO GROUP energy management system (>95 percent) in 2012.		→ Implementation of the "low hanging fruit" programme in 2011–2014.	
	Beginning in 2012, review of every new store opening regarding the possibility of using a photovoltaic system.		→ Development of a project plan including work instructions.	
	Revision of energy primer in 2012.		→ Development of a project plan.	

Areas of activity: energy and resource management

Theme	Goals	Status goals	Measures	Status measures
Climate protection/ resource management	The refill rate of refrigerants was to fall from 14.4 percent in 2009 to 12 percent in 2011.		→ The goal cannot be met in 2011. By implementing the work instructions on refrigerants at METRO GROUP, we intend to significantly reduce the refill rate in the coming years.	
	Beginning in 2015, use of natural refrigerants in the cooling systems of every new store.		→ Review of technical feasibility.	
			→ Conversion of pilot units.	
			→ Conducting of lifecycle analyses.	
	Beginning in 2012, expansion of e-mobility at METRO GROUP Germany.		→ Creation of a loading infrastructure at the Düsseldorf location (five charging stations) and purchase of electric vehicles (initially two e-vehicles). Installation of charging stations at new stores built between 2012 and 2015.	
	By the end of 2011, we intend to upgrade our fleet of trucks in Germany to meet the EURO 5 standard at the very least.		→ By the end of 2011, we have reached 95 percent of our goal. We will reach the goal completely in 2012.	
	The average level of diesel used by the trucks in the fleet of MGL (METRO GROUP Logistics) in Germany is to fall by 5 percent from 31.8 l /100 km in 2009 to 30.3 l /100 km in 2011.		→ The goal cannot be reached. Diesel consumption has grown. The causes of this increased diesel usage include higher consumption levels for low-emission truck models, changed requirement for the pre-cooling of trucks and increasing congestion on logistics routes.	
	METRO GROUP is reducing the environmental impact of logistics with programmes designed to change drivers' behaviour.		→ Rolling environmental training courses help drivers to reduce fuel consumption. All drivers undergo this training at least once.	
	METRO GROUP continues to carry out its environmental guidelines covering paper purchased for advertising material.		→ Continuously increased purchase of environmentally optimised and certified paper for the advertising material of our sales brands.	
			→ Relative reduction of amount of purchased paper by reducing the format of advertising fliers, e.g., Real Germany has saved about 10,000 t of paper from 2008 until today.	

Areas of activity: employees and social affairs

Theme	Goals	Status goals	Measures	Status measures
Occupational health and safety	METRO GROUP will intensify its commitment to occupational safety and health of its employees.		→ Expansion of key figures and reporting systems regarding on-the-job accidents.	
			→ Expansion of employee health programmes and optimisation of occupational safety in stores and warehouses.	
Diversity	METRO GROUP will continuously increase the number of women in managerial positions.		→ Intensification of recruitment marketing with a focus on the target group of women and increased consideration of women in managerial development activities and successor planning.	
			→ As part of the DAX-30 voluntary commitment, the share of women in managerial positions (Metro managerial levels 1–3) is to rise by 20 percent by the end of 2013 and by 25 percent by the end of 2015.	
	With active demographic management, METRO GROUP will systematically develop the strengths of its diverse workforce.		→ Expansion of the qualification and promotion programmes as well as the development of age-appropriate work conditions, including preventative programmes.	
Employee retention	METRO GROUP will expand its further education effort for employees.		→ Development of new training modules in the areas of customer management, sales and procurement as well as the expansion of e-training modules.	
	METRO GROUP will further expand the professional development and support of employees.		→ Further expansion of internal "International Development Centres" (IDC) to evaluate the skills and abilities of employees.	
			→ Development and support of employees with the help of individual development plans.	
	METRO GROUP will continuously improve employee commitment in order to increase customer satisfaction and business success.		→ Regular employee survey to measure employee commitment.	
			→ Preparation of action plans by employee teams to increase employee commitment.	
International labour standards	METRO GROUP will expand its commitment to the labour standards of the International Labour Organisation (ILO).		→ A deepening of the working relationship with the European works council of METRO GROUP "Euro-Forum".	
			→ Continued partnership with the international union organisation UNI Global Commerce.	

Areas of activity: social policies and stakeholder dialogue

Theme	Goals	Status goals	Measures	Status measures
Corporate citizenship	Assumption of corporate social responsibility by donating food and money while reducing food waste.		→ Proceeds from the sale of nearly 38,000 copies of the cookbook "Das Gute essen" (Eat good food) and 3,800 full versions of an app of the same name were donated to the food bank organisation "Bundesverband Deutsche Tafel".	
			→ Increased support for the Tafel and food bank movement at the international level by internally addressing sales countries in an effort to expand or initiate such activities.	
			→ The "Care & Share" programme at Metro Cash & Carry is expanded from 18 countries in 2009 to 22 in 2011.	
			→ Real's donations to the Tafel organisation included five tonnes of food to the national Tafel conference and other food donations to the ecumenical/Protestant church conference.	
	As part of its "familymanager" initiative, Real will have supported more than 1,500 kindergartens in Germany by the end of 2011.	✓	→ „real,- familymanager" "Sie kaufen. Wir spenden!" (You buy. We donate!)	
	Real: national support for socially deprived children.	✓	→ Real: Christmas Wish Tree Campaign – 15,000 children received gifts; marketing support for the children's aid organisation SOS Children's Villages Germany, e.g. a customer breakfast – total donation: €43,000	
Stakeholder dialogue	METRO GROUP continues to conduct dialogue with experts and stakeholders regarding animal protection.		Work includes: → Animal Protection Advisory Council of North Rhine-Westphalia. → Expert discussion on lobster husbandry at the Bavarian Ministry for Food, Agriculture and Forests (BayStMELF). → Expert discussion on castration of young pigs with QS GmbH. → Meeting with the German Animal Protection Association.	
			→ Expert discussions with the Albert Schweitzer Foundation on the topics "eggs from caged hens" and "rabbit husbandry".	

Areas of activity: social policies and stakeholder dialogue

Theme	Goals	Status goals	Measures	Status measures
Stakeholder dialogue	METRO GROUP conducts dialogue with experts and stakeholders on the subjects of their specialities.		These activities include → Participation in a conference on food waste in North Rhine-Westphalia. → Participation in the Stakeholder Council of the Marine Stewardship Council. → Active further development of the Aquaculture Stewardship Council. → Participation of FSC stakeholder dialogue formats. → Participation in the Consumer Goods Forum on such topics as deforestation, refrigerants, health and well-being. → Participation at the World Economic Forum, including new visions on agriculture, ocean governance and sustainable consumption. → Co-chair of the European Retail Forum for Sustainable Consumption (REAP).	
	Creation of the Berlin "Mittwochsgesellschaft des Handels" (Wednesday Society of Retail) as a fixed stakeholder format of METRO GROUP.		→ Implementation of the format by initiating a preliminary discussion on a website and the organisation of the events.	
	Set-up of development or cooperation partnerships.		→ Regular meetings with development organisations such as UNIDO, GIZ, IDH, IFC, KfW and with cooperation partners like Bayer CropScience.	
	Establishment of 79 customer advisory councils at Real Germany in 2011. Expansion to 154 councils in 2012 and 229 in 2013.		→ Quarterly meeting of 10 to 15 Real customers from various age groups to discuss the improvement potential of local stores.	

→ p. 139

8. Remuneration report

The following report describes the remuneration received by the Management Board and the Supervisory Board of METRO AG for the financial year 2011 paid in accordance to standards laid down by the German Commercial Code (Handelsgesetzbuch). It is also a remuneration report in terms of the German Corporate Governance Code and outlines the system of Management Board compensation and its further modification. Furthermore, the remuneration report contains information about share-based compensation for executives of METRO GROUP.

The remuneration system for the Management Board is approved by the Supervisory Board of METRO AG. The Supervisory Board is advised in this matter by its Personnel Committee. Acting upon the recommendation of its Personnel Committee, the Supervisory Board of METRO AG decided in the financial year 2010 to refine key aspects of the remuneration system for the Management Board. The Annual General Meeting approved the system including these new aspects on 6 May 2011.

The remuneration system for members of the Management Board

Management Board remuneration consists of a fixed salary and two variable components: performance-based compensation (short-term incentive) and a long-term incentive. The Company also offers pension provisions and supplemental benefits.

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

An employment contract based on the new remuneration system was concluded with Mr Muller and took effect on 1 August 2011. The employment contract of Mr Hutmacher, who joined the Management Board on 1 October 2011, also incorporates the new system. The employment contracts of Dr Cordes, Mr Koch and Mr Saveuse that existed at the time the remuneration system was changed were not affected by the changes in the remuneration system.

Employment contracts that have been concluded since October 2010 or will be concluded in the future may contain individualised agreements as the Supervisory Board is legally obliged, in the Company's interest, to decide on the size of Board member compensation on an individual basis and not on the basis of predetermined specifications. During the financial year 2011, the Supervisory Board therefore approved an employment contract with Mr Hutmacher that includes a regular target cash compensation (comprised of fixed salary, short-term incentive and long-term incentive) amounting to just 80 percent of the regular compensation of a full member of the Management Board during the first two years of the contract term as Mr Hutmacher was newly appointed to the Management Board.

The remuneration system for the Management Board of METRO AG complied and continues to comply with the requirements of the German Stock Corporation Act and the recommendations of the German Corporate Governance Code. Total remuneration and the individual compensation components are geared appropriately to the responsibilities of each individual member of the Board, his or her personal performance and the Company's economic situation, and fulfil legal stipulations regarding customary remuneration. The incentives serve as an inducement for the Management Board to increase the Company's value and are designed to generate sustainable, long-term company growth. In the financial year 2011, the individual components of Management Board remuneration were as follows:

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

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

The members of the Management Board receive between €500 and €2,100 per 0.01 percentage point of RoCE above a minimum value of 7 percent. For each €1 million in net earnings, they receive an additional €304 to €1,275. The amounts are set by the Supervisory Board of METRO AG based on the Company's strategy and medium-term targets, are regularly reviewed and are adjusted if necessary. The payout of the performance-based compensation granted for RoCE and net earnings is capped each year. The following individual values were determined as the basis for Management Board remuneration in 2011:

€ p.a.	Amount per 0.01 percentage points of RoCE above 7 percent	Amount per €1 million in net earnings	Payout cap
Dr Eckhard Cordes	2,100	1,275	3,900,000
Heiko Hutmacher[1]	500	304	2,080,000
Olaf Koch	1,400	850	2,600,000
Frans W. H. Muller[2]	1,077	654	2,600,000
Joël Saveuse	1,400	850	2,600,000

[1] Member of the Management Board since 1 October 2011
[2] Proportional average amount for the financial year 2011 based on the following amounts: RoCE: €1,400 for the period 1 January to 31 July 2011, €625 for the period 1 August to 31 December 2011; net earnings: €850 for the period 1 January to 31 July 2011, €380 for the period 1 August to 31 December 2011

The short-term incentive for Mr Saveuse is also tied to the business targets of the Real sales division. For compensation applying to 2011, the Supervisory Board of METRO AG has set a target value for EBITaC (EBIT after Cost of Capital) at the Real Group. An EBITaC factor will be determined from the degree of target attainment, and this factor will be multiplied by the agreed-upon base bonus. The EBITaC-based remuneration for Mr Saveuse has been generally capped at €2.7 million per year. The annual payout of the base bonus (€900,000) is guaranteed. Payouts of the short-term incentive derived from the RoCE and net earnings of METRO GROUP are credited against the performance-based compensation of Mr Saveuse in accordance with the EBITaC of the Real Group.

The performance-based compensation of all members of the Management Board will be paid out in the financial year following the approval of the annual financial statements.

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

Share bonus programme 2004–2008
In 2004, METRO AG introduced a share bonus programme. Its final tranche was paid in 2008. The programme is based on cash bonuses whose size depends on the performance of the Metro share price in parallel consideration of benchmark indices. The programme is divided into a tranche for each year, to which various target parameters apply. The full bonus is paid when the share price reaches the respective target price and so-called equal performance compared to the benchmark indices. The maturity of each tranche is three years. The payout of share bonuses can be capped at the amount of the gross annual fixed salary by resolution of the Supervisory Board of METRO AG.

Performance share plan 2009–2013
By resolution of the Personnel Committee of the Supervisory Board and with the approval of the Supervisory Board, METRO AG introduced a five-year performance share plan in 2009. A target value is set for each member of the Management Board. To determine the target number of performance shares, the target value is divided by the share price upon allotment. The key factor is the average price of the Metro share during the three months leading up to the allotment date. A performance share entitles its holder to a cash payment matching the price of the Metro share on the payment date. Here, too, the determining factor is the average price of the Metro share during the three months leading up to the allotment date.

Based on the relative performance of the Metro share compared to the median of the DAX 30 and Dow Jones Euro Stoxx Retail indices – total return – the final number of payable performance shares is determined after the end of a performance period of at least three and at most 4.25 years. It corresponds to the target number of shares when an equal performance with said stock market indices is achieved. Up to an outperformance of 60 percent, the number increases on a straight-line basis to a maximum of 200 percent of the target amount. Up to an underperformance of 30 percent, the number is accordingly reduced to a minimum of 50 percent. In the case of an underperformance of more than 30 percent, the number is reduced to 0.

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

When the performance share plan was introduced, share ownership guidelines also went into effect: as a precondition for the payout of performance shares, the members of the Management Board are obliged to undertake a significant continuous self-financed investment in Metro shares up to the end of the three-year blocking period. This ensures that, as shareholders, they will directly participate in share price gains as well as potential losses of the Metro share. Their investment in Company shares promotes the long-term structure and orientation towards sustainable development of the remuneration system and results in a healthy balance of the various remuneration elements. The size of the self-financed investment applies to the entire term of the performance share plan. The required investment amounts to €0.5 million for the Chairman of the Management Board and €0.4 million each for the other members of the Management Board.

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

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

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

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

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

Supplemental benefits
The supplemental benefits granted to members of the Management Board include non-cash benefits and expense allowances.

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

Long-term incentive in the financial year 2011
The target value for the 2011 tranche is €0.5 million each for Mr Koch and Mr Saveuse and €1.2 million for Mr Muller. Mr Koch and Mr Saveuse received 11,982 performance shares each and Mr Muller received 28,756 performance shares under the conditions of the performance share plan. Mr Hutmacher, who joined the Management Board in October 2011, has not yet received any performance shares. At the time of granting, a share unit was valued at €24.65. The performance shares that were distributed do not represent a fixed number of rights in the sense of § 285 Sentence 1 No. 9a Sentence 4 of

Remuneration of the Management Board in the financial year 2011[1]

€1,000	Financial year	Fixed salary	Short-term incentive	Long-term incentive[2]	Supplemental benefits	Total
Dr Eckhard Cordes[3]	2010	1,000	2,830	487	72	4,389
	2011	**1,000**	**1,798**	**354**	**42**	**3,194**
Heiko Hutmacher[4]	2010	0	0	0	0	0
	2011	**180**	**107**	**0**	**23**	**310**
Olaf Koch	2010	800	1,887	406	219	3,312
	2011	**800**	**1,199**	**295**	**26**	**2,320**
Frans W. H. Muller	2010	800	1,887	406	133	3,226
	2011	**842**	**967**	**709**	**184**	**2,702**
Joël Saveuse[5]	2010	917	1,920	406	39	3,282
	2011	**1,000**	**1,199**	**295**	**29**	**2,523**
Total[6]	2010	3,517	8,524	1,705	463	14,209
	2011	**3,822**	**5,270**	**1,653**	**304**	**11,049**

[1] Statements pursuant to § 285 Sentence 1 No. 9a and § 314 Section 1 No. 6a of the German Commercial Code
[2] Shown here is the fair value at the time of granting the tranche
[3] Chairman of the Management Board until 31 December 2011
[4] Member of the Management Board since 1 October 2011
[5] Aside from the remuneration for his position on the Management Board of METRO AG, Mr Saveuse received a fixed salary of €83,000 as well as performance-based components of €404,000 from his services as Managing Director of subsidiaries
[6] Reported figures for 2010 relate to active members of the Management Board in the financial year 2011

the German Commercial Code or of § 314 Section 1 No. 6a Sentence 4 of the German Commercial Code. Rather, they were a target amount. Under the conditions of the performance share plan, entitlements cannot be described with a particular fixed number at the time of granting. The value of the performance shares distributed in 2011 was calculated by external experts using recognised financial-mathematical methods (Monte Carlo simulation).

In addition to the tranche from the performance share plan distributed in the financial year 2011, Mssrs Koch, Muller and Saveuse possess rights from the tranche from 2010 and Mssrs Muller and Saveuse possess rights from the tranche from 2009. Mr Koch, who joined the Management Board in September 2009, did not receive any performance shares from the tranche distributed from the performance share plan in 2009. Dr Cordes, who left the Management Board as at the close of business on 31 December 2011, initially received performance shares in August 2011. He was compensated for these performance shares and for the performance shares granted in 2009 and 2010 in the context of a severance agreement concluded in December 2011. Additional information on the details of this severance agreement is provided in the section "Services after the end of employment in the financial year 2011".

Performance share plan (tranches 2009 to 2011)

Tranche	End of the blocking period	Three-month average price before allotment	Number of Management Board performance shares as of 31/12/2011
2009	August 2012	€36.67	27,270
2010	August 2013	€42.91	34,956
2011	August 2014	€41.73	52,720

In addition, Dr Cordes, Mr Muller and Mr Saveuse had rights from the 2008 tranche of the share bonus programme. The term of this tranche ended in July 2011 and it was paid out during the reporting year. The basis price was €41.92; the target share price was €48.21.

No costs were incurred from the tranches of the share-based payment programmes applicable in the financial year 2011.

Services after the end of employment in the financial year 2011 (including pension provisions)

In the financial year 2011, a total of €6.0 million (previous year: €23.9 million) was used for remuneration of the active members of the Management Board of METRO AG for benefits provided after the end of their employment. Of this total, €0.154 million went to Dr Cordes for pension provisions. Mr Hutmacher received €0.032 million, Mr Koch €0.119 million, Mr Muller €0.139 million and Mr Saveuse €0.115 million. During the financial year 2011, an agreement was concluded to prematurely terminate the employment contract of Dr Cordes, who left the Management Board by mutual agreement as at the close of business on 31 December 2011. A severance package agreement was concluded with Dr Cordes as compensation for the remainder of his employment contract (1 January 2012 to 31 October 2012). This agreement includes both a fixed and a variable component. The fixed component of €4.705 million paid in the financial year 2011 covers entitlements of Dr Cordes and makes allowance for the development of performance and share-based payment components based on conservative estimates. The variable component of the severance agreement may result in additional remuneration in 2012. As a variable severance agreement payment, Dr Cordes is essentially entitled to the potential difference between total performance-based remuneration that he would have received as Chairman of the Management Board and the amount already paid as part of the severance agreement. The relevant provisions created in 2011 amount to €0.729 million.

Total compensation of former members of the Management Board in 2011

Benefits totalling €9.4 million (previous year: €27.4 million) were provided to former members of the Management Boards of METRO AG and the companies that were merged into METRO AG as well as to their surviving dependants. The described benefits provided to Dr Cordes after the end of employment in the financial year 2011 are included in this figure.

The cash value of provisions for current pensions and pension entitlements amounted to €47.8 million (previous year: €48.3 million).

Share-based compensation of executives

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

Share bonus programme 2004–2008

In addition to members of the Management Board, other executives of METRO AG as well as managing directors and executives of METRO GROUP companies are eligible for this programme. The term of the last tranche in 2008 ended in July 2011 and was paid out during the reporting year. The basis price was €41.92; the target share price was €48.21.

Performance share plan 2009–2013

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

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

The value of the performance shares allotted in 2011 amounted to a total €18.0 million (previous year: €25.0 million) at the time of the allotment and was calculated by external experts using recognised financial-mathematical methods (Monte Carlo simulation). The following conditions apply:

Performance share plan (tranches 2009 to 2011)

Tranche	End of the blocking period	Three-month average price before allotment	Number of Management Board performance shares as of 31/12/2011
2009	August 2012	€36.67	684,799
2010	August 2013	€42.91	661,527
2011	August 2014	€41.73	726,406

Compensation of members of the Supervisory Board

Remuneration of members of the Supervisory Board is regulated by § 13 of the Articles of Association of METRO AG. In addition to reimbursement of cash expenses, the members of the Supervisory Board receive a fixed payment and a performance-based payment. Fixed compensation amounts to €35,000 for every ordinary member of the Board. The performance-based remuneration component is based on earnings before taxes and non-controlling interests (EBT) in the METRO AG financial statements. Each member of the Supervisory Board receives €600 per €25 million in EBT exceeding an average EBT of €100 million for the financial year 2011 and the two preceding years. For the financial year 2011, performance-based remuneration totalled €30,824 for each ordinary member. The value added tax payable to the fixed and performance-based compensation is reimbursed to the members of the Supervisory Board in accordance with § 13 Section 5 of METRO AG's Articles of Association.

Remuneration factors	
Supervisory Board Chairman	●●●
Vice Chairman	●●
Committee Chairman[1]	●●
Committee members[1]	◗●
Members of the Supervisory Board	●

[1] With a minimum of two meetings/resolutions

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

The relevant individual amounts for the financial year 2011 are as follows:

Remuneration of members of the Supervisory Board for the financial year 2011 pursuant to § 13 of the Articles of Association[1]

€	Financial year	Multiplier	Fixed salary	Performance-based remuneration[2]	Total
Prof. Dr Jürgen Kluge, Chairman (until 17 November 2011)	2010	●●●	70,000	60,720	130,720
	2011		**96,250**	**84,766**	**181,016**
Franz M. Haniel, Chairman (2010: until 5 May 2010; 2011: since 18 November 2011)	2010	●●●	43,750	37,950	81,700
	2011		**17,500**	**15,412**	**32,912**
Klaus Bruns, Vice Chairman (until 30 June 2011)	2010	●●	70,000	60,720	130,720
	2011		**35,000**	**30,824**	**65,824**
Werner Klockhaus, Vice Chairman (since 29 July 2011)	2010	◗●	52,500	45,540	98,040
	2011	●●	**61,250**	**53,942**	**115,192**
Prof. Dr oec. Dr iur. Ann-Kristin Achleitner (since 6 May 2011)	2010	●	0	0	0
	2011		**23,333**	**20,549**	**43,882**
Dr Wulf H. Bernotat	2010	◗●	52,500	45,540	98,040
	2011		**52,500**	**46,236**	**98,736**
Ulrich Dalibor	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Jürgen Fitschen	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Hubert Frieling	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Prof. Dr Dr h. c. mult. Erich Greipl	2010	◗●	52,500	45,540	98,040
	2011		**52,500**	**46,236**	**98,736**
Andreas Herwarth	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Uwe Hoepfel	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Peter Küpfer	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Rainer Kuschewski	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**

Marie-Christine Lombard (until 28 March 2011)	2010	●	35,000	30,360	65,360
	2011		**8,750**	**7,706**	**16,456**
Dr Klaus Mangold	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Dr-Ing. e. h. Bernd Pischetsrieder	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
M. P. M. (Theo) de Raad	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Gabriele Schendel (since 13 July 2011)	2010	●	0	0	0
	2011		**17,500**	**15,412**	**32,912**
Xaver Schiller	2010	◗●	52,500	45,540	98,040
	2011		**52,500**	**46,236**	**98,736**
Dr jur. Hans-Jürgen Schinzler	2010	●●	70,000	60,720	130,720
	2011		**70,000**	**61,648**	**131,648**
Peter Stieger	2010	◗●	52,500	45,540	98,040
	2011		**52,500**	**46,236**	**98,736**
Angelika Will	2010	●	35,000	30,360	65,360
	2011		**35,000**	**30,824**	**65,824**
Total	2010		936,250	812,130	1,748,380
	2011		**924,583**	**814,267**	**1,738,850**

[1] Plus applicable value added tax in accordance with § 13 Section 5 of the Articles of Association
[2] The 2011 performance-based compensation is due after the conclusion of METRO AG's Annual General Meeting on 23 May 2012

No remuneration applied to memberships of the Supervisory Board's Nominations and Mediation Committees in the financial year 2011.

In the financial year 2011, individual members of the Supervisory Board of METRO AG also received compensation from the Group companies for Supervisory Board mandates at Group companies.

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

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

Other intragroup compensation of members of the Supervisory Board for the financial year 2011[1]

€	Financial year	
Klaus Bruns	2010	49,800
	2011	**24,900**
Ulrich Dalibor	2010	9,000
	2011	**9,000**
Prof. Dr Dr h. c. mult. Erich Greipl	2010	49,800
	2011	**49,800**
Uwe Hoepfel	2010	49,800
	2011	**49,800**
Rainer Kuschewski	2010	6,136
	2011	**6,136**
Gabriele Schendel	2010	–
	2011	**49,800**
Xaver Schiller	2010	6,000
	2011	**6,000**
Peter Stieger	2010	9,203
	2011	**9,203**
Angelika Will	2010	6,000
	2011	**6,000**
Total	2010	185,739
	2011	**210,639**

[1] Plus value added tax

612

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

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

On 31 December 2011, the share capital of METRO AG totalled €835,419,052.27. It is divided into a total of 326,787,529 no-par value bearer shares. The proportional value per share amounts to about €2.56.

The share capital is broken down into the following types of shares:

Ordinary shares		
Shares	324,109,563	
Proportional value of the share capital in €	828,572,941	(yields 99.18%)
Preference shares		
Shares	2,677,966	
Proportional value of the share capital in €	6,846,111	(yields 0.82%)
Total share capital		
Shares	**326,787,529**	
€	**835,419,052**	

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

"(1) Holders of non-voting preference shares will receive from the annual net earnings a preference dividend of €0.17 per preference share.

(2) Should the net earnings available for distribution not suffice in any one financial year to pay the preference dividend, the arrears (excluding any interest) shall be paid from the net earnings of future financial years in an order based on age, i.e. in such manner that any older arrears are paid off prior to any more recent ones and that the preference dividends payable from the profit of a financial year are not distributed until all of any accumulated arrears have been paid.

(3) After the preference dividend has been distributed, the holders of ordinary shares will receive a dividend of €0.17 per ordinary share. Thereafter, a non-cumulative extra dividend of €0.06 per share will be paid to the holders of non-voting preference shares. The extra dividend shall amount to 10 percent of such dividend as, in accordance with Section 4 herein below, will be paid to the holders of ordinary shares inasmuch as such dividend equals or exceeds €1.02 per ordinary share.

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

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

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

An agreement exists among BVG Beteiligungs- und Vermögensverwaltung GmbH, Franz Haniel & Cie. GmbH, Haniel Finance B.V., Haniel Finance Deutschland GmbH, METRO Vermögensverwaltung GmbH & Co. KG, METRO Vermögensverwaltung GmbH, 1. HSB Beteiligungsverwaltung GmbH & Co. KG and 1. HSB Verwaltung GmbH to coordinate the exercise of voting rights associated with shares of METRO AG.

To the knowledge of the Management Board, an agreement also exists between BVG Beteiligungs- und Vermögensverwaltung

GmbH, Franz Haniel & Cie. GmbH, Haniel Finance Deutschland GmbH and Haniel Finance B.V. to coordinate the joint exercise of interests from the METRO AG shares economically attributable to the shareholder groups Haniel and Schmidt-Ruthenbeck.

Finally, to the knowledge of the Management Board, a pooling agreement exists between Otto Beisheim Betriebs GmbH, Otto Beisheim Holding GmbH and OB Beteiligungsgesellschaft mbH, which includes the METRO AG shares held by Otto Beisheim Holding GmbH and OB Beteiligungsgesellschaft mbH.

The aforementioned agreements can be regarded as restrictions in the sense of § 315 Section 4 No. 2 of the German Commercial Code.

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

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

Notes pursuant to § 315 Section 4 No. 3 of the German Commercial Code – direct and indirect (pursuant to § 22 of the German Securities Trading Act) capital interests that exceed 10 percent of the voting rights:

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

The above information is based, in particular, on notifications under § 21 of the German Securities Trading Act that METRO AG received and released in the financial years 2006, 2007, 2009 and 2010.

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

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

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

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

In instances where members of the Management Board of METRO AG are appointed and removed, legal regulations laid down in §§ 84, 85 of the German Stock Corporation Act and §§ 30, 31, 33 of the German Co-determination Act apply. A supplementary regulation is contained in § 5 of METRO AG's Articles of Association. It states:

"(1) The Management Board shall have not less than two members.
(2) Apart from this the actual number of members of the Management Board will be determined by the Supervisory Board."

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

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

Authorities to issue new shares
In accordance with § 202 Section 1 of the German Stock Corporation Act, the Annual General Meeting can authorise the Management Board to increase the share capital through the issuance of new shares against deposit. Three such authorisations currently exist. One authorisation permits the Management Board to increase the share capital by issuing new ordinary shares in exchange for cash contributions; a second authorisation permits the Management Board to increase the share capital by issuing new ordinary shares in exchange for non-cash contributions, and the third permits both variants. These authorisations are designed to enable the Company to tap additional equity as a long-term means of finance. Adequate equity capital is of critical importance for the Company's financing and, in particular, its continued international expansion. At the moment, no concrete plans exist to make use of these authorisations. The following details apply:

Authorised capital I
On 23 May 2007, the Annual General Meeting resolved to authorise the Management Board to increase the share capital, with the consent of the Supervisory Board, by issuing new ordinary bearer shares in exchange for cash contributions in one or several tranches for a total maximum of €40,000,000 by 23 May 2012 (authorised capital I). A subscription right is to be granted to existing shareholders. However, the Management Board has been authorised to restrict this subscription right, with the consent of the Supervisory Board, to the extent required to grant the holders of warrant and convertible bonds issued by METRO AG and its wholly owned direct or indirect subsidiaries a right to purchase the number of new ordinary shares to which they would be entitled upon exercise of their warrant/conversion rights and to further exclude the subscription right to compensate for fractions of shares from rounding. In addition, the Management Board has been authorised to restrict shareholders' subscription rights, with the consent of the Supervisory Board, for one or several capital increases under the authorised capital, provided that the total par value of such capital increases does not exceed 10 percent of the share capital registered in the commercial register at the time the authorised capital is first utilised, and further provided that the issue price of the new ordinary shares is not substantially below the market price of the Company's listed ordinary shares of the same category at the time the initial offering price of the new issue is finally fixed. The Management Board is authorised to determine all further details of the capital increases with the consent of the Supervisory Board. To date, authorised capital I has not been used.

Authorised capital II
On 23 May 2007, the Annual General Meeting resolved to further authorise the Management Board, with the consent of the Supervisory Board, to increase the Company's share capital by issuing new ordinary bearer shares in exchange for non-cash contributions in one or several issues for a maximum total of €60,000,000 by 23 May 2012 (authorised capital II). The Management Board is authorised, with the consent of the Supervisory Board, to decide on the restriction of the subscription rights and to determine all further details of the capital increases. To date, authorised capital II has not been used.

Authorised capital III
On 13 May 2009, the Annual General Meeting further authorised the Management Board, with the consent of the Supervisory Board, to raise the Company's share capital by up to €225,000,000 by 12 May 2014 by issuing new ordinary bearer shares in exchange for cash or non-cash capital contributions, at once or in several stages (authorised capital III). Shareholders are to receive subscription rights thereto. However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude residual amounts from shareholder subscription rights. The Management Board is also authorised, with the consent of the Supervisory Board, to exclude shareholder subscription rights insofar as shares are issued in exchange for non-cash capital contributions for the purpose of corporate mergers or for the acquisition of companies, divisions of companies or interests in companies. The Management Board is further authorised, with the consent of the Supervisory Board, to exclude subscription rights in the event of a capital increase in exchange for cash capital contributions to the extent necessary to grant subscription rights to new shares to the holders of warrant or convertible bonds issued by METRO AG and affiliates thereof in which METRO AG holds at least 90 percent of shares, directly or indirectly, in the scope to which they would be entitled upon exercise of the warrant or conversion rights or fulfilment of the warrant or conversion obligations. The Management Board is further authorised, with the consent of the Supervisory Board, to exclude shareholder subscription rights for one or more capital increases if the capital increase is executed in exchange for cash capital contributions, the aggregate par value of such capital increases does not exceed 10 percent of the Company's share capital and the issue price of the new shares is not sub-

stantially lower than the stock exchange price of existing shares of the same class at the time of final definition of the issue price. The limit of 10 percent of the Company's share capital is diminished by the share of the share capital represented by the Company's own shares which are sold during the term of authorised capital III while excluding shareholder subscription rights according to §§ 71 Section 1 No. 8 Sentence 5, 186 Section 3 Sentence 4 of the German Stock Corporation Act. The limit is further diminished by the share of the share capital represented by shares which are issued to service warrant or convertible bonds with warrant or conversion rights or obligations insofar as the bonds in question are issued during the term of authorised capital III while excluding subscription rights in analogous application of § 186 Section 3 Sentence 4 of the German Stock Corporation Act. The Management Board is authorised, with the consent of the Supervisory Board, to define further details of the capital increases. The new shares may be acquired by banks if the latter agree to tender them to the shareholders. To date, authorised capital III has not been used.

Authority to buy back the Company's own shares

METRO AG is authorised to buy back its own shares in accordance with § 71 of the German Stock Corporation Act.

On the basis of § 71 Section 1 No. 8 of the German Stock Corporation Act, the Annual General Meeting decided on 5 May 2010:

"a) The Company is authorised to acquire shares of the Company of any share class on or before 4 May 2015. The authorisation shall be limited to the acquisition of shares collectively representing a maximum of 10 percent of the share capital issued as of the date the Annual General Meeting resolution is passed. The authorisation may be exercised in whole or in part, in the latter case also several times. It may also be exercised for the acquisition of either ordinary shares or preference shares only.

b) Shares may be acquired on the stock exchange or by way of a public tender offer:

aa) If shares are acquired on the stock exchange, the purchase price per share (excluding incidental transaction costs) paid by the Company shall not be more than 5 percent above or below the arithmetic mean of the closing price quoted for shares of the Company of the same share class on the XETRA trading system (or a functionally comparable successor replacing the XETRA system) of the Frankfurt Stock Exchange during the three trading days immediately preceding the date of acquisition.

bb) If shares are acquired by way of a public tender offer, the purchase price per share offered and paid by the Company (not including incidental transaction costs) shall not be more than 10 percent above or below the arithmetic mean of the closing prices quoted for shares of the Company of the same share class on the XETRA trading system (or a functionally comparable successor system replacing the XETRA system) of the Frankfurt Stock Exchange during the three days immediately preceding the date of announcement of the offer. If the public tender offer is oversubscribed, shares may be acquired in proportion to the respective stakes of the tendering shareholders in the Company or in proportion to the number of tendered shares. Commercial rounding may be used to avoid fractional shares.

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

aa) Listing of shares of the Company on any foreign stock exchanges where it was not hitherto admitted for trading. The initial listing price of these shares may not be more than 5 percent below the arithmetic mean of the closing prices for shares of the Company of the same share class on the XETRA trading system (or in a functionally comparable system replacing the XETRA system) on the Frankfurt Stock Exchange during the last five days of trading preceding the date of stock exchange listing;

bb) Transfer of shares of the Company to third parties in connection with corporate mergers or in connection with the acquisition of other companies, divisions of other companies or interests in other companies;

cc) Redemption of shares of the Company, without the need for any further resolution by the Annual General Meeting authorising such redemption and implementation of such. Such redemption may also be accomplished without a reduction in capital by adjusting the proportional value of the remaining no-par-value shares to the share capital of the Company. In this case, the Management Board is authorised to adjust the number of no-par-value shares in the Articles of Association;

dd) Sale of shares of the Company by means other than via the stock exchange or via an offer to all shareholders, provided that the sale is for cash payment and at a price not substantially lower than the stock exchange price in effect for listed shares of the Company with the same terms on the date of sale. The foregoing authorisation shall be limited to the sale of shares collectively representing no more than 10 percent of the share capital. The limit of 10 percent of the share capital shall be reduced by the pro rata amount of share capital represented by any shares issued (a) during the effective period of this authorisation in the course of any capital increase under exclusion of subscription rights according to § 186 Section 3 Sentence 4 of the German Stock Corporation Act, or (b) to service warrant or convertible bonds providing for warrant or conversion rights or obligations, insofar as such bonds were issued during the effective period of this authorisation under exclusion of subscription rights by analogous application of § 186 Section 3 Sentence 4 of the German Stock Corporation Act;

ee) Delivery of shares to holders of warrant or convertible bonds of the Company or its affiliates, according to the terms and conditions applicable to such warrant or convertible bonds; this also applies to the delivery of shares based upon the exercise of subscription rights, which in the event of a sale of Company shares through an offer to all shareholders may be granted to holders of warrant or convertible bonds of the Company or any of its affiliates, to the same extent that holders of such warrant or convertible bonds would have subscription rights for shares of the Company after exercising the warrant or conversion rights or performing the warrant or conversion obligations. The shares transferred based upon this authorisation shall collectively not exceed a pro rata amount of 10 percent of the share capital. Shares issued or sold by direct or analogous application of § 186 Section 3 Sentence 4 of the German Stock Corporation Act during the effective period of this authorisation up to the date of use shall count towards the aforementioned limit;

d) The authorisations granted in letter c) may be exercised on one or several occasions, in whole or in part, individually or collectively. Company shares acquired based on the authorisation granted in letter a) as collateral for liabilities under the performance share plan 2009 may be sold exclusively via the stock exchange.

e) The subscription rights of shareholders shall be excluded if Company shares are used for any of the purposes authorised in letters c) aa), bb), dd) and ee)."

The authorisation for the repurchase of Company shares serves the possible application listed in letter c);

Among other things, the authorisation is intended to enable the Company to buy back its own shares for listings, by exclusion of subscription rights, at foreign exchanges where the Company's ordinary shares are not yet listed. In addition, the authorisation is supposed to enable the Company to use its own ordinary shares as payment by exclusion of subscription rights in the context of business combinations or acquisitions of companies, divisions of companies or interests in companies. The Company is also supposed to be able to retire its own shares without a renewed resolution by the Annual General Meeting. In addition, the authorisation shall allow the Company to sell its own ordinary shares by exclusion of subscription rights other than via the exchange or an offer to shareholders against cash payment. This is supposed to enable the Company, in particular, to issue ordinary shares at short notice. The Annual General Meeting of 5 May 2010 authorised the Management Board, with the consent of the Supervisory Board, to issue warrant or convertible bonds made out to the bearer. Rather than implementing a capital increase, it may prove sensible to fully or partly serve the resulting subscription rights with treasury ordinary shares. Company shares acquired based on the authorisation granted in letter a) as collateral for liabilities under the performance share plan 2009 may be sold exclusively via the stock exchange.

Authorisation to issue warrant and/or convertible bonds
The Annual General Meeting on 5 May 2010 authorised the Management Board, with the consent of the Supervisory Board, to issue warrant or convertible bonds made out to the bearer (in aggregate, "bonds") with an aggregate par value of up to €1,500,000,000 prior to 4 May 2015, at once or in several stages, and to grant the holders of warrant or convertible bonds warrant or conversion rights or impose warrant or conversion obligations upon them for ordinary bearer shares

in the Company representing up to €127,825,000 of the share capital in accordance with the terms of the warrant or convertible bonds.

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

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

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

The Management Board is also authorised, with the consent of the Supervisory Board, to entirely exclude shareholder subscription rights to bonds issued in exchange for cash payment carrying warrant or conversion rights or obligations insofar as the Management Board concludes, after careful review, that the issue price of the bonds is not substantially lower than the hypothetical market value ascertained using recognised mathematical methods. This authorisation to exclude subscription rights applies for bonds which are issued with warrant or conversion rights or obligations to ordinary shares comprising no more than 10 percent of the share capital both at the time the authorisation takes effect or – if this value is lower – at the time the authorisation is exercised. The following count towards the aforementioned 10 percent limit:

- → new ordinary shares issued from authorised capital excluding subscription rights according to § 186 Section 3 Sentence 4 of the German Stock Corporation Act during the term of the authorisation prior to the issuance of bonds with warrant or conversion rights or obligations without subscription rights according to § 186 Section 3 Sentence 4 of the German Stock Corporation Act,
- → and ordinary shares acquired based on the authorisation of the Annual General Meeting according to § 71 Section 1 No. 8 of the German Stock Corporation Act and sold according to §§ 71 Section 1 No. 8 Sentence 5, 186 Section 3 Sentence 4 of the German Stock Corporation Act during the term of such authorisation, prior to the issuance of bonds with warrant or conversion rights or obligations excluding subscription rights according to § 186 Section 3 Sentence 4 of the German Stock Corporation Act.

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

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

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

The terms of the bonds may also call for a warrant or conversion obligation at the end of the term (or at any other time), or authorise METRO AG to grant bond holders ordinary shares in METRO AG or shares in another exchange-listed company upon maturity of bonds carrying warrant or conversion rights (including bonds which mature due to termination), in whole or in part, in lieu of a maturity payment in cash. The percentage of share capital represented by the ordinary shares in METRO AG issued upon the exercise of warrant or conversion rights may not exceed the par value of the bonds. §§ 9 Section 1, 199 Section 2 of the German Stock Corporation Act apply.

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

The authorisations to issue bonds are designed to expand METRO AG's financing leeway and to provide the Company with flexible and short-term access to financing upon the emergence of favourable capital market conditions, in particular. Issues of bonds with conversion or warrant rights on shares of METRO AG provide a means of raising capital at attractive conditions. The convertible and warrant premiums attained flow to the Company. The additionally foreseen possibility of not only granting conversion and warrant rights, but also introducing warrant and conversion obligations, and allowing the Company to opt for the full or partial redemption of bonds with own shares rather than cash, extends the Company's leeway in the design of this financing instrument.

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

As a borrower, METRO AG is currently a party to two syndicated loan agreements that the lender may cancel in the case of a takeover inasmuch as the credit rating of METRO AG also and as a result of the takeover drops in a way stipulated in the contract. The requirements of a takeover are, first, that the shareholders who controlled METRO AG at the time when each contract was signed lose this control. The second requirement is the takeover of control of METRO AG by one or several parties. The lending banks may cancel the contract and demand the return of the loan only if the takeover and a resulting drop in the credit rating occur cumulatively. The regulations as described here are common market practice and serve the purpose of creditor protection. In 2011, these loans were not utilised.

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

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

613

10. Accounting-related internal monitoring and risk management system

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

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

IFRS accounting guideline

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

Accounting processes of companies included in the consolidated financial statements

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

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

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

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

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

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

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

Accounting processes in the context of consolidation

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

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

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

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

Independent audit/control

Internal auditing

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

Based on the described principles, the Group Internal Audit department carries out independent audits of the controls governing the process of preparing the consolidated financial statements, the implementation of the IFRS accounting guideline and Group accounting processes within METRO GROUP. In the process, focal topics are defined as part of risk-orientated planning for the annual audit.

External audit

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

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

614

11. Risk report

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

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

In this process we revised our risk management framework during the reporting year. Key elements included, in particular,

→ the definition of risk categories based on the target and control system,
→ the introduction of process organisation regulations to link the identification of risks to the pursuit of corporate objectives,
→ an expanded centralised coordination of risk management with the involvement of responsible functional managers,
→ an increased dovetailing of risk management with corporate strategy, planning and controlling as well as
→ the use of elements of the internal control system to monitor the risk management system.

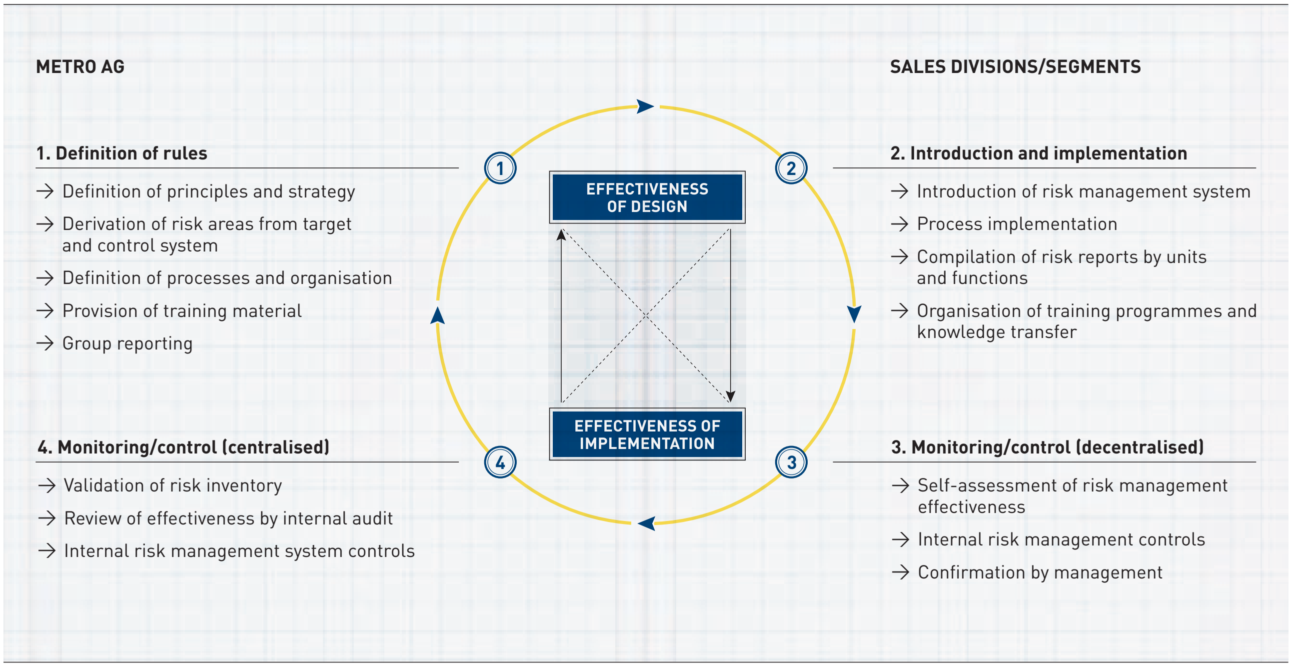
Centralised management and efficient organisation

METRO GROUP's risk management officer determines the Company's risk management approaches, methods and standards. The risk management officer also coordinates the underlying process. In this context, he continuously and promptly informs the Management Board of METRO AG of important developments in risk management, ensures the Group-wide exchange of information and supports the continued development of risk management in all sales divisions and Group units. METRO AG's central management functions regularly discuss risk management methods and the current risk situation through the Group committee for risks and internal controls headed by the CFO of METRO AG. We conduct an annual risk review to systematically record and assess all essential risks across the Group according to uniform standards. The risk management officer compiles the results in a risk portfolio that provides the basis for determining METRO GROUP's total risk and opportunities situation. Based on this information, the risk management officer prepares the risk report.

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

The Supervisory Board of METRO AG is responsible for overseeing the effectiveness of risk management. In compliance with the provisions of KonTraG (the German Corporate Sector Supervision and Transparency Act), the external auditor submits the Company's early-detection system to a periodic review. The results of this review are presented to the Management Board and Supervisory Board.

Risk management as a closed loop



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

EBIT after Cost of Capital (EBITaC) as a risk assessment criterion

The value contribution, which we calculate as EBITaC (EBIT after Cost of Capital), is a key metric for corporate success. It corresponds to EBIT including special items from Shape 2012 principally periodised over four years less the cost of capital. The degree of readiness to assume risk also focuses on this key metric and thus follows the principle of sustainably increasing enterprise value. In principle, METRO GROUP takes entrepreneurial risks only if they are manageable and if the opportunities involved promise reasonable value added.

Strict risk policy principles

Risks incurred in conjunction with the core processes of wholesaling and retailing are borne by METRO GROUP. The core processes include the development and implementation of business models, decisions on store locations, and the procurement and sale of merchandise and services. Risks from support processes are reduced within the Group or, where this appears sensible, transferred to third parties. In principle, we do not assume risks that are not related to core processes or support processes.

Clearly defined risk management details

The coordinated application of risk management tools is assured by the compilation of all relevant facts in guidelines. These include the Articles of Association and by-laws of Group companies, internal Group procedures and the risk management manual of METRO AG, which provides information on how the risk management system works, offers a comprehensive overview of potential risk areas, assigns responsibility for monitoring and provides instructions on how to act. The risk management manual is continuously reviewed and updated. Risks, as well as opportunities, are identified in a bottom-up process that extends through all management levels. An early-warning system assesses business risks in terms of scope for a planning period fixed at three years.

Group reporting promotes internal risk communication

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

As a matter of principle, all METRO GROUP companies conduct an annual risk inventory as per 30 June of each year. In the process, individual risks are described and assessed based on quantitative and qualitative indicators in terms of the extent of damage and the probability of occurrence. The management of the sales divisions and companies report their risk inventory to the risk management officer of METRO AG. In addition, the divisional heads of METRO AG provide the risk management officer with a list of all risks in their areas of responsibility. The process concludes with the risk officer summing up the notifications and presenting the entire risk portfolio of METRO GROUP to the Management Board, which will report to the Supervisory Board on this basis.

An emergency notification system takes effect in case of sudden serious risks to our asset, financial and earnings position. In this case, the Management Board of METRO AG directly and promptly receives the necessary information.

Opportunity identification

The timely recognition and exploitation of opportunities is a critical entrepreneurial duty and secures our Company's long-term success. Ascertaining and communicating opportunities is an integral part of the management and controlling systems between the consolidated subsidiaries and METRO AG. It is the direct responsibility of the management of the sales divisions, companies and central holding company units to identify, analyse and exploit operating opportunities. The individual management groups examine detailed market and competition analyses, market scenarios, the relevant cost drivers and critical success factors, including those in the Company's political environment. In addition to these responsibilities, possible opportunities for cost savings and productivity growth are being identified as part of Shape 2012. We record these opportunities by means of a comprehensive reporting system.

The relevant details can be found in the chapter Strategy – Shape 2012 on pages 57 to 59.

Presentation of the risk situation

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

Business and sector risks
As an international company, METRO GROUP is dependent on political and economic developments in the countries in which it operates. Following the economic recovery that started in 2010 and lasted into the first half of 2011, the outlook for the global economy, and the EU economy, in particular, weakened significantly. In many European countries, the heightening sovereign debt crisis, the resulting austerity programmes and growing unemployment have deeply unsettled customers. All of this puts pressure on purchasing power, consumer confidence and overall private consumption. All in all, we project a distinct slowdown in Europe and other developed economies in 2012, in particular. Although economic momentum in the growth markets of Asia is likely to weaken slightly as well, we project continuously growing domestic demand in these markets and the emergence of an affluent middle class. The risk/opportunity profile of short- and medium-term trends in the retail industry and thus at METRO GROUP has deteriorated slightly compared to the previous year. However, the retail and wholesale trade is less economically sensitive than other sectors. We continue to push ahead with our international expansion to cushion possible risks resulting from regionally divergent economic developments. In particular, we intend to strengthen our presence in the growth regions of Asia and Eastern Europe.

Retail business

The German and Western European retail industry, in particular, is characterised by saturated markets, fast change and intense competition. The resulting conditions can influence business developments and represent natural business risks. A fundamental business risk is consumers' fluctuating propensity to consume.

Shifting consumer behaviour and customer expectations pose a risk and an opportunity – especially in the face of demographic change and increasing digitalisation. To account for these factors, we continually optimise our merchandising concepts and adapt them to our customers' needs and consumption patterns. To recognise market trends and changing consumer expectations early on, we regularly analyse internal and external information. In the process, the Group's own market research draws on qualitative market and trend analyses as well as quantitative methods such as time series analyses or forecasts of market developments derived from analyses of sales data and the results of panel market research. Time series analyses also include the observation of product segments on the market over a certain period of time. Our sales divisions initially examine the practicability and acceptance of innovative concepts in test stores. Only after a successful conclusion of these tests will innovations be introduced systematically and swiftly in other stores. Continuous fund allocation allows for the optimisation of merchandising concepts and the modernisation of stores. These measures help to secure and expand the competitive strength of all sales brands. Examples include a distinct intensification of our online activities and multichannel business, added delivery options, measures to strengthen our own brands, investments in innovative sales formats and the expansion of our sales activities. In this way, we can reach customers even better and in a more targeted manner.

Strategic company risks

International expansion

We consider the setting-up and expansion of our presence in the major growth regions of Eastern Europe and Asia as critical investments in the future of our Company. By entering these markets we are exploiting the opportunity to profit from the rising purchasing power of millions of consumers.

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

To limit the risks of expansion as far as possible, we plan each market entry meticulously. We identify risks and opportunities by conducting feasibility studies. We only enter new markets when risks and opportunities are deemed to be manageable. Risks can also be reduced by forging partnerships with local companies. These businesses know the legal, political and economic environment of the respective country. Even though we base our expansion decisions on the best available information, we cannot rule out the possibility that the growth momentum in individual countries will fall short of our expectations in the coming years.

Locations

In all countries we select the location of our businesses based on the findings of an intensive review. With each new opening, however, the risk that the business will receive less customer acceptance than planned still remains. Moreover, sales could also decline at existing locations. The reasons for this could include changing demographics over time or a change in the competitive situation in the respective geography. Because we continuously monitor the profitability of our stores, we can recognise negative developments at individual stores and locations early on and react quickly. If none of the measures taken lead to success and if the situation at the respective location is not expected to improve over the long term, we will divest of the store or location to ensure the permanent optimisation of our network of locations.

Portfolio changes

In past years, METRO GROUP has continuously optimised its portfolio. All portfolio changes and the related strategic and investment decisions focus on value creation for the Company. As a result, we can minimise risks associated with changes in the portfolio.

Online business

In addition to international expansion, Internet sales are an important factor and, at the same time, an opportunity to secure the future success of our Company. Online retail is experiencing strong growth. We expect this development to continue. As a result, it is imperative for METRO GROUP to further strengthen its Internet sales channel to ensure that it does not leave competitors any room to gain market share. We are taking successive steps to expand our sales divisions' online business. In the financial year 2011, the respective opening and expansion of the online shops of Saturn and Galeria Kaufhof marked important milestones in our transformation from a purely stationary provider to dovetailed multichannel sales operations. Risks related to this strategy include the high demands placed on logistics and information technology: the success of our multichannel offering depends on our ability to offer our customers fast and reliable deliveries and to guarantee safe, convenient ordering. In addition, it is important to optimally link the stationary business with electronic retailing. With the acquisition of the Redcoon group, one of the leading online retailers of electronic products, we have added a pure play online retailer to our portfolio to counter competition from the sales segment focused exclusively on the Internet.

Risks related to business performance

Suppliers

As a retail and wholesale company, METRO GROUP depends on external providers for the supply of goods and services. We choose our suppliers very carefully, particularly in the own-brand area. We place a high priority on the reliability of our suppliers as well as on product quality and compliance with safety and social standards. Defective or unsafe products, an exploitation of our environment or inhumane working conditions would cause extensive damage to the image of METRO GROUP and pose a long-range threat to the Company's success. For this reason we continuously monitor our own-brand suppliers to check whether they adhere to METRO GROUP's high procurement policy standards. In particular, these include the quality standards tested by the Global Food Safety Initiative (GFSI), such as the International Food Standard and the GLOBALGAP certification for agricultural products. They help to ensure the safety of foods on all cultivation, production and sales levels. In addition, we conduct special training programmes to help suppliers in emerging markets to fulfil safety standards. In 2012, we will expand these training programmes to qualify our suppliers with regard to our set standards governing environmental aspects and humane working conditions.

Above all, however, our requirements of our suppliers are regulated in special contracts which are regularly reviewed for compliance. Violations of conditions can lead to exclusion from our supplier network or, in case of inacceptable production methods such as sandblasting of jeans, which is harmful to human health, to a procurement ban on a product. In this way, we further minimise our supplier risks.

To prevent disruptions in the supply of goods and to avoid becoming dependent on individual companies, we work with a variety of suppliers. By taking this approach, we ensure that the desired product is practically always in stock in the desired quality and quantity and, in the process, achieve high levels of customer satisfaction.

Products

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

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

Other examples of product risks include supply bottlenecks after natural disasters, longer delivery times and price increases. During the reporting year, for example, the devastating earthquake in Japan led to capacity reductions in the production of digital cameras and multimedia devices, while the flooding in Thailand entailed higher prices for computer hard disks.

Our contribution to a sustainable supply chain is described in chapter 7 Sustainability Management on pages 125 to 138.

Logistics

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

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

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

The innovations which we apply in logistics are described in chapter 6 Innovation Management on pages 122 to 124.

Information technology risks

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

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

Important business processes such as product ordering, marketing and sales have used IT systems for many years. As a result, the continuous availability of the infrastructure is a critical factor in the development and implementation of new IT solutions. Systems that are essential business operations in the stores, above all checkouts, are largely self-contained and can continue to be used for some time even during events such as network failures or the failure of central systems. In case of partial network failure, they can automatically reroute shipments or switch to redundant routes. Modern technologies such as server virtualisation allow us to make efficient use of hardware and ensure that key IT systems can swiftly be restored in case one or several servers break down. We operate several central computer centres, which enable us to compensate even for major failures and to limit business interruptions to a minimum. These organisational structures minimise numerous risks, including the risk of natural disasters or criminal acts.

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

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

Human resources risks

The expertise, dedication and motivation of our employees are key success factors that have a decisive impact on METRO GROUP's competitive position. One prerequisite to achieving strategic goals are highly qualified experts and managers. It is an ongoing challenge to recruit and retain such valuable employees for the Group, in particular in the face of demographic change and intense competition for the best people. This makes in-house qualification measures indispensable. To foster the requisite skills among our employees, we optimise training and professional development programmes for employees at all levels. Training courses and targeted human resources development measures promote entrepreneurial thinking and actions; variable and performance-based pay components serve as an incentive. Direct participation in business success increases employees' identification with METRO GROUP and enhances their awareness of risks and opportunities in all entrepreneurial decisions. With targeted training programmes, which we implement in cooperation with various partners, we manage to attract young people to a job at METRO GROUP and to optimally develop their particular strengths. This also includes integrating professionally and socially disadvantaged or disabled young people into our day-to-day work environment. The principle of diversity and equal opportunity among our employees helps us to attract the best experts and managers to our Company and retain them over the long term. Succession planning at METRO GROUP, in particular in senior management positions, is guaranteed through customised career paths and development perspectives. In a reflection of the significance of human resources policy for the future of METRO GROUP, we appointed a member of the Board with responsibility for the Human Resources department in 2011.

More information on METRO GROUP's human resources policy can be found in chapter 5 Employees on pages 114 to 121.

Environmental risks

METRO GROUP is aware of its responsibility for our environment and has firmly embedded the principle of sustainable business in its corporate strategy. Environmentally harmful practices along the supply chain can seriously damage our image over the long term and endanger our business. This is why we implement numerous measures to ensure environmentally responsible business practices. For example, we have been the first German retail and wholesale company to calculate its carbon footprint. This helps us to detect potential risks early on and introduce countermeasures. Smart metering systems provide us with detailed consumption data and thus enable us to further optimise our energy management, for example through the energetic renovation of existing locations. In view of increased expectations we project rising costs from compliance with standards. Conversely, energy saving measures can also help us to reduce our costs.

More information on environmental protection can be found in chapter 7 Sustainability Management on pages 125 to 138.

Legal risks, tax risks

Legal risks arise primarily from labour and civil law cases. In addition, risks for METRO GROUP may arise from preliminary investigations, for example in the context of possible infringements of cartel or competition law. Tax risks are mainly connected to external audits.

 → p. 163

Control of Media-Saturn-Holding GmbH

METRO AG indirectly – through its subsidiary METRO Kaufhaus und Fachmarkt Holding GmbH – holds 75.41 percent of the shares in Media-Saturn-Holding GmbH.

Pursuant to IFRS (International Financial Reporting Standards), the power to influence the financial or business decisions of an entity and/or the extent of this influence determines the way in which a holding company is included in the consolidated financial statements. In the process, IAS 27 (Consolidated and Separate Financial Statements) draws on the control criterion as a concept of possible domination. This means that the "power to govern the financial and operating policies of an entity so as to obtain benefits from its activities" (IAS 27.4) suffices to evidence control. In addition, according to IAS 27.13, control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than 50 percent of the voting power of an entity unless in exceptional circumstances it can clearly be demonstrated that such ownership does not constitute control. In case of doubt, therefore, control can be assumed. Under the definition of IAS 27.4, the question of whether an entity controls another must consider not only these legal criteria, but also the economic relationship to a holding company. The key factor is the consideration of all rights, facts and relationships that determine a partnership.

Based on the holistic treatment required under IAS 27 and in consideration of the relationship with Media-Saturn-Holding GmbH, the Management Board of METRO AG assumes the existence of control. This assumption includes the possibility that the advisory board may take decisions with a simple majority in number.

In spring 2011, METRO AG initiated measures to strengthen the governance structures at Media-Saturn-Holding GmbH. With the creation of an advisory board, a simple majority is to apply to certain authorisation requirements, including the approval of the budget. In the past, these authorisations required an 80 percent majority in the shareholders' general meeting. A non-controlling shareholder of Media-Saturn-Holding GmbH has initiated an action to rescind the shareholders' decision to create an advisory board. This lawsuit was dismissed by the district court of Ingolstadt in its ruling of 11 October 2011. As such, the court agreed that the advisory board had been created in a lawful manner. As part of a separate action for a declaratory judgement that was initiated by the same non-controlling shareholder, the district court ruled that the advisory board should take its decisions with an 80 percent majority for matters requiring authorisation. METRO AG's legal opinion is that these matters should be decided by simple majority in number. METRO AG has appealed this decision through its subsidiary METRO Kaufhaus und Fachmarkt Holding GmbH and is confident that it will prevail. In addition, METRO Kaufhaus und Fachmarkt Holding GmbH submitted an arbitration action by written application of 28 March 2011 with the aim of having the advisory board of Media-Saturn-Holding GmbH declared the body responsible for transactions requiring approval and of enabling it to take decisions in these areas by simple majority. The Management Board of METRO AG also expects a decision in favour of the simple majority in number in the case of the arbitration action. According to the Articles of Association of Media-Saturn-Holding GmbH, METRO AG has the right to delegate one more member to the advisory board than the collective body of shareholders and therefore has a majority by number on the advisory board.

If, contrary to expectations, this legal action should lead to a legal decision that would put METRO AG at a disadvantage – that is, the decision to block the advisory board from taking certain decisions requiring authorisation with a simple majority – this could make it necessary for the Group to deconsolidate the Media-Saturn group of companies, unless the Group's sustained ability to exercise control could be assumed also in that case. The deconsolidation would be a non-cash transaction. However, as a result of the first-time recognition of the Media-Saturn shareholdings at their fair value, it would have a significant positive effect on earnings in the year of deconsolidation. The assets and liabilities of the partnership with the Media-Saturn group of companies would no longer be shown separately, but in a single balance sheet line as an investment book value recognised at equity. The result of the "at equity" investment would then also be shown in a single line in the income statement, which means that the profit or loss contributions would no longer be shown in individual items of the income statements, such as sales, selling expenses or general administrative expenses. This changed inclusion of the Media-Saturn Group could affect the Group's financial results and its rating. A rating downgrade would be expected to have a negative impact on earnings before taxes in the mid-double-digit millions based on the Group's refinancing structure in 2011.

METRO GROUP's segment report on pages 184 to 185 provides an overview of the assets, liabilities and profit or loss contributions of the Media-Saturn group of companies.

METRO GROUP's ability to collect dividends or income from its shareholding in the Media-Saturn Group, in particular, would remain unaffected by the procedures applied to include the Media-Saturn group of companies in the consolidated financial statements.

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

Compliance risks

The activities of METRO GROUP are subject to various legal stipulations and self-imposed standards of conduct. In 2007, METRO GROUP bundled and complemented existing compliance measures in its uniform Group-wide compliance programme. Since then, a Group-wide compliance organisation has been established, developed and refined to meet both increased legal requirements in the various relevant jurisdictions and public expectations.

METRO GROUP's compliance system aims to sustainably prevent regulatory infringements within the Company or at least hinder such infringements. METRO GROUP regularly identifies behavioural corporate risks, establishing the necessary organisational structures and rigorously monitoring and controlling these risks through the responsible departments.

The responsible management teams and all employees at the management companies of METRO GROUP's sales divisions and the national subsidiaries can draw on the support and advice of Compliance Officers. METRO GROUP's Chief Compliance Officer reports directly to the Chairman of the Management Board of METRO AG, Mr Olaf Koch.

To rigorously monitor behavioural risks, METRO AG has, in particular, assigned clear responsibilities for areas of risk, introduced or adapted clear standards of conduct and developed and provided sensible risk management and control processes. Added to this are training courses, systematic and understandable communications and the transparent handling of compliance risks and their monitoring. In addition, METRO GROUP employees have access to a professional reporting system which enables them to notify the Company of compliance violations and potential violations in all Group languages. Where necessary, incidents may be reported anonymously. The compliance organisation ensures that all reported cases are investigated in an appropriate fashion.

Reaching back to 2007, METRO GROUP's business principles continue to represent the core component of the Group's compliance initiatives and have been anchored throughout the Group through ongoing training programmes, in particular. Essential elements of the compliance programme include the standards of conduct and guidelines on antitrust law as well as the anti-corruption guideline for dealings with public officials and private business partners, which was rolled out across the Group during the reporting year. Training courses designed for managers and employees, the creation and review of internal controls as well as the continued integration of compliance requirements in operating business processes are directly related to the compliance initiatives.

Financial risks

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

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

Presentation of the opportunity situation

The Supplementary and Forecast Report on pages 166 to 174 describes the opportunities we expect to arise over the next few years.

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

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

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

615

12. Supplementary and forecast report

Supplementary report

Events after the balance sheet date

Between the balance sheet date (31 December 2011) and the auditor's report (27 February 2012), the following events of material importance to an assessment of the earnings, financial and asset position of METRO AG and METRO GROUP occurred:

On 19 January 2012, we announced that we had suspended negotiations regarding the sale of Galeria Kaufhof. The present capital market environment does not offer suitable conditions for such an important transaction.

Several transactions carried out in January and February enabled METRO GROUP to fully secure its refinancing for 2012. This early refinancing has substantially improved the Group's maturity profile.

In January and February 2012, the Group issued a total of €285 million in fixed-interest bonds with terms of 4 to 8 years and annual coupons of 3.0 to 4.05 percent.

In addition, the following transactions were carried out in February 2012:

- Issuance of a €500 million bond with a term of 7 years and a coupon of 3.375 percent
- Issuance of a CHF 225 million bond with a term of 4 years and 60 days and a coupon of 1.875 percent
- Start of the marketing phase for a promissory note loan with a target volume of €200 million and two tranches with respective terms of 4 and 6 years. The value is scheduled to be set in mid-March 2012.

On 17 January 2012, the Group concluded a new syndicated line of credit over €1,000 million with a term of 5 years. The previous syndicated line of credit over €975 million, which is due in 2013, was terminated as of this date.

No other events that are of material importance to an assessment of the earnings, financial and asset position of METRO AG and METRO GROUP had occurred by 27 February 2012 (date of the release of the accounts to the auditor for approval).

Forecast report

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

Economic parameters for 2012 and 2013

Future economic situation

The slowdown that the global economy began to experience in the second half of 2011 has continued into the first half of 2012. Despite some positive signals, business outlooks remain fraught with uncertainty. One major source of this uncertainty is the sovereign debt crisis in the eurozone, a problem for which no long-term solution has been found yet. The impact of a potential worsening of the crisis on the financial and banking system is difficult to predict. Other reasons for the uncertainty are the persistently fragile state of the US economy and the slowing economic momentum in emerging markets. We do expect emerging countries in Asia to generate solid economic growth in 2012 and 2013. Overall, however, this expansion will no longer be capable of generating the same level of support for global growth that it has done in the past two years.

During the first half of 2012, numerous countries in the eurozone will remain in recession or on the brink of a recession. We expect a gradual recovery during the second half of the year that is likely to continue into 2013. Nonetheless, uncertainty about future economic growth remains high. Furthermore, the economic situation in Western and Eastern Europe will be marked by different growth rates among individual countries in 2012 and 2013.

Like most economic research institutes, we believe that global growth in 2012 will fall short of levels generated in the previous year. For 2013, we project slightly stronger growth, which will be in the vicinity of the rate produced in 2011.

As the economy cools, the inflation rate will fall. Price pressure on raw materials gradually eased in the second half of 2011. Given the weakening of demand, expansive monetary policies will not fuel price increases over the short term. For this reason, the rise in consumer prices is expected to be lower in 2012 than it was in the past year.

The slowing economy, combined with ongoing consolidation and savings efforts in many European countries to stabilise sovereign debt, is having a negative impact on disposable incomes and consumer purchasing power. The economic downturn in many countries has also halted the drop in unemployment, clouding consumer confidence in the process. The worsening business conditions will hamper the retail business in 2012 and 2013. But we expect that the retail sector as a whole will be hit to a lesser degree than others by the economic slowdown.

Germany
After producing robust economic growth of 3 percent in 2011, Germany will be unable to escape the impact of the European sovereign debt crisis in 2012. As a result of its high level of exports, Germany will feel the headwind being produced by the weak economies of many EU members. Leading economic research institutes therefore expect growth to slow dramatically, but also believe that the impact will remain moderate for Germany. Early economic indicators are already pointing upward. Overall, the German economy is in good shape and highly competitive compared with most other EU countries.

The positive trend on the labour market will continue in 2012. Unemployment is expected to continue to fall – but at a considerably slower pace. Together with decreasing inflation, this should boost disposable income. Private consumption and the retailing business will likely remain stable in 2012, even if overall growth will be somewhat lower than in 2011. A moderately positive development is expected for 2013 if the effects of the euro crisis on the German economy do not intensify.

Western Europe
At the beginning of 2012, many countries in Western Europe were experiencing an economic contraction or were on the brink of recession. Both the worsening sovereign debt crisis and the growing efforts to consolidate government budgets are having an increasing effect on the real economy.

For the entire year, we, like most economic experts, foresee a stagnation of Western European economies at best. Hardly any country will be able to escape the pull of this downward movement. Nonetheless, the uneven pattern of economic growth will probably continue in 2012 and 2013. Countries that are likely to produce relatively strong growth in 2012 are Austria, Switzerland and the Scandinavian countries. France, the United Kingdom and the Benelux countries, on the other hand, will experience rather slow economic growth. Economic output is expected to contract in Italy, Portugal and Spain in 2012. We expect a recovery from mid-year, but this recovery will be closely tied to further developments in the sovereign debt crisis in the eurozone. This assessment also applies to 2013.

The retail industry is expected to withstand the weakening economy relatively better than other sectors. Labour market trends will play a role here. Although labour markets will feel the impact of the economic slowdown, no increase in jobless figures compared with 2011 is expected in many economies.

Eastern Europe
The eurozone's financial and sovereign debt crisis is impacting the economies of Eastern Europe as well. The economic recovery is weakening, unemployment is falling more slowly, and the overall situation of many countries in the region remains uncertain. The difficulties being experienced in Western Europe are also having a negative impact on Eastern Europe's export economy and on direct foreign investments. Even though sovereign debt in most Eastern European countries has not reached the high levels of Western Europe, new debt is rising at an alarming rate. At the same time, lending conditions are being tightened. Altogether, growth forecasts have darkened and risks have increased.

Like Western Europe, economic trends in Eastern Europe are very heterogeneous. Poland and Russia will probably generate solid growth in 2012 and 2013. The momentum of the Turkish economy, however, which grew by more than 7 percent in 2011, will slow considerably. Countries that will continue to feel a negative impact will primarily be Bulgaria, Croatia, Hungary and Serbia. Greece's economy will probably contract again in 2012.

Viewed from the perspective of all Eastern European countries, growth rates will be slower in 2012 than they were in the previous year. But they will gradually recover in 2013. By contrast, the retail industry will probably continue to perform well in 2012 as it did in 2011. In the process, growth rates may come closer together: while countries with strong growth, like Russia, Turkey and Ukraine, will be unable to completely maintain the high pace, the delayed recovery in Bulgaria and Romania will have an even stronger impact on the retail industry. Overall, retail sales growth in Eastern Europe will fail to match pre-crisis rates. Like Asia, the region continues to have high economic potential. For this reason, we expect Eastern Europe to generate strong economic momentum over the medium term.

Asia/Africa

Despite a slight slowdown in economic momentum and other persistent risks, the emerging markets of Asia will likely remain the region with the strongest growth in 2012 and 2013. Retail momentum will remain high as well. For China, India, Pakistan and Vietnam, we expect nominal double-digit growth. For Egypt, we expect positive trends in spite of a certain amount of political uncertainty. The Japanese economy has got back on its feet following the earthquake disaster in 2011, but little more than a small gain can be expected in this saturated market in 2012.

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

Future sector trends and development at METRO GROUP

Metro Cash & Carry

Macroeconomic parameters will shape the cash & carry business in 2012 and 2013. Economic output will continue to vary not only among regions, but also within regions. As a result, we expect a continuation of divergent developments in the cash & carry segment.

As a result of the financial and sovereign debt crisis, we do not foresee any substantial growth momentum for the cash & carry segment in Germany and Western Europe. Although demand for food will stabilise at the previous year's levels, positive effects from price increases will be weaker at least in 2012 than they were in the previous year. Nonfood sales may fall slightly. In countries that are particularly feeling the effects of the euro crisis, the cash & carry segment may experience a moderate setback. In Western European countries that are less affected by the crisis, we foresee stable and slightly rising sales in cash & carry.

At least in 2012, growth generated by cash & carry in Eastern Europe is likely to fall slightly short of the previous year's level. The sector's performance will continue to be fuelled by growing demand, while the impact of price increases will wane. In Russia and Turkey, the cash & carry segment will produce good growth amid favourable economic conditions. By contrast, a bottom is expected to form in Greece only at some point in 2012 as a result of the country's faltering economy. Sales will fall once more as a result. The cash & carry segment should generate limited growth from 2013.

The cash & carry segment will perform well in Asia in 2012 and 2013. It continues to generate very strong growth rates in this region and is producing more momentum than modern food retailing. In some Asian countries, including India, international companies run into market-entry barriers designed to protect traditional food retailing. On the one hand, traditional retailers remain a major customer base for the cash & carry segment as a result. On the other, cash & carry faces only weak competition from other modern formats in food retailing.

Metro Cash & Carry will push ahead with its international expansion in 2012 and 2013. The focus will remain on the growth regions of Asia and Eastern Europe.

Real

Because food serves to meet a direct need, demand for it is subject to economic swings only to a relatively low degree. For this reason, we expect that demand in German food retailing during 2012 and 2013 will remain at about the level of the previous year. This should also be the case if the economy slows more than experts expect at the moment. Given the weakening economy and the continued intense competition, particularly among discounters, price increases for food will ease again in 2012. Overall, we expect the growth generated by food retailing in 2012 and 2013 to remain below the level of 2011.

In Eastern Europe, food retailing will continue to grow in 2012 and 2013. We expect growth rates to slow in this region because inflation is easing as a result of the financial and debt crisis in Western Europe. The continuing expansion in modern food retailing will continue to produce positive growth momentum in 2012 and 2013. We believe that large hypermarkets will remain the growth drivers and that their role in food retailing will continue to expand.

In Germany, Real will move ahead with its repositioning. In the process, the sales division will continuously fine-tune new formats like Real Drive and its online store. In Eastern Europe, Real will continue to employ its selective expansion strategy.

Media-Saturn

Compared with other retail sectors, consumer electronics retailing is much more cyclical. Against the backdrop of very different economic conditions, the varying regional trends in consumer electronics retailing will continue in 2012 and 2013.

Despite economic conditions, product innovations and major international sporting events regularly create additional marketing potential. In a reflection of this, the German Federal Association for Information Technology, Telecommunications and New Media (BITKOM) expects the growth momentum generated by innovations, particularly in the areas of information technology and telecommunications, to continue at least through 2012. The trade group also thinks that the dynamic growth being produced by smartphones and tablet PCs will continue. The European Football Championship and the Summer Olympics are two major sporting events in 2012 that might fuel demand.

In Germany, the sector will grow in 2012, according to the German Association of Consumer and Communication Electronics and the trade association BITKOM. While consumer electronics sales are falling as a result of ongoing price pressure – even as demand remains high – industry experts predict further growth for information and communication technology at least for 2012. We expect that the positive trend will continue in 2013.

In many Western European countries, on the other hand, the sector is facing extremely poor economic conditions. In euro crisis countries such as Italy, Portugal and Spain, we expect the market to contract in 2012. Sales may begin to rise slightly beginning in 2013. For the other countries in Western Europe, on the other hand, we foresee stable or slightly higher sales trends for 2012 and 2013. Given the uncertainty arising from the economic trends in Western Europe, it is impossible to make a reliable forecast about sector trends in consumer electronics.

For Eastern Europe, we expect trends in consumer electronics retailing to move in various directions during 2012 and 2013. For Russia and Turkey, we foresee continued growth for the sector in both years. The amount of electrical appliances and electronic devices in the households of these countries is still low in comparison to Western Europe, creating an unchanged level of high growth potential. By comparison, the negative trend can be expected to continue for countries that are hit hard by the economic crisis. This is the case for both Greece and Hungary.

Throughout the region, online sales will become increasingly popular in the next two years and will gain market share. Providers who optimally combine stationary and online sales operations will profit substantially from this development. Media Markt and Saturn will work hard to link both sales channels in order to continue to expand their own market position.

Galeria Kaufhof

Business developments at Galeria Kaufhof in 2012 will depend on the extent to which strong consumer confidence continues throughout the year. The year of 2013 will then be shaped by the potential impact of the euro crisis on the German economy and private consumption.

For 2012 and 2013, we expect that the department store sector will be weaker than the retail industry as a whole once again. The gradual reduction of overcapacities in the sector will continue. The department store segment is facing growing competitive pressure from online providers. With the clear positioning in the stationary business, the linking of stationary and online shopping opportunities will become an increasingly important competitive and success factor for department stores. Galeria Kaufhof is clearly positioned as a concept and system leader in the department store segment. By expanding its online stores, the sales division is increasingly evolving into a multichannel provider that provides its customers with a uniform shopping experience in a variety of sales channels. As a result, we believe that Galeria Kaufhof will generate more growth than comparative competitors.

Positioning of METRO GROUP in 2012 and 2013

Focus of future business policy

Launched in 2009 and targeted to last for four years, the efficiency and value-enhancing programme Shape 2012 has changed METRO GROUP's corporate culture. In addition to a new emphasis on individual responsibility and entrepreneurial actions, the systematic focus on the needs of our customers is a major aspect of this programme. The specific needs of customer groups as well as regional market conditions play a crucial role in this strategic focus. We are addressing these factors by further refining sales formats and sales channels. In addition, an entrepreneurial attitude continues to be promoted and shapes daily actions.

At Metro Cash & Carry, the focus is clearly on professional, commercial customers. The wholesaler has successfully introduced its delivery service in nearly all stores and will continue to expand it. Smaller store formats and a sales force more focused on the customer will reach new customer groups, promoting greater customer centricity and retention. Real will forge ahead with its repositioning. The introduction of other tailored product worlds will increase the appeal of Real hypermarkets. Additional growth fields are being tapped by online sales and the innovative service Real Drive. Media-Saturn will continue to dovetail its stationary business with online shopping and will introduce the appealing multichannel strategy internationally. This will generate high sales potential in years to come. Online sales will be further pursued by taking such steps as using the Redcoon brand. Galeria Kaufhof will continue to rigorously focus its business on the zeitgeist. By broadly increasing its range of products sold online, the sales division will expand this rapidly growing sales channel.

Efficiency and value-enhancing programme Shape 2012

The aim of Shape 2012 is to secure METRO GROUP's long-term profitable growth. To achieve this goal, we have streamlined our structures and introduced measures to further improve our business. During the final year of Shape 2012, the programme's focus will shift in particular to measures aimed at further fuelling and implementing productivity improvements. In this way, the idea of making our Company more customer-focused and efficient is increasingly anchored in our day-to-day business. Shape 2012 will reshape METRO GROUP beyond the year of 2012 and is preparing us for future challenges.

Non-financial targets

In addition to its financial targets, METRO GROUP also pursues a number of non-financial targets. These will be outlined in detail in the next progress report. The goals are related to the four topics of "supply chain and products", "energy and resource management", "employees and social affairs" and "social policies and stakeholder dialogue". Furthermore, our long-term objective is to reduce our greenhouse gas emissions per square metre by 15 percent by 2015 compared with the reference year of 2006.

Future sales markets

On the balance sheet date, METRO GROUP was operating in 33 countries in Europe, Asia and Africa. We aim to continue to grow through existing and new locations in these markets. We are conducting feasibility studies to examine expansion opportunities for our sales divisions in other countries. In general, we enter new markets by first opening a Metro Cash & Carry store. Depending on the respective country's development status in terms of market maturity and potential, entry opportunities for Real and Media-Saturn may subsequently arise as well. Entry into additional countries is not planned for Galeria Kaufhof.

New sales channels are opening the way to new sales potential. One key source of sales is the growing popularity of online shopping. All our sales divisions are responding to this shift by expanding their multichannel product ranges. Besides technical solutions like applications, they provide their customers with an extensive range of products and services in their online shops. The stationary store can serve as a pickup location and assures personal contact. Providers that work exclusively on the Internet lack this capability. This option is valued and well received by customers.

Future sales formats, technologies and processes/future products and services

We continually work on the further development of our sales formats in the areas of customer approaches, product offers and processes, building on continuous analyses of constantly changing customer requirements. The findings of these analyses also flow into the new sales formats we design and regularly test. These include smaller, downtown Metro Cash & Carry stores that specialise in supplying nearby hotels and restaurants as well as sales formats such as Metro Drive and Real Drive, which enable commercial customers and consumers to order goods online and then pick up the prepared order at these stores.

All sales divisions are focusing on own-brand products in their merchandise management. The existing extensive product range will be expanded in 2012 and future years. The introduction of own-brand products by Media-Saturn in 2010 has been well received. The sales division will introduce the products in other countries in 2012 and markedly expand this range.

The products and services offered by our sales divisions are geared to customer needs and shopping habits. The industry continuously provides all sales divisions with innovative products. New products in consumer electronics, in particular, generate the most interest. In 2011, relatively few innovations were introduced. However, we expect the number of innovations to start to climb once again in 2012 and 2013.

Brand-name manufacturers continuously introduce new products in the area of consumer goods and durables. In this area, we collaborate with producers and serve as an interface between manufacturers and customers. However, many new products are not destined for lasting success and are subsequently replaced by other innovations. Due to the large number of new products, we select those that offer added value to our customers.

We analyse the needs of our customers by examining information on shopping behaviour. Information obtained from the use of loyalty cards plays a key role in this research. Every customer of Metro Cash & Carry has an identification card. At Real and Galeria Kaufhof, the Payback card is offered as an instrument to promote customer retention. By analysing the data provided by these cards, we can better address our customers' needs. In addition, we use this purchasing data to design sales formats and assortments.

Our procurement processes are also equipped for the future. For relevant products, we have begun to establish procurement offices in critically important producer regions. By doing so, we gain direct access to suppliers, which enables us to purchase products locally and check their quality without having to rely on an intermediary.

Logistics is a key element of our supply chain. It must ensure that the correct amounts of all required products are available to customers at the right time. In future, we intend to further optimise our logistics in order to quickly, efficiently and sustainably transport products to our stores.

Expected earnings situation: outlook for the sales divisions of METRO GROUP

Metro Cash & Carry

Metro Cash & Carry is the most international sales division at METRO GROUP. Its stated goal is to produce long-term growth in sales and earnings. Additional sales potential will be tapped in future years thanks to the opening of new stores and the further extension of its delivery service. Aside from the expansion of business in Eastern Europe, growth in Asia will play a key role. In the mature economies of Western Europe, we are focusing on improving like-for-like sales development and expanding our delivery service.

New formats are well suited to attracting new customers in current markets as well. So-called satellite concepts that we have introduced in selected countries are among these formats. As branches of existing stores, they can complement the existing sales network. The establishment of a modern cash & carry wholesale structure is also a pressing issue in growth markets. Here, quality and consistent availability of goods represent unique selling propositions that are highly valued by customers.

As the availability of and direct access to producers are becoming ever more crucial, Metro Cash & Carry is intensifying relationships with suppliers – for example, through qualification measures. Here, we have renewed and intensified our partnership with the United Nations Industrial Development Organization (UNIDO). This approach creates the foundation for sustainable, profitable growth. Own-brand products have a high priority worldwide as these products can offer an important competitive edge. Over the medium term, the plan is to increase the sales share of Metro Cash & Carry own-brand products to 20 percent.

For 2012 and 2013, Metro Cash & Carry expects to encounter challenging market conditions in many countries. Nonetheless, we expect to increase both sales and earnings. Productivity gains and cost optimisation measures will significantly contribute to this.

Real

In 2011, Real Germany also made progress in its repositioning effort. Real will raise its brand profile further by remodelling stores and introducing new concept modules. The sales division has largely completed the optimisation of its store network. In addition, the share of own-brand products is to be increased in all relevant product categories. In the medium term, the sales share of own-brand products in the food assortment is to be increased to around 25 percent. In the reporting year, the share was 16.6 percent.

In its international operations, Real is planning to open additional stores in 2012. In view of the potential offered by the

Eastern European market, Real will systematically carry out this expansion within its existing country portfolio.

In 2012 and 2013, we expect Real to continue to boost sales and earnings by continuing to implement our repositioning strategy as well as further improving operating performance.

Media-Saturn
Media-Saturn is the leading consumer electronics retailer in Europe with Media Markt and Saturn. In 2012, we intend to open a number of new stores. The market entry into China that we initiated in 2010 also offers enormous growth potential.

In 2012, Media-Saturn will introduce new own-brand products. We will also offer these products in additional countries.

Both Media Markt and Saturn have built a strong platform in Germany – the most important market – for multichannel sales. This platform offers tremendous potential for future growth. Initial experience with this concept shows that the product range has been received very well by customers. For 2012, Media-Saturn is planning to introduce the multichannel concept into other European countries. Over the long term, the company is determined to become the European market leader in online consumer electronics retailing. Pure play online retailer Redcoon will make a major contribution to this growth.

At Media-Saturn, we expect to continue facing difficult market conditions in 2012 as a result of macroeconomic trends. Thanks to the successfully initiated repositioning of the business model and the further introduction of the multichannel strategy, we expect sales to rise in 2012. We are striving to increase earnings, but cannot rule out at this point that earnings could remain at or even slightly below the previous year's level as a result of current market trends. Furthermore, we expect to experience additional expenses related to the implementation of the multichannel strategy and the adjustment of the price positioning. We project rising sales and earnings in 2013 as a result of the continued successful implementation of the multichannel strategy.

Galeria Kaufhof
In 2012, we intend to forge ahead with the systematic evolution of Galeria Kaufhof's department stores in order to meet customers' changing needs. By further optimising the product worlds through a focus on exclusivity and quality, Galeria Kaufhof will remain the first point of call for many customers. The sales division's redesigned online store with its extensive range of textile products will also have a positive effect on sales in 2012. This will also be the case for the "Wanderzeit" (hiking time) concept used by the subsidiary Sportarena. This concept includes an attractive range of outdoor equipment and clothing. Galeria Kaufhof is planning to open additional "Wanderzeit" outlets. Meanwhile, we will close four department stores in 2012 in the course of the continued optimisation of our store network. In 2012, this will have a negative impact on sales developments. In terms of earnings, we project an increase in 2012 due to the initiated measures. We expect sales and earnings to improve in 2013.

Real Estate
As a result of the increased expansion, we expect to generate higher earnings from rising rental income over the next few years. In contrast, we anticipate lower earnings contributions from active portfolio management in 2012. As a result, we project lower overall earnings for 2012. We expect that earnings will rise again in 2013.

As part of our professional real estate management, we are rigorously pursuing our goal of markedly reducing our CO_2 emissions. Aside from our conscientious and efficient use of resources, we also expect our bundled energy procurement activities to result in lower costs for the sales divisions.

METRO GROUP
The economic situation worsened in 2011 largely as a result of the sovereign debt crisis. For this reason, we expect continued economic instability to dampen consumer confidence.

Expected sales development
The persistently difficult economic situation and the slowing price increases will most likely have a negative impact on sales in 2012. On the other hand, all sales divisions are taking a number of steps designed to boost sales. For this reason, we foresee an increase in sales in 2012. We expect a continuation of this positive sales trend in 2013 on the back of an economic recovery.

Expected earnings development
METRO GROUP's strategy aims for sustainable growth in sales and earnings.

In 2012, the earnings development will be dampened by the continuing difficult economic situation. In 2012, METRO GROUP will continue to invest in its competitiveness. This will include both productivity steps from the Shape 2012 programme and targeted price investments. In addition, we intend to lay a foundation from which we can accelerate our expansion activities, an effort that will also create additional costs. We nonetheless expect EBIT before special items to roughly match the previous year's result (EBIT 2011 before special items: €2,372 million). It should be noted, though, that a forecast issued at this time includes an element of risk in light of the problems described above and the uncertain economic situation. Like sales, we expect earnings to pick up in 2013.

Expected dividend development

Ever since its establishment in 1996, METRO AG has disbursed an annual dividend. In the context of a dynamic dividend policy, the size of dividend payouts principally depends on the development of earnings per share before special items. In future, we intend to continue to pay a competitive and attractive dividend compared with other DAX 30 companies and retail groups. Should the company perform as expected, we plan to pay a dividend of €1.35 per ordinary share for the financial year 2012.

Expected employee development

Due to the Company's expansion efforts, the number of METRO GROUP employees will rise by a four-digit figure in 2012 and 2013.

Expected financial position

Planned financing measures

Private as well as institutional investors regard METRO GROUP as a solidly financed company. In 2012, the redemption of the following bonds falls due:

→ February: promissory note loans totalling €50 million
→ March: promissory note loans totalling €500 million
→ May: bonds totalling €500 million
→ July: bonds totalling more than 100 million Romanian lei

These maturities have largely been refinanced in January and February 2012. In the process, and as in past years, METRO GROUP benefited from outstanding access to international capital markets.

Additional information on our refinancing measures are included in the chapter "Events after the balance sheet date" on pages 166 or 243.

Planned investments

In 2012, we are flexibly planning our investments with an eye on economic trends. Our budget is primarily focused on modernisation projects, continued concept development and store openings. In allocating our budget, we can respond to current market trends. At the moment, we are planning to invest a total of €2.0 billion for the entire year. This figure includes the opening of more than 100 stores by our sales divisions.

Expected cash development

In the trade industry, liquidity and liabilities are characterised by a high share of fourth-quarter sales in total annual sales. At the end of the year, we have above-average liquidity as well as higher trade liabilities. During the first quarter, both liabilities and liquidity return to a more normal level. We aim to generate further liquidity by continuing to improve our working capital.

Opportunities

Opportunities from changed economic parameters

After the global economic crisis eased, some countries and regions have experienced a recovery. Asia, in particular, has developed in a very positive and promising manner. We can benefit from the improved economic climate in terms of sales and earnings. In addition, many countries where we operate have growing populations. This leads to higher demand.

Strategic business opportunities

Our sales divisions enjoy strong name recognition, and most are leaders in their respective markets. The objective is to consolidate and build on this position. In addition, weaker market players are expected to drop out of the market or be put up for sale in the coming years. In these cases, we are reviewing if it would make sense to acquire these competitors or individual store locations. One opportunity for location-independent sales is provided by the Internet. Through online sales, we can reach new customers. All our sales divisions in Germany and in many other countries have online stores. Compared with pure play online retailers, we create real added value for our customers thanks to our multichannel approach.

Performance-related opportunities

In addition to cost cutting, increases in efficiency are a key driver of sustained success. Our efforts in this area include the expansion of delivery and increases in the percentage of high-margin own-brand products across our entire assortment.

Opportunities through qualified employees and managers
Employees form the foundation of our success. As a result of demographic change, recruiting qualified employees and managers is expected to become increasingly difficult in the coming years. For this reason, we are intensifying our dialogue with universities and implementing internship programmes, among other activities, that not only comprise work in operating departments, but interdisciplinary training events as well. With "Meeting Metro", we introduce ourselves to future college graduates and create enthusiasm for retailing. "METRO University" provides training and further education at an international level to managers. Building on these measures, we strive to retain qualified and motivated employees over the long term and tap the related potential. We also promote the employment of experienced employees through targeted programmes, retaining their long years of professional experience in the process.

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

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

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

Düsseldorf, 27 February 2012
METRO AG

The Management Board

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA M

METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

Income statement
for the financial year from 1 January to 31 December 2011

€ million	Note no.	2010	2011
Net sales	1	**67,258**	**66,702**
Cost of sales		–52,865	–52,700
Gross profit on sales		**14,393**	**14,002**
Other operating income	2	1,627	1,690
Selling expenses	3	–12,173	–11,928
General administrative expenses	4	–1,585	–1,587
Other operating expenses	5	–51	–64
Earnings before interest and taxes EBIT		**2,211**	**2,113**
Result from associated companies		0	1
Other investment result	6	15	41
Interest income	7	112	133
Interest expenses	7	–718	–713
Other financial result	8	10	–102
Net financial result		**–581**	**–640**
Earnings before taxes EBT		**1,630**	**1,473**
Income taxes	10	–694	–732
Net profit for the period		**936**	**741**
Net profit attributable to non-controlling interests	11	86	110
Net profit attributable to shareholders of METRO AG		850	631
Earnings per share in €	12	**2.60**	**1.93**

Reconciliation from net profit for the period to total comprehensive income for the financial year from 1 January to 31 December 2011

€ million	2010	2011
Net profit for the period	**936**	**741**
Other comprehensive income		
Change in revaluation reserve	0	0
Actuarial gains/losses	0	0
Currency translation differences from the conversion of the accounts of foreign operations	134	−131
Effective portion of gains/losses from cash flow hedges	−4	28
Gains/losses from the revaluation of financial instruments in the category "available for sale"	0	0
Other changes	5	0
Income tax attributable to components of "other comprehensive income"	0	−21
Total comprehensive income	**1,071**	**617**
Total comprehensive income attributable to non-controlling interests	100	102
Total comprehensive income attributable to shareholders of METRO AG	971	515

Balance sheet as of 31 December 2011

Assets

€ million	Note no.	As of 31/12/2010	As of 31/12/2011
Non-current assets		**18,912**	**18,822**
Goodwill	17, 18	4,064	4,045
Other intangible assets	17, 19	436	454
Tangible assets	17, 20	12,482	12,661
Investment properties	17, 21	238	209
Financial assets	17, 22	248	79
Other receivables and assets	23	444	470
Deferred tax assets	24	1,000	904
Current assets		**16,155**	**15,165**
Inventories	25	7,458	7,608
Trade receivables	26	526	551
Financial assets		3	119
Other receivables and assets	23	2,724	2,882
Entitlements to income tax refunds		412	431
Cash and cash equivalents	29	4,799	3,355
Assets held for sale	30	233	219
		35,067	**33,987**

Statement of changes in equity[1]
for the financial year from 1 January to 31 December 2011

€ million	Share capital	Capital reserve	Effective portion of gains/losses from cash flow hedges	Currency translation differences from the conversion of the accounts of foreign operations
1/1/2010	835	2,544	67	–440
Dividends	0	0	0	0
Comprehensive income	0	0	–4	125
Capital balance from acquisitions of shares	0	0	0	0
Revision of IAS 17	0	0	0	0
Other changes	**0**	**0**	**0**	**0**
31/12/2010 / 1/1/2011	835	2,544	63	–315
Dividends	0	0	0	0
Comprehensive income	0	0	28	–123
Capital balance from acquisition of shares	0	0	0	0
Revision of IAS 17	0	0	0	0
Other changes	0	0	0	0
31/12/2011	**835**	**2,544**	**91**	**–438**

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

Liabilities

€ million	Note no.	As of 31/12/2010	As of 31/12/2011
Equity	31	**6,460**	**6,437**
Share capital		835	835
Capital reserve		2,544	2,544
Reserves retained from earnings		2,929	2,985
Non-controlling interests		152	73
Non-current liabilities		**8,990**	**8,254**
Provisions for pensions and similar commitments	32	1,016	1,028
Other provisions	33	472	478
Financial liabilities	34, 36	6,533	5,835
Other liabilities	34, 37	757	756
Deferred tax liabilities	24	212	157
Current liabilities		**19,617**	**19,296**
Trade liabilities	34, 35	14,393	14,267
Provisions	33	532	531
Financial liabilities	34, 36	1,750	1,606
Other liabilities	34, 37	2,458	2,498
Income tax liabilities	34	291	394
Liabilities related to assets held for sale	30	193	0
		35,067	**33,987**

Income tax attributable to components of "other comprehensive income"	Other earnings reserves	Total reserves retained from earnings	Total	thereof attributable to "other comprehensive income"	Non-controlling interests	thereof attributable to "other comprehensive income"	Total equity
17	2,731	2,375	5,754		238		5,992
0	−386	−386	−386		−143		−529
0	850	971	971	(121)	100	(14)	1,071
0	0	0	0		−46		−46
0	−28	−28	−28		0		−28
0	−3	−3	−3		3		0
17	3,164	2,929	6,308		152		6,460
0	−442	−442	−442		−158		−600
−21	631	515	515	(−116)	102	(−8)	617
0	−4	−4	−4		−26		−30
0	0	0	0		0		0
0	−13	−13	−13		3		−10
−4	**3,336**	**2,985**	**6,364**		**73**		**6,437**

Cash flow statement[1]
for the financial year from 1 January to 31 December 2011

€ million	2010	2011
EBIT	2,211	2,113
Write-backs/write-downs of assets excl. financial assets	1,380	1,316
Change in provisions for pensions and other provisions	–18	16
Change in net working capital	–288	–180
Income taxes paid	–597	–632
Reclassification of gains (-) / losses (+) from the disposal of fixed assets[2]	–215	–197
Other	41	–290
Cash flow from operating activities	**2,514**	**2,146**
Corporate acquisitions	0	–113
Investments in tangible assets (excl. finance leases)	–1,412	–1,414
Other investments	–333	–172
Divestments	121	2
Disposal of fixed assets	448	367
Gains (+) / losses (-) from the disposal of fixed assets[3]	215	197
Cash flow from investing activities	**–961**	**–1,133**
Profit distribution		
to METRO AG shareholders	–386	–442
to other shareholders	–143	–158
Raising of financial liabilities	1,302	386
Redemption of financial liabilities	–898	–1,634
Interest paid	–695	–683
Interest received	111	120
Profit and loss transfers and other financing activities	–25	–30
Cash flow from financing activities	**–734**	**–2,441**
Total cash flows	**819**	**–1,428**
Exchange rate effects on cash and cash equivalents	13	–23
Change in cash and cash equivalents due to first-time consolidation of companies	0	7
Total change in cash and cash equivalents	**832**	**–1,444**
Total cash and cash equivalents on 1 January	3,996	4,799
Total cash and cash equivalents on 31 December	4,828	3,355
less cash and cash equivalents from discontinued operations on 31 December	–29	0
Cash and cash equivalents on 31 December	**4,799**	**3,355**

[1] The cash flow statement is explained in the notes to the consolidated financial statements in no. 40 "Notes to the cash flow statement"
[2] Previously shown in "other" as part of cash flow from operating activities
[3] Previously shown in "disposals of fixed assets" as part of cash flow from investing activities

NOTES

Segment reporting[1]

Operating segments

	Metro Cash & Carry		Real		Media–Saturn		Galeria Kaufhof	
€ million	2010	2011	2010	2011	2010	2011	2010	2011
External sales (net)	31,095	31,155	11,499	11,230	20,794	20,604	3,584	3,450
Internal sales (net)	20	21	1	1	0	0	0	0
Total sales (net)	31,115	31,176	11,500	11,231	20,794	20,604	3,584	3,450
EBITDAR	2,042	1,958	706	675	1,406	1,407	492	441
EBITDA	1,363	1,297	310	292	818	767	234	193
Depreciation/amortisation	271	260	205	198	326	274	96	99
Write-backs	2	0	0	0	0	0	0	0
EBIT	1,094	1,037	105	94	492	493	138	94
Investments	499	799	156	166	362	434	104	124
Segment assets	7,496	8,093	3,815	3,597	6,521	6,499	1,033	1,051
thereof non-current	(3,932)	(4,372)	(2,473)	(2,382)	(1,755)	(1,818)	(481)	(505)
Segment liabilities	6,497	6,406	2,187	1,995	7,964	7,873	986	1,035
Selling space (1,000 sqm)	5,355	5,517	3,107	3,082	2,829	2,880	1,480	1,475
Locations (number)	687	728	429	426	877	893	138	140

Regional segments

	Germany		Western Europe excl. Germany		Eastern Europe		Asia/Africa	
€ million	2010	2011	2010	2011	2010	2011	2010	2011
External sales (net)	26,130	25,865	21,528	20,859	16,880	16,953	2,720	3,025
Internal sales (net)	26	102	22	70	0	5	618	680
Total sales (net)	26,156	25,967	21,550	20,929	16,880	16,958	3,338	3,705
EBITDAR	1,614	1,529	1,508	1,476	1,401	1,396	73	49
EBITDA	1,057	1,021	1,242	1,162	1,242	1,214	51	22
Depreciation/amortisation	665	652	360	268	350	365	52	65
Write-backs	7	4	6	9	28	6	6	15
EBIT	399	373	888	903	920	855	5	–28
Investments	585	1,046	272	379	668	524	158	146
Segment assets	11,805	11,876	7,656	7,554	7,867	7,890	1,481	1,759
thereof non-current	(6,736)	(6,953)	(4,185)	(4,038)	(5,664)	(5,598)	(979)	(1,112)
Segment liabilities	8,454	8,043	6,415	6,161	3,905	3,852	727	897
Selling space (1,000 sqm)	5,798	5,792	3,077	3,030	3,338	3,504	558	628
Locations (number)	942	937	627	619	478	531	84	100

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

→ p. 185

Real Estate		Others		Consolidation		METRO GROUP	
2010	2011	2010	2011	2010	2011	2010	2011
0	0	286	263	0	0	67,258	66,702
0	0	6,197	6,362	−6,218	−6,384	0	0
0	0	6,483	6,625	−6,218	−6,384	67,258	66,702
128	39	−159	−43	−21	−32	4,594	4,445
1,101	1,008	−207	−97	−28	−31	3,591	3,429
421	399	116	124	−8	−4	1,427	1,350
38	30	0	4	7	0	47	34
718	639	−323	−217	−13	−27	2,211	2,113
490	448	72	124	0	0	1,683	2,095
8,591	8,695	2,121	1,787	−1,513	−1,090	28,064	28,632
(8,496)	(8,286)	(569)	(492)	(−148)	(−158)	(17,558)	(17,697)
566	461	2,484	2,057	−1,653	−1,268	19,031	18,559
0	0	0	0	0	0	12,771	12,954
0	0	0	0	0	0	2,131	2,187

International		Consolidation		METRO GROUP	
2010	2011	2010	2011	2010	2011
41,128	40,837	0	0	67,258	66,702
640	755	−666	−857	0	0
41,768	41,592	−666	−857	67,258	66,702
2,982	2,921	−2	−5	4,594	4,445
2,535	2,398	−1	10	3,591	3,429
762	698	0	0	1,427	1,350
40	30	0	0	47	34
1,813	1,730	−1	10	2,211	2,113
1,098	1,049	0	0	1,683	2,095
17,004	17,203	−745	−447	28,064	28,632
(10,828)	(10,748)	(−6)	(−4)	(17,558)	(17,697)
11,047	10,910	−470	−394	19,031	18,559
6,973	7,162	0	0	12,771	12,954
1,189	1,250	0	0	2,131	2,187

Notes to the Group accounting principles and methods

Accounting principles

METRO AG, the parent company of METRO GROUP, has its head office in Schlüterstrasse 1 in Düsseldorf, Germany. These consolidated financial statements as of 31 December 2011 were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London. They comply with all mandatory applicable accounting standards and interpretations adopted by the European Union as of this date. Compliance with these standards and interpretations ensures a true and fair view of the asset, liabilities, financial position and profit or loss of METRO AG.

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

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

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

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

The consolidated financial statements have been prepared in euros. All amounts are stated in million euros (€ million) unless otherwise indicated. Amounts below €0.5 million are rounded and reported as 0.

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

Application of new accounting methods

Revised and new accounting methods

The revised and supplemented accounting standards and interpretations as well as those newly issued by the IASB, the application of which was mandatory for METRO AG in the financial year 2011, were applied for the first time to the present consolidated financial statements:

IAS 24 (Related Party Disclosures)

The amendment to IAS 24, which became applicable on 1 January 2011, provides for relief from the disclosure requirements for entities related to governments or public sector institutions. In addition, it provides for a minor change in the definition of related parties in that associates of related parties now also qualify as related parties.
The amendment to IAS 24 only had a minor effect on METRO AG's Group accounts.

IAS 32 (Financial Instruments: Presentation)

The amendment to IAS 32 "Classification of Rights Issues" modifies the balance sheet classification of rights issues, options and warrants on a fixed number of equity instruments in a currency other than the entity's functional currency. For financial years starting on or after 1 February 2010, the amendment requires rights issues where the holder has the right to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency to be classified as an equity instrument if the entity offers the financial instrument pro rata to all of its existing owners of the same class of its equity instruments.
These amendments, which were applicable at METRO AG from 1 January 2011, had no effect on these consolidated financial statements.

IFRIC 14 (IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction)

The amendment to the interpretation IFRIC 14 "Prepayments of a Minimum Funding Requirement" clarifies the balance sheet classification of early payments of contributions to pension plans with minimum funding requirements for financial years beginning on or after 1 January 2011. It states that the economic benefit of such an early payment, which results from reductions in future contributions to the plan with minimum funding requirements, must be capitalised as an asset.

As no prepayments of contributions to pension plans with minimum funding requirements were made during the financial year 2011, the amendment to IFRIC 14 was of no relevance to METRO AG.

IFRIC 19 (Extinguishing Financial Liabilities with Equity Instruments)

The new interpretation IFRIC 19 clarifies the accounting by the entity that issues equity instruments in order to settle financial liabilities. The issued equity instruments are regarded as "consideration paid" in accordance with IAS 39.41 (Financial Instruments: Recognition and Measurement) and are recognised at fair value. Any differences between the fair value of the equity instruments issued and the carrying amount of the extinguished financial liability are recognised in profit or loss. IFRIC 19 came into effect on 1 July 2010 and therefore applied to METRO AG for the first time in the financial year 2011.

As no such transactions were carried out during the reporting year, the first-time adoption of IFRIC 19 had no effect on the consolidated financial statements of METRO AG.

In addition, the amendment "Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters" to IFRS 1 (First-time Adoption of International Financial Reporting Standards) came into effect. As it only applies to first-time adopters of IFRSs, it did not apply to METRO AG.

In the context of "Improvements to IFRS 2010", amendments were made to other standards. These had no effect on the consolidated financial statements of METRO AG.

A number of other accounting standards and interpretations were newly adopted or revised by the IASB that will be binding for METRO AG from 1 January 2012 at the earliest, insofar as they are approved by the European Commission and relevant to METRO AG:

Standard/ Interpretation	Title	Application at METRO AG from[1]	Approved by EU[2]
IFRS 1	First-time Adoption of International Financial Reporting Standards (Amendment: Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters)	Not applicable[3]	No
IFRS 7	Financial Instruments: Disclosures (Amendment: Disclosures – Transfers of Financial Assets)	1/1/2012	Yes
IFRS 7	Financial Instruments: Disclosures (Amendment: Disclosures – Offsetting of Financial Assets and Financial Liabilities)	1/1/2013	No
IFRS 9	Financial Instruments (Phase 1: Classification and Measurement)	1/1/2015	No
IFRS 10	Consolidated Financial Statements	1/1/2013	No
IFRS 11	Joint Arrangements	1/1/2013	No
IFRS 12	Disclosure of Interests in Other Entities	1/1/2013	No
IFRS 13	Fair Value Measurement	1/1/2013	No
IAS 1	Presentation of Financial Statements (Amendment: Presentation of Items of Other Comprehensive Income)	1/1/2013	No
IAS 12	Income Taxes (Amendment: Deferred Tax – Recovery of Underlying Assets)	1/1/2012	No
IAS 19	Employee Benefits (Revision)	1/1/2013	No
IAS 27	Separate Financial Statements (revision and renaming as part of the introduction of IFRS 10)	1/1/2013	No
IAS 28	Investments in Associates and Joint Ventures (revision and reissuance as part of the introduction of IFRS 11)	1/1/2013	No
IAS 32	Financial Instruments: Presentation (Amendment: Offsetting of Financial Assets and Financial Liabilities)	1/1/2014	No
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1/1/2013	No

[1] Precondition: EU approval before the prescribed IFRS effective date
[2] As of 31 December 2011
[3] As IFRS 1 applies exclusively to first-time adopters of IFRS, it does not have to be applied at METRO AG

IAS 19 (Employee Benefits)

Prior to the amendment, IAS 19 (Employee Benefits) provided the option to account for actuarial gains and losses from defined benefit pension plans either directly in profit or loss, in equity outside of profit or loss or based on the so-called corridor approach. METRO AG currently uses the corridor method whereby actuarial gains and losses are recognised only to the extent that their cumulative amount which is not recognised in profit or loss exceeds the higher of 10 percent of the present value of the defined benefit obligation or 10 percent of plan assets.

In June 2011, the IASB published a revised version of IAS 19 which applies from the financial year 2013. Essentially, the revision eliminates the choices on how to account for actuarial gains and losses (for example, due to changes in interest rates). In future, these must be recognised immediately in equity (other comprehensive income). The amounts collected in equity remain there and are not reclassified to the income statement in subsequent periods. As a result, the income statement will in future remain unaffected by actuarial gains and losses. Another change concerns the fact that, in future, returns on plan assets will be determined using the discount rate used to measure the pension obligations. In addition, past service costs will in future be recognised fully in profit or loss during the period in which the respective plan changes were effected. In addition, disclosure requirements about pension plans are expanded.

The revised IAS 19 comes into effect on 1 January 2013. Based on the level of actuarial gains and losses existing on 31 December 2011, an adoption of the amendment in the financial year 2011 would have resulted in €203 million lower earnings reserves (previous year: €–244 million). Other material effects from the first-time adoption of the revised IAS 19 are not expected.

IAS 32 (Financial Instruments: Presentation)

Pursuant to IAS 32 (Financial Instruments: Presentation), financial assets and financial liabilities should be offset if the following two preconditions are met: first, the entity must have a legally enforceable right to set off the amounts as of the balance sheet date; second, it must intend to either settle on a net basis or to realise the asset and settle the liability simultaneously. The amendment to IAS 32 "Offsetting of Financial Assets and Financial Liabilities" specifies when these conditions are considered met. In particular, it determines criteria for the existence of an unconditional legal claim.

The amendment to IAS 32 will come into effect on 1 January 2014. At present, this amendment is not expected to have any material effect on the asset, financial and earnings position of METRO AG.

IFRS 9 (Financial Instruments – Phase 1: Classification and Measurement)

The new IFRS 9 standard (Financial Instruments) is to replace IAS 39 (Financial Instruments: Recognition and Measurement) covering the classification and measurement of financial assets. IFRS 9 is developed in three phases of which only the first phase "Classification and Measurement" has been concluded so far. Additional planned phases are "Amortised Cost and Impairment of Financial Assets" and "Hedge Accounting".

In its currently released state, IFRS 9 therefore contains only the results from the first phase, "Classification and Measurement". As part of this first phase, the four IAS 39 measurement categories used in the classification of financial assets have been reduced to two – measurement at amortised cost and fair value measurement. Financial assets are classified to one of these two categories on the basis of the characteristics of contractual cash flow of the respective financial asset and the business model which the entity uses to manage its financial assets. Due to these criteria, equity instruments may in future only be measured at fair value. In addition, under IFRS 9, the fair value option for financial assets included in IAS 39 is permitted only if this eliminates or significantly reduces an accounting mismatch.

In general, financial liabilities are measured at amortised cost. Financial liabilities held for trading, in turn, are measured at fair value. In addition, IFRS 9 also provides for a fair value option for financial liabilities. However, in exercising this option, fair value changes resulting from changes in the entity's creditworthiness must be recognised in equity outside of profit or loss, while other changes must be recognised in profit or loss.

As of today, IFRS 9 in its current version is scheduled to apply as of 1 January 2015. As a result, the potential impact of this new standard cannot be determined at this point.

IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements) and IFRS 12 (Disclosure of Interests in Other Entities)

The new standards IFRS 10, 11 and 12 contain changes in accounting and disclosure requirements for consolidated financial statements. IFRS 10 (Consolidated Financial Statements) includes a new definition of control that determines which entities are consolidated. It replaces previous regulations governing consolidated financial statements

included in IAS 27 (Consolidated and Separate Financial Statements – in future only Separate Financial Statements) and SIC-12 (Consolidation – Special Purpose Entities). The key change resulting from IFRS 10 concerns the introduction of a uniform definition of control. In future, three criteria must be met for the existence of control: the investor has power over the investee and resulting exposure or rights to variable returns from its involvement with the investee; and the investor can use its power over the investee to affect the amount of the variable returns.
IFRS 11 (Joint Arrangements) describes the accounting for arrangements in which several parties have joint control over a joint venture or a joint operation. It replaces IAS 31 (Interests in Joint Ventures) and SIC-13 (Jointly Controlled Entities – Non-Monetary Contributions by Venturers) and amends IAS 28 (Investments in Associates – in future: Investments in Associates and Joint Ventures). IFRS eliminates the option currently granted under IAS 31 to apply proportionate consolidation to joint ventures. In future, joint ventures must be recognised using the equity method in accordance with the stipulations of IAS 28. As METRO AG has not made use of the option to apply proportionate consolidation, this amendment has no effect on the consolidated financial statements of METRO AG. According to IFRS 11, the individual partners in joint arrangements recognise their portion of jointly held assets and jointly incurred liabilities in their own balance sheet. Analogously, they also include their respective portion of sales, income and expenses deriving from the joint arrangement in their income statement.
The new IFRS 12 (Disclosure of Interests in Other Entities) markedly expands the disclosure requirements for investments in other entities. In future, detailed information must be provided on subsidiaries, associates, joint arrangements, joint ventures, consolidated special purpose entities (so-called structured entities) and all special purpose entities that are not consolidated but with which an entity maintains a relationship.
The new standards IFRS 10, 11 and 12 as well as the amendments to IAS 27 and 28 apply from 1 January 2013. The first-time application of these standards is not expected to have a material effect on the consolidated financial statements of METRO AG.

At this point, the first-time application of the aforementioned accounting regulations is not expected to have a material impact on the Group's asset, financial and earnings position.

Consolidation group
Besides METRO AG, the consolidated financial statements comprise all subsidiaries in which METRO AG controls the financial and business policy through a majority of voting rights or according to the Articles of Association, company contract or contractual agreement. These include 684 German (previous year: 661) and 610 international (previous year: 599) subsidiaries controlled by METRO AG in accordance with IAS 27 (Consolidated and Separate Financial Statements) in conjunction with SIC-12 (Consolidation – Special Purpose Entities).

The group of consolidated companies changed as follows compared to the previous year:

As of 1/1/2011	1,261
Changes in the financial year 2011	
Companies merged with other consolidated subsidiaries	–16
Disposal of shareholdings	–21
Other disposals	–14
Newly founded companies	72
Acquisitions	13
As of 31/12/2011	**1,295**

The disposal of shareholdings includes the deconsolidation of MEDIA SATURN FRANCE S.C.S. with 20 companies. Additions from newly founded companies (72 companies) are due mainly to the international expansion of Media-Saturn (21 companies). Acquisitions include the purchase of the Redcoon group by Media-Saturn with eight companies.

Inasmuch as they are of particular significance, effects from changes in the consolidation group are explained in detail in the respective balance sheet items.

4 associated companies (previous year: 4) and 8 joint ventures (previous year: 5) were valued according to the equity method. A total of 11 companies (previous year: 9) in which METRO AG holds between 20 and 50 percent of the voting rights were valued at cost because they did not qualify as associated companies or because materiality considerations made the use of the equity method unnecessary.

A complete list of Group companies and associated companies is shown in no. 53 "Overview of major fully consolidated Group companies". In addition, a complete list of all Group companies and associated companies is shown in no. 55 "Affiliated companies of METRO AG as of 31 December 2011 pursuant to § 313 of the German Commercial Code".

Consolidation principles
The financial statements of German and foreign subsidiaries included in the consolidated accounts are prepared using uniform accounting and valuation methods as required by IAS 27 (Consolidated and Separate Financial Statements).

Consolidated companies that, unlike METRO AG, do not close their financial year on 31 December prepared interim financial statements for consolidation purposes.

In accordance with IFRS 3 (Business Combinations), capital consolidation is accomplished using the purchase method. In the case of business combinations, the carrying amounts of the investments are offset against the revalued pro rata equity of the subsidiaries as of their acquisition dates. Any positive differences remaining after the allocation of hidden reserves and charges are capitalised as goodwill. Goodwill is tested for impairment regularly once a year – or more frequently if changes in circumstances indicate a possible impairment. If the carrying amount of a unit that was assigned goodwill exceeds the recoverable amount, goodwill is written down to the lower recoverable amount.

In addition, in the case of business combinations, hidden reserves and charges attributable to non-controlling interests must be disclosed and reported in equity as "non-controlling interests". METRO GROUP does not use the option to recognise the goodwill attributable to non-controlling interests. In accordance with IFRS 3, any negative differences remaining after the allocation of hidden reserves and charges after another review during the period in which the business combination took place are amortised to income.

Purchases of additional shareholdings in companies where a controlling interest has already been acquired are recognised as equity transactions. As a result, the assets and liabilities are not remeasured at fair value nor are any gains or losses recognised. Any differences between the cost of the additional shareholding and the carrying amount of the net assets on the date of acquisition are directly offset against the capital attributable to the buyer.

Investments accounted for under the equity method are treated in accordance with the principles applying to full consolidation, with existing goodwill being included in the recognition of the investment, and non-scheduled amortisation of this goodwill being included in income from associated companies in the financial result. Any deviating accounting and measurement methods used in the financial statements' underlying equity valuation are retained as long as they do not substantially contradict METRO GROUP's uniform accounting and measurement methods.

Any write-backs or write-downs to shares in consolidated subsidiaries carried in the individual financial statements are reversed.

Intra-Group profits and losses are eliminated, sales revenues, expenses and income as well as receivables and liabilities and/or provisions are consolidated. Interim results in fixed assets or inventories resulting from intra-Group transactions are eliminated unless they are of minor significance. In accordance with IAS 12 (Income Taxes), deferred taxes are recognised for consolidated transactions.

Currency translation
In the subsidiaries' separate financial statements, transactions in foreign currency are valued at the rate prevailing on the transaction date. Exchange rate fluctuations up to the closing date are taken into account in the valuation of receivables and payables in foreign currency; the resulting gains and losses are recognised in income. Currency translation differences from receivables and payables in foreign currency, which must be regarded as a net investment in a foreign business operation, are reported as reserves retained from earnings outside of profit or loss.

The annual financial statements of foreign subsidiaries are translated into euros according to the functional currency concept of IAS 21 (The Effects of Changes in Foreign Exchange Rates). The functional currency is defined as the currency of the primary economic environment of the subsidiary. Since all consolidated companies operate as financially, economically and organisationally autonomous entities, their respective local currency is the functional currency. Assets and liabilities are therefore converted at the average exchange rate prevailing on the closing date, whereas income statement items are translated at the annual average exchange rate. Differences from the translation of the financial statements of non-German subsidiaries do not affect income and are shown as separate items under reserves retained from earnings. Such currency differences are recorded as income in the year in which foreign subsidiaries are deconsolidated.

In the financial year 2011, no functional currency of a consolidated company was classified as hyperinflationary as defined by IAS 29 (Financial Reporting in Hyperinflationary Economies).

The following exchange rates were applied in the translation of key currencies outside the European Monetary Union that are of major significance for METRO GROUP:

		Average exchange rate in €		Period-end exchange rate in €	
		2010	2011	31/12/2010	31/12/2011
Bosnian mark	BAM	1.95583	1.95583	1.95583	1.95583
Bulgarian lev	BGN	1.95583	1.95583	1.95583	1.95583
Chinese renminbi	CNY	8.97949	8.99760	8.82200	8.15880
Croatian kuna	HRK	7.28869	7.43840	7.38300	7.53700
Czech koruna	CZK	25.29832	24.59169	25.06100	25.78700
Danish krone	DKK	7.44723	7.45061	7.45350	7.43420
Egyptian pound	EGP	7.47542	8.27979	7.69730	7.76610
Hong Kong dollar	HKD	10.30688	10.83782	10.38560	10.05100
Hungarian forint	HUF	275.40584	279.32945	277.95000	314.58000
Indian rupee	INR	60.61675	64.87245	59.75800	68.71300
Indonesian rupee	IDR	12,055.58000	12,207.29000	12,002.14000	11,731.47000
Japanese yen	JPY	116.46337	111.01395	108.65000	100.20000
Kazakhstani tenge	KZT	195.36055	204.20515	196.88000	191.72000
Moldovan leu	MDL	16.40377	16.33288	16.10450	15.07370
Moroccan dirham	MAD	11.16107	11.25905	11.16765	11.10825
New Romanian leu	RON	4.21160	4.23824	4.26200	4.32330
New Turkish lira	TRY	1.99805	2.33596	2.06940	2.44320
Norwegian krone	NOK	8.00897	7.79424	7.80000	7.75400
Pakistani rupee	PKR	113.09190	120.25368	114.43630	116.19190
Polish złoty	PLN	3.99543	4.12026	3.97500	4.45800
Pound Sterling	GBP	0.85836	0.86803	0.86075	0.83530
Russian rouble	RUB	40.27777	40.88034	40.82000	41.76500
Serbian dinar	RSD	102.89962	101.96651	105.49820	104.64090
Singapore dollar	SGD	1.80791	1.74904	1.71360	1.68190
Swedish krona	SEK	9.54630	9.02905	8.96550	8.91200
Swiss franc	CHF	1.38198	1.23321	1.25040	1.21560
Ukrainian hryvnia	UAH	10.53283	11.09211	10.57314	10.29805
US dollar	USD	1.32671	1.39221	1.33620	1.29390
Vietnamese dong	VND	24,682.19000	28,489.89000	25,187.13000	26,955.60000

Income statement

Recognition of income and expenses

In accordance with IAS 18 (Revenue), **net sales** and **other operating income** are reported immediately upon rendering of the service or delivery of the goods. In the latter case, the timing is determined by the transfer of risk to the customer. Where customers are granted the right to return goods and cancel services, sales are recognised only if the probability of return can be reliably estimated. To this end, return rates are calculated on the basis of historical data and projected to future take-back obligations. No sales are recognised for the portion allocated to the expected returns; instead, a provision is formed. Net sales are shown after deduction of rebates and discounts.

Operating expenses are recognised as expenses upon availment or causation.

As a rule, **dividends** are recognised when the legal claim to payment arises.

Interest is recognised as income or expenses on an accrual basis using the effective interest method where applicable.

Income taxes

Income taxes concern direct taxes on income and deferred taxes.

Balance sheet

Goodwill

In accordance with IFRS 3 (Business Combinations), **goodwill** is capitalised. Goodwill resulting from business combinations is attributed to the group of so-called cash-generating units (CGU) that benefits from the synergies of this business combination. In accordance with IAS 36 (Impairment of Assets), a CGU is defined as the smallest identifiable group of assets that generates cash inflows largely independently from the cash inflows of other assets or groups of assets. As a rule, single locations represent CGUs at METRO GROUP. Goodwill within METRO GROUP is monitored at the level of the organisational unit sales division per country for internal management purposes. Goodwill impairment tests are therefore conducted at the level of this respective group of cash-generating units.

Capitalised goodwill is tested for impairment regularly once a year – or more frequently if changes in circumstances indicate a possible impairment – and, if applicable, written down on an unscheduled basis. To determine a possible impairment, the recoverable amount of a CGU is compared to the respective carrying amount of the CGU. The recoverable amount is the higher of value in use and fair value less costs to sell. An impairment of the goodwill allocated to a CGU applies only if the recoverable amount is lower than the total of carrying amounts. No write-back is performed if the reasons for a non-scheduled write-down in previous years have ceased to exist.

Other intangible assets

Purchased other intangible assets are recognised at cost of purchase. **Internally generated intangible assets** are capitalised at cost of manufacture for their development if the capitalisation criteria of IAS 38 (Intangible Assets) are met. Research costs, in turn, are not capitalised but recognised immediately as expenses. The cost of manufacture includes all expenditure directly attributable to the development process. This may include the following costs:

Direct costs	Direct material costs
	Direct production costs
	Special direct production costs
Overhead (directly attributable)	Material overhead
	Production overhead
	Depreciation of fixed assets
	Development-related administrative costs

Debt capital costs are factored into the determination of the cost of production only in the case of so-called qualified assets pursuant to IAS 23 (Borrowing Costs). Qualified assets are defined as non-financial assets that take a substantial period of time to prepare for their intended use or sale.

The subsequent valuation of other intangible assets is effected based on the historical cost principle. No use is made of the remeasurement option. All other intangible assets of METRO GROUP have a limited useful life and are therefore subject to straight-line write-downs. Capitalised internally created and purchased software as well as comparable intangible assets are written down over a period of up to ten years, licences over their useful life. These intangible assets are examined for indications of impairment at each closing date. Non-scheduled amortisation is effected if the recoverable amount is below the amortised cost. The assets are written back if the reasons for non-scheduled amortisation implemented in previous periods have ceased to exist.

Tangible assets

Tangible assets used in operations for a period of more than one year are recognised at amortised cost pursuant to IAS 16 (Property, Plant and Equipment). The manufacturing cost of internally generated assets includes both direct costs and appropriate portions of attributable overhead. Financing costs are only capitalised in relation to qualified assets as a component of cost of purchase or production. In line with IAS 20 (Accounting for Government Grants and Disclosure), **investment allowances** received are offset against the purchase or manufacturing cost of the corresponding asset, with no item of deferral formed for the allowances on the liabilities side. **Reinstatement obligations** are included in the cost of purchase or production at the discounted settlement value. Retroactive purchase or production costs of a tangible asset are only capitalised as well if they result in a higher future economic benefit for METRO GROUP.

Tangible assets are depreciated solely on a straight-line basis using the historical cost method pursuant to IAS 16. The optional new measurement method is not applied. Throughout the Group, scheduled depreciation is based on the following useful lives:

Buildings	10 to 33 years
Leasehold improvements	8 to 15 years or shorter rental contract duration
Business and office equipment	3 to 13 years
Machinery	3 to 8 years

Capitalised reinstatement costs are written down on a pro rata basis over the useful life of the asset.

Pursuant to IAS 36, an impairment test will be carried out if there are any indications of impairment of a tangible asset. The asset will be written down using non-scheduled depreciation if there are any indications of impairment and if the recoverable amount is below the amortised cost. The assets are written back if the reasons for non-scheduled depreciation have ceased to exist.

In accordance with IAS 17 (Leases), economic ownership of leased assets is attributable to the lessee if all the material risks and rewards incidental to ownership of the asset are transferred to the lessee **(finance lease).** If economic ownership is attributable to a METRO GROUP company acting as lessee, the leased asset is capitalised at fair value or at the lower present value of the minimum lease payments when the lease is signed. In analogy to the comparable purchased tangible assets, leased assets are subject to scheduled depreciation over their useful lives or the lease term if the latter is shorter. However, if it is sufficiently certain that ownership of the leased asset will be transferred to the lessee at the end of the lease term, the asset is depreciated over its useful life. Payment obligations resulting from future lease payments are carried as liabilities.

An **operating lease** applies when economic ownership of the leased object is not transferred to the lessee. The lessor does not recognise assets or liabilities for operating leases, but merely includes rental expenses linearised over the term of the lease in its income statement.

In the case of leasing agreements relating to buildings and related land, these two elements are generally treated separately and classified as finance and operating leases.

Investment properties

In accordance with IAS 40 (Investment Property), **investment properties** comprise real estate assets that are held to earn rentals and/or for capital appreciation. In analogy to tangible assets, they are recognised at cost less scheduled and potentially required non-scheduled depreciation based on the historical cost model. Measurement at fair value through profit or loss based on the "fair value model" does not apply. Scheduled depreciation of investment properties is effected over a useful life of 15 to 33 years. Furthermore, the fair value of these properties is stated in the notes. It is determined either on the basis of recognised measurement methods or independent expert opinions.

Financial assets

Financial assets that do not represent **associated companies** under IAS 28 (Investments in Associates) or joint ventures under IAS 31 (Interests in Joint Ventures) are recognised in accordance with IAS 39 (Financial Instruments: Recognition and Measurement) and assigned to one of the following categories:

→ "Loans and receivables"
→ "Held to maturity"
→ "At fair value through profit or loss"
→ "Available for sale"

Financial assets are measured at their fair value including transaction costs for the first reporting period in all categories except "at fair value through profit or loss". Measurement is effected at the date of purchase.

Depending on the classification to the categories listed above, financial assets are capitalised either at amortised cost or at fair value:

→ **"Loans and receivables"** refers to non-derivative financial assets with fixed or determinable payments that are not listed in an active market. They are recognised at amortised cost based on the effective interest method.

→ The measurement category **"held to maturity"** includes non-derivative financial assets with fixed or determinable payments and a fixed term, with the Company having both the intention and the ability to hold them to the end of their term. They are also recognised at amortised cost based on the effective interest method.

→ The category **"at fair value through profit or loss"** comprises all financial assets "held for trading" as the fair value option of IAS 39 is not applied within METRO GROUP. For clarification purposes, the entire category is referred to as "held for trading" in the notes to the consolidated financial statements. Financial instruments "held for trading" are financial assets that are either acquired or entered into with a short-term intention to sell or repurchase or that are part of a portfolio of jointly managed financial instruments that has been used to realise short-term gains in the recent past. Furthermore, this category includes derivative financial instruments that are not part of an effective balance sheet hedge. Financial instruments "held for trading" are valued at fair value through profit or loss.

→ The category **"available for sale"** represents a residual category for original financial assets that cannot be assigned to any of the other three categories. METRO GROUP does not make use of the optional designation of financial assets to the category "available for sale". "Available for sale" financial assets are recognised at fair value outside of profit or loss. Fluctuations in the value of "available for sale" financial assets are recognised in equity without being reported as a profit or loss. The amounts recognised are not transferred to net income for the respective period until they have been sold or a sustained impairment of the assets has occurred.

Investments are assets to be classified as "available for sale". **Securities** are classified as "held to maturity", "available for sale" or "held for trading". **Loans** are classified as "loans and receivables".

Financial assets designated as **hedged items** as part of a fair value hedge are recognised at fair value through profit or loss.

Equity instruments for which no active market price exists and whose fair value cannot be reliably determined, as well as derivatives on such equity instruments, are recognised at cost.

At each balance sheet date, financial assets that are not measured at fair value through profit or loss are examined for objective, substantial indications of impairment. If there are any such indications, the respective financial asset is tested for impairment by comparing the carrying amount to the fair value. If the fair value is lower than the carrying amount, the difference is written down by way of non-scheduled depreciation. Where impairments of financial assets in the category "held for sale" were previously recognised in equity outside of profit or loss, these are now eliminated in equity to the amount of determined sustained impairment and recognised in profit or loss. The fair value of financial assets measured at amortised cost corresponds to the present value of expected future cash flows, discounted at the previously used effective interest rate. The fair value of equity instruments measured at cost in the category "available for sale" corresponds to the present value of expected future cash flows discounted at the current market interest rate.

If, at a later date, the fair value increases again, the asset is written back accordingly. In the case of financial assets recognised at amortised cost, the write-back is limited to the amount of amortised cost which would have occurred without the impairment. In the category "available for sale", debt instruments are written back in profit or loss, while equity instruments are written back outside of profit or loss.

Financial assets are derecognised when the contractual rights to cash flows from the item in question are extinguished or have expired or the financial asset is transferred.

Other receivables and assets

The financial assets included in **other receivables and assets** that are classified as "loans and receivables" under IAS 39 are recognised at amortised cost.

Other assets include investments and derivative financial instruments to be classified as "held for trading" in accordance with IAS 39. All other receivables and assets are recognised at amortised cost.

The **deferred income** item comprises transitory deferrals.

Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are determined in accordance with IAS 12 (Income Taxes), which states that likely future tax benefits and liabilities are recognised for temporary differences between the carrying amounts of assets or liabilities in the consolidated financial statements and their tax base. Anticipated tax savings from the use of tax loss carry-forwards expected to be recoverable in future periods are capitalised.

Deferred tax assets in respect of deductible temporary differences and tax loss carry-forwards exceeding the deferred tax liabilities in respect of taxable temporary differences are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities are netted if these income tax assets and liabilities concern the same tax authority and refer to the same tax subject or a group of different tax subjects that are jointly assessed for income tax purposes.

Inventories

In accordance with IAS 2 (Inventories), merchandise carried as **inventories** is reported at cost of purchase. The cost of purchase is determined either on the basis of a separate valuation of additions from the perspective of the procurement market or by means of the weighted average cost method.

Merchandise is valued as of the closing date at the lower of cost or net realisable value. Merchandise is written down on a case-by-case basis if the anticipated net realisable value declines below the carrying amount of the inventories. Such net realisable value corresponds to the anticipated estimated selling price less the estimated direct costs necessary to make the sale.

When the reasons for a write-down of the merchandise have ceased to exist, the write-down is reversed.

Trade receivables

In accordance with IAS 39, **trade receivables** are classified as "loans and receivables" and recognised at amortised cost. Where their recoverability appears doubtful, the trade receivables are recognised at the lower recoverable amount. Aside from the required specific bad debt allowances, a lump-sum bad debt allowance is carried out to account for the general credit risk.

Deferred income tax assets and liabilities

The disclosed **deferred income tax assets and liabilities** concern domestic and foreign income taxes for the reporting year as well as prior years. They are determined in compliance with the tax laws of the respective business country.

Cash and cash equivalents

Cash and cash equivalents comprise cheques, cash on hand and bank deposits with a term of up to three months and are recognised at their respective nominal values.

Assets held for sale, liabilities related to assets held for sale and discontinued operations

In accordance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), an asset is classified as an **asset held for sale** if the respective carrying amount is to be realised above all through a sale rather than through continued utilisation. A sale must be planned and realisable within the subsequent twelve months. The asset is measured at the lower of carrying amount and fair value less costs to sell and presented separately in the balance sheet. Analogously,

liabilities related to assets held for sale are presented separately in the balance sheet.

In accordance with IFRS 5, a component of an entity is recognised as a **discontinued operation** if it is held for sale or has already been disposed of. The discontinued operation is measured at the lower of carrying amount and fair value less costs to sell. Discontinued operations are presented separately in the income statement, the balance sheet, the cash flow statement and the segment reporting, and explained in the notes. With the exception of the balance sheet, prior-year amounts are restated accordingly.

Provisions for pensions and similar commitments

The actuarial measurement of **pension provisions** for company pension plans is effected in accordance with the projected unit credit method stipulated by IAS 19 (Employee Benefits). This method takes account of pensions and pension entitlements known at the closing date as well as of future pay and pension increases using biometric data. Where the pension obligations determined or the actual net present value of the pension assets increase or decrease between the beginning and end of a financial year as a result of experience-based adjustments (for example the expected return of pension assets) or changes in underlying actuarial assumptions (for example the discount rate), this will result in so-called actuarial gains or losses. Based on the exercise of a measurement option, these are recognised using the corridor method at METRO GROUP (instead of the direct recognition through profit or loss in the income statement or the recognition in equity outside of profit or loss). Under the corridor method, actuarial gains and losses are recognised only if their cumulative, non-recognised amount exceeds the higher of 10 percent of the present value of the pension obligations and 10 percent of the fair value of the pension assets. In that case, the actuarial gains or losses exceeding the corridor will be spread over the average residual service life of the employees within pension entitlements as of the subsequent year and recognised as income or expenses. The corridor method accounts for the fact that actuarial gains and losses may offset each other over the long term. This method prevents a high level of volatility in the income statement and/or equity. The interest element of the transfer to the provision contained in the expenditure for pensions is shown as interest paid under the financial result. **Provisions for pensions and similar commitments** (for example, anniversary bonuses and death benefits) are formed on the basis of actuarial valuations under IAS 19.

(Other) provisions

In accordance with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets), **(other) provisions** are formed if de jure or de facto obligations to third parties exist that are based on past business transactions or events and will probably result in an outflow of financial funds that can be reliably determined. The provisions are stated at the anticipated settlement amount with due regard to all identifiable risks attached. The settlement amount with the highest possible probability of occurrence is used. Long-term provisions with a term of more than one year are discounted to the balance sheet date. Claims to recourse are not netted with provisions, but recognised separately as an asset if their realisation is considered highly likely.

Provisions for onerous contracts are formed if the unavoidable costs of meeting contractual requirements are higher than the expected economic benefit resulting from the contract. Provisions for deficient rental cover related to leased objects are based on a consideration of individual leased properties. Provisions in the amount of the present value of the funding gap are formed for all closed properties or properties with deficient rental cover. In addition, a provision is created for location risks related to leased, operational or not yet closed locations insofar as a deficient cover of operational costs or a deficient rental cover despite consideration of a possible subleasing for the respective location arises from current corporate planning over the basic rental term.

Provisions for restructuring measures are recognised insofar as the factual restructuring commitment was formalised by means of the adoption of a detailed restructuring plan and its communication vis-à-vis those affected as of the closing date. Restructuring provisions comprise only obligatory restructuring expenses that are not related to the Company's current activities.

Provisions for guarantees are formed based on past capitalised guarantees and sales during the financial year.

Financial liabilities

According to IAS 39, **financial liabilities** that do not represent liabilities from finance leases are assigned to one of the following categories:

→ "At fair value through profit or loss" ("held for trading")
→ "Other financial liabilities"

The first-time recognition of financial liabilities and subsequent measurement of financial liabilities **"held for trading"** is effected based on the same stipulations as for financial assets.

The category **"other financial liabilities"** comprises all financial liabilities that are not "held for trading". They are carried at amortised cost based on the effective interest method as the fair value option is not applied within METRO GROUP.

Financial liabilities designated as the hedged item in a fair value hedge are carried as liabilities at their fair value. The fair values indicated for the financial liabilities have been determined on the basis of the interest rates prevailing on the closing date for the remaining terms and redemption structures.

In principle, financial liabilities from finance leases are carried at the present value of future minimum lease payments.

A financial liability is derecognised only when it has expired, that is, when the contractual obligations have been redeemed or annulled or have expired.

Other liabilities

Other liabilities are carried at their settlement amounts unless they represent derivative financial instruments or commitments to stock tender rights, which are recognised at fair value under IAS 39.

Deferred income comprises transitory deferrals.

Trade liabilities

Trade liabilities are recognised at amortised cost.

Contingent liabilities

Contingent liabilities are, on the one hand, potential obligations arising from past events whose existence is confirmed only by the occurrence or non-occurrence of uncertain future events that are not entirely under the Company's control. On the other hand, contingent liabilities represent current obligations arising from past events for which, however, an outflow of resources is not considered probable or whose size cannot be determined with sufficient certainty. According to IAS 37, such liabilities should not be recognised in the balance sheet but disclosed in the notes.

Accounting for derivative financial instruments and hedge accounting

Derivative financial instruments are exclusively used to reduce risks. They are used in accordance with the respective Group guideline.

In accordance with IAS 39, all derivative financial instruments are recognised at fair value and shown under other receivables and assets or other liabilities.

Derivative financial instruments are measured on the basis of interbank terms and conditions, possibly including the credit margin or stock exchange price applicable to METRO GROUP. The median prices at the balance sheet date are applied. Where no stock exchange prices are used, the fair value is determined by means of acknowledged measurement methods.

In the case of an effective **hedge accounting** transaction pursuant to IAS 39, fair value changes of derivatives designated as fair value hedges and the underlying transactions are reported as a profit or loss. In cash flow hedges, the effective portion of the fair value change of the derivative is carried in equity without being reported as a profit or loss. A transfer to the income statement is effected only when the underlying transaction is realised. The ineffective portion of the change in the value of the hedging instrument is immediately reported as a profit or loss.

Accounting for share-based payments

The share bonuses granted under the share-based payments system are classified as **"cash-settled share-based payments"** pursuant to IFRS 2 (Share-based Payment). Proportionate provisions measured at the fair value of the obligations entered into are formed for these payments. The proportionate formation of the provisions is prorated over the underlying blocking period and recognised in income as personnel expenses. The fair value is remeasured at each balance sheet date during the blocking period until exercise based on an option pricing model. Provisions are adjusted accordingly in profit or loss.

Where granted share-based payments is hedged through corresponding hedging transactions, the hedging transactions are measured at fair value and shown under other receivables and assets. The portion of the hedges' value fluctuation that corresponds to the value of fluctuation of the share-based payments is recognised in personnel expenses. The surplus amount of value fluctuations is recognised in equity without being reported as a profit or loss.

Summary of selected measurement methods

Position	Measurement method
Assets	
Goodwill	At cost (subsequent measurement: impairment test)
Other intangible assets	
Acquired other intangible assets	At (amortised) cost
Internally generated intangible assets	At cost of development (direct costs and overheads)
Tangible assets	At (amortised) cost
Investment properties	At (amortised) cost
Financial assets	
"Loans and receivables"	At (amortised) cost
"At fair value through profit or loss" ("held for trading")	At fair value through profit or loss
"Held for sale"	At fair value without being reported as a profit or loss
Inventories	Lower of cost and net realisable value
Trade receivables	At (amortised) cost
Cash and cash equivalents	At nominal value
Assets held for sale	Lower of carrying amount and fair value less costs to sell
Liabilities	
Provisions	
Pension provisions	Projected unit credit method
Other provisions	At discounted settlement value (highest probability of occurrence)
Financial liabilities	
"At fair value through profit or loss" ("held for trading")	At fair value through profit or loss
"Other financial liabilities"	At (amortised) cost
Other liabilities	At settlement value or fair value
Trade liabilities	At (amortised) cost

Use of discretionary decisions, estimates and assumptions

The preparation of the consolidated financial statements was based on a number of **discretionary decisions, estimates** and **assumptions** that had an effect on the value and presentation of the reported assets, liabilities, income and expenses as well as contingent liabilities.

Discretionary decisions

The following topics, in particular, required discretionary decisions in the preparation of these annual accounts:

→ Determination of the consolidation group by assessing control opportunities (chapter "Consolidation group"). Aside from special purpose entities this concerns, in particular, investments where control is not necessarily tied in with a majority of voting rights due to special regulations in the Articles of Association
→ Classification of leases as finance lease or operating lease – including in sale-and-lease-back transactions (no. 20 "Tangible assets")
→ Classification of real estate assets as financial investments (no. 21 "Investment properties")
→ Classification of financial instruments to the category "held to maturity" (no. 39 "Book values and fair values according to measurement categories")

Estimates and assumptions

Estimates and underlying assumptions with significant effects relate to the following circumstances, in particular:

→ Determination of fair values in the context of first-time consolidation (chapter "Notes on business combinations")
→ Uniform Group-wide determination of useful lives for limited-life assets (no. 13 "Depreciation/amortisation", no. 17 "Tangible and intangible assets", no. 19 "Other intangible assets" and no. 20 "Tangible assets")
→ Event-related impairment tests relating to limited-life assets (no. 13 "Depreciation/amortisation", no. 17 "Tangible and intangible assets", no. 19 "Other intangible assets" and no. 20 "Tangible assets")
→ Annual goodwill impairment tests (no. 18 "Goodwill")
→ Recoverability of receivables – particularly receivables from suppliers (no. 23 "Other receivables and assets")
→ Ability to realise tax receivables – particularly from loss carry-forwards (no. 24 "Deferred tax assets/deferred tax liabilities")
→ Measurement of inventories (no. 25 "Inventories")
→ Determination of provisions for pensions (no. 32 "Provisions for pensions and similar commitments")
→ Determination of other provisions – for example, for deficient rental covers, restructuring and guarantees (no. 33 "Other provisions [non-current]/provisions [current]")

Although great care has been taken in making these estimates and assumptions, actual values may deviate from them in individual cases. The estimates and assumptions used in the Group accounts are regularly reviewed. Changes are taken into account at the time new information becomes available.

Capital management

The aim of the capital management strategy of METRO GROUP is to secure the Company's continued business operations, to enhance its enterprise value, to create solid capital resources to finance its profitable growth and to provide for attractive dividend payments and capital service.

The capital management strategy of METRO GROUP has remained unchanged compared to the previous year.

EBIT after Cost of Capital (EBITaC)

METRO GROUP pursues a value-orientated corporate management approach based on EBIT after Cost of Capital (EBITaC). The focus is on the successful deployment of business assets and the achievement of a value contribution for METRO GROUP exceeding the cost of capital.

Further information on the development of EBIT after Cost of Capital is included in the Group management report – chapter 3 Earnings position – in the section "EBIT after Cost of Capital (EBITaC)".

Rating

METRO GROUP's ratings by the two international agencies Moody's and Standard & Poor's communicate the Company's creditworthiness to existing and potential debt capital investors. Based on its current ratings, METRO GROUP has comprehensive access to all debt capital markets.

Detailed information on the METRO GROUP rating can be found in the Group management report – chapter 4 Financial and asset position – in the "Financial management" section.

→ p. 200

Equity and debt capital, net balance sheet debt in the consolidated financial statements

Equity amounted to €6,437 million (previous year: €6,460 million), while debt capital reached €27,550 million (previous year: €28,607 million). Net balance sheet debt amounted to €4,075 million compared with €3,478 million in the previous year.

€ million	31/12/2010	31/12/2011
Equity	**6,460**	**6,437**
Debt capital	**28,607**	**27,550**
Net debt	**3,478**	**4,075**
Financial liabilities (incl. finance leases)	8,283	7,441
Cash and cash equivalents according to balance sheet	4,799	3,355
Term deposits > 3 months ≤ 1 year[1]	6	11

[1]Included in the balance sheet item "other receivables and assets (current)"

Local capital requirements

The capital market strategy of METRO GROUP consistently aims to ensure that the Group companies' capital resources comply with local requirements. During the reporting year, all external capital requirements were fulfilled. This includes, for example, adherence to a maximum level of indebtedness or a fixed equity ratio.

Notes on business combinations

By contractual agreement of 30 March 2011, Media-Saturn acquired 90 percent of the shares in Redcoon GmbH, a leading online consumer electronics retailer. The purchase price was €125 million. Redcoon GmbH currently sells its goods largely on the German market. In addition, the company has subsidiaries in Austria, Denmark, France, Spain, Italy, Poland and the Netherlands as well as one branch each in Portugal and Belgium. The acquisition of a pure play online retailer is a key element in the implementation of Media-Saturn's online strategy. The acquisition came into effect when the final suspensive condition was met on 14 July 2011. First-time consolidation was effected in the third quarter. Since then, the Redcoon group has been part of the Media-Saturn segment.

The (consolidated) fair values of the acquired assets and liabilities as of the acquisition date can be broken down as follows:

€ million	2011
Assets	
Other intangible assets	40
Tangible assets	4
Financial assets (non-current)	1
Inventories	28
Receivables and other assets (current)	10
Cash and cash equivalents	7
	90
Liabilities	
Other provisions (non-current)	1
Financial liabilities (non-current)	2
Deferred tax liabilities	12
Financial liabilities (current)	4
Trade liabilities	25
Other liabilities and provisions (current)	7
	51

No contingent liabilities were assumed in the context of the acquisition.

With respect to the determination of the final purchase price and the measurement of assets and liabilities in the opening balance sheet, the initial consolidation of the Redcoon group must be considered preliminary.

The non-controlling shareholder was granted an offer to tender his capital interests in the purchase contract. This tender right was recognised as a financial liability at the present value of the repurchase amount. Accordingly, the acquisition was presented as though 100 percent of the shares had been acquired.

The acquisition of Redcoon GmbH including its seven subsidiaries results in goodwill of €83 million.

The acquisition of the Redcoon group results in subsidiary acquisition costs of €2 million, which have been recognised as general administrative expenses in the income statement.

Since its consolidation, the Redcoon group has contributed €239 million to Group sales and €–2 million to net profit for the period.

Assuming the acquisition had been effected as of 1 January 2011, the Redcoon group would have contributed €432 million to METRO GROUP sales and €–1 million to net profit for the period.

Notes to the income statement

1. Sales

(Net) sales can be broken down as follows:

€ million	2010	2011
Metro Cash & Carry	31,095	31,155
Real	11,499	11,230
Media-Saturn	20,794	20,604
Galeria Kaufhof	3,584	3,450
Others	286	263
	67,258	**66,702**

The sales listed in the "others" segment were mainly generated by MGB METRO GROUP Buying HK Ltd. at €228 million (previous year: €238 million) and logistics companies at €32 million (previous year: €30 million).

A total of €40.8 billion (previous year: €41.1 billion) in sales was generated by Group companies based outside of Germany.

For a breakdown of sales by business and regional segments, see the segment reporting.

2. Other operating income

€ million	2010	2011
Rents incl. reimbursements of subsidiary rental costs	479	488
Services rendered to suppliers	298	349
Services/cost refunds	306	318
Gains from the disposal of fixed assets and from write-backs	279	251
Income from deconsolidation	52	28
Miscellaneous	213	256
	1,627	**1,690**

Gains from the disposal of fixed assets primarily include revenues from sale-and-lease-back transactions totalling €198 million (previous year: €198 million).

Income from deconsolidation essentially includes gains from the disposal of shareholdings in MEDIA SATURN FRANCE S.C.S. (previous year: Metro Cash & Carry Morocco S.A.).

Miscellaneous other operating income comprises, in particular, income from damages totalling €43 million (previous year: €16 million). In addition, it includes income from the derecognition of statute-barred liabilities, income from construction services, public aid, income from canteen revenues and other reimbursements, among other things.

3. Selling expenses

€ million	2010	2011
Personnel expenses	5,940	5,816
Cost of material	6,233	6,112
	12,173	**11,928**

The reduction in selling expenses is largely due to one-time expenses in the previous year relating to the disposal of consumer electronics stores in France. In addition, declining expenses related to Shape 2012 offset the expansion-related increase in selling expenses.

The decline in personnel expenses is essentially due to the reduction in restructuring expenses compared with the previous year as well as lower performance-based one-time payments. In addition, savings were generated from store closures in the Real segment.

The decline in the cost of material is mostly due to lower impairments as prior-year figures were dampened by the decision to dispose of the French consumer electronics stores. As a result, lower impairments as well as lower expenses on provisions were recorded during the reporting year compared to the previous year. In addition, lower advertising volumes and increased special conditions, particularly at Media-Saturn in Germany, in the area of advertising costs, offset the expansion-related increase in the cost of material.

4. General administrative expenses

€ million	2010	2011
Personnel expenses	889	826
Cost of material	696	761
	1,585	**1,587**

Substantially reduced performance-based one-time payments as well as lower severance payments in personnel expenses neutralised the cost increase resulting from the expansion-related establishment of additional administrative structures. As a result, general administrative expenses remained nearly unchanged from a year earlier.

Aside from expansion-related expenses, the development of new sales concepts added to the cost of material, particularly through consulting, EDP and travel costs.

5. Other operating expenses

€ million	2010	2011
Losses from the disposal of fixed assets	21	23
Miscellaneous	30	41
	51	**64**

Miscellaneous other operating expenses include, in particular, expenses from construction services totalling €12 million (previous year: €6 million).

6. Other investment result

Aside from profit distributions, the other investment result of €41 million (previous year: €15 million) also includes €27 million in income from the sale of the shareholding in Loyalty Partner Holdings S.A.

7. Interest income/interest expenses

Net interest income can be broken down as follows:

€ million	2010	2011
Interest income	112	133
thereof finance leases	(1)	(1)
thereof pension provisions	(41)	(43)
thereof financial instruments of the IAS 39 measurement categories:		
loans and receivables incl. cash and cash equivalents	(46)	(60)
held to maturity	(0)	(0)
held for trading incl. derivatives within hedges in accordance with IAS 39	(5)	(8)
available for sale	(0)	(0)
Interest expenses	–718	–713
thereof finance leases	(–117)	(–134)
thereof pension provisions	(–127)	(–109)
thereof financial instruments of the IAS 39 measurement categories:		
held for trading incl. derivatives within hedges in accordance with IAS 39	(–10)	(–11)
other financial liabilities	(–388)	(–379)
	–606	**–580**

Interest income and interest expenses from financial instruments are assigned to IAS 39 measurement categories on the basis of the underlying transaction.

8. Other financial result

€ million	2010	2011
Other financial income	471	151
thereof currency effects	(379)	(100)
thereof hedging transactions	(87)	(42)
Other financial expenses	–461	–253
thereof currency effects	(–380)	(–127)
thereof hedging transactions	(–58)	(–66)
Other financial result	**10**	**–102**
thereof financial instruments of IAS 39 measurement categories:		
loans and receivables incl. cash and cash equivalents	(4)	(–19)
held to maturity	(0)	(0)
held for trading	(30)	(–28)
available for sale	(0)	(1)
other financial liabilities	(–15)	(–31)
thereof fair value hedges:		
underlying transactions	(0)	(0)
hedging transactions	(0)	(0)
thereof cash flow hedges:		
ineffectiveness	(–1)	(4)

The other financial income and expenses from financial instruments are assigned to measurement categories on the basis of the underlying transactions pursuant to IAS 39. Besides income and expenses from the measurement of financial instruments according to IAS 39, this also includes the measurement of foreign currency positions according to IAS 21.

The overall result from currency effects and measurement results from hedging transactions and hedging relationships totalled €–51 million (previous year: €28 million). This figure results largely from foreign currency financings in Poland, Romania, Russia and the Czech Republic. Developments in individual Eastern European currencies, in particular, resulted in a distinctly negative result in currency effects as well as hedging transactions compared with the previous year. Valuation yields of commodity contracts for energy and fuels resulted in expenses of €3 million (previous year: income of €12 million).

For possible effects from currency risks, see no. 42 "Management of financial risks".

9. Net results according to measurement categories

The key effects of earnings from financial instruments are as follows:

2010 € million	Investments	Interest	Fair value measurements	Currency translation	Disposals	Impairment	Other	Net result
Loans and receivables incl. cash and cash equivalents	0	46	0	1	0	–31	2	18
Held to maturity	0	0	0	0	0	0	0	0
Held for trading incl. derivatives within hedges in accordance with IAS 39	0	–5	29	0	0	0	0	24
Available for sale	15	0	0	0	0	0	0	15
Other financial liabilities	0	–388	0	–2	9	0	–12	–393
	15	**–347**	**29**	**–1**	**9**	**–31**	**–10**	**–336**

2011 € million	Investments	Interest	Fair value measurements	Currency translation	Disposals	Impairment	Other	Net result
Loans and receivables incl. cash and cash equivalents	0	60	0	–19	0	–30	1	12
Held to maturity	0	0	0	0	0	0	0	0
Held for trading incl. derivatives within hedges in accordance with IAS 39	0	–3	–24	0	0	0	0	–27
Available for sale	41	0	1	0	0	0	0	42
Other financial liabilities	0	–379	0	–8	15	0	–23	–395
	41	**–322**	**–23**	**–27**	**15**	**–30**	**–22**	**–368**

Earnings and expenses from financial instruments are assigned to measurement categories on the basis of the underlying transactions pursuant to IAS 39.

Investment income is included in other investment income. Interest income and expenses are part of the net interest result. Fair value measurements and effects from currency translations are included in other financial result. Income effects from the disposal of other financial liabilities are included in earnings before interest and taxes (EBIT). In the same manner, expenses from impairments are essentially included in earnings before interest and taxes. They are detailed in no. 27 "Impairments of capitalised financial instruments". Remaining financial income and expenses, which are included in other financial result, primarily concern bank commissions and similar expenses that are incurred within the context of assets and liabilities.

10. Income taxes

Income taxes include taxes on income paid or due in the individual countries as well as deferred taxes.

€ million	2010	2011
Taxes paid or due	659	741
thereof Germany	(215)	(174)
thereof international	(444)	(567)
thereof tax expenses/income of current period	(610)	(639)
thereof tax expenses/income of previous periods	(49)	(102)
Deferred taxes	35	−9
thereof Germany	(22)	(50)
thereof international	(13)	(−59)
	694	**732**

The income tax rate of the German companies of METRO GROUP consists of a corporate income tax of 15.00 percent plus a 5.50 percent solidarity surcharge on corporate income tax as well as the trade tax of 14.70 percent given an average assessment rate of 420.00 percent. All in all, this results in an aggregate tax rate of 30.53 percent. The tax rates are unchanged from the previous year. The income tax rates applied to foreign companies are based on the respect-ive laws and regulations applying in the individual countries and vary in a range from 0.00 percent (tax holidays) to 40.69 percent. These tax rates are also unchanged from the previous year.

The increase in taxes paid or due essentially results from international tax audits.

Deferred taxes are determined on the basis of the tax rates expected in each country upon realisation. In principle, these are based on the valid laws or legislation that has been passed at the time of the closing date.

Deferred tax income for the reporting year includes an effect of €1 million from the change in the tax rate.

€ million	2010	2011
Deferred taxes in the income statement	35	−9
thereof from temporary differences	(44)	(−39)
thereof from loss and interest carry-forwards	(−9)	(30)

At €732 million (previous year: €694 million), income tax expenses, which are fully included in the result from ordinary operations, are €282 million higher (previous year: €196 million) than the expected tax expenses of €450 million (previous year: €498 million) that would have resulted if the German corporate income tax rate had been applied to the Group's taxable income for the year.

Reconciliation of estimated to actual income tax expenses:

€ million	2010	2011
Earnings before taxes	**1,630**	**1,473**
Expected income tax expenses (30.53%)	498	450
Effects of differing national tax rates	−137	−101
Tax expenses and income relating to other periods	49	102
Non-deductible business expenses	90	102
Effects of not recognised or impaired deferred taxes	182	203
Additions and reductions for local taxes	38	27
Tax holidays	−33	−24
Other deviations	7	−27
Income tax expenses according to the income statement	**694**	**732**
Effective tax rate (in %)	**42.56**	**49.71**

11. Net profit for the period attributable to non-controlling interests

Of net profit for the period attributable to non-controlling interests, profit shares accounted for €211 million (previous year: €178 million) and loss shares for €101 million (previous year: €92 million). This mainly concerns profit/loss shares of non-controlling interests in the Media-Saturn sales division.

12. Earnings per share

METRO AG defines earnings per share as earnings per ordinary share. In 2010, holders of preference shares of METRO AG were entitled to a dividend of €1.485 that was €0.135 higher than that paid to holders of ordinary shares. In the calculation of earnings per share, this additional dividend is deducted from profits attributable to METRO AG shareholders.

Earnings per share are determined by dividing earnings attributable to METRO AG shareholders by a weighted number of issued shares.

There was no dilution in the financial year 2011 or the year before from so-called potential shares.

	2010	2011
Weighted number of no-par-value shares outstanding	326,787,529	326,787,529
Net profit for the period attributable to METRO AG shareholders (€ million)	850	631
Earnings per share (€)	**2.60**	**1.93**

Earnings per preference share amounted to €2.07 in the financial year 2011 (previous year: €2.74) and thus exceeded earnings per share by the amount of the additional dividend of €0.135.

13. Depreciation/amortisation

€ million	2010	2011
Scheduled depreciation on tangible and intangible assets and investment properties	1,274	1,246
Non-scheduled write-downs on tangible assets, intangible assets (incl. goodwill) and investment properties	153	104
Non-scheduled write-downs on non-current financial assets	0	1
	1,427	**1,351**

Non-scheduled write-downs were included in selling expenses to the amount of €102 million (previous year: €141 million), to the amount of €2 million in general administrative expenses (previous year: €12 million), and to the amount of €1 million in the net financial result (previous year: €0 million). Write-downs of intangible assets accounted for €19 million (previous year: €11 million), write-downs of fixed assets for €81 million (previous year: €134 million), write-downs of investment properties for €4 million (previous year: €8 million), and write-downs of non-current financial assets for €1 million (previous year: €0 million).

Metro Cash & Carry accounts for €10 million (previous year: €2 million) of the non-scheduled write-downs, Real for €12 million (previous year: €17 million), Media-Saturn for €23 million (previous year: €73 million, essentially for the French consumer electronics stores that have since been sold), the Real Estate segment for €58 million (previous year: €50 million) and other companies for €2 million (previous year: €11 million).

14. Cost of materials

The cost of sales includes the following cost of materials:

€ million	2010	2011
Cost of raw materials, supplies and goods purchased	52,491	52,207
Cost of services purchased	96	21
	52,587	**52,228**

→ p. 206

15. Personnel expenses

Personnel expenses can be broken down as follows:

€ million	2010	2011
Wages and salaries	6,066	5,959
Social security expenses, expenses for post-employment benefits and related employee benefits	1,301	1,327
thereof post-employment benefits	(67)	(69)
	7,367	**7,286**

In the financial year 2011, expenses relating to severance payments within METRO GROUP amounted to €55 million (previous year: €63 million).

Personnel expenses also include income from share-based payments totalling €19 million (previous year: expenses of €32 million).

Annual average number of Group employees:

Number of employees	2010	2011
Blue collar/white collar	283,280	280,856
Apprentices/trainees	10,682	9,891
	293,962	**290,747**

The above figure includes an absolute number of 79,229 (previous year: 80,975) part-time employees. The percentage of employees working outside of Germany (full-time equivalents) stood at 63.5 percent compared to 62.7 percent in the previous year.

16. Other taxes

Other taxes (for example, tax on land and buildings, motor vehicle tax, excise tax and transaction tax) of €163 million (previous year: €152 million) are included in the cost of sales and the selling and general administrative expenses.

Notes to the balance sheet

17. Tangible and intangible assets

The current financial year includes non-scheduled write-downs of €105 million (previous year: €153 million). These mainly concern real estate assets and impairment of business and office equipment.

€ million	Goodwill	Other intangible assets	Tangible assets	Investment properties	Financial assets	Total fixed assets
Acquisition or production costs						
At 1/1/2010	3,992	1,458	21,100	318	124	26,992
Currency translation	9	4	310	0	1	324
Additions to consolidation group	0	0	0	0	0	0
Additions	73	138	1,524	19	196	1,950
Disposals	–10	–64	–944	–12	–62	–1,092
Transfers	0	–1	–108	174	0	65
At 31/12/2010 / 1/1/2011	4,064	1,535	21,882	499	259	28,239
Currency translation	–24	–7	–199	0	0	–230
Additions to consolidation group	0	40	4	0	0	44
Additions	84	155	1,812	0	6	2,057
Disposals	–79	–23	–909	–26	–61	–1,098
Transfers	0	3	–24	21	–112	–112
As of 31/12/2011	4,045	1,703	22,566	494	92	28,900
Depreciation/amortisation						
As of 1/1/2010	0	961	8,856	189	11	10,017
Currency translation	0	3	84	0	0	87
Additions, scheduled	0	167	1,098	9	0	1,274
Additions, non-scheduled	0	11	134	8	0	153
Disposals	0	–42	–668	–8	0	–718
Write-backs	0	0	–47	0	0	–47
Transfers	0	–1	–57	63	0	5
As of 31/12/2010 / 1/1/2011	0	1,099	9,400	261	11	10,771
Currency translation	0	–6	–77	0	0	–83
Additions, scheduled	0	155	1,078	13	0	1,246
Additions, non-scheduled	0	19	81	4	1	105
Disposals	0	–18	–521	–15	0	–554
Write-backs	0	0	–31	–3	0	–34
Transfers	0	0	–25	25	1	1
At 31/12/2011	0	1,249	9,905	285	13	11,452
Book value at 1/1/2010	3,992	497	12,244	129	113	16,975
Book value at 31/12/2010	4,064	436	12,482	238	248	17,468
Book value at 31/12/2011	**4,045**	**454**	**12,661**	**209**	**79**	**17,448**

18. Goodwill

Goodwill amounts to €4,045 million (previous year: €4,064 million).

The acquisition of the Redcoon group by Media-Saturn resulted in goodwill of €83 million.

In 2011, the measurement of stock tender rights resulted in a goodwill decrease of €52 million at Media-Saturn (previous year: increase of €26 million).

In 2009, the non-controlling shareholders of Metro Cash & Carry Romania were granted stock tender rights by METRO GROUP. The subsequent measurement of these stock tender rights resulted in a goodwill decrease of €26 million (previous year: increase of €47 million).
At the closing date, the breakdown of goodwill among the major cash-generating units was as shown below:

€ million	31/12/2010	31/12/2011
Real Germany	1,083	1,083
Metro Cash & Carry France	398	398
Metro Cash & Carry Netherlands	352	352
Metro Cash & Carry Poland	260	255
Metro Cash & Carry Hungary	239	239
Metro Cash & Carry Germany	223	223
Media-Saturn Germany	245	218
Metro Cash & Carry Italy	171	171
Metro Cash & Carry Belgium	145	145
Real Poland	151	132
Metro Cash & Carry Portugal	91	91
Redcoon group	0	83
Media-Saturn Italy	79	73
Metro Cash & Carry Romania	84	58
Galeria Kaufhof department stores Belgium	57	57
Metro Cash & Carry Spain	51	51
Media-Saturn Spain	54	49
Metro Cash & Carry Greece	45	45
Metro Cash & Carry United Kingdom	37	37
Metro Cash & Carry Austria	27	27
Media-Saturn Netherlands	24	20
Metro Cash & Carry China	17	17
Real Russia	17	17
Media-Saturn Poland	19	16
Media-Saturn Switzerland	18	16
Metro Cash & Carry Denmark	16	16
Media-Saturn Austria	19	14
Galeria Kaufhof department stores Germany	14	14
Other companies	128	128
	4,064	**4,045**

In accordance with IFRS 3 in conjunction with IAS 36, goodwill is tested for impairment once a year. This is carried out at the level of a group of cash-generating units. In the case of goodwill, this group is the organisational unit sales division per country. In the impairment test, the cumulative book value of the group of cash-generating units is compared with the recoverable amount. The recoverable amount is defined as the fair value less costs to sell, which is calculated from discounted future cash flows. Expected future cash flows are based on a qualified planning process under consideration of the intra-Group experience as well as macroeconomic data collected by third-party sources. As a rule, the detailed planning period comprises three to five years. As in the previous year, the growth rates considered at the end of the detailed planning period are generally 1.0 percent. The interest rate as the weighted average cost of capital (WACC) is determined using the capital asset pricing model. The interest rates after tax determined for the individual cash-generating units amount to between 6.4 and 15.0 percent (previous year: 5.8 to 8.3 percent). The distinct increase at the upper end of this range is due exclusively to the steep downgrade of the Greek country rating. No material changes in the interest rate occurred in the other countries.

As of 31 December 2011, the prescribed annual impairment test confirmed the recoverability of all capitalised goodwill. Non-scheduled write-downs were therefore not required.

The first sensitivity analysis was based on the assumption of a one percentage point lower growth rate. In the second sensitivity analysis, the interest rate for each group of cash-generating units was raised by 10.0 percent. These two changes in underlying assumptions would not result in any non-scheduled goodwill write-downs for any of the groups of cash-generating units, with the exception of Metro Cash & Carry Hungary. In the goodwill impairment test for Metro Cash & Carry Hungary, the fair value less costs to sell exceeded the book value by €4 million. At an assumed growth rate of 0.1 percent instead of 1.0 percent or a interest rate of 9.0 percent instead of 8.9 percent, the fair value less costs to sell would correspond to the book value.

19. Other intangible assets

€ million	Intangible assets without goodwill	(thereof internally generated intangible assets)
Acquisition or production costs		
At 1/1/2010	1,458	(769)
Currency translation	4	(1)
Additions to consolidation group	0	(0)
Additions	138	(87)
Disposals	−64	(−19)
Transfers	−1	(−1)
At 31/12/2010 / 1/1/2011	1,535	(837)
Currency translation	−7	(−1)
Additions to consolidation group	40	(0)
Additions	155	(105)
Disposals	−23	(−2)
Transfers	3	(−3)
At 31/12/2011	1,703	(936)
Depreciation/amortisation		
At 1/1/2010	961	(511)
Currency translation	3	(1)
Additions, scheduled	167	(105)
Additions, non-scheduled	11	(7)
Disposals	−42	(−14)
Write-backs	0	(0)
Transfers	−1	(−1)
At 31/12/2010 / 1/1/2011	1,099	(609)
Currency translation	−6	(−1)
Additions, scheduled	155	(103)
Additions, non-scheduled	19	(1)
Disposals	−18	(−1)
Write-backs	0	(0)
Transfers	0	(0)
At 31/12/2011	1,249	(711)
Book value at 1/1/2010	497	(258)
Book value at 31/12/2010	436	(228)
Book value at 31/12/2011	**454**	**(225)**

The other intangible assets have a finite useful life and are therefore amortised as scheduled. Non-scheduled write-downs concern internally generated software, at €1 million (previous year: €7 million), lease and usage rights, at €13 million (previous year: €1 million), as well as concessions, rights and licenses, at €5 million (previous year: €3 million).

The additions to amortisations on other intangible assets are shown in the cost of sales at an amount of €1 million (previous year: €0 million), in selling expenses at €62 million (previous year: €60 million) and in general administrative expenses at €111 million (previous year: €118 million).

Research and development expenses recognised in expenses essentially concern internally generated software and amounted to €37 million (previous year: €29 million).

As in the previous year, there are no material limits to the title or right to dispose of intangible assets. Purchasing obligations amounting to €1 million (previous year: €1 million) for intangible assets were made.

20. Tangible assets

The increase in tangible assets resulted mainly from the additions of finance leases at Metro Cash & Carry Germany. In addition, the expansion of Metro Cash & Carry in Eastern Europe and Asia as well as the implementation of modernisation measures contributed to the increase in tangible assets.

The additions to tangible assets also include, in particular, effects from the opening of new stores at Media-Saturn in Germany and Western Europe.

€ million	Land and buildings	Other plant, business and office equipment	Assets under construction	Total
Acquisition and production costs				
At 1/1/2010	13,030	7,851	219	21,100
Currency translation	191	110	9	310
Additions to consolidation group	0	0	0	0
Additions	275	576	673	1,524
Disposals	–410	–515	–19	–944
Transfers	165	292	–565	–108
At 31/12/2010 / 1/1/2011	13,251	8,314	317	21,882
Currency translation	–100	–92	–7	–199
Additions to consolidation group	0	4	0	4
Additions	597	620	595	1,812
Disposals	–445	–425	–39	–909
Transfers	188	354	–566	–24
At 31/12/2011	13,491	8,775	300	22,566
Depreciation/amortisation				
At 1/1/2010	3,957	4,896	3	8,856
Currency translation	31	53	0	84
Additions, scheduled	459	639	0	1,098
Additions, non-scheduled	44	80	10	134
Disposals	–217	–450	–1	–668
Write-backs	–45	–2	0	–47
Transfers	–84	27	0	–57
At 31/12/2010 / 1/1/2011	4,145	5,243	12	9,400
Currency translation	–24	–52	–1	–77
Additions, scheduled	447	631	0	1,078
Additions, non-scheduled	47	34	0	81
Disposals	–148	–373	0	–521
Write-backs	–31	0	0	–31
Transfers	–72	52	–5	–25
At 31/12/2011	4,364	5,535	6	9,905
Book value at 1/1/2010	9,073	2,955	216	12,244
Book value at 31/12/2010	9,106	3,071	305	12,482
Book value at 31/12/2011	**9,127**	**3,240**	**294**	**12,661**

The reporting year includes disposals of real estate assets in the amount of €297 million (previous year: €193 million). These essentially concern the reclassification of assets to “assets held for sale”.

Effects of currency translations reduced tangible assets by €122 million (previous year: increase of €226 million). This decline stemmed largely from exchange rate developments in Poland, Russia, Turkey, India and Hungary.

Limitations to the disposal of assets in the form of liens and encumbrances amounted to €314 million (previous year: €346 million).

Purchasing obligations for tangible assets in the amount of €251 million (previous year: €250 million) were made.

Assets used by the Group under the terms of finance lease agreements were valued at €1,310 million (previous year: €1,074 million). The assets involved are mainly leased buildings.

Finance leases generally have terms of 15 to 25 years with options under expiration to extend them at least once for five years. The interest rates in the leases vary by market and date of signing between 5.1 and 10.9 percent.

In addition to finance leases, METRO GROUP also signed other types of leases classified as operating leases based on their economic value. Operating leases generally have an initial term of up to 15 years. The interest rates in the leases are based partly on variable and partly on fixed rents.

Payments due under finance and operating leases in subsequent periods are shown as follows:

€ million	Up to 1 year	1 to 5 years	Over 5 years
Finance leases 31/12/2010			
Future lease payments due (nominal)	224	837	1,555
Discount	−18	−229	−780
Present value	206	608	775
Operating leases 31/12/2010			
Future lease payments due (nominal)	1,437	4,726	4,280

€ million	Up to 1 year	1 to 5 years	Over 5 years
Finance leases 31/12/2011			
Future lease payments due (nominal)	252	910	1,905
Discount	−18	−249	−1,014
Present value	234	661	891
Operating leases 31/12/2011			
Future lease payments due (nominal)	1,453	4,696	4,369

Future payments due on finance leases contain payments amounting to €42 million (previous year: €99 million) for options to purchase assets at favourable prices.

The nominal value of future lease payments to METRO GROUP coming from the subleasing of assets held under finance leases amounts to €183 million (previous year: €182 million).

The nominal value of future lease payments due to METRO GROUP resulting from the subleasing of assets held under operating leases amounts to €935 million (previous year: €993 million).

Net profit for the period includes payments made under leasing agreements amounting to €1,522 million (previous year: €1,497 million) and payments received under subleasing agreements amounting to €421 million (previous year: €417 million).

Contingent lease payments from finance leases recognised as expenses during the period amount to €7 million (previous year: €8 million).

Contingent lease payments from operating leases recognised as expenses during the period amount to €68 million (previous year: €62 million).

Lease payments due in subsequent periods from entities outside METRO GROUP for the rental of properties that are legally owned by METRO GROUP (METRO GROUP as lessor) are shown below:

€ million	Up to 1 year	1 to 5 years	Over 5 years
Finance leases 31/12/2010			
Future lease payments due (nominal)	4	9	8
Discount	0	–1	–6
Present value	4	8	2
Operating leases 31/12/2010			
Future lease payments due (nominal)	48	119	131

€ million	Up to 1 year	1 to 5 years	Over 5 years
Finance leases 31/12/2011			
Future lease payments due (nominal)	4	6	8
Discount	0	–1	–5
Present value	4	5	3
Operating leases 31/12/2011			
Future lease payments due (nominal)	54	148	192

From the perspective of the lessor, the non-guaranteed residual value must be added to the nominal minimum lease payments of €18 million (previous year: €21 million) in existing finance leases. This amounted to €3 million during the reporting year (previous year: €3 million). The resulting gross investment amount is €21 million (previous year: €24 million). In addition, there is an unrealised amount from finance leases of €6 million (previous year: €7 million).

21. Investment properties

Investment properties are recognised at amortised cost. As of 31 December 2011, this amounted to €209 million (previous year: €238 million). The decline of €29 million essentially results from the scheduled write-down and divestment transactions. The fair value of these properties is determined by means of internationally recognised measurement methods, in particular the comparative value method and the discounted cash flow method. It totals €298 million (previous year: €322 million). Rental income from these properties amounts to €33 million (previous year: €24 million). The related expenses amount to €23 million (previous year: €13 million). Expenses of €0 million (previous year: €0 million) resulted from properties without rental income.

Limitations to the disposal of assets in the form of liens and encumbrances amounted to €31 million (previous year: €53 million). Purchasing obligations for investment properties in the amount of €0 million (previous year: €5 million) were made.

22. Financial assets (non-current)

€ million	Loans	Investments	Securities	Total
Acquisition and production costs				
At 1/1/2010	100	23	1	124
Currency translation	1	0	0	1
Additions to consolidation group	0	0	0	0
Additions	78	3	115	196
Disposals	–49	–13	0	–62
Transfers	0	0	0	0
At 31/12/2010 / 1/1/2011	130	13	116	259
Currency translation	0	0	0	0
Additions to consolidation group	0	0	0	0
Additions	5	1	0	6
Disposals	–23	0	–38	–61
Transfers	–35	0	–77	–112
At 31/12/2011	77	14	1	92
Depreciation/amortisation				
At 1/1/2010	11	0	0	11
Currency translation	0	0	0	0
Additions, non-scheduled	0	0	0	0
Disposals	0	0	0	0
Write-backs	0	0	0	0
Transfers	0	0	0	0
At 31/12/2010 / 1/1/2011	11	0	0	11
Additions, non-scheduled	0	1	0	1
Disposals	0	0	0	0
Write-backs	0	0	0	0
Transfers	1	0	0	1
At 31/12/2011	12	1	0	13
Book value at 1/1/2010	89	23	1	113
Book value at 31/12/2010	119	13	116	248
Book value at 31/12/2011	**65**	**13**	**1**	**79**

The carrying amounts of investments include €3 million (previous year: €2 million) in investments in four associated companies (previous year: four associated companies), which are recognised at equity. The sale of a fund investment resulted in a €38 million decline in the securities item. An additional €77 million of this fund investment was reclassified to current financial assets.

23. Other receivables and assets

Receivables due from suppliers comprise future compensation for suppliers (for example, bonuses, advertising).

The item of prepaid expenses and deferred charges includes prorated rental, leasing and interest prepayments as well as other deferments.

The other assets item essentially comprises receivables from credit card transactions in the amount of €132 million (previous year: €114 million), receivables from other financial transactions in the amount of €57 million (previous year: €108 million), assets for indirect commitments amounting to €131 million (previous year: €95 million) and other receivables and assets in the real estate area amounting to €72 million (previous year: €78 million).

	31/12/2010			31/12/2011		
		Remaining term			Remaining term	
€ million	Total	Up to 1 year	Over 1 year	Total	Up to 1 year	Over 1 year
Due from suppliers	1,560	1,558	2	1,705	1,704	1
Other tax receivables	356	356	0	342	342	0
Prepaid expenses and deferred charges	388	109	279	396	107	289
Other assets	864	701	163	909	729	180
	3,168	**2,724**	**444**	**3,352**	**2,882**	**470**

24. Deferred tax assets/deferred tax liabilities

Deferred taxes on loss carry-forwards and temporary differences amount to €904 million, a decline of €96 million compared with the previous year. The carrying amount of deferred tax liabilities decreased to €157 million, €55 million lower than the previous year's level.

Deferred taxes recognised concern the following balance sheet items:

	31/12/2010		31/12/2011	
€ million	Asset	Liability	Asset	Liability
Goodwill	257	144	216	152
Other intangible assets	131	25	106	57
Tangible assets and investment properties	156	671	206	692
Financial assets	7	8	12	1
Inventories	85	25	85	20
Other receivables and assets	124	85	110	85
Provisions for pensions and similar obligations	126	16	138	12
Other provisions	101	11	101	11
Financial liabilities	417	5	483	4
Other liabilities	158	65	158	81
Outside basis differences	0	6	0	0
Non-scheduled write-downs	–40	0	–50	0
Loss carry-forwards	327	0	297	0
Total	1,849	1,061	1,862	1,115
Offset	–849	–849	–958	–958
Book value of deferred taxes	**1,000**	**212**	**904**	**157**

In accordance with IAS 12, deferred taxes relating to differences between the carrying amount of a subsidiary's pro rata assets and liabilities in the balance sheet and the investment book value for this subsidiary in the parent company's tax statement must be created (so-called outside basis differences) if the tax benefit is likely to be realised in future. No deferred taxes were recognised for retained earnings of subsidiaries as these earnings will be reinvested over an indefinite period of time or are not subject to relevant taxation. In the previous year, €6 million in deferred tax liabilities from outside basis differences were recognised for planned dividend payments. There were no circumstances leading to a corresponding accrual during the reporting year. For this reason, the deferred tax liabilities from outside basis differences were dissolved.

No deferred taxes were created for the following tax loss carry-forwards and interest carried forward as well as temporary differences because a short-term realisation is not expected:

€ million	2010	2011
Corporate tax losses	6,488	6,886
Trade tax losses	6,839	7,153
Interest carried forward	6	40
Temporary differences	121	164

The losses primarily concern Germany. They can be carried forward without limitation.

Tax effects on components of other comprehensive income

€ million	2010 Before taxes	2010 Taxes	2010 After taxes	2011 Before taxes	2011 Taxes	2011 After taxes
Currency translation differences from the conversion of the accounts of foreign operations	134	−13	121	−131	1	−130
Effective portion of gains/losses from cash flow hedges and stock bonus programmes	−4	0	−4	28	−12	16
Gains/losses from the revaluation of financial instruments in the category "available for sale"	0	0	0	0	−1	−1
Other changes	5	0	5	0	0	0
Remaining income tax on other comprehensive income	0	13	13	0	−9	−9
	135	**0**	**135**	**−103**	**−21**	**−124**

25. Inventories

€ million	31/12/2010	31/12/2011
Food merchandise	2,147	2,292
Nonfood merchandise	5,311	5,316
	7,458	**7,608**

Inventories can be broken down by sales division as follows:

€ million	31/12/2010	31/12/2011
Metro Cash & Carry	2,514	2,713
Real	1,030	993
Media-Saturn	3,112	3,088
Galeria Kaufhof	474	469
Others	328	345
	7,458	**7,608**

The increase in inventories at METRO GROUP is primarily attributable to the Metro Cash & Carry sales division whose business expansion, particularly in Eastern Europe, and higher inventory levels in response to seasonal effects in Asia resulted in a substantial increase in stocks. Opposite currency effects partly offset this increase.

In the Media-Saturn sales division, the national and international expansion as well as the first-time consolidation of the Redcoon group contributed to an increase in inventories. This increase was offset by inventory-optimising measures which, together with currency effects, resulted in a slight overall decline in inventories.

Inventories include write-downs of €318 million (previous year: €317 million).

26. Trade receivables

Of total trade receivables of €551 million (previous year: €526 million), €0 million (previous year: €1 million) is due in over one year.

The increase in trade receivables is due to expansion-related new store openings and the first-time consolidation of the Redcoon group. In addition, the expansion of the delivery business at Metro Cash & Carry resulted in higher trade receivables.

Improved receivables management partly offset this increase.

27. Impairments of capitalised financial instruments

Impairments of capitalised financial instruments that are measured at amortised cost are as follows:

€ million	Category "loans and receivables"	Category "held to maturity"
At 1/1/2010	196	0
Currency translation	1	0
Change in consolidation group	–4	0
Additions	123	0
Disposals	–90	0
Utilisation	–60	0
Transfers	0	0
At 31/12/2010 / 1/1/2011	166	0
Currency translation	–2	0
Change in consolidation group	0	0
Additions	112	0
Disposals	–81	0
Utilisation	–47	0
Transfers	0	0
At 31/12/2011	**148**	**0**

Negative earnings effects from impairment in the amount of €30 million (previous year: €31 million) existed in the "loans and receivables" category. This also includes earnings from the receipt of cash and cash equivalents from receivables of €1 million (previous year: €2 million) released due to expected irrecoverability. As in the previous year, no earnings effects existed in the category "held to maturity".

28. Book values of overdue capitalised financial instruments not adjusted for bad debt

The following capitalised financial instruments were overdue as of the closing date and were not adjusted for bad debt:

€ million	Total book value 31/12/2010	thereof not adjusted for bad debt and overdue as of the closing date: Within the last 90 days	For 91 to 180 days	For 181 to 270 days	For 271 to 360 days	For more than 360 days
Assets						
in the category "loans and receivables"	2,731	154	4	1	1	3
in the category "held to maturity"	0	0	0	0	0	0
in the category "held for trading"	30	0	0	0	0	0
in the category "available for sale"[1]	128	0	0	0	0	0
	2,889	**154**	**4**	**1**	**1**	**3**

[1] Adjustment due to revised disclosure

€ million	Total book value 31/12/2011	thereof not adjusted for bad debt and overdue as of the closing date: Within the last 90 days	For 91 to 180 days	For 181 to 270 days	For 271 to 360 days	For more than 360 days
Assets						
in the category "loans and receivables"	2,921	132	7	1	1	2
in the category "held to maturity"	0	0	0	0	0	0
in the category "held for trading"	17	0	0	0	0	0
in the category "available for sale"	92	0	0	0	0	0
	3,030	**132**	**7**	**1**	**1**	**2**

Loans and receivables due within the last 90 days largely result from standard business payment transactions without or with short-term payment targets. For non-adjusted loans and receivables over 90 days overdue, there is no indication as of the closing date that debtors will not fulfil their payment obligations. This is also the case for all capitalised financial instruments that are not overdue and not adjusted for bad debt.

29. Cash and cash equivalents

€ million	31/12/2010	31/12/2011
Cheques and cash on hand	128	147
Bank deposits	4,671	3,208
	4,799	**3,355**

For further details, see the cash flow statement and no. 40 "Notes to the cash flow statement".

30. Assets held for sale/liabilities related to assets held for sale

In December 2010, METRO GROUP decided to sell its consumer electronics stores in France to the French investor High Tech Multicanal Group SA (HTM Group). From the time of the approval of the sales transaction by the relevant boards of METRO GROUP, all assets and liabilities of the French consumer electronics stores were treated as disposal groups in accordance with IFRS 5 and recognised in the balance sheet items "assets held for sale" and "liabilities related to assets held for sale", respectively. No adjustment of the carrying amounts of these assets and liabilities held for sale to their fair values less cost to sell became necessary.

By contractual agreement of 18 December 2010, the French consumer electronics stores were sold to the HTM Group. The sale was subject to the suspensive condition of the approval of the French cartel authorities. This was issued on 10 June 2011. The deconsolidation was effected in the second quarter of 2011.

Following the consolidation of all intra-Group circumstances, the divestment of the French consumer electronics stores resulted in a reduction of assets held for sale of €117 million and liabilities related to assets held for sale of €138 million at the time of the disposal.

The divested assets and liabilities consist of the following items:

€ million	2010	2011[1]
Assets		
Tangible assets	0	8
Financial assets (non-current)	1	1
Other receivables and assets (non-current)	1	1
Inventories	91	71
Trade receivables	7	3
Other receivables and assets (current)	67	27
Cash and cash equivalents	29	6
	196	117
Liabilities		
Provisions for pensions and similar obligations	1	1
Trade liabilities	111	55
Other provisions (current)	53	48
Other liabilities (current)	28	34
	193	**138**

[1] Assets and liabilities at the time of disposal (31 December of the previous year)

The sales price for the French consumer electronics stores amounted to €2 million. The sale resulted in a deconsolidation gain of €23 million, which is recognised under other operating income.

The assets and liabilities disposed of in the context of this divestment reduced segment assets in the Media-Saturn segment by €103 million and segment liabilities by €135 million.

The value of the balance sheet item "assets held for sale" increased by €231 million as a result of the reclassification of several real estate assets from non-current assets and renovation-related retroactive capitalisations of real estate assets already included in assets held for sale. The sale of real estate assets and an investment resulted in a reduction of assets held for sale by €49 million.

METRO GROUP assumes that the properties recognised as "assets held for sale" will be sold during the course of 2012. Non-scheduled depreciation of these properties to their fair value less cost to sell was not required. They are shown in the segment reporting item "segment assets" in the amount of €219 million in the Real Estate segment.

31. Equity

In terms of amount and composition, i.e. the ratio of ordinary to preference shares, subscribed capital has not changed compared with 31 December 2010 and totals €835,419,052.27. It is divided as follows:

No-par-value bearer shares, accounting par value approx. €2.56		31/12/2010	31/12/2011
Ordinary shares	Shares	324,109,563	324,109,563
	€	828,572,941	828,572,941
Preference shares	Shares	2,677,966	2,677,966
	€	6,846,111	6,846,111
Total share capital	**Shares**	**326,787,529**	**326,787,529**
	€	**835,419,052**	**835,419,052**

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

"(1) Holders of non-voting preference shares will receive from the annual net earnings a preference dividend of €0.17 per preference share.

(2) Should the net earnings available for distribution not suffice in any one financial year to pay the preference dividend, the arrears (excluding any interest) shall be paid from the net earnings of future financial years in an order based on age, i.e. in such manner that any older arrears are paid off prior to any more recent ones and that the preference dividends payable from the profit of a financial year are not distributed until all of any accumulated arrears have been paid.

(3) After the preference dividend has been distributed, the holders of ordinary shares will receive a dividend of €0.17 per ordinary share. Thereafter, a non-cumulative extra dividend of €0.06 per share will be paid to the holders of non-voting preference shares. The extra dividend shall amount to 10 percent of such dividend as, in accordance with Section 4 herein below, will be paid to the holders of ordinary shares inasmuch as such dividend equals or exceeds €1.02 per ordinary share.

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

Contingent capital I

The Annual General Meeting on 5 May 2010 resolved a contingent increase in the share capital by up to €127,825,000, divided into up to 50,000,000 ordinary bearer shares (contingent capital I). This contingent capital increase is connected to the creation of a new authorisation for the Management Board to issue warrant or convertible bearer bonds ("bonds"), with the consent of the Supervisory Board, with a nominal value of up to €1,500,000,000 in one or several tranches by 4 May 2015 and to grant the bond holders warrant or convertible rights to up to 50,000,000 new ordinary shares in the Company based on the conditions of the bonds, to provide for the respective warrant or conversion obligations or to provide for the Company's right to redeem the bonds by providing ordinary shares in METRO AG, in whole or in part, in lieu of cash payment. To date, no warrant and/or convertible bonds have been issued based on said authorisation.

Authorised capital I

On 23 May 2007, the Annual General Meeting resolved to authorise the Management Board to increase the share capital, with the consent of the Supervisory Board, by issuing new ordinary bearer shares in exchange for cash contributions in one or several tranches for a total maximum of €40,000,000 by 23 May 2012 (authorised capital I).

A subscription right is to be granted to existing shareholders. However, the Management Board has been authorised to restrict this subscription right, with the consent of the Supervisory Board, to the extent required to grant the holders of warrant and convertible bonds issued by METRO AG and its wholly owned direct or indirect subsidiaries a right to purchase the number of new ordinary shares to which they would be entitled upon exercise of their warrant/conversion rights and to further exclude the subscription right to compensate for fractions of shares from rounding.

In addition, the Management Board has been authorised to restrict shareholders' subscription rights, with the consent of the Supervisory Board, for one or several capital increases under the authorised capital, provided that the total par value of such capital increases does not exceed 10 percent of the share capital registered in the commercial register at the time the authorised capital is first utilised, and further provided that the issue price of the new ordinary shares is not substantially below the market price of the Company's listed ordinary shares of the same category at the time the initial offering price of the new issue is finally fixed. The Management Board is authorised to determine all further details of the capital increases with the consent of the Supervisory Board. To date, authorised capital I has not been used.

Authorised capital II

On 23 May 2007, the Annual General Meeting resolved to authorise the Management Board, with the consent of the Supervisory Board, to increase the Company's share capital by issuing new ordinary bearer shares in exchange for non-cash contributions in one or several issues for a maximum total of €60,000,000 by 23 May 2012 (authorised capital II). The Management Board is authorised, with the consent of the Supervisory Board, to decide on the restriction of the subscription rights and to determine all further details of the capital increases. To date, authorised capital II has not been used.

Authorised capital III

On 13 May 2009, the Annual General Meeting authorised the Management Board, with the consent of the Supervisory Board, to raise the Company's share capital by up to €225,000,000 by 12 May 2014 by issuing new ordinary bearer shares in exchange for cash or non-cash capital contributions, at once or in several stages (authorised capital III). Shareholders are to receive subscription rights thereto.

However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude residual amounts from shareholder subscription rights. The Management Board is also authorised, with the consent of the Supervisory Board, to exclude shareholder subscription rights insofar as shares are issued in exchange for non-cash capital contributions for the purpose of corporate mergers or for the acquisition of companies, divisions of companies or interests in companies. The Management Board is further authorised, with the consent of the Supervisory Board, to exclude subscription rights in the event of a capital increase in exchange for cash capital contributions to the extent necessary to grant subscription rights to new shares to the holders of warrant or convertible bonds issued by METRO AG and affiliates thereof in which METRO AG holds at least 90 percent of shares, directly or indirectly, in the scope to which they would be entitled upon exercise of the warrant or conversion rights or fulfilment of the warrant or conversion obligations. The Management Board is further authorised, with the consent of the Supervisory Board, to exclude shareholder subscription rights for one or more capital increases if the capital increase is executed in exchange for cash capital contributions, the aggregate par value of such capital increases does not exceed 10 percent of the Company's share capital and the issue price of the new shares is not substantially lower than the stock exchange price of existing shares of the same class at the time of final definition of the issue price. The limit of 10 percent of the Company's share capital is diminished by the share of the share capital represented by the Company's own shares which are sold during the term of authorised capital III while excluding shareholder subscription rights according to §§ 71 Section 1 No. 8 Sentence 5, 186 Section 3 Sentence 4 of the German Stock Corporation Act. The limit is further diminished by the share of the share capital represented by shares which are issued to service warrant or convertible bonds with warrant or conversion rights or obligations insofar as the bonds in question are issued during the term of authorised capital III while excluding subscription rights in analogous application of § 186 Section 3 Sentence 4 of the German Stock Corporation Act. The Management Board is authorised, with the consent of the Supervisory Board, to define further details of the capital increases. The new shares may be acquired by banks if the latter agree to tender them to the shareholders. To date, authorised capital III has not been used.

Share buyback

On the basis of § 71 Section 1 No. 8 of the German Stock Corporation Act, the Annual General Meeting on 5 May 2010 authorised the Company to acquire shares of the Company of any share class representing a maximum of 10 percent of the share capital on or before 4 May 2015.

To date, neither the Company nor any company controlled or majority-owned by the Company or any other company

→ p. 220

acting on behalf of the Company or of any company controlled or majority-owned by the Company has exercised this authorisation.

Capital reserve

The capital reserve amounts to €2,544 million (previous year: €2,544 million).

Reserves retained from earnings

€ million	31/12/2010	31/12/2011
Effective portion of gains/losses from cash flow hedges	63[1]	91
Currency translation differences from the conversion of the accounts of foreign subsidiaries	−315	−438
Income tax on components of "other comprehensive income"	17[1]	−4
Other reserves retained from earnings	3,164	3,336
	2,929	**2,985**

[1] In the previous year, these values were shown in the item "valuation reserve pursuant to IAS 39 and for deferred taxes on 'other comprehensive income'"

Changes in reserves for the effective portion of gains/losses from cash flow hedges of €28 million (previous year: €−4 million) and income tax on 'other comprehensive income' in the amount of €−21 million (previous year: €0 million) consist of the following components:

€ million	31/12/2010	31/12/2011
Derecognition of cash flow hedges	−1	−8
thereof in inventories	(1)	(−7)
thereof in net financial result	(−2)	(−1)
First-time or subsequent measurement of derivative financial instruments	−8	36
Changes in the fair value of hedging transactions for share-based payments	5	0
	−4	28
Net deferred tax effect thereon	0	−21
	−4	**7**

In addition, a reduction in equity due to currency translation differences of €123 million (previous year: increase of €125 million) is primarily attributable to Poland, Hungary, Russia, Turkey and India, while an increase in equity due to currency translation differences stems mostly from China, the United Kingdom and Ukraine.

Under consideration of the dividend payout for 2010 (€−442 million), the remaining increase in revenue reserves to €3,336 million resulted mainly from the transfer of the net profit for the period attributable to shareholders of METRO AG for 2011 (€631 million).

Non-controlling interests

Non-controlling interests comprise the shares held by third parties in the share capital of the consolidated subsidiaries. At year-end, these amounted to €73 million (previous year: €152 million). Aside from changes in comprehensive income attributable to non-controlling interests (€102 million) and dividends (€−158 million), non-controlling interests totalling €26 million were disposed of as a result of changes in the consolidation group. Significant non-controlling interests exist only at Media-Saturn-Holding GmbH.

Appropriation of the balance sheet profit, dividends

Dividend distribution of METRO AG is based on METRO AG's annual financial statements prepared under German commercial law.

As resolved by the Annual General Meeting on 6 May 2011, a dividend of €1.350 per ordinary share and €1.485 per preference share, for a total of €442 million, was paid in the financial year 2011 from the reported net profit of €456 million. The remaining amount of €14 million was carried forward to the new account.

The Management Board of METRO AG will propose to the Annual General Meeting to pay from the reported net profit of €462 million for 2011 a dividend of €1.350 per ordinary share and €1.485 per preference share, for a total of €442 million, and to carry the remaining amount of €20 million forward to the new account. The net profit of €462 million for 2011 includes profit carried forward of €14 million.

32. Provisions for pensions and similar commitments

€ million	31/12/2010	31/12/2011
Pension provisions (employer's commitments)	573	568
Provisions for indirect commitments	278	301
Provisions for severance benefits	81	81
Provisions for company pension upgrades	5	5
Provisions for company pension plans	937	955
Other provisions for commitments similar to pensions	79	73
	1,016	**1,028**

Provisions for company pensions consist, for the most part, of defined benefit plans directly from the employer (employer's commitments) and defined benefit plans from external providers (benevolent funds in Germany and international pension funds). The external providers' assets serve exclusively to finance the pension commitments and qualify as plan assets pursuant to IAS 19. The benefits under the different plans are based on performance and length of service. Furthermore, the length-of-service benefits are provided on the basis of fixed amounts.

The most important pension plans are described in the following.

Germany
The essential plans generally foresee monthly pension benefits. The amounts are either fixed or depend on the length of service. In individual cases, state pension insurance entitlements are to be charged against these entitlements. Entitlements to widow's and widower's pensions also apply.

United Kingdom
There is a performance-orientated benefit plan with commitments to retirement benefits, early retirement benefits, disability benefits and surviving dependants' benefits. The amount of the benefits depends on the length of service achieved by 31 December 2011 and the final income subject to pension. The final income subject to pension is determined as of 31 December 2011 and adjusted for inflation (i.e. not for the actual income development) after this date.

Italy
In Italy, employees receive payments upon termination of their employment relationship, irrespective of the reasons for termination. A pension reform law that took effect on 1 January 2007 is designed to promote company and individual retirement provisions. Companies with more than 50 employees are required to transfer employee entitlements incurred after the enforcement date to the newly established state fund.

Belgium
There are both retirement pensions as well as capital commitments whose size depends on the length of service and income. In addition, benefits are paid to employees aged 58 and older who become unemployed.

The above pension commitments are valued on the basis of actuarial calculations in accordance with IAS 19 using the legal, economic and tax circumstances of each country.

The following average assumptions are used in the actuarial calculation:

	31/12/2010				31/12/2011			
%	Eurozone	Germany	Netherlands	United Kingdom	Eurozone	Germany	Netherlands	United Kingdom
Actuarial interest rate	5.03	4.95	5.60	5.50	5.20	5.13	5.70	5.10
Inflation rate	1.81	1.75	2.00	3.75	1.98	2.00	2.00	2.20
Pension trend	1.71	1.76	1.60	3.55	1.90	2.00	1.35	2.20
Income trend	2.40	2.35	2.50	4.50	2.29	2.15	2.50	-
Expected return from plan assets	4.59	4.08	5.50	6.10	4.39	4.36	4.60	5.50

The employee turnover rate is determined separately for each business, taking age/length of service into account. The average employee turnover rate in Germany is 3.10 percent (previous year: 3.90 percent).
The actuarial calculations are based on country-specific mortality tables. Calculations for the German Group companies are based on the 2005 G tables from Prof. Dr Klaus Heubeck, which have been modified by new data from the German state pension insurance.

The present value of plan assets by asset category can be broken down as follows:

%	31/12/2010	31/12/2011
Fixed-interest securities	49	51
Shares, funds	18	18
Real estate	17	18
Other assets	16	13
	100	**100**

The expected average rate of interest is 3.5 percent (previous year: 3.9 percent) for fixed-interest securities, 7.3 percent (previous year: 7.9 percent) for shares and funds and 6.0 percent (previous year: 5.8 percent) for real estate. The respective rate of interest takes into account country-specific factors and is based on factors such as the expected long-term interest rates and dividend payouts as well as the expected capital growth of the investment portfolio.

Plan assets include properties used by METRO GROUP in the amount of €137 million (previous year: €137 million).

The actual gain from plan assets amounted to €45 million (previous year: €79 million) in the financial year 2011.

The financing status that results from the balance of the plan assets' net present value and fair value has developed as follows over the past five years:

€ million	31/12/2007	31/12/2008	31/12/2009	31/12/2010	31/12/2011
Net present value	1,861	1,827	1,944	2,026	2,008
Plan assets	–936	–845	–870	–936	–977
Financing status	925	982	1,074	1,090	1,031
Experience-based adjustment of plan liabilities	–1	–3	2	–13	–3
Experience-based adjustment of plan assets	–10	–82	13	38	2

In the financial year 2012, payments to external pension providers are expected to amount to €28 million.

Changes in the net present value of defined benefit obligations (DBO) and plan assets of external pension providers are shown in the chart below:

€ million	2010	2011
Net present value		
At 1 January	1,944	2,026
Interest expenses	101	98
Service cost	41	37
Past service cost	–7	–5
Curtailment/compensation	–8	0
Plan costs	0	0
Pension payments	–126	–125
Actuarial gains (-)/losses (+)	66	–29
Change in consolidation group	0	0
Currency effects	15	6
At 31 December	**2,026**	**2,008**
Changes in plan assets		
At 1 January	870	936
Expected income on plan assets	41	43
Plan costs	–1	–1
Pension payments	–74	–77
Employer contributions	34	55
Contributions from plan participants	13	12
Actuarial gains (+)/losses (-)	38	2
Currency effects	15	7
At 31 December	**936**	**977**
Financing status		
Net present value (DBO), not fund-financed	744	738
Net present value (DBO), wholly or partly fund-financed	1,282	1,270
Subtotal	2,026	2,008
Market value of plan assets	–936	–977
At 31 December	1,090	1,031
Actuarial gains (+)/losses (-) not yet considered	–244	–203
Past service cost	–6	–6
Account not shown as an asset due to definition of IAS 19.58 (b)	0	0
Recognised reimbursement claims pursuant to IAS 19.104A	0	0
Commitments measured based on local criteria	2	2
Recognised assets pursuant to IAS 19.58	95	131
Provisions for company pensions as of 31 December	**937**	**955**

Provisions for company pension plans in the amount of €955 million (previous year: €937 million) are netted against assets for indirect pension plans, particularly in the United Kingdom, the Netherlands and Belgium, of €131 million (previous year: €95 million).

The pension expenses of the direct and indirect company pension plans can be broken down as follows:

€ million	2010	2011
Interest expense on net present value (DBO)	101	98
Expected return on plan assets	–41	–43
Recognised actuarial gains (-)/losses (+)	26	11
Service cost[1]	28	28
Curtailment	–5	0
Asset limitation	0	0
Past service cost	–6	–4
	103	**90**

[1] Netted against employees' contributions

In addition to expenses from defined benefit pension commitments, expenses for payments to external pension providers relating to defined benefit commitments of €50 million (previous year: €53 million) were considered in the financial year 2011.

The **other provisions for commitments similar to pensions** essentially comprise commitments from employment anniversary allowances, death benefits and pre-retirement part-time plans. Provisions amounting to €21 million (previous year: €28 million) were formed for commitments from pre-retirement part-time plans. The corresponding expenses amount to €3 million (previous year: €5 million).

The commitments are valued on the basis of actuarial calculations. In principle, the parameters used are identical to those employed in the company pension plan.

33. Other provisions (non-current)/provisions (current)

In the reporting year, other provisions (non-current)/provisions (current) changed as follows:

€ million	Real estate-related obligations	Obligations from merchandise trading	Restructuring	Taxes	Others	Total
At 1/1/2011	216	147	179	200	262	1,004
Currency translation	–1	–1	–2	0	1	–3
Addition	79	168	95	164	131	637
Disposal	–38	–1	–30	–57	–60	–186
Utilisation	–51	–135	–93	–107	–80	–466
Change in consolidation group	0	0	0	1	1	2
Interest portion in addition/change in interest rate	7	3	2	0	2	14
Transfer	–18	8	8	–10	19	7
At 31/12/2011	**194**	**189**	**159**	**191**	**276**	**1,009**
Non-current	129	15	49	153	132	478
Current	65	174	110	38	144	531
As of 31/12/2011	**194**	**189**	**159**	**191**	**276**	**1,009**

Provisions for real estate-related obligations essentially concern location risks in the amount of €79 million (previous year: €72 million), uncovered rental commitments of €59 million (previous year: €84 million), rental commitments of €21 million (previous year: €20 million) as well as reinstatement obligations in the amount of €20 million (previous year: €20 million).

Other real estate obligations in the amount of €15 million (previous year: €20 million) stem essentially from maintenance obligations.

Significant components of the obligations from merchandise trading are provisions for rebates from customer loyalty programmes in the amount of €78 million (previous year: €78 million) as well as provisions for guarantee services in the amount of €56 million (previous year: €53 million).

The other provisions item contains mainly provisions for litigation costs/risks in the amount of €47 million (previous year: €35 million), termination benefits of €22 million (previous year: €18 million) as well as surety and guarantee risks of €19 million (previous year: €12 million). Provisions for share-based payments amount to €9 million (previous year: €60 million). Supplementary explanations on share-based payments are provided in no. 48 "Share-based compensation for executives".

Transfers concern both reclassifications within other provisions as well as reclassifications between other provisions and other balance sheet items.

Depending on the respective terms and countries, interest rates of non-interest-bearing, non-current provisions range from 2.5 percent to 13.3 percent.

34. Liabilities

€ million	31/12/2010 Total	31/12/2011 Total	Remaining term Up to 1 year	Remaining term 1 to 5 years	Remaining term Over 5 years
Trade payables	14,393	14,267	14,267	0	0
thereof bills of exchange (non-interest-bearing)	(617)	(536)	(536)	(0)	(0)
Bonds	4,615	3,491	649	2,094	748
Due to banks	1,211	1,296	279	645	372
Promissory note loans	868	868	562	306	0
Liabilities from finance leases	1,589	1,786	116	470	1,200
Financial liabilities	**8,283**	**7,441**	**1,606**	**3,515**	**2,320**
Other tax liabilities	535	633	633	0	0
Prepayments received on orders	40	41	41	0	0
Payroll	927	802	800	2	0
Liabilities from other financial transactions	41	32	28	4	0
Deferred liabilities	438	423	149	238	36
Miscellaneous liabilities	1,234	1,323	847	447	29
Other liabilities	**3,215**	**3,254**	**2,498**	**691**	**65**
Income tax liabilities	**291**	**394**	**394**	**0**	**0**
	26,182	**25,356**	**18,765**	**4,206**	**2,385**

35. Trade liabilities

The slight decrease in trade liabilities is essentially due to currency effects. Adjusted for currency effects, trade liabilities are slightly higher than a year earlier. Although the expansion in Eastern Europe, seasonal effects in Asia and the first-time consolidation of the Redcoon group, in particular, resulted in a distinct increase in trade liabilities, this is largely offset by lower trade liabilities resulting from subdued demand, particularly in Western Europe.

36. Financial liabilities

An ongoing capital market programme serves as a source of **medium- and long-term financing.** In 2011, we conducted the following transactions in the context of this programme:

Type of transaction	Issue date	Term	Maturity	Nominal volume	Coupon
Redemption	May 2004	7 years	May 2011	€750 million	4.625% fixed
Redemption	June 2009	2 years	June 2011	€350 million	3.625% fixed

Short-term financing requirements are covered through the Euro Commercial Paper Programme and a commercial paper programme geared especially to French investors. Both programmes have a maximum volume of €2 billion each. The average amount utilised from both programmes in 2011 was €1,393 million (previous year: €687 million). No utilisation occurred as of the end of the year.

In addition, METRO GROUP has access to syndicated lines of credit totalling €2,475 million (previous year: €2,475 million) with terms ending between March 2013 and December 2015. If the credit lines are used, the interest rates range between EURIBOR +30.0 basis points (BP) and EURIBOR +65.0 BP. The average amount drawn on the credit lines in 2011 was €0 million (previous year: €0 million), the average amount drawn as of the closing date was €0 million (previous year: €0 million).

The contract terms for the syndicated lines of credit provide for an increase of 7.5 to 20 BP in the spread if METRO GROUP's credit rating is lowered by one step.

Additional bilateral bank lines of credit totalling €2,244 million (previous year: €2,204 million) were available to METRO GROUP as of 31 December 2011. Of this amount, €309 million (previous year: €1,006 million) had a remaining term of up to one year. On the closing date, €1,296 million (previous year: €1,211 million) of the bilateral lines of credit had been utilised. Of this amount, €279 million (previous year: €375 million) has a remaining term of up to one year.

Unutilised lines of credit of METRO GROUP

	31/12/2010			31/12/2011		
€ million	**Total**	**Up to 1 year**	**Over 1 year**	**Total**	**Up to 1 year**	**Over 1 year**
Bilateral lines of credit	2,204	1,006	1,198	2,244	309	1,935
Utilisation	−1,211	−375	−836	−1,296	−279	−1,017
Unutilised bilateral lines of credit	993	631	362	948	30	918
Syndicated lines of credit	2,475	0	2,475	2,475	0	2,475
Utilisation	0	0	0	0	0	0
Unutilised syndicated lines of credit	2,475	0	2,475	2,475	0	2,475
Total lines of credit	4,679	1,006	3,673	4,719	309	4,410
Total utilisation	−1,211	−375	−836	−1,296	−279	−1,017
Total unutilised lines of credit	**3,468**	**631**	**2,837**	**3,423**	**30**	**3,393**

The defaulting of a lender can be covered at any time by the existing unutilised credit lines or the available money and capital market programmes. METRO GROUP therefore does not bear a significant credit default risk.

METRO GROUP principally does not provide collateral for financial liabilities. One exception concerns the first-time consolidation of METRO PROPERTIES GmbH & Co. KG (formerly METRO GROUP Asset Management GmbH & Co. KG) and its subsidiaries in 2003. Collateral in the amount of €373 million (previous year: €417 million) was provided for the financial liabilities of these companies as of 31 December 2011.

The following table shows the maturity structure of the financial liabilities. The book values and fair values (market values) indicated include the interest accrued when the maturity is less than one year.

			31/12/2010				31/12/2011			
Type of financing	Currency	Remaining term	Issue/ nominal volume in million currency	Nominal values € million	Book values € million	Fair values € million	Issue/ nominal volume in million currency	Nominal values € million	Book values € million	Fair values € million
Bonds	EUR	up to 1 year	1,100	1,100	1,252	1,266	500	500	625	629
		1 to 5 years	2,600	2,600	2,592	2,955	2,100	2,100	2,094	2,336
		over 5 years	750	750	747	774	750	750	748	773
	RON	up to 1 year	0	0	1	1	100	23	24	25
		1 to 5 years	100	23	23	25	0	0	0	0
		over 5 years	0	0	0	0	0	0	0	0
Liabilities to banks (excl. open account)	EUR	up to 1 year	84	84	91	129	54	54	54	97
		1 to 5 years	465	465	457	457	502	502	502	502
		over 5 years	202	202	202	202	336	336	336	341
	CNY	up to 1 year	201	23	23	28	0	0	0	0
		1 to 5 years	417	47	47	47	211	26	26	28
		over 5 years	0	0	0	0	0	0	0	0
	JPY	up to 1 year	2,125	16	20	21	4,907	49	49	49
		1 to 5 years	6,607	54	61	61	1,700	17	17	17
		over 5 years	0	0	0	0	0	0	0	0
	RUB	up to 1 year	3,367	82	82	82	5	0	0	0
		1 to 5 years	0	0	0	0	0	0	0	0
		over 5 years	0	0	0	0	0	0	0	0
	USD	up to 1 year	6	5	5	5	28	22	22	30
		1 to 5 years	47	35	35	35	69	54	54	54
		over 5 years	18	13	13	13	46	36	36	36
	INR	up to 1 year	600	10	10	10	900	13	13	13
		1 to 5 years	500	8	8	8	3,177	46	46	66
		over 5 years	0	0	0	0	0	0	0	0
	Others	up to 1 year	n/a	27	28	28	n/a	38	38	38
		1 to 5 years	n/a	13	13	13	n/a	0	0	0
		over 5 years	n/a	0	0	0	n/a	0	0	0
Promissory note loans	EUR	up to 1 year	0	0	12	12	550	550	562	564
		1 to 5 years	857	857	856	880	307	307	306	313
		over 5 years	0	0	0	0	0	0	0	0

Redeemable loans that are shown under liabilities to banks are listed with the remaining terms corresponding to their redemption date. For remaining terms of over one year, the indicated fair value of these loans generally includes the book value. The difference between the book value and the fair value of the entire loan is shown in maturities under one year.

The following table depicts the interest rate structure of the financial liabilities:

				31/12/2010		31/12/2011	
Type of financing	Interest terms	Currency	Remaining terms	Weighted effective interest rate in % when issued	Issue/ nominal volume € million	Weighted effective interest rate in % when issued	Issue/ nominal volume € million
Bonds	Fixed interest	EUR	up to 1 year	4.31	1,100	4.75	500
			1 to 5 years	6.97	2,600	7.50	2,100
			over 5 years	4.25	750	4.25	750
		RON	up to 1 year	–	0	11.55	23
			1 to 5 years	11.55	23	–	0
			over 5 years	–	0	–	0
Liabilities to banks (excl. open account)	Fixed interest	EUR	up to 1 year	3.56	84	5.04	54
			1 to 5 years	4.63	458	4.41	502
			over 5 years	4.66	201	4.37	336
		CNY	up to 1 year	5.27	23	–	0
			1 to 5 years	5.21	47	6.07	26
			over 5 years	–	0	–	0
		RUB	up to 1 year	6.14	82	10.57	0
			1 to 5 years	–	0	–	0
			over 5 years	–	0	–	0
		USD	up to 1 year	–	0	3.71	17
			1 to 5 years	–	0	3.70	43
			over 5 years	–	0	3.60	34
		INR	up to 1 year	7.88	10	10.12	13
			1 to 5 years	7.88	8	10.82	46
			over 5 years	–	0	–	0
		Others	up to 1 year	13.86	27	14.96	30
			1 to 5 years	–	0	–	0
			over 5 years	–	0	–	0
	Variable interest	EUR	up to 1 year	–	0	–	0
			1 to 5 years	4.39	7	–	0
			over 5 years	4.39	1	–	0
		JPY	up to 1 year	5.01	16	5.00	49
			1 to 5 years	3.62	54	1.78	17
			over 5 years	–	0	–	0
		USD	up to 1 year	1.53	5	1.23	5
			1 to 5 years	2.89	35	0.98	11
			over 5 years	2.89	13	1.04	2
		Others	up to 1 year	–	0	6.95	8
			1 to 5 years	9.98	13	–	0
			over 5 years	–	0	–	0
Promissory note loans	Fixed interest	EUR	up to 1 year	–	0	4.74	113
			1 to 5 years	4.50	244	4.29	131
			over 5 years	–	0	–	0
	Variable interest	EUR	up to 1 year	–	0	2.20	437
			1 to 5 years	2.22	613	3.94	176
			over 5 years	–	0	–	0

The fixed interest rate for short- and medium-term financial liabilities and the repricing dates of all fixed-interest liabilities essentially correspond to the displayed remaining terms. The repricing dates for variable interest rates are less than one year.

The effects that changes in interest rates concerning the variable portion of financial liabilities have on the net profit for the period and equity of METRO GROUP are described in detail in no. 42 "Management of financial risks".

37. Other liabilities

The change in payroll liabilities is essentially attributable to reduced obligations from performance-based one-time payments.

Key items in other liabilities are commitments from stock tender rights totalling €315 million (previous year: €389 million), liabilities towards customers of €310 million (previous year: €297 million), liabilities from real estate totalling €86 million (previous year: €80 million) and liabilities to third-party shareholders of €78 million (previous year: €30 million). In addition, other liabilities also includes numerous other individual items.

	31/12/2010			31/12/2011		
		Remaining term			Remaining term	
€ million	Total	Up to 1 year	Over 1 year	Total	Up to 1 year	Over 1 year
Other tax liabilities	535	535	0	633	633	0
Payroll	927	925	2	802	800	2
Deferred income	438	154	284	423	149	274
Other liabilities	1,315	844	471	1,396	916	480
	3,215	**2,458**	**757**	**3,254**	**2,498**	**756**

→ p. 230

38. Undiscounted cash flows of financial liabilities

The undiscounted cash flows of financial liabilities, trade payables and derivatives carried as liabilities are as follows:

		Cash flows 2011		Cash flows 2012–2015		Cash flows after 2015	
€ million	Book value 31/12/2010	Interest	Redemption	Interest	Redemption	Interest	Redemption
Financial liabilities							
Bonds	4,615	263	1,253	656	2,615	64	747
Liabilities to banks	1,211	42	375	95	621	5	215
Promissory note loans	868	27	12	39	856	0	0
Finance leases	1,589	114	110	366	471	547	1,008
Trade payables	14,393	0	14,393	0	0	0	0
Fixed-interest derivatives carried as liabilities	17	9	0	8	0	0	0
Currency derivatives carried as liabilities	22	0	22	0	0	0	0
Commodity derivatives carried as liabilities	0	0	0	0	0	0	0

		Cash flows 2012		Cash flows 2013–2016		Cash flows after 2016	
€ million	Book value 31/12/2011	Interest	Redemption	Interest	Redemption	Interest	Redemption
Financial liabilities							
Bonds	3,491	216	649	472	2,094	32	748
Liabilities to banks	1,296	51	279	111	645	18	372
Promissory note loans	868	20	562	16	306	0	0
Finance leases	1,786	136	116	440	470	705	1,200
Trade payables	14,267	0	14,267	0	0	0	0
Fixed-interest derivatives carried as liabilities	8	0	0	8	0	0	0
Currency derivatives carried as liabilities	18	0	18	0	0	0	0
Commodity derivatives carried as liabilities	3	0	3	0	0	0	0

39. Book values and fair values according to measurement category

The book values and fair values of recognised financial instruments are as follows:

€ million	31/12/2010 Book value	Balance sheet valuation (Amortised) cost	Fair value affecting income	Fair value not affecting income	Fair value
Assets	**35,067**	**n/a**	**n/a**	**n/a**	**n/a**
Loans and receivables	**2,731**	**2,731**	**0**	**0**	**2,733**
Loans and advance credit granted	122	122	0	0	122
Receivables due from suppliers	1,560	1,560	0	0	1,560
Trade receivables	526	526	0	0	526
Other financial assets	523	523	0	0	525
Held to maturity	**0**	**0**	**0**	**0**	**0**
Held for trading	**30**	**0**	**30**	**0**	**30**
Derivative financial instruments not part of a hedge under IAS 39	30	0	30	0	30
Available for sale	**128**	**11**	**0**	**117**	**n/a**
Investments	11	11	0	0	n/a
Securities[1]	117	0	0	117	117
Derivative financial instruments within hedges under IAS 39	**37**	**0**	**0**	**37**	**37**
Cash and cash equivalents	**4,799**	**4,799**	**0**	**0**	**4,799**
Assets not classified under IFRS 7[1]	**27,342**	**n/a**	**n/a**	**n/a**	**n/a**
Liabilities	**35,067**	**n/a**	**n/a**	**n/a**	**n/a**
Held for trading	**20**	**0**	**20**	**0**	**20**
Derivative financial instruments not part of a hedge under IAS 39	20	0	20	0	20
Other financial liabilities	0	0	0	0	0
Miscellaneous financial liabilities	**23,208**	**23,208**	**0**	**0**	**23,683**
Financial liabilities excl. finance leases (incl. underlying hedging transactions under IAS 39)	6,694	6,694	0	0	7,169
Trade payables	14,393	14,393	0	0	14,393
Other financial liabilities	2,121	2,121	0	0	2,121
Derivative financial instruments within hedges under IAS 39	**19**	**0**	**0**	**19**	**19**
Liabilities not classified under IFRS 7	**11,820**	**n/a**	**n/a**	**n/a**	**n/a**
Unrealised gain (+)/loss (–) from total difference between fair value and book value					**–473**

[1] Adjustment due to revised disclosure

	31/12/2011				
		Balance sheet valuation			
€ million	Book value	(Amortised) cost	Fair value affecting income	Fair value not affecting income	Fair value
Assets	**33,987**	**n/a**	**n/a**	**n/a**	**n/a**
Loans and receivables	**2,921**	**2,921**	**0**	**0**	**2,923**
Loans and advance credit granted	106	106	0	0	106
Receivables due from suppliers	1,705	1,705	0	0	1,705
Trade receivables	551	551	0	0	551
Other financial assets	559	559	0	0	561
Held to maturity	**0**	**0**	**0**	**0**	**0**
Held for trading	**17**	**0**	**17**	**0**	**17**
Derivative financial instruments not part of a hedge under IAS 39	17	0	17	0	17
Available for sale	**92**	**11**	**0**	**81**	**n/a**
Investments	11	11	0	0	n/a
Securities	81	0	0	81	81
Derivative financial instruments within hedges under IAS 39	**25**	**0**	**0**	**25**	**25**
Cash and cash equivalents	**3,355**	**3,355**	**0**	**0**	**3,355**
Assets not classified under IFRS 7	**27,577**	**n/a**	**n/a**	**n/a**	**n/a**
Liabilities	**33,987**	**n/a**	**n/a**	**n/a**	**n/a**
Held for trading	**20**	**0**	**20**	**0**	**20**
Derivative financial instruments not part of a hedge under IAS 39	20	0	20	0	20
Other financial liabilities	0	0	0	0	0
Miscellaneous financial liabilities	**22,046**	**22,046**	**0**	**0**	**22,406**
Financial liabilities without finance leases (incl. underlying hedging transactions under IAS 39)	5,655	5,655	0	0	6,014
Trade payables	14,267	14,267	0	0	14,267
Other financial liabilities	2,124	2,124	0	0	2,125
Derivative financial instruments within hedges under IAS 39	**9**	**0**	**0**	**9**	**9**
Liabilities not classified under IFRS 7	**11,912**	**n/a**	**n/a**	**n/a**	**n/a**
Unrealised profit (+)/loss (–) from total difference between fair value and book value					**–358**

Due to their mostly short terms, the fair values of receivables due from suppliers, trade receivables and cash and cash equivalents essentially correspond to their book values.

The measurement of the fair value of bonds, promissory note loans and bank loans is based on the market interest rate curve following the zero-coupon method in consideration of credit spreads. The amounts comprise the interest prorated to the closing date.

→ p. 233

The fair values of all other financial assets and liabilities that are not listed on an exchange correspond to the present value of payments underlying these balance sheet items. The calculation was based on the applicable country-specific yield curves as of the closing date.

The following table depicts the financial instruments that are recognised at fair value in the balance sheet. These are classified into a three-level fair value hierarchy whose levels reflect the degree of closeness to the market of the data used in the determination of the fair values:

	31/12/2010				31/12/2011			
€ million	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**
Assets	**147**	**117**	**30**	**0**	**98**	**81**	**17**	**0**
Held for trading								
Derivative financial instruments not part of a hedge under IAS 39	30	0	30	0	17	0	17	0
Available for sale								
Securities[1]	117	117	0	0	81	81	0	0
Liabilities	**20**	**0**	**20**	**0**	**20**	**0**	**20**	**0**
Held for trading								
Derivative financial instruments not part of a hedge under IAS 39	20	0	20	0	20	0	20	0
Total	**127**	**117**	**10**	**0**	**78**	**81**	**–3**	**0**

[1] Adjustment due to revised disclosure in the financial year 2010

The measurement of securities (level 1) is carried out based on quoted market prices on active markets.

Interest rate swaps and forex transactions (all level 2) are measured using the mark-to-market method based on quoted exchange rates and market yield curves.

The fair value of commodity derivatives (level 2) is calculated as the average of the past month's price noted on the exchange.

No transfers between levels 1 and 2 were effected during the reporting period.

Other notes

40. Notes to the cash flow statement

In accordance with IAS 7 (Statement of Cash Flows), the consolidated statement of cash flows describes changes in the Group's liquid funds through cash inflows and outflows during the reporting year.

The item cash and cash equivalents includes cash and cash on hand as well as cash in transit and bank deposits with a remaining term of up to three months.

The cash flow statement distinguishes between changes in cash levels from operating, investing and financing activities. Cash flows from discontinued operations are shown separately where they concern operations to be disposed of.

In 2010, the assets and liabilities of the French consumer electronics stores were shown under "assets held for sale" and "liabilities related to assets held for sale". The reclassified assets include cash on hand totalling €29 million.

During the reporting year, net cash provided by operating activities of continuing operations amounted to €2,146 million (previous year: €2,514 million). Write-downs concern fixed assets at €1,159 million (previous year: €1,232 million), intangible assets at €174 million (previous year: €178 million) and investment properties at €17 million (previous year: €17 million). On the other hand, write-backs amount to €34 million (previous year: €47 million). The change in net working capital amounts to €–180 million (previous year: €–288 million) and includes changes in inventories, trade receivables and receivables due from suppliers, credit card receivables and prepayments made on inventories in the item "other receivables and assets". In addition, the item includes changes in trade payables and liabilities to customers and prepayments made on orders included in the item "other liabilities". The "others" item includes various individual items. A key component is the change in payroll liabilities at €–117 million (previous year: €69 million). This resulted in a decline in cash flow from continuing operations of €186 million, which is essentially due to higher performance-based one-time payments in 2011. In addition, two assets were acquired for resale in Germany and Russia for €41 million (previous year: €0 million).

During the reporting year, the Group recorded cash outflows of €1,133 million (previous year: €961 million) from investing activities of continuing operations. This includes an outflow of €113 million for the acquisition of the Redcoon group. The amount of investments in fixed assets shown as cash outflows differs from the inflows shown in the asset statement in the amount of non-cash transactions. These essentially concern additions from finance leases and currency effects. Other investments include investments in intangible assets totalling €155 million (previous year: €137 million) as well as investments in financial assets totalling €17 million (previous year: €196 million). The divestment of the Metro Cash & Carry stores in Morocco and the disposal of a real estate company had resulted in cash inflows of €121 million in the previous year, of which €115 million was invested in a fund. In the reporting year, the French consumer electronics stores were sold for €2 million. Other asset disposals essentially comprise cash inflows from real estate divestments.

In the financial year 2011, financing activities of continuing operations generated cash outflows of €2,441 million (previous year: €734 million).

41. Segment reporting

Segment reporting has been carried out in accordance with IFRS 8 (Operating Segments). The segmentation corresponds to the Group's internal controlling and reporting structures and is generally based on the division of the business into individual sectors.

Metro Cash & Carry

Metro Cash & Carry operates in the cash and carry sector in 30 countries of Europe, Asia and Africa through its Metro and Makro brands. Its broad product and service range is geared to commercial customers, in particular: hotel and restaurant owners, catering firms, independent retailers as well as service providers and public authorities.

Real

Real is a hypermarket operator in Germany where it operates both stationary stores and an online store. In addition, the sales division has locations in Poland, Romania, Russia, Turkey and Ukraine. All stores offer a broad food assortment with a large proportion of fresh produce that is complemented by a nonfood assortment.

Media-Saturn

Media-Saturn offers a comprehensive assortment of the latest brand products in consumer electronics retailing. The sales division is represented in 16 countries with two strong sales brands. In addition, the pure play online retailer Redcoon has been part of Media-Saturn since 2011.

Galeria Kaufhof
Galeria Kaufhof operates department stores in Germany and Belgium. In Belgium, the sales division operates under the Galeria Inno name. The Galeria department stores offer international assortments and high-quality own brands with a focus on clothing. The stationary business is closely dovetailed with the online store.

Real Estate
METRO PROPERTIES is METRO GROUP's real estate company and manages retail locations in 30 countries. METRO PROPERTIES aims to add value to the Group's real estate assets over the long term through active portfolio management. Its activities include planning new locations, the development and construction of retail properties as well as energy management on behalf of METRO GROUP locations.

Additional information on the segments is provided in the management report.

Aside from the information on the operating segments listed above, equivalent information is provided on the Metro regions. Here, a distinction is made between the regions Germany, Western Europe excluding Germany, Eastern Europe and Asia/Africa.

→ External sales represent sales of the operating segments to third parties outside the Group.
→ Internal sales represent sales between the Group's operating segments.
→ Segment EBITDAR represents EBITDA before rental expenses less rental income.
→ Segment EBITDA comprises EBIT before write-downs and write-backs on tangible and intangible assets.
→ EBIT as the key ratio for segment reporting describes operating earnings for the period before net financial income and income taxes. Intra-Group rental contracts are shown as operating leases in the segments. The properties are leased at market rates. In principle, location risks and recoverability risks related to non-current assets are only shown in the segments where they represent Group risks.
→ Segment investments include additions to assets adjusted for additions due to the reclassification of "assets held for sale" as fixed assets. Additions to non-current financial assets represent another exception.
→ Segment assets include non-current and current assets. They do not include mostly financial assets according to the balance sheet, income tax items, cash and cash equivalents and assets allocable to discontinued operations.

The reconciliation from segment assets to Group assets is shown in the following table:

€ million	31/12/2010	31/12/2011
Segment assets	**28,064**	**28,632**
Non-current and current financial assets	251	198
Cash and cash equivalents	4,799	3,355
Deferred taxes	1,000	904
Entitlements to income tax refunds	412	431
Other entitlements to tax refunds[1]	356	342
Receivables from other financial transactions[2]	108	57
Other	77	68
Group assets	**35,067**	**33,987**

[1] Included in the balance sheet item "other receivables and assets" (current)
[2] Included in the balance sheet items "other receivables and assets" (non-current and current)

→ Segment liabilities include non-current and current liabilities. They do not include, in particular, financial liabilities according to the balance sheet, income tax items and liabilities allocable to discontinued operations.

The reconciliation from segment liabilities to Group liabilities is shown in the following table:

€ million	31/12/2010	31/12/2011
Segment liabilities	**19,031**	**18,559**
Non-current and current financial liabilities	8,283	7,441
Deferred taxes	212	157
Income tax liabilities	291	394
Income tax provisions[1]	147	155
Other tax liabilities[2]	535	633
Liabilities from other financial transactions[2]	41	32
Liabilities to third parties[2]	30	78
Other	37	101
Group liabilities	**28,607**	**27,550**

[1] Included in the balance sheet items "other liabilities" (non-current) and "liabilities" (current)
[2] Included in the balance sheet item "other liabilities" (non-current and current)

→ In principle, transfers between segments are made based on the costs incurred from the Group's perspective.

42. Management of financial risks

The finance department of METRO AG manages the financial risks of METRO GROUP. These include, in particular

→ price risks,
→ liquidity risks,
→ creditworthiness risks and
→ cash flow risks.

Price risks

For METRO GROUP, price risks result from the impact of changes in market interest rates, foreign currency exchange rates, share price fluctuations or changes in commodity prices.

Interest rate risks are caused by changes in interest rate levels. Interest rate swaps and interest limitation agreements are used to cap these risks.

METRO GROUP's remaining interest rate risk, is assessed in accordance with IFRS 7 using a sensitivity analysis. In the process, the following assumptions are applied in the consideration of changes in interest rates:

→ The total impact determined by the sensitivity analysis relates to the actual balance as of the closing date and reflects the impact for one year.
→ Original floating-rate financial instruments whose interest payments are not designated as the underlying transaction in a cash flow hedge against changes in interest rates are recognised in interest income in the sensitivity analysis.
→ Original fixed-interest financial instruments generally are not recognised in interest income. They are only recognised in other financial result if they are designated as the underlying transaction within a fair value hedge and measured at their fair value. In this case, however, the interest-related change in the value of the underlying transaction is offset by the change in the value of the hedging transaction upon full effectiveness of the hedging transaction. The variable interest flows within the Group that result from a fair value hedge are recognised in interest income.
→ Financial instruments designated as the hedging transaction within a cash flow hedge to hedge against variable interest flows will only be recognised in interest income when the payment flows have actually been initiated. However, the measurement of the hedging transaction at fair value is recognised in reserves retained from earnings without being reported as a profit or loss.
→ Interest rate derivatives that are not part of a qualified hedging transaction under IAS 39 are recognised at fair value in other financial result and, through resulting interest flows, in interest income.

At the closing date, the remaining interest rate risk of METRO GROUP results essentially from variable interest receivables and liabilities to banks with a total investment balance after consideration of hedging transactions in the amount of €2,526 million (previous year: €3,924 million).

Given this total balance, an interest rate rise of 100 basis points would result in €25 million (previous year: €39 million) higher earnings in interest income per year. An interest rate reduction of 100 basis points would have a corresponding opposite effect in the amount of €–25 million (previous year: €–39 million).

In the event of an interest rate rise of 100 basis points, the measurement of a promissory note loan with a nominal volume of €126 million (previous year: €126 million), which is part of a cash flow hedge, would result in an increase in equity in the amount of €3 million (previous year: €4 million). A lower interest rate would result in a reduction in equity of €3 million (previous year: €4 million).

METRO GROUP faces **currency risks** in its international procurement of merchandise and because of costs and financings that are incurred in a currency other than the relevant local currency or are pegged to the price of another currency. In accordance with the Group guideline "Foreign Currency Transactions", resulting foreign currency positions must be hedged. Exceptions from this hedging requirement exist where hedging is not economically reasonable and in the case of legal and regulatory restrictions in the respective countries. Forex futures as well as interest rate swaps and currency swaps are used to limit currency risks.

In line with IFRS 7, the presentation of the currency risk resulting from the exceptions is also based on a sensitivity analysis. In the process, the following assumptions are made in the consideration of a devaluation or revaluation of the euro vis-à-vis other currencies:

In terms of its amount and result characteristic, the total effect presented by the sensitivity analysis relates to the amounts of foreign currency held within the consolidated subsidiaries of METRO GROUP and states the effect of a devaluation or revaluation of the euro.

A devaluation of the euro will result in a positive effect if a foreign currency receivable exists at a subsidiary which uses the euro as its functional currency, and if a liability in euro exists at a subsidiary which does not use the euro as its functional currency. A devaluation of the euro will result in a negative effect if a receivable in euro exists at a subsidiary which does not use the euro as its functional currency and if a liability in euro exists at a subsidiary which uses the euro as its functional currency. Conversely, any appreciation of the euro will have the opposite effect.

In the sensitivity analysis, the effects of the measurement of non-equity foreign currency positions that are calculated based on the closing date price in line with IAS 21 are recognised in income in the income statement. In the case of net investments in foreign currency, the effects of the closing date measurement are recognised in equity without being reported as a profit or loss.

Foreign currency futures/options and interest rate and currency swaps that are not part of a qualified hedge under IAS 39 are recognised in income through the fair value measurement in the income statement. In fully effective hedging transactions, this effect is offset by the effect from the measurement of the underlying foreign currency transaction.

Foreign currency futures/options and interest rate and currency swaps that are designated as the hedging transaction within a cash flow hedge to hedge against payment flows in foreign currency will only be recognised in the income statement when the payment flows are actually initiated. The measurement of the hedging transaction at its fair value, however, is recognised in reserves retained from earnings without being reported as a profit or loss.

Effects from the currency translation of financial statements whose functional currency is not the reporting currency of METRO GROUP do not affect cash flows in local currency and are therefore not part of the sensitivity analysis.

As of the closing date, the remaining currency risk of METRO GROUP was as follows:

€ million Currency pair	Impact of devaluation/appreciation of euro by 10% Volume	31/12/2010	Volume	31/12/2011
Net profit for the period				
CNY / EUR	–54	+/–5	–74	+/–7
CZK / EUR	–3	+/–0	–151	+/–15
EGP / EUR	–18	+/–2	–36	+/–4
HRK / EUR	–31	+/–3	–2	+/–0
HUF / EUR	–10	+/–1	–8	+/–1
JPY / EUR	58	+/–6	0	+/–0
KZT / EUR	–96	+/–10	–178	+/–18
MAD / EUR	115	+/–11	80	+/–8
MDL / EUR	–41	+/–4	–42	+/–4
PLN / EUR	–100	+/–10	–188	+/–19
RON / EUR	–217	+/–22	–204	+/–20
RSD / EUR	–13	+/–1	–31	+/–3
RUB / EUR	–138	+/–14	–141	+/–14
SGD / EUR	0	+/–0	–10	–/+1
TRY / EUR	19	–/+2	–26	+/–3
UAH / EUR	–22	+/–2	–11	+/–1
USD / EUR	26	+/–2	3	+/–0
VND / EUR	–15	+/–2	–8	+/–1
		+/–93		**+/–117**
Equity				
JPY / EUR	0	+/–0	25	+/–3
PLN / EUR	77	+/–8	69	+/–7
RUB / EUR	–526	+/–53	–518	+/–52
SEK / EUR	–51	+/–5	–51	+/–5
TRY / EUR	–32	+/–3	–32	+/–3
UAH / EUR	–248	+/–25	–248	+/–25
USD / EUR	403	+/–40	347	+/–35
		+/–134		**+/–130**
		+/–227		**+/–247**

In addition, currency risks for the currency pairs USD / CNY, USD / HKD, USD / RUB, USD / TRY, USD / VND, USD / UAH with an effect of €–/+18 million (previous year: €–/+7 million) and CNY / HKD with an effect of €–/+2 million (previous year: €–/+0 million) exist in the case of a devaluation or appreciation of the USD by 10 percent.

Share price risks result from share-based compensation of METRO GROUP executives. The remuneration (monetary bonus) is essentially based on the price development of the Metro ordinary share as well as the ordinary share's relative performance in relation to defined indices.

To date, the share price risk from the performance share plan has not been limited.

Electricity prices affect the fair value of **electricity derivatives.** Fluctuations in value impact the other financial result.

As of the closing date, the nominal value of the portfolio with a delivery in 2012 and 2013 amounts to €23.7 million and €3.4 million, respectively. The portfolio value refers to the value of procurement volumes as of the closing date.

Based on the determination of the value at risk, with a confidence level of 99 percent and a holding period of 20 days, a maximum gain of €2.2 million and a maximum loss of €2.2 million was calculated for the portfolio with a delivery in 2012. The respective figures for the portfolio with a delivery in 2013 are €0.3 million and €0.3 million, respectively. The value-at-risk model is based on a historic simulation of market prices for 2012 and 2013 for the respective preceding 500 trading days.

Interest rate and currency risks are substantially reduced and limited by the principles laid down in the internal treasury guidelines of METRO GROUP. These include a regulation that is applicable throughout the Group whereby all hedging operations must adhere to predefined limits and may by no means lead to increased risk exposure. METRO GROUP is aware that this severely limits the opportunities to exploit current or expected interest rate and exchange rate movements to optimise results.

In addition, hedging may be carried out only with standard financial derivatives whose correct actuarial and accounting mapping and valuation in the treasury system are guaranteed.

As of the closing date, the following financial instruments were being used for risk reduction:

	31/12/2010			31/12/2011		
		Fair values			Fair values	
€ million	Nominal volume	Financial assets	Financial liabilities	Nominal volume	Financial assets	Financial liabilities
Interest rate transactions						
Interest rate swaps	171	0	17	126	0	8
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(126)	(0)	(8)	(126)	(0)	(8)
thereof not part of a hedge	(45)	(0)	(9)	(0)	(0)	(0)
Currency transactions						
Currency futures/options	451	15	22	545	36	18
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(399)	(4)	(11)	(378)	(25)	(1)
thereof not part of a hedge	(52)	(11)	(11)	(167)	(11)	(17)
Interest rate/currency swaps	29	15	0	23	2	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof not part of a hedge	(29)	(15)	(0)	(23)	(2)	(0)
	480	30	22	568	38	18
Commodity transactions						
Forex futures	20,000 t 543 GWh	4	0	12,000 t 759 GWh	4	3
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof not part of a hedge	(20,000 t 543 GWh)	(4)	(0)	(12,000 t 759 GWh)	(4)	(3)
Share price-related transactions						
Hedging of stock options	2 million shares	33	0	0 million shares	0	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(2 million shares)	(33)	(0)	(0 million shares)	(0)	(0)
thereof not part of a hedge	(0)	(0)	(0)	(0)	(0)	(0)
	n/a	**67**	**39**	**n/a**	**42**	**29**

The nominal volume of forex futures/options and interest limitation agreements results from the net position of the buying and selling values in foreign currency underlying the individual transactions translated at the relevant exchange rate on the closing date. The gross nominal volume of interest rate swaps or interest rate/currency swaps and interest rate hedging agreements is shown. The nominal volume of commodity futures refers to diesel derivatives in metric tonnes (t), which corresponds to about 1,183 litres, and to electricity derivatives in gigawatt hours (GWh). The stated amount for hedges relating to share bonus programmes includes the number of share options with a subscription ratio of 1 : 1.

All fair values represent the theoretical value of these instruments upon dissolution of the transaction at the end of the period. Under the premise that instruments are held until the end of their term, these are unrealised gains and losses that, by the end of the term, will be fully set off by gains and losses from the underlying transactions in the case of fully effective hedging transactions.

For the purpose of showing this reconciliation appropriately for the period, relationships are created between hedging transactions and underlying transactions and recognised as follows:

- → Within a fair value hedge, both the hedging transaction and the hedged risk of the underlying transaction are recognised at their fair value. The value fluctuations of both trades are shown in the income statement, where they will be fully set off against each other in the case of full effectiveness.
- → Within a cash flow hedge, the hedging transactions are also principally recognised at their fair value. In the case of full effectiveness of the hedging transaction, the value changes will be recognised in equity until the hedged payment flows or expected transactions impact the result. Only then will they be recognised in income.
- → Hedging transactions that, according to IAS 39, are not part of a hedge are recognised at their fair value. Value changes are recognised directly in income. Even if no formal hedging relationship was created, these are hedging transactions that are closely connected to the underlying business and whose impact on earnings will be netted by the underlying transaction (natural hedge).

The currency derivatives are used primarily for pound sterling, Danish krone, Japanese yen, Polish złoty, Romanian leu, Russian rouble, Swiss franc, Czech koruna, Turkish lira, Hungarian forint as well as US dollar.

The derivative financial instruments have the following maturities:

	31/12/2010 Fair values			31/12/2011 Fair values		
	Maturities			Maturities		
€ million	Up to 1 year	1 to 5 years	Over 5 years	Up to 1 year	1 to 5 years	Over 5 years
Interest rate transactions						
Interest rate swaps	–9	–8	0	0	–8	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(–8)	(0)	(0)	(–8)	(0)
thereof not part of a hedge	(–9)	(0)	(0)	(0)	(0)	(0)
Currency transactions						
Currency futures/options	–7	0	0	18	0	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(–7)	(0)	(0)	(24)	(0)	(0)
thereof not part of a hedge	(0)	(0)	(0)	(–6)	(0)	(0)
Interest rate/currency swaps	15	0	0	2	0	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof not part of a hedge	(15)	(0)	(0)	(2)	(0)	(0)
	8	**0**	**0**	**20**	**0**	**0**
Commodity transactions						
Futures	0	4	0	–2	3	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof not part of a hedge	(0)	(4)	(0)	(–2)	(3)	(0)
Share price-related transactions						
Hedging of stock options	33	0	0	0	0	0
thereof within fair value hedges	(0)	(0)	(0)	(0)	(0)	(0)
thereof within cash flow hedges	(33)	(0)	(0)	(0)	(0)	(0)
thereof not part of a hedge	(0)	(0)	(0)	(0)	(0)	(0)
	32	**–4**	**0**	**18**	**–5**	**0**

→ p. 241

Listed below the maturities are the fair values of the financial assets and liabilities that fall due during these periods.

Variable interest rates are adjusted at intervals of less than one year.

Liquidity risks

METRO AG acts as financial coordinator for METRO GROUP companies to ensure that they are provided with the necessary financing to fund their operating and investing activities at all times and in the most cost-efficient manner possible. The necessary information is provided by means of a Group financial plan, which is updated monthly and checked monthly for deviations. This financial plan is complemented by a weekly rolling 14-day liquidity plan.

Financial instruments utilised include money and capital market products (time deposits, call money, commercial papers, promissory note loans and bonds/EMTNs sold as part of ongoing issue programmes) as well as bilateral and syndicated loans. METRO GROUP has a sufficient liquidity reserve so that there is no danger of liquidity risks even if an unexpected event has a negative financial impact on the Company's liquidity situation. Further details on financial instruments and credit lines are provided by the explanatory notes under the respective balance sheet items.

Intra-Group cash pooling reduces the amount of debt and optimises the money market and capital market investments of METRO GROUP, which has a positive effect on net interest income. Cash pooling allows the surplus liquidity of individual Group companies to be used to fund other Group companies internally.

In addition, METRO AG draws on all the financial expertise pooled in its finance department to advise the Group companies in all relevant financial matters and provide support. This ranges from the elaboration of investment financing concepts to supporting the responsible financial officers of the individual Group companies in their negotiations with local banks and financial service providers. This ensures, on the one hand, that the financial resources of METRO GROUP are optimally employed in Germany and internationally, and, on the other hand, that all Group companies benefit from the strength and credit standing of METRO GROUP in negotiating their financing terms.

Creditworthiness risks

Creditworthiness risks arise from the total or partial loss of a counterparty, for example through bankruptcy or in connection with monetary investments and derivative financial instruments with positive market values. METRO GROUP's maximum default exposure as of the closing date is reflected by the book values of financial assets totalling €6,410 million (previous year: €7,725 million). Further details on the size of the respective book values are listed in the notes to the consolidated financial statements in no. 39 "Book values and fair values according to measurement category". Cash in hand considered in cash and cash equivalents totalling €145 million (previous year: €127 million) is not susceptible to any default risk.

In the course of the risk management of monetary investments totalling €2,982 million (previous year: €4,476 million) and derivative financial instruments totalling €42 million (previous year: €67 million), minimum creditworthiness requirements and maximum exposure limits have been defined for all business partners of METRO GROUP. Cheques and money in circulation are not considered in the determination of creditworthiness risks. This is based on a system of limits laid down in the treasury guidelines which are based mainly on the ratings of international rating agencies, developments of credit default swaps or internal credit assessments. An individual limit is allocated to every counterparty of METRO GROUP; compliance is constantly monitored by the treasury system.

The following table shows a breakdown of counterparties by credit rating:

Rating classes			Volume in %					
			Monetary investments					
Grade	Moody's	Standard & Poor's	Germany	Western Europe excl. Germany	Eastern Europe	Asia and others	Derivatives with positive market values	Total
Investment grade	Aaa	AAA	0.0	0.0	0.0	0.0	0.0	
	Aa1 to Aa3	AA+ to AA-	0.0	9.0	1.8	0.4	0.1	
	A1 to A3	A+ to A-	32.1	14.5	8.5	3.9	1.2	
	Baa1 to Baa3	BBB+ to BBB-	9.1	10.6	2.6	0.2	0.0	94.0
Non-investment grade	Ba1 to Ba3	BB+ to BB-	0.0	0.1	1.3	0.2	0.0	
	B1 to B3	B+ to B-	0.0	0.0	0.0	0.3	0.0	
	C	C	0.0	0.0	0.3	0.0	0.0	2.2
No rating			0.2	3.5	0.1	0.0	0.0	3.8
			41.4	**37.7**	**14.6**	**5.0**	**1.3**	**100.0**

The table shows that, as of the closing date, about 94.0 percent of the capital investment volume, including the positive market value of derivatives, had been placed with investment-grade counterparties, in other words, those with good or very good credit ratings. Most of the counterparties that do not yet have an internationally accepted rating are respected financial institutions whose creditworthiness can be considered flawless based on our own analyses. METRO GROUP also operates in countries where local financial institutions do not have investment-grade ratings due to the rating of their country. For country-specific reasons as well as cost and efficiency considerations, cooperation with these institutions is unavoidable. These institutions account for about 2.2 percent of the total volume.

METRO GROUP's level of exposure to creditworthiness risks is thus very low.

Cash flow risks

A future change in interest rates may cause cash flow from variable interest rate asset and debt items to fluctuate. Part of the variable interest rate debt has been hedged with derivative financial instruments. Stress tests are used to determine the potential impact interest rate changes may have on cash flow.

43. Contingent liabilities

€ million	2010	2011
Liabilities from suretyships and guarantees	19	18
Liabilities from guarantee and warranty contracts	122	51
	141	**69**

The decline in contingent liabilities is a result of the realisation of risks in connection with the tax audit of a foreign subsidiary.

44. Other financial liabilities

€ million	2010	2011
Purchasing/sourcing commitments	396	462
Miscellaneous	19	15
	415	**477**

The increase in purchasing/sourcing commitments mainly concerns service agreements.

Please see notes nos. 19 "Other intangible assets", 20 "Tangible assets" and 21 "Investment properties" for information on purchasing commitments for other intangible and tangible assets, obligations from finance and operating leases as well as investment properties.

45. Other legal issues

Status of appraisal processes

The share exchange ratio set for the incorporation of Asko Deutsche Kaufhaus AG and Deutsche SB-Kauf AG into METRO AG in 1996 is undergoing judicial review in appraisal processes initiated by former shareholders. The petitioners maintain that the exchange ratio was set too low, putting them at a disadvantage. These two legal challenges are pending in district courts located in Saarbrücken and Frankfurt am Main.

Investigations by the Federal Cartel Office

On 14 January 2010, the Federal Cartel Office searched former business premises of MGB METRO GROUP Buying GmbH. On 19 December 2011, the Federal Cartel Office extended the scope of the investigation to also include METRO AG, METRO Cash & Carry International GmbH and METRO Dienstleistungs-Holding GmbH. This extension results from the merger of MGB METRO GROUP Buying GmbH into METRO Dienstleistungs-Holding GmbH as part of the decentralisation of central procurement in Germany. The Federal Cartel Office used this as a reason to extend the investigation to the parent or Group holding company in view of the risk that the legal opponent may cease to exist due to a corporate restructuring with a change of legal form. The Federal Cartel Office's investigation is ongoing; to date, the authority has raised no concrete and individualised allegations against any METRO GROUP company. As a result, the Company is unable to comment on the possible impact of these investigations on the consolidated financial statements of METRO AG at this point in time.

International tax audit

In 2011, income tax arrears in the double-digit millions were incurred at an international Group company in connection with a tax audit dating back to 2006. The case is currently pending. Appropriate provisions have been formed for the risks related to these proceedings. An assertion for possible claims for recourse is currently being prepared.

Remaining legal issues

Information about the shareholder dispute at Media-Saturn-Holding GmbH is included in the Group management report in chapter 11 Risk report.

In addition, companies of METRO GROUP are parties to other judicial or arbitrational and administrative proceedings. At the present time, however, METRO GROUP does not expect the legal issues detailed in this section to have a material effect on its asset, financial and earnings position.

46. Events after the balance sheet date

Between the balance sheet date (31 December 2011) and the date of presentation of the accounts (27 February 2012), the following events of material importance to an assessment of the earnings, financial and asset position of METRO AG and METRO GROUP occurred:

On 19 January 2012, we announced that we had suspended negotiations regarding the sale of Galeria Kaufhof. The present capital market environment does not offer suitable conditions for such an important transaction.

Several transactions carried out in January and February enabled METRO GROUP to fully secure its refinancing for 2012. This early refinancing has substantially improved the Group's maturity profile.

In January and February 2012, the Group issued a total of €285 million in fixed-interest bonds with terms of 4 to 8 years and annual coupons of 3.0 to 4.05 percent.

In addition, the following transactions were carried out in February 2012:

- Issuance of a €500 million bond with a term of 7 years and a coupon of 3.375 percent
- Issuance of a CHF 225 million bond with a term of 4 years and a coupon of 1.875 percent
- Start of the marketing phase for a promissory note loan with a target volume of €200 million and two tranches with respective terms of 4 and 6 years. The value is scheduled to be set in mid-March 2012.

On 17 January 2012, the Group concluded a new syndicated line of credit over €1,000 million with a term of 5 years. The previous syndicated line of credit over €975 million, which is due in 2013, was terminated as of this date.

No other events that are of material importance to an assessment of the earnings, financial and asset position of METRO AG and METRO GROUP occurred by 27 February 2012 (date of the release of the accounts to the auditor for approval).

47. Notes on related parties

In 2011, METRO GROUP maintained the following business relations to related companies:

€ million	2010	2011
Goods/services provided	3	3
Goods/services received	108	60
Receivables from goods/services provided	1	0
Liabilities from goods/services received	0	3

In the financial year 2011, METRO GROUP companies provided goods/services totalling €3 million to companies included in the group of related companies. This concerns primarily the granting of energy and lease rights.

The goods/services totalling €60 million that METRO GROUP companies received from related companies in the financial year 2011 consist primarily of property leases. The decline in goods/services received is essentially due to the termination of leases with related parties or rent adjustments in existing leases.

The basic principles of the remuneration system and the amount of Management and Supervisory Board compensation are included in the remuneration report, which is part of the management report.

Business relations with related parties are based on contractual agreements providing for arm's length prices. As in 2010, METRO GROUP had no business relations with related natural persons in the financial year 2011.

48. Share-based compensation for executives

METRO AG has been implementing share-based payments programmes since 1999 to enable executives to participate in the Company's value development and reward their contribution to the sustained success of METRO GROUP compared with its competitors. The members of the Management Board and other executives of METRO AG as well as managing directors and executives of the other operating METRO GROUP companies are eligible.

Share bonus programme (2004–2008)

The final tranche of the share bonus programme, which METRO AG introduced in 2004, was granted in 2008. The programme entitles executives to cash bonuses whose size depends on the performance of the Metro share and the parallel consideration of benchmark indices. The programme is divided into a tranche for each year, with the target parameters being calculated separately for each tranche. The full share bonus is paid out when the target share price and a so-called equal performance of the share with benchmark indices are attained. The maturity of each tranche is three years. The payment of the share bonus may be limited to the amount of the gross fixed salary. The conditions for the tranches 2004 to 2008 are shown in the following table:

Tranche	Due	Basis price	Target price	Status
2004	July 2007	€37.14	€42.71	Paid
2005	July 2008	€41.60	€47.84	Expired
2006	July 2009	€43.15	€49.62	Expired
2007	July 2010	€61.61	€70.85	Expired
2008	July 2011	€41.92	€48.21	Paid

Performance share plan and share ownership guidelines (2009–2013)

In 2009, METRO AG replaced the previous share bonus programme with a performance share plan.

Executives are given an individual target amount for the performance share plan (target value) in accordance with the significance of their functional responsibilities. The target number of performance shares is calculated by dividing this target value by the share price upon allotment, based on the average price of the Metro share during the three months up to the allotment date. A performance share entitles its holder to a cash payment matching the price of the Metro share on the payment date, based on the average price of the Metro share during the three months up to the payment date.

Based on the relative performance of the Metro share compared to the median of the DAX 30 and Dow Jones Euro Stoxx Retail indices – total return – the final number of payable performance shares is determined after the end of a performance period of at least 3 and at most 4.25 years. It corresponds to the target number of shares when an equal performance with said stock market indices is achieved. Up to an outperformance of 60 percent, the number increases on a straight-line basis to a maximum of 200 percent of the target amount. Up to an underperformance of 30 percent, the number is accordingly reduced to a minimum of 50 percent. In the case of an underperformance of more than 30 percent, the number is reduced to 0.

Payment can be made at six possible times. The earliest payment date is three years after allotment of the performance shares. From this time, payment can be made every three months. Executives can choose the payment date upon which they wish to exercise their performance shares. A distribution over several payment dates is not allowed. The payment cap amounts to five times the target value.

METRO GROUP introduced so-called share ownership guidelines along with its performance share plan: as a precondition for payments of performance shares, eligible executives are obliged to undertake a continuous self-financed investment in Metro shares up to the end of the three-year blocking period. This ensures that, as shareholders, they will directly participate in share price gains as well as potential losses of the Metro share. The required investment volume amounts to between about 50 and 85 percent of the individual target value.

The value of the performance shares allotted in 2011 amounted to €19.7 million (previous year: €26.7 million) at the time of the allotment and was calculated by external experts using recognised financial-mathematical methods (Monte Carlo simulation). The following conditions apply:

Tranche	End of blocking period	3-month average price before allotment	Number of performance shares as of 31/12/2011
2009	August 2012	€36.67	712,069
2010	August 2013	€42.91	696,483
2011	August 2014	€41.73	779,126

The tranches of share-based compensation programmes that applied in the financial year 2011 generated income of €18 million. This was essentially due to the decline in the Metro share which directly impacts the determination of the obligation. Total expenses on share-based compensation programmes after the cost of hedging transactions amount to €32 million in the financial year 2011.

The related provisions as of 31 December 2011 amount to €9 million (previous year: €60 million). The 2008 tranche accounts for €0 million (previous year: €31 million) of this total, the 2009 tranche with a remaining term of up to one year accounts for €3 million (previous year: €23 million), the 2010 tranche for €4 million (previous year: €6 million) and the 2011 tranche for €2 million.

49. Management Board and Supervisory Board

Compensation of members of the Management Board in the financial year 2011

Remuneration of the active members of the Management Board essentially consists of a fixed salary, performance-based entitlements (short-term incentive) as well as the share-based payments (long-term incentive) granted in the financial year 2011.

The amount of the performance-based remuneration for members of the Management Board essentially depends on the development of net earnings and the return on capital employed (RoCE) and may also consider the attainment of individually set targets. The use of the key ratio net earnings combined with RoCE rewards profitable growth of METRO GROUP.

Remuneration of the active members of the Management Board in the financial year 2011 amounted to €11.0 million (previous year: €17.3 million). This includes €3.8 million (previous year: €4.3 million) in fixed salaries, €5.3 million (previous year: €10.7 million) in performance-based entitlements, €1.6 million (previous year: €1.7 million) in share-based payments and €0.3 million (previous year: €0.6 million) in other remuneration.

Share-based payments granted in the financial year 2011 (performance shares) is posted at fair value at the time of granting. No expenses were incurred from applicable tranches of share-based payments in the financial year 2011.

The members of the Management Board received 52,720 performance shares.

Other remuneration consists of non-cash benefits.

Total compensation of former members of the Management Board

Former members of the Management Boards of METRO AG and the companies that were merged into METRO AG as well as their surviving dependants received €9.4 million (previous year: €27.4 million). The cash value of provisions for current pensions and pension entitlements made for this group amounts to €47.8 million (previous year: €48.3 million).

The information released pursuant to § 314 Section 1 No. 6a Sentence 5 to 9 of the German Commercial Code can be found in the extensive remuneration report in chapter 8 of the Group management report.

Compensation of members of the Supervisory Board
The total remuneration of all members of the Supervisory Board in the financial year 2011 amounted to €1.7 million (previous year: €1.7 million).

Additional information on the remuneration of members of the Supervisory Board can be found in the extensive remuneration report in chapter 8 of the Group management report.

50. Auditor's fees

The following fees related to the services rendered by the auditor KPMG AG Wirtschaftsprüfungsgesellschaft were recorded as expenses. In the past, fees charged by the auditor's associated companies were also stated. In practice, however, the prevailing view has emerged that only the total fee charged by the auditor in the legal sense, that is, the legally independent company, should be stated. The prior-year figures have been adjusted accordingly.

€ million	31/12/2010[1]	31/12/2011
Audit	9	8
Other certification or evaluation services	2	2
Tax consultation services	1	1
Other services	3	4
	15	**15**

[1] Adjustment due to revised disclosure

Only services that are consistent with the task of the auditor of the annual financial statements of METRO AG were provided.

51. Declaration of compliance with the German Corporate Governance Code

The Management Board and the Supervisory Board in December 2011 made a declaration of compliance with the recommendations of the Government Commission on the German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act, which can be accessed on the METRO AG website (www.metrogroup.de).

52. Election to be exempt from §§ 264 Section 3 and 264b of the German Commercial Code

The following domestic subsidiaries in the legal form of stock corporations or partnerships will use the exemption requirements according to § 264 Section 3 and § 264b of the German Commercial Code, and will thus refrain from disclosing their annual financial statements for 2011 as well as mostly from disclosing their notes and management report (according to the German Commercial Code).

a) Operating companies and service entities	
"Buch und Zeit" Verlagsgesellschaft mit beschränkter Haftung	Cologne
Campus Store GmbH	Alzey
CH-Vermögensverwaltung GmbH	Düsseldorf
DAYCONOMY GmbH	Düsseldorf
Dinea Gastronomie GmbH	Cologne
emotions GmbH	Cologne
Fulltrade International GmbH	Düsseldorf
Galeria Kaufhof GmbH	Cologne
GALERIA Personalservice GmbH	Cologne
Goldhand Lebensmittel- u. Verbrauchsgüter-Vertriebsgesellschaft mit beschränkter Haftung	Düsseldorf
Johannes Berg GmbH, Weinkellerei	Düsseldorf
Kaufhof Trading GmbH	Cologne
Liqueur & Wine Trade GmbH	Düsseldorf
MCC Trading Deutschland GmbH	Düsseldorf
MCC Trading International GmbH	Düsseldorf
Meister feines Fleisch – feine Wurst GmbH	Gäufelden
METRO Beteiligungsmanagement Düsseldorf GmbH & Co. KG	Düsseldorf
Metro Cash & Carry Brunnthal GmbH & Co. KG	Brunnthal
METRO Cash & Carry Deutschland GmbH	Düsseldorf
METRO Cash & Carry International GmbH	Düsseldorf
METRO Cash & Carry International Management GmbH	Düsseldorf
METRO Dienstleistungs-Holding GmbH	Düsseldorf
METRO Groß- und Lebensmitteleinzelhandel Holding GmbH	Düsseldorf
METRO Großhandelsgesellschaft mbH	Düsseldorf
METRO Group Accounting Center GmbH	Alzey
Metro International Beteiligungs GmbH	Düsseldorf
METRO INTERNATIONAL SUPPLY GmbH	Düsseldorf
METRO Kaufhaus und Fachmarkt Holding GmbH	Düsseldorf
Metro SB-Großmärkte GmbH & Co. Kommanditgesellschaft	Linden
Metro SB-Großmärkte GmbH & Co. Kommanditgesellschaft	Esslingen am Neckar
Metro SB-Großmärkte Verwaltungsgesellschaft mit beschränkter Haftung	Mülheim an der Ruhr
METRO Sechzehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
METRO Siebte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
METRO Systems GmbH	Düsseldorf
METRO Zehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
METRO Zehnte GmbH & Co. KG	Düsseldorf
METRO Zwölfte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf
MGA METRO Group Advertising GmbH	Düsseldorf
MGC METRO Group Clearing GmbH	Düsseldorf
MGE Warenhandelsgesellschaft mbH	Düsseldorf
MGL METRO Group Logistics GmbH	Düsseldorf
MGL METRO Group Logistics Warehousing Beteiligungs GmbH	Sarstedt
MGL METRO Group Logistics Warehousing GmbH	Sarstedt
MGP METRO Group Account Processing GmbH	Kehl
MGT METRO Group Travel Services GmbH	Düsseldorf

MIB METRO Group Insurance Broker GmbH	Düsseldorf
MIP METRO Group Intellectual Property GmbH & Co. KG	Düsseldorf
MIP METRO Group Intellectual Property Management GmbH	Düsseldorf
MTT METRO Group Textiles Transport GmbH	Düsseldorf
Multi-Center Warenvertriebs GmbH	Düsseldorf
N & NF Trading GmbH	Düsseldorf
Nedema GmbH	Cologne
real,- Group Holding GmbH	Düsseldorf
real,- Handels GmbH	Düsseldorf
real,- Holding GmbH	Alzey
real,- SB-Warenhaus GmbH	Alzey
SIL Verwaltung GmbH & Co. Objekt Haidach KG	Schwabhausen
SPORTARENA GmbH	Cologne
Weinkellerei Thomas Rath GmbH	Düsseldorf
Zweite real,- Multi-Markt Verwaltungsgesellschaft mbH	Alzey
Zweite real,- SB-Warenhaus GmbH	Alzey

b) Real estate companies

1. Schaper Objekt GmbH & Co. Wächtersbach KG	Düsseldorf
2. Schaper Objekt GmbH & Co. Kiel KG	Düsseldorf
3. Schaper Objekt GmbH & Co. Erlangen KG	Düsseldorf
ADAGIO 2. Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
ADAGIO 3. Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
ADAGIO Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
Adolf Schaper GmbH & Co. Grundbesitz-KG	Saarbrücken
AIB Verwaltungs GmbH	Düsseldorf
ARKON Grundbesitzverwaltung GmbH	Saarbrücken
ASH Grundstücksverwaltung XXX GmbH	Saarbrücken
ASSET Grundbesitz GmbH[1]	Düsseldorf
ASSET Immobilienbeteiligungen GmbH	Saarbrücken
ASSET Cologne-Kalk GmbH[2]	Saarbrücken
ASSET Objekte Vermögensverwaltungsgesellschaft mbH	Saarbrücken
ASSET Verwaltungs-GmbH	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Aachen II KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Aachen, Adalbertstraße 20-30 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Aschaffenburg KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Bergen-Enkheim KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Bonn, Acherstraße KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Darmstadt KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Dortmund KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Düsseldorf, Königsallee 1 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Frankfurt Hauptwache KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Freiburg im Breisgau KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Gelsenkirchen KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Hamburg-Poppenbüttel, Kritenbarg 10 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Hanau KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Hannover KG	Saarbrücken

ASSET Verwaltungs-GmbH & Co. Objekt Kassel KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Kassel, Obere Königstraße KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Cologne, Minoritenstraße KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Leipzig KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Mainz KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Mönchengladbach KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt München Pelkovenstraße 155 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Nürnberg, Königstraße 42-52 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Oberhausen Centroallee KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Offenbach KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Saarbrücken, Bahnhofstraße 82-92, 98-100 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Siegburg KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Stuttgart Königstraße 6 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Stuttgart-Bad Cannstatt Badstraße, Marktstraße 3 KG	Saarbrücken
ASSET Verwaltungs-GmbH & Co. Objekt Würzburg KG	Saarbrücken
ASSET Zweite Immobilienbeteiligungen GmbH	Düsseldorf
Bassa Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
BAUGRU Immobilien – Beteiligungsgesellschaft mit beschränkter Haftung & Co.	Saarbrücken
Grundstücksverwaltung KG	Saarbrücken
Blabert Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
BLK Grundstücksverwaltung GmbH	Saarbrücken
Deutsche SB-Kauf GmbH & Co. KG	Saarbrücken
DFI Verwaltungs GmbH	Saarbrücken
Dorina Immobilien-Vermietungsgesellschaft mbH[1]	Düsseldorf
FZB Fachmarktzentrum Bous Verwaltungsgesellschaft mbH & Co. KG	Saarbrücken
FZG Fachmarktzentrum Guben Verwaltungsgesellschaft mbH[3]	Saarbrücken
FZG Fachmarktzentrum Guben Verwaltungsgesellschaft mbH & Co. Vermietungs-KG[3]	Saarbrücken
GBS Gesellschaft für Unternehmensbeteiligungen mit beschränkter Haftung	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. 10. Objekt-KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. 25. Objekt-KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. 6. Objekt-KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. 8. Objekt-KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Arrondierungsgrundstücke KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Entwicklungsgrundstücke KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Gewerbegrundstücke KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Bochum Otto Straße KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Brühl KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Duisburg KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Edingen-Neckarhausen KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Emden KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Espelkamp KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Essen Haedenkampstraße KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Finowfurt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal-Studernheim KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Gäufelden KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Gelsenkirchen KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Haibach KG	Saarbrücken

GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hamburg-Neuwiedenthal KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover/Davenstedter Straße KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover Fössestraße KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover-Linden KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover-Südstadt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Heinsberg KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Herten KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hildesheim-Senking KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hörselgau KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Koblenz KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Mönchengladbach-Rheydt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Oldenburg KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Paderborn "Südring Center" KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rastatt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Ratingen KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rinteln KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rüsselsheim KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Saar-Grund KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Wiesbaden-Nordenstadt KG	Saarbrücken
GKF Vermögensverwaltungsgesellschaft mit beschränkter Haftung	Saarbrücken
Horten Düsseldorf Berliner Allee GmbH[2]	Saarbrücken
Horten Giessen GmbH[2]	Saarbrücken
Horten GmbH[1]	Düsseldorf
Horten Nürnberg GmbH[2]	Saarbrücken
Horten Verwaltungs GmbH	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Duisburg KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Düsseldorf Carschhaus KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Erlangen KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Hannover KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Heidelberg KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Heilbronn KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Hildesheim KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Ingolstadt KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Kempten KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Münster KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Oldenburg KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Pforzheim KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Regensburg KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Reutlingen KG	Saarbrücken
Horten Verwaltungs GmbH & Co. Objekt Schweinfurt KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Stuttgart KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Trier KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Ulm KG	Saarbrücken
Horten Verwaltungs- GmbH & Co. Objekt Wiesbaden KG	Saarbrücken
Kaufhalle GmbH	Saarbrücken
Kaufhalle GmbH & Co. Objekt Hamburg Mönckebergstraße KG	Saarbrücken
Kaufhalle GmbH & Co. Objekt Lager Apfelstädt KG	Saarbrücken

Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Berlin Prerower Platz KG	Saarbrücken
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Halle KG	Düsseldorf
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Krefeld KG	Saarbrücken
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Mannheim KG	Saarbrücken
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Wuppertal-Elberfeld KG	Saarbrücken
Kaufhof Warenhaus am Alex GmbH	Saarbrücken
Kaufhof Warenhaus Neubrandenburg GmbH	Saarbrücken
Kaufhof Warenhaus Rostock GmbH[1]	Düsseldorf
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Berlin-Friedrichshain KG	Düsseldorf
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Hamburg-Altona KG	Düsseldorf
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt München-Pasing KG	Saarbrücken
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Porta-Westfalica KG	Düsseldorf
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Schwelm KG	Düsseldorf
MDH Secundus GmbH & Co. KG	Saarbrücken
MEM METRO GROUP Energy Production & Management GmbH[3]	Saarbrücken
Metro Cash & Carry Grundstücksverwaltungsgesellschaft mbH	Düsseldorf
METRO Group Asset Management Services GmbH	Düsseldorf
METRO Group Retail Real Estate GmbH	Saarbrücken
METRO Group Wholesale Real Estate GmbH	Böblingen
METRO Leasing GmbH	Saarbrücken
METRO PROPERTIES GmbH & Co. KG	Düsseldorf
METRO PROPERTIES Holding GmbH	Saarbrücken
MFM METRO Group Facility Management GmbH	Saarbrücken
PIL Grundstücksverwaltung GmbH	Saarbrücken
Pro. FS GmbH	Saarbrücken
Renate Grundstücksverwaltungsgesellschaft mbH	Saarbrücken
RUDU Verwaltungsgesellschaft mbH	Saarbrücken
Saalbau-Verein Ulm GmbH	Saarbrücken
Schaper Grundbesitz-Verwaltungsgesellschaft mbH	Saarbrücken
Secundus Grundstücksverwertungs-GmbH & Co. Objekt Stuttgart-Königstraße KG	Saarbrücken
STW Grundstücksverwaltung Gesellschaft mit beschränkter Haftung	Saarbrücken
TANDOS Grundstücks-Verwaltungsgesellschaft mbH	Saarbrücken
Wirichs Immobilien GmbH	Saarbrücken
Wirichs Verwaltungsgesellschaft mbH & Co. Objekt Schwelm KG	Saarbrücken
Wirichs Verwaltungsgesellschaft mbH & Co. Objekt Voerde und Kamen KG	Saarbrücken
Wolfgang Wirichs GmbH	Saarbrücken
Zentra Beteiligungsgesellschaft mit beschränkter Haftung	Saarbrücken
Zentra-Grundstücksgesellschaft mit beschränkter Haftung	Saarbrücken

[1] Abbreviated financial year from 1 January to 31 August, renewed abbreviated financial year from 1 September to 31 December
[2] Abbreviated financial year from 1 January to 31 July, renewed abbreviated financial year from 1 August to 31 December
[3] The company utilises the exemptive option pursuant to § 264 Section 3 of the German Commercial Code only for the management report

53. Overview of major fully consolidated Group companies

Name	Head office	Stake in %	Sales[1] in € million
Holding companies			
METRO AG	Düsseldorf, Germany		0
METRO Kaufhaus und Fachmarkt Holding GmbH	Düsseldorf, Germany	100.00	0
METRO Groß- und Lebensmitteleinzelhandel Holding GmbH	Düsseldorf, Germany	100.00	0
Cash & carry			
METRO Großhandelsgesellschaft mbH	Düsseldorf, Germany	100.00	5,156
METRO Cash & Carry France S.A.S.	Nanterre, France	100.00	3,996
METRO Cash & Carry OOO	Moscow, Russia	100.00	3,429
METRO Italia Cash and Carry S. p. A.	San Donato Milanese, Italy	100.00	1,798
Makro Cash and Carry Polska S.A.	Warsaw, Poland	100.00	1,754
METRO Jinjiang Cash & Carry Co., Ltd.	Shanghai, China	90.00	1,535
Makro Autoservicio Mayorista S. A. U.	Madrid, Spain	100.00	1,289
METRO Distributie Nederland B. V.	Amsterdam, Netherlands	100.00	1,231
MAKRO Cash & Carry Belgium NV	Antwerp, Belgium	100.00	1,207
MAKRO Cash & Carry CR s.r.o.	Prague, Czech Republic	100.00	1,151
METRO CASH & CARRY ROMANIA SRL	Bucharest, Romania	85.00	1,060
Hypermarkets			
real,- SB-Warenhaus GmbH	Alzey, Germany	100.00	6,697
Zweite real,- SB-Warenhaus GmbH	Alzey, Germany	100.00	1,607
real,- Sp. z o.o.i Spólka spólka komandytowa	Warsaw, Poland	100.00	1,273
Consumer electronics stores			
Media-Saturn-Holding GmbH	Ingolstadt, Germany	75.41	9,144
Mediamarket S. p. A.	Curno, Italy	75.41	2,315
MEDIA MARKT SATURN, S.A. UNIPERSONAL	El Prat de Llobregat, Spain	75.41	1,594
Media Markt Saturn Holding Nederland B. V.	Rotterdam, Netherlands	75.41	1,305
Media-Saturn Beteiligungsges.m.b.H.	Vösendorf, Austria	75.41	1,063
Department stores			
Galeria Kaufhof GmbH	Cologne, Germany	100.00	2,950
INNO SA/NV	Brussels, Belgium	100.00	343
Other companies			
MGL METRO Group Logistics Warehousing GmbH	Sarstedt, Germany	100.00	5,477
MGB METRO Group Buying HK Limited	Hong Kong, China	100.00	947
METRO PROPERTIES GmbH & Co. KG	Saarbrücken, Germany	98.04	0
MIAG Commanditaire Vennootschap	Diemen, Netherlands	100.00	0
METRO SYSTEMS GmbH	Düsseldorf, Germany	100.00	0

[1] Including consolidated national subsidiaries

54. Corporate Boards of METRO AG and their mandates[1]

Members of the Supervisory Board

Franz M. Haniel (Chairman)
Since 18 November 2011
Chairman of the Supervisory Board of Franz Haniel & Cie. GmbH
a) BMW AG
Delton AG (Vice Chairman)
Franz Haniel & Cie. GmbH (Chairman)
Heraeus Holding GmbH
secunet Security Networks AG
b) TBG Limited, St Julian's, Malta – Board of Directors

Prof. Dr Jürgen Kluge (Chairman)
Until 17 November 2011
Chairman of the Management Board
of Franz Haniel & Cie. GmbH
a) Celesio AG (Chairman)
SMS GmbH
TAKKT AG (Vice Chairman)
b) None

Prof. Dr oec. Dr iur. Ann-Kristin Achleitner
Since 6 May 2011
Director of the Center for Entrepreneurial and
Financial Studies (CEFS) at the Technical University of Munich
a) Linde Aktiengesellschaft, since 12 May 2011
b) Bank Vontobel AG, Zurich, Switzerland –
Board of Directors
Vontobel Holding AG, Zurich, Switzerland –
Board of Directors

Dr Wulf H. Bernotat
Former Chairman of the Management Board of E.ON AG
a) Allianz SE
Bertelsmann AG
Deutsche Telekom AG
b) None

Klaus Bruns (Vice Chairman)
Until 30 June 2011
Former Chairman of the Group Works Council of METRO AG
a) Galeria Kaufhof GmbH (Vice Chairman), until 30 June 2011
b) Tourismus & Marketing Oberhausen GmbH –
Supervisory Board

Ulrich Dalibor
National Chairman of the Retail Section of the ver.di trade union
a) Zweite real,- SB-Warenhaus GmbH (Vice Chairman)
b) None

Jürgen Fitschen
Member of the Management Board of Deutsche Bank AG
a) Schott AG
b) Deutsche Bank A.Ş., Istanbul, Turkey – Board of Directors
(Chairman)
Deutsche Bank S.A./N.V., Brussels, Belgium –
Board of Directors (Chairman), until 12 December 2011
Deutsche Bank S.p.A., Milan, Italy – Supervisory Board
(Chairman)
Deutsche Securities Saudi Arabia LLC, Riyadh,
Kingdom of Saudi Arabia – Board of Managers (Chairman)
Kühne + Nagel International AG, Schindellegi,
Switzerland – Board of Directors
OOO Deutsche Bank, Moscow, Russia –
Supervisory Board (Chairman)

Hubert Frieling
Section Head of Payroll Accounting at
real,- SB-Warenhaus GmbH
a) None
b) None

Prof. Dr Dr h. c. mult. Erich Greipl
Managing Director of Otto Beisheim Group GmbH & Co. KG
a) Galeria Kaufhof GmbH
Metro Großhandelsgesellschaft mbH
real,- Holding GmbH
Zweite real,- SB-Warenhaus GmbH
b) BHS Verwaltungs AG, Baar, Switzerland –
Board of Directors (President)
Bürgschaftsbank Bayern GmbH – Board of Directors
(first Vice Chairman)

[1] Status of the mandates: 27 February 2012 or date of the respective departure from the Board of METRO AG
a) Member of other statutory supervisory boards in accordance with § 125 Section 1 Sentence 5, 1st Alt. of the German Stock Corporation Act
b) Member of comparable German and international supervisory boards of business enterprises in accordance with § 125 Section 1 Sentence 5, 2nd Alt. of the German Stock Corporation Act

Andreas Herwarth
Chairman of the Works Council of METRO AG
a) None
b) Grundstücksgesellschaft Willich mbH – Supervisory Board (Chairman)

Uwe Hoepfel
Vice Chairman of the Group Works Council of METRO AG
Chairman of the General Works Council of Galeria Kaufhof GmbH
a) Galeria Kaufhof GmbH (Vice Chairman since 15 September 2011)
b) None

Werner Klockhaus (Vice Chairman since 29 July 2011)
Chairman of the Group Works Council of METRO AG, since 31 May 2011
Vice Chairman of the General Works Council of real,- SB-Warenhaus GmbH
a) None
b) None

Peter Küpfer
Business Consultant
a) None
b) ARH Resort Holding AG, Zurich, Switzerland – Board of Directors
Bank Julius Bär & Co. AG, Zurich, Switzerland – Board of Directors
bmpi AG (formerly Brändle, Missura & Partner Informatik AG), Zurich, Switzerland – Board of Directors
Breda Consulting AG, Zurich, Switzerland – Board of Directors
Gebr. Schmidt GmbH & Co. KG – Advisory Board
GE Money Bank AG, Zurich, Switzerland – Board of Directors (President)
Holcim Ltd., Jona, Switzerland – Board of Directors
Julius Bär Gruppe AG, Zurich, Switzerland – Board of Directors
Karl Steiner Holding AG, Zurich, Switzerland – Board of Directors (Vice President)
Peter Steiner Holding AG, Zurich, Switzerland – Board of Directors
Supra Holding AG, Baar, Switzerland – Board of Directors
Travel Charme Hotels & Resorts Holding AG, Zurich, Switzerland – Board of Directors

Rainer Kuschewski
Secretary of the National Executive Board of the ver.di trade union
a) real,- Holding GmbH
b) None

Marie-Christine Lombard
Until 28 March 2011
Chief Executive Officer TNT Express B.V.
a) None
b) BPCE S.A., Paris, France – Supervisory Board

a) Member of other statutory supervisory boards in accordance with § 125 Section 1 Sentence 5, 1st Alt. of the German Stock Corporation Act
b) Member of comparable German and international supervisory boards of business enterprises in accordance with § 125 Section 1 Sentence 5, 2nd Alt. of the German Stock Corporation Act

Prof. Dr Klaus Mangold
Chairman of the Supervisory Board of Rothschild GmbH
a) Continental AG
TUI AG (Chairman since 9 February 2011)
Universitätsklinikum Freiburg (public corporation), until 31 May 2011
b) Alstom S.A., Paris, France – Board of Directors
Ernst & Young Global Ltd., London, UK – Global Advisory Board, since 1 February 2011
Leipziger Messe GmbH – Supervisory Board
Rothschild Europe B.V., Amsterdam, Netherlands – Supervisory Board (Vice Chairman)
Rothschild GmbH – Supervisory Board (Chairman)

Dr-Ing. e. h. Bernd Pischetsrieder
Consultant to the Management Board of Volkswagen AG
a) Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft
b) Fürst Fugger Privatbank KG – Supervisory Board
Tetra Laval International S.A., Pully, Switzerland – Supervisory Board

M. P. M. (Theo) de Raad
Supervisory Board Chairman of CSM N.V.
a) None
b) CSM N.V., Diemen, Netherlands – Supervisory Board (Chairman since 3 May 2011)
HAL Holding N.V., Willemstad, Curaçao, Dutch Antilles – Supervisory Board
Vion N.V., Eindhoven, Netherlands – Supervisory Board
Vollenhoven Olie Group B.V., Tilburg, Netherlands – Supervisory Board

Gabriele Schendel
Since 13 July 2011
Vice Chairwoman of the General Works Council of Galeria Kaufhof GmbH
a) Galeria Kaufhof GmbH
b) None

Xaver Schiller
Chairman of the Works Council of the Metro Cash & Carry wholesale store in Munich-Brunnthal
a) Metro Großhandelsgesellschaft mbH
b) None

Dr jur. Hans-Jürgen Schinzler
Chairman of the Supervisory Board of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft
a) Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft (Chairman)
b) UniCredit S.p.A., Genoa, Italy – Board of Directors

Peter Stieger
Chairman of the General Works Council of real,- SB-Warenhaus GmbH
a) real,- Holding GmbH (Vice Chairman)
b) None

Angelika Will
Chairwoman of the Works Council of the Metro Cash & Carry wholesale store in Düsseldorf
a) Metro Großhandelsgesellschaft mbH
b) None

a) Member of other statutory supervisory boards in accordance with § 125 Section 1 Sentence 5, 1st Alt. of the German Stock Corporation Act
b) Member of comparable German and international supervisory boards of business enterprises in accordance with § 125 Section 1 Sentence 5, 2nd Alt. of the German Stock Corporation Act

Committees of the Supervisory Board and their mandates

Presidential Committee
Franz M. Haniel (Chairman)
Werner Klockhaus (Vice Chairman)
Dr Wulf H. Bernotat
Peter Stieger

Personnel Committee
Franz M. Haniel (Chairman)
Werner Klockhaus (Vice Chairman)
Dr Wulf H. Bernotat
Peter Stieger

Accounting and Audit Committee
Dr jur. Hans-Jürgen Schinzler (Chairman)
Werner Klockhaus (Vice Chairman)
Prof. Dr Dr h. c. mult. Erich Greipl
Franz M. Haniel
Xaver Schiller
Peter Stieger

Nominations Committee
Franz M. Haniel (Chairman)
Dr-Ing. e. h. Bernd Pischetsrieder
Dr jur. Hans-Jürgen Schinzler

Mediation Committee pursuant to § 27 Section 3 of the German Co-determination Act
Franz M. Haniel
Prof. Dr Dr h. c. mult. Erich Greipl
Werner Klockhaus
Peter Stieger

Members of the Management Board

Olaf Koch (Chairman since 1 January 2012)
a) Galeria Kaufhof GmbH (Chairman)
b) Media-Saturn-Holding GmbH – Advisory Board, since 11 May 2011
Metro Euro Finance B.V., Venlo, Netherlands – Supervisory Board, until 24 December 2011
Metro Finance B.V., Venlo, Netherlands – Supervisory Board
Metro Reinsurance N.V., Amsterdam, Netherlands – Supervisory Board
METRO PROPERTIES GmbH & Co. KG (formerly METRO Group Asset Management GmbH & Co. KG) – Shareholders' Committee (Chairman), since 31 January 2012

Dr Eckhard Cordes
(CHRO until 30 September 2011, Chairman)
Until 31 December 2011
a) Galeria Kaufhof GmbH, until 31 December 2011
Schaeffler GmbH
b) MediaMarkt (China) International Retail Holding Limited, Hong Kong, China – Board of Directors (Chairman)
Media-Saturn-Holding GmbH – Advisory Board, since 11 May 2011
Tertia Handelsbeteiligungsgesellschaft mbH – Supervisory Board (Chairman)

Mark Frese
Since 1 January 2012
a) Galeria Kaufhof GmbH, since 13 January 2012
Metro Großhandelsgesellschaft mbH
b) METRO Cash & Carry International Holding GmbH, Vösendorf, Austria – Supervisory Board, since 2 February 2011
Metro Distributie Nederland B.V., Diemen, Netherlands – Supervisory Board, since 1 April 2011

Heiko Hutmacher (CHRO)
Since 1 October 2011
a) None
b) None

Frans W. H. Muller
a) None
b) Makro Cash and Carry Polska S.A., Warsaw, Poland – Supervisory Board, since 14 February 2012
MediaMarkt (China) International Retail Holding Limited, Hong Kong, China – Board of Directors
METRO Cash & Carry International Holding GmbH, Vösendorf, Austria – Supervisory Board (Chairman)
METRO PROPERTIES GmbH & Co. KG (formerly METRO Group Asset Management GmbH & Co. KG) – Shareholders' Committee (Chairman), until 23 January 2012
Metro Jinjiang Cash & Carry Co., Ltd., Shanghai, China – Board of Directors

Joël Saveuse
a) Metro Großhandelsgesellschaft mbH (Chairman)
real,- Holding GmbH (Chairman)
Zweite real,- SB-Warenhaus GmbH (Chairman)
b) HF Company S.A., Tauxigny, France – Board of Directors
Makro Cash and Carry Polska S.A., Warsaw, Poland – Supervisory Board, until 14 February 2012
METRO Cash & Carry International Holding GmbH, Vösendorf, Austria – Supervisory Board, until 21 February 2012
Metro Distributie Nederland B.V., Amsterdam, Netherlands – Supervisory Board
Metro Holding France S.A., Vitry-sur-Seine, France – Board of Directors (Chairman)
MGB Metro Group Buying HK Limited, Hong Kong, China – Board of Directors

a) Member of other statutory boards of German companies in accordance with § 125 Section 1 Sentence 5, 1st Alt. of the German Stock Corporation Act
b) Member of comparable German and international boards of business enterprises in accordance with § 125 Section 1 Sentence 5, 2nd Alt. of the German Stock Corporation Act

55. Affiliated companies of METRO AG as of 31 December 2011 pursuant to § 313 of the German Commercial Code

Name	Registered office	Country	Share in capital in %
Consolidated subsidiaries			
"Buch und Zeit" Verlagsgesellschaft mit beschränkter Haftung	Cologne	Germany	100.00
1. Schaper Objekt GmbH & Co. Wächtersbach KG	Düsseldorf	Germany	100.00
2. CR Immobilien-Vermietungsgesellschaft mbH & Co. Objekt Brandenburg KG	Düsseldorf	Germany	1.00[1]
2. Schaper Objekt GmbH & Co. Kiel KG	Düsseldorf	Germany	100.00
24-7 ENTERTAINMENT ApS	Copenhagen	Denmark	100.00
24-7 Entertainment GmbH	Berlin	Germany	90.57
24-7 ENTERTAINMENT SERVICES LIMITED	Bournemouth	UK	100.00
24-7 MusicShop (Schweiz) GmbH in Liquidation	Freienbach	Switzerland	95.00
3. Schaper Objekt GmbH & Co. Erlangen KG	Düsseldorf	Germany	100.00
ACTIUM Leasobjekt GmbH & Co. Objekt Altötting KG	Düsseldorf	Germany	0.00[1]
ADAGIO 2. Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
ADAGIO 3. Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
ADAGIO Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
Adolf Schaper GmbH & Co. Grundbesitz-KG	Saarbrücken	Germany	100.00
AIB Verwaltungs GmbH	Düsseldorf	Germany	100.00
ARKON Grundbesitzverwaltung GmbH	Saarbrücken	Germany	100.00
ASH Grundstücksverwaltung XXX GmbH	Saarbrücken	Germany	100.00
ASSET Grundbesitz GmbH	Düsseldorf	Germany	100.00
ASSET Immobilienbeteiligungen GmbH	Saarbrücken	Germany	100.00
ASSET Cologne-Kalk GmbH	Saarbrücken	Germany	100.00
ASSET Objekte Vermögensverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Aachen II KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Aachen, Adalbertstraße 20-30 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Aschaffenburg KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Bergen-Enkheim KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Bonn, Acherstraße KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Darmstadt KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Dortmund KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Düsseldorf, Königsallee 1 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Frankfurt Hauptwache KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Freiburg im Breisgau KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Gelsenkirchen KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Hamburg-Poppenbüttel, Kritenbarg 10 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Hanau KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Hannover KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Kassel KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Kassel, Obere Königstraße KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Cologne, Minoritenstraße KG	Saarbrücken	Germany	94.00
ASSET Verwaltungs-GmbH & Co. Objekt Leipzig KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Mainz KG	Saarbrücken	Germany	100.00

ASSET Verwaltungs-GmbH & Co. Objekt Mönchengladbach KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt München Pelkovenstraße 155 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Nürnberg, Königstraße 42-52 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Oberhausen Centroallee KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Offenbach KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Saarbrücken, Bahnhofstraße 82-92, 98-100 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Siegburg KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Stuttgart Königstraße 6 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Stuttgart-Bad Cannstatt Badstraße, Marktstraße 3 KG	Saarbrücken	Germany	100.00
ASSET Verwaltungs-GmbH & Co. Objekt Würzburg KG	Saarbrücken	Germany	100.00
ASSET Zweite Immobilienbeteiligungen GmbH	Düsseldorf	Germany	100.00
Assevermag AG	Baar	Switzerland	100.00
Avilo Marketing Gesellschaft m. b. H.	Vösendorf	Austria	79.20
Bassa Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
BAUGRU Immobilien - Beteiligungsgesellschaft mit beschränkter Haftung & Co. Grundstücksverwaltung KG	Saarbrücken	Germany	100.00
Blabert Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
BLK Grundstücksverwaltung GmbH	Saarbrücken	Germany	94.00
Campus Store GmbH	Alzey	Germany	100.00
CH-Vermögensverwaltung GmbH	Düsseldorf	Germany	100.00
CJSC METRO Management Ukraine	Kiev	Ukraine	100.00
Cofalux Immobilière S. A.	Strassen	Luxembourg	100.00
COM.TVmarkt Verwaltungs-GmbH	Ingolstadt	Germany	100.00
Concarneau Trading Office SAS	Concarneau	France	100.00
Convergenta Werbeagentur GmbH	Munich	Germany	100.00
Dalian Metro Warehouse Management Co., Ltd.	Dalian	China	100.00
DAYCONOMY GmbH	Düsseldorf	Germany	100.00
Deelnemingsmaatschappij Arodema B.V.	Amsterdam	Netherlands	100.00
Deutsche SB-Kauf GmbH & Co. KG	Saarbrücken	Germany	100.00
DFI Verwaltungs GmbH	Saarbrücken	Germany	100.00
DINEA Gastronomie GmbH	Cologne	Germany	100.00
DINEA Gastronomie GmbH	Linz	Austria	100.00
Dorina Immobilien-Vermietungsgesellschaft mbH	Düsseldorf	Germany	100.00
Doxa Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Mönchengladbach KG	Mainz	Germany	100.00
Duplex Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Schaper Bremen-Habenhausen KG	Mainz	Germany	0.00[1]
emotions GmbH	Cologne	Germany	0.00[1]
Fromentus Grundstücksverwaltungsgesellschaft mbH	Mainz	Germany	100.00
Fulltrade International GmbH	Düsseldorf	Germany	0.00[1]
FZB Fachmarktzentrum Bous Verwaltungsgesellschaft mbH & Co. KG	Saarbrücken	Germany	100.00
FZG Fachmarktzentrum Guben Verwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
FZG Fachmarktzentrum Guben Verwaltungsgesellschaft mbH & Co. Vermietungs-KG	Saarbrücken	Germany	50.00
Galeria Kaufhof GmbH	Cologne	Germany	50.00
GALERIA Personalservice GmbH	Cologne	Germany	100.00
GBS Gesellschaft für Unternehmensbeteiligungen mit beschränkter Haftung	Saarbrücken	Germany	100.00
GBS Objekt 14 Sp. z o.o.	Warsaw	Poland	100.00
GBS Objekt 41 Sp. z o.o.	Warsaw	Poland	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. 10. Objekt-KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. 25. Objekt-KG	Saarbrücken	Germany	100.00

GKF Vermögensverwaltungsgesellschaft mbH & Co. 25. Objekt-KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. 6. Objekt - KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. 8. Objekt - KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Arrondierungsgrundstücke KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Entwicklungsgrundstücke KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Gewerbegrundstücke KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Bochum Otto Straße KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Brühl KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Duisburg KG	Saarbrücken	Germany	94.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Edingen-Neckarhausen KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Emden KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Espelkamp KG	Saarbrücken	Germany	94.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Essen Haedenkampstraße KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Finowfurt KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Frankenthal-Studernheim KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Gäufelden KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Gelsenkirchen KG	Saarbrücken	Germany	99.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Haibach KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hamburg-Neuwiedenthal KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover/Davenstedter Straße KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover Fössestraße KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover-Linden KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hannover-Südstadt KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Heinsberg KG	Saarbrücken	Germany	94.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Herten KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hildesheim-Senking KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Hörselgau KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Koblenz KG	Saarbrücken	Germany	94.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Mönchengladbach-Rheydt KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Oldenburg KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Paderborn "Südring Center" KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rastatt KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Ratingen KG	Saarbrücken	Germany	94.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rinteln KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Rüsselsheim KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Saar-Grund KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mbH & Co. Objekt Wiesbaden-Nordenstadt KG	Saarbrücken	Germany	100.00
GKF Vermögensverwaltungsgesellschaft mit beschränkter Haftung	Saarbrücken	Germany	100.00
Goldhand Lebensmittel- u. Verbrauchsgüter-Vertriebsgesellschaft mit beschränkter Haftung	Düsseldorf	Germany	100.00
Gourmedis (China) Trading Co., Ltd.	Guangzhou	China	100.00
GrandPari Limited Liability Company	Moscow	Russia	100.00
Hansa Foto-Handelsgesellschaft mit beschränkter Haftung	Cologne	Germany	100.00
Horten Düsseldorf Berliner Allee GmbH	Saarbrücken	Germany	100.00
Horten Giessen GmbH	Saarbrücken	Germany	100.00
Horten GmbH	Düsseldorf	Germany	100.00
Horten Nürnberg GmbH	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH	Saarbrücken	Germany	100.00

Horten Verwaltungs- GmbH & Co. Objekt Duisburg KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Düsseldorf Carschhaus KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Erlangen KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Hannover KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Heidelberg KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Heilbronn KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Hildesheim KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Ingolstadt KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Kempten KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Münster KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Oldenburg KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Pforzheim KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Regensburg KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Reutlingen KG	Saarbrücken	Germany	100.00
Horten Verwaltungs GmbH & Co. Objekt Schweinfurt KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Stuttgart KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Trier KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Ulm KG	Saarbrücken	Germany	100.00
Horten Verwaltungs- GmbH & Co. Objekt Wiesbaden KG	Saarbrücken	Germany	100.00
ICS METRO Cash & Carry Moldova S.R.L.	Chisinau	Moldova	100.00
ILV - Sechste Immobilien-Vermietungsgesellschaft mbH & Co. Objekt Cologne St. Agatha KG	Düsseldorf	Germany	0.00[1]
Immobilien-Vermietungsgesellschaft von Quistorp GmbH & Co. Objekt Rostock KG	Düsseldorf	Germany	1.02[1]
Imtron GmbH	Ingolstadt	Germany	100.00
INNO SA/NV	Brussels	Belgium	100.00
Inpakcentrale ICN B.V.	Duiven	Netherlands	100.00
Johannes Berg GmbH, Weinkellerei	Düsseldorf	Germany	100.00
Jöst Verwaltungs GmbH	Bruchsal	Germany	100.00
JSC Tsaritsino	Moscow	Russia	100.00
Kaufhalle GmbH	Saarbrücken	Germany	100.00
Kaufhalle GmbH & Co. Objekt Hamburg Mönckebergstraße KG	Saarbrücken	Germany	100.00
Kaufhalle GmbH & Co. Objekt Lager Apfelstädt KG	Saarbrücken	Germany	100.00
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Berlin Prerower Platz KG	Düsseldorf	Germany	9.00
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Halle KG	Düsseldorf	Germany	94.00
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Krefeld KG	Düsseldorf	Germany	94.00
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Mannheim KG	Düsseldorf	Germany	94.00
Kaufhof plus Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Wuppertal-Elberfeld KG	Düsseldorf	Germany	90.00
Kaufhof Trading GmbH	Cologne	Germany	100.00
Kaufhof Warenhaus am Alex GmbH	Berlin	Germany	100.00
Kaufhof Warenhaus Neubrandenburg GmbH	Saarbrücken	Germany	100.00
Kaufhof Warenhaus Rostock GmbH	Düsseldorf	Germany	100.00
KONDOLA Grundstücksgesellschaft mbH & Co. KG	Grünwald	Germany	0.01[1]
Kreal Limited Liability Company	Moscow	Russia	100.00
KUPINA Grundstücks-Verwaltungsgesellschaft mbH & Co. KG	Grünwald	Germany	94.00[1]
Limited Liability Company real,- Hypermarket Ukraine	Kiev	Ukraine	100.00
Liqueur & Wine Trade GmbH	Düsseldorf	Germany	100.00
LLC Ukrainian Wholesale Trade Company	Kiev	Ukraine	100.00
MACAR Grundstücksgesellschaft mbH & Co. KG	Grünwald	Germany	0.01[1]
Makro Autoservicio Mayorista S. A. U.	Madrid	Spain	100.00

MAKRO Cash & Carry Belgium NV	Antwerp	Belgium	100.00
MAKRO Cash & Carry CR s.r.o.	Prague	Czech Republic	100.00
Makro Cash & Carry Egypt LLC	Cairo	Egypt	100.00
Makro Cash & Carry Portugal S.A.	Lisbon	Portugal	100.00
Makro Cash & Carry UK Holding Limited	Manchester	UK	100.00
Makro Cash and Carry Polska S.A.	Warsaw	Poland	100.00
Makro Cash and Carry Wholesale S. A.	Athens	Greece	100.00
Makro International AG	Chur	Switzerland	100.00
Makro Ltd.	Manchester	UK	100.00
Makro Pension Trustees Ltd.	Manchester	UK	100.00
Makro Properties Ltd.	Manchester	UK	100.00
Makro Self Service Wholesalers Ltd.	Manchester	UK	100.00
MCC Boston Trading Office Inc.	Boston	USA	100.00
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Berlin-Friedrichshain KG	Saarbrücken	Germany	100.00
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Hamburg-Altona KG	Saarbrücken	Germany	100.00
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt München-Pasing KG	Saarbrücken	Germany	100.00
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Porta-Westfalica KG	Saarbrücken	Germany	100.00
MCC Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Schwelm KG	Saarbrücken	Germany	100.00
MCC Trading Germany GmbH	Düsseldorf	Germany	100.00
MCC Trading International GmbH	Düsseldorf	Germany	100.00
MCC Trading Office Gida Ticaret Ltd. Şti	Antalya	Turkey	100.00
MCCI Asia Pte. Ltd.	Singapore	Singapore	100.00
MDH Secundus GmbH & Co. KG	Düsseldorf	Germany	100.00
Media-Saturn Beteiligungsges.m.b.H.	Vösendorf	Austria	100.00
MEDIA MARKT – BUDAÖRS Video TV Hifi Elektro Fotó Computer Kereskedelmi Kft.	Budaörs	Hungary	90.00
MEDIA MARKT A CORUÑA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	A Coruña	Spain	99.90
Media Markt Aigle SA	Aigle	Switzerland	90.00
MEDIA MARKT ALACANT VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Alicante	Spain	99.90
MEDIA MARKT ALBACETE VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Albacete	Spain	99.90
MEDIA MARKT ALCALA DE GUADAIRA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Alcalá de Guadaíra	Spain	99.90
MEDIA MARKT ALCALÁ DE HENARES VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Alcalá de Henares	Spain	99.90
MEDIA MARKT ALCORCON VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Alcorcón	Spain	99.90
Media Markt Alexandrium B.V.	Rotterdam	Netherlands	90.10
MEDIA MARKT ALFAFAR VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Alfafar	Spain	99.90
MEDIA MARKT ALFRAGIDE - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Alkmaar B.V.	Alkmaar	Netherlands	90.10
Media Markt Almere B.V.	Almere	Netherlands	90.10
MEDIA MARKT ALMERIA VÍDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.U.	El Prat de Llobregat	Spain	100.00
Media Markt Alphen aan den Rijn B.V.	Alphen aan den Rijn	Netherlands	90.10
Media Markt Amsterdam Noord B.V.	Amsterdam	Netherlands	90.10
Media Markt Amstetten TV-Hifi-Elektro GmbH	Amstetten	Austria	90.00
Media Markt Arena B.V.	Amsterdam	Netherlands	90.10
MEDIA MARKT Árkád Video TV Hifi Elektro Foto Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Media Markt Arnhem B.V.	Arnhem	Netherlands	90.10
MEDIA MARKT AVEIRO - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
MEDIA MARKT BARAKALDO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Barakaldo	Spain	99.90
MEDIA MARKT BARCELONA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Barcelona	Spain	99.90
Media Markt Basel AG	Basel	Switzerland	90.00

MEDIA MARKT Basilix NV	Sint-Agatha-Berchem	Belgium	90.00
Media Markt Békéscsaba Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Békéscsaba	Hungary	90.00
MEDIA MARKT BENFICA – PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Bergen op Zoom B.V.	Bergen op Zoom	Netherlands	100.00
Media Markt Biel-Brügg AG	Brügg near Biel	Switzerland	90.00
MEDIA MARKT Bilbondo Video-TV-Hifi-Elektro-Computer-Foto, S.A.	Bilbao	Spain	99.90
Media Markt Borås TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
MEDIA MARKT BRAGA - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
MEDIA MARKT Braine-l'Alleud SA	Braine-l'Alleud	Belgium	90.00
Media Markt Breda B.V.	Breda	Netherlands	90.10
Media Markt Bruxelles Rue Neuve Media Markt Brussel Nieuwstraat SA	Brussels	Belgium	90.00
Media Markt Bürs TV-Hifi-Elektro GmbH	Bürs	Austria	90.00
MEDIA MARKT CARTAGENA VIDEO-TV-ELEKTRO-COMPUTER-FOTO, S.A.	Cartagena	Spain	99.90
MEDIA MARKT CASTELLÒ DE LA Plana VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Castellòn de la Plana	Spain	99.90
Media Markt CCC TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCCI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCCII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCCIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCCIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCLIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCLX TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCLXII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCLXIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXVI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXVII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXVIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCLXXIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXIX TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXVII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXVIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXXIX TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXXV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXXVI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXXVII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCLXXXVIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCVIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXC TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXCI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXCII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXCIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXCIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXCIX TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXCV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00

Media Markt CCXCVI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXCVII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXCVIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCXLIII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCXLIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXLIX TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXLV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CCXLVI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCXXII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCXXVI TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT CCXXXIV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT Century Center NV	Antwerp	Belgium	100.00
Media Markt Chur AG	Chur	Switzerland	90.00
MEDIA MARKT CLII TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt CLXXIX TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt Conthey SA	Conthey	Switzerland	90.00
MEDIA MARKT CORDOBA VIDEO-TV-ELEKTRO-COMPUTER-FOTO, S.A.	Cordoba	Spain	99.80
MEDIA MARKT CORDOVILLA-PAMPLONA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Pamplona	Spain	99.90
Media Markt Crissier SA	Crissier	Switzerland	90.00
Media Markt Cruquius B.V.	Cruquius	Netherlands	90.10
Media Markt CXXIX TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT Debrecen Video-TV-Hifi-Elektro-Photo-Computer-Kereskedelmi Kft.	Debrecen	Hungary	90.00
Media Markt Den Haag B.V.	The Hague	Netherlands	90.10
Media Markt Deventer B.V.	Deventer	Netherlands	90.10
MEDIA MARKT DIAGONAL MAR-BARCELONA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Barcelona	Spain	99.90
MEDIA MARKT DONOSTI VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Donosti	Spain	99.90
MEDIA MARKT E247 VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT E256 VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT E270 VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT E271 VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT E278 VÍDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT E-285 Video-TV-Hifi-Elektro-Computer-Foto, S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT E-286 Video-TV-Hifi-Elektro-Computer-Foto, S.A.U.	El Prat de Llobregat	Spain	100.00
Media Markt E-Business GmbH	Ingolstadt	Germany	100.00
Media Markt Ede B.V.	Ede	Netherlands	90.10
Media Markt Eindhoven B.V.	Eindhoven	Netherlands	90.10
MEDIA MARKT EL PRAT VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	El Prat de Llobregat	Spain	99.90
MEDIA MARKT ELCHE VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Elche	Spain	99.90
Media Markt Enschede B.V.	Enschede	Netherlands	90.10
Media Markt Feldkirch TV-Hifi-Elektro GmbH	Feldkirch	Austria	90.00
MEDIA MARKT GAIA - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS. LDA	Lisbon	Portugal	90.00
MEDIA MARKT GAVÁ VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Gavà	Spain	99.90
Media Markt Gävle TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Genève SA	Geneva	Switzerland	90.00
MEDIA MARKT GETAFE VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Getafe	Spain	99.90
MEDIA MARKT GIRONA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Girona	Spain	99.90
Media Markt GmbH TV-HiFi-Elektro	Munich	Germany	90.00
MEDIA MARKT Gosselies/Charleroi SA	Charleroi	Belgium	90.00

Media Markt Göteborg-Bäckebol TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Göteborg-Högsbo TV-HiFi-Elektro AB	Stockholm	Sweden	90.01
MEDIA MARKT GRANADA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Pulianas-Granada	Spain	99.90
Media Markt Grancia SA	Grancia	Switzerland	90.00
Media Markt Granges-Paccot AG	Granges-Paccot	Switzerland	90.00
Media Markt Graz-Liebenau TV-Hifi-Elektro GmbH	Graz	Austria	90.00
Media Markt Groningen B.V.	Groningen	Netherlands	90.10
Media Markt Heerlen B.V.	Heerlen	Netherlands	90.10
Media Markt Helsingborg TV-Hifi-Elektro AB	Stockholm	Sweden	100.00
Media Markt Hengelo B.V.	Hengelo	Netherlands	90.10
MEDIA MARKT Herstal SA	Herstal	Belgium	90.00
MEDIA MARKT HUELVA VÍDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Huelva	Spain	99.90
Media Markt Imst TV-Hifi-Elektro GmbH	Imst	Austria	90.00
Media Markt IP Holding Hong Kong Limited	Hong Kong	China	100.00
MEDIA MARKT Jemappes/Mons SA	Mons	Belgium	90.00
MEDIA MARKT JEREZ DE LA FRONTERA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Cádiz	Spain	99.90
Media Markt Jönköping TV-Hifi- Elektro AB	Stockholm	Sweden	90.01
Media Markt Kalmar TV-Hifi-Elektro AB	Kalmar	Sweden	90.01
Media Markt Kecskemét Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Kecskemét	Hungary	100.00
Media Markt Kriens AG	Kriens	Switzerland	90.00
Media Markt Kristianstad TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
MEDIA MARKT L´ HOSPITALET VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.U	L'Hospitalet de Llobregat	Spain	100.00
MEDIA MARKT LAS PALMAS DE GRAN CANARIA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Las Palmas de Gran Canaria	Spain	99.90
Media Markt Leeuwarden B.V.	Leeuwarden	Netherlands	90.10
MEDIA MARKT LEGANES VIDEO-TV- HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Leganés	Spain	99.90
MEDIA MARKT LEIRIA - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Leoben TV-Hifi-Elektro GmbH	Leoben	Austria	90.00
MEDIA MARKT LEÓN VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	León	Spain	99.90
MEDIA MARKT Liège Place Saint-Lambert SA	Liège	Belgium	90.00
Media Markt Linz TV-Hifi-Elektro GmbH	Linz	Austria	90.00
MEDIA MARKT LOGRONO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Logrono	Spain	99.90
MEDIA MARKT LORCA S.A.U.	Murcia	Spain	100.00
MEDIA MARKT LOS BARRIOS VÍDO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Los Barrios	Spain	99.90
MEDIA MARKT LUGO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Lugo	Spain	99.90
Media Markt Luleå TV-Hifi-Elektro AB	Luleå	Sweden	90.01
Media Markt Lund TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Lyssach AG	Lyssach	Switzerland	90.00
Media Markt Maastricht B.V.	Maastricht	Netherlands	90.10
MEDIA MARKT MADRID PLENILUNIO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Madrid	Spain	99.90
MEDIA MARKT MADRID-VILLAVERDE VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Madrid	Spain	99.90
MEDIA MARKT Majadahonda Video-TV-HiFi-Elektro-Computer-Foto, S.A.	Majadahonda	Spain	99.90
MEDIA MARKT MALAGA OESTE VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT MALAGA-CENTRO VÍDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Malaga	Spain	99.90
Media Markt Malmö-Bernstorp TV-Hifi-Elektro AB	Malmö	Sweden	90.01
Media Markt Malmö-Svågertorp TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Management GmbH	Ingolstadt	Germany	100.00
Media Markt Marin SA	La Tène	Switzerland	90.00

MEDIA MARKT MATARO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Mataro	Spain	99.90
MEDIA MARKT Mechelen NV	Mechelen	Belgium	100.00
MEDIA MARKT Megapark Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Media Markt Meyrin SA	Meyrin	Switzerland	90.00
Media Markt Middelburg B.V.	Middelburg	Netherlands	100.00
MEDIA MARKT Miskolc Video TV Hifi Elektro Photo Computer Kereskedelmi Kft	Miskolc	Hungary	100.00
MEDIA MARKT MOLLET VÍDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.U.	El Prat de Llobregat	Spain	100.00
MEDIA MARKT MURCIA NUEVA CONDOMINA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Murcia	Spain	99.90
MEDIA MARKT MURCIA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Murcia	Spain	99.90
Media Markt Muri b. Bern AG	Muri near Bern	Switzerland	90.00
MEDIA MARKT NASCENTE - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Norrköping TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Nyíregyháza Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Nyíregyháza	Hungary	90.00
Media Markt Oberwart TV-Hifi-Elektro GmbH	Eisenstadt	Austria	90.00
Media Markt Oftringen AG	Oftringen	Switzerland	90.00
MEDIA MARKT Oostakker NV	Oostakker	Belgium	90.00
MEDIA MARKT Oostende NV	Oostende	Belgium	90.00
Media Markt Örebro TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
MEDIA MARKT Pécs Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Pécs	Hungary	90.00
MEDIA MARKT PLAZA - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Polska Sp. z o.o.	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 13 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 15 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 19 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 21 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 22 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 25 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 26 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 27 Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. 9 Sp. z o.o. Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. Białystok Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Bydgoszcz Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Chorzów Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Gdańsk II Spolka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Głogów Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Gorzów Wielkopolski Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Kalisz Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Konin Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Koszalin Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Kraków II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Legnica Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Nowy Sącz Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Piotrków Trybunalski Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Płock Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Poznań II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Przemyśl Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Radom Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Rybnik Spółka Komandytowa	Warsaw	Poland	90.00

Media Markt Polska Sp. z o.o. Tarnów Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Toruń Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Wałbrzych Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z o.o. Zamość Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z o.o. Zielona Góra Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Bielsko-Biała Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Czeladź Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Częstochowa Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Gdańsk I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Katowice I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Kielce Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Kraków I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Łódź I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Łódź II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Lublin Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Olsztyn Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Opole Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z.o.o. Poznań I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Rzeszów Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Szczecin Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Warszawa 1 Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Warszawa II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Warszawa III Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Warszawa IV Spółka Komandytowa	Warsaw	Poland	100.00
Media Markt Polska Sp. z.o.o. Wrocław I Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Wrocław II Spółka Komandytowa	Warsaw	Poland	90.00
Media Markt Polska Sp. z.o.o. Zabrze Spółka Komandytowa	Warsaw	Poland	90.00
MEDIA MARKT Pólus Center Video TV Hifi Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Media Markt Pratteln AG	Pratteln	Switzerland	90.00
MEDIA MARKT PUERTO REAL VIDEO-TV-HIFI-ELECTRO-COMPUTER-FOTO, S.A.	Cádiz	Spain	99.90
Media Markt Rijswijk B.V.	Rijswijk (The Hague)	Netherlands	90.10
MEDIA MARKT RIVAS-VACIAMADRID VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Madrid	Spain	99.90
Media Markt Roermond B.V.	Roermond	Netherlands	90.10
MEDIA MARKT Roeselare NV	Roeselare	Belgium	90.00
Media Markt Rotterdam Beijerlandselaan B.V.	Rotterdam	Netherlands	100.00
MEDIA MARKT SALAMANCA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Santa Marta de Tormes	Spain	99.90
MEDIA MARKT San Juan de Aznalfarache VIDEO-TV-HIFI-ELECTRO-COMPUTER-FOTO, S.A.	Seville	Spain	99.90
MEDIA MARKT SAN SEBASTIAN DE LOS REYES VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	San Sebastian de los Reyes	Spain	99.99
MEDIA MARKT SANT CUGAT DEL VALLÈS VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Sant Cugat del Vallès	Spain	99.90
MEDIA MARKT Santander Video-TV-Hifi-Elektro-Computer-Foto, S.A.	Santander	Spain	99.90
MEDIA MARKT SATURN ADMINISTRACION ESPAÑA, S.A.U.	El Prat de Llobregat	Spain	100.00
Media Markt Saturn Holding Magyarország Kft.	Budaörs	Hungary	100.00
Media Markt Saturn Holding Nederland B.V.	Rotterdam	Netherlands	100.00
MEDIA MARKT SATURN, S.A. UNIPERSONAL	El Prat de Llobregat	Spain	100.00
MEDIA MARKT Schoten NV	Schoten	Belgium	100.00
Media Markt Setúbal - Produtos Informáticos e Electrónicos, LDA.	Lisbon	Portugal	90.00
MEDIA MARKT SEVILLA-SANTA JUSTA VIDEO-TV-HIFIi-ELEKTRO-COMPUTER-FOTO, S.A.	Seville	Spain	99.90

MEDIA MARKT SIERO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Lugones-Siero	Spain	99.90
MEDIA MARKT Sint-Lambrechts-Woluwe NV	Sint-Lambrechts-Woluwe	Belgium	90.00
MEDIA MARKT Sint-Niklaas NV	Sint-Niklaas	Belgium	100.00
MEDIA MARKT Sint-Pieters-Leeuw NV	Sint-Pieters-Leeuw	Belgium	90.00
MEDIA MARKT SINTRA - PRODUTOS INFORMÁTICOS E ELECTRÓNICOS, LDA	Lisbon	Portugal	90.00
Media Markt Skövde TV-Hifi-Elektro AB	Skövde	Sweden	100.00
Media Markt Spittal TV-Hifi-Elektro GmbH	Spittal an der Drau	Austria	90.00
Media Markt St. Gallen AG	St. Gallen	Switzerland	90.00
Media Markt St. Lorenzen TV-Hifi-Elektro GmbH	St. Lorenzen im Mürztal	Austria	90.00
Media Markt Steyr TV-Hifi-Elektro GmbH	Steyr	Austria	90.00
Media Markt Stockholm-Barkarby TV-Hifi-Elektro AB	Stockholm	Sweden	100.00
Media Markt Stockholm-Gallerian TV-Hifi-Elektro AB	Stockholm	Sweden	100.00
Media Markt Stockholm-Heron City TV-HiFi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Stockholm-Länna TV-Hifi-Elektro AB	Stockholm	Sweden	100.00
Media Markt Stockholm-Nacka TV-Hifi-Elektro AB	Stockholm	Sweden	100.00
MEDIA MARKT Stop Shop Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Media Markt Sundsvall TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
MEDIA MARKT Szeged Video-TV-Hifi-Elektro-Photo-Computer-Kereskedelmi Kft.	Szeged	Hungary	90.00
MEDIA MARKT Székesfehérvár Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Székesfehérvár	Hungary	90.00
Media Markt Szolnok Video Tv Hifi Elektro Photo Computer Kereskedelmi Kft.	Szolnok	Hungary	90.00
MEDIA MARKT Szombathely Video-TV-Hifi-Elektro-Photo-Computer-Kereskedelmi Kft.	Szombathely	Hungary	90.00
MEDIA MARKT TARRAGONA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Tarragona	Spain	99.90
Media Markt Tatabánya Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Tatabánya	Hungary	90.00
MEDIA MARKT TELDE VÍDEO-TV- HIFI- ELEKTRO- COMPUTER- FOTO, S.A.	Telde	Spain	99.90
MEDIA MARKT TENERIFE VIDEO-TV-HIFI-ELEKTRO-COMPUTER-COMPUTER, S.A.	Santa Cruz de Tenerife	Spain	99.90
Media Markt The Corner B.V.	Rotterdam	Netherlands	90.10
MEDIA MARKT TOLEDO S.A.U.	El Prat de Llobregat	Spain	100.00
Media Markt TV-HiFi-Elektro Athens I Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens II Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens III Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-Hifi-Elektro ATHENS IV Commercial Anonymi Eteria	Athens	Greece	90.00
Media Markt TV-HiFi-Elektro Athens V Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens VI Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Athens VII Commercial Anonymi Eteria	Athens	Greece	100.00
MEDIA MARKT TV-HiFi-Elektro Gesellschaft m.b.H.	Seiersberg	Austria	90.00
MEDIA MARKT TV-HiFi-Elektro Gesellschaft m.b.H.	Innsbruck	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Gesellschaft m.b.H.	Klagenfurt	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Gesellschaft m.b.H.	Leonding	Austria	90.00
MEDIA Markt TV-Hifi-Elektro Gesellschaft m.b.H.	Salzburg	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Gesellschaft m.b.H.	Villach	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Gesellschaft m.b.H.	Vösendorf	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro GmbH	Vienna	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro GmbH	St. Pölten	Austria	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH	Bad Dürrheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH	Herzogenrath	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH	Schwentinental	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH	Lüneburg	Germany	90.00

MEDIA MARKT TV-Hifi-Elektro GmbH	Dornbirn	Austria	90.00
Media Markt TV-HiFi-Elektro GmbH	Krems an der Donau	Austria	90.00
MEDIA Markt TV-HiFi-Elektro GmbH	Hallstadt	Germany	90.05
MEDIA Markt TV-HiFi-Elektro GmbH	Belm	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH	Peissen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH	Porta Westfalica	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH	Schiffdorf-Spaden	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH & Co. KG Bruchsal	Bruchsal	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Alzey	Alzey	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Ansbach	Ansbach	Germany	90.05
MEDIA Markt TV-HiFi-Elektro GmbH Aschaffenburg	Aschaffenburg	Germany	90.05
MEDIA Markt TV-HiFi-Elektro GmbH Augsburg	Augsburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Augsburg-Göggingen	Augsburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Bad Kreuznach	Bad Kreuznach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Bad Neustadt an der Saale	Bad Neustadt an der Saale	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Baden-Baden	Baden-Baden	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Bayreuth	Bayreuth	Germany	90.05
MEDIA Markt TV-HiFi-Elektro GmbH Berlin-Biesdorf	Berlin	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Berlin-Charlottenburg	Berlin	Germany	100.00
MEDIA Markt TV-HiFi-Elektro GmbH Berlin-Gropiusstadt	Berlin	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Berlin-Hohenschönhausen	Berlin	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Berlin-Mitte	Berlin	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Berlin-Neukölln	Berlin	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Berlin-Prenzlauer Berg	Berlin	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Berlin-Schöneweide	Berlin	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Berlin-Spandau	Berlin	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Berlin-Steglitz	Berlin	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Berlin-Tegel	Berlin	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Berlin-Tempelhof	Berlin	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Berlin-Wedding	Berlin	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Bernau	Bernau bei Berlin	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Bielefeld	Bielefeld	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Bischofsheim	Bischofsheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Bochum	Bochum	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Bochum-Ruhrpark	Bochum	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Brandenburg an der Havel	Brandenburg an der Havel	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Braunschweig	Braunschweig	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Bremen	Bremen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Bremen-Oslebshausen	Bremen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Buchholz in der Nordheide	Buchholz in der Nordheide	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Buxtehude	Buxtehude	Germany	100.00
MEDIA MARKT TV-HiFi-Elektro GmbH Castrop-Rauxel	Castrop-Rauxel	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Chemnitz	Chemnitz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Chemnitz-Röhrsdorf	Chemnitz	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Cottbus/Groß Gaglow	Cottbus	Germany	90.05

Media Markt TV-HiFi-Elektro GmbH Deggendorf	Deggendorf	Germany	95.00
Media Markt TV-HiFi-Elektro GmbH Dessau	Dessau-Roßlau	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Dietzenbach	Dietzenbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Dresden Centrum	Dresden	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Dresden-Mickten	Dresden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Duisburg	Duisburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Duisburg-Großenbaum	Duisburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Düsseldorf	Düsseldorf	Germany	90.00
Media Markt TV-HIFi-Elektro GmbH Düsseldorf-Bilk	Düsseldorf	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Egelsbach	Egelsbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Eiche	Ahrensfelde-Eiche	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Elmshorn	Elmshorn	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Emden	Emden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Erding	Erding	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Erfurt Thüringen-Park	Erfurt	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Erfurt-Daberstedt	Erfurt	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Erlangen	Erlangen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Eschweiler	Eschweiler	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Essen	Essen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Esslingen	Esslingen am Neckar	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Flensburg	Flensburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Frankfurt	Frankfurt am Main	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Frankfurt-Borsigallee	Frankfurt am Main	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Freiburg	Freiburg im Breisgau	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Friedrichshafen	Friedrichshafen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Fulda	Fulda	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Gießen	Gießen	Germany	90.00
Media Markt TV-Hifi-Elektro GmbH Goslar	Goslar	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Göttingen	Göttingen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Greifswald	Greifswald	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Gründau-Lieblos	Gründau-Lieblos	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Günthersdorf	Günthersdorf	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Gütersloh	Gütersloh	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Halberstadt	Halberstadt	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Halstenbek	Halstenbek	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg- Wandsbek	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg-Altona	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg-Billstedt	Hamburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Hamburg-Harburg	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg-Hummelsbüttel	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hamburg-Nedderfeld	Hamburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hameln	Hameln	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Hannover-Vahrenheide	Hanover	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Hannover-Wülfel	Hanover	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Heide	Heide	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Heidelberg	Heidelberg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Heidelberg-Rohrbach	Heidelberg	Germany	90.00

Media Markt TV-HiFi-Elektro GmbH Henstedt-Ulzburg	Henstedt-Ulzburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Heppenheim	Heppenheim (Bergstraße)	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hildesheim	Hildesheim	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Hof	Hof	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Holzminden	Holzminden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Homburg/Saar	Homburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Hückelhoven	Hückelhoven	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Idar-Oberstein	Idar-Oberstein	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Itzehoe	Itzehoe	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Jena	Jena	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Kaiserslautern	Kaiserslautern	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Karlsruhe	Karlsruhe	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Karlsruhe-Ettlinger Tor	Karlsruhe	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Kassel	Kassel	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Kempten	Kempten (Allgäu)	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Kiel	Kiel	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Koblenz	Koblenz	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Cologne Hohe Straße	Cologne	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Cologne-Chorweiler	Cologne	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Cologne-Kalk	Cologne	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Cologne-Marsdorf	Cologne	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Konstanz	Konstanz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Krefeld	Krefeld	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Lahr	Lahr	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Landau/Pfalz	Landau in der Pfalz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Landsberg/Lech	Landsberg am Lech	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Landshut	Landshut	Germany	94.00
Media Markt TV-HiFi-Elektro GmbH Leipzig-Paunsdorf	Leipzig	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Limburg	Limburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Lingen	Lingen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Lübeck	Lübeck	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Ludwigsburg	Ludwigsburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Ludwigshafen	Ludwigshafen	Germany	95.00
MEDIA MARKT TV-HiFi-Elektro GmbH Magdeburg	Magdeburg	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Magdeburg-Bördepark	Magdeburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Main-Taunus-Zentrum	Sulzbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mainz	Mainz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mannheim	Mannheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mannheim-Sandhofen	Mannheim	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Marburg	Marburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Marktredwitz	Marktredwitz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Meerane	Meerane	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Memmingen	Memmingen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mönchengladbach	Mönchengladbach	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mühldorf/Inn	Mühldorf am Inn	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Mülheim	Mülheim an der Ruhr	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH München-Aubing	Munich	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH München-Haidhausen	Munich	Germany	90.00

Media Markt TV-HiFi-Elektro GmbH München-Solln	Munich	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Münster	Münster	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Neubrandenburg	Neubrandenburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Neumünster	Neumünster	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Neunkirchen	Neunkirchen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neuss	Neuss	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neustadt an der Weinstraße	Neustadt an der Weinstraße	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neu-Ulm	Neu-Ulm	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Neuwied	Neuwied	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Nienburg	Nienburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Nordhorn	Nordhorn	Germany	90.00
MEDIA Markt TV-HiFi-Elektro GmbH Nürnberg-Kleinreuth	Nuremberg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Nürnberg-Langwasser	Nuremberg	Germany	90.00
Media Markt TV-Hifi-Elektro GmbH Nürnberg-Schoppershof	Nuremberg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Offenburg	Offenburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Oldenburg	Oldenburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Oststeinbek	Oststeinbek	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Paderborn	Paderborn	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Papenburg	Papenburg	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Passau	Passau	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Peine	Peine	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Pforzheim	Pforzheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Pirmasens	Pirmasens	Germany	95.00
Media Markt TV-HiFi-Elektro GmbH Plauen	Plauen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Potsdam	Potsdam	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Ravensburg	Ravensburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Recklinghausen	Recklinghausen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Regensburg	Regensburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Reutlingen	Reutlingen	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Rheine	Rheine	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Riesa	Riesa	Germany	100.00
MEDIA MARKT TV-HiFi-Elektro GmbH Rödental	Rödental	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Rosenheim	Rosenheim	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Rostock	Sievershagen	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Rostock-Brinckmansdorf	Rostock	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Saarbrücken	Saarbrücken	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Saarbrücken-Saarterrassen	Saarbrücken	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Saarlouis	Saarlouis	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Schwedt	Schwedt/Oder	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Schweinfurt	Schweinfurt	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Schwerin	Schwerin	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Siegen	Siegen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Sindelfingen	Sindelfingen	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Singen	Singen	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Speyer	Speyer	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Stade	Stade	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Stralsund	Stralsund	Germany	90.05

Media Markt TV-HiFi-Elektro GmbH Straubing	Straubing	Germany	90.05
MEDIA MARKT TV-HiFi-Elektro GmbH Stuhr	Stuhr	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Stuttgart-Feuerbach	Stuttgart	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Stuttgart-Vaihingen	Stuttgart	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Traunreut	Traunreut	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Traunstein	Traunstein	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Trier	Trier	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Ulm	Ulm	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Velbert	Velbert	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Viernheim	Viernheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Waltersdorf bei Berlin	Schönefeld	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Weiden	Weiden in der Oberpfalz	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Weilheim	Weilheim	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Weiterstadt	Weiterstadt	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wetzlar	Wetzlar	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wiesbaden	Wiesbaden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wiesbaden-Äppelallee	Wiesbaden	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wilhelmshaven	Wilhelmshaven	Germany	100.00
Media Markt TV-HiFi-Elektro GmbH Wolfsburg	Wolfsburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Worms	Worms	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Wuppertal	Wuppertal	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Würzburg	Würzburg	Germany	90.05
Media Markt TV-HiFi-Elektro GmbH Würzburg - Alfred-Nobel-Straße	Würzburg	Germany	90.00
MEDIA MARKT TV-HiFi-Elektro GmbH Zella-Mehlis	Zella-Mehlis	Germany	90.00
Media Markt TV-HiFi-Elektro GmbH Zwickau	Zwickau	Germany	90.05
Media Markt TV-HiFi-Elektro Larissa Commercial Anonymi Eteria	Athens	Greece	100.00
MEDIA Markt TV-HiFi-Elektro Licht GmbH Ingolstadt	Ingolstadt	Germany	100.00
Media Markt TV-Hifi-Elektro Thessaloniki I Commercial Anonymi Eteria	Athens	Greece	90.00
Media Markt TV-HiFi-Elektro Thessaloniki II Commercial Anonymi Eteria	Athens	Greece	100.00
Media Markt TV-HiFi-Elektro Thessaloniki III Commercial Anonymi Eteria	Athens	Greece	100.00
MEDIA MARKT TV-Hifi-Elektro Wien XI Gesellschaft m.b.H.	Vienna	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Wien XIII GmbH	Vienna	Austria	90.00
MEDIA MARKT TV-Hifi-Elektro Wien XXI Gesellschaft m.b.H.	Vienna	Austria	90.00
MEDIA MARKT Twee Torens Hasselt NV	Hasselt	Belgium	99.65
Media Markt Umeå TV-Hifi-Elektro AB	Umeå	Sweden	90.01
Media Markt Uppsala TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Utrecht B.V.	Utrecht	Netherlands	100.00
MEDIA MARKT VALÈNCIA-CAMPANAR VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Valencia	Spain	99.90
MEDIA MARKT VALLADOLID VÍDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Valladolid	Spain	99.90
Media Markt Västerås TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Växjö TV-Hifi-Elektro AB	Stockholm	Sweden	90.01
Media Markt Verbund Heilbronn-Franken GmbH	Heilbronn	Germany	90.00
MEDIA MARKT VIGO VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO S.A.	Vigo	Spain	99.90
MEDIA MARKT VITORIA-GASTEIZ VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Vitoria	Spain	99.90
Media Markt Vöcklabruck TV-Hifi-Elektro GmbH	Vöcklabruck	Austria	90.00
Media Markt Wels TV-Hifi-Elektro GmbH	Wels	Austria	90.00
MEDIA MARKT- West End Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00

Media Markt Wien III TV-Hifi-Elektro GmbH	Vienna	Austria	100.00
Media Markt Wien XV TV-Hifi-Elektro GmbH	Vienna	Austria	90.00
Media Markt Wien XXII TV-Hifi-Elektro GmbH	Vienna	Austria	90.00
MEDIA MARKT Wörgl TV-Hifi-Elektro GmbH	Wörgl	Austria	90.00
MEDIA MARKT XCV TV-HiFi-Elektro GmbH Ingolstadt	Ingolstadt	Germany	100.00
MEDIA MARKT XI - Produtos Informáticos e Electrónicos, LDA.	Lisbon	Portugal	100.00
MEDIA MARKT XII - Produtos Informáticos e Electrónicos, LDA.	Lisbon	Portugal	100.00
Media Markt Zalaegerszeg Video TV Hifi Elektro Computer Kereskedelmi Korlátolt Felelősségű Társaság	Zalaegerszeg	Hungary	90.00
MEDIA MARKT ZARAGOZA PUERTO VENECIA VÍDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Zaragoza	Spain	99.90
MEDIA MARKT ZARAGOZA VIDEO-TV-HIFI-ELEKTRO-COMPUTER-FOTO, S.A.	Zaragoza	Spain	99.90
Media Markt Zell am See TV-Hifi-Elektro GmbH	Zell am See	Austria	90.00
Media Markt Zoetermeer B.V.	Zoetermeer	Netherlands	90.10
Media Markt Zürich AG	Zurich	Switzerland	90.25
Media Markt zwei TV-HiFi-Elektro GmbH Dresden-Prohlis	Dresden	Germany	90.00
Media Markt Zwolle B.V.	Zwolle	Netherlands	90.10
MEDIA MARKT-SATURN BELGIUM NV	Asse-Zellik	Belgium	100.00
Media Saturn - Servicos de Apoio Adminstrativo, Lda.	Lisbon	Portugal	100.00
Media Saturn E-Commerce AG	Geroldswil	Switzerland	100.00
Media Saturn Electronics Hellas Holding Anonymi Eteria	Athens	Greece	100.00
Media Saturn Hellas Company Administration Anonymi Eteria	Athens	Greece	100.00
Media Saturn Holding Polska Sp.z.o.o.	Warsaw	Poland	100.00
Media Saturn Management AG	Geroldswil	Switzerland	100.00
MEDIA SATURN MULTICHANNEL S.A.U.	El Prat de Llobregat	Spain	100.00
Media Saturn Power Service AG	Oftringen	Switzerland	90.00
Mediamarket S.p.A.	Curno	Italy	97.00
MediaMarkt (China) International Retail Holding Limited	Hong Kong	China	75.00
MediaMarkt (Shanghai) Commercial & Trading Company Limited	Shanghai	China	100.00
MediaMarkt (Shanghai) Consulting Service Company Limited	Shanghai	China	100.00
MEDIA-Markt TV-HiFi-Elektro GmbH Aachen	Aachen	Germany	90.00
MediaOnline GmbH	Ingolstadt	Germany	100.00
MEDIA-SATURN (PORTUGAL), SGPS, UNIPESSOAL LDA	Lisbon	Portugal	100.00
Media-Saturn China-Holding GmbH	Ingolstadt	Germany	75.41
Media-Saturn China-Holding Limited	Hong Kong	China	100.00
Media-Saturn Germany GmbH	Ingolstadt	Germany	100.00
Media-Saturn e-handel Sverige AB	Stocksund	Sweden	100.00
Media-Saturn Helvetia Holding GmbH	Ingolstadt	Germany	100.00
Media-Saturn Holding Norway AS	Oslo	Norway	100.00
Media-Saturn Holding Sweden AB	Stockholm	Sweden	100.00
Media-Saturn IT Services GmbH	Ingolstadt	Germany	100.00
Media-Saturn Nordic Shared Services AB	Stockholm	Sweden	100.00
media-saturn-e-business GmbH	Ingolstadt	Germany	100.00
Media-Saturn-Holding GmbH	Ingolstadt	Germany	75.41
Meister feines Fleisch - feine Wurst GmbH	Gäufelden	Germany	100.00
MEM METRO GROUP Energy Production & Management GmbH	Düsseldorf	Germany	100.00
MEM METRO Group Energy Production & Management Sp. z o.o.	Warsaw	Poland	100.00
Metro Accounting Center of Excellence Private Limited	Pune	India	100.00
METRO Beteiligungsmanagement Düsseldorf GmbH & Co. KG	Düsseldorf	Germany	100.00
Metro Cash & Carry Brunnthal GmbH & Co. KG	Brunnthal	Germany	100.00

METRO Cash & Carry Bulgaria EOOD	Sofia	Bulgaria	100.00
METRO Cash & Carry Central Asia Holding GmbH	Vösendorf	Austria	100.00
METRO Cash & Carry China Holding GmbH	Vösendorf	Austria	100.00
METRO Cash & Carry d.o.o.	Zagreb	Croatia	100.00
METRO Cash & Carry d.o.o.	Belgrade	Serbia	100.00
Metro Cash & Carry Danmark ApS.	Glostrup	Denmark	100.00
METRO Cash & Carry Germany GmbH	Düsseldorf	Germany	100.00
METRO Cash & Carry France S.A.S.	Nanterre	France	100.00
Metro Cash & Carry Grundstücksverwaltungsgesellschaft mbH	Düsseldorf	Germany	100.00
METRO Cash & Carry Import Limited Liability Company	Kaliningrad	Russia	100.00
METRO Cash & Carry India Private Limited	Bangalore	India	100.00
METRO Cash & Carry International GmbH	Düsseldorf	Germany	100.00
METRO Cash & Carry International Holding B. V.	Amsterdam	Netherlands	100.00
METRO Cash & Carry International Holding GmbH	Vösendorf	Austria	100.00
METRO Cash & Carry International Management GmbH	Düsseldorf	Germany	100.00
METRO Cash & Carry Japan Holding GmbH	Vösendorf	Austria	100.00
METRO Cash & Carry Japan KK	Tokyo	Japan	100.00
METRO Cash & Carry Limited Liability Partnership	Almaty	Kazakhstan	100.00
Metro Cash & Carry Nederland B.V.	Amsterdam	Netherlands	100.00
METRO Cash & Carry OOO	Moscow	Russia	100.00
METRO Cash & Carry Österreich GmbH	Vösendorf	Austria	73.00
METRO Cash & Carry Pakistan (Private) Limited	Lahore	Pakistan	100.00
METRO CASH & CARRY ROMANIA SRL	Bucharest	Romania	85.00
METRO Cash & Carry SR s.r.o.	Ivanka pri Dunaji	Slovakia	100.00
METRO Cash & Carry Ukraine Ltd.	Kiev	Ukraine	100.00
METRO Cash & Carry Vietnam Ltd.	Ho Chi Minh City	Vietnam	100.00
Metro Cash & Carry Wines	Hyderabad	India	99.99
METRO Central East Europe GmbH	Vienna	Austria	100.00
METRO Danmark Holding ApS	Glostrup	Denmark	100.00
METRO Dienstleistungs-Holding GmbH	Düsseldorf	Germany	100.00
METRO Distributie Nederland B. V.	Amsterdam	Netherlands	100.00
METRO DOLOMITI SpA	San Donato Milanese	Italy	100.00
METRO FIM S.p.A.	Cinisello Balsamo	Italy	100.00
METRO Finance B. V.	Venlo	Netherlands	100.00
Metro France Immobiliere S. a. r. l.	Nanterre	France	100.00
Metro Grosmarket Bakirköy Alisveris Hizmetleri Ticaret Ltd. Sirketi	Istanbul	Turkey	100.00
METRO Groß- und Lebensmitteleinzelhandel Holding GmbH	Düsseldorf	Germany	100.00
METRO Großhandelsgesellschaft mbH	Düsseldorf	Germany	100.00
METRO GROUP Accounting Center GmbH	Alzey	Germany	100.00
METRO Group Asset Management B.V.	Amsterdam	Netherlands	100.00
METRO Group Asset Management Ingatlan Kft.	Budaörs	Hungary	100.00
METRO Group Asset Management Property Ukraine Limited Liability Company	Kiev	Ukraine	100.00
METRO Group Asset Management Services GmbH	Saarbrücken	Germany	100.00
METRO Group Asset Management Ukraine, Limited Liability Company	Kiev	Ukraine	100.00
METRO Group Buying Ukraine Ltd.	Kiev	Ukraine	100.00
METRO Group Properties SR s.r.o.	Ivanka pri Dunaji	Slovakia	100.00
METRO GROUP REAL ESTATE ESPANA S.L.	Madrid	Spain	100.00
METRO Group Retail Real Estate GmbH	Düsseldorf	Germany	100.00

METRO Group Retail Real Estate Romania S.R.L.	Voluntari	Romania	100.00
Metro Group Settlement AG	Chur	Switzerland	100.00
METRO Group Wholesale Real Estate Bulgaria EOOD	Sofia	Bulgaria	100.00
METRO Group Wholesale Real Estate GmbH	Düsseldorf	Germany	100.00
Metro Holding France S. A.	Vitry sur Seine	France	100.00
METRO International AG	Baar	Switzerland	100.00
Metro International Beteiligungs GmbH	Düsseldorf	Germany	100.00
METRO INTERNATIONAL SUPPLY GmbH	Düsseldorf	Germany	100.00
METRO Italia Cash and Carry S. p. A.	San Donato Milanese	Italy	100.00
METRO Jinjiang Cash & Carry Co., Ltd.	Shanghai	China	90.00
METRO Kaufhaus und Fachmarkt Holding GmbH	Düsseldorf	Germany	100.00
METRO Kereskedelmi Kft.	Budaörs	Hungary	100.00
METRO Leasing GmbH	Saarbrücken	Germany	100.00
Metro Liquors K.K.	Kawaguchi	Japan	100.00
METRO Management EOOD	Sofia	Bulgaria	100.00
METRO North Warehouse Management (Chongqing) Co. Ltd.	Chongqing	China	100.00
Metro Properties B.V.	Amsterdam	Netherlands	100.00
METRO Properties CR s.r.o.	Prague	Czech Republic	100.00
Metro Properties Danmark ApS.	Glostrup	Denmark	100.00
METRO PROPERTIES France SAS	Nanterre	France	100.00
Metro Properties Gayrimenkul Yatirim A.Ş.	Istanbul	Turkey	99.93
METRO PROPERTIES GmbH & Co. KG	Saarbrücken	Germany	98.04
METRO PROPERTIES Holding GmbH	Düsseldorf	Germany	100.00
METRO Properties Holding Ltd.	Manchester	UK	100.00
METRO PROPERTIES Limited Liability Company	Moscow	Russia	100.00
METRO PROPERTIES Management GmbH	Saarbrücken	Germany	66.67
METRO PROPERTIES Sp.z o.o.	Warsaw	Poland	100.00
METRO Property Management (Beijing) Co. Ltd.	Beijing	China	100.00
Metro Property Management (Changsha) Co., Ltd.	Changsha	China	100.00
METRO Property Management (Changshu) Co. Ltd.	Changshu	China	100.00
Metro Property Management (Changzhou) Co. Ltd.	Changzhou	China	100.00
Metro Property Management (Chengdu Qingyang) Co., Ltd.	Chengdu	China	100.00
METRO Property Management (Chongqing) Co. Ltd.	Chongqing	China	100.00
Metro Property Management (Cixi) Co., Limited	Cixi	China	100.00
Metro Property Management (Dongguan) Co. Ltd.	Dongguan	China	100.00
Metro Property Management (Hangzhou) Company Limited	Hangzhou	China	100.00
METRO Property Management (Harbin) Co. Ltd.	Harbin	China	100.00
Metro Property Management (Hefei) Co. Ltd.	Hefei	China	100.00
Metro Property Management (Jiangyin) Company Limited	Jiangyin	China	100.00
Metro Property Management (Jiaxing) Co. Ltd.	Jiaxing	China	100.00
Metro Property Management (Kunshan) Company Limited	Suzhou	China	100.00
METRO Property Management (Nanchang Qingshanhu) Co. Ltd.	Nanchang	China	100.00
Metro Property Management (Nantong) Co. Ltd.	Nantong	China	100.00
Metro Property Management (Qingdao) Company Limited	Qingdao	China	100.00
METRO Property Management (Shenyang) Co. Ltd.	Shenyang	China	100.00
METRO Property Management (Shenzhen) Co. Ltd.	Shenzhen	China	100.00
Metro Property Management (Suzhou) Co., Ltd.	Suzhou	China	100.00
METRO Property Management (Tianjin Hongqiao) Co., Ltd.	Tianjin	China	100.00

Metro Property Management (Wuhan) Co., Ltd.	Wuhan	China	100.00
METRO Property Management (Xiamen) Co., Ltd.	Xiamen	China	100.00
METRO Property Management (Xian) Co., Ltd.	Xian	China	100.00
METRO Property Management (Zhangjiagang) Co. Ltd.	Zhangjiagang	China	100.00
Metro Property Management (Zhengzhou) Co., Ltd.	Zhengzhou	China	100.00
METRO Property Management (Zhongshan) Co. Limited	Zhongshan	China	100.00
METRO Property Management Wuxi Co. Ltd.	Wuxi	China	100.00
METRO Real Estate Ltd.	Zagreb	Croatia	100.00
Metro Reinsurance N.V.	Amsterdam	Netherlands	100.00
Metro SB-Großmärkte GmbH & Co. Kommanditgesellschaft	Esslingen am Neckar	Germany	100.00
Metro SB-Großmärkte GmbH & Co. Kommanditgesellschaft	Linden	Germany	100.00
Metro SB-Großmärkte Verwaltungsgesellschaft mit beschränkter Haftung	Mülheim an der Ruhr	Germany	100.00
METRO Sechzehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
METRO Service GmbH	Vösendorf	Austria	100.00
METRO Services PL spółka z ograniczona odpowiedzialnościa	Warsaw	Poland	100.00
METRO Siebte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
METRO South East Asia Holding GmbH	Vösendorf	Austria	100.00
METRO SYSTEMS GmbH	Düsseldorf	Germany	100.00
Metro Systems Romania S.R.L.	Bucharest	Romania	100.00
METRO SYSTEMS RU Limited Liability Company	Moscow	Russia	100.00
METRO Systems Ukraine LLC	Kiev	Ukraine	100.00
METRO Warehouse Management (Chongqing) Co. Ltd.	Chongqing	China	100.00
Metro Warehouse Management (Hangzhou) Co. Ltd.	Hangzhou	China	100.00
METRO Warehouse Management (Suzhou) Co. Ltd.	Suzhou	China	100.00
Metro Warehouse Management (Wuhan) Co. Ltd.	Wuhan	China	100.00
Metro Warehouse Management (Yantai) Co., Limited	Yantai	China	100.00
Metro Warehouse Noginsk Limited Liability Company	Moscow	Russia	100.00
METRO Zehnte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
METRO Zehnte GmbH & Co. KG	Düsseldorf	Germany	100.00
METRO Zwölfte Gesellschaft für Vermögensverwaltung mbH	Düsseldorf	Germany	100.00
MFM METRO Group Facility Management GmbH	Düsseldorf	Germany	100.00
MGA METRO Group Advertising GmbH	Düsseldorf	Germany	100.00
MGA METRO Group Advertising Polska Sp. z o.o. i Spólka Sp.k.	Warsaw	Poland	100.00
MGA METRO Group Advertising Polska Spolka z ogranicona odpowiedzialoscia	Warsaw	Poland	100.00
MGA METRO Group Advertising Romania srl	Bucharest	Romania	100.00
MGA METRO Group Advertising Rus OOO	Moscow	Russia	100.00
MGB METRO Group Buying (Shanghai) Co., Ltd.	Shanghai	China	100.00
MGB METRO Group Buying HK Limited	Hong Kong	China	100.00
MGB Metro Group Buying Romania SRL	Bucharest	Romania	100.00
MGB METRO Group Buying RUS OOO	Moscow	Russia	100.00
MGB METRO Group Buying TR Satinalma Ticaret Limited Sirketi	Istanbul	Turkey	100.00
MGC METRO Group Clearing GmbH	Düsseldorf	Germany	100.00
MGE Warenhandelsgesellschaft mbH	Düsseldorf	Germany	100.00
MGI Metro Group Iletisim ve Enformasyon Ticaret Limited Sirketi	Istanbul	Turkey	100.00
MGI METRO Group Information Technology Polska Sp. z o.o.	Warsaw	Poland	100.00
MGL LOGISTICS SERVICES GREECE Eteria Periorismenis Efthinis	Agios Ioannis Rentis	Greece	100.00
MGL METRO Group Logistics Bulgaria LTD	Sofia	Bulgaria	100.00
MGL METRO GROUP Logistics GmbH	Düsseldorf	Germany	100.00

MGL METRO Group Logistics Limited Liability Company	Moscow	Russia	100.00
MGL METRO Group Logistics Polska Sp. z o.o.	Warsaw	Poland	100.00
MGL METRO Group Logistics Polska Sp. z o.o. i Spólka Sp.k.	Warsaw	Poland	99.87
MGL METRO GROUP LOGISTICS UKRAINE LLC	Kiev	Ukraine	100.00
MGL METRO Group Logistics Warehousing Beteiligungs GmbH	Sarstedt	Germany	100.00
MGL METRO Group Logistics Warehousing GmbH	Sarstedt	Germany	100.00
MGL METRO Group Lojistik Hizmetleri Ticaret Limited sirketi	Istanbul	Turkey	100.00
MGP METRO Group Account Processing GmbH	Kehl	Germany	100.00
MGP METRO Group Account Processing International AG	Baar	Switzerland	100.00
MGT METRO Group Travel Services GmbH	Düsseldorf	Germany	100.00
MIAG Asia Co. Ltd.	Hong Kong	China	100.00
MIAG B.V.	Venlo	Netherlands	100.00
MIAG Commanditaire Vennootschap	Diemen	Netherlands	100.00
MIAG RUS Limited Liability Company	Kotelniki	Russia	100.00
MIB METRO Group Insurance Broker GmbH	Düsseldorf	Germany	100.00
MIB Services (UK) Ltd	Manchester	UK	100.00
Miller N. V.	Wommelgem	Belgium	100.00
MIP METRO Group Intellectual Property GmbH & Co. KG	Düsseldorf	Germany	100.00
MIP METRO Group Intellectual Property Management GmbH	Düsseldorf	Germany	100.00
MMS Online Nederland B.V.	Rotterdam	Netherlands	100.00
MMS Online Spółka z ograniczona odpowiedzialnościa	Warsaw	Poland	100.00
Morocco Fish Trading Company SARL AU	Casablanca	Morocco	100.00
MS Digital Download S.a.r.l.	Esch-sur-Alzette	Luxembourg	100.00
MS E-Business Concepts & Service GmbH	Ingolstadt	Germany	100.00
MS E-Commerce GmbH	Wiener Neustadt	Austria	100.00
MS E-Commerce Kereskedelmi Korlátolt Feleősségű Társaság	Budaörs	Hungary	100.00
MS ISTANBUL IC VE DIS TICARET LIMITED SIRKETI	Istanbul	Turkey	100.00
MS Multichannel Retailing Ges.m.b.H.	Vösendorf	Austria	100.00
MS Powerservice GmbH	Vösendorf	Austria	100.00
MTE Grundstücksverwaltung GmbH & Co. Objekt Duisburg oHG	Pullach im Isartal	Germany	19.00[1]
MTT METRO Group Textiles Transport GmbH	Düsseldorf	Germany	100.00
multi media Kommunikationstechnik Zwei GmbH	Heilbronn	Germany	100.00
multi media Service GmbH	Heilbronn	Germany	90.00
Multi-Center Warenvertriebs GmbH	Düsseldorf	Germany	100.00
N & NF Trading GmbH	Düsseldorf	Germany	100.00
Nedema GmbH	Cologne	Germany	100.00
NIGRA Verwaltung GmbH & Co. Objekt Detmold KG	Pullach im Isartal	Germany	19.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Eschweiler KG	Pullach im Isartal	Germany	19.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Germersheim KG	Pullach im Isartal	Germany	19.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Langendreer KG	Pullach im Isartal	Germany	19.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Ludwigshafen KG	Pullach im Isartal	Germany	49.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Moers KG	Pullach im Isartal	Germany	19.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Neunkirchen KG	Pullach im Isartal	Germany	19.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Oberhausen oHG	Pullach im Isartal	Germany	19.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Rendsburg KG	Pullach im Isartal	Germany	19.00[1]
NIGRA Verwaltung GmbH & Co. Objekt Salzgitter KG	Pullach im Isartal	Germany	19.00[1]
OOO Marktkauf Russland	Moscow	Russia	100.00
OOO Media-Markt-Saturn	Moscow	Russia	100.00

OOO Media-Saturn-Russland	Moscow	Russia	100.00
OOO Saturn	Moscow	Russia	100.00
OPCI FRENCH WHOLESALE PROPERTIES	Paris	France	100.00
OPCI FRENCH WHOLESALE STORES	Paris	France	100.00
OSKUS Verwaltung GmbH & Co. Objekt Aachen SB-Warenhaus KG	Pullach im Isartal	Germany	0.00[1]
OSKUS Verwaltung GmbH & Co. Objekt Krefeld KG	Pullach im Isartal	Germany	0.00[1]
PAROS Verwaltung GmbH & Co. Objekt Hürth KG	Pullach im Isartal	Germany	0.00[1]
PAROS Verwaltung GmbH & Co. Vermietungs-KG	Pullach im Isartal	Germany	1,00[1]
PayRed Card Services AG	Geroldswil	Switzerland	100.00
Peoplefone Beteiligungsgesellschaft mbH	Ingolstadt	Germany	100.00
PIL Grundstücksverwaltung GmbH	Saarbrücken	Germany	100.00
Power Service GmbH	Cologne	Germany	100.00
PowerService Nederland B.V.	Rotterdam	Netherlands	100.00
Pro. FS GmbH	Böblingen	Germany	100.00
PT Paserda Indonesia	Jakarta	Indonesia	75.00
Qingdao Metro Warehouse Management Co. Ltd.	Qingdao	China	100.00
RaW Real Estate Asia Pte.Ltd.	Singapore	Singapore	100.00
real ,- Sp. z o.o. i Spólka spólka komandytowa	Warsaw	Poland	100.00
Real Estate Management Misr Limited Liability Company	Cairo	Egypt	100.00
Real Properties Ukraine LLC	Kiev	Ukraine	100.00
real,- Group Holding GmbH	Düsseldorf	Germany	100.00
real,- Handels GmbH	Düsseldorf	Germany	100.00
real,- Hipermarketler Zinciri Anonim Sirketi	Istanbul	Turkey	99.75
real,- Holding GmbH	Alzey	Germany	100.00
real,- Hypermarket OOO	Moscow	Russia	100.00
real,- Hypermarket Romania S.R.L.	Bucharest	Romania	100.00
real,- SB-Warenhaus GmbH	Alzey	Germany	100.00
real,- Spólka z ograniczona odpowiedzialnoscia	Warsaw	Poland	100.00
red blue Marketing GmbH	Munich	Germany	100.00
Redcoon Benelux B. V.	Tilburg	Netherlands	100.00
REDCOON DANMARK ApS	Copenhagen	Denmark	100.00
REDCOON ELECTRONIC TRADE, S.L.	Badalona	Spain	100.00
Redcoon GmbH	Aschaffenburg	Germany	90.00
redcoon GmbH	Vienna	Austria	100.00
REDCOON ITALIA S.R.L.	Turin	Italy	100.00
redcoon Logistic GmbH	Erfurt	Germany	100.00
REDCOON POLSKA Sp. z.o.o.	Bydgoszcz	Poland	100.00
Remo Zaandam B.V.	Zaandam	Netherlands	100.00
Renate Grundstücksverwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
Retail Real Estate Limited Liability Company	Moscow	Russia	100.00
ROSARIA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Gerlingen KG	Düsseldorf	Germany	94.00[1]
Rotterdam Trading Office B.V.	Diemen	Netherlands	100.00
RUDU Verwaltungsgesellschaft mbH	Düsseldorf	Germany	100.00
RUTIL Verwaltung GmbH & Co. SB-Warenhaus Bielefeld KG	Pullach im Isartal	Germany	19.00[1]
Saalbau-Verein Ulm GmbH	Saarbrücken	Germany	100.00
SAS REDCOON FRANCE	Paris	France	100.00
SATURN ALICANTE ELECTRO, S.A.U.	Alicante	Spain	100.00
SATURN ARENA Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	100.00

Saturn Athens III Commercial Anonymi Eteria	Athens	Greece	100.00
SATURN BARAKALDO ELEKTRO, S.A.U.	Barakaldo	Spain	100.00
SATURN Basel Stücki AG	Basel	Switzerland	90.00
SATURN Brugge NV	Bruges	Belgium	90.00
SATURN BUDA Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
Saturn Duna Video Tv Hifi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	90.00
SATURN E502 ELECTRO, S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN E503 ELECTRO,S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN E-515 Electro, S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN E-516 ELECTRO S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN E-517 ELECTRO S.A.U.	El Prat de Llobregat	Spain	100.00
Saturn Electro-Handelsges.m.b.H.	Salzburg	Austria	90.00
Saturn Electro-Handelsges.m.b.H.	Vienna	Austria	90.00
Saturn Electro-Handelsges.m.b.H.	Graz	Austria	90.00
Saturn Electro-Handelsgesellschaft m.b.H.	Vösendorf	Austria	90.00
Saturn Electro-Handelsgesellschaft m.b.H.	Linz	Austria	90.00
Saturn Electro-Handelsgesellschaft mbH	Karlsruhe	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Ansbach	Ansbach	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Augsburg	Augsburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bad Homburg	Bad Homburg v.d.Höhe	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bad Oeynhausen	Bad Oeynhausen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin I	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Charlottenburg	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Gesundbrunnen	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Hellersdorf	Berlin	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Märkische Zeile	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Marzahn	Berlin	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Potsdamer Platz	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Reinickendorf	Berlin	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Spandau	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Steglitz	Berlin	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Berlin-Treptow	Berlin	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Berlin-Zehlendorf	Berlin	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bielefeld	Bielefeld	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Bocholt	Bocholt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bochum	Bochum	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Braunschweig	Braunschweig	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bremen	Bremen	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Bremen-Habenhausen	Bremen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Bremerhaven	Bremerhaven	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Chemnitz	Chemnitz	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Chemnitz-Zentrum	Chemnitz	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Darmstadt	Darmstadt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Delmenhorst	Delmenhorst	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Dessau	Dessau-Roßlau	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Dortmund	Dortmund	Germany	90.01
Saturn Electro-Handelsgesellschaft mbH Dortmund-Eving	Dortmund	Germany	90.00

Saturn Electro-Handelsgesellschaft mbH Dresden	Dresden	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Duisburg	Duisburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Erfurt	Erfurt	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Erlangen	Erlangen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Essen City	Essen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Essen-Steele	Essen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Esslingen	Esslingen am Neckar	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Euskirchen	Euskirchen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Flensburg	Flensburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Frankfurt/Main	Frankfurt am Main	Germany	98.00
Saturn Electro-Handelsgesellschaft mbH Freiburg	Freiburg im Breisgau	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Freising	Freising	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Fürth	Fürth	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Gelsenkirchen	Gelsenkirchen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Gelsenkirchen-Buer	Gelsenkirchen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Gießen	Gießen	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Göttingen	Göttingen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Gummersbach	Gummersbach	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hagen	Hagen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hamburg-Altstadt	Hamburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hamm	Hamm	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hanau	Hanau	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Hannover	Hanover	Germany	90.01
Saturn Electro-Handelsgesellschaft mbH Hattingen	Hattingen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Heidelberg	Heidelberg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Herford	Herford	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Ingolstadt	Ingolstadt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Isernhagen	Isernhagen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kaiserslautern	Kaiserslautern	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Karlsruhe-Durlach	Karlsruhe	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kassel	Kassel	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kempten	Kempten (Allgäu)	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kerpen	Kerpen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Kleve	Kleve	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Koblenz	Koblenz	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Krefeld	Krefeld	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Landshut	Landshut	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Leipzig	Leipzig	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Leipzig-Hauptbahnhof	Leipzig	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Leonberg	Leonberg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Lübeck	Lübeck	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Lüdenscheid	Lüdenscheid	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Ludwigsburg	Ludwigsburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Ludwigshafen	Ludwigshafen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Lünen	Lünen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Magdeburg	Magdeburg	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Mainz	Mainz	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Mannheim	Mannheim	Germany	90.00

Saturn Electro-Handelsgesellschaft mbH Marl	Marl	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Moers	Moers	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Mülheim	Mülheim an der Ruhr	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH München	Munich	Germany	90.07
Saturn Electro-Handelsgesellschaft mbH München-Riem	Munich	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Münster	Münster	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Neckarsulm	Neckarsulm	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Neu-Isenburg	Neu-Isenburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Nürnberg	Nuremberg	Germany	90.01
Saturn Electro-Handelsgesellschaft mbH Oberhausen	Oberhausen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Oldenburg	Oldenburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Osnabrück	Osnabrück	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Passau	Passau	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Pforzheim	Pforzheim	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Regensburg	Regensburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Remscheid	Remscheid	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Reutlingen	Reutlingen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Rostock	Rostock	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Saarbrücken	Saarbrücken	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Schweinfurt	Schweinfurt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Senden	Senden	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Soest	Soest	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Solingen	Solingen	Germany	90.05
Saturn Electro-Handelsgesellschaft mbH Stuttgart	Stuttgart	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Tübingen	Tübingen	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Weimar	Weimar	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Weiterstadt	Weiterstadt	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Wesel	Wesel	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Wiesbaden	Wiesbaden	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Witten	Witten	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Wolfsburg	Wolfsburg	Germany	90.00
Saturn Electro-Handelsgesellschaft mbH Wuppertal-Barmen	Wuppertal	Germany	100.00
Saturn Electro-Handelsgesellschaft mbH Zwickau	Zwickau	Germany	90.00
Saturn Electro-Handelsgesellschaft mit beschränkter Haftung	Cologne	Germany	100.00
Saturn Graz V VertriebsgmbH	Graz	Austria	90.00
Saturn Groningen B.V.	Groningen	Netherlands	90.10
Saturn Győr Video TV Hifi Elektro Photo Computer Kereskedelmi Kft.	Győr	Hungary	90.00
Saturn Haid Electro-Handelsges.m.b.H.	Haid	Austria	90.00
Saturn Heerhugowaard B.V.	Heerhugowaard	Netherlands	100.00
Saturn Hoofddorp B.V.	Hoofddorp	Netherlands	100.00
Saturn Innsbruck Electro-Handeslges.m.b.H.	Innsbruck	Austria	90.00
Saturn Klagenfurt Electro-Handelsges.m.b.H.	Klagenfurt	Austria	100.00
SATURN Kortrijk NV	Kortrijk	Belgium	90.00
SATURN LAS PALMAS G.C. S.A.U.	Las Palmas de Gran Canaria	Spain	100.00
Saturn Leidsche Rijn B.V.	Utrecht	Netherlands	100.00
SATURN Liège Médiacité SA	Liège	Belgium	100.00
Saturn Luxembourg S.A.	Luxembourg	Luxembourg	100.00
SATURN MADRID CARABANCHEL ELECTRO, S.A.	Madrid	Spain	99.90

SATURN MADRID-PLENILUNIO ELEKTRO, S.A.	Madrid	Spain	99.90
Saturn Management GmbH	Ingolstadt	Germany	100.00
SATURN MASSALFASAR-VALENCIA ELECTRO, S.A.	Valencia	Spain	99.90
Saturn Mega Markt GmbH Wuppertal	Wuppertal	Germany	90.05
SATURN Meir Antwerpen NV	Antwerp	Belgium	100.00
SATURN Mons SA	Mons	Belgium	100.00
SATURN MURCIA THADER ELECTRO, S.A.	Murcia	Spain	99.90
Saturn Nieuwegein B.V.	Nieuwegein	Netherlands	100.00
Saturn online GmbH	Ingolstadt	Germany	100.00
SATURN OVIEDO ELECTRO, S.A.	Oviedo	Spain	99.90
SATURN PEST Video TV HiFi Elektro Photo Computer Kereskedelmi Kft.	Budapest	Hungary	100.00
SATURN PLANET Sp. z o.o.	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 11 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 13 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 16 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 17 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 18 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 19 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 4 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. 9 Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. Bydgoszcz Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Gdańsk I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Katowice I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Kraków I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Łódź I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Łódź II Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. Lubin Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Poznań I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Szczecin I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Tychy Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa I Spółka Komandytowa	Warsaw	Poland	100.00
Saturn Planet Sp. z o.o. Warszawa II Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa III Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa IV Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Warszawa V Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Wrocław I Spółka Komandytowa	Warsaw	Poland	90.00
Saturn Planet Sp. z o.o. Wrocław II Spółka Komandytowa	Warsaw	Poland	90.00
SATURN RIVAS VACIAMADRID ELECTRO, S.A.U.	Madrid	Spain	100.00
Saturn Rotterdam Zuidplein BV	Rotterdam	Netherlands	100.00
SATURN SAN JUAN DE AZNALFARACHE ELECTRO, S.A.U.	El Prat de Llobregat	Spain	100.00
SATURN SAN SEBASTIAN DE LOS REYES ELECTRO, S.A.	Madrid	Spain	99.90
SATURN Schönbühl (Moosseedorf) AG	Moosseedorf	Switzerland	90.00
Saturn Spijkenisse B.V.	Spijkenisse	Netherlands	100.00
SATURN Spreitenbach AG	Spreitenbach	Switzerland	90.00
Saturn Techno-Electro-Handelsgesellschaft mbH	Cologne	Germany	100.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Hürth	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Aachen	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Mönchengladbach	Germany	90.00

Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Düren	Germany	90.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Siegen	Germany	90.01
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Neuss	Germany	90.09
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Leverkusen	Germany	90.09
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Sankt Augustin	Germany	90.09
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Bergisch Gladbach	Germany	90.20
Saturn Techno-Markt Electro-Handelsgesellschaft mbH	Cologne	Germany	100.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH Düsseldorf - Flingern	Düsseldorf	Germany	100.00
Saturn Techno-Markt Electro-Handelsgesellschaft mbH Düsseldorf - Königsallee	Düsseldorf	Germany	100.00
SATURN TENERIFE 3 DE MAYO ELECTRO, S.A.	Santa Cruz de Tenerife	Spain	99.90
Saturn Thessaloniki II Comercial Anonymi Eteria	Athens	Greece	100.00
SATURN Thun AG	Thun	Switzerland	90.00
Saturn Tilburg B.V.	Tilburg	Netherlands	90.10
Saturn Venlo B.V.	Venlo	Netherlands	100.00
SATURN Volketswil AG	Volketswil	Switzerland	90.00
Saturn Wien X VertriebsgmbH	Vienna	Austria	90.00
Saturn Wien XX VertriebsgmbH	Vienna	Austria	90.00
Saturn Wien XXII Electro-Handelsges.m.b.H.	Vienna	Austria	90.00
Saturn Wien XXIII Electro-Handelsges.m.b.H.	Vienna	Austria	90.00
SATURN Wilrijk NV	Wilrijk	Belgium	90.00
SATURN Winterthur AG	Winterthur	Switzerland	90.00
Saturn Zaandam B.V.	Zaandam	Netherlands	100.00
Saturn-Mega Markt GmbH Halle	Halle (Saale)	Germany	90.05
Saturn-Mega Markt GmbH Trier	Trier	Germany	90.05
Schaper Grundbesitz-Verwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
Secundus Grundstücksverwertungs-GmbH & Co. Objekt Stuttgart-Königstraße KG	Saarbrücken	Germany	100.00
SIG Import GmbH	Düsseldorf	Germany	100.00
SIL Verwaltung GmbH & Co. Objekt Haidach KG	Schwabhausen	Germany	92.00
Sinco Großhandelsgesellschaft m. b. H.	Vösendorf	Austria	73.00
Smart Retail Kft.	Budaörs	Hungary	100.00
Sociedad Ibérica Restaurantes de Tecnología Avanzada S. A. U.	Madrid	Spain	100.00
SOLUM Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Promohypermarkt Donaueschingen KG	Düsseldorf	Germany	94.00[1]
SOLUM Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Promohypermarkt Cologne KG	Düsseldorf	Germany	94.00[1]
SPORTARENA GmbH	Cologne	Germany	100.00
Star Farm (Shanghai) Agriculture Information Consulting Company Limited	Shanghai	China	100.00
Star Farm Pakistan Pvt. Ltd.	Lahore	Pakistan	100.00
STW Grundstücksverwaltung Gesellschaft mit beschränkter Haftung	Saarbrücken	Germany	100.00
TANDOS Grundstücks-Verwaltungsgesellschaft mbH	Saarbrücken	Germany	100.00
TECHNO-Service Reparatur und Wartungs GmbH	Landshut	Germany	51.00
Tertia Handelsbeteiligungsgesellschaft mbH	Cologne	Germany	60.00
TIMUG GmbH & Co. Objekt Homburg KG	Munich	Germany	0.00[1]
VALENCIA TRADING OFFICE, S.L.	Madrid	Spain	100.00
Venalisia Asia Hong Kong Limited	Hong Kong	China	100.00
Venalisia Österreich GmbH	Vösendorf	Austria	100.00
VR-LEASING METRO GmbH & Co. Objekte Rhein-Neckar KG	Eschborn	Germany	0.00[1]
Weinkellerei Thomas Rath GmbH	Düsseldorf	Germany	100.00
Wholesale Real Estate Belgium N.V.	Wommelgem	Belgium	100.00

Wholesale Real Estate Poland Sp. z o.o.	Warsaw	Poland	100.00
Wirichs Immobilien GmbH	Saarbrücken	Germany	100.00
Wirichs Verwaltungsgesellschaft mbH & Co. Objekt Schwelm KG	Saarbrücken	Germany	100.00
Wirichs Verwaltungsgesellschaft mbH & Co. Objekt Voerde und Kamen KG	Saarbrücken	Germany	100.00
Wolfgang Wirichs GmbH	Saarbrücken	Germany	100.00
World Import N. V.	Puurs	Belgium	100.00
WRE Real Estate Limited Liability Partnership	Almaty	Kazakhstan	100.00
Xi'an METRO Commercial and Trading Company Limited	Xian	China	100.00
Yugengaisha MIAG Japan	Tokyo	Japan	100.00
ZARUS Verwaltung GmbH & Co. Dritte Vermietungs-oHG	Pullach im Isartal	Germany	19.00[1]
ZARUS Verwaltung GmbH & Co. Objekt Braunschweig Berliner Straße KG	Pullach im Isartal	Germany	19.00[1]
ZARUS Verwaltung GmbH & Co. Objekt Mutterstadt KG	Pullach im Isartal	Germany	19.00[1]
ZARUS Verwaltung GmbH & Co. Objekt Osnabrück KG	Pullach im Isartal	Germany	19.00[1]
ZARUS Verwaltung GmbH & Co. Objekte Niedersachsen KG	Pullach im Isartal	Germany	19.00[1]
Zentra Beteiligungsgesellschaft mit beschränkter Haftung	Saarbrücken	Germany	100.00
Zentra-Grundstücksgesellschaft mit beschränkter Haftung	Saarbrücken	Germany	100.00
Zweite real,- Multi-Markt Verwaltungsgesellschaft mbH	Alzey	Germany	100.00
Zweite real,- SB-Warenhaus GmbH	Alzey	Germany	100.00
Joint ventures			
Intercompra LDA	Lisbon	Portugal	50.00
MAXXAM B.V.	Ede	Netherlands	33.33
MAXXAM C.V.	Ede	Netherlands	25.00
MEC METRO-ECE Centermanagement GmbH & Co. KG	Düsseldorf	Germany	50.00
MEC METRO-ECE Centermanagement Verwaltungs GmbH	Düsseldorf	Germany	50.00
METSPA Beszerzési és Kereskedelmi Kft.	Budaörs	Hungary	33.33
METSPA d.o.o. za trgovinu	Zagreb	Croatia	50.00
PalMak Ltd.	Hove	UK	50.00
Disclosure at equity			
European EPC Competence Center GmbH	Cologne	Germany	30.00
Iniziative Methab s.r.l.	Bolzano	Italy	50.00
Peoplefone Polska Spółka Akcyjna	Warsaw	Poland	49.00
xplace GmbH	Göttingen	Germany	25.01
Disclosure not at equity			
EZW Kauf- und Freizeitpark GmbH & Co. Kommanditgesellschaft	Bremen	Germany	49.00[2]
EZW Kauf- und Freizeitpark Verwaltngs-GmbH	Bremen	Germany	49.04[2]
IfH Institut für Handelsforschung mbH	Cologne	Germany	16.66[2]
Metro plus Grundstücks-Vermietungsgesellschaft mbH	Düsseldorf	Germany	20.00[2]

Investments			
EKS Handelsgesellschaft mbH	Salzburg	Austria	25.00
EKS Handelsgesellschaft mbH & Co. KG	Salzburg	Austria	25.00
Elbrus Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Frankfurt-Zeil KG	Mainz	Germany	94.00
Erschließungsgesellschaft Schwerin-Krebsförden mbH & Co. KG	Lüneburg	Germany	18.18
Fiege Mega Center Erfurt GmbH & Co. KG	Nesse-Apfelstädt	Germany	49.00
Fiege Mega Center Erfurt Verwaltungs GmbH	Nesse-Apfelstädt	Germany	49.00
QUANTIS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Darmstadt KG	Schönefeld	Germany	6.00
QUANTIS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Junior Augsburg KG	Schönefeld	Germany	6.00
Stadtmarketinggesellschaft Hamm mbH	Hamm	Germany	6.25
Unterstützungskasse für ehemalige Kaufhalle-Mitarbeiter GmbH	Düsseldorf	Germany	100.00
Verwaltungsgesellschaft Lebensmittelgesellschaft "GLAWA" mbH & Co. KG	Hamburg	Germany	18.75
VR-LEASING MUSCARI GmbH & Co. Immobilien KG	Eschborn	Germany	94.00
Wirichs Immobilien GmbH & Co. Objekt Herford KG	Saarbrücken	Germany	45.45

[1] Disclosure according to SIC-12
[2] No at equity valuation due to materiality

27 February 2012

THE MANAGEMENT BOARD

OLAF KOCH	MARK FRESE	HEIKO HUTMACHER	FRANS W. H. MULLER	JOËL SAVEUSE

Statement of the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

27 February 2012

THE MANAGEMENT BOARD

OLAF KOCH **MARK FRESE** **HEIKO HUTMACHER** **FRANS W. H. MULLER** **JOËL SAVEUSE**

AUDITOR'S REPORT

We have audited the consolidated financial statements prepared by METRO AG – comprising the balance sheet, the income statement, the reconciliation from net profit for the period to comprehensive profit, the statement of changes in equity, the cash flow statement and the notes to the consolidated financial statements – together with the Group management report for the financial year from 1 January to 31 December 2011. The preparation of the consolidated financial statements and the Group management report in accordance with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Section 1 of the German Commercial Code and supplementary provisions of the articles of incorporation are the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the Group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 of the German Commercial Code and generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the Group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRS, as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Section 1 of the German Commercial Code and supplementary provisions of the articles of incorporation and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The Group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunity and risks of future development.

Cologne, 29 February 2012

KPMG AG
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

DR BÖTTCHER
WIRTSCHAFTSPRÜFER

KLAASSEN
WIRTSCHAFTSPRÜFER

→ p. 289

SERVICE

4

– METRO GROUP –
CERTIFIED
PRODUCTS & PROCESSES

FACETS OF SUSTAINABILITY AT METRO GROUP

PROVIDING GUIDANCE FOR SUSTAINABLE CONSUMPTION

Consumers and business people can help advance sustainable development by selecting foods and consumer goods from particularly eco-friendly and socially responsible production. We support them by offering a wide range of suitable products. In the process, certifications and labels provide guidance to our customers. In addition, we provide information on the benefits of sustainable consumption through advertising, on websites and in our stores.

201

MARINE STEWARDSHIP COUNCIL

FOREST STEWARDSHIP COUNCIL®

BLAUER ENGEL

FAIRTRADE

GLOBAL G.A.P.

INTERNATIONAL FEATURED STANDARDS FOOD

BRC CONSUMER PRODUCT STANDARD

BUSINESS SOCIAL COMPLIANCE INITIATIVE

A SMALL SAMPLE

OF KEY CERTIFICATIONS IMPORTANT FOR METRO GROUP'S BUSINESS

SERVICE

→ p. 291

701

GLOSSARY

A

Anti-fraud measures
Prevention and identification of as well as response to fraudulent in-house activities.

Asset management
Acquisition, development, management and sale of real estate assets. At METRO GROUP, this is the responsibility of METRO PROPERTIES.

C

Commissioning
Packing of a defined number of goods and preparation for delivery.

Compliance
All measures specifying a company's and its employees' behaviour in accordance with legislation, established social guidelines and values.

Consumer electronics store
Large retail store specialised in consumer electronics, household goods, new media, telecommunications, computer and photo assortments. Media Markt and Saturn are the consumer electronics stores of METRO GROUP.

Core real estate asset
High-quality rented real estate property in an attractive location.

D

Department store
Large retail store that is generally located in the city centre and offers all types of goods, including textiles, household goods and food. Galeria Kaufhof is METRO GROUP's department store operator.

Discounter
A retail format characterised by a limited product assortment and an aggressive low-price policy.

Diversity management
Key element of human resources policy that leverages the diversity of the workforce with respect to gender, age, ethnic origin, faith, sexual identity or disabilities a company's business success.

E

EBIT (Earnings Before Interest and Taxes)
Serves as the basis for international comparisons of companies.

EBITaC (Earnings Before Interest and Taxes after Cost of Capital)
This metric shows whether a company successfully deploys its business assets and generates economic value added exceeding its cost of capital.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)
This metric serves as the basis for comparisons between companies using different accounting standards.

EBT (Earnings Before Taxes)
This metric serves as the basis for comparisons between companies even when different tax systems apply.

F

Facility management
Management and operation of buildings, plants and building services with the aim of reducing costs, ensuring the technical functionality and maintaining the long-term value of a building.

—

Fair value
The amount at which an asset could be bought or sold, or a liability incurred or settled, in a current transaction between willing parties on the basis of market prices.

—

Franchising
Also known as licensing or franchising system.
A contractually regulated organisational form: the franchisor grants an independent franchisee the right to offer certain products or services bearing the name or the trademark of the franchisor.

G

GlobalGAP
A private sector organisation that certifies agricultural and acquacultural products. The standard for "good agricultural practice" (GAP) resulted from an initiative of European trade and retail companies.

—

Global Trade Item Number (GTIN)
Internationally coordinated and globally unique 8- or 13-digit product number used to clearly identify products and services.

—

Governance
Principles governing the management and super vision of the different players that influence a company's direction.

H

Horizontal providers
A provider with a broad range of products from various manufacturers.

—

Hypermarket
Large retail store with different articles offered largely in a self-service arrangement. Aside from food products, the assortment also includes consumer durables and non-durables. Real is the hypermarket operator within METRO GROUP.

I

IASB (International Accounting Standards Board)
An independent international body that developed the International Financial Reporting Standards (IFRS) and continues to modify them.

—

IFRIC (International Financial Reporting Interpretations Committee)
This group is part of the International Accounting Standards Committee Foundation (IASCF) and resolves controversial accounting issues.

—

IFRS (International Financial Reporting Standards)
International rules governing the accounting policies of stock corporations. In contrast to the financial statements according to the German Commercial Code, the focus of IFRS is on investor-orientated information.

L

Like-for-like growth
Sales growth adjusted for selling space reflects sales growth on a comparable area or with respect to a comparable group of locations in local currency. It includes only the sales volumes of locations that were neither newly opened during the reporting year or the preceding year nor closed during the reporting year, and whose area did not change substantially as a result of restructuring work.

M

Mark-to-market evaluation
Calculation of the fair value of financial instruments based on market prices at a particular point in time.

Meeting Metro
An informative METRO GROUP event focusing on training and career prospects in the trade and retail industry and aimed at potential management recruits and teachers.

METRO GROUP Future Store Initiative
A group of more than 90 companies from the retail and trade, consumer goods, information technology and services sectors as well as from research and academia. The partners jointly promote the modernisation process in the trade and retail industry.

Multichannel marketing
Retail strategy to reach customers via several parallel, interlinked marketing approaches, for example via outlets and online shops.

N

Net earnings
Net profit of a company. The Annual General Meeting decides on the appropriation of net earnings.

Net working capital
Difference between current assets (receivables) and short-term debt capital (liabilities). This metric measures the short-term financial strength of a company and serves as a basis for an assessment of a company's efficiency.

Nonfood items
A term that describes essential household items in retail assortments.

O

Own brands
Also known as private labels. Branded articles that have been created and trademarked by a retail and wholesale company and that offer attractive value for money.

P

Performance share
Performance-based participation. A performance share entitles its owner to a cash payment matching the share price.

R

Radio Frequency Identification (RFID)
Technology for contactless data transmission and automatic identification of goods movements.

RoCE (Return on Capital Employed)
This metric indicates whether a company makes profitable use of its available capital, less liquid funds and short-term debt capital.

S

Sales brand
A company with a consistent and independent market presence. Two sales brands with an identical sales concept can be positioned within one sales division, as in the case of Media Markt and Saturn.

Sales division
Subsidiary of a retail and wholesale group that operates outlets or stores under a certain sales concept.

Shape 2012
METRO GROUP's efficiency and value-enhancing programme. The earnings improvement potential targeted from 2012 and beyond amounts to €1.5 billion. The resulting earnings improvement depends on the development of the macroeconomic environment in our sales markets.

Share unit
Unit for performance shares.

Solar-powered air-conditioning
Air-conditioning technology using solar power that can cool and heat stores or other buildings with the help of solar collectors and an absorption refrigeration system.

Supply chain
Various processes that contribute to a company's value creation. At METRO GROUP, this includes logistics, marketing and sales, among other things.

Supply chain councils
Monitoring bodies for the activities of the former cross-divisional service company MGL METRO GROUP Logistics in the countries where several METRO GROUP sales divisions operate.

T

Trading-up strategy
Quality improvement of a retail group's offering, for example through larger product assortments, a higher level of quality, more comprehensive services and a more sophisticated store design.

V

Vertical provider
Provider with a deep product range who generally controls the entire supply chain – from development through manufacturing to sales.

W

Weighted Average Cost of Capital (WACC)
This metric describes the average weighted cost that a company must pay for capital. It is composed of average debt capital costs and average equity capital costs. The WACC facilitates the measurement of a company's value.

Wholesale
A trade format where merchandise is sold to commercial resellers, processors or commercial users. Metro Cash & Carry is the wholesale division of METRO GROUP.

MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES
METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GROUP METRO GRO
MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES METRO/MAKRO C&C REAL MEDIA MARKT SATURN GALERIA KAUFHOF METRO PROPERTIES

INDEX

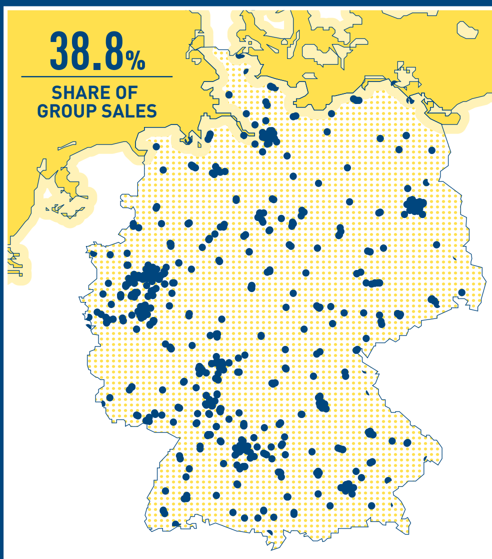
→ p. 298

MULTI-YEAR OVERVIEW[1]

		2005	2006	2007	2008[2]	2009[3]	2010	2011
Key financial figures								
Sales (net)	€ million	55,722	58,279	64,210	67,955	65,529	67,258	66,702
EBITDA	€ million	2,938	3,162	3,343	3,540	3,319[4, 5]	3,726[6]	3,651[6]
EBIT	€ million	1,738	1,928	2,078	2,222	2,024[4]	2,415[6]	2,372[6]
EBIT margin	%	3.1	3.3	3.2	3.3	3.1[4]	3.6[6]	3.6[6]
Earnings before taxes	€ million	1,358	1,564	1,561	1,648	1,393[4]	1,834[6]	1,732[6]
Net profit for the period[7]	€ million	649	1,196	1,051	722	824[4]	1,139[4]	979[4]
thereof from continuing operations	€ million	618	1,079	1,065	1,151	824[4]	1,139[4]	979[4]
thereof net profit for the period attributable to shareholders of METRO AG[7]	€ million	531	1,059	825	401	383	850	631
Investments	€ million	2,138	3,011	2,154	2,423	1,517	1,683	2,095
Total assets[7]	€ million	28,767	32,190	33,862	33,516	33,282	35,067	33,987
Equity	€ million	5,313	6,050	6,498	6,061	5,992	6,460	6,437
Equity ratio	%	18.5	18.8	19.2	18.1	18.0	18.4	18.9
Return on equity after taxes	%	12.2	19.8	16.2	11.9	13.8[4]	17.6[4]	15.2[4]
Earnings per share[7, 8]	€	1.63	3.24	2.52	1.23	1.17	2.60	1.93
thereof from continuing operations	€	1.54	2.88	2.58	2.54	1.17	2.60	1.93
thereof from discontinued operations	€	0.09	0.36	–0.06	–1.31	0.00	0.00	0.00
Distribution								
Dividend per ordinary share	€	1.02	1.12	1.18	1.18	1.18	1.35	1.35[9]
Dividend per preference share	€	1.122	1.232	1.298	1.298	1.298	1.485	1.485[9]
Operating data								
Employees (annual average by headcount)		246,875	253,117	275,520	290,940	286,329	283,280	280,856
Locations		2,171	2,119	2,097	2,111[10]	2,127	2,131	2,187
Selling space (1,000 sqm)		10,518	11,481	11,779	12,302[10]	12,629	12,771	12,954

[1] Only continuing operations (discontinued operations: 2005 Praktiker, 2006 Praktiker and Extra, 2007 and 2008 Extra and Adler, 2009 Adler)
[2] Adjustment due to first-time adoption of new and revised IFRSs in the financial year 2009
[3] Adjustment due to revised disclosure in the financial year 2010
[4] 2008 to 2011 adjusted for special items from Shape 2012
[5] Adjustment due to netting of non-scheduled write-downs and write-backs in EBITDA totalling €9 million (Real), €6 million (Real Estate) and €–6 million (consolidation) in the financial year 2010
[6] 2011 (2010) adjusted for special items from Shape 2012: €222 million (€135 million) was adjusted in EBITDA, with Metro Cash & Carry accounting for €111 million (€11 million), Real for €29 million (€11 million), Media-Saturn for €42 million (€58 million), Galeria Kaufhof for €26 million (€–1 million), Real Estate for €–14 million (€–14 million), others for €20 million (€41 million) and consolidation for €8 million (€29 million); €259 million (€204 million) was adjusted in EBIT and in earnings before taxes, with Metro Cash & Carry accounting for €111 million (€10 million), Real for €40 million (€27 million), Media-Saturn for €49 million (€133 million), Galeria Kaufhof for €27 million (€0 million), Real Estate for €4 million (€–20 million), others for €20 million (€41 million) and consolidation for €8 million (€13 million)
[7] Including discontinued operations
[8] After non-controlling interests
[9] Subject to the resolution of the Annual General Meeting
[10] The 84 Dinea locations were reclassified from the "others" segment to the Galeria Kaufhof segment. They are no longer counted as independent locations in the Galeria Kaufhof segment, but attributed to the respective Galeria Kaufhof location. As a result, the locations and their selling spaces are no longer disclosed separately.

38.8%
SHARE OF GROUP SALES



GERMANY

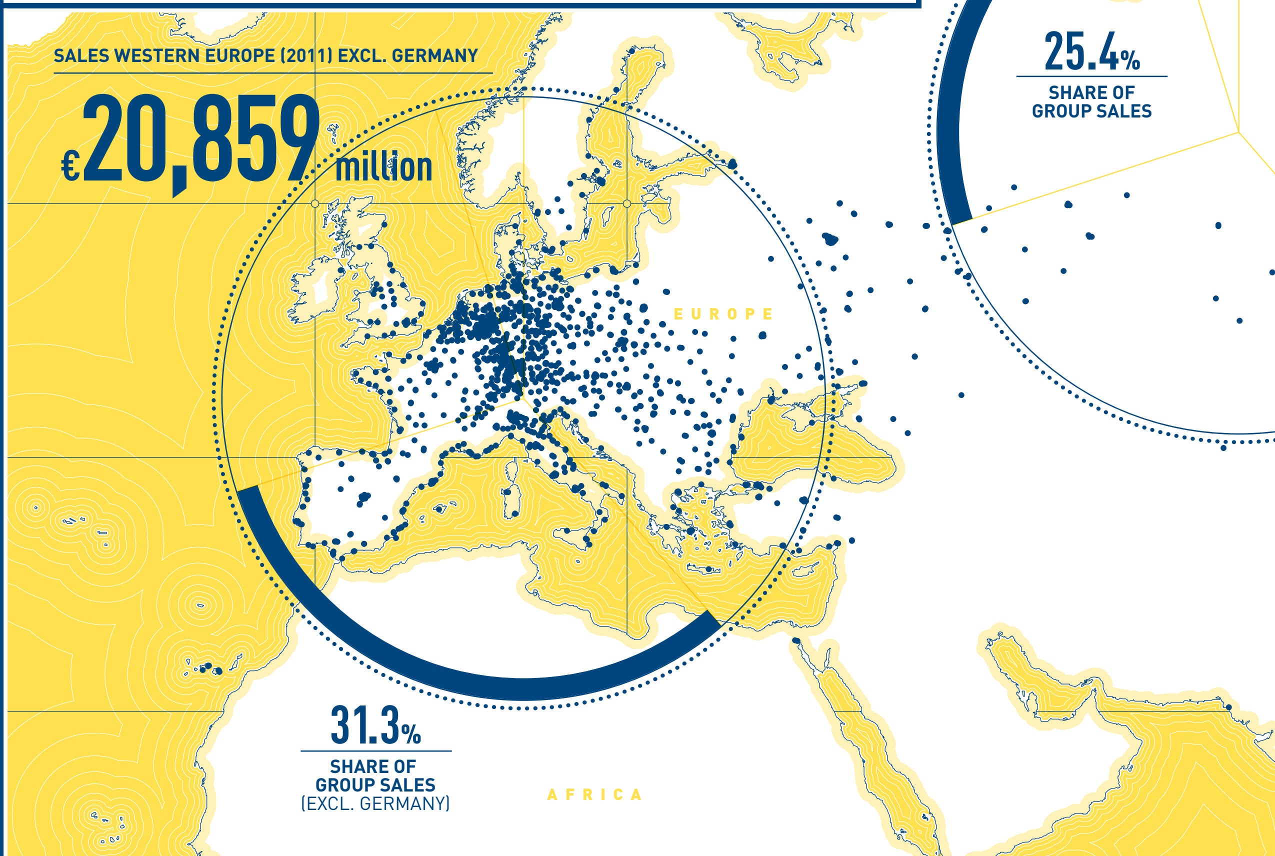
EMPLOYEES[1]	91,189
LOCATIONS	937
SELLING SPACE (million sqm)	5.79

SALES GERMANY (2011)

€25,865 million

SALES WESTERN EUROPE (2011) EXCL. GERMANY

€20,859 million



25.4%
SHARE OF GROUP SALES

31.3%
SHARE OF GROUP SALES (EXCL. GERMANY)

WESTERN EUROPE (EXCL. GERMANY)

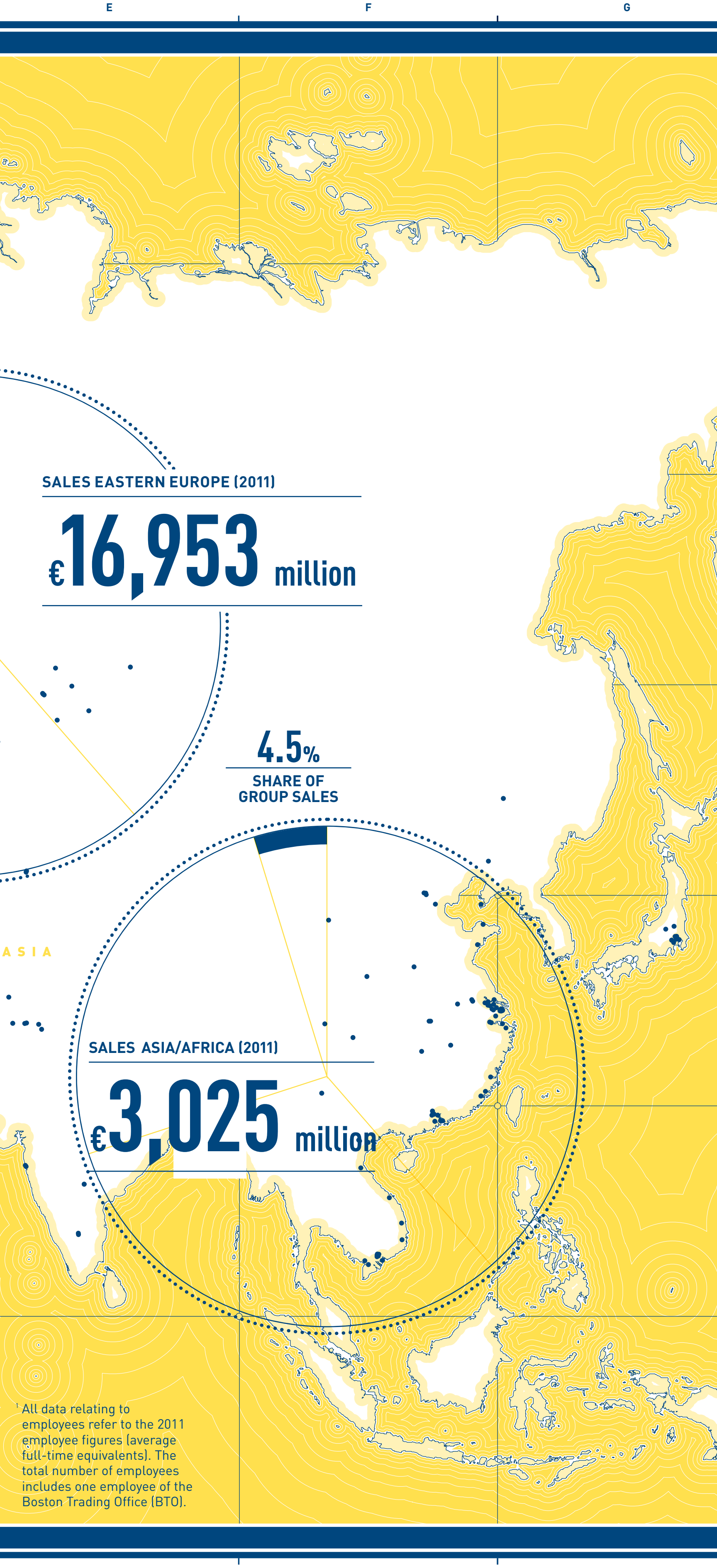
EMPLOYEES[1]	50,675
LOCATIONS	619
SELLING SPACE (million sqm)	3.03

EASTERN EUROPE

EMPLOYEES[1]	90,260
LOCATIONS	531
SELLING SPACE (million sqm)	3.50

ASIA/AFRICA

EMPLOYEES[1]	17,828
LOCATIONS	100
SELLING SPACE (million sqm)	0.63



METRO GROUP

2,187 LOCATIONS

33 COUNTRIES

249,953 EMPLOYEES

METRO/MAKRO CASH & CARRY

728 LOCATIONS

30 COUNTRIES

112,588 EMPLOYEES

REAL

426 LOCATIONS

6 COUNTRIES

52,431 EMPLOYEES

MEDIA-SATURN

893 LOCATIONS

16 COUNTRIES

57,585 EMPLOYEES

GALERIA KAUFHOF

140 LOCATIONS

2 COUNTRIES

18,522 EMPLOYEES

[1] All data relating to employees refer to the 2011 employee figures (average full-time equivalents). The total number of employees includes one employee of the Boston Trading Office (BTO).

→ p. 299

METRO GROUP LOCATIONS

WE ARE

ACTIVE WORLDWIDE

MAP: PLEASE OPEN

FINANCIAL CALENDAR 2012

INFORMATION

METRO AG
Schlüterstraße 1
40235 Düsseldorf, Germany
Phone: +49 (211) 6886-0
www.metrogroup.de
www.metro-cc.com

Real SB-Warenhaus GmbH
Administrative headquarters:
Reyerhütte 51
41065 Mönchengladbach, Germany
Phone: +49 (2161) 403-0
www.real.de

Media-Saturn-Holding GmbH
Wankelstraße 5
85046 Ingolstadt, Germany
Phone: +49 (841) 634-0
www.mediamarkt.de
www.saturn.de
www.redcoon.de
www.media-saturn.com

Galeria Kaufhof GmbH
Leonhard-Tietz-Straße 1
50676 Cologne, Germany
Phone: +49 (221) 223-0
www.galeria-kaufhof.de

METRO PROPERTIES GmbH & Co. KG
Neumannstraße 8
40235 Düsseldorf, Germany
Phone: +49 (211) 6886-4250
www.metro-properties.de

Publisher
METRO AG
Schlüterstraße 1
40235 Düsseldorf, Germany
PO Box 23 03 61
40089 Düsseldorf, Germany

METRO GROUP on the Internet
www.metrogroup.de

Investor Relations
Phone: +49 (211) 6886-1936
Fax: +49 (211) 6886-3759
investorrelations@metro.de

Corporate Communications
Phone: +49 (211) 6886-4252
Fax: +49 (211) 6886-2001
presse@metro.de

Concept and editorial
Peter Wübben
Katharina Meisel

Project management
Claudia Martin
Melanie Speichinger

Graphic design
Strichpunkt GmbH, Stuttgart, Germany

Editorial support and realisation
Ketchum Pleon GmbH, Düsseldorf, Germany

Printing
Druckstudio GmbH, Düsseldorf, Germany

Photo credits
METRO AG

Photography
Olaf Unverzart, Munich, Germany (Magazine)
Boris Zorn, Düsseldorf, Germany (Title, members of the Management Board, financial calendar)
John M. John, Düsseldorf, Germany (Portrait of Franz M. Haniel)

Certifications
This annual report is printed on FSC-certified paper. By purchasing FSC products we foster responsible forest management, which is controlled according to the strict social, ecological and economic criteria of the Forest Stewardship Council. We only use fully recycled paper bearing the EU eco-label in this publication. In addition, this annual report carries the Saphira Eco label of Heidelberger Druckmaschinen AG. This means that the material used in the production of this publication, such as inks, lacquers, chemicals and printing plates, fulfils the requirements of the most important international environmental certificates. For additional information, see www.heidelberg.com. The high-gloss foil finish is made largely from regenerative materials and has been certified as biodegradable and compostable.

RECYCLED
Paper made from recycled material
FSC® C002353

Printed on Circle Offset Premium White bearing the **EU eco-label,** registration number FR/11/003.

klimaneutral natureOffice.com | gedruckt

Printed with Saphira Eco HEIDELBERG

Global Compact
Since 2011, METRO GROUP has subscribed to the principles of the UN Global Compact, a United Nations-led global initiative that aims to encourage businesses to adopt universal social and environmental principles. By subscribing to the UN Global Compact, we have committed ourselves to continuous improvements in the areas of human rights, labour norms, environmental protection and anti-corruption measures.

THE GLOBAL COMPACT
WE SUPPORT


ONLINESHOP
Power Service
Festpreis.
real
METRO
Schöne
Geschenkideen
Bekleidung
GALERIA
redcoon
SATURN