METRO Group
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Interim Financial Report 9M/Q3 2007

METRO Group raises sales guidance

- **Group sales grow by 10.8% to €46.0 billion in the first nine months**
- **Sales in Germany increase by 7.4% (organic growth: +0.4%)**
- **International sales grow very dynamically: +13.5% to €26.5 billion**
  Western Europe: +5.4%; Eastern Europe: +24.6%
- **EBIT adjusted for integration-related costs significantly above prior year**
- **Outlook 2007:**
  - Sales guidance raised to >9%
  - EBIT increase of 6 - 8% confirmed

Q3 2007:

METRO Group: Sales +10.8%; EBIT +14.8%

Metro Cash & Carry: Sales +6.3%, EBIT +19.3%

Real completes integration of Wal-Mart Germany with closure of headquarters

Media Markt and Saturn: Sales +13.6%, EBIT +5.2%

Galeria Kaufhof already EBIT positive in Q3

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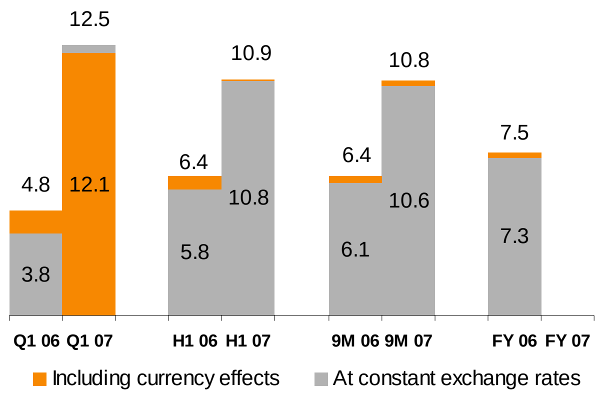
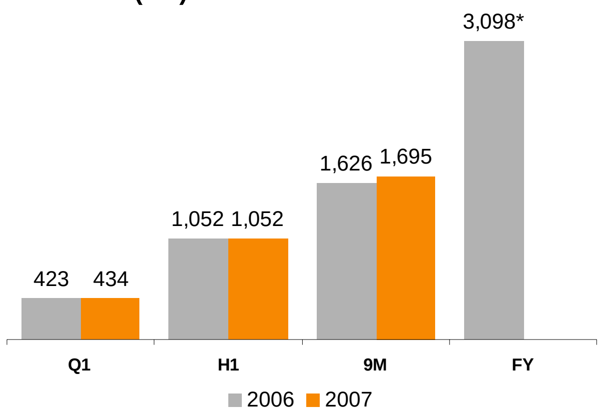
Overview

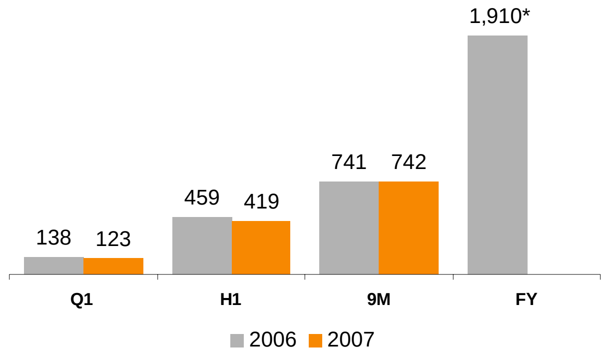
Sales growth (in %)



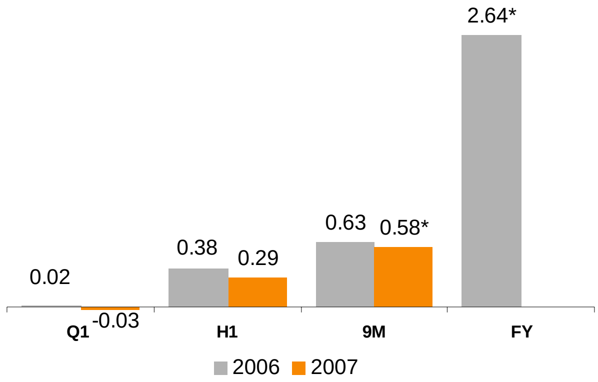
EBITDA (€m)



EBIT (€m)



EPS from continuing operations (€)



*before special items

€ million	9M 2007	9M 2006	Change	Q3 2007	Q3 2006	Change
Sales	45,962	41,472	10.8%	15,650	14,131	10.8%
Germany	19,510	18,172	7.4%	6,429	6,014	6.9%
International	26,453	23,300	13.5%	9,221	8,116	13.6%
International share of sales	57.6%	56.2%	-	58.9%	57.4%	-
EBITDA	1,695	1,626	4.3%	643	574	12.1%
EBIT	742	741	0.2%	323	282	14.8%
EBT	382	399	-4.2%	180	164	10.1%
EPS (€)	0.09	1.07	-91.5%	-0.20	0.25	-
from continuing operations	0.09	0.63	-85.7%	-0.20	0.25	-
from continuing operations before special items	0.58	0.63	-8.4%	0.29	0.25	15.7%
from discontinued operations	-	0.44	-	-	-	-
Capex	1,316	1,219	8.0%	606	538	12.7%
Stores	2,401	2,219	8.2%	2,401	2,219	8.2%
Selling space (1,000 sqm)	12,020	10,784	11.5%	12,020	10,784	11.5%

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Interim Group Management Report

Financial Position and Financial Performance

Sales

From January until September 2007 METRO Group generated **sales** of €46.0 billion (9M 2006: €41.5 billion). This corresponds to an increase of 10.8% (adjusted for currency effects: +10.6%).

In Q3 2007 sales growth amounted to 10.8% (adjusted for currency effects: +10.1%) despite a negative calendar effect due to a missing trading day compared to last year. This growth rate almost reaches the high H1 level. Also in Q3 2007 organic growth (excluding the acquisitions of Wal-Mart Germany and Géant in Poland) was 7.1% and above the medium-term growth target of METRO Group of around 6% p.a. The international share of sales reached a new record of nearly 59%.

Sales in **Germany** rose by 7.4% to €19.5 billion in the first nine months. Despite the reduction in purchasing power due to the VAT increase at the beginning of 2007, organic sales growth was 0.4%.

Regardless of the negative calendar effect, sales grew by 6.9% in Q3 2007. Organic sales growth was above the rate in H1 2007 and was 0.5%.

Internationally, sales grew in the first nine months by 13.5% to €26.5 billion (adjusted for currency effects: +13.0%). Organically, international sales grew by 11.9%.

The international business continued also in Q3 2007 to be the growth driver of METRO Group. Sales grew by 13.6% to €9.2 billion (adjusted for currency effects: +12.4%). Organic sales growth amounted to 12.0%.

Sales in **Western Europe (excluding Germany)** grew significantly by 5.5% to €14.3 billion in the first three quarters, especially against the backdrop of the positive business development at Media Markt and Saturn. Thereby, the influence from currency effects was negligible.

The negative calendar effect, as well as the unfavourable weather conditions in several countries in July and August, dampened sales growth in Q3 2007, which amounted to 4.1%.

In the first nine months, sales in **Eastern Europe** grew dynamically by 24.6% to €10.8 billion (adjusted for currency effects: +22.5%). Organic sales growth was 20.2%.

In Q3 2007, sales growth accelerated. Sales increased by 26.8% to €3.9 billion (adjusted for currency effects: +22.6%). Organic sales growth was 22.5%. The sales development in Russia, Romania, Poland and Turkey was particularly good.

From January until September, sales in **Asia/ Africa** increased significantly by 26.7% to €1.3 billion (adjusted for currency effects: +32.1%). All Asian countries contributed to this good performance with double-digit sales growth.

In Q3 2007, sales increased by 27.0% to €0.5 billion (adjusted for currency effects: +30.9%).

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Earnings

In the first nine months, **EBITDA** reached €1,695 million (9M 2006: €1,626 million). **EBIT** was €742 million (9M 2006: €741 million) and included expenses amounting to €45 million resulting from the integration of Real's acquisitions executed in 2006. Adjusted for these integration expenses at Real, EBIT rose significantly above prior year's level. In the segment Other, earnings resulting from active real estate portfolio management were €38 million (9M 2006: €29 million). **EBT** was €382 million after €399 million in 9M 2006. Changes in German tax legislation, especially the corporate tax reform 2008, resulted in an extraordinary, additional, non-cash effective tax expense of €160 million. Accordingly, **EPS** from continuing operations was €0.09. Excluding the tax special item, EPS from continuing operations was €0.58 compared to €0.63 last year.

In Q3 2007 METRO Group's **EBITDA** reached €643 million and thus grew by 12.1%. **EBIT** increased to €323 million (Q3 2006: €282 million). In the segment Other earnings resulting from active real estate portfolio management contributed €27 million. **EBT** reached €180 million after €164 million in Q3 2006 and reflected higher interest expenses as well as a negative, currency-related Other financial result. Changes in German tax legislation, especially the corporate tax reform 2008, resulted in an extraordinary, additional, non-cash effective tax expense of €160 million. Accordingly, **EPS** from continuing operations was €-0.20. Excluding this special item, EPS amounted to €0.29. Therefore, the adjusted tax rate was on prior year's level.

Capital expenditure

From January until September 2007, METRO Group's **capex** amounted to €1,316 million following €1,219 million in 9M 2006.

Store network

In the first nine months, the store network was further extended by 58 new store openings. 36 **stores** were disposed of respectively closed, thereof 31 at Real in Germany, three at Media Markt and Saturn in France, and two at Galeria Kaufhof.

Metro Cash & Carry's store network was extended by eight stores. Real opened seven hypermarkets and two Extra supermarkets. Media Markt and Saturn was able to open 40 new stores. Galeria Kaufhof opened one new department store.

In Q3 2007, 27 stores were opened, thereof six at Metro Cash & Carry, four at Real and 17 at Media Markt and Saturn - including the largest Media Markt Europe-wide with 7,600 sqm sales area in Berlin and the first store in Turkey.

As at the end of September METRO Group operated 2,401 stores.

Funding

METRO Group's short- and medium-term **funding** comprises typical capital markets' issuance programmes. Among these are the "Euro Commercial Paper Programme" started in 1999, and the "Commercial Paper Programme" specifically geared to French investors. The drawdown on both programmes in the reporting period amounted on average to €1,723 million. Furthermore, as per 30 September 2007, €2,116 million bilateral bank credit facilities were drawn down.

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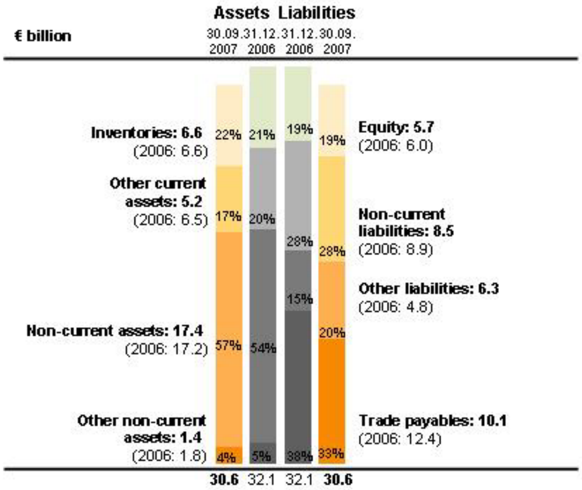
Balance Sheet



Total assets decreased by €1.5 billion to €30.6 billion compared to year-end closing 2006. The change in current assets of €1.3 billion is largely attributed to the decrease in cash and cash equivalents compared to year-end closing 2006.

As at third quarter-end closing 2007, METRO Group's balance sheet reported equity of €5.7 billion, which was below the year-end 2006 amount due to the dividend payment in Q2. The equity ratio remained almost unchanged at 18.8%.

After netting cash and cash equivalents with financial debts (including finance leases) net debt totalled €8.0 billion compared with €5.2 billion as at 31 December 2006. This increase in net debt is characteristic and resulted mainly from the reduction in trade payables of €2.3 billion. The reason behind this reduction lies in the high share Q4 sales contribute to the full year, which consistently corresponds to high trade payables at year-end closing. Year-on-year net debt rose only slightly by €0.1 billion.

Cash flow

A cash outflow of €1.3 billion (9M 2006: €0.9 billion) resulted from current operating activities in 9M 2007.

Investing activities led to cash outflows of €0.7 billion. Last year, the divestment of Praktiker led to a smaller cash outflow of €0.5 billion. Cash flow from financing activities showed inflows of €1.1 billion (9M 2006: €0.7 billion).

Opportunities and Risks

In 9M 2007 no significant change arose from the reported opportunities and risks concerning the ongoing development of the METRO Group as described in detail in the Annual Report 2006 (p. 63-66). There are no potentially ruinous risks for the company and presently no risks can be identified that could endanger the company's existence in the future.

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Subsequent Events and Outlook

Events after the quarter-end closing

Material events after the quarter-end closing were non-existent.

Outlook

We shall consequently continue our profitable growth path. On the basis of economic forecasts, the sector's business situation and developments in the sales divisions, we expect a positive business development in 2007 for the METRO Group.

Over the medium-term we expect the METRO's profitable growth strategy to lead to sales growth of around 6% and an even higher increase in EBIT growth before special items. In 2007 we now project a sales growth of more than 9% (previously 8% to 9%) including the acquisitions of the Wal-Mart Germany and the Géant business in Poland. We expect an EBIT increase of 6% to 8% based on EBIT of €1,910 million. The basis is the EBIT adjusted for effects resulting from the repositioning of Real including the acquisitions of Wal-Mart Germany and Géant in Poland.

In 2007 our investments in the current store network, including the conversion of the Wal-Mart stores to the Real brand, and in our organic expansion are expected to total about €2.5 billion.

On 25 September 2007, the employees of Extra were informed, that the Management Board of METRO AG is currently reviewing potential strategic options for the sales brand Extra. At the end of September the sales division Real operated 252 supermarkets under the sales brand Extra concentrated in Northern and Western Germany as well as in Berlin.

We are working to further extend our position as a leading international retailer also in the future. Thereby, we will continue to assume our social responsibility.

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Metro Cash & Carry

	9M 2007 € million	9M 2006 € million	Change (in %) total	Change (in %) lfl		9M 2007	9M 2006	Change (in %)
Sales	**22,541**	21,356	5.5	2.1	EBITDA (€ million)	**908**	821	10.6
					EBIT (€ million)	**606**	526	15.1
Germany	**4,063**	4,097	-0.8	-2.4	Capex (€ million)	**506**	521	-2.9
Western Europe	**9,071**	9,067	0.1	-0.3	Stores (number)	**592**	561	5.5
Eastern Europe	**8,177**	7,141	14.5	7.3	Selling space (1,000 sqm)	**4,579**	4,350	5.3
Asia/Africa	**1,230**	1,052	16.9	5.2	Employees at closing date (full-time basis)	**104,180**	98,086	6.2

Sales at Metro Cash & Carry grew by 5.5% to €22.5 billion in the first nine months compared to a high prior year level. Adjusted for currency effects, sales increased by 5.1%. In Q3 2007, the growth rate was higher at 6.3% (excluding currency effects: +5.3%).

In Germany sales declined slightly. Despite the negative calendar effect, sales in Q3 2007 however showed a better development than in H1 2007.

Sales in Western Europe were slightly above prior year's level and amounted to €9.1 billion. Especially in Q3 2007, like-for-like sales decreased slightly. Besides the negative calendar effect, business was impaired by unfavourable weather conditions in several countries.

In the first nine months, sales in Eastern Europe rose significantly by 14.5% to €8.2 billion (excluding currency effects: +12.6%). Like-for-like sales growth amounted to 7.3%. The high-revenue countries Russia, Romania, Ukraine and Turkey showed above-average sales growth rates. The sales development accelerated in Q3 2007.

Sales in Asia/Africa increased significantly by 16.9% to €1.2 billion in the first nine months (excluding currency effects: +21.9%). All Asian countries showed double-digit growth rates.

The international share of sales increased from 80.8% to 82.0%.

Earnings also followed the good development seen already in H1 2007. From January until September 2007, **EBITDA** increased by 10.6% to €908 million. With the good like-for-like sales development, **EBIT** also improved significantly by 15.1% to €606 million.

From January until September, **capex** for expansion as well as for the modernisation of the store network amounted to €506 million. The store network was enlarged by eight **stores**. Two Metro Cash & Carry stores were opened in both Russia and Ukraine. In Germany, Denmark, China and Vietnam one store each was opened.

Metro Cash & Carry is the most international sales division of METRO Group with a presence in 28 countries and operates a total of 592 stores, thereof 121 in Germany, 252 in Western Europe, 165 in Eastern Europe and 54 in Asia/Africa.

	Q3 2007 € million	Q3 2006 € million	Change (in %) total	Change (in %) lfl		Q3 2007	Q3 2006	Change (in %)
Sales	**7,784**	7,322	6.3	2.9	EBITDA (€ million)	**324**	285	13.4
					EBIT (€ million)	**222**	186	19.3
Germany	**1,353**	1,356	-0.3	-1.8	Capex (€ million)	**250**	264	-5.4
Western Europe	**3,090**	3,109	-0.6	-0.9	Stores (number)	**592**	561	5.5
Eastern Europe	**2,930**	2,508	16.9	9.5	Selling space (1,000 sqm)	**4,579**	4,350	5.3
Asia/Africa	**411**	350	17.6	7.9	Employees at closing date (full-time basis)	**104,180**	98,086	6.2

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Real

	9M 2007 € million	9M 2006 € million	Change (in %) total	Change (in %) lfl		9M 2007	9M 2006	Change (in %)
Sales	**8,937**	7,097	25.9	-0.9	EBITDA (€ million)	**-48**	26	-
					EBIT (€ million)	**-182**	-75	-
Germany	**7,386**	6,265	17.9	-1.4	Capex (€ million)	**252**	122	-
					Stores (number)	**679**	591	14.9
Eastern Europe	**1,551**	832	86.6	2.7	Selling space (1,000 sqm)	**3,494**	2,700	29.4
					Employees at closing date (full-time basis)	**60,987**	44,252	37.8

In the first nine months, **sales** at Real increased by 25.9% to €8.9 billion (excluding currency effects: +25.7%).The acquisitions of Wal-Mart Germany and Géant in Poland, which took place in 2006, contributed especially with €1.7 billion to this development. Adjusted for these acquisitions, sales growth amounted to 2.6%. Like-for-like sales decreased slightly by 0.9% year-on-year.

In Germany like-for-like sales declined by 1.4% in 9M 2007. Thereby, Q3 showed a below-average development due to the negative calendar effect. The integration of Wal-Mart Germany was fully completed with the closure of the headquarters by the end of September. Meanwhile, 14 of the 85 acquired stores have been disposed of.

Further conversions of Real's heritage store network progressed with ten hypermarkets in Q3 2007. At the end of Q3 2007, a total of 35 concept stores have been converted.

The selective expansion in Eastern Europe continued very successfully. Sales grew by 86.6% to €1.6 billion. All Géant stores were converted to Real already by the end of March. Also the organic sales grew significantly by 40.4%.

The international share of sales grew from 11.7% to 17.4%.

EBITDA amounted to €-48 million after €26 million year-on-year. **EBIT** was €-182 million (9M 2006: €-75 million) and included integration expenses of €45 million. Furthermore, Q3 in particular was burdened by higher start-up losses for the accelerated international expansion in Eastern Europe.

In 9M 2007 **capex** amounted to €252 million (9M 2006: €122 million). In Germany 31 stores were disposed of (14 former Wal-Mart, eight Real and nine Extra stores). One Extra supermarket was converted to Real and one Wal-Mart store to Extra. Four hypermarkets were opened in Russia, two in Turkey, one in Romania and two Extra supermarkets in Germany. At the end of September the **store** network comprised 679 stores, thereof 601 in Germany (349 hypermarkets) and 78 in Eastern Europe.

	Q3 2007 € million	Q3 2006 € million	Change (in %) total	Change (in %) lfl		Q3 2007	Q3 2006	Change (in %)
Sales	**2,928**	2,360	24.1	-1.6	EBITDA (€ million)	**-28**	-8	-
					EBIT (€ million)	**-75**	-41	-83.9
Germany	**2,376**	2,070	14.8	-2.5	Capex (€ million)	**85**	57	48.6
					Stores (number)	**679**	591	14.9
Eastern Europe	**552**	290	90.6	4.8	Selling space (1,000 sqm)	**3,494**	2,700	29.4
					Employees at closing date (full-time basis)	**60,987**	44,252	37.8

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Media Markt and Saturn

	9M 2007 € million	9M 2006 € million	Change (in %) total	lfl		9M 2007	9M 2006	Change (in %)
Sales	**11,390**	9,988	14.0	3.8	EBITDA (€ million)	**401**	374	7.2
					EBIT (€ million)	**249**	235	5.8
Germany	**5,364**	5,068	5.8	1.7	Capex (€ million)	**266**	223	19.2
Western Europe	**4,975**	4,244	17.2	4.2	Stores (number)	**658**	590	11.5
Eastern Europe	**1,051**	676	55.5	16.6	Selling space (1,000 sqm)	**2,046**	1,809	13.1
					Employees at closing date (full-time basis)	**49,488**	42,216	17.2

In first nine months **sales** at Media Markt and Saturn increased by 14.0% to €11.4 billion (excluding currency effects: +14.0%). Like-for-like sales grew significantly by 3.8%.

The market position in Germany was strengthened further. Despite the VAT increase, sales grew by 5.8% from January until September. Regardless of the high store density, like-for-like sales grew by 1.7%. In Q3 2007, the like-for-like sales growth of 2.6% was significantly higher than the growth rate in H1 2007.

In the first nine months, sales in Western Europe grew significantly by 17.2% to €5.0 billion (excluding currency effects: +17.7%). Except for France, all countries generated sales growth. Thereby, like-for-like sales in Belgium and The Netherlands showed an above-average development. Considering the tough comparatives and lower marketing intensity, sales growth decelerated in Q3 2007.

In Eastern Europe sales increased by 55.5% to €1.1 billion (excluding currency effects: +51.2%). In Q3 the business development remained on a high level following very good prior quarters.

The international share of sales increased significantly from 49.3% to 52.9%.

EBITDA improved from €374 million to €401 million. **EBIT** grew from €235 million to €249 million despite higher start-up losses in the new countries Russia, Sweden and Turkey.

Capex in the store network amounted to €266 million after €223 million in 9M 2006. The store network was enlarged by 40 **stores** (9M 2006: 32). In Germany nine stores were opened, among them the currently largest Media Markt at Berlin Alexanderplatz in the shopping centre “Alexa” opened on 12 September 2007. Spain and Italy opened six stores each. Five stores opened in Poland. The store network in France, Netherlands, Sweden, Hungary and Russia was extended each by two new stores and in Switzerland, Austria and Portugal by one store each. The first Media Markt in Turkey opened on 25 September 2007 in Istanbul.

At the end of September 2007 the store network of Media Markt and Saturn comprised 658 stores in now 15 countries, thereof 349 in Germany, 242 in Western Europe and 67 in Eastern Europe.

	Q3 2007 € million	Q3 2006 € million	Change (in %) total	lfl		Q3 2007	Q3 2006	Change (in %)
Sales	**3,901**	3,434	13.6	2.4	EBITDA (€ million)	**176**	167	5.1
					EBIT (€ million)	**126**	120	5.2
Germany	**1,794**	1,670	7.4	2.6	Capex (€ million)	**134**	90	48.7
Western Europe	**1,733**	1,520	14.0	0.5	Stores (number)	**658**	590	11.5
Eastern Europe	**374**	244	53.4	13.1	Selling space (1,000 sqm)	**2,046**	1,809	13.1
					Employees at closing date (full-time basis)	**49,488**	42,216	17.2

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Galeria Kaufhof

	9M 2007 € million	9M 2006 € million	Change (in %) total	Change (in %) lfl		9M 2007	9M 2006	Change (in %)
Sales	**2,411**	2,446	-1.4	-2.0	EBITDA (€ million)	**30**	10	-
					EBIT (€ million)	**-48**	-72	33.0
Germany	**2,185**	2,236	-2.3	-3.0	Capex (€ million)	**72**	108	-33.6
Western Europe	**226**	210	7.2	7.6	Stores (number)	**141**	142	-0.7
					Selling space (1,000 sqm)	**1,481**	1,486	-0.3
					Employees at closing date (full-time basis)	**18,343**	19,017	-3.5

Sales in the first nine months at Galeria Kaufhof decreased by 1.4%. However, gross sales maintained prior year's level. Like-for-like sales developed better in Q3 2007 than in H1 2007. Especially taking into account the missing trading day and the unfavourable weather conditions in July and August, this development is satisfactory.

In Germany, sales declined by 2.3% to €2.2 billion. While apparel sales developed well despite the poor summer weather, the hardline assortment sales decreased. All in all, in Q3 2007 Galeria Kaufhof compensated by and large the effects of the VAT increase in Q3 2007 despite the missing trading day.

In Belgium, the development continued benignly and sales increased by 7.2% to €226 million.

The international share of sales grew from 8.6% to 9.4% year-on-year.

In the first nine months **EBITDA** of Galeria Kaufhof reached €30 million after €10 million in 9M 2006. **EBIT** significantly improved by €24 million to €-48 million. A higher gross margin and the unchanged high cost orientation contributed to this improvement. Typically, German department stores reach positive earnings in Q4. Notwithstanding, Galeria Kaufhof already achieved EBIT positive in Q3.

From January until September 2007 **capex** in the store network was €72 million (9M 2006: €108 million). In Q1 the department store network was extended by one **store** in Berlin. In Q3 another Berlin store was closed as was a small-sized store in Q1.

Following the store at Alexanderplatz in Berlin, Galeria Kaufhof presents from 13 September 2007, the "World Class Shopping" concept in Hannover near the central station. With around 27,000 sqm of sales space on six floors, newly-designed lifestyle departments set new standards.

Therewith, the store network comprised 141 **stores**, thereof 126 in Germany and 15 in Belgium.

	Q3 2007 € million	Q3 2006 € million	Change (in %) total	Change (in %) lfl		Q3 2007	Q3 2006	Change (in %)
Sales	**814**	830	-1.9	-1.3	EBITDA (€ million)	**29**	20	43.6
					EBIT (€ million)	**4**	-7	-
Germany	**738**	757	-2.6	-2.0	Capex (€ million)	**40**	24	71.8
Western Europe	**77**	73	5.1	5.7	Stores (number)	**141**	142	-0.7
					Selling space (1,000 sqm)	**1,481**	1,486	-0.3
					Employees at closing date (full-time basis)	**18,343**	19,017	-3.5

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Interim Consolidated Financial Statements

Income Statement

€ million	9M 2007	9M 2006	Q3 2007	Q3 2006
Net sales	**45,962**	**41,472**	**15,650**	**14,131**
Cost of sales	-36,541	-33,109	-12,425	-11,271
Gross profit on sales	**9,421**	**8,363**	**3,225**	**2,860**
Other operating income	1,174	1,087	429	345
Selling expenses	-8,775	-7,800	-2,956	-2,614
General administrative expenses	-1,013	-852	-354	-287
Other operating expenses	-65	-57	-21	-22
EBIT	**742**	**741**	**323**	**282**
Result from associated companies	0	0	0	0
Other investment result	2	1	2	0
Interest income	142	105	57	35
Interest expenses	-495	-445	-180	-152
Other financial result	-9	-3	-22	-1
Net financial income	**-360**	**-342**	**-143**	**-118**
EBT	**382**	**399**	**180**	**164**
Income taxes	-284	-132	-217	-55
thereof extraordinary expenses due to changes in German tax legislation (especially corporate tax reform 2008)	-160	-	-160	-
Income from continuing operations	**98**	**267**	**-37**	**109**
Income from discontinued operations after taxes	-	143	-	-
Net profit for the period	**98**	**410**	**-37**	**109**
allocable to minorities	68	60	28	28
from continuing operations	68	60	28	28
from discontinued operations	-	-	-	-
allocable to stockholders of METRO AG	30	350	-65	81
from continuing operations	30	207	-65	81
from discontinued operations	-	143	-	-
Earnings per share (€)	**0.09**	**1.07**	**-0.20**	**0.25**
from continuing operations	0.09	0.63	-0.20	0.25
from discontinued operations	-	0.44	-	-

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Balance Sheet

Assets	30.09.2007	30.09.2006	31.12.2006
€ million			
Non-current assets	**18,763**	**17,526**	**18,978**
Goodwill	4,382	4,159	4,379
Other intangible assets	492	431	478
Tangible assets	12,280	10,998	12,087
Investment properties	112	144	136
Financial assets	110	143	139
Other receivables and assets	485	515	535
Deferred tax assets	902	1,136	1,224
Current assets	**11,873**	**9,940**	**13,170**
Inventories	6,634	5,810	6,640
Trade receivables	456	376	481
Financial assets	16	36	21
Other receivables and assets	2,638	2,218	2,852
Entitlements to income tax refunds	297	284	279
Cash & cash equivalents	1,832	1,108	2,732
Non-current assets held for sale	-	108	165
	30,636	**27,466**	**32,148**

Equity and Liabilities	30.09.2007	30.09.2006	31.12.2006
€ million			
Equity	**5,747**	**5,317**	**6,047**
Capital Stock	835	835	835
Additonal paid-in capital	2,544	2,551	2,544
Reserves retained from earnings	2,116	1,713	2,451
Minority interests	252	218	217
Non-current liabilities	**8,542**	**8,672**	**8,869**
Provisions for pensions and similar commitments	987	995	1,023
Other provisions	502	445	506
Financial liabilities	6,186	6,291	6,279
Other liabilities	587	461	599
Deferred tax liabilities	280	480	462
Current liabilities	**16,347**	**13,477**	**17,232**
Trade payables	10,113	8,534	12,416
Provisions	632	268	719
Financial liabilities	3,677	2,742	1,740
Other liabilities	1,852	1,800	2,029
Income tax liabilities	73	105	304
Liabilities related to non-current assets held for sale	-	28	24
	30,636	**27,466**	**32,148**

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Cash Flow Statement

€ million	9M 2007	9M 2006
EBIT	742	741
Depreciation and amortisation on tangible and intangible assets	953	885
Change in provisions for pensions and other provisions	-131	-10
Change in net working capital	-2,297	-1,982
Income taxes paid	-402	-336
Other	-165	-174
Cash flow from operating activities of continuing operations	**-1,300**	**-876**
Cash flow from operating activities of discontinued operations	-	-
Total cash flow from operating activities	**-1,300**	**-876**
Cash inflow from the acquisition of Wal-Mart	186	-
Investments in tangible assets (excl. finance leases)	-1,202	-1,024
Other investments	-136	-221
Divestment of Praktiker	-	484
Disposals of fixed assets	415	321
Cash flow from investing activities of continuing operations	**-737**	**-440**
Cash flow from investing activities of discontinued operations	-	-
Total cash flow from investing activities	**-737**	**-440**
Profit distribution		
METRO AG stockholders	-366	-334
other stockholders	-45	-50
Change of financial debts	1,825	1,313
Interest paid	-490	-435
Interest received	140	112
Profit and loss transfers and other financing activities	72	58
Cash flow from financing activities of continuing operations	**1,136**	**664**
Cash flow from financing activities of discontinued operations	-	-
Total cash flow from financing activities	**1,136**	**664**
Total cash flows	**-901**	**-652**
Exchange rate effects on cash and cash equivalents	1	-7
Overall change in cash and cash equivalents	**-900**	**-659**
Cash and cash equivalents on January 1	2,732	1,767
Cash and cash equivalents on September 30	1,832	1,108
less cash and cash equivalents from discontinued operations as per September 30	-	-
Cash and cash equivalents from continuing operations as per September 30	**1,832**	**1,108**

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Statement of Changes in Equity

€ million	Capital Stock	Capital reserve	Reserves retained from earnings	Total	Minorities	Total equity
01.01.2006	**835**	**2,551**	**1,721**	**5,107**	**206**	**5,313**
Net profit for the period	-	-	350	350	60	410
Profit distribution	-	-	-334	-334	-50	-384
Remeasurement IAS 39	-	-	4	4	-	4
Currency translation	-	-	-30	-30	0	-30
Other	-	-	2	2	2	4
30.09.2006	**835**	**2,551**	**1,713**	**5,099**	**218**	**5,317**
01.01.2007	**835**	**2,544**	**2,451**	**5,830**	**217**	**6,047**
Net profit for the period	-	-	30	30	68	98
Profit distribution	-	-	-366	-366	-45	-411
Remeasurement IAS 39	-	-	20	20	-	20
Currency translation	-	-	-21	-21	1	-20
Other	-	-	2	2	11	13
30.09.2007	**835**	**2,544**	**2,116**	**5,495**	**252**	**5,747**

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Notes

Segment Reporting 9M 2007

Sales Divisions

€ million	Metro Cash & Carry		Real		Media Markt and Saturn		Galeria Kaufhof		Other/ Consolidation		METRO Group	
	9M 2007	9M 2006	**9M 2007**	9M 2006	**9M 2007**	9M 2006	**9M 2007**	9M 2006	**9M 2007**	9M 2006	**9M 2007**	9M 2006
External sales (net)	**22,541**	21,356	**8,937**	7,097	**11,390**	9,988	**2,411**	2,446	**684**	585	**45,962**	41,472
Internal sales (net)	**2**	46	**1**	1	**7**	7	**11**	8	**-20**	-62	**-**	-
Total sales (net)	**22,543**	21,402	**8,937**	7,098	**11,397**	9,995	**2,421**	2,454	**664**	522	**45,962**	41,472
EBITDA	**908**	821	**-48**	26	**401**	374	**30**	10	**404**	395	**1,695**	1,626
Depreciation/amortisation	**303**	295	**135**	101	**153**	139	**78**	82	**285**	268	**953**	885
EBIT	**606**	526	**-182**	-75	**249**	235	**-48**	-72	**118**	127	**742**	741
Investments	**506**	521	**252**	122	**266**	223	**72**	108	**221**	246	**1,316**	1,219
Segment assets	**12,032**	11,234	**4,538**	3,295	**4,874**	4,038	**1,237**	1,283	**4,272**	4,474	**26,953**	24,325
Segment liabilities	**5,657**	5,118	**2,312**	1,250	**4,023**	3,172	**994**	941	**1,131**	1,551	**14,117**	12,031
Employees at closing date (full-time equivalents)	**104,180**	98,086	**60,987**	44,252	**49,488**	42,216	**18,343**	19,017	**16,056**	15,165	**249,054**	218,736
Selling space (in 1,000 sqm)	**4,579**	4,350	**3,494**	2,700	**2,046**	1,809	**1,481**	1,486	**419**	439	**12,020**	10,784
Stores (number)	**592**	561	**679**	591	**658**	590	**141**	142	**331**	335	**2,401**	2,219

Regions

€ million	Germany		Western Europe excl. Germany		Eastern Europe		Asia / Africa		Consolidation		METRO Group	
	9M 2007	9M 2006	**9M 2007**	9M 2006	**9M 2007**	9M 2006	**9M 2007**	9M 2006	**9M 2007**	9M 2006	**9M 2007**	9M 2006
External sales (net)	**19,510**	18,172	**14,333**	13,594	**10,780**	8,648	**1,339**	1,057	**-**	-	**45,962**	41,472
Internal sales (net)	**7**	10	**1**	1	**-**	-	**592**	560	**-600**	-570	**-**	-
Total sales (net)	**19,517**	18,182	**14,335**	13,594	**10,780**	8,648	**1,931**	1,617	**-600**	-570	**45,962**	41,472
EBITDA	**543**	557	**561**	584	**591**	499	**-2**	-12	**3**	-2	**1,695**	1,626
Depreciation/amortisation	**490**	481	**233**	222	**203**	156	**27**	25	**1**	0	**953**	885
EBIT	**53**	76	**328**	362	**388**	343	**-29**	-37	**2**	-3	**742**	741
Investments	**507**	526	**257**	256	**489**	405	**63**	33	**-**	-	**1,316**	1,219
Segment assets	**13,425**	12,288	**8,878**	8,177	**6,770**	5,215	**990**	723	**-3,109**	-2,077	**26,953**	24,325
Segment liabilities	**6,816**	5,711	**4,372**	4,069	**3,061**	2,151	**435**	399	**-567**	-298	**14,117**	12,031
Employees at closing date (full-time equivalents)	**108,204**	100,865	**51,602**	48,722	**75,071**	57,119	**14,177**	12,030	**-**	-	**249,054**	218,736
Selling space (in 1,000 sqm)	**6,719**	6,168	**2,703**	2,589	**2,200**	1,671	**397**	356	**-**	-	**12,020**	10,784
Stores (number)	**1,508**	1,438	**529**	494	**310**	239	**54**	48	**-**	-	**2,401**	2,219

Segment Reporting Q3 2007

Sales Divisions

€ million	Metro Cash & Carry Q3 2007	Metro Cash & Carry Q3 2006	Real Q3 2007	Real Q3 2006	Media Markt and Saturn Q3 2007	Media Markt and Saturn Q3 2006	Galeria Kaufhof Q3 2007	Galeria Kaufhof Q3 2006	Other/ Consolidation Q3 2007	Other/ Consolidation Q3 2006	METRO Group Q3 2007	METRO Group Q3 2006
External sales (net)	**7,784**	7,322	**2,928**	2,360	**3,901**	3,434	**814**	830	**223**	185	**15,650**	14,131
Internal sales (net)	**1**	0	**0**	0	**2**	4	**2**	2	**-5**	-7	**-**	-
Total sales (net)	**7,785**	7,323	**2,928**	2,360	**3,904**	3,438	**816**	832	**217**	178	**15,650**	14,131
EBITDA	**324**	285	**-28**	-8	**176**	167	**29**	20	**144**	109	**643**	574
Depreciation/amortisation	**101**	99	**46**	33	**50**	48	**25**	27	**98**	86	**320**	292
EBIT	**222**	186	**-75**	-41	**126**	120	**4**	-7	**46**	23	**323**	282
Investments	**250**	264	**85**	57	**134**	90	**40**	24	**96**	103	**606**	538
Segment assets	**12,032**	11,234	**4,538**	3,295	**4,874**	4,038	**1,237**	1,283	**4,272**	4,474	**26,953**	24,325
Segment liabilities	**5,657**	5,118	**2,312**	1,250	**4,023**	3,172	**994**	941	**1,131**	1,551	**14,117**	12,031
Employees at closing date (full-time equivalents)	**104,180**	98,086	**60,987**	44,252	**49,488**	42,216	**18,343**	19,017	**16,056**	15,165	**249,054**	218,736
Selling space (in 1,000 sqm)	**4,579**	4,350	**3,494**	2,700	**2,046**	1,809	**1,481**	1,486	**419**	439	**12,020**	10,784
Stores (number)	**592**	561	**679**	591	**658**	590	**141**	142	**331**	335	**2,401**	2,219

Regions

€ million	Germany Q3 2007	Germany Q3 2006	Western Europe excl. Germany Q3 2007	Western Europe excl. Germany Q3 2006	Eastern Europe Q3 2007	Eastern Europe Q3 2006	Asia / Africa Q3 2007	Asia / Africa Q3 2006	Consolidation Q3 2007	Consolidation Q3 2006	METRO Group Q3 2007	METRO Group Q3 2006
External sales (net)	**6,429**	6,014	**4,918**	4,723	**3,857**	3,041	**447**	352	**-**	-	**15,650**	14,131
Internal sales (net)	**2**	4	**1**	0	**-**	-	**246**	226	**-248**	-229	**-**	-
Total sales (net)	**6,431**	6,018	**4,919**	4,723	**3,857**	3,041	**692**	577	**-248**	-229	**15,650**	14,131
EBITDA	**203**	166	**216**	235	**226**	178	**-1**	-6	**-1**	0	**643**	574
Depreciation/amortisation	**164**	155	**77**	75	**69**	54	**9**	8	**1**	0	**320**	292
EBIT	**39**	11	**139**	160	**156**	124	**-10**	-14	**-1**	0	**323**	282
Investments	**191**	209	**143**	90	**244**	229	**27**	10	**-**	-	**606**	538
Segment assets	**13,425**	12,288	**8,878**	8,177	**6,770**	5,215	**990**	723	**-3,109**	-2,077	**26,953**	24,325
Segment liabilities	**6,816**	5,711	**4,372**	4,069	**3,061**	2,151	**435**	399	**-567**	-298	**14,117**	12,031
Employees at closing date (full-time equivalents)	**108,204**	100,865	**51,602**	48,722	**75,071**	57,119	**14,177**	12,030	**-**	-	**249,054**	218,736
Selling space (in 1,000 sqm)	**6,719**	6,168	**2,703**	2,589	**2,200**	1,671	**397**	356	**-**	-	**12,020**	10,784
Stores (number)	**1,508**	1,438	**529**	494	**310**	239	**54**	48	**-**	-	**2,401**	2,219

METRO Group
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Notes to Group Accounting Principles and Methods

The interim financial statements as at 30 September 2007 were prepared in accordance with the International Financial Reporting Standard (IFRS) IAS 34 „Interim Financial Reporting“ and have not been audited. They do not include all information required for the full annual consolidated financial statements at the end of the full year in accordance with IFRS.

In preparation of the interim consolidated financial statements, the same recognition and valuation methods were applied as in the last preceding annual consolidated financial statements as at 31 December 2006. Details on applied recognition and valuation methods are provided in the notes of the annual consolidated financial statements as at 31 December 2006.

During the year, sales-dependent and cyclical positions are accounted for pro-rata based on corporate planning, where material.

The current interim consolidated financial statements apply the accounting standards and interpretations newly introduced by the IASB which were adopted by the Council of the European Commission (please see METRO Group’s Annual Report 2006, pp. 105-106). The application of these accounting standards had no impact on METRO Group’s financial position and financial performance.

To provide a better overview in the tables, decimal places have partly been left out. Therefore rounding differences can occur.

Notes to related parties

In 9M 2007 companies that are included in the circle of related companies rendered goods/services to the amount of €107 million to METRO Group companies. These consist primarily of leasing services. Business relations with related companies are based on contractual agreements and conform to market conditions. In the reporting period, METRO Group had no business relations with related natural persons.

Changes in the Management Board

The Chairman of the Management Board of METRO AG, Dr. Hans-Joachim Körber, asked the Supervisory Board to be released from his responsibilities effective from 31 October 2007. In the meeting on 26 September 2007, the Supervisory Board approved this request. At the same time the Supervisory Board appointed Dr. Eckhard Cordes as member of the Management Board and elected him Chairman of the Management Board as of 1 November 2007.

Changes in the Supervisory Board

Dr. Eckhard Cordes resigned from his mandate as Chairman and member of the Supervisory Board of METRO AG effective from 31 October 2007. The district court of Düsseldorf has appointed upon request of the Management Board of METRO AG Mr. Franz M. Haniel as the succeeding Supervisory Board member with effect from 1 November 2007.

METRO Group
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METRO Group

Schlueterstraße 1
40235 Duesseldorf

PO Box 230361
40089 Duesseldorf

Investor Relations

Investor Hotline: +49 (0) 1802 - 725 750
Phone: +49 (0) 211 - 6886 - 1936
+49 (0) 211 - 6886 - 1051
Fax: +49 (0) 211 - 6886 - 3759
E-mail investorrelations@metro.de

Creditor Relations

Phone: +49 (0) 211 - 6886 - 1904
Fax: +49 (0) 211 - 6886 - 1916
E-mail: creditorrelations@metro.de

Corporate Communications

Phone: +49 (0) 211 - 6886 - 2947
Fax: +49 (0) 211 - 6886 - 2000
E-mail: presse@metro.de

Visit our website at www.metrogroup.de, the primary source for publications and information about the METRO Group. With the METRO Group News Abo you can subscribe to regular news and official publications of the company online.

Please note: In case of doubt the German version shall prevail.

Financial Calendar

Thursday, 10 January 2008, 8.00 am

Trading Statement 2007

Tuesday, 18 March 2008

8.00 am Annual Report 2007
2.00 pm Analysts' Meeting

Tuesday, 29 April 2008, 7.15 am

Interim Financial Report Q1 2008

Friday, 16 May 2008, 10.30 am

Annual General Meeting 2008