09

QUARTERLY FINANCIAL REPORT Q1

of METRO Group



METRO Group

Q1

METRO Group sales amount to €15.2 billion – pre-currency growth of 1.1%

Limited comparability of business development due to currency and calendar effects

Food sales marked by significantly declining positive price effects

Sales in Germany increase by 0.6% to €6.2 billion

International sales in local currency grow by 1.4%

Implementation of Shape 2012 commenced: special items burden earnings by €33 million

METRO Group's EBIT before special items amounts to €84 million and includes negative currency and calendar effects

Metro Cash & Carry
Sales -1.8% (adjusted for currency effects)
Calendar effects and tough prior year comparables burden;
Continued good development in Eastern Europe, especially in Russia and Ukraine

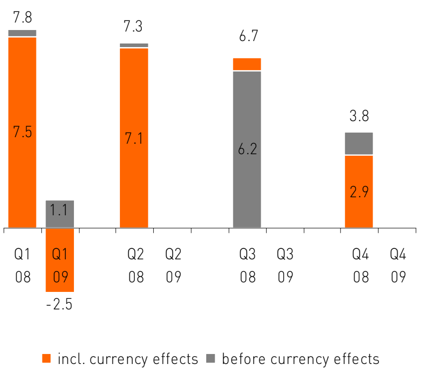
Real
Sales -0.6% (adjusted for currency effects)
Adjusted for calendar and declining positive price effects, clearly positive like-for-like sales development in Germany
Eastern Europe with like-for-like growth of 2.5%

Media Markt and Saturn
Sales +8.4% (adjusted for currency effects)
Double-digit sales growth in Germany
No further sales trend deterioration in Western Europe
Robust development in Eastern Europe

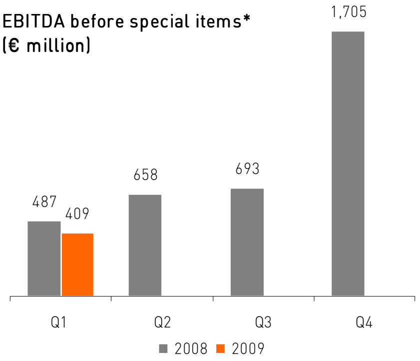
Galeria Kaufhof
Sales -3.8%
Business development impaired by shift of high-margin Easter business

OVERVIEW Q1 2009

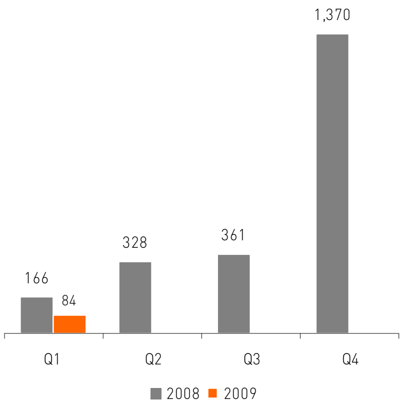
Sales growth (in %)



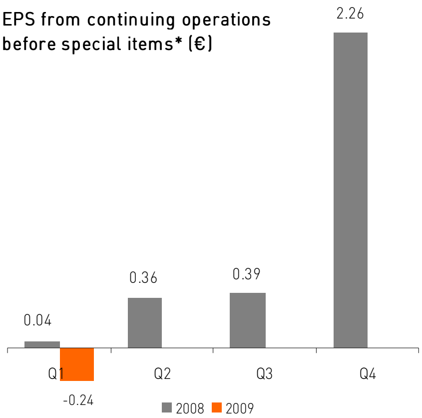
EBITDA before special items* (€ million)



EBIT before special items* (€ million)



EPS from continuing operations before special items* (€)



€ million	Q1 2009	Q1 2008**	Change
Sales	15,167	15,553	-2.5%
Germany	6,239	6,205	0.6%
International	8,927	9,348	-4.5%
International share of sales	58.9%	60.1%	-
EBITDA	377	487	-22.6%
EBITDA before special items*	409	487	-15.9%
EBIT	51	166	-69.2%
EBIT before special items*	84	166	-49.3%
EBT	-120	44	-
EBT before special items*	-87	44	-
EPS (€)	-0.31	-0.04	-
from continuing operations	-0.31	0.04	-
from continuing operations before special items*	-0.24	0.04	-
from discontinued operations	0.00	-0.08	-
Capex	245	340	-27.9%
Stores	2,116	2,013	5.1%
Selling space (1,000 sqm)	12,328	11,768	4.8%

* Special items: Q1 2009 Expenses resulting from Shape 2012

** Adjusted prior year amounts due to discontinued operations and first-time IFRS application

INTERIM GROUP MANAGEMENT REPORT

Macroeconomic Conditions

The global economy is in the deepest recession since the Great Depression. All regions are affected by the downturn. In most countries, the decline in economic output in Q1 2009 was even higher than in Q4 2008. Also the retail sector was unable to decouple from this development.

The **German** economy with its high dependence on export has been particularly afflicted by the recession. The car scrap bonus diverted some purchasing power to the automobile segment and thus withdrew demand from other retail segments. In contrast, disinflation from lower energy and food prices, as well as back-payments for commuter tax reliefs, had a positive impact. All in all, German wholesale and retail sales – also adjusted for calendar effects – declined in Q1 2009.

Western Europe is deep in recession. Especially the United Kingdom and Spain, which continue to suffer from domestic housing crises, as well as Italy, were hit hard. Industrial output declined by around 20%. Also the retail sales in Q1 2009 decreased in comparison to the prior year months.

Also, the **Eastern European** economy slowed down in the past months. Massive currency losses, capital outflows as well as the declining demand for exports to Western Europe, significantly burdened the economy in these countries. However, the effect on the Eastern European countries differs considerably. In some countries, wholesale and retail continued to develop relatively robust, also against the backdrop of a high structural demand.

Equally, the economies in **Asia** were unable to evade the current economic and financial crisis. However, the countries, in which METRO Group is present, showed an above-average development as compared worldwide, apart from Japan. China, for example, showed double-digit retail sales growth rates in February compared to the prior year month.

Financial Position and Financial Performance

A detailed report on the business development of the individual segments is shown on pages 8 to 12. Please note that as of 1 January 2009 IFRS 8 ("Operating Segments") has been applied for the first time and that this has resulted in a change in the segment reporting. Accordingly, METRO Group's real estate is now shown separately in the segment reporting. The divisional earnings will in the case of intra-Group rental agreements be thus reported on a fully rented base. The prior year figures have been reclassified to provide greater transparency. Hence changes in the disclosure of earnings were reported at Metro Cash & Carry and Real especially. Further explanations are given on page 20. Moreover, the in the meantime divested Adler fashion stores have been disclosed as discontinued operations in the prior year. The prior year figures – apart from the balance sheet – have been adjusted accordingly.

Sales

In the first three months 2009 (01/01/ - 31/03/2009) METRO Group generated sales of €15.2 billion (Q1 2008: €15.6 billion). This corresponds to a decrease of 2.5%. The sales development was significantly impaired by negative currency effects. In local currency, METRO Group's sales grew by 1.1%. In addition, this development was marked by significant calendar effects: the prior year was a leap year and, thus, had an additional trading day in February. Also the Easter business in 2009 shifted to Q2. METRO Group's resulting calendar effect amounted to approx. -2.5%-points. Additionally, the food divisions were affected by declining positive price effects. Therefore, the comparability of Q1 on the whole with the prior year is only limited.

In **Germany**, sales in Q1 2009 increased by 0.6% to €6.2 billion against the backdrop of a declining market and despite the missing Easter business. This is mainly attributable to the excellent development of Media Markt and Saturn.

International sales were significantly burdened by the currency development. Adjusted for currency effects, sales grew by 1.4%. However in Euro terms, sales declined by 4.5% to €8.9 billion. Owing to the currency development, the international share of sales decreased from 60.1% to 58.9%.

In **Western Europe (excluding Germany)**, sales declined by 2.2% to €4.7 billion. Adjusted for currency effects, sales decreased merely by 1.3%. The predominantly calendar-related sales decline at Metro Cash & Carry could only partially be compensated by Media Markt and Saturn's sales increase.

Adjusted for currency effects, sales in **Eastern Europe** grew by 5.6% despite the calendar effect. However, due to strong currency effects (-15.6%-points), sales in Euro terms declined to €3.5 billion.

Sales in **Asia/Africa** increased by 12.9% to €0.7 billion. Adjusted for currency effects, sales were on prior year's level.

Earnings

METRO Group's earnings development in Q1 2009 was also significantly impaired by the aforementioned currency and calendar effects.

EBITDA amounted to €377 million (Q1 2008: €487 million) and included initial expenses amounting to €32 million resulting from the efficiency- and value-enhancing programme Shape 2012. These expenses mainly result from measures to optimise the store base. Of which, €11 million are attributable to Metro Cash & Carry, €18 million to Galeria Kaufhof and €3 million to the segment Other. Adjusted for these special items, EBITDA was €409 million.

EBIT came in at €51 million (Q1 2008: €166 million) and included special items resulting from Shape 2012 of €33 million. The adjusted EBIT declined to €84 million.

The **net financial result** was €-171 million following €-122 million in Q1 2008. Whilst interest expenses remained almost unchanged, the other financial result deteriorated due to negative currency effects.

EBT amounted to €-120 million (Q1 2008: €44 million). Adjusted for special items, EBT was €-87 million. EPS from continuing operations was €-0.31 compared to €0.04 in Q1 2008. Adjusted for special items, EPS declined to €-0.24.

Capex

METRO Group's capex in Q1 2009 amounted to €245 million following €340 million in Q1 2008. This capex decline reflects the full year 2009 capex budget reduction.

Store network

As at the end of March 2009, METRO Group traded from 2,116 stores.

In Q1 2009, nine new stores were opened. Thereby, the store network of Metro Cash & Carry was enlarged by three stores. Media Markt and Saturn opened six stores. Two stores each were closed down at Real and in the segment Other.

Since 1 January 2009 the Dinea restaurants, attributable to Galeria Kaufhof, have been reported in the segment Galeria Kaufhof. As a result, 84 stores from the segment Other are no longer shown in the segment Other, but integrated in the segment Galeria Kaufhof but not counted separately as stores. The Grillpfanne restaurants as well as the Axxe motorway service stations remain in the segment Other. As a result, METRO Group's total store network decreased by 84 stores. As at the end of 2008, the comparable figure was 2,111 stores.

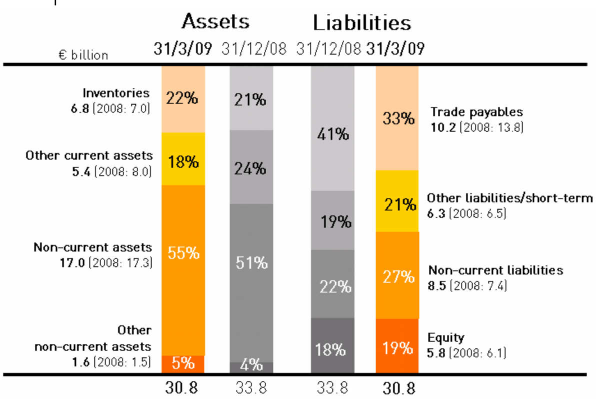
Funding

METRO Group's short- and medium-term funding comprises typical capital markets' permanent issuance programmes. Among these are the "Euro Commercial Paper Programme" and the "Commercial Paper Programme" specifically geared to French investors. The drawdown on both programmes in the reporting period amounted on average to €1.7 billion (Q1 2008: €1.7 billion). In addition, bilateral and syndicated credit facilities amounting to €5.5 billion with durations up to 2013 are available. As at 31 March 2009 utilised bilateral bank credit facilities amounted to €1.4 billion.

The issuance of a €1 billion bond in March 2009 with a maturity of six years relieves the drawdown on short-term financing and thus optimises the term structure. Moreover, a promissory note amounting to €156 million was issued.

Balance Sheet

Total assets decreased by €3.0 billion to €30.8 billion compared to 31/12/2008. This is, in comparison to the 2008 year-end closing, mainly due to the decrease in cash and cash equivalents typical for Q1, as well as from translation effects from weaker currencies, especially in Eastern Europe.



As at the end of March 2009, METRO Group's balance sheet disclosed €5.8 billion equity. The year-to-date equity ratio increased from 18.0% to 18.8%.

After netting cash and cash equivalents, as well as bank deposits, with financial liabilities (including finance leases), net debt totalled to €7.9 billion compared to €4.6 billion as at 31/12/2008. This increase in net debt against the prior year-end closing is characteristic and resulted mainly from the reduction in trade payables of €3.7 billion. The reason behind this reduction lies in the high share of sales Q4 contributes to the full year, which regularly corresponds to high trade payables at the year-end closing. Net debt increased slightly compared to 31 March 2008.

Cash flow

A €2.8 billion cash outflow from operating activities of continuing operations resulted from January to March 2009 (Q1 2008: €3.1 billion).

Investing activities of continuing operations led to cash outflows of €0.2 billion (Q1 2008: €0.2 billion). The cash inflow from financing activities of continuing operations amounted to €1.2 billion (Q1 2008: €1.8 billion). This mainly resulted from the €1 billion bond issuance.

Opportunities and Risks

In Q1 2009 no material change arose from the reported opportunities and risks concerning the ongoing development of the METRO Group as described in detail in the Annual Report 2008 (pp. 113-116).

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.

Subsequent Events and Outlook

Events after the quarter-end closing

Material events after the quarter-end closing were nonexistent.

Macroeconomic Outlook

Currently, there is no indication of a fast economic recovery. Admittedly, first signs do suggest an end to the downswing in the second half of the year. All in all however, we still assume difficult economic conditions in 2009. On the one hand, increasing unemployment over the year will also burden the retail business. On the other hand, tax reductions, for example, from the stimulus packages passed worldwide will bolster the consumer purchasing power. All in all, we expect in 2009 the retail sector to be less affected by the financial crisis than other sectors.

Outlook METRO Group

We will continue on our profitable growth course and thus continue to expand our position as one of the leading international retailing groups. The impact of the global financial crisis on sales, procurement and refinancing markets is difficult to gauge. However, we must reckon with a less dynamic sales and earnings development at METRO Group in 2009. Nonetheless, we feel well prepared for a deteriorating market environment with our price-aggressive sales brands Metro Cash & Carry and Media Markt and Saturn and with our new private label strategy at Real, to gain market share and lay the foundation for future earnings potential. In addition, the initiated programme Shape 2012 will significantly enlarge the divisions' operational room for manoeuvre.

Shape 2012

To fortify the strong market position and to secure profitable growth over the long term, METRO Group launched in January 2009 the efficiency- and value-enhancing programme Shape 2012. Herewith, a comprehensive reorganisation of the Group has been initiated, which will make METRO Group more transparent, more customer-orientated, less complex and managed in a more efficient way. All existing restructuring projects have been integrated into Shape 2012.

A significant part of the programme will be that the sales divisions are fully responsible for the operating business, this means also for procurement. At the same time, the centralisation of the functions Finance, Controlling and Compliance will be further strengthened. The leitmotif for this change is: as decentralised as possible, as centralised as necessary. In the meantime, project teams on all Group levels are working on Shape 2012.

The first results have already been presented by the projects teams: in future the divisions will be responsible for the entire supply chain. By the end of June 2009 the new organisational structure for procurement, logistics and IT should be concluded. The 2010 procurement rounds will already be negotiated this autumn according to the new structure.

Sales

We maintain our medium-term forecast of over 6 percent sales growth per year at METRO Group level. Under consideration of the global economic downswing, the lower number of store openings and negative currency effects, we expect sales growth in 2009 to fall significantly short of the medium-term target of more than 6 percent.

Earnings

Our strategy aims for long-term profitable growth, that is, disproportionately higher growth of earnings than sales. Our medium-term growth target for EBIT before special effects is more than 8 percent p.a. The goal of our efficiency- and value-enhancing programme Shape 2012 is to protect this growth over the long term. Shape 2012 will unleash its positive earnings impact from 2010 and become fully effective from 2012.

The high level of uncertainty caused by current difficult economic developments makes still a reliable forecast for the financial year 2009 impossible at this point. Although we expect the anticipated weaker sales growth to also impact our earnings, the cost-cutting measures and investment cut-backs introduced so far are aimed at minimising the impact on EBIT before special items.

The Easter business showed overall a satisfactory performance. As expected, the April sales and earnings development showed a noticeable trend improvement. EBIT in April was above prior year according to preliminary figures.

Metro Cash & Carry

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008
Total	**6,992**	**7,467**	**-6.4%**	**7.0%**	**-4.6%**	**-1.1%**	**-1.8%**	**8.1%**	**-4.5%**	**5.6%**
Germany	1,234	1,304	-5.3%	0.8%	-	-	-5.3%	0.8%	-7.1%	0.2%
Western Europe	2,666	2,829	-5.8%	1.4%	-1.5%	-1.3%	-4.3%	2.7%	-5.2%	2.1%
Eastern Europe	2,480	2,807	-11.6%	15.4%	-13.9%	-0.3%	2.3%	15.7%	-2.1%	10.9%
Asia/Africa	612	527	16.2%	14.2%	15.1%	-7.2%	1.1%	21.4%	-4.9%	14.7%

Adjusted for currency effects, **sales** at Metro Cash & Carry declined by 1.8% in Q1 2009. Here, the aforementioned calendar effects, especially due to the Easter shift in Western Europe and parts of Eastern Europe, were noticeable. Due to negative currency development as well as declining positive price effects, sales decreased by 6.4% to €7.0 billion.

Sales in **Germany** declined by 5.3% to €1.2 billion. Like-for-like sales also decreased significantly. Food sales suffered from the missing Easter business and the declining price effects.

Sales in **Western Europe** fell by 5.8% to €2.7 billion. Adjusted for currency effects, sales dropped by 4.3%. Also here, the missing Easter business and the declining positive price effects affected the business development.

In **Eastern Europe**, currency-adjusted sales grew by 2.3%. However negative currency effects led to a sales decline of 11.6% to €2.5 billion. In like-for-like terms, sales declined by 2.1% mainly due to calendar effects. Especially non-food sales showed a declining development. Against this backdrop, the high-revenue countries Russia and Ukraine continued to show a very satisfactory business development with positive like-for-like growth.

Sales in **Asia/Africa** grew by 16.2% to €0.6 billion in Q1 2009. However this growth is mainly due to the favourable currency development. In local currency, sales grew by 1.1%. The business in China was impaired by the earlier start to the Chinese New Year celebrations. Pakistan and Vietnam showed satisfactory like-for-likes.

The international share of sales remained nearly unchanged at 82.3%.

In view of the high international share of sales, earnings were significantly burdened by currency effects. Moreover, the calendar effect had a negative impact. In Q1 2009, **EBITDA** reached €62 million (Q1 2008: €138 million). Included therein are expenses resulting from Shape 2012 amounting to €11 million for the first optimisation measures, mainly in Germany. Adjusted for these special items, EBITDA declined to €73 million. **EBIT** was €0 million (Q1 2008: €70 million). Before special items, EBIT reached €11 million.

Capex for the expansion and the modernisation from January until March 2009 amounted to €19 million (Q1 2008: €31 million). Included therein is capex for the planned market entries into Kazakhstan and Egypt. The store network was enlarged by three **stores** in Pakistan.

€ million	Q1 2009	Q1 2008*	Change Q1 2009
EBITDA	62	138	-54.8%
EBITDA before special items	73	138	-46.8%
EBIT	0	70	-
EBIT before special items	11	70	-84.8%
Capex	19	31	-40.0%

* Adjusted prior year amounts due to first-time IFRS application

	31/03/2009	31/12/2008	Change Q1 2009
Stores	658	655	+3
Selling space (1,000 sqm)	5,195	5,176	+19
Employees (full-time basis)	108,060	113,414	-5,354

At the end of March, Metro Cash & Carry introduced a new concept in Germany with the reopening of the store in Siegen. The store is clearly targeted at Metro Cash & Carry's core demand customers. These include so-called HoReCa customers (hotels, restaurants, caterers) and small food retailers (kiosks, corner shops etc.). The food assortment has been significantly tailored to cater for professional needs at the expense of the non-core offer in non-food. Moreover, the high-performance private label ranges have been positioned more prominently and extended. Together with investments in lower shelf prices, the store concept is considerably more competitive. The offer in Siegen is complemented by numerous all-in-one solutions and services, e.g. restaurant consultancy and delivery service. By reorganising processes store efficiency has also been further improved. The customer response in April has been positive and a noticeable sales growth from the core customer groups reported. Until the year-end, four additional stores are to be converted.

Metro Cash & Carry operates in 29 countries with 658 stores, thereof 126 in Germany, 262 in Western, 202 in Eastern Europe and 68 in Asia/Africa.

Real

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	Q1 2009	Q1 2008*	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008
Total	**2,629**	**2,763**	**-4.9%**	**5.9%**	**-4.3%**	**0.8%**	**-0.6%**	**5.1%**	**-1.4%**	**5.3%**
Germany	2,042	2,117	-3.6%	-0.8%	-	-	-3.6%	-0.8%	-2.5%	3.7%
Eastern Europe	587	646	-9.1%	36.0%	-20.4%	5.5%	11.3%	30.5%	2.5%	10.6%

* Adjusted prior year amounts due to first-time IFRS application

Sales at Real declined by 4.9% to €2.6 billion. Adjusted for currency effects, sales were almost stable with a slight decline of 0.6% despite the aforementioned calendar effects. In like-for-like terms, sales decreased by 1.4%.

In **Germany**, sales amounted to €2.0 billion and were 3.6% below prior year's quarter. Like-for-like sales declined by 2.5%. This development was mainly influenced by the aforementioned calendar and price effects. The customer frequency remained satisfactory. The share of sales of the food private labels (Tip, Real Quality, Real Bio and Real Selection) significantly increased further to more than 16%. Therewith, the repositioning made further important progress.

The business in **Eastern Europe** continued its very successful development. Although in Euro terms, the region showed a decline by 9.1% to €0.6 billion; adjusted for currency effects, sales increased significantly by 11.3%. Apart from Turkey, all countries contributed to this growth. Despite the negative calendar effects, like-for-like sales also increased by 2.5%.

The international share of sales declined from 23.4% to 22.3% due to the currency impact.

The earnings development was mainly impaired by currency and calendar effects. **EBITDA** came in at €-8 million in Q1 2009 (Q1 2008: €2 million). Real's **EBIT** amounted to €-56 million (Q1 2008: €-43 million), especially due to the missing Easter business.

Capex totalled €18 million (Q1 2008: €40 million) and included remodellings as well as assets for the new hypermarket in Constanta, Romania opened on 2 April. Two unprofitable stores were closed down in Germany.

At the end of March, the store network comprised 437 **stores**, thereof 341 in Germany and 96 in Eastern Europe.

€ million	Q1 2009	Q1 2008*	Change Q1 2009
EBITDA	-8	2	-
EBIT	-56	-43	-31.3%
Capex	18	40	-56.4%

* Adjusted prior year amounts due to first-time IFRS application

	31/03/2009	31/12/2008	Change Q1 2009
Stores	437	439	-2
Selling space (1,000 sqm)	3,132	3,148	-16
Employees (full-time basis)	57,739	58,856	-1,117

Media Markt and Saturn

	Sales (€ million)		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008
Total	**4,639**	**4,361**	**6.4%**	**10.5%**	**-2.0%**	**0.5%**	**8.4%**	**10.1%**	**1.3%**	**-1.9%**
Germany	2,215	1,982	11.7%	4.0%	-	-	11.7%	4.0%	8.3%	-0.6%
Western Europe	1,942	1,887	2.9%	10.7%	0.1%	0.1%	2.8%	10.7%	-5.6%	-4.5%
Eastern Europe	482	491	-1.9%	47.0%	-19.7%	6.5%	17.8%	40.5%	-0.8%	3.2%

In Q1 2009 Media Markt and Saturn successfully underlined its role as the leading consumer electronics retailer in Europe. **Sales** grew by 6.4% to €4.6 billion in the reporting period. Adjusted for currency effects, sales actually increased by 8.4%. Therewith, Media Markt and Saturn continued to develop significantly better than the total market. In like-for-like terms, sales grew by 1.3%.

In **Germany**, the division is celebrating „30 Years Media Markt – Anniversary of the Year" since the beginning of the year. Also thanks to this very successful advertising campaign, sales at Media Markt and Saturn grew by 11.7% in Q1 2009. Like-for-like sales increased considerably by 8.3% and highlighted Media Markt and Saturn's concept strength in light of a relatively robust demand.

Sales in **Western Europe** grew in Q1 2009 by 2.9% to €1.9 billion (adjusted for currency effects 2.8%). The economic environment in Western Europe continued to be very challenging and is reflected in the further like-for-like sales decline. However, some markets showed a trend towards stabilisation. Like-for-like sales in Italy, among others, developed significantly better. The market shares were further increased in almost all countries.

In **Eastern Europe**, sales in Q1 2009 declined by 1.9% to €0.5 billion. The significant weakening of the Polish Zloty is the main reason behind this. Adjusted for currency effects, sales grew by 17.8%. Especially sales in Russia continued to show a very dynamic development with a double-digit growth rate in like-for-like terms.

The international share of sales declined from 54.5% to 52.3%.

EBITDA was €139 million in Q1 2009 (Q1 2008: €132 million). **EBIT** amounted to €79 million (Q1 2008: €75 million) and was above prior year's level despite the high marketing spend, especially in Germany.

In the first three months, **capex** in the store network amounted to €55 million (Q1 2008: €73 million). The store network was enlarged by one **store** each in Germany, Italy, Spain, Poland, Turkey and Switzerland. In Berlin, the new Saturn at the Alexanderplatz opened with over 9,000 sqm of sales area after its relocation. In Frankfurt, Saturn moved to the new shopping centre "MyZeil" and more than doubled its sales area to nearly 7,000 sqm.

Within the scope of the announced "Enhanced Business Model", Media Markt and Saturn is strengthening its position also outside of the store-based business. Namely by increasing its commitment to 24-7 Entertainment, Europe's leading digital distribution provider. The company, which was founded in 2000, operates 41 download stores in 13 countries. The importance of digital distribution will increase further. Hereby, Media Markt and Saturn supports the implementation of the announced e-commerce strategy.

At the end of Q1 2009, the store network of Media Markt and Saturn comprised 774 stores in 16 countries, thereof 368 in Germany, 301 in Western and 105 in Eastern Europe.

€ million	Q1 2009	Q1 2008	Change Q1 2009
EBITDA	139	132	5.2%
EBIT	79	75	5.6%
Capex	55	73	-24.6%

	31/03/2009	31/12/2008	Veränderung Q1 2009
Stores	774	768	+6
Selling space (1,000 sqm)	2,461	2,439	+22
Employees (full-time basis)	55,360	57,158	-1,798

Galeria Kaufhof

	Sales (€ million)		Total		lfl	
	Q1 2009	Q1 2008*	Q1 2009	Q1 2008	Q1 2009	Q1 2008
Total	**792**	**823**	**-3.8%**	**-1.3%**	**-3.9%**	**-0.7%**
Germany	710	745	-4.7%	-1.7%	-4.9%	-1.1%
Western Europe	82	78	5.1%	3.0%	6.3%	3.4%

* Adjusted prior year amounts due to first-time IFRS application

Sales at Galeria Kaufhof declined by 3.8% to €0.8 billion mainly due to the aforementioned calendar effects.

In **Germany**, Galeria Kaufhof was again able to partially distance itself from the declining textile market despite the fact that the start to the spring business was delayed by unfavourable weather conditions. In comparison to the prior year's quarter, the important and high-margin Easter business was missing. This was mainly the reason for the sales decline of 4.7%.

In contrast, sales in **Belgium** grew by 5.1% to €82 million in Q1 2009. Galeria Inno's like-for-like sales growth of 6.3% was significantly better than the development of the Belgian retail sector.

The international share of sales grew from 9.5% to 10.3%.

EBITDA at Galeria Kaufhof was €-19 million compared to €6 million in Q1 2008. Therein included are expenses amounting to €18 million resulting from Shape 2012 for streamlining the store base. Already decided are the closures of four department stores after the rental contracts expire in 2010. Adjusted for this special item, EBITDA reached €-1 million and reflects especially also the missing high-margin Easter business. **EBIT** amounted to €-47 million following €-20 million in Q1 2008 against the backdrop of an extremely difficult economic environment. Before the special item of €19 million EBIT came in at €-28 million. German department stores typically turn EBIT-positive only in the second half of the year.

Capex in the store network in Q1 2009 amounted to €11 million (Q1 2008: €16 million).

The department store in the shopping centre CentrO in Oberhausen was remodelled and enlarged. Here, Galeria Kaufhof underlines its role as an innovation leader in the German department store business with new lifestyle-orientated brands in an appealing and pleasant ambience. All in all, around 30 new branded shop-in-shops and more than 50 new brands are present in this lifestyle world. Galeria's exclusive brands rounds off the high-end assortment. The upper storey was enlarged by 3,800 sqm and boasts the largest single sales area of 10,500 sqm in German department store retailing.

As at 31 March 2009, the store network of Galeria Kaufhof comprised 141 **stores**, thereof 126 in Germany and 15 in Belgium, and remained unchanged at the year-end 2008 number.

€ million	Q1 2009	Q1 2008*	Change Q1 2009
EBITDA	-19	6	-
EBITDA before special items	-1	6	-
EBIT	-47	-20	-
EBIT before special items	-28	-20	-37.9%
Capex	11	16	-34.7%

* Adjusted prior year amounts due to first-time IFRS application

	31/03/2009	31/12/2008	Change Q1 2009
Stores	141	141	+0
Selling space (1,000 sqm)	1,491	1,490	+1
Employees (full-time basis)	19,175	19,875	-700

Real Estate

€ million	Q1 2009	Q1 2008	Change Q1 2009
EBITDA	224	216	3.6%
EBIT	132	123	7.4%
Capex	110	146	-24.7%

From 1 January 2009, the real estate assets are disclosed as a separate segment in the Group's financial reporting. The segment Real Estate comprises all METRO Group's real estate assets, as well as all real estate-related services.

The real estate management actively contributes to METRO Group's value creation. The international expansion, the active asset- and portfolio management, as well as resource optimisation are to secure and systematically enhance value of the real estate in the long run.

EBITDA increased by €8 million to €224 million in Q1 2009. This amount results mainly from rental income paid by METRO Group's divisions. EBIT reached €132 million following €123 million in Q1 2008. The earnings improvement particularly reflects the increased rental income resulting from Metro Cash & Carry's expansion.

Other (incl. METRO AG)

€ million	Q1 2009	Q1 2008	Change Q1 2009
Sales	115	139	-17.6%
EBITDA	-23	5	-
EBITDA bevor special items	-20	5	-
EBIT	-59	-27	-
EBIT before special items	-56	-27	-
Capex	34	34	0.2%

The segment Other comprises the restaurant business (Grillpfanne and Axxe), our procurement organisation in Hong Kong which is also operates for third parties, the logistic services and METRO Group's strategic management holding, METRO AG.

The sales development was characterised by the decline in buying volumes from third parties. EBIT amounted to €-59 million also due to temporary under-utilisation of METRO Group's logistics infrastructure. Within the scope of Shape 2012, expenses totalling €3 million were included for optimisation measures in the cross-divisional service companies.

STORE NETWORK

AS AT 31 MARCH 2009

	Metro Cash & Carry		Real		Media Markt and Saturn		Galeria Kaufhof		Other companies		METRO Group	
	Q1	31/03/2009	Q1	31/03/2009	Q1	31/03/2009	Q1	31/03/2009	Q1	31/03/2009	Q1	31/03/2009
Germany		**126**	**-2**	**341**	**+1**	**368**		**126**	**-2**	**106**	**-3**	**1,067**
Austria		12				33						45
Belgium		11				15		15				41
Denmark		5										5
France		91				29						120
Italy		48			+1	93					+1	141
Luxemburg						1						1
Netherlands		17				30						47
Portugal		11				9						20
Spain		34			+1	58					+1	92
Sweden						14						14
Switzerland					+1	19					+1	19
UK		33										33
Western Europe		**262**			**+3**	**301**		**15**			**+3**	**578**
Bulgaria		11										11
Croatia		6										6
Czech Republic		13										13
Greece		9				9						18
Hungary		13				22						35
Moldova		3										3
Poland		29		53	+1	51					+1	133
Romania		24		20								44
Russia		48		12		14						74
Serbia		5										5
Slovakia		5										5
Turkey		13		11	+1	9					+1	33
Ukraine		23										23
Eastern Europe		**202**		**96**	**+2**	**105**					**+2**	**403**
China		38										38
India		5										5
Japan		4										4
Morocco		8										8
Pakistan	+3	5									+3	5
Vietnam		8										8
Asia/Africa	**+3**	**68**									**+3**	**68**
Total	**+3**	**658**	**-2**	**437**	**+6**	**774**		**141**	**-2**	**106**	**+5**	**2,116**

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

€ million	Q1 2009	Q1 2008*
Net sales	**15,167**	**15,553**
Cost of sales	-12,051	-12,396
Gross profit on sales	**3,116**	**3,157**
Other operating income	303	322
Selling expenses	-2,997	-2,951
General administrative expenses	-358	-334
Other operating expenses	-13	-28
EBIT	**51**	**166**
Result from associated companies	0	0
Other investment result	0	0
Interest income	42	45
Interest expenses	-157	-153
Other financial result	-56	-14
Net financial result	**-171**	**-122**
EBT	**-120**	**44**
Income taxes	43	-8
Income from continuing operations	**-77**	**36**
Income from discontinued operations after taxes	0	-28
Net profit for the period	**-77**	**8**
Profti attributable to minority interests	23	23
Profit attributable to shareholder of METRO AG	-100	-15
from continuing operations	-100	13
from discontinued operations	0	-28
Earnings per share (€)	**-0.31**	**-0.04**
from continuing operations	-0.31	0.04
from discontinued operations	0.00	-0.08

* Adjusted prior year amounts due to discontinued operations and first-time IFRS application

RECONCILIATION FROM NET PROFIT FOR THE PERIOD TO TOTAL COMPREHENSIVE INCOME*

€ million	Q1 2009	Q1 2008
Net profit for the period	-77	8
Other comprehensive income		
Changes in revaluation surplus related to non-current assets	0	0
Actuarial gains and losses	0	0
Exchange differences arising from translating the financial statements of foreign operations	-166	-91
Effective portion of gains and losses arising from cash flow hedges	-6	-27
Gains and losses on remeasuring "available-for-sale" financial instruments	0	0
Income taxes related to the components of "other comprehensive income"	3	-1
Total comprehensive income	**-246**	**-111**
allocable to minorities	14	22
allocable to shareholders of METRO AG	-260	-133

BALANCE SHEET

Assets	31/3/2009	31/3/2008*	31/12/2008*
€ million			
Non-current assets	**18,638**	**18,726**	**18,809**
Goodwill	3,938	4,331	3,960
Other intangible assets	540	515	552
Tangible assets	12,229	12,200	12,524
Investment properties	130	148	133
Financial assets	163	127	144
Other receivables and assets	453	454	450
Deferred tax assets	1,185	951	1,046
Current assets	**12,180**	**12,857**	**15,017**
Inventories	6,829	7,228	7,001
Trade receivables	376	405	446
Financial assets	5	17	8
Other receivables and assets	2,456	2,670	3,132
Entitlements to income tax refunds	350	307	326
Cash and cash equivalents	2,044	1,896	3,874
Assets held for sale	120	334	230
	30,818	**31,583**	**33,826**

Equity and Liabilities	31/3/2009	31/3/2008*	31/12/2008*
€ million			
Equity	**5,792**	**6,354**	**6,073**
Share capital	835	835	835
Capital reseve	2,544	2,544	2,544
Reserves retained from earnings	2,180	2,742	2,440
Minority interests	233	233	254
Non-current liabilities	**8,458**	**7,725**	**7,369**
Provisions for pensions and similar commitments	967	971	964
Other provisions	506	492	533
Financial liabilities	6,129	5,443	5,031
Other liabilities	627	636	620
Deferred tax liabilities	229	183	221
Current liabilities	**16,568**	**17,504**	**20,384**
Trade payables	10,169	10,478	13,839
Provisions	504	526	522
Financial liabilities	3,781	4,260	3,448
Other liabilities	1,861	2,020	2,163
Income tax liabilities	253	184	266
Liabilities related to assets held for sale	0	36	146
	30,818	**31,583**	**33,826**

* Adjusted prior year amounts due to first-time IFRS application

CASH FLOW STATEMENT

€ million	Q1 2009	Q1 2008*
EBIT	51	166
Depreciation of tangible and other intangible assets	326	321
Change in provisions for pensions and other provisions	-34	-61
Change in net working capital	-3,376	-3,492
Income taxes paid	-183	-224
Other	400	163
Cash flow from operating activities of continuing operations	**-2,816**	**-3,127**
Cash flow from operating activities of discontinued operations	-18	-4
Total cash flow from operating activities	**-2,834**	**-3,131**
Investments in tangible assets (excl. finance leases)	-203	-276
Other investments	-51	-51
Divestment of Adler	-34	0
Disposals of fixed assets	94	126
Cash flow from investing activities of continuing operations	**-194**	**-201**
Cash flow from investing activities of discontinued operations	0	-4
Total cash flow from investing activities	**-194**	**-205**
Profit distribution		
to METRO AG shareholders	0	0
to other shareholders	-35	-44
Changes of financial liabilities	1,431	1,948
Interest paid	-154	-145
Interest received	39	56
Profit and loss transfers and other financing activities	-67	-7
Cash outflow from financing of discontinued operations	-39	0
Cash flow from financing activities of continuing operations	**1,175**	**1,808**
Cash flow from financing activities of discontinued operations	36	-5
Total cash flow from financing activities	**1,211**	**1,803**
Total cash flows	**-1,817**	**-1,533**
Exchange rate effects on cash and cash equivalents	-13	-4
Total change in cash and cash equivalents	**-1,830**	**-1,537**
Cash and cash equivalents on 1 January	3,874	3,443
Cash and cash equivalents on 31 March	2,044	1,906
Less cash and cash equivalents from discontinued operations as per 31 March	0	23
Cash and cash equivalents from continuing operations as per 31 March	**2,044**	**1,883**

* Adjusted prior year amounts due to discontinued operations

STATEMENT OF CHANGES IN EQUITY*

	Capital Stock	**Capital Reserve**	Effective portion of gains and losses arising from cash flow hedges	Exchange differences arising from translating the financial statements of foreign operations	Income taxes related to the components of "other comprehensive income"	Other reserves retained from earnings	**Reserves retained from earnings**	**Total**	related to "other comprehensive income"	Minorities	related to "other comprehensive income"	**Total equity**
1/1/2008	**835**	**2,544**	**95**	**86**	**-36**	**2,730**	**2,875**	**6,254**	**-**	**254**	**-**	**6,508**
Dividends	**0**	**0**	0	0	0	0	**0**	**0**	-	-44	-	**-44**
Total comprehensive income	**0**	**0**	-27	-90	-1	-15	**-133**	**-133**	-118	22	-1	**-111**
Other transactions with owners	**0**	**0**	0	0	0	0	**0**	**0**	-	1	-	**1**
31/3/2008	**835**	**2,544**	**68**	**-4**	**-37**	**2,715**	**2,742**	**6,121**	**-**	**233**	**-**	**6,354**
1/1/2009	**835**	**2,544**	**57**	**-335**	**-29**	**2,747**	**2,440**	**5,819**	**-**	**254**	**-**	**6,073**
Dividends	**0**	**0**	0	0	0	0	**0**	**0**	-	-35	-	**-35**
Total comprehensive income	**0**	**0**	-6	-157	3	-100	**-260**	**-260**	-160	14	-9	**-246**
Other transactions with owners	**0**	**0**	0	0	0	0	**0**	**0**	-	0	-	**0**
31/3/2009	**835**	**2,544**	**51**	**-492**	**-26**	**2,647**	**2,180**	**5,559**	**-**	**233**	**-**	**5,792**

* Changed presentation and adjusted prior year amounts due to first-time IFRS application

NOTES

SEGMENT REPORTING*

Continuing Operations

Divisions

€ million	Metro Cash & Carry Q1 2009	Metro Cash & Carry Q1 2008	Real Q1 2009	Real Q1 2008	Media Markt and Saturn Q1 2009	Media Markt and Saturn Q1 2008	Galeria Kaufhof Q1 2009	Galeria Kaufhof Q1 2008	Real Estate Q1 2009	Real Estate Q1 2008	Other (incl. METRO AG) Q1 2009	Other (incl. METRO AG) Q1 2008	Consolidation Q1 2009	Consolidation Q1 2008	METRO Group Q1 2009	METRO Group Q1 2008
External sales (net)	6,992	7,467	2,629	2,763	4,639	4,361	792	823	0	0	115	139	0	0	15,167	15,553
Internal sales (net)	2	1	0	0	0	2	1	2	0	0	1,373	1,668	-1,377	-1,673	0	0
Total sales (net)	6,995	7,468	2,629	2,764	4,639	4,362	793	826	0	0	1,488	1,807	-1,377	-1,673	15,167	15,553
EBITDA	62	138	-8	2	139	132	-19	6	224	216	-22	5	2	-11	377	487
Depreciation/amortisation	63	68	47	44	60	57	27	26	92	93	37	32	-1	0	326	321
EBIT	0	70	-56	-43	79	75	-47	-20	132	123	-59	-27	3	-11	51	166
Investments	19	31	18	40	55	73	11	16	110	146	34	34	0	0	245	340
Segment assets	6,982	7,219	3,570	3,663	4,938	4,938	1,142	1,150	8,531	8,512	1,920	1,939	-676	-595	26,407	26,827
thereof long-term	3,644	3,637	2,438	2,481	1,628	1,556	512	506	8,389	8,377	699	671	-130	-85	17,180	17,142
Segment liabilities	5,250	5,585	1,914	2,025	4,697	4,256	1,159	1,131	573	558	1,523	1,657	-918	-746	14,198	14,465
Employees at closing date (full-time equivalents)	108,060	108,782	57,739	57,433	55,360	53,443	19,175	20,080	1,472	1,325	10,416	10,021	0	0	252,222	251,084
Selling space (in 1,000 sqm)	5,195	4,892	3,132	3,100	2,461	2,241	1,491	1,484	0	0	49	51	0	0	12,328	11,768
Stores (number)	658	619	437	431	774	708	141	141	0	0	106	114	0	0	2,116	2,013

Regions

€ million	Germany Q1 2009	Germany Q1 2008	Western Europe excl. Germany Q1 2009	Western Europe excl. Germany Q1 2008	Eastern Europe Q1 2009	Eastern Europe Q1 2008	Asia/Africa Q1 2009	Asia/Africa Q1 2008	International Q1 2009	International Q1 2008	Consolidation Q1 2009	Consolidation Q1 2008	METRO Group Q1 2009	METRO Group Q1 2008
External sales (net)	6,239	6,205	4,690	4,795	3,549	3,944	688	610	8,927	9,348	0	0	15,167	15,553
Internal sales (net)	4	3	2	1	0	0	173	205	175	206	-179	-209	0	0
Total sales (net)	6,243	6,208	4,691	4,795	3,549	3,944	862	815	9,102	9,554	-179	-209	15,167	15,553
EBITDA	108	186	96	104	169	189	0	6	265	299	4	2	377	487
Depreciation/amortisation	166	160	75	75	76	77	9	8	160	161	0	0	326	321
EBIT	-58	26	21	28	94	112	-9	-3	105	138	4	2	51	166
Investments	91	111	35	77	101	113	18	39	155	229	0	0	245	340
Segment assets	11,834	12,009	7,395	7,824	6,546	6,686	1,243	1,091	15,184	15,601	-611	-783	26,407	26,827
thereof long-term	7,339	7,647	4,463	4,550	4,777	4,695	802	606	10,042	9,851	-201	-356	17,180	17,142
Segment liabilities	6,753	6,693	4,399	4,478	2,979	3,247	484	442	7,861	8,167	-416	-395	14,198	14,465
Employees at closing date (full-time equivalents)	97,888	99,455	51,354	52,733	87,101	83,115	15,879	15,781	154,334	151,629	0	0	252,222	251,084
Selling space (in 1,000 sqm)	6,034	5,992	2,922	2,799	2,884	2,548	488	430	6,294	5,776	0	0	12,328	11,768
Stores (number)	1,067	1,061	578	542	403	351	68	59	1,049	952	0	0	2,116	2,013

Discontiuned Operations

€ million	Q1 2009	Q1 2008
External sales (net)	50	464
Internal sales (net)	0	0
Net sales	50	464
EBITDA	-1	-22
Depreciation/amortisation	0	5
EBIT	-1	-27
Investments	1	4
Segment assets	0	805
thereof long-term	0	587
Segment liabilities	0	120
Employees at closing date (full-time basis)	0	9,245
Selling space (in 1,000 sqm)	0	735
Stores (number)	0	371

* Changed presentation and adjusted for prior year amounts due discontinued operations and first-time IFRS application

Notes to Group Accounting Principles and Methods

The interim consolidated financial statements published for the period ending 31 March 2009 were prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34 ("Interim Financial Reporting") and are not audited. This is a condensed interim report and, as such, does not contain all the information required by IFRS for year-end consolidated financial statements.

In preparing these interim consolidated financial statements, the same recognition and measurement methods were used as in the last consolidated financial statement for the period ending 31 December 2008 with the exception of the changes described below. More information regarding the recognition and measurement methods applied can be found in the notes to the consolidated financial statement for the period ending 31 December 2008 (pages 132-142).

Reporting changes

A number of standards and interpretations that were revised by the International Accounting Standards Board (IASB) and approved by the European Commission have been applied in these interim consolidated financial statements.

IFRS 8 ("Operating Segments")

The new IFRS 8 focuses on the company's internal management in the breakdown of business segments. For this reason, reporting may be required of segments, whose business activities are not primarily orientated towards generating external sales. As a result, all of the METRO Group's real estate property is presented as a separate segment as part of the initial application of IFRS 8. Real estate property had been previously reported in both sales divisions and the Other segment. Real estate property is rented out predominantly within the Group under standard market conditions.

As of the first quarter, the Dinea restaurants belonging to Galeria Kaufhof are being reported under the Galeria Kaufhof segment as these are both legally and physically part of the department stores in which they are located and are an integral part of Galeria Kaufhof's business activities. They had previously been reported within the Other segment. In contrast to the former method, the Dinea restaurants are therefore no longer counted separately and are instead recognised as part of the Galeria Kaufhof department stores in which they are located. Therefore the number of Galeria Kaufhof locations remains unchanged. The Group, however, reflects a corresponding reduction in the number of its locations.

All business activities that are not considered business segments under IFRS 8 are included in the Other segment together with business segments not subject to reporting requirements. Consolidation has been separated and is not longer reported under the Other segment. Although it is not mandatory, equivalent information on the business segments will continue to be provided by Metro regions in the interest of transparency.

A segment's result will continue to be defined as operating result (EBIT). In cases where inter-company lease arrangements exist, it is always the lessee's EBIT that is impacted by the lease charge payable to the affiliated company acting as a lessor. A segment's assets contain current and non-current assets. Not included in the segment assets are mainly financial assets according to the balance sheet, tax items, cash and cash equivalents as well as "assets held for sale". Investments include additions to non-current assets. Main exceptions to this include additions to financial assets according to the balance sheet and tax items. A segment's liabilities contain current and non-current liabilities. In particular, financial liabilities according to the balance sheet „tax items and "liabilities associated with assets held for sale" are not allocated to segment liabilities.

The relevant 2008 segment figures have been adjusted to provide a better basis for comparison.

IAS 1 ("Presentation of Financial Statements")

The net profit presented for the period under review on the income statement has been expanded to include the disclosure of "other comprehensive income", which includes components reported directly in equity. Together, these constitute the total comprehensive income pursuant to the revised IAS 1. Furthermore, the statement of changes in equity has been expanded to include a presentation of retained earnings showing the items of "other comprehensive income" separately.

IFRIC 13 ("Customer Loyalty Programmes")

Award credits granted to customers by a company as part of a customer loyalty programme are to be reported pursuant to IAS 18.13 as separately identifiable components of a multiple-element contract to the extent that they fall within the scope of IFRIC 13. A sales transaction therefore has two components to which revenue is allocated: a primary service (the sale of goods or the rendering of a service) and the granting of award credits. The portion of revenue allocated to the granting of award credits is only to be recognised when the award credits can be considered as fulfilled through redemption, expiry, or transference of the obligation to a third party. The previous year's figures have been adjusted to provide a better basis for comparison in line with the retrospective application of IFRIC 13.

IAS 23 ("Borrowing Costs")

The capitalisation of borrowing costs for "qualifying assets", which had previously been optional, is required under the revised IAS 23. Qualifying assets are non-financial assets requiring a substantial period of time to be brought into their intended state for sale or use. The IAS 23 revision had no effect in the first quarter of 2009 because there were no qualifying assets with a commencement date for capitalisation beginning on or after 01 January 2009 (in observance of the transitional provisions). Real estate will likely be affected in the future, though this is not currently expected to have any material impact on the consolidated financial statements.

In the past, the METRO Group has recognised like-for-like sales in Euros. To provide a better basis for comparison, and to comply with international conventions, like-for-like sales will henceforth be denominated in local currencies. In addition, the previous year's growth rates are also depicted in the tables.

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

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

Notes to Related Parties

In Q1 2009, companies that are included in the circle of related companies rendered goods/services to the amount of €27 million to METRO Group companies. These consist primarily of leasing services.

METRO Group companies rendered negligible goods/ services to companies that are included in the circle of related companies.

All 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 Supervisory Board

Following the disposal of the Adler fashion stores, Mrs. Angelika Zinner resigned from the Supervisory Board on 6 March 2009. Upon request of the Management Board of METRO AG and with effect from 2 May 2009 the district court of Düsseldorf has appointed Mr Uwe Hoepfel, Vice Chairman of the General Works Council of Galeria Kaufhof GmbH, as the succeeding Supervisory Board member.

Financial Calendar

Annual General Meeting	Wednesday, 13 May 2009, 10.30 am
Half-Year Financial Report H1/Q2 2009	Monday, 3 August 2009, 7.15 am
Quarterly Financial Report 9M/Q3 2009	Monday, 2 November 2009, 7.15 am

All time specifications are CET.

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