METRO GROUP
MADE TO TRADE.

Half-Year Financial Report of METRO GROUP

H1/Q2 2012

Q2

- Sustained sales growth
- Earnings up on the previous year
- Positive cash flow development continues

METRO GROUP sales increase by 1.8% to €15.8 billion despite a shorter Easter business

EBIT before special items increases to €314 million (Q2 2011: €306 million).

Metro Cash & Carry
Sales +2.0%
Eastern Europe remains on growth path, also in like-for-like terms
Accelerated growth in Asia

Real
Sales -1.9%
Calendar-related decrease at Real Germany
Positive development in Eastern Europe in local currency

Media-Saturn
Sales +4.5%
Germany +6.8% like-for-like thanks to European football championship as well as satellite digital switchover
Further like-for-like growth in Eastern Europe

Galeria Kaufhof
Sales -2.3%
Increased share in the textile market

Real Estate
Successful sale of two Kaufhof stores

H1

METRO GROUP sales increase by 2.0% to €31.5 billion (in local currency: +2.2%)

Metro Cash & Carry, Real and Media-Saturn all with sales growth

Sales in Germany increase by 1.7%

International sales grow by 2.2% (in local currency: +2.5%)
(Western Europe: -1.7%; Eastern Europe: +2.5%; Asia/Africa: +27.0%)

EBIT before special items amounts to €305 million (H1 2011: €452 million)

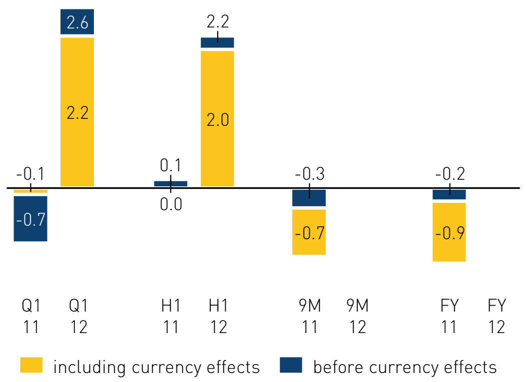
Improved cash flow from operating activities (+€350 million)

Net working capital improves by almost €600 million

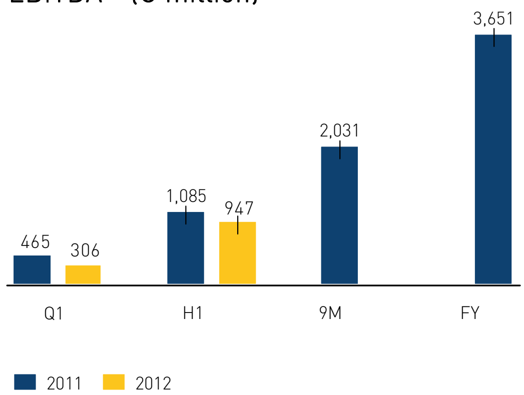
2012 sales and earnings guidance confirmed

OVERVIEW H1 2012

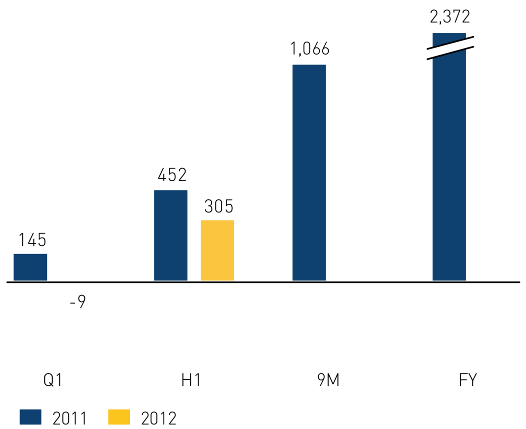
Sales growth [1] (in %)



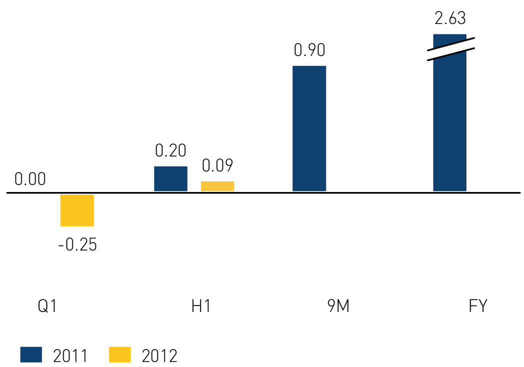
EBITDA [2] (€ million)



EBIT [2] (€ million)



EPS [2] (€)



€ million	H1 2011	H1 2012	Change (€)	Change (LC)
Sales	30,874 [1]	31,493	2.0%	2.2%
Germany	11,783 [1]	11,989	1.7%	1.7%
International	19,090 [1]	19,504	2.2%	2.5%
Western Europe (excl. Germany)	9,737 [1]	9,576	-1.7%	-2.1%
Eastern Europe	7,974 [1]	8,177	2.5%	5.4%
Asia/Africa	1,379 [1]	1,751	27.0%	17.1%
International share of sales	61.8% [1]	61.9%	0.2%	
EBITDA [2]	1,085	947	-12.8%	
EBIT [2]	452	305	-32.4%	
EBT [2]	129	38	-70.4%	
Net profit for the period [2] [3]	66	28	-57.5%	
EPS (€) [2]	0.20	0.09	-57.5%	
Capex	811	555	-31.5%	
Stores	2,123	2,209	4.1%	
Selling space (1,000 sqm)	12,716	12,962	1.9%	
Employees (full-time basis)	246,900	248,833	0.8%	

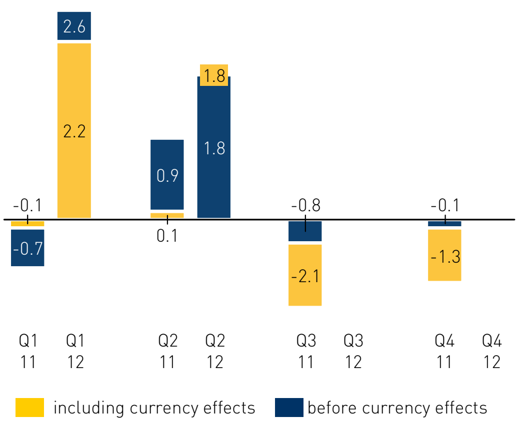
[1] Revised disclosure in 2011 (see Notes)

[2] Before special items, special items overview on p. 21

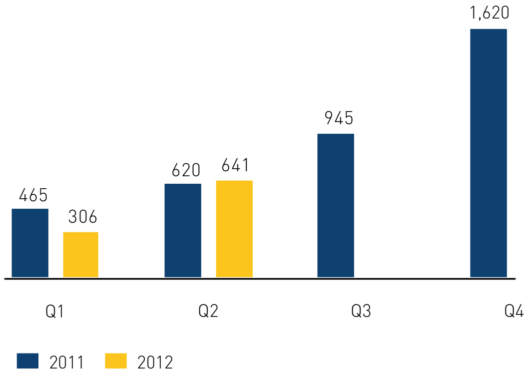
[3] Profit attributable to shareholders of METRO AG

OVERVIEW Q2 2012

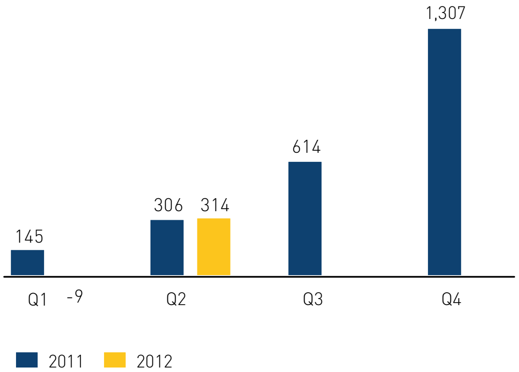
Sales growth[1] (in %)



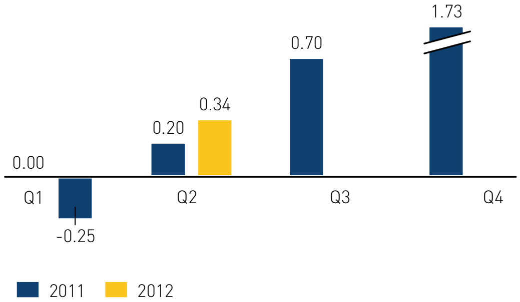
EBITDA [2] (€ million)



EBIT [2] (€ million)



EPS [2] (€)



€ million	Q2 2011	Q2 2012	Change (€)	Change (LC)
Sales	15,567 [1]	15,846	1.8%	1.8%
Germany	5,833 [1]	5,942	1.9%	1.9%
International	9,734 [1]	9,904	1.8%	1.8%
Western Europe (excl. Germany)	4,983 [1]	4,881	-2.0%	-2.6%
Eastern Europe	4,156 [1]	4,223	1.6%	4.2%
Asia/Africa	595 [1]	800	34.4%	19.6%
International share of sales	62.5% [1]	62.5%	0.0%	
EBITDA [2]	620	641	3.3%	
EBIT [2]	306	314	2.5%	
EBT [2]	103	173	66.5%	
Net profit for the period [2] [3]	68	111	63.2%	
EPS (€) [2]	0.20	0.34	63.2%	
Capex	599	336	-43.9%	
Stores	2,123	2,209	4.1%	
Selling space (1,000 sqm)	12,716	12,962	1.9%	
Employees (full-time basis)	246,900	248,833	0.8%	

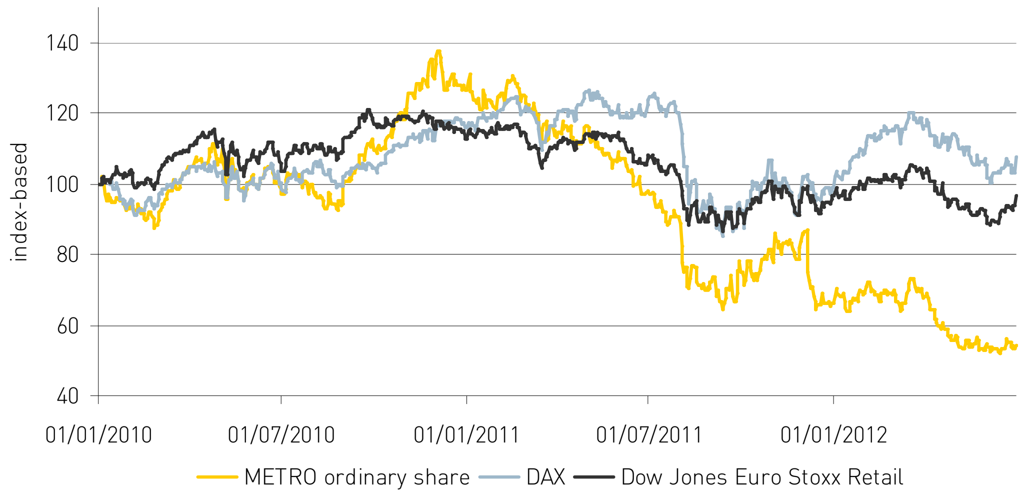
[1] Revised disclosure in 2011 (see Notes)

[2] Before special items, special items overview on p. 22

[3] Profit attributable to shareholders of METRO AG

METRO SHARE

METRO share price performance



In the first six months of 2012, the METRO AG share price declined by 18.4% to €23.01. The performance of the METRO AG share therefore remained lower than that of both the German DAX and the sector benchmark index, Dow Jones Euro Stoxx Retail. The trading statement reported in mid-January and the publication of the consolidated financial statements on 20 March 2012 were in line with expectations and therefore had no positive impetus on the share price. The uncertainty in many key markets in which METRO GROUP is active resulted in a wait-and-see attitude of investors. The beginning of Q2 was marked by many analysts adjusting their forecasts, targets and recommendations within the scope of the Q1 reporting. The Metro share price decreased considerably as a result. The share price recovered prior to the Annual General Meeting, supported by factors such as the attractive dividend yield, which amounted to 5.7% on the day before its distribution. The shareholders approved a dividend of €1.35 per ordinary share and €1.485 per preference share. The ex-dividend markdown was recovered again during the course of June.

Metro shares 2010 - H1 2012

		2010	2011	H1 2012
Closing prices (€)	Ordinary share	53.88	28.20	23.01
	Preference share	36.09	24.16	22.20
High prices (€)	Ordinary share	58.53	55.91	31.18
	Preference share	40.89	39.24	27.50
Low prices (€)	Ordinary share	37.28	27.39	22.17
	Preference share	32.00	22.43	21.93
Market capitalisation (€ billion)*		17.6	9.2	7.5

Data based on XETRA closing prices

* at the end of the reporting period

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

	31/12/2010 vs 31/12/2009	31/12/2011 vs 31/12/2010	30/06/2012 vs 31/12/2011
METRO GROUP	26.6%	-47.7%	-18.4%
DAX	16.1%	-14.7%	8.8%
Dow Jones Euro Stoxx Retail	13.7%	-15.9%	0.1%

Source: Bloomberg

INTERIM GROUP MANAGEMENT REPORT

Macroeconomic Conditions

Economic developments were impacted by considerable uncertainty in H1 2012. The downturn, which began in the previous year, continued. The main reasons were once again the sovereign debt crisis in the Eurozone. As a result of this crisis, economic momentum in the emerging markets also slowed down.

The weak economy, coupled with continued consolidation measures to stabilise public debts, had a negative impact on disposable incomes and consumers' purchasing power. At the same time, unemployment figures hit new records in Europe. Consumer confidence in many countries deteriorated as a result. The difficult conditions also slowed down the retail sales development. In addition, disinflation had a dampening effect. The partial shift of the Easter business into March as well as an unfavourable constellation of trading days also negatively impacted retail sales in Q2 2012.

Even **Germany** was unable to escape the effects of the European debt crisis any longer after its dynamic growth in the past two years. After a comparatively positive Q1, the economy weakened considerably in Q2. Overall, however, conditions were comparatively robust with unemployment figures dropping further as well as stable consumer confidence. However, the retail sector showed only a weak development in Q2 due to less trading days and the Easter shift.

The **Western European** countries remained in an economic downturn in H1 2012. The divergence between robust core countries and crisis-ridden, peripheral countries also continued. The downturn affected all countries, however, albeit to a varying extent. As a result, the overall retail sales development was also weak. After a slight increase in Q1, which was also calendar-related, retail sales declined in Q2. Overall, this means that sales in H1 almost stagnated, and in real terms sales even decreased significantly.

Similar to Western Europe, high heterogeneity in the economic development continued in **Eastern Europe**. In light of difficult economic conditions, Poland and Russia in particular posted a solid performance.

The economic situation in Greece remained critical. Consumers in Hungary and the Czech Republic were hit by VAT hikes at the beginning of the year.

The **Asian** emerging markets once again recorded the highest growth world-wide in Q2 despite the economic slowdown. Retail sales growth also remained comparatively high. Despite an economic deceleration, China, for example, continued to achieve double-digit retail sales growth.

Financial Position and Financial Performance

Sales

METRO GROUP sales rose by 2.0% to €31.5 billion (H1 2011: €30.9 billion) from **January to June 2012**. In local currency, METRO GROUP sales were even up 2.2% on the previous year.

Growth rates in Q2 2012 were slightly down on those in Q1. This is primarily due to the shorter Easter business period. In the reporting period, the first week of the Easter business fell in Q1, while in the previous year, the entire Easter business was in Q2. Sales rose by 1.8% to €15.8 billion in Q2 (Q2 2011: €15.6 billion). Adjusted for currency effects, sales also grew by 1.8%. Compared to Q1, positive food price effects decreased, to some extent considerably, in Q2.

In **Germany**, sales in H1 2012 rose by 1.7% to €12.0 billion. In Q2, sales increased by 1.9% to €5.9 billion. Media-Saturn recorded a very dynamic sales development, which was also supported by higher TV set sales in connection with the European football championship.

International sales increased by 2.2% to €19.5 billion from January to June 2012. Sales in local currency increased by as much as 2.5%. The international share of sales rose slightly from 61.8% to 61.9%. In Q2, sales increased by 1.8% to €9.9 billion. Sales in local currency also grew by 1.8%. The international share in sales remained at 62.5%.

Sales in **Western Europe (excluding Germany)** in H1 2012 fell by 1.7% to €9.6 billion (in local currency: -2.1%) and were mainly impacted by the previous year's disposal of Media-Saturn France. Sales declined by 2.0% to €4.9 billion (in local currency: -2.6%) in Q2 as a result of the further slowdown of economic momentum. In addition, the shorter Easter business period had a negative impact on the development of Metro Cash & Carry sales.

Sales in **Eastern Europe** grew by 2.5% to €8.2 billion from January to June 2012. Sales in local currency grew significantly by 5.4%. In Q2, sales grew by 1.6% to €4.2 billion and by a considerable 4.2% in local currency.

Asia/Africa remains METRO GROUP's fastest-growing region by far. Sales rose significantly by 27.0% to €1.8 billion in H1 2012. Sales in local currency grew by 17.1%. Sales continued to increase dynamically in Q2, also due to positive currency effects, and soared by 34.4% to €0.8 billion. Sales in local currency increased by 19.6%.

Shape 2012

Further progress was again made in H1 2012 with regard to productivity gains within the scope of the efficiency and value enhancing Shape 2012 programme. Metro Cash & Carry delivery sales rose by more than 40% to more than €1 billion (H1 2011: €733 million). METRO GROUP's own brand sales amounted to €3.6 billion, after €3.2 billion in the previous year. Sales in the promising online business grew to €328 million due to the acquisition of Redcoon (H1 2011: €54 million).

Special Items

Non-recurring business transactions such as restructuring and portfolio measures are classified as special items. Reporting before special items therefore provides a better reflection of the operating performance, thus increasing the value of the information provided. An overview, including the reconciliation of special items, is printed on pages 21 and 22.

Earnings

In H1 2012, **EBITDA** amounted to €875 million (H1 2011: €1,055 million) and included special items of €72 million (H1 2011: €30 million). These special items pertain, in particular, to expenses incurred for restructuring measures. Adjusted for said special items, EBITDA amounted to €947 million compared to €1,085 million in H1 2011. EBITDA before special items rose to €641 million in Q2 2012 (Q2 2011: €620 million).

EBIT in H1 2012 decreased to €61 million (H1 2011: €410 million). This figure, however, includes special items to the amount of €244 million (H1 2011: €42 million). The special items mainly comprise impairment losses of €172 million from the sale of Makro UK as well as expenses for restructuring provisions of €68 million. Adjusted for these special items, EBIT declined from €452 million to €305 million. In addition to the like-for-like sales decrease in Western Europe, particularly at Media-Saturn, price investments as well as expenses for increasing customer value at Metro Cash & Carry had a negative impact on earnings. In Q2 2012, EBIT before special items rose, however, from €306 million to €314 million. The earnings of the segments Real, Galeria Kaufhof, Real Estate and Other were responsible for this increase.

The **net financial result** in H1 2012 amounted to €-267 million compared to €-323 million in H1 2011. It has therefore improved considerably, although the previous year's figure included a €27 million book gain from the sale of the remaining stake in Loyalty Partner. The net interest result was €-266 million compared to €-299 million in H1 2011. The other financial result improved considerably due to exchange rate developments, particularly in some Eastern European countries.

EBT in H1 2012 amounted to €-206 million (H1 2011: €87 million). Adjusted for special items, EBT was €38 million (H1 2011: €129 million). **EPS** amounted to €-0.32, after €0.11 in H1 2011. Adjusted for special items, EPS declined from €0.20 to €0.09. In Q2 however, EPS before special items rose to €0.34 (Q2 2011: €0.20).

Capex

METRO GROUP's capex in H1 2012 amounted to €555 million (H1 2011: €811 million). Of this amount, €336 million pertained to Q2 (Q2 2011: €599 million).

Store Network

In H1 2012, 28 new stores were opened and 10 closed respectively disposed of. 13 openings and six disposals occurred in Q2.

Metro Cash & Carry opened 15 stores from January to June 2012, seven thereof in Q2 2012. In addition, four Metro Cash & Carry stores in Pakistan are included in the store network as part of a joint venture. These were not counted as new store openings. The stores in the United Kingdom were still included in the store network as of 30 June 2012 but are removed from like-for-like sales figures in accordance with the definition of METRO GROUP.

Real disposed of or closed three hypermarkets, two thereof in Q2 2012.

Media-Saturn opened 12 stores, six thereof in Q2 2012, and closed three stores.

In H1 2012, Galeria Kaufhof opened one "Wanderzeit"-branded store in Germany. As previously announced, the rental contracts of four stores, which expired in June 2012, were not renewed.

As at the end of June 2012, METRO GROUP operated a total of 2,209 stores in 33 countries.

A detailed presentation on the business development of the individual divisions is given on pages 11 to 19.

Funding

METRO GROUP employs typical capital market permanent issuance programmes for funding purposes. To cover medium- and long-term funding requirements, the Group has a "Debt Issuance Programme" available from which bonds are issued. The maximum programme volume amounts to €6 billion and was drawn down by around €3.8 billion nominal volume as at 30 June 2012 (H1 2011: €3.4 billion).

As previously reported, the bonds and note loans totalling approximately €1.1 billion that reach maturity this year were refinanced in full in Q1 2012 by a number of private placements, a promissory note (Schuldscheindarlehen) and EUR- and CHF-denominated bonds. This allowed METRO GROUP to secure all refinancing for 2012 early on and significantly improve its maturity profile.

Both the "Euro Commercial Paper Programme" as well as a further commercial paper programme, specifically geared to French investors, facilitate the coverage of short-term funding requirements. The maximum volume of each programme amounts to €2 billion. The drawdown on both programmes from January to June 2012 averaged €1.4 billion (H1 2011: €0.8 billion).

In addition, METRO GROUP has bilateral and syndicated credit facilities amounting to €4.8 billion with durations up to 2017. As at 30 June 2012, the drawdown thereof was €1.6 billion (30 June 2011: €1.7 billion). €3.1 billion in bilateral and syndicated credit lines, with maturities exceeding one year, were not drawn down.

Credit Rating

Credit ratings assess a company's ability to meet its financial liabilities. They provide potential lenders with proof that a company is creditworthy. A credit rating also makes it easier to gain access to the international capital markets. Two leading international rating agencies – Moody's and Standard & Poor's – continuously analyse METRO GROUP.

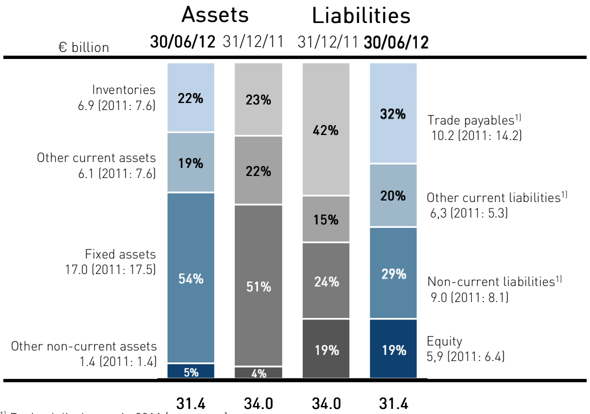
Category	Moody's	Standard & Poor's
Long-term	Baa2	BBB
Short-term	P-2	A-2
Outlook	negative	negative

These credit ratings open the door to all financial markets for METRO GROUP.

Balance Sheet

Total assets decreased by €2.6 billion to €31.4 billion compared to 31 December 2011. This is mainly due to the decrease in cash and cash equivalents typical for Q1 in comparison to the year-end closing.

As at 30 June 2012, METRO GROUP's balance sheet disclosed €5.9 billion equity. Due to the balance sheet contraction and despite the dividend distribution in May 2012, the year-to-date equity ratio decreased only slightly from 18.9% to 18.8%.



[1] Revised disclosure in 2011 (see notes)

Balance sheet net debt, after netting cash and cash equivalents, as well as bank deposits, with financial liabilities (including finance leases), totalled €8.2 billion compared to €4.1 billion as at 31 December 2011. This increase in net debt against the prior year-end closing is characteristic and resulted from the €4.1 billion reduction in trade payables. The reason for 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, which are then reduced over the course of Q1. Net debt decreased by €0.2 billion compared to 30 June 2011, however, thanks to the improved development of cash flow from operating activities.

Cash Flow

From January to June 2012, cash outflow from operating activities amounted to €2.9 billion (H1 2011: €3.3 billion cash outflow). This reflects the seasonal increase in net working capital. Despite a decrease in EBIT, this rise in net working capital was considerably lower than in H1 2011 thanks to strict inventory management and improved supplier management. Net working capital improved by €589 million compared to H1 2011.

Cash flow from investing activities included cash outflows for capex as well as cash inflows relating to property sales and to the sale of shares in Loyalty Partner in the previous year. Overall, cash outflow amounted to €0.5 billion (H1 2011: €0.4 billion cash outflow). Increased investments in tangible assets were offset by the improved cash flow from operating activities.

Cash flow before financing activities improved to €-3.4 billion (H1 2011: €-3.7 billion). This figure also reflects the improved cash flow from operating activities.

Cash inflow from financing activities amounted to €1.8 billion (H1 2011: €0.6 billion). The increase was due to the successful securing of the full year refinancing already in Q1 2012.

Opportunities and Risks

Since the preparation of the Annual Report (27 February 2012), changes arose from the reported opportunities and risks concerning the ongoing development of METRO GROUP as described in detail in the Annual Report 2011 (pp. 158 – 174).

Macroeconomic conditions, particularly in Europe, deteriorated during the course of H1 2012. The risk of the Eurozone breaking up also increased. A further deterioration of macroeconomic conditions as well as a break-up of the monetary union would both have a considerable impact on METRO GROUP's business performance.

There are no risks that could endanger the company's existence and at present, none can be identified for the future.

The successful implementation of the resolved cost reduction measures is providing METRO GROUP with new opportunities.

Sustainability

METRO GROUP launched a new carbon accounting system in mid-May 2012 to ensure that a standardised approach is applied for recording and calculating the Metro carbon footprint pursuant to the international standards of the Greenhouse Gas Protocol (GHG).

The Progress Report 2011 was published on 23 May 2012. The included carbon footprint was audited for the first time by the auditor with a positive outcome.

Subsequent Events and Outlook

Events After the Quarter-end Closing

The sale of all 30 Makro wholesale stores in the United Kingdom as well as all operating assets of Makro UK (Manchester) to the Booker Group was concluded on 4 July 2012. An impairment loss of €172 million was already incurred on 30 June 2012 within the scope of this transaction. In return, METRO GROUP now holds a 9.08% stake in Booker Group plc. In addition, METRO GROUP received a cash payment of £15.8 million. Both companies also expect additional added value from this strategic partnership and intensive exchange of competences.

At the beginning of July 2012, it was resolved to implement an extensive restructuring programme for central functions in Germany and abroad. In addition to personnel cost savings, extensive savings are also planned with regard to material and project costs. Special items in the low double-digit million Euros range are expected in this context.

Macroeconomic Outlook

The leading economic indicators are declining again after a temporary recovery. Uncertainty about future economic development remains high. In addition, the economic situation in Western and Eastern Europe also remains marked by the different development of individual countries in 2012. Growth rates amongst the Asian emerging markets remain comparatively high despite the economic cooling. Overall, economic growth worldwide is likely to be significantly down on that seen in 2011 and in many Western European countries it is even likely to decline.

Outlook METRO GROUP

We expect continued and great economic insecurity in 2012 to dampen consumer confidence.

Sales

The persistently difficult economic situation and the slowing price increases will most likely have a negative impact on sales in 2012. Conversely, all sales divisions are taking numerous measures to boost sales. We expect sales to rise in the full year, also on account of the positive developments in H1 2012.

Earnings

METRO GROUP's strategy aims for sustainable growth in sales and earnings.

In 2012, the earnings development will be dampened by the continuing difficult economic conditions. In 2012, METRO GROUP will continue to invest in its competitiveness. This will include both productivity gains and targeted price investments. We are also laying the foundations for more focused expansion activities, which in turn incurs costs.

In Q2 2012, investments to improve customer value were already partially offset by sales developments and increased efficiency in areas not relevant to customers. We expect this development to continue in H2 2012. For this reason, we continue to expect EBIT before special items in 2012 to roughly match the previous year's result, despite heightened macroeconomic risks (EBIT 2011 before special items: €2,372 million).

Cash Flow

Based on the development in H1 2012 and in light of a focussed and disciplined investment programme, METRO GROUP expects the cash flow development to be significantly better in financial year 2012 than in the previous year. As a result, net debt is expected to decline.

Capex

In the financial year 2012, METRO GROUP plans to invest €1.8 billion and open around 100 new stores.

	2012
Investments (€ billion)	1.8
New store openings	~100
Sales growth	>0 %
Earnings (before special items, € billion)	~2.4

Metro Cash & Carry

	Sales € million		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012
Total[1]	**14,819**	**15,235**	**1.3%**	**2.8%**	**-0.4%**	**0.1%**	**1.7%**	**2.7%**	**0.6%**	**0.8%**
Germany[1]	2,432	2,384	-3.3%	-2.0%	0.0%	0.0%	-3.3%	-2.0%	0.0%	0.9%
Western Europe (excl. Germany)	5,616	5,555	-0.7%	-1.1%	0.1%	0.4%	-0.8%	-1.5%	-0.8%	-1.8%
Eastern Europe[1]	5,439	5,619	3.5%	3.3%	-0.5%	-2.2%	4.0%	5.5%	-0.3%	2.1%
Asia/Africa	1,333	1,677	10.7%	25.8%	-3.6%	9.7%	14.3%	16.1%	13.4%	5.7%

[1] Revised disclosure in 2011 (see Notes)

	Sales € million		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012
Total[1]	**7,796**	**7,952**	**1.4%**	**2.0%**	**-1.6%**	**0.4%**	**3.0%**	**1.5%**	**1.8%**	**-0.3%**
Germany[1]	1,294	1,236	-1.1%	-4.5%	0.0%	0.0%	-1.1%	-4.5%	1.9%	-1.7%
Western Europe (excl. Germany)	3,039	2,983	0.1%	-1.9%	-0.2%	0.6%	0.4%	-2.5%	0.3%	-2.6%
Eastern Europe[1]	2,891	2,969	4.0%	2.7%	-2.1%	-2.0%	6.0%	4.7%	1.5%	1.2%
Asia/Africa	571	763	1.3%	33.7%	-11.6%	14.7%	12.9%	18.9%	12.7%	6.4%

[1] Revised disclosure in 2011 (see Notes)

From January to June 2012, **sales** at Metro Cash & Carry grew by 2.8% to €15.2 billion (in local currency: +2.7%). Dynamic developments in Eastern Europe and Asia contributed to this. Like-for-like sales increased by 0.8%. Metro Cash & Carry generated like-for-like sales growth in all regions except Western Europe. The development in Q2 weakened slightly compared to Q1 as this quarter was supported by positive calendar effects, particularly the early Easter business. The economic conditions continued to present Metro Cash & Carry with many challenges in H1 2012. The economic downturn gathered momentum in Q2. Hence, also non-food sales decreased in many countries. The positive food price effects also declined.

Delivery sales in H1 2012 increased to €1,058 million (H1 2011: €733 million). Own brands also continued to grow dynamically. The share of own brand sales continued to grow significantly by 1.5 percentage points to 16.7% (H1 2011: 15.2%). Demand for value-for-money products increased in many countries and could be met by the attractive own brand product ranges. Metro Cash & Carry consequently makes an important contribution toward increasing customers' competitive position.

In **Germany**, sales in H1 2012 declined by 2.0% to €2.4 billion. The decrease is due to the optimisation of the store base (Q4 2011: 10 closures). Like-for-like sales, however, increased by 0.9%. The development in Q2 was down on that of Q1. In addition to an unfavourable calendar constellation, the tough comparable from the previous year's quarter contributed largely to this development.

Sales in **Western Europe** amounted to €5.6 billion (in local currency: -1.5%) in H1 2012 despite much tougher macroeconomic conditions. Like-for-like sales declined by 1.8%. In an overall shrinking market, Metro Cash & Carry gained market shares in countries such as Spain and Italy. The shorter Easter business period had a negative impact on the sales development in Q2. Like-for-like sales declined by 2.6% compared to the high prior year's base.

Sales in **Eastern Europe** grew dynamically by 3.3% to €5.6 billion in H1 2012 under difficult macroeconomic conditions. In local currency, sales increased by as much as 5.5%. Like-for-like sales also grew noticeably by 2.1%. The positive sales development in Eastern Europe continued in Q2. The trend in Poland improved compared to Q1. Like-for-like sales in Romania grew again for the first time in over three years. In Russia, like-for-like sales continued to grow significantly and the market position was expanded further.

Sales in **Asia/Africa** soared by 25.8% to €1.7 billion in H1 2012 (in local currency: +16.1%). All countries in this region recorded high growth rates, even in local currency. As a result, Metro Cash & Carry generated over 10% of its sales in Asia/Africa for the first time. Q2 also developed very positively. Growth accelerated compared to Q1. Sales increased by more than one third. Sales rose considerably in all countries. Particularly in China, dynamic growth, also in like-for-like terms, continued. It was resolved in Q2 to stop the market entry into Indonesia.

The international share in sales generated during H1 2012 increased from 83.6% to 84.4%.

€ million	H1 2011	H1 2012	Change	Q2 2011	Q2 2012	Change
EBITDA	403	290	-28.1%	311	251	-19.3%
EBITDA before special items	423	339	-19.7%	327	301	-8.1%
EBIT	273	43	-84.1%	246	69	-71.7%
EBIT before special items	293	220	-24.9%	262	246	-6.1%
Capex	449	131	-70.9%	415	80	-80.8%

	31/12/2011	30/06/2012	Change	31/03/2011	30/06/2012	Change
Stores	728	747	+19	740	747	+7
Selling space (1,000 sqm)	5,517	5,555	+38	5,564	5,555	-9
Employees (full-time basis)	116,408	115,176	-1,232	113,719	115,176	+1,457

EBITDA in H1 2012 decreased to €290 million (H1 2011: €403 million). This figure includes special items to the amount of €50 million (H1 2011: €20 million). EBITDA before special items amounted to €339 million (H1 2011: €423 million).

EBIT in H1 2012 decreased considerably to €43 million (H1 2011: €273 million). The decrease mainly results from the sale of Makro UK. Special items totalled €176 million (H1 2011: €20 million) and included the sale of Makro UK as well as expenses incurred from stopping expansion into Indonesia and from implementing restructuring measures in Portugal and at the headquarters of Metro Cash & Carry in Germany. EBIT before special items in H1 amounted to €220 million (H1 2011: €293 million). The decline in earnings reflects the development of functions for increasing customer value, which has already been partially offset by increasing efficiency in other areas. Earnings were also impacted by higher expansion costs and price investments. This was contrasted by positive earnings effects from the improved like-for-like sales development. At €16 million, the earnings decline in Q2 was less than the €57 million earnings decrease in Q1.

Capex from January to June 2012 for the expansion and modernisation amounted to €131 million (H1 2011: €449 million). The strong decline was due to the non-cash additions of finance leases for existing locations in Germany in the previous year. Metro Cash & Carry opened a total of 15 **stores** in H1 2012, four thereof in Russia and three in China. Two Metro Cash & Carry stores each were opened in Poland, India and Kazakhstan. The store network in Belgium and Vietnam grew by one store per country. The four Metro Cash & Carry stores in Pakistan, which were added as part of a joint venture in Q1 2012, are also included in the store base.

METRO GROUP announced the sale of all 30 Makro wholesale stores in the United Kingdom as well as all operating assets of Makro UK (Manchester) to the Booker Group plc. on 30 May 2012. In return, METRO GROUP effectively receives a 9.08% stake in the Booker Group as well as a cash payment of £15.8 million.

As at 30 June 2012, Metro Cash & Carry operated 747 stores in 30 countries, thereof 107 in Germany, 261 in Western Europe, 276 in Eastern Europe and 103 in Asia/Africa.

Real

	Sales € million		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012
Total[1]	**5,322**	**5,329**	**-1.8%**	**0.1%**	**-0.2%**	**-1.2%**	**-1.6%**	**1.3%**	**-0.6%**	**1.2%**
Germany[1]	3,886	3,933	-1.7%	1.2%	0.0%	0.0%	-1.7%	1.2%	0.4%	2.0%
Eastern Europe	1,436	1,396	-1.9%	-2.8%	-0.6%	-4.3%	-1.3%	1.6%	-3.3%	-0.8%

[1] Revised disclosure in 2011 (see Notes)

	Sales € million		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012
Total[1]	**2,717**	**2,665**	**0.0%**	**-1.9%**	**-0.4%**	**-1.1%**	**0.4%**	**-0.8%**	**1.6%**	**-1.0%**
Germany[1]	1,989	1,965	0.8%	-1.2%	0.0%	0.0%	0.8%	-1.2%	3.1%	-0.7%
Eastern Europe	727	701	-2.0%	-3.7%	-1.5%	-4.3%	-0.5%	0.7%	-2.5%	-1.6%

[1] Revised disclosure in 2011 (see Notes)

In H1 2012, **sales** at Real increased by 0.1% to €5.3 billion (in local currency: +1.3%). Due to the shorter Easter business period and a weaker non-food sales development, sales declined by 1.9% in Q2 (in local currency: -0.8%).

In **Germany**, sales in H1 2012 rose by 1.2% to €3.9 billion. Like-for-like sales increased significantly by 2.0%. This means that Real defended its position in the hypermarket segment despite disposing of selling space. Real implemented a total of 266 attractive concept modules in H1 2012 to further sharpen the brand profile and increase customer value. 179 of these modules pertain to Q2 2012. The focus was on electrical goods, pet products and international delicatessen. Sales at Real Germany declined in Q2 compared to the high previous year's base, primarily due to the shorter Easter business period and a decline in the non-food sales development.

The "Local Entrepreneurship" initiative was extended to further stores in H1. This project expands the decision-making freedom of store managers. This approach helps the product ranges to be more effectively modified to local customer needs at now 26 hypermarkets.

The improved customer perception of the Real brand is also confirmed by the German Institute for Service Quality (Deutsches Institut für Service-Qualität). Real won consumers over in the areas of service quality and value for money, reaching second place in the overall ranking. Compared to last year's study, Real improved its position by six ranks and is therefore the company with the strongest improvement.

The Real online shop continued to grow dynamically. In H1 2012, sales rose year-on-year by over 40%.

Sales in **Eastern Europe** in H1 2012 decreased by 2.8% to €1.4 billion due to currency effects. Conversely, sales in local currency grew by 1.6%. Like-for-like sales dropped by 0.8%. Sales in Q2 declined by 3.7%. In local currency, however, sales increased by 0.7%. In an increasingly challenging environment, the continuing sluggish development, particularly in non-food sales, negatively impacted the sales development. Whilst like-for-like sales declined in the whole region by 1.6%, they continued to grow in Russia, Ukraine and Turkey in Q2.

The international share in sales generated during H1 2012 decreased from 27.0% to 26.2%.

€ million	H1 2011	H1 2012	Change	Q2 2011	Q2 2012	Change
EBITDA	82	88	6.5%	57	66	15.0%
EBITDA before special items	82	86	4.3%	59	64	7.8%
EBIT	-11	-4	63.2%	10	19	93.1%
EBIT before special items	-11	-6	47.1%	12	17	44.3%
Capex	77	58	-24.2%	25	36	40.8%

	31/12/2011	30/06/2012	Change	31/03/2012	30/06/2012	Change
Stores	426	423	-3	425	423	-2
Selling space (1,000 sqm)	3,082	3,050	-32	3,065	3,050	-15
Employees (full-time basis)	52,214	50,417	-1,797	51,190	50,417	-773

EBITDA improved from €82 million to €88 million in H1 2012. EBITDA before special items increased from €82 million to €86 million.

EBIT amounted to €-4 million (H1 2011: €-11 million). EBIT before special items amounted to €-6 million (H1 2011: €-11 million). EBIT grew from €10 million to €19 million in Q2 and included positive special items of €2 million. EBIT before special items increased from €12 million to €17 million.

Capex in H1 2012 amounted to €58 million (H1 2011: €77 million). Two hypermarkets in Germany and one in Romania were disposed of or closed.

As at 30 June 2012, the store network comprised 423 **stores** in six countries, thereof 314 in Germany and 109 in Eastern Europe.

Media-Saturn

	Sales € million		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012
Total	**9,306**	**9,521**	**-0.5%**	**2.3%**	**0.5%**	**-0.2%**	**-1.0%**	**2.5%**	**-4.6%**	**-0.9%**
Germany	4,132	4,357	-0.4%	5.5%	0.0%	0.0%	-0.4%	5.5%	-1.6%	1.1%
Western Europe (excl. Germany)	4,036	3,933	-3.1%	-2.5%	1.5%	0.5%	-4.6%	-3.0%	-7.9%	-3.8%
Eastern Europe	1,099	1,161	6.5%	5.7%	-0.9%	-3.9%	7.4%	9.5%	-4.0%	2.9%
Asia	39	69	-	77.7%	-	19.1%	-	58.6%	-	n.a.

	Sales € million		Change (€)		Currency effects		Change (local currency)		lfl (local currency)	
	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012
Total	**4,341**	**4,538**	**-1.9%**	**4.5%**	**0.3%**	**-0.2%**	**-2.2%**	**4.7%**	**-5.2%**	**1.7%**
Germany	1,878	2,092	-3.0%	11.4%	0.0%	0.0%	-3.0%	11.4%	-3.8%	6.8%
Western Europe (excl. Germany)	1,904	1,857	-4.0%	-2.5%	1.3%	0.4%	-5.3%	-2.8%	-7.5%	-3.4%
Eastern Europe	537	554	6.4%	3.1%	-2.9%	-3.5%	9.3%	6.6%	-1.9%	1.7%
Asia	21	34	-	63.9%	-	21.3%	-	42.6%	-	n.a.

Although the overall market remained difficult in H1 2012, **sales** at Media-Saturn rose by 2.3% to €9.5 billion (in local currency: +2.5%). Like-for-like sales declined slightly by 0.9%. Online retailing continued to grow dynamically thanks to the acquisition of Redcoon and the successful launch of the German multichannel offerings. Online sales rose to €322 million (H1 2011: €41 million). With the development in H1, Media-Saturn underpinned its position as European market leader and continued to expand its market share in many countries. In Q2, sales increased significantly by 4.5% to €4.5 billion. Like-for-like sales at Media-Saturn grew strongly by 1.7%. Quarterly sales also profited from the successful marketing campaigns during the European football championship.

In **Germany**, sales in H1 2012 grew by 5.5% to €4.4 billion. Like-for-like sales rose by 1.1%. The weak start in January, which was due to the withdrawal of extensive marketing activities at the beginning of the year, was more than offset by the dynamic sales upturn during the further course of the year. Media-Saturn grew by 11.4% in Q2, also thanks to the acquisition of Redcoon. In like-for-like terms, growth came to 6.8%, the highest figure since Q1 2009. The digital switchover of satellite transmission on 30 April 2012 stimulated sales of digital satellite set-top boxes and TV sets with integrated digital satellite receivers. The European football championship in June 2012 stimulated sales, particularly of large-screen TV sets. Our customers continue to positively receive the multichannel offer. The online product range has been further expanded and now comprises around 4,000 products at Mediamarkt.de and over 5,500 at Saturn.de. The in-store pickup rate remained high at approximately 40%. Total online sales came to €164 million in H1. Online sales therefore constituted 3.8% of sales.

In H1 2012, sales decreased by 2.5% in Western Europe, also due to the sale of Media-Saturn France (in local currency: -3.0%). Like-for-like sales dropped by 3.8%. The difficult economic environment had a significant impact on demand for consumer electronics, particularly in Southern Europe. In this market environment, Media-Saturn was nevertheless able to increase its market shares. Online sales in Western Europe continued to develop dynamically, generating sales of €149 million. The sales trend improved in Q2 compared to the previous quarter, also in view of the European football championship. Particularly in Austria, the Netherlands and Sweden, sales increased, at times by significant double-digit figures.

In **Eastern Europe**, sales in H1 2012 increased significantly by 5.7% to €1.2 billion (in local currency: +9.5%), with like-for-like sales growing by 2.9%. While sales in Greece continued to drop significantly, sales growth remained clearly in the double-digit range in Russia and in the high single-digit range in Turkey. In Q2, the strong sales momentum slowed down slightly.

Sales in **Asia** rose considerably due to the opening of further pilot stores.

The international share in sales declined in H1 2012 from 55.6% to 54.2% as a result of the strong business in Germany.

€ million	H1 2011	H1 2012	Change	Q2 2011	Q2 2012	Change
EBITDA	154	57	-63.1%	27	10	-60.9%
EBITDA before special items	145	57	-60.8%	17	10	-36.4%
EBIT	29	-79	-	-36	-59	-63.4%
EBIT before special items	22	-79	-	-44	-59	-33.2%
Capex	94	101	8.0%	59	64	8.5%

	31/12/2011	30/06/2012	Change	31/03/2011	30/06/2012	Change
Stores	893	902	+9	896	902	+6
Selling space (1,000 sqm)	2,880	2,918	+38	2,902	2,918	+16
Employees (full-time basis)	58,660	55,849	-2,811	56,300	55,849	-451

EBITDA in H1 2012 totalled €57 million (H1 2011: €154 million).

EBIT decreased to €-79 million (H1 2011: €29 million). In addition to the sales-related earnings decrease, the further sharpening of the price profile as well as lower advertising subsidies had a negative effect on earnings. In addition, expansion costs increased, and there were higher start-up losses as well as costs for the further expansion of the multichannel business. In Q2 2012, a considerable increase in operating earnings in Germany was contrasted by an earnings decrease, particularly in Southern Europe.

Capex in the store network totalled €101 million in H1 2012 (H1 2011: €94 million). The 900th Media-Saturn store was opened at the end of May. The new Media Markt is located in the Russian city Rjasan, around 200 kilometres south-east of Moscow. This new store in the 600,000-strong city increases the number of Russian Media-Saturn stores to 37. Russia therefore remains one of the key expansion markets for Media-Saturn. It was announced in Q2 that the store-based market entry into Norway will no longer be pursued.

A total of 12 **stores** were opened from January to June 2012, thereof four in Germany, three in Italy, two in Spain and one each in Russia, Sweden and the Netherlands. Two stores were closed in Spain and one in Portugal.

At the end of Q2 2012, the store network of Media Markt and Saturn comprised 902 stores in 16 countries, thereof 393 in Germany, 348 in Western Europe, 154 in Eastern Europe and 7 in Asia. In addition, Media-Saturn is present online in France and Denmark.

Galeria Kaufhof

	Sales € million		Change		lfl	
	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012
Total[1]	**1,401**	**1,391**	**-2.4%**	**-0.7%**	**-1.0%**	**-1.4%**
Germany[1]	1,315	1,303	-2.7%	-0.9%	-1.4%	-1.7%
Western Europe (excl. Germany)[1]	85	88	3.4%	2.8%	3.6%	2.8%

[1] Revised disclosure in 2011 (see Notes)

	Sales € million		Change		lfl	
	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012
Total[1]	**702**	**686**	**1.1%**	**-2.3%**	**2.1%**	**-2.8%**
Germany[1]	662	644	1.0%	-2.6%	2.1%	-3.2%
Western Europe (excl. Germany)[1]	40	41	2.2%	3.5%	2.6%	3.5%

[1] Revised disclosure in 2011 (see Notes)

Sales at Galeria Kaufhof declined slightly by 0.7% to €1.4 billion in H1 2012. Like-for-like sales were down 1.4% year-on-year. After a slow start to the year, the sales development improved. The shorter Easter business period as well as unfavourable weather conditions had a negative impact on sales in Q2.

In **Germany**, Galeria Kaufhof fundamentally modernised eight further stores in H1 2012. The consumer electronics business has been phased out in practically all stores in favour of high-margin accessories, textile and shoe ranges. This is another reason for the slight sales decline by 0.9% to €1.3 billion. Textile sales developed better than the overall market. This won Galeria Kaufhof market shares.

The updated online store continues to record increasing customer response.

Sales in **Western Europe** rose by 2.8% from January to June 2012. Business profited from a positive textile sales development. In like-for-like terms, sales grew also by 2.8%. The dynamic sales development continued in Q2.

€ million	H1 2011	H1 2012	Change	Q2 2011	Q2 2012	Change
EBITDA	6	29	-	10	27	-
EBITDA before special items	16	29	82,7,%	20	27	34.2%
EBIT	-42	-23	46.0%	-15	1	-
EBIT before special items	-31	-23	27.5%	-4	1	-
Capex	34	36	5.9%	19	19	-

	31/12/2011	30/06/2012	Change	31/03/2011	30/06/2012	Change
Stores	140	137	-3	141	137	-4
Selling space (1,000 sqm)	1,475	1,440	-35	1,480	1,440	-40
Employees (full-time basis)	19,257	17,766	-1,491	17,948	17,766	-182

In H1 2012, **EBITDA** totalled €29 million compared to €6 million in H1 2011.

EBIT rose to €-23 million in H1 2012 (H1 2011: €-42 million) thanks to an improved gross margin within the scope of the selling space optimisation. EBIT before special items also amounted to €-23 million (H1 2011: €-31 million). Galeria Kaufhof generated positive earnings of €1 million in Q2, therefore clearly increasing on the previous year's quarter by €5 million. In addition to a higher gross profit from an improved margin mix, the rise is also a result of further strict cost management.

From January to June 2012, **capex** in the store network amounted to €36 million (H1 2011: €34 million).

A Wanderzeit store was opened in Q1 2012. This new special concept now has stores in four locations. The Wanderzeit format of 500 sqm sales area offers an attractive equipment and clothing assortment centred on hiking. As previously announced, the Gießen, Cologne-Kalk, Nuremberg and Oberhausen city centre department stores, which all incurred losses, were closed in mid-June, whereby it was possible to successfully sell the remaining inventories.

As at 30 June 2012, the store network of Galeria Kaufhof comprised 137 stores, thereof 122 in Germany and 15 in Belgium.

Real Estate

€ million	H1 2011	H1 2012	Change
EBITDA	460	474	3.0%
EBITDA before special items	457	474	3.7%
EBIT	268	237	-11.8%
EBIT before special items	274	282	3.0%
Capex	110	171	55.7%

	31/12/2011	30/06/2012	Change
Employees (full-time basis)	1,215	1,477	+262

€ million	Q2 2011	Q2 2012	Change
EBITDA	224	252	12.6%
EBITDA before special items	226	252	12.1%
EBIT	129	100	-22.3%
EBIT before special items	138	146	6.2%
Capex	49	103	>100%

	31/03/2012	30/06/2012	Change
Employees (full-time basis)	1,299	1,477	+178

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, active asset and portfolio management, as well as the optimised resource deployment are to secure and systematically enhance the value of real estate in the long run.

As at 30 June 2012, METRO GROUP owned 686 properties (31 December 2011: 687).

EBITDA in H1 2012 totalled €474 million (H1 2011: €460 million). EBITDA before special items increased from €457 million to €474 million. These earnings mainly constitute rental income paid by METRO GROUP's divisions. In addition, two properties operated by Galeria Kaufhof were sold in Q2, among other things. They are located in the Hamburg Alstertal Shopping Centre and in the Frankfurt Hessen Centre. Galeria Kaufhof continues to conduct its operating business as before.

In H1 2012, **EBIT** totalled €237 million compared to €268 million in the previous year. This figure includes special items in connection with the sale of Makro UK. EBIT before special items amounted to €282 million (H1 2011: €274 million). Lower rental income was contrasted by rental income from newly opened stored as well as rental increases from indexation. EBIT before special items also rose in Q2 due to the successful sale of real estate assets.

Other

€ million	H1 2011	H1 2012	Change
Sales[1]	26	16	-37.9%
EBITDA	-40	-59	-49.7%
EBITDA before special items	-28	-35	-27.6%
EBIT	-101	-114	-12.9%
EBIT before special items	-89	-89	-1.0%
Capex	48	59	22.5%

[1] Revised disclosure in 2011 (see Notes)

	31/12/2011	30/06/2012	Change
Employees (full-time basis)	7,900	8,148	+248

€ million	Q2 2011	Q2 2012	Change
Sales[1]	12	6	-47.0%
EBITDA	-32	-35	-7.9%
EBITDA before special items	-22	-11	51.8%
EBIT	-63	-60	3.7%
EBIT before special items	-53	-36	30.9%
Capex	32	34	6.4%

[1] Revised disclosure in 2011 (see Notes)

	31/03/2012	30/06/2012	Change
Employees (full-time basis)	8,098	8,148	+50

The The segment Other comprises aside from METRO GROUP's strategic management holding, METRO AG, amongst others, the procurement organisation in Hong Kong, which also operates for third parties, as well as the logistics services.

In H1 2012, **sales** in the segment Other totalled €16 million (H1 2011: €26 million). Sales included the commission from third-party business via METRO GROUP's procurement organisation in Hong Kong as well as sales from logistics services. Lower order volumes from some key accounts significantly reduced sales in comparison to H1 2011.

EBIT in H1 2012 decreased to €-114 million (H1 2011: €-101 million) and included expenses incurred from the termination of a MGL METRO GROUP Logistics location. EBIT before special items remained unchanged at €-89 million despite higher costs in Q1 2012. Higher project costs were incurred in Q1 2012 in connection with the further expansion of the Shared Service Centres as well as one-off expenses relating to the reduction of METRO AG's Management Board. Conversely, the earnings trend in Q2 improved.

STORE NETWORK

AS AT 30 JUNE 2012

	Metro Cash & Carry			Real			Media-Saturn			Galeria Kaufhof			METRO GROUP		
	Q2	H1	30/06/12	Q2	H1	30/06/12	Q2	H1	30/06/12	Q2	H1	30/06/12	Q2	H1	30/06/12
Germany			**107**	**-1**	**-2**	**314**	**+1**	**+4**	**393**	**-4**	**-3**	**122**	**-4**	**-1**	**936**
Austria			12						44						56
Belgium	+1	+1	12						21			15	+1	+1	48
Denmark			5												5
France			92												92
Italy			48				+1	+3	113				+1	+3	161
Luxemburg									2						2
Netherlands			17				+1	+1	39				+1	+1	56
Portugal			11					-1	9					-1	20
Spain			34				+2		68				+2		102
Sweden								+1	25					+1	25
Switzerland									27						27
United Kingdom			30												30
Western Europe	**+1**	**+1**	**261**				**+4**	**+4**	**348**			**15**	**+5**	**+5**	**624**
Bulgaria			14												14
Croatia			7												7
Czech Republic			13												13
Greece			9						10						19
Hungary			13						21						34
Kazakhstan		+2	8											+2	8
Moldova			3												3
Poland	+1	+2	41			54			61				+1	+2	156
Romania			32	-1	-1	24							-1	-1	56
Russia	+3	+4	66			18	+1	+1	37				+4	+5	121
Serbia			9												9
Slovakia			6												6
Turkey			24			12			25						61
Ukraine			31			1									32
Eastern Europe	**+4**	**+8**	**276**	**-1**	**-1**	**109**	**+1**	**+1**	**154**				**+4**	**+8**	**539**
China	+1	+3	55						7				+1	+3	62
Egypt			2												2
India	+1	+2	11										+1	+2	11
Japan			9												9
Pakistan		+4	9											+4	9
Vietnam		+1	17											+1	17
Asia/Africa	**+2**	**+10**	**103**						**7**				**+2**	**+10**	**110**
Total	**+7**	**+19**	**747**	**-2**	**-3**	**423**	**+6**	**+9**	**902**	**-4**	**-3**	**137**	**+7**	**+22**	**2,209**

RECONCILITATION OF SPECIAL ITEMS (SEGMENTS)

H1 2012

	As reported		Special items		Before special items	
€ million	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012
EBITDA	**1,055**	**875**	**30**	**72**	**1,085**	**947**
thereof Metro Cash & Carry	403	290	20	50	423	339
Real	82	88	0	-2	82	86
Media-Saturn	154	57	-9	0	145	57
Galeria Kaufhof	6	29	10	0	16	29
Real estate	460	474	-3	0	457	474
Other	-40	-59	12	24	-28	-35
Consolidation	-10	-3	0	0	-10	-3
EBIT	**410**	**61**	**42**	**244**	**452**	**305**
thereof Metro Cash & Carry	273	43	20	176	293	220
Real	-11	-4	0	-2	-11	-6
Media-Saturn	29	-79	-7	0	22	-79
Galeria Kaufhof	-42	-23	11	0	-31	-23
Real estate	268	237	6	45	274	282
Other	-101	-114	12	24	-89	-89
Consolidation	-7	0	0	0	-7	0
EBT	**87**	**-206**	**42**	**244**	**129**	**38**
Net profit for the period [1]	**37**	**-103**	**29**	**131**	**66**	**28** [2]
Earnings per share (€)	**0.11**	**-0.32**	**0.09**	**0.40**	**0.20**	**0.09** [2]

[1] Profit attributable to shareholders of METRO AG

[2] Tax expenses calculated with a tax rate adjusted for special items according to IAS 34

RECONCILIATION OF SPECIAL ITEMS (REGIONS)

H1 2012

	As reported		Special items		Before special items	
€ million	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012
EBITDA	**1,055**	**875**	**30**	**72**	**1,085**	**947**
thereof Germany	231	214	39	57	270	271
Western Europe (excl. Germany)	329	226	-8	9	321	236
Eastern Europe	470	420	-2	0	468	420
Asia/Africa	20	9	1	6	21	15
Consolidation	5	5	0	0	5	5
EBIT	**410**	**61**	**42**	**244**	**452**	**305**
thereof Germany	-75	-92	49	57	-26	-35
Western Europe (excl. Germany)	202	-74	-8	181	194	107
Eastern Europe	291	246	0	0	291	246
Asia/Africa	-13	-24	1	6	-12	-18
Consolidation	5	5	0	0	5	5
EBT	**87**	**-206**	**42**	**244**	**129**	**38**
Net profit for the period [1]	**37**	**-103**	**29**	**131**	**66**	**28** [2]
Earnings per share (€)	**0.11**	**-0.32**	**0.09**	**0.40**	**0.20**	**0.09** [2]

[1] Profit attributable to shareholders of METRO AG

[2] Tax expenses calculated with a tax rate adjusted for special items according to IAS 34

RECONCILITATION OF SPECIAL ITEMS (SEGMENTS)

Q2 2012

	As reported		Special items		Before special items		
€ million	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	
EBITDA	**591**	**569**	**29**	**72**	**620**	**641**	
thereof Metro Cash & Carry	311	251	16	50	327	301	
Real	57	66	2	-2	59	64	
Media-Saturn	27	10	-10	0	17	10	
Galeria Kaufhof	10	27	10	0	20	27	
Real estate	224	252	2	0	226	252	
Other	-32	-35	10	24	-22	-11	
Consolidation	-5	-2	-1	0	-6	-2	
EBIT	**267**	**70**	**39**	**244**	**306**	**314**	
thereof Metro Cash & Carry	246	69	16	176	262	246	
Real	10	19	2	-2	12	17	
Media-Saturn	-36	-59	-8	0	-44	-59	
Galeria Kaufhof	-15	1	11	0	-4	1	
Real estate	129	100	9	45	138	146	
Other	-63	-60	10	24	-53	-36	
Consolidation	-4	-1	-1	0	-5	-1	
EBT	**64**	**-71**	**39**	**244**	**103**	**173**	
Net profit for the period [1]	**40**	**-20**	**28**	**131**	**68**	**111**	[2]
Earnings per share (€)	**0.12**	**-0.06**	**0.08**	**0.40**	**0.20**	**0.34**	[2]

[1] Profit attributable to shareholders of METRO AG

[2] Tax expenses calculated with a tax rate adjusted for special items according to IAS 34

RECONCILIATION OF SPECIAL ITEMS (REGIONS)

Q2 2012

	As reported		Special items		Before special items		
€ million	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	
EBITDA	**591**	**569**	**29**	**72**	**620**	**641**	
thereof Germany	117	166	36	57	153	223	
Western Europe (excl. Germany)	205	153	-11	9	194	163	
Eastern Europe	268	248	4	0	272	248	
Asia/Africa	1	1	0	6	1	6	
Consolidation	0	1	0	0	0	1	
EBIT	**267**	**70**	**39**	**244**	**306**	**314**	
thereof Germany	-43	14	46	57	3	71	
Western Europe (excl. Germany)	142	-86	-11	181	131	95	
Eastern Europe	179	158	4	0	183	158	
Asia/Africa	-10	-17	0	6	-10	-11	
Consolidation	0	1	0	0	0	1	
EBT	**64**	**-71**	**39**	**244**	**103**	**173**	
Net profit for the period [1]	**40**	**-20**	**28**	**131**	**68**	**111**	[2]
Earnings per share (€)	**0.12**	**-0.06**	**0.08**	**0.40**	**0.20**	**0.34**	[2]

[1] Profit attributable to shareholders of METRO AG

[2] Tax expenses calculated with a tax rate adjusted for special items according to IAS 34

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

€ million	H1 2011	H1 2012	Q2 2011	Q2 2012
Net sales	**30.874** [1]	**31.493**	**15.567** [1]	**15.846**
Cost of sales	-24.430 [1]	-25.111	-12.306 [1]	-12.607
Gross profit on sales	**6.444**	**6.382**	**3.261**	**3.239**
Other operating income	666	737	347	412
Selling expenses	-5.919	-6.180	-2.930	-3.129
General administrative expenses	-755	-816	-399	-403
Other operating expenses	-26	-62	-12	-49
EBIT	**410**	**61**	**267**	**70**
Result from associated companies	0	2	0	2
Other investment result	27	0	0	0
Interest income	65	67	33	36
Interest expenses	-364	-333	-201	-170
Other financial result	-51	-3	-35	-9
Net financial result	**-323**	**-267**	**-203**	**-141**
EBT	**87**	**-206**	**64**	**-71**
Income taxes	-33	96	-24	43
Net profit for the period	**54**	**-110**	**40**	**-28**
Net profit for the period attributable to non-controlling interests	17	-7	0	-8
Net profit attributable to shareholders of METRO AG	37	-103	40	-20
Earnings per share in € (basic=diluted)	**0,11**	**-0,32**	**0,12**	**-0,06**

[1] Revised disclosure (see Notes)

TOTAL COMPREHENSIVE INCOME RECONCILITATION

€ million	H1 2011	H1 2012	Q2 2011	Q2 2012
Net profit for the period	**54**	**-110**	**40**	**-28**
Other comprehensive income				
Changes in revaluation reserve	0	0	0	0
Actuarial gains/losses	0	0	0	0
Currency translation differences from the conversion of the accounts of foreign operations	-41	89	-28	-56
Effective portion of gains/losses from cash flow hedges	-9	-21	3	0
Gains/losses fron the revaluation of financial instruments in the category "available-for-sale"	0	0	0	0
Income tax attributable to components of "other income"	3	0	1	1
Total comprehensive income	**7**	**-42**	**16**	**-83**
Comprehensive income attributable to non-controlling interests	12	-4	-2	-10
Comprehensive income attributable to shareholders of METRO AG	-5	-38	18	-73

BALANCE SHEET

Assets

€ million	31/12/2011	30/06/2011	30/06/2012
Non-current assets	**18.822**	**18.740**	**18.386**
Goodwill	4.045	4.062	4.006
Other intangible assets	454	417	433
Tangible assets	12.661	12.415	12.205
Investment properties [1]	209	218	211
Financial investments [1]	79	190	126
Other financial and non-financial assets	470	438	484
Deferred tax assets	904	1.000	921
Current assets	**15.165**	**12.083**	**13.010**
Inventories	7.608	6.816	6.874
Trade receivables	551	455	525
Investment properties [1]	119	48	79
Financial investments [1]	2.882	2.438	2.644
Entitlements to income tax refunds	431	494	631
Cash and cash equivalents	3.355	1.692	1.768
Assets held for sale	219	140	489
	33.987	**30.823**	**31.396**

Equity and Liabilities

€ million	31/12/2011	30/06/2011	30/06/2012
Equity	**6.437**	**5.975**	**5.911**
Share capital	835	835	835
Capital reserve	2.544	2.544	2.544
Reserves retained from earnings	2.985	2.479	2.503
Non-controlling interests	73	117	29
Non-current liabilities	**8.085**	**8.217**	**9.039**
Provisions for pensions and similar commitments	1.028	1.020	1.039
Other provisions	463 [2]	474 [2]	458
Borrowings [1]	5.835	5.888	6.787
Other financial and non-financial liabilities [1]	602 [2]	617 [2]	601
Deferred tax liabilities	157	218	154
Current liabilities	**19.465**	**16.631**	**16.446**
Trade liabilities	14.214 [2]	9.463 [2]	10.150
Provisions	546 [2]	438 [2]	493
Borrowings [1]	1.606	4.205	3.192
Other financial and non-financial liabilities [1]	2.705 [2]	2.378 [2]	2.330
Income tax liabilities	394	147	140
Liabilities related to assets held for sale	0	0	141
	33.987	**30.823**	**31.396**

[1] Changes of name (see Notes)

[2] Revised disclosure (see Notes)

CASH FLOW STATEMENT

€ million	H1 2011		H1 2012
EBIT	410		61
Write-backs/write-downs of assets excl. financial assets	646		814
Change in provisions for pensions and other provisions	-91	1)	-34
Change in net working capital	-3.617	1)	-3.028
Income taxes paid	-330		-455
Reclassification of gains (-) / losses (+) from the disposal of fixed assets	-19		-46
Other	-262	1)	-225
Total cash flow from operating activities	**-3.263**		**-2.913**
Corporate acquisitions	0		-3
Investments in tangible assets (excl. finance leases)	-493	1)	-672
Other investments	-63		-65
Divestments	0		0
Disposal of fixed assets	122		241
Gains (-) / losses (+) from the disposal of fixed assets	19		46
Total cash flow from investing activities	**-415**		**-453**
Profit distribution			
to METRO AG shareholders	-442		-442
to other shareholders	-51		-45
Raising of financial liabilities	3.717		4.523
Redemption of financial liabilities	-2.281		-2.010
Interest paid	-351		-320
Interest received	33		77
Profit and loss transfers and other financing activities	-43		-2
Total cash flow from financing activities	**582**		**1.781**
Total cash flows	**-3.096**		**-1.585**
Exchange rate effects on cash and cash equivalents	-11		6
Change in cash and cash equivalents due to the first-time consolidation of companies	0		4
Total change in cash and cash equivalents	**-3.107**		**-1.575**
Cash and cash equivalents on 1 January	4.799		3.355
Cash and cash equivalents on 30 June	**1.692**		**1.780**
Less Cash and cash equivalents from disposal groups	0		-12
Cash and cash equivalents on 30 June	**1.692**		**1.768**

[1] Revised disclosure (see Notes)

STATEMENT OF CHANGES IN EQUITY

€ million	Share capital	Capital reserve	Effective portion of gains/ losses from cash flow hedges	Currency translation differences from the conversion of the accounts of foreign operations	Income tax attributable to components of "other income"	Other earnings reserves	Total reserves retained from earnings	Total	thereof attribut-able to "other income"	Minority interests	thereof attribut-able to "other income"	Total equity
01/01/2011	**835**	**2,544**	**63**	**-315**	**17**	**3,164**	**2,929**	**6,308**		**152**		**6,460**
Dividends	0	0	0	0	0	-442	-442	-442		-51		-493
Comprehensive income	0	0	-9	-36	3	37	-5	-5	-42	12	-5	7
Capital balance from acquisitions of shares	0	0	0	0	0	0	0	0		1		1
Other Changes	0	0	0	0	0	-3	-3	-3		3		0
30/06/2011	**835**	**2,544**	**54**	**-351**	**20**	**2,756**	**2,479**	**5,858**		**117**		**5,975**
01/01/2012	**835**	**2,544**	**91**	**-438**	**-4**	**3,336**	**2,985**	**6,364**		**73**		**6,437**
Dividends	0	0	0	0	0	-442	-442	-442		-45		-487
Comprehensive income	0	0	-21	86	0	-103	-38	-38	65	-4	3	-42
Capital balance from acquisitions of shares	0	0	0	0	0	0	0	0		2		2
Other Changes	0	0	0	0	0	-2	-2	-2		3		1
30/06/2012	**835**	**2,544**	**70**	**-352**	**-4**	**2,789**	**2,503**	**5,882**		**29**		**5,911**

NOTES

SEGMENT REPORTING H1 2012

Divisions

Mio. €	Metro Cash & Carry H1 2011	Metro Cash & Carry H1 2012	Real H1 2011	Real H1 2012	Media-Saturn H1 2011	Media-Saturn H1 2012	Galeria Kaufhof H1 2011	Galeria Kaufhof H1 2012	Real Estate H1 2011	Real Estate H1 2012	Other H1 2011	Other H1 2012	Consolidation H1 2011	Consolidation H1 2012	METRO GROUP H1 2011	METRO GROUP H1 2012
External sales (net)	14.819 [1]	15.235	5.322 [1]	5.329	9.306	9.521	1.401 [1]	1.391	0	0	26 [1]	16	0	0	30.874 [1]	31.493
Internal sales (net)	10	12	0	0	0	0	0	0	0	0	2.866 [1]	2.873	-2.876 [1]	-2.886	0	0
Total sales (net)	14.829 [1]	15.248	5.322 [1]	5.329	9.306	9.521	1.401 [1]	1.391	0	0	2.892 [1]	2.890	-2.876 [1]	-2.886	30.874 [1]	31.493
EBITDA	403	290	82	88	154	57	6	29	460	474	-40	-59	-10	-3	1.055	875
Depreciation/ amortisation	130	246	94	92	125	135	48	52	191	237	61	57	-2	-3	646	817
Write-backs	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	3
EBIT	273	43	-11	-4	29	-79	-42	-23	268	237	-101	-114	-7	0	410	61
Investments	449	131	77	58	94	101	34	36	110	171	48	59	0	0	811	555
Segment assets	7.664	8.028	3.586	3.470	5.251	5.532	988	1.005	8.430	8.587	1.546	1.423	-613	-678	26.853	27.367
thereof non-current	4.184	4.176	2.441	2.350	1.714	1.768	467	489	8.189	8.056	561	489	-145	-139	17.412	17.188
Segment liabilities	5.126	5.283	1.470	1.457	5.009	5.497	805	813	461	403	1.840	1.716	-1.003	-800	13.710	14.369
Selling space (1,000 sqm)	5.415	5.555	3.078	3.050	2.754	2.918	1.469	1.440	0	0	0	0	0	0	12.716	12.962
Stores (number)	706	747	425	423	853	902	139	137	0	0	0	0	0	0	2.123	2.209

[1] Revised disclosure (see Notes)

Regionen

Mio. €	Deutschland H1 2011	Deutschland H1 2012	Westeuropa ohne Deutschland H1 2011	Westeuropa ohne Deutschland H1 2012	Osteuropa H1 2011	Osteuropa H1 2012	Asien/Afrika H1 2011	Asien/Afrika H1 2012	International H1 2011	International H1 2012	Konsolidierung H1 2011	Konsolidierung H1 2012	METRO GROUP H1 2011	METRO GROUP H1 2012
Außenumsätze (netto)	11,783 [1]	11,989	9,737	9,576	7,974	8,177	1,379 [1]	1,751	19,090 [1]	19,504	0	0	30,874 [1]	31,493
Innenumsätze (netto)	17	93	11	39	0	3	18 [1]	16	29 [1]	57	-46 [1]	-150	0	0
Umsatzerlöse (netto)	11,800 [1]	12,082	9,748	9,615	7,974	8,180	1,397 [1]	1,767	19,120 [1]	19,561	-46 [1]	-150	30,874 [1]	31,493
EBITDA	231	214	329	226	470	420	20	9	819	656	5	5	1,055	875
Abschreibungen	307	309	127	301	179	174	33	33	339	508	0	0	646	817
Zuschreibungen	0	3	0	0	0	0	0	0	0	0	0	0	0	3
EBIT	-75	-92	202	-74	291	246	-13	-24	480	148	5	5	410	61
Investitionen	585	225	70	146	119	106	37	79	225	330	0	0	811	555
Segmentvermögen	11,127	11,138	7,034	7,091	7,628	7,820	1,382	1,678	16,045	16,589	-318	-359	26,853	27,367
davon langfristig	6,942	6,819	3,999	3,705	5,557	5,550	915	1,119	10,471	10,374	-2	-6	17,412	17,188
Segmentschulden	6,166	6,323	4,487	4,564	2,760	3,023	574	776	7,821	8,363	-277	-317	13,710	14,369
Verkaufsfläche (1.000 m²)	5,809	5,754	2,974	3,027	3,371	3,495	562	688	6,907	7,209	0	0	12,716	12,962
Standorte (Anzahl)	939	936	598	624	499	539	87	110	1,184	1,273	0	0	2,123	2,209

[1] Geänderter Ausweis (siehe Anhang)

SEGMENT REPORTING Q2 2012

Divisions

	Metro Cash & Carry		Real		Media-Saturn		Galeria Kaufhof		Real Estate		Other		Consolidation		METRO GROUP	
Mio. €	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012
External sales (net)	7.796 [1]	7.952	2.717 [1]	2.665	4.341	4.538	702 [1]	686	0	0	12 [1]	6	0	0	15.567 [1]	15.846
Internal sales (net)	3	5	0	0	0	0	0	0	0	0	1.496 [1]	1.426	-1.499 [1]	-1.431	0	0
Total sales (net)	7.799 [1]	7.957	2.717 [1]	2.665	4.341	4.538	702 [1]	686	0	0	1.508 [1]	1.432	-1.499 [1]	-1.431	15.567 [1]	15.846
EBITDA	311	251	57	66	27	10	10	27	224	252	-32	-35	-5	-2	591	569
Depreciation/ amortisation	66	182	47	46	62	69	24	26	95	152	30	29	-1	-1	324	502
Write-backs	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	3
EBIT	246	69	10	19	-36	-59	-15	1	129	100	-63	-60	-4	-1	267	70
Investments	415	80	25	36	59	64	19	19	49	103	32	34	0	0	599	336
Segment assets	7.664	8.028	3.586	3.470	5.251	5.532	988	1.005	8.430	8.587	1.546	1.423	-613	-678	26.853	27.367
thereof non-current	4.184	4.176	2.441	2.350	1.714	1.768	467	489	8.189	8.056	561	489	-145	-139	17.412	17.188
Segment liabilities	5.126	5.283	1.470	1.457	5.009	5.497	805	813	461	403	1.840	1.716	-1.003	-800	13.710	14.369
Selling space (1,000 sqm)	5.415	5.555	3.078	3.050	2.754	2.918	1.469	1.440	0	0	0	0	0	0	12.716	12.962
Stores (number)	706	747	425	423	853	902	139	137	0	0	0	0	0	0	2.123	2.209

[1] Revised disclosure (see Notes)

Regionen

	Deutschland		Westeuropa ohne Deutschland		Osteuropa		Asien/Afrika		International		Konsolidierung		METRO GROUP	
Mio. €	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012	Q2 2011	Q2 2012
Außenumsätze (netto)	5,833 [1]	5,942	4,983 [1]	4,881	4,156 [1]	4,223	595 [1]	800	9,734 [1]	9,904	0	0	15,567 [1]	15,846
Innenumsätze (netto)	7	53	4	12	0	1	8 [1]	6	12 [1]	19	-19 [1]	-72	0	0
Umsatzerlöse (netto)	5,841 [1]	5,995	4,987 [1]	4,893	4,156 [1]	4,225	603 [1]	806	9,745 [1]	9,924	-19 [1]	-72	15,567 [1]	15,846
EBITDA	117	166	205	153	268	248	1	1	474	402	0	1	591	569
Abschreibungen	160	155	64	240	89	90	11	18	164	347	0	0	324	502
Zuschreibungen	0	3	0	0	0	0	0	0	0	0	0	0	0	3
EBIT	-43	14	142	-86	179	158	-10	-17	310	55	0	1	267	70
Investitionen	479	133	45	106	59	65	16	32	120	203	0	0	599	336
Segmentvermögen	11,127	11,138	7,034	7,091	7,628	7,820	1,382	1,678	16,045	16,589	-318	-359	26,853	27,367
davon langfristig	6,942	6,819	3,999	3,705	5,557	5,550	915	1,119	10,471	10,374	-2	-6	17,412	17,188
Segmentschulden	6,166	6,323	4,487	4,564	2,760	3,023	574	776	7,821	8,363	-277	-317	13,710	14,369
Verkaufsfläche (1.000 m²)	5,809	5,754	2,974	3,027	3,371	3,495	562	688	6,907	7,209	0	0	12,716	12,962
Standorte (Anzahl)	939	936	598	624	499	539	87	110	1,184	1,273	0	0	2,123	2,209

[1] Geänderter Ausweis (siehe Anhang)

Notes to Group Accounting Principles and Methods

These unaudited interim consolidated financial statements as at 30 June 2012 have been prepared in accordance with International Accounting Standard (IAS) 34 ("Interim Financial Reporting"), which regulates interim financial reporting under the International Financial Reporting Standards (IFRS). As a condensed interim report, it does not contain all the information required by IFRS for annual consolidated financial statements. These interim consolidated financial statements are unaudited, but they were subject to an auditor's review in accordance with Section 37w (5) of the German Securities Trading Act (WpHG).

With the exception of new or revised standards and interpretations, the same recognition and measurement principles have been applied as in the consolidated financial statements as at 31 December 2011. More information regarding the recognition and measurement principles applied can be found in the notes to the annual consolidated financial statements as at 31 December 2011 (see Annual Report 2011, pages 186-199).

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

These interim consolidated financial statements have been prepared in Euros. All amounts are stated in millions of Euros (€ million), unless otherwise indicated. Furthermore, to provide a better overview within the tables, decimal places have been partly omitted. Contrary to former disclosure, only the numbers within the income statement, the total comprehensive income reconciliation, the balance sheet, the statement of changes in equity and the cash flow statement have been rounded in a way that they form the sum when added up. In the remaining tables, the individual numbers and the sums have been rounded independently. As a result, rounding differences may occur.

Application of new accounting methods

In preparing these interim consolidated financial statements, all applicable standards and interpretations published by the International Accounting Standards Board (IASB), which had been adopted by the European Union, were applied. However, these were only the standards and interpretations already applied and explained in the annual consolidated financial statements as at 31 December 2011, as there have been no revisions relevant to METRO GROUP in H1 2012.

Revised Disclosure

Commission-based Sales

Generally net sales are disclosed to the amount of the consideration received or the fair value of the goods and services sold. This disclosure method requires that the company be exposed to the significant risks and rewards associated with the sale of the goods or the rendering of the services. Otherwise net sales are only recognised to the amount of the commission which the company thus earns for acting as an agent. IAS 18 ("Revenue") contains indicators which suggest disclosing sales to the amount of the commission. Starting as of Q1 2012, METRO GROUP changed its interpretation of these indicators and adjusted the disclosure of certain transactions in the income statement to ensure better comparability with other retail companies, especially with regard to the EBIT margin. Net sales from these transactions are henceforth only disclosed to the amount of the commission, without the disclosure of the corresponding cost of sales. However, gross profit and absolute EBIT remain unaffected by this change. To guarantee comparability, net sales in previous periods were adjusted by €-381million in H1 2011 and by €-172 million in Q2 2011. This effect is allocated to the external sales disclosed in the segment reporting in H1 2011 (Q2 2011): €-16 million are allocated to Metro Cash & Carry (€-8 million), €-94 million to Real (€-50 million), €-155 million to Galeria Kaufhof (€-73 million) and €-117 million to the segment Other (€-41 million).

Composition of Net Working Capital

In Q1 2012 the definition of net working capital has been extended to include deferred revenues and provisions in connection with customer loyalty programmes, deferred revenues from the sale of vouchers and provisions for rights of return. Liabilities from the purchase of other fixed assets, previously disclosed in "Trade payables", are henceforth excluded from the definition. In the cash flow statement, liabilities from the purchase of other fixed assets are like liabilities from the purchase of real estate assigned to cash flow from investing activities.

The changes in definition have an effect on cash flow from operating activities and cash flow from investing activities. In the previous year's cash flow statement as of H1 2011 the item "Change in provisions for pensions and other provisions" has been adjusted by €-8 million, "Change in net working capital" by €173 million, "Other" by €14 million and "Investments in tangible assets" by €-179 million. In the course of the exclusion of liabilities from the purchase of other fixed assets from the definition of net working capital, the comparative balance sheet figures as of 30 June 2011 and 31 December 2011 have been adjusted. The reclassification results in a reduction in "Trade payables" and a corresponding increase in the item "Other financial and non-financial assets" (current) of €23 million as of 30 June 2011 and €53 million as of 31 December 2011, respectively.

Reclassifications

Deferred revenues and provisions in connection with warranties and customer loyalty programmes have been reclassified from non-current to current liabilities to take into account that they are part of the entity's normal operating cycle. The comparative figures as of 30 June 2011 and 31 December 2011 have been adjusted accordingly. As of 30 June 2011 €152 million have been reclassified from non-current "Other financial and non-financial liabilities" to the current item with the same title; as of 31 December 2011 this total was €154 million. The effect on "Other provisions" (long-term) was €-18 million as of 30 June 2011 and €-15 million as of 31 December 2011. These amounts have been reclassified to "Provisions" (current).

Revised Terminology

On the asset side of the balance sheet the item "Financial assets" has been renamed "Financial investments" and the item "Other receivables and assets" "Other financial and non-financial assets". On the liabilities side the title of the item "Financial liabilities" has been changed to "Borrowings". Additionally, the item "Other liabilities" is titled "Other financial and non-financial liabilities" as of this year. These terminology changes affect both non-current and current items of the same title. The terminology changes are to clarify that the items previously titled "Other receivables and assets" and "Other liabilities" also partly include financial assets and financial liabilities respectively.

Notes on Business Combinations

Media-Saturn has held 25.01% of the shares in Xplace GmbH, Göttingen since April 2010. By contractual agreement of 8 March 2012, the company acquired a further 25% of the shares in Xplace GmbH and its subsidiaries in the UK, Spain and Russia, gaining control of the group.

Xplace provides digital retail customer information systems. The acquisition of the company is designed to expand store-based sales promotions.

The business combination was recognised as of 1 April 2012, making Xplace part of the Media-Saturn segment.

The purchase price for the newly-acquired shares in the financial year was €3 million. The (consolidated) fair values of the acquired assets and liabilities as of the acquisition date can be broken down as follows:

Mio. €	
Assets	
Intangible assets	4
Inventories	1
Receivables and assets (short-term)	4
Cash and cash equivalents	4
	13
Liabilities	
Deferred tax liabilities	1
Trade liabilities	1
Other liabilities and provisions (short-term)	5
	7

The acquisition of Xplace GmbH resulted in goodwill of €2 million. Substantial synergies are expected between Media-Saturn Germany and Xplace Germany. As a result, the goodwill associated with the cash-generating unit will be allocated to Media-Saturn Germany.

Since its consolidation, Xplace has contributed €2 million to Group sales and €0 million to operating earnings.

Assuming the acquisition had been effected as of 1 January 2012, Xplace would have contributed €3 million to METRO GROUP sales.

Prior to the acquisition of the additional 25%, the fair value of the shares (25.01%) amounted to €3 million. The revaluation of shares resulted in an amount of €2 million that was recorded in the financial result.

Notes to the Income Statement

Depreciation

Depreciation of €817 million (H1 2011: €646 million) included impairments to the amount of €192 million (H1 2011: €20 million). €191 million of this amount related to Q2 2012 (Q2 2011: €7 million). Depreciation relating to the divestment of the British wholesale business contributed €172 million. The allocation of depreciation amounts between the income statement and the asset classes involved is as follows:

€ million	H1 2011	H1 2012
Selling expenses	561	696
General administrative expenses	80	76
Cost of sales	5	8
Other operating expenses	-	37
	646	817

€ million	H1 2011	H1 2012
Intangible assets	73	80
Tangible assets	567	559
Investment properties	6	6
Assets held for sale	-	172
	646	817

€ million	Q2 2011	Q2 2012
Selling expenses	281	423
General administrative expenses	40	38
Cost of sales	3	4
Other operating expenses	-	37
	324	502

€ million	Q2 2011	Q2 2012
Intangible assets	37	40
Tangible assets	285	287
Investment properties	2	3
Assets held for sale	-	172
	324	502

Impairments of capitalised financial instruments valued at amortised cost amounted to €47 million (H1 2011: €60 million). €22 million of this amount related to Q2 2012 (Q2 2011: €26 million).

Notes to the Balance Sheet

Assets Held for Sale/Liabilities Related to Assets Held for Sale

Booker Group plc. and METRO GROUP announced on 30 May 2012 that they intend to merge METRO GROUP's UK wholesale business (Makro Self Service Wholesalers Ltd.) with Booker Group plc to form a strategic partnership in the UK market. In return for the sale of the 30 wholesale stores, including properties, METRO GROUP will receive 9.08% of Booker Group's share capital plus £15.8 million in cash.

Since announcing the merger, all assets (€484 million) and liabilities (€141 million) that comprise the transaction have been treated as disposal groups in accordance with IFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations") and recognised in the balance sheet items "assets held for sale" and "liabilities related to assets held for sale", respectively.

Expenses relating to the devaluation of this disposal group at fair value less cost to sell totalled €172 million.

The assets and liabilities disposed of in the context of this divestment relate to the Metro Cash & Carry and Real Estate divisions and consist of the following items after the consolidation of all intra-Group circumstances:

Mio. €	
Assets	
Tangible assets	161
All other receivables and sundry assets (long-term)	9
Inventories	96
Trade receivables	1
All other receivables and sundry assets (short-term)	33
Cash and cash equivalents	12
	312
Liabilities	
All other provisions (short-term)	2
Trade payables	117
Other liabilities (short-term)	22
	141

The British wholesale business' "assets held for sale" and "liabilities related to assets held for sale" contributed €186 million to the Metro Cash & Carry segment's assets and €139 million to the segment's liabilities. In the Real Estate segment, the "assets held for sale" and "liabilities related to assets held for sale" contributed €122 million to segment assets and €0 million to segment liabilities.

The shareholders of Booker Group plc approved the transaction as well as the related capital increase in light of the acquisition of 9.08% of the share capital by METRO GROUP at a shareholders' general meeting held on 2 July 2012. This satisfies the transaction's last remaining closing condition. In light of this, the deconsolidation effective 1 July 2012 will be incorporated for the first time in the interim consolidated financial statements as at 30 September 2012.

Dividends paid

As resolved by the Annual General Meeting on 23 May 2012, a dividend of €1.350 per ordinary share and €1.485 per preference share, for a total of €442 million, was paid on 24 May 2012 from the reported net profit in financial year 2011 of €462 million. The remaining amount of €20 million was carried forward to new account.

Other Notes

Segment Reporting

Segment reporting has been prepared in accordance with IFRS 8 ("Operating Segments"). The segmentation corresponds to the Group's internal controlling and reporting structures and is generally based on the division of the business into individual sectors.

Aside from the information on the operating segments listed above, equivalent information is provided on the Metro regions. Here, a distinction is made between the regions Germany, Western Europe excluding Germany, Eastern Europe and Asia/Africa.

- External sales represent sales of the operating segments to third parties.
- Internal sales represent sales between the Group's operating segments.
- Segment EBITDA comprises EBIT before write-downs and write-backs on tangible and intangible assets.
- EBIT, as the key ratio for segment management, describes operating earnings for the period before net financial income and income taxes. Intra-Group rental contracts are shown as operating leases in the segments. The properties are leased at market rates. In principle, location risks and recoverability risks related to non-current assets are only disclosed in the segments where they represent Group risks.
- Segment investments include additions to assets adjusted for additions due to the reclassification of "assets held for sale" as fixed assets; additions to non-current financial investments are not included.
- Segment assets include non-current and current assets. Excluded are mainly financial investments according to the balance sheet, income tax items, cash and cash equivalents and assets allocable to discontinued operations. The reconciliation from segment assets to Group assets is shown in the following table:

€ million	30/06/2011	30/06/2012
Segment assets	**26,853**	**27,367**
Non-current and current financial investments	238	205
Cash and cash equivalents	1,692	1,768
Deferred tax assets	1,000	921
Entitlements to income tax refunds	494	631
Other entitlements to tax refunds[1]	437	407
Receivables from other financial transactions[2]	88	39
Other	21	58
Group assets	**30,823**	**31,396**

[1] Included in the balance sheet item "other financial and non-financial assets" (current)

[2] Included in the balance sheet items "other financial and non-financial assets" (non-current and current)

- Segment liabilities include non-current and current liabilities. They do not include, in particular, borrowings according to the balance sheet, income tax items and liabilities allocable to discontinued operations. The reconciliation from segment liabilities to Group liabilities is shown in the following table:

€ million	30/06/2011	30/06/2012
Segment liabilities	**13,710**	**14,369**
Non-current and current borrowings	10,093	9,979
Deferred tax liabilities	218	154
Income tax liabilities	147	140
Income tax provisions[1]	140	156
Other tax liabilities[2]	454	471
Liabilities from other financial transactions[2]	29	42
Liabilities to third parties[2]	33	90
Other	24	84
Group liabilities	**24,848**	**25,485**

[1] Included in the balance sheet items "other provisions" (non-current) and "provisions" (current)

[2] Included in the balance sheet items "other financial and non-financial liabilities" (non-current and current)

- In principle, transfers between segments are made based on the costs incurred from the Group's perspective.

Contingent Liabilities

The decline in contingent liabilities is mainly a result of the, in the meantime, realised risks in connection with the tax audit of a foreign subsidiary.

€ million	31/12/2011	30/06/2011	30/06/2012
Liabilities from suretyships and guarantees	18	18	16
Liabilities from guarantee and warranty contracts	51	108	45
	69	126	61

Other Legal Issues

Control of Media-Saturn-Holding GmbH

The risk report in METRO AG's 2011 Group management report referred to questions concerning the control of Media-Saturn-Holding GmbH ("MSH"), in which METRO AG indirectly holds a participating interest of 75.41%. This was due to measures taken by METRO AG to strengthen the governance structures. The shareholders' meeting with the votes of METRO Kaufhaus und Fachmarkt Holding GmbH, as a direct shareholder of a 75.41% interest in MSH and a fully-owned subsidiary of METRO AG, resolved to create an advisory board at MSH. A non-controlling shareholder legally challenged the shareholders' resolution. METRO Kaufhaus und Fachmarkt Holding GmbH and the remaining shareholders (as well as MSH) are disputing - both in a court of arbitration and before ordinary courts - the advisory board's competencies and its majority requirements. Please see the above mentioned risk report on pages 163 et seq. of METRO AG's 2011 consolidated financial statements for more information.

The court of arbitration is expected to render a decision on 8 August 2012. Oral proceedings were held before the Oberlandesgericht München (Berufungsinstanz) (Munich higher regional court of appeal) on 21 June 2012 in the course of proceeding before the ordinary courts. In a preliminary legal opinion, the court stated that it did not consider the application of annulment against the shareholders' resolution to establish an advisory board to be justified and that it considers the court of arbitration, rather than the ordinary courts, to have jurisdiction in questions of majority requirements and advisory board competencies. The court will pronounce its decision on 9 August 2012.

International Tax Audit

As reported in the consolidated financial statements as at 31 December 2011, income tax arrears in the double-digit million range were incurred in 2011 at an international Group company in connection with a tax audit dating back to 2006. The company is in a legal dispute regarding the legality of the tax demand. In July 2012, it also brought an action for damages against its former advisor for incorrect advice.

Remaining Legal Issues

METRO GROUP also believes that it is being increasingly subject to an influx of procurement regulations in certain countries.

Events After the Quarter-end Closing

The sale of all 30 Makro wholesale stores in the United Kingdom as well as all operating assets of Makro UK (Manchester) to the Booker Group was concluded on 4 July 2012. An impairment loss of €172 million was already incurred on 30 June 2012 within the scope of this transaction. In return, METRO GROUP now holds a 9.08% stake in Booker Group plc. In addition, METRO GROUP received a cash payment of £15.8 million. Both companies also expect additional added value from this strategic partnership and intensive exchange of competences.

At the beginning of July 2012, it was resolved to implement an extensive restructuring programme for central functions in Germany and abroad. In addition to personnel cost savings, extensive savings are also planned with regard to material and project costs. Special items in the low double-digit million Euros range are expected in this context.

Notes to Related Parties

In Q1 2012, METRO GROUP maintained the following business relations to related companies during the reporting period:

Mio. €	H1 2011	H1 2012
Goods/services provided	1	1
therefore to associated companies	0	0
Goods/services received	41	11
therefore from associated companies	4	4
Receivables from goods/services provided	1	0
Liabilities from goods/services received	1	2

Mio. €	Q2 2011	Q2 2012
Goods/services provided	1	0
therefore to associated companies	0	0
Goods/services received	20	4
therefore from associated companies	2	1
Receivables from goods/services provided	1	0
Liabilities from goods/services received	1	0

In H1 2012, METRO GROUP companies provided goods/services totalling €1 million to companies included in the group of related companies. This concerned primarily the granting of lease rights.

The goods/services totalling €11 million that METRO GROUP companies received from related companies in H1 2012 consisted €7 million of services and €4 million of property leases. The decline in goods/services received resulted mainly from the termination of rental contracts with related parties.

Business relations with related companies are based on contractual agreements and are at arm's length.

Changes to the Management Board

Joël Saveuse, member of METRO AG's Management Board and CEO of the Real Group, left the company as of 31 March 2012. This was mutually agreed upon by Mr Saveuse and the Supervisory Board. CEO Olaf Koch has taken full responsibility for Real within the Management Board of METRO AG.

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RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining financial year.

27 July 2012

The Management Board

OLAF KOCH MARK FRESE HEIKO HUTMACHER FRANS W. H. MULLER

REVIEW REPORT

To METRO AG, Düsseldorf

We have reviewed the condensed interim consolidated financial statements of the METRO AG -comprising the balance sheet, the income statement, total comprehensive income reconciliation, cash flow statement, statement of changes in equity and selected explanatory notes – together with the interim group management report of the METRO AG, for the period from January 1 to June 30, 2012 that are part of the semi annual financial report according to § 37 w WpHG ["Wertpapierhandelsgesetz": "German Securities Trading Act"]. The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) and additionally in accordance with the International Standard on Review Engagements, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material aspects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Cologne, 27 July 2012

KPMG AG
Wirtschaftsprüfungsgesellschaft

Lurweg	Klaaßen
Wirtschaftsprüfer (Auditor)	Wirtschaftsprüfer (Auditor)

Financial Calendar

Quarterly Financial Report Q3/9M 2012	Tuesday	30 October 2012	7.30 a.m.
Trading Statement 2012	Wednesday	16 January 2013	8.00 a.m.
Annual Report 2012	Wednesday	20 March 2013	8.00 a.m.
Quarterly Financial Report Q1 2013	Tuesday	30 April 2013	7.30 a.m.
Annual General Meeting	Wednesday	8 May 2013	10.30 a.m.

All time specifications are CET.

IMPRINT

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

Disclaimer
This report contains forward-looking statements which are based on certain expectations and assumptions at the time of publication of this report and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in these materials. Many of these risks and uncertainties relate to factors that are beyond METRO GROUP's ability to control or estimate precisely, such as future market and economic conditions, the behaviour of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated cost savings and productivity gains as well as the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this report. METRO GROUP does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.