METRO Finance B.V.

Financial Statements
As at March 30 2016

Contents

Report of the Board of Supervisory Directors

Pursuant to the Articles of Association we are pleased to submit the financial statements for the financial half year ended on 31 March 2016 as drawn up by the Board of Managing Directors for your adoption.

We recommend you to adopt the financial statements.

Venlo (the Netherlands), 31 May 2016

The Board of Supervisory Directors,

M. Frese

T. Grad

H. Sachs

Report of the Board of Managing Directors

The Board of Managing Directors of the company hereby presents its financial statements for the financial year ended on 31 March 2016.

Overview

METRO Finance B.V. ("the Company") operates as a finance company within the METRO Group. The ultimate parent company of this group is METRO AG which is incorporated in Düsseldorf, Germany and which also is the sole shareholder of the Company.

The main activities of Metro Finance B.V. focus on providing short term financial services (up to one year), in particular by granting loans to and accepting deposits from METRO Group companies as well as granting loans for mid and long-term funding of Metro Group companies and the hedging of related currency and interest rate risks out of the before mentioned transactions. Besides accepting deposits from METRO Group companies refinancing is done via the capital markets.

METRO Finance B.V.'s activities are strongly focused on the financing needs of METRO subsidiaries worldwide. The operating business of the company still developed in line with the expectations of management. Total assets of the company amounted to EUR 3,255 million as at 31 March 2016.

The net interest margin amounted to EUR 1,831 thousand leading into a net result for the financial half year ended 31 March 2016 after operating expenses and taxes of EUR 498 thousand. No dividends were paid during the first financial half year ending March 31 2016.

In the first financial year 2015/16 no new bonds were issued under the Debt Issuance Program. The remaining bonds with a total principal amount of EUR 1,500 million will mature between 2017 and 2022.

As a financial service company, METRO Finance B.V. faces financial risks. These include in particular price risks, liquidity risks, credit risks and cash flow risks. Price risks result from the impact of changes in market interest rates or exchange rates on the fair value of financial instruments. Currency and interest rate risks are substantially managed and hedged to the required risk profile, as described in the principles laid down in the internal treasury guidelines of the METRO Group. Like in previous years, foreign exchange exposure from loans receivable and payable to METRO Group companies is hedged by entering into derivative contracts with banks. Since the company is obliged to follow the financial strategic objectives of METRO AG, potential interest risk positions are covered contractually by METRO AG.

Due to guarantees of METRO AG, METRO Finance B.V. has access to sufficient liquidity reserves and therefore the Company's liquidity risk is considered to be remote even if an unexpected event has a negative financial impact on the company's liquidity situation. A future change in interest rates may cause cash flows from variable interest rate asset and debt items to fluctuate. The finance department of METRO AG manages interest rate risks by defining a benchmark for the relationship between variable and fixed-interest on the METRO Group level. Potential risk positions are covered through the service agreement with METRO AG where a certain interest spread is guaranteed. From the Company's perspective, interest rate risk is therefore considered to be negligible.

The Company reviews the creditworthiness of all its business partners internally as part of the Company risk management procedures. Due to activities and agreements within the METRO group, the Company's credit risk is considered to be limited.

METRO Finance B.V. employed 10 persons on average in the financial year. Measured in full time equivalents, the company employed 9.5 FTE on average in the financial year.

The Board of Managing Directors consists of four, the Supervisory Boards of three members. Currently there is no female representation in each of the boards. In the previous year there were no vacancies and thus no opportunity to appoint a woman for such a position. Gender diversity is and will be part of the selection process to find qualified new members of the boards which meets the required profil.

Statement of responsibility

Further to the requirements set out in Article 5:25c sub 2c of the "Wet financieel toezicht (Wft)", the members of the Board of Managing Directors of the Company hereby state that, to our best knowledge:

- the financial statements for the financial year ended 31 March 2016 give a true and fair view of the assets, liabilities, financial position of and the result generated by the Company;
- the report of the Board of Managing Directors gives a true and fair view of the status of the Company as per 31 March 2016 and during the financial year to which the report relates; and
- the report of the Board of Managing Directors includes a description of the substantial risks the issuer is facing.

Outlook

The management expects an overall stable development of the business. Currently no new refinancing activities are planned for the financial year 2015/2016. If refinancing needs will apply, they will be refinanced on the capital markets depending on market conditions. The net interest margin will be primarily influenced by new credit allocation to METRO subsidiaries, alterations of the short and long term interest rates and the margins of capital market instruments.

The number of employees is expected to remain stable with 10 employees on average during the financial year.

Venlo (The Netherlands), 31 May 2016

The Board of Managing Directors,

H. Laaks O. Kruse H.-D. Hinker F. Duijst

Balance sheet as at 31 March 2016

(Before profit appropriation)

		March 31, 2016		September 30, 2015	
		EUR 1,000	**EUR 1,000**	EUR 1,000	EUR 1,000
Non-current assets					
Property, plant and equipment	*1*	**7**		8	
Financial assets loans	*2*	**1,233,036**		1,607,311	
Financial assets investments	*2*	**-**		-	
			1,233,043		1,607,319
Current assets					
Deferred tax	*3*	**85**		-	
Loans and receivables	*4*	**2,004,221**		2,704,698	
Income taxes		**-**		-	
Other Assets	*5*	**13,629**		20,288	
Cash and cash equivalents	*6*	**3,658**		521	
			2,021,593		2,725,507
			3,254,636		4,332,826

The notes on page 11 to 36 are an integral part of these financial statements

Note:

The financial year runs from 1 October to 30 September.

	Note	March 31, 2016 EUR 1,000	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000	September 30, 2015 EUR 1,000
Shareholders' equity	7				
Share capital		**453**		453	
Share premium		**6,369**		6,369	
Retained earnings		**16,998**		15,363	
Net result for the period		**498**		1,635	
			24,318		23,820
Non-current liabilities					
Bonds	8	**747,677**		1,496,558	
Loans from Metro Group companies	9	**65,000**		65,000	
			812,677		1,561,558
Current liabilities					
Deferred tax liabilities	3	**-**		16	
Loans from Metro Group companies	9	**1,616,806**		2,650,409	
Bonds	10	**749,565**		49,995	
Income taxes		**267**		692	
Other liabilities	11	**51,003**		46,336	
			2,417,641		2,747,448
			3,254,636		4,332,826

The notes on page 11 to 36 are an integral part of these financial statements

Note:

The financial year runs from 1 October to 30 September.

Statement of income for the first financial half year 2016

		March 31, 2016		September 30, 2015	
		EUR 1,000	**EUR 1,000**	EUR 1,000	EUR 1,000
Financial income	*12*	**74,894**		195,361	
Financial expenses	*13*	**73,063**		190,558	
Net financial income			**1,831**		4,803
Other income	*14*		**125**		196
Operating expenses					
Amortisation and depreciation charges	*1*	**1**		5	
Wages and salaries	*15*	**522**		1,023	
Other expenses	*16*	**769**		1,389	
			1,292		2,417
Result before taxation			**664**		2,582
Income tax	*17*		**(166)**		(947)
Net result for the year			**498**		1,635

The notes on page 11 to 36 are an integral part of these financial statements

Note:
The financial year runs from 1 October to 30 September.

Statement of recognized income and expense for the first financial half year 2016

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Other comprehensive income directly recognised in equity	–	–
Net result for the first financial half year	**498**	1,635
Total comprehensive income for the first financial half year	**498**	1,635
Comprehensive income attributable to:		
- Shareholders of the company	**498**	1,635
- Minority interest	-	-
Total comprehensive income for the first financial half year	**498**	1,635

The notes on page 11 to 36 are an integral part of these financial statements

Note:
The financial year runs from 1 October to 30 September.

Statement of changes in equity as at March 31, 2016

	Share Capital EUR 1,000	Share premium EUR 1,000	Retained Earnings EUR 1,000	Net result for the year EUR 1,000	Total EUR 1,000
30 September 2014	453	6,369	12,373	2,990	22,185
Appropriation of the net results for the year ended 30 September 2014	–	–	2,990	(2,990)	–
Dividend payment	–	–	–	–	–
Net result for the year	–	–	–	1,635	1,635
30 September 2015	453	6,369	15,363	1,635	23,820
Appropriation of the net results for the period ended 30 September 2015	–	–	**1,635**	**(1,635)**	–
Dividend payment	–	–	–	–	–
Net result for the first half year	–	–	–	**498**	**498**
31 March 2016	**453**	**6,369**	**16,998**	**498**	**24,318**

The notes on page 11 to 36 are an integral part of these financial statements

Note:
The financial year runs from 1 October to 30 September.

Cash flow statement as per 31 March 2016

		March 31, 2016	September 30, 2015
		EUR 1,000	EUR 1,000
Result before taxation		**664**	2,582
Adjustments for depreciation	*1*	**1**	6
		665	2,588
Change in other working capital		**12,483**	(19,244)
Originating of financial assets Metro Group companies	*2*	**(61,519)**	(943,068)
Redemption of financial assets Metro Group companies	*2*	**-**	45,975
Loans to Metro Group Companies/third parties	*2/4/9*	**65,872**	892,652
Originating of financial assets third parties	*2/4*	**-**	(4,819)
Redemption of financial assets third parties	*2/4*	**4,976**	305
Cash generated from operations		**22,477**	(25,611)
Interest paid		**(55,341)**	(115,612)
Interest received		**86,001**	136,800
Corporate income tax paid/received		**-**	1,929
Cash flows from operating activities		**30,660**	(2,494)
Investment in subsidiary	*2*	**-**	-
Investments in tangible assets	*1*	**-**	-
Cash flows from investing activities		**-**	-
Dividend payments		**-**	-
Originating of financial liabilities		**-**	-
Redemption of financial liabilities		**(50,000)**	-
Cash flows from financing activities		**(50,000)**	-
Changes in cash and cash equivalents		**3,137**	(2,494)
Cash and cash equivalents October 1		**521**	3,015
Cash and cash equivalents as of March 31		**3,658**	521

The notes on page 11 to 36 are an integral part of these financial statements

Note:
The financial year runs from 1 October to 30 September.

Notes to half year 2016 financial statements

Summary of significant accounting policies

General

METRO Finance B.V. ("the Company"), domiciled in Venlo, was incorporated on October 3, 1984 as a Dutch company with limited liability ("B.V. = Besloten Vennootschap").

Group structure

METRO Finance B.V. belongs to the METRO Group. The ultimate parent company of this group is METRO AG which is incorporated in Düsseldorf, Germany which is also the sole shareholder of the company. The financial statements of Metro Finance B.V. have been included in the consolidated financial statements of Metro AG.

Activities

METRO Finance B.V. operates as a finance company within the METRO Group. Its main activities consist of attracting loans for funding of METRO Group companies, hedging of related currency and interest rate risks, as well as providing short-term financial services for METRO Group companies, such as cash management.

Accounting principles

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code.

The financial statements 2015 were authorized for issue by the board of Managing Directors on 11 December 2015. The accounting principles as set out below have been applied in preparing the financial statements for the financial half year ended March 2016 and the comparative information presented in these financial statements.

These financial statements have been based on the historical cost convention, except for the financial instruments that are recognised at fair value. The financial statements have been prepared in euros. All amounts are stated in thousands of euros. The accounting principles used as a basis for the financial statements have been described in the following paragraphs.

Going concern

There are no indications to doubt the continuity of the Company. Therefore the going concern assumption was applied during the preparation of these financial statements.

Currency translation

Transactions denominated in currencies other than euro (functional currency) are translated at the exchange rate applying on the transaction date. Monetary assets and liabilities denominated in currencies other than euro are translated at the rate of exchange prevailing on balance sheet date. Non-monetary assets and liabilities in foreign currency that are stated at historical cost are translated into euros at the applicable exchange rates on the transaction date. The resulting exchange rate differences are credited or charged to the statement of income.

The following currency exchange rates were applied in the translation of the key currencies to euro:

	Average 31 March 2016	Average 30 September 2015	**31 March 2016**	30 September 2015
Czech Kroner (CZK)	**27.04858**	27.4287	**27.051**	27.187
Great Britain Pounds(GBP)	**0.74582**	0.74305	**0.79155**	0.7385
Hungarian Forint (HUF)	**312.35377**	308.94701	**314.12**	313.45
Polish Zloty (PLN)	**4.31142**	4.1706	**4.2576**	4.2448
Romanian Leu (RON)	**4.47528**	4.43956	**4.4718**	4.4176
Russian Ruble (RUB)	**77.29664**	64.80626	**76.3051**	73.2416

Balance sheet

Non-current assets

Tangible assets

Tangible fixed assets used in operations for a period that exceeds one year are recognised at cost less scheduled depreciations. Tangible assets are depreciated solely on a straight line basis, taking into account the following useful lives:

- Computer system : 3-5 years
- Cars : 5 years
- Computer license : 6 years
- Office equipment : 5-8 years

Assets are impaired in case the recoverable amount is below the book value.

Financial Assets Loans

Financial assets held by the Company are recognised in accordance with IAS 39 (Financial instruments: Recognition and Measurement). Financial assets are initially recognised at fair value

Financial Assets Loans

Financial assets held by the Company are recognised in accordance with IAS 39 (Financial instruments: Recognition and Measurement). Financial assets are initially recognised at fair value and using value date accounting. Subsequently loans are measured at amortised cost, using the effective interest method.

Derivative financial instruments are measured at fair value with fair value movements in the statement of income.

Financial Assets Investments

Investments in group companies are stated at cost less any accumulated impairment losses.

Income and deferred tax

Income taxes concern direct taxes on income.

Deferred taxes are determined in accordance with IAS 12, based on which future tax benefits and liabilities are recognised in case these are related to temporary difference between the commercial and fiscal base of recognition. Anticipated future tax savings due to compensating fiscal loss carry forwards, that are expected to be realised in the foreseeable future, are capitalised.

Deferred tax assets and liabilities are netted if these relate to an identical (group of) topics and subjects that are jointly assessed for income tax purposes by the same tax authority.

Current Assets

Loans and receivables

Loans and receivable held by the Company are recognised in accordance with IAS 39 (Financial instruments: Recognition and Measurement). Loans and receivables are initially recognised at fair value and using value date accounting. Subsequently loans and receivables are measured at amortised cost, using the effective interest method.

Cash and Cash equivalents

Cash and cash equivalents comprise bank deposits and monetary assets with a remaining time to maturity of 3 months or less and are measured at amortised cost, which equals nominal values unless stated otherwise.

Other assets

"Other assets" include deferred expense, as well as derivative financial instruments with a time to maturity that does not exceed 12 months. Derivative financial instruments are measured at fair value with fair value movements recognised in the statement of income.

Impairment or disposal of assets

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognized in profit and loss and reflected in an allowance account against loans and advances. Interest on impaired assets continues to be recognized through unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortised cost is impaired.

Liabilities

Non- current liabilities

Non-current liabilities are either "loans and borrowings" or derivative financial instruments with a time to maturity that exceeds 12 months, that are recognised in accordance with IAS 39 (Financial instruments: Recognition and Measurement).

Loans and borrowings consist of bonds, promissory note loans and bank loans that are initially recognised at fair value. Subsequently "loans and borrowings" are measured at amortised cost using the effective interest method in accordance with IAS 39.

Derivative financial instruments are measured at fair value with fair value movements recognised in the statement of income.

Current liabilities

Current liabilities include (parts of the) loans and borrowings with times to maturity that do not exceed 12 months, income tax liabilities and "other liabilities". Loans and borrowings are initially valued at fair value, subsequently they are valued at amortised cost using the effective interest method.

Other liabilities include deferred income, accrued expenses and derivative financial instruments measured at fair value or amortised cost, for which the period to maturity does not exceed 12 months. Deferred income and accrued expenses are valued at cost. Derivative financial instruments are valued at fair value.

Contingent liabilities

Contingent liabilities are, on one hand, potential obligations arising from past events whose existence is confirmed only by occurrence or non-occurrence of uncertain future events that are not entirely under the Company's control. On the other hand, contingent liabilities represent current obligations arising from past events for which, however, an outflow of resources is not considered probable or whose size cannot be determined with reasonable certainty. According to IAS 37 (provisions, contingent liabilities and contingent assets), such liabilities are not recognised but commented upon in the notes.

Accounting for derivative financial instruments / hedge accounting

Derivative financial instruments are used exclusively to reduce risks in accordance with the respective group guidelines. Usage is limited to foreign exchange spot,and forward transactions interest rate swaps and cross currency swaps.

In accordance with IAS 39, all derivative financial instruments are recognised at fair value and presented under "current assets" or "current liabilities" or "other assets" or "other liabilities" in case the remaining period to maturity does not exceed twelve months. Fair value changes are recognised directly in the statement of income. The Company does not apply cash flow hedge accounting.

In case fair value hedge accounting is applied, the hedged item is adjusted to reflect the effective part of the fair value change of the hedging instrument with an offsetting amount to be included in the statement of income. Both at the hedge inception and at each reporting date, we assess whether the derivatives used are highly effective in offsetting changes in fair values or cash flows of hedged items. When a hedging relationship is not highly effective, we discontinue hedge accounting prospectively. If this is the case, the remaining fair value adjustment on the hedged item is amortised over the remaining time to maturity using the effective interest rate at date of designation. Currently the Company does not apply fair value hedge accounting.

Acquisitions

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses ultimately are controlled by the same party or parties both before and after the combination, and that control is not transitory. Business combinations are accounted for in accordance with IFRS 3.

Use of assumptions and estimates

In general financial statements are prepared using assumptions and estimates that had an effect on the value and presentation of the reported assets, liabilities, income and expense as well as contingent liabilities. In the context of the Company financial statements, estimates and assumptions mainly relate to contingent liabilities, provisions, fair value assessments and impairments.

A yearly analysis of objective evidence of impairment for financial assets is performed based on information available within the Group and external market data.

Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognised in the statement of income as financial income or expense.

Statement of income

Recognition of income and expense

Financial income and expense

Financial income and expense is composed of interest income and expense, fair value changes of derivative financial instruments as well as currency revaluation gains and gains and losses on monetary assets and liabilities. Finance income and expense is recognised in the statement of income, using the effective interest rate method.

The entity has a service agreement with METRO AG for the services that METRO Finance B.V. renders for METRO AG group companies. METRO Finance B.V. receives an at arm's length fixed spread on the loan arrangements' interest relating to these services. Differences between actual gross income (before deducting operational expenses) and the arm's length fixed spread are payable to METRO AG. In the event that the actual gross income (before deducting operational expenses) falls below the arm's length spread, METRO AG shall reimburse the difference to METRO Finance B.V. This expense or reimbursement is recognised in the profit and loss account as part of the interest expenses or interest income, using the accrual method.

Other income

Other income relates to revenue from management services rendered to the affiliated companies for which service level agreements are in place. Revenues are recognised in the period they relate to.

Operating expenses

Operating expenses are recognised in the period they relate to.

Segment reporting

Segment information is not separately reported because the primary activity of the Company is financing the parent company Metro AG (Germany) and Metro Group companies within continental Europe (2016, March 31: 68.6%; 2015: 71.9%), Metro Group Companies within Central Eastern Europe (2016, March 31: 22.4 %; 2015: 20.9%), as well as Metro Group Companies in Asia (2016, March 31: 8.2%; 2015: 6.6%) and Africa (2016, March 31: 0.9%; 2015: 0.7%).
The interest income relates to continental Europe (2016, March 31: 30.8%; 2015: 45.0%), to Central Eastern Europe (2016, March 31: 60.6%; 2015: 50.6%), to Asia (2016, March 31: 7.4%; 2015: 2.9%) and to Africa (2016, March 31: 1.2%; 2015: 1.5%).

New standards, interpretations and amendments effective from financial year 2015/2016

The following amended standards are relevant to the company and have been adopted for the first time in these financial statements, with no material impact:

IFRS 10 'Consolidated Financial Statements'; IFRS 10 introduces a single control model for all entities. It replaces the consolidation requirements in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation – Special Purpose Entities. Under the current IAS 27 requirements, an investor is required to consolidate an investee when it has the power to govern the investee's financial and operating policies to obtain benefits from the investee's activities. For special purpose entities, which are covered by SIC-12, control is based on (different) risk and reward principles.

IFRS 12 'Disclosure of interests in other entities'. This standard contains the disclosure requirements for interests in subsidiaries, joint ventures, associates and other unconsolidated entities

IAS 27 'Separate financial statements (Revised)' IAS 27 was amended as part of the IASB's project to replace the existing guidance for consolidation, which resulted in the issue of IFRS 10 and IFRS 12. Most of the requirements of IAS 27 Consolidated and Separate Financial Statements relating to separate financial statement have been carried forward unchanged, although the disclosure requirements of that standard have now been incorporated into IFRS 12.

IAS 32 'Offsetting Financial Assets and Financial Liabilities' was amended to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of 'currently has a legally enforceable right of sett-off'
- the application of simultaneous realisation and settlement
- the offsetting of collateral amounts
- the unit of account for applying the offsetting requirements.

New standards, interpretations and amendments not yet effective

IFRS 9, "Financial Instruments" (replacement of IAS 39) will become effective as from 1-1-2018,while the EU has not endorsed the standards yet. IFRS 9 introduced new requirements for classifying and measuring financial assets and liabilities. This standard encompasses an overall change of accounting principles for financial instruments and will replace IAS 39 – the current standard on financial instruments.

First adoption of the new Standard would be as per 1. October 2018 for the beginning business year 2018/2019. The new standard is under review, the entity is in the process of assessing the financial impact of the new standard.

Cash flow statement

The cash flow statement has been prepared applying the indirect method.

Cash flows in foreign currencies have been translated at the weighted average exchange rates.

Receipts and payments of interest and corporate income tax are included in the cash flow from operating activities.

Determination of fair value of financial assets and liabilities

IFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other IFRSs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7 Financial Instruments: Disclosures. Accordingly, additional disclosures in this regard have been included in Note 20 – Financial risk management.

The estimated fair value of financial instruments as included in either or both the balance sheet and disclosure notes has been determined by the Company using acknowledged measurement methodology, using market data as money market and swap curves and foreign exchange rates presented as at balance sheet date. Specific counterparty related credit risk is assessed by using the credit default swap spreads for the parties involved.

The fair values disclosed for financial liabilities outstanding under the DIP and EMTN programmes operated via listings on (regulated) exchanges in Frankfurt and Luxembourg are based on market data.

The fair values presented are not necessarily indicative of the amounts that will ultimately be realized by the Company upon maturity or disposal. The use of different market assumptions and/or estimation methods may have a material effect on the estimated fair value amounts.

IFRS 7 specifies a fair value hierarchy that identifies the following hierarchy levels:

- Level 1: Fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Fair values measured using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of the financial instruments included at fair value in the Company financial statements are classified as level 2 according to the before mentioned fair value hierarchy referred to in IFRS 7.

Where applicable detailed information concerning the principles for determination of the fair values have been included in the section that specifically relates to the relevant financial asset or liability.

1 Property, plant and equipment

The movements of the tangible fixed assets can be shown as follows:

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Balance as per October 1, 2015, respectively September 30, 2014		
• At cost	**119**	119
• Accumulated depreciation	**(111)**	(106)
Book value	**8**	13
Movements:		
• Addition	**1**	1
• Disposals	**-**	(1)
- Cost	**-**	-
- Cumulative depreciation	**-**	-
• Depreciation	**(2)**	(5)
	(1)	(5)
Balance as per March 31, 2016 respectively September 30, 2015		
• At cost	**120**	119
• Accumulated depreciation	**(113)**	(111)
Total book value	**7**	8

Property, plant and equipment relate to a car as well as office and computer equipment mainly. Impairment adjustments were not deemed necessary.

2 Financial assets

	Investments	Loans to third parties	Loans to METRO Group companies	Total
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Balance as at October 1, 2014	8,995	8,414	795,904	813,313
Additions	-	-	943,068	943,068
Repayments	(8,995)	(305)	(45,975)	(55,275)
Reclass from external to internal loans	-	(4,819)	(110,222)	(115,041)
Transfers to short term	-	-	21,246	21,246
Balance as at September 30, 2015	-	3,290	1,604,021	1,607,311
Balance as at October 1, 2015	-	**3,290**	**1,604,021**	**1,607,311**
Additions	-	-	**61,519**	**61,519**
Repayments	-	**(157)**	-	**(157)**
Transfers to short term	-		**(435,637)**	**(435,637)**
Transfer from short term (prolongation into long term)	-	-	-	-
Balance as at March 31, 2016	-	**3,133**	**1,229,903**	**1,233,036**

The interest on fixed interest rate loans varies between 0.936% and 5.533% (2015: 0.936% and 5.855%), depending on the lifetime and interest periods of the respective loans.

The expiration dates of the non-current loans are between 2017 and 2024 (2015: 2016 and 2024). Impairment adjustments were not deemed necessary.

Loans to third parties, to non-consolidated Group companies and to Group companies with possible impairment needs are secured either by one or a combination of the following collaterals:

- Corporate guarantee of METRO AG
- Mortgages
- Negative pledge clause
- Pledge of lease payments

In September 2013 Metro Finance BV purchased MIAG B.V. from sole shareholder MIAG C.V. The purchase price amounted to EUR 8,995 thousand. Metro Finance B.V.was sole shareholder of MIAG B.V. As per 30 September 2015 MIAG B.V. was merged with Metro Finance B.V.

3 Deferred tax assets and liabilities

At 31 March 2016 a net amount of EUR 85 thousand deferred tax asset exist (2015: EUR 16 thousand liabilities).

Deferred tax assets and liabilities relate to the difference in measurement basis for IFRS and fiscal reporting purposes with regards to derivative financial instruments. For Dutch fiscal purposes these are valued at cost or lower market value rule while under IFRS fair value accounting is applied. The measurement difference is temporary in nature.

4 Loans and receivables

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Loans to Metro Group companies	**1,972,763**	2,637,832
Loans to third parties	-	4,819
Interest receivable Metro Group companies	**31,458**	61,974
Other receivables	-	73
Balance as at March 31, 2016 respectively September 30, 2015	**2,004,221**	2,704,698

The loans to METRO AG and Metro Group companies, as well as to third parties will be due within one year from balance sheet date. As per 31 March 2016 Loans to Metro Group companies comprise a current account position of EUR 143 million (2015: 657 million) with METRO AG. The interest on fixed interest rate loans varies between 3.416 % and 5.855% (2014: 1.527 % and 6.69%), depending on the original duration and interest periods of the respective loans. The interest of loans which original duration is less than one year is based on EURIBOR plus a margin of between 0.85% and 7.30%. Impairment adjustments have not been deemed necessary.

Loans to third parties, to non-consolidated Group companies and to Group companies with possible impairment needs are secured either by one or a combination of the collaterals which are included in note 2.

5 Other assets

	March 31, 2016	September 30, 2015
	EUR 1,000	EUR 1,000
Derivatives: Foreign exchange contracts	13,629	20,288
	13,629	20,288

The change in derivatives during the year can be specified as follows:

	March 31, 2016	September 30, 2015
	EUR 1,000	EUR 1,000
Balance as at 1 October 2015 respectively 1 October 2014	20,288	22,352
Change in fair value	(6,659)	(2,064)
Balance as at March 31, 2016 respectively September 30, 2015	13,629	20,288

Other assets per 31 March 2016 reflect the fair value of forward contracts used to hedge the future foreign exchange loan redemptions and related interest cash flows.

6 Cash and cash equivalents

Cash and cash equivalents include bank balances held with commercial banks, that are due within three months after balance sheet date and which are at the free disposal of the company.

7 Shareholder's equity

The authorised share capital of the company as at March 31, 2016 consists of 700 ordinary shares of EUR 1 thousand each (2015: 700 ordinary shares of EUR 1 thousand each). The issued and fully paid-up share capital consists of 453 shares (2015: 453 shares).

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at shareholders' meetings of the Company.

The proposal for appropriation of net results over 2015 has been adopted at the Shareholders Meeting.

Reference is made to the statement of changes in equity as included in the financial statements.

5 Other assets

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Derivatives: Foreign exchange contracts	**13,629**	20,288
	13,629	20,288

The change in derivatives during the year can be specified as follows:

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Balance as at 1 October 2015 respectively 1 October 2014	**20,288**	22,352
Change in fair value	**(6,659)**	(2,064)
Balance as at March 31, 2016 respectively September 30, 2015	**13,629**	20,288

Other assets per 31 March 2016 reflect the fair value of forward contracts used to hedge the future foreign exchange loan redemptions and related interest cash flows.

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Cash and cash equivalents include bank balances held with commercial banks, that are due within three months after balance sheet date and which are at the free disposal of the company.

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The proposal for appropriation of net results over 2015 has been adopted at the Shareholders Meeting.

Reference is made to the statement of changes in equity as included in the financial statements.

8 Bonds

	Maturity	Fixed Interest %	Effective interest %	Carrying amount March 31, 2016 EUR 1,000	Principal amount March 31, 2016 EUR 1,000	Carrying amount September 30, 2015 EUR 1,000	Principal amount September 30, 2015 EUR 1,000
Maturity more than 1 years:							
EMTN Notes	2017	1.173	1.35	**49,968**	**50,000**	49,955	50,000
EMTN Notes	2017	4.25	4.32	**-**	**-**	749,330	750,000
EMTN Notes	2018	2.25	2.40	**498,456**	**500,000**	498,101	500,000
EMTN Notes	2020	4.05	4.19	**124,395**	**125,000**	124,323	125,000
EMTN Notes	2022	4.00	4.04	**74,858**	**75,000**	74,849	75,000
Total				**747,677**	**750,000**	1,496,558	1,500,000

All instruments have been issued under the EMTN and DIP programs. The notes are denominated in EUR, and bear interest depending on the lifetime and interest periods of the respective loans.

The DIP and EMTN programmes are operated via listings on (regulated) exchanges in Frankfurt am Main and Luxembourg. The EMTN Notes that mature in 2017 are unlisted bonds. For an overview of fair values reference is made to the note on financial risk management.

The interest on the floating bond amounting to EUR 50,000 thousand which matures in 2017 is based on the 6-month EURIBOR plus a margin of 1.25%.

9 Loans from Metro group companies

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Loans from Metro Group companies	**1,033,801**	1,692,485
Current account balances with regards to Metro Group companies	**580,583**	956,733
Interest payables	**2,422**	1,191
Balance as at March 31, 2016 and September 30, 2015 respectively	**1,616,806**	2,650,409

The interests are based on EURIBOR flat or – in special cases – plus a margin of 0.85%. The interest rates for loans which are denominated in other currencies than EURO are set after a derivative contract has been entered with regard to the non-EURO loan.

Based on the repayment term of the loans, an amount of EUR 65 million is presented as non-current liabilities. The maturity date of this loan is May 30, 2018.

10 Bonds (current part)

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
EMTN Notes	**749,565**	49,995
Balance as at March 31, 2016 and September 30, 2015 respectively	**749,565**	49,995

The interest accruals related to the Bonds are presented under other liabilities and accrued expenses. The bond expires in February 2017 (2015: January 2016).

11 Other liabilities and accrued expenses

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Accrued interest bonds	**16,691**	29,067
Derivatives	**21,857**	16,402
Other	**12,455**	867
Balance as at March 31, 2016 respectively September 30, 2015	**51,003**	46,336

A short term overdraft on bank accounts would have been represented under other liabilities.

Short term overdrafts on the bank accounts are covered by credit facilities with bank. The facilities amounting to MEUR 85.

The change in derivatives during the year can be specified as follows:

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Balance as at 1 October 2015 respectively 1 October 2014	**16,402**	2,557
Change in fair value	**5,455**	13,845
Balance as at March 31, 2016 respectively September 30, 2015	**21,857**	16,402

The derivatives per 31 March 2016 reflect the fair value of forward contracts to hedge the future foreign exchange loan redemptions and related interest cash flows.

12 Financial income

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Interest income from loans and receivable		
Thereof financial instruments of the IAS 39 measurement categories and related classes of financial instruments:		
• Loans and receivables –external counterparties	47	3,685
• Loans and receivables –Metro Group companies	50,592	148,897
Subtotal interest income	50,639	152,582
Currency translation gains		
Currency translation gains loans and receivables	16,419	41,407
Fair value changes on derivatives - external counterparties	-	-
Fair value changes on derivatives - internal counterparties	7,836	1,372
Subtotal foreign exchange income	24,255	42,779
Financial income	74,894	195,361

13 Financial expense

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Interest expense from loans and receivable		
Thereof financial instruments of the IAS 39 measurement categories and related classes of financial instruments:		
• Loans and receivables –external counterparties	27,135	54,815
• Loans and receivables –Metro Group companies	4,781	10,128
• Loans and receivables –METRO AG	7,904	30,271
• Interest expenses relating to hedge-transactions	4,844	50,455
Subtotal interest expense	44,664	145,669
Currency translation losses		
Currency translation losses loans and receivables	8,449	27,607
Fair value changes on Derivatives - external counterparties	19,477	15,911
Fair value changes on derivatives - internal counterparties	473	1,371
Subtotal foreign exchange losses	28,399	44,889
Financial expense	73,063	190,558

Interest expenses relating to hedge-transactions reflect the interest component in foreign currency derivatives.

The financial expense METRO AG is the difference between actual gross income (before deducting operational expenses and financial expense METRO AG) and the arm's length spread according to service agreement with Metro AG.

14 Other income

The other income consists of general expenses and services fees which were cross charged by METRO Finance B.V. to METRO Group companies relating to expenses incurred and services rendered. The cross charges have been based on documented policies.

15 Wages and salaries

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Wages and salaries	**518**	1,008
Social security charges and pension contributions	**4**	15
	522	1,023

For an overview of staff members and remuneration of Board of Managing and Supervisory Directors, reference is made to note 21 and note 22.

16 Other expenses

Other expenses relate to general and administrative expenses.

In other expenses audit fee is included, amounting to EUR 79 thousand (2015: EUR 75), of which EUR 33 thousand (2015: EUR 29 thousand) was charged by BDO Audit & Assurance B.V. Amstelveen, and the remaining EUR 46 thousand (2015: 46 thousand) was paid to KPMG AG Wirtschaftsprüfungsgesellschaft, Düsseldorf (Germany).

17 Income tax

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Profit (loss) before tax	**664**	2,582
Expected tax expense (benefit) based on rate of 25.0% (2015: 25.0%)	**166**	645
Adjustment for prior year	**-**	302
Total effective income tax expense (benefit)	**166**	947

The tax charge can be specified as follows:

	March 31, 2016 EUR 1,000	September 30, 2015 EUR 1,000
Current tax expense	**267**	993
Deferred tax expense	**(101)**	(46)
	166	947

Tax recognised in profit or loss:

	March 31 2016 EUR 1,000	September 30, 2015 EUR 1,000
Current tax expense		
Current year	**267**	692
Adjustment for prior year	**-**	301
	267	993
Movement deferred tax liability	**(101)**	(46)
Total effective income tax expense (benefit)	**166**	947

The nominal tax rate is 25.0% (2015: 25.0%). The tax charge in the statement of income as per March 31, 2016 amounts to EUR 166 thousand expense (2015: EUR 645 thousand expense) being 25.0% nominal of the result before taxes (2015: nominal 25.0%). As adjustments for prior years were not necessary, the effective income tax remains EUR 166 thousand expense (2015: EUR 947 benefit) being 25.0% (2014: 36.7%) of the result before taxes.

No permanent differences between fiscal and commercial tax base were identified.

18 Financial risk management

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk.
- Liquidity risk.
- Market risk including interest rate and currency risk.

This note presents information about the exposure of the Company to each of the above risks, the Company's objectives, policies and processes for managing and measuring these risks, and the Company's approach to capital management.

General

During the normal course of business, the company uses various financial instruments that expose the company to market, credit and liquidity risks. The company is exposed to these risks given the portfolio of interest-bearing receivables (mainly taken up in financial fixed assets and cash at bank and in hand), interest-bearing long term and current liabilities (including bonds and bank loans) as well as derivative financial instruments.

The company does not trade these financial derivatives and follows procedures and lines of conduct to limit the size of the credit risk with each counterparty and market. If counterparties fail to meet payment obligations to the company, the resulting losses in principle are limited to the fair value of the instruments in question. The contract value or principal amounts of the financial instruments serve only as an indication of the extent to which such financial instruments are used, and not of the value of the credit or market risks.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables. Due to activities and agreements within the METRO Group the credit risk is very limited.

In the course of the risk management of monetary investments and financial derivatives, minimum creditworthiness requirements and maximum exposure limits have been defined for all business partners of METRO Group. This is based on a system of limits laid down in the treasury guidelines applied within the METRO Group.

The Company reviews the creditworthiness internally as part of the Company risk management procedures. This risk has not materialised and no allowance for impairment for incurred losses in respect of receivables is recognised.

Approximately 100% (2015: 100%) of the receivables of the company are held with related parties, for definition see below to related party transactions. Approximately 51% (2015: 38%) of the receivables is concentrated with METRO Cash and Carry International Holding B.V., The Netherlands.

The receivables outstanding with third parties amount to EUR 3 Million (2015: EUR 8 million). We refer to note 2 and 4, for further information. These receivables are secured by the following.

- Guarantee of Metro AG;
- Mortgage agreement, and.
- Pledge to take over rental receivables.

In general management of the Company tend to assess and review credit risk for counterparties within the Group. If considered necessary receivables will be secured by adequate warranty instruments.

Liquidity risk

Due to guarantees of METRO AG, METRO Finance B.V. has access to sufficient liquidity reserves so that liquidity risk is limited.

The following table provides a maturity overview of contractual cash flows. The amounts disclosed in the table are the contractual undiscounted amounts. Derivatives cash flows only include the payable leg of the contract.

Maturity of liabilities and cash outflows (contractual cash flows)	Less than 1 year EUR 1,000	Between 1 and 5 years EUR 1,000	Over 5 years EUR 1,000
At September 30, 2015			
Borrowings	50,000	1,425,000	75,000
Interest on borrowings	1,550	125,665	21,000
Deposits	1,692,826	65,000	-
Interest on deposits	1,008	7,164	-
Other payables	867	-	-
Derivatives	2,990,214	-	-
Total	4,736,465	1,622,829	96,000

Maturity of liabilities and cash outflows (contractual cash flows)	**Less than 1 year EUR 1,000**	**Between 1 and 5 years EUR 1,000**	**Over 5 years EUR 1,000**
At March 31, 2016			
Borrowings	**750,000**	**675,000**	**75,000**
Interest on borrowings	**31,875**	**54,864**	**21,000**
Deposits	**1,046,069**	**65,000**	-
Interest on deposits	**865**	**7,164**	-
Other payables	**12,455**	-	-
Derivatives	**1,946,199**	-	-
Total	**3,787,463**	**802,028**	**96,000**

Interest rate risk

The company is exposed to interest rate cash flow risk regarding floating interest rates on receivables and liabilities. In relation to fixed rate interest bearing receivables and liabilities, the company is exposed to fair value interest rate risk.

Derivative financial instruments may be used by the entity to hedge interest rate risks if deemed necessary.

Interest rate derivative financial instruments may be used to adjust the fixed or floating nature of the external loans obtained to the desired profile. The METRO Group interest rate policy aims to reduce the financing costs as much as possible. Derivative financial instruments are not used for speculative purposes.

The estimated market value indicates the amount payable or receivable in exchange for termination of the contracts as at year-end without further obligations.

Sensitivity analysis

At March 31, 2016, if EURIBOR interest rates had been 100 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been EUR 198 thousand higher/lower (2015: EUR 107 thousand lower/higher). Because of the existing service agreement with METRO AG, according to which an interest margin is agreed, the change in interest rates would have had no impact on OCI.

Currency risk

The company is exposed to foreign exchange risk on loan receivables and payables denominated in a currency other that the euro. Foreign currency derivative financial instruments, mainly currency forwards and swaps may be used to reduce the foreign currency risk arising on financing and funding transactions in foreign currencies. Forward exchange contracts and currency swap contracts are entered into to adjust the currency of the payables and receivables to the desired currency. The derivative financial instruments are not collateralized and are not used for speculative purposes

The estimated market value indicates the amount payable or receivable in exchange for termination of the contracts as at year-end without further obligations.

As per 31 March 2016 105 foreign exchange forward contracts (EUR against RUB, RON, DKK, GBP, JPY, HRK, HUF, CZK, CHF, TRY, SEK, SGD, PLN, THB, USD) were outstanding to hedge the foreign exchange currency risk of the future foreign exchange interest margin relating to the foreign exchange deals with METRO Group companies and banks. The deals consist of loans and receivables with METRO Group companies. We refer to the paragraph on “interest rate risk”.

The summary of the Group's main exposure to foreign currency risk is as follows:

	RON	PLN	RUB	HUF
	RON 1,000	PLN 1,000	RUB 1,000	CHF 1,000
At March 31, 2016				
Financial assets				
Loans to METRO Group companies	149,222	47,528	7,317,583	-
Financial liabilities				
Loans from METRO Group companies	(294,188)	(720,930)	(147,505)	(57,499,762)
Net statement of financial position exposure	(144,966)	(673,402)	7,170,078	(57,499,762)
Forward exchange contracts	144,966	673,402	(7,170,078)	(57,499,762)
Net exposure	0,000	0,000	0,000	0,000

Sensitivity analysis

We perform foreign currency sensitivity analysis by applying an adjustment to the spot rates prevailing at year-end. This adjustment is based on observed changes in the exchange rate in the past and management expectation for possible future movements. We then apply the expected possible volatility to revalue all monetary assets and liabilities (including derivative financial instruments) in a currency other than the functional currency of the subsidiary in its balance sheet at year-end.

At March 31, 2016, if the euro had weakened/strengthened by 10 percent against the RON with all other variables held constant, post-tax profit for the year would have been EUR 49 thousand (2015: EUR 10 thousand) lower/higher, because the RON positions are hedged.

At March 31, 2016, if the euro had weakened/strengthened by 10 percent against the PLN with all other variables held constant, post-tax profit for the year would have been EUR 13 thousand (2015: EUR 20 thousand) lower/higher, because the PLN positions are hedged.

At March 31, 2016, if the euro had weakened/strengthened by 10 percent against the RUB with all other variables held constant, post-tax profit for the year would have been EUR 107 thousand (2015: EUR 449 thousand) lower/higher, because the RUB positions are hedged.

Capital Management

For the purpose of its function as a financing company within the METRO Group, the Board of Managing Directors' policy is to maintain a sufficient capital base. An equity position of approximately EUR 20 million is regarded as sufficient. There were no changes in the approach to capital management. The Company is not subject to externally imposed capital requirements.

Fair value

The fair value of the financial instruments stated on the balance sheet can be specified as follows:

	Note Ref.	**Fair value March 31, 2016 EUR 1,000**	**Carrying value March 31, 2016 EUR 1,000**	Fair value September 30, 2015 EUR 1,000	Carrying value September 30, 2015 EUR 1,000
Financial assets	2				
Loans to third parties		**3,147**	**3,133**	3,297	3,290
Loans to Metro Group companies		**1,318,038**	**1,229,903**	1,738,873	1,604,021
Loans and receivables	4				
Loans to third parties		**-**	**-**	4,851	4,819
Loans to Metro Group companies		**2,025,550**	**1,972,763**	2,678,180	2,637,832
Other assets	5	**13,629**	**13,629**	20,288	20,288
Non-current liabilities					
Bond	8	**813,603**	**747,677**	1,612,322	1,496,558
Loans from Metro Group companies	9	**72,377**	**65,000**	72,000	65,000
Current liabilities					
Loans from Metro Group companies	9	**1,628,531**	**1,614,384**	2,649,598	2,649,217
Bonds	10	**779,666**	**749,565**	51,495	49,995
Other liabilities-derivatives	11	**21,857**	**21,857**	16,402	16,402

We refer to notes mentioned to facilitate reconciliation to the face of the balance sheet. The fair values represent the clean fair value excluding of interest accruals. All assets, except for derivatives, are categorized as loans and receivables and valued accordingly at amortized cost. Derivatives are categorized at fair value through profit and loss and valued and accounted for accordingly. All liabilities are categorised as other financial liabilities and measured at amortised cost.

All Metro Finance B.V.'s financial instruments accounted for at fair value classify as Level 2 within the IFRS 7 fair value hierarchy except for the listed bonds which are accounted for at fair value classify as level 1. During the year, there have been neither financial instruments accounted for at fair value classifying as Level 1 or 3 nor transfers between Level 2 and other Levels.

Level 2 fair values for over-the-counter derivative financial instruments are determined by using valuation techniques. These valuation techniques maximize the use of observable market data where available.

The fair value of derivatives is calculated on the Metro AG level (Metro Finance B.V.'s parent) as the present value of the estimated future cash flows based on observable interest yield curves, basis spread and foreign exchange rates. Fair values reflect the credit risk of the instrument and include credit and/or debit value adjustments to take into account the credit risk of Metro Finance B.V. and its counterparty when appropriate.

19 Related party transactions

Metro Finance B.V. has business relationships with Metro AG, the sole shareholder, and several Metro Group companies.

The main activities of Metro Finance B.V. focus on providing short term financial services (up to one year), in particular by granting loans to and accepting deposits from METRO Group companies as well as granting loans for mid an long-term funding of METRO Group companies as well as hedging of related currency risks. Besides accepting deposits from METRO Group companies refinancing is done via the capital markets. The pricings for transactions with affiliated companies are based on arm's length interest rates.

The balance outstanding with and interest revenues and expenses related to METRO AG and the overall balance METRO Group companies have been separately disclosed in balance sheet and statement of income.

For an overview of all Metro Group companies we refer to the consolidated financial statements of METRO AG.

Business relationships with related parties are based on contractual agreements providing for at arm's length prices. During the first financial half year 2016, no dividend was paid to METRO AG (2015: EUR - million).

Metro Finance B.V. had no business relations with related natural persons during the financial year.

20 Contingent obligations

The company has a rent agreement with a fixed period until May 31, 2017 cancellable on the basis of a 12 month period, which means before June 1, 2016 at the earliest, for its office building, with a total obligation of EUR 73 thousand (2014: EUR 103 thousand) for the remaining contractual period. EUR 28 thousand were due in the first financial half year 2016 (2015: EUR 56 thousand). Furthermore, there are obligations out of operational leasing of two company cars. There are two contracts with BMW: one expires at 31 March 2020 with a total obligation of EUR 96 thousand (2015: EUR 13 thousand which expired at 31 March 2016) and the other contract expires at 28 February 2018 with a total obligation of EUR 49 thousand (2015: EUR 58 thousand). No other off balance sheet liabilities, guarantees or long term financial obligations are applicable.

Metro Finance B.V. forms a fiscal unity for corporation tax purposes with her partner METRO Cash & Carry International Holding B.V. Each of the entities is jointly and severally liable for the combined total corporate income tax obligation.

21 Personnel

The company employed 10 persons (2015: 10) on average in the financial year. Measured in full time equivalents, the company employed 9.5 FTE on average during the financial year (2015: 9.5).

22 Remuneration of the Boards of Managing and Supervisory Directors

The Board of Managing Directors consisted of 4 persons during the first financial half year 2016 (2015: 4).

The Board of Supervisory Directors consisted of 3 persons during the first financial half year 2016 (2015: 3).

The remuneration for the Managing Directors amounted to EUR 345 thousand (2015: EUR 503 thousand). The fixed based remuneration amounted to EUR 160 thousand (2015: EUR 310 thousand). The variable part amounted to EUR 185 thousand (2015: EUR 193 thousand).

The remuneration for the Supervisory Board for the first financial half year 2016 amounted to EUR 8 thousand. (2015: EUR 8 thousand).

Venlo, 31 May 2016

The Board of Managing Directors,	The Board of Supervisory Directors,
O. Kruse	M. Frese
H.-D. Hinker	T. Grad
H. Laaks	H. Sachs
F. Duijst	

Other Information

Provisions in the Articles of Association governing the appropriation of profit

According to article 22.1of the company's Articles of Association, the profit is at the disposal of the General Meeting of Shareholders, which can allocate the profit wholly or partly to the general or specific reserve funds.

According to article 22.2, the company can only make payments to the shareholders and other parties entitled to the distributable profit for the amount the shareholders' equity exceeds the paid-up and called-up part of the capital plus the legally required reserves.

Proposal for profit appropriation

The proposed appropriation of the net result for the year has not been effectuated yet.

Report on the financial statement

Following Directive 394.3, article 303 regarding interim financial statements, we herewith state that this financial statement was not subject to audit as mentioned in article 2:293 BW.