

Non-binding convenience translation

METRO AG

Articles of Association

As of 18 June 2009

I. GENERAL PROVISIONS

§ 1

Name, Registered Office, Fiscal Year

- (1) The name of the Company is METRO AG.
- (2) Its registered office is located in Düsseldorf.
- (3) The fiscal year is the calendar year.

§ 2

Purpose of the Company

- (1) The purpose of the Company encompasses the management and promotion of trading and service enterprises engaging particularly in the following areas:
 - Trading businesses of all kinds related to the operation of department stores and other retailing enterprises, mail order, wholesale trade and sales channels based on new electronic media;
 - Manufacturing and development of products that may be the object of commerce and of services;
 - Execution of real-estate transactions of all kinds including property development;
 - Services for the restaurant and catering business and for tourism;
 - Brokering of financial services for, through or by affiliates and subsidiaries;
 - Asset management.
- (2) The Company may perform all and any acts and actions, and transact any businesses, which appear or are deemed expedient to the Company's purpose or are directly or indirectly related thereto. The Company may also itself directly engage in any of the business areas stated in para. 1 herein above. Any such business as requires specific governmental permits, licenses or approvals may not be transacted until after such permits, licenses or approvals have been granted. The Company may establish, form, acquire, manage or purchase equity interests, whether by minority shareholding or otherwise, in, or sell or dispose of, any such enterprises in Germany and abroad active in the business areas specified in para. 1 herein above. The

Company may group its shareholdings under its uniform control or confine itself to the management of such affiliates/shareholdings.

§ 3 Notices

Notices of the Company will be published in the electronic Federal Gazette [*"elektronischer Bundesanzeiger"*].

II. CAPITAL STOCK AND SHARES

§ 4 Capital Stock and Shares

- (1) The capital stock amounts to € 835,419,052.27.
- (2) The capital stock is divided into 324,109,563 ordinary shares and 2,677,966 non-voting preference shares.
- (3) The ordinary shares and the preference shares are made out to the bearer.
- (4) The non-voting preference shares have preference in the payment of dividends pursuant to § 21 of these Articles of Association.
- (5) The Company reserves to itself the right to resolve on the issuance of further preference shares which, in respect of the distribution of profits or the Company's assets, may rank prior to, or *pari passu* with, the already existent non-voting preference shares.
- (6) The form of physical share certificates, dividend warrants and renewal coupons shall be determined by the Management Board with the Supervisory Board's approval. The Company may issue multiple share certificates evidencing several shares (global certificates). The right to demand issuance of individual share certificates shall be excluded.
- (7) The Management Board is authorised, with consent of the Supervisory Board, to increase the capital stock of the Company on one or more occasions on or before 23 May 2012 by issuing new ordinary bearer shares in exchange for capital contributions up to a maximum of € 40,000,000 (authorised capital I). In such case, the shareholders shall be granted subscription rights. The Management Board is authorised, however, with consent of the Supervisory Board, to exclude subscription rights to the extent necessary to grant the owners of bonds with warrants and convertible bonds issued by METRO AG and 100-percent owned indirectly or directly affiliated companies a subscription right to new ordinary shares to the extent to which they would be entitled after exercising the warrant or conversion right, and to further exclude

the subscription right for any residual rounded-up amounts.

The Management Board is also authorised, with consent of the Supervisory Board, to exclude subscription rights of the shareholders for one or more capital increases within the framework of the authorised capital, if the nominal amount of these capital increases does not exceed a total of 10 percent of the capital stock registered in the Commercial Register when it was first used, and in each case the issue price of the new ordinary shares is not substantially lower than the stock exchange price in effect for listed ordinary shares of the Company with the same terms on the date of final determination of the issue price. The Management Board is authorised, with consent of the Supervisory Board, to determine the other details of the capital increases.

- (8) The capital stock is contingently increased by up to € 127,825,000 divided into up to 50,000,000 ordinary bearer shares (contingent capital I). The contingent capital increase will only be executed insofar as holders of warrant or conversion rights or holders of warrant or conversion obligations arising from warrants or convertible bonds issued or guaranteed by METRO AG or an affiliate of METRO AG in terms of § 18 German Stock Corporation Act in which METRO AG holds at least 90 percent of shares, directly or indirectly, based on Authorisation I adopted by the General Meeting of 13 May 2009 under agenda item 6 exercise their warrant or conversion rights, fulfil their warrant or conversion obligations or insofar as METRO AG chooses to provide ordinary shares in METRO AG, in whole or in part, in lieu of a cash payment. The contingent capital increase will not be executed insofar as a cash settlement is provided or shares in the Company or in another exchange-listed company are used to service the bonds. The new ordinary shares will be issued at the warrant or conversion price in accordance with the specifications of this authorisation:

- In the event bonds are issued which provide warrant rights but no warrant obligations, the warrant price will be 125 percent of the volume-weighted average price of ordinary shares in the Company on the XETRA trading system (or a functionally comparable successor system replacing the XETRA system) of the Frankfurt Stock Exchange in the period between adoption of the resolution regarding utilisation of Authorisation I by the Management Board and determination of the price of the bonds by the banks accompanying the issue or, in the event subscription rights are granted, 125 percent of the volume-weighted average price of ordinary shares in the Company on the XETRA trading system (or a functionally comparable successor system replacing the XETRA system) of the Frankfurt Stock Exchange during the days on which subscription rights to the bonds are traded on the Frankfurt Stock Exchange, with the exception of the last two days of trading (the average price referenced above is referred to hereinafter as the "reference price").
- If bonds are issued which confer conversion rights but no obligations, the conversion price is 125 percent of the reference price.

- If bonds are issued which define warrant or conversion obligations, the warrant or conversion price upon maturity or in the event of a takeover offer is as follows:
 - if the volume-weighted average price of ordinary shares in the Company on the XETRA trading system (or a functionally comparable successor system replacing the XETRA system) of the Frankfurt Stock Exchange in the twenty trading days ending with the third trading day prior to maturity of the bonds or, in case of a takeover offer, ending on the third trading day prior to the warrant or conversion date (the "average price") is
 - lower than or equal to the reference price, the reference price;
 - greater than the reference price and lower than 118 percent of the reference price, the average price;
 - equal to or greater than 118 percent of the reference price, 118 percent of the reference price;
 - without prejudice to the above provisions, 118 percent of the reference price if the bond holders or creditors exercise existing warrant or conversion rights prior to the creation of warrant or conversion obligations;
 - without prejudice to the above provisions, the reference price, insofar as the Management Board, with the consent of the Supervisory Board and in accordance with the terms of the bonds, initiates early conversion in order to avert a grave and imminent loss to the Company or in order to avoid substantial deterioration in one of the Company's published credit ratings from a recognised rating agency.

The new ordinary shares participate in the profit from the beginning of the fiscal year in which they are created based on the exercise of warrant or conversion rights or the fulfilment of warrant or conversion obligations. The Management Board is authorised, with the consent of the Supervisory Board, to define further details regarding execution of the contingent capital increase.

- (9) The Management Board is authorised, with consent of the Supervisory Board, to increase the capital stock of the Company on one or more occasions on or before 23 May 2012 by issuing new ordinary bearer shares for contributions in kind, up to a maximum of € 60,000,000 (authorised capital II). The Management Board is authorised, with consent of the Supervisory Board, to decide on whether to exclude subscription rights and to determine the other details of the capital increases.
- (10) The Management Board is authorised, with the consent of the Supervisory Board, to raise the Company's capital stock by up to € 225,000,000 through

12 May 2014 by issuing new bearer ordinary shares in exchange for cash or non-cash capital contributions, at once or in several stages (authorised capital III). Shareholders are to receive subscription rights thereto. However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude residual amounts from shareholder subscription rights. The Management Board is also authorised, with the consent of the Supervisory Board, to exclude shareholder subscription rights insofar as shares are issued in exchange for non-cash capital contributions for the purpose of corporate mergers or for the acquisition of companies, divisions of companies or interests in companies. The Management Board is further authorised, with the consent of the Supervisory Board, to exclude subscription rights in the event of a capital increase in exchange for cash capital contributions to the extent necessary to grant subscription rights to new shares to the holders of warrants or convertible bonds issued by METRO AG and affiliates thereof in which METRO AG holds at least 90 percent of shares, directly or indirectly, in the scope to which they would be entitled upon exercise of the warrant or conversion rights or fulfilment of the warrant or conversion obligations. The Management Board is further authorised, with the consent of the Supervisory Board, to exclude shareholder subscription rights for one or more capital increases if the capital increase is executed in exchange for cash capital contributions, the aggregate par value of such capital increases does not exceed 10 percent of the Company's capital stock and the issue price of the new shares is not substantially lower than the stock exchange price of existing shares of the same class at the time of final definition of the issue price. The limit of 10 percent of the Company's capital stock is diminished by the share of the capital stock represented by the Company's own shares which are sold during the term of authorised capital III while excluding shareholder subscription rights according to §§ 71 para. 1 no. 8 sentence 5, 186 para. 3 sentence 4 German Stock Corporation Act. The limit is further diminished by the share of the capital stock represented by shares which are issued to service warrants or convertible bonds with warrant or conversion rights or obligations insofar as the bonds in question are issued during the term of authorised capital III while excluding subscription rights in analogous application of § 186 para. 3 sentence 4 German Stock Corporation Act. The Management Board is authorised, with the consent of the Supervisory Board, to define further details of the capital increases. The new shares may be acquired by banks if the latter agree to tender them to the shareholders.

(11) (deleted)

(12) The capital stock is contingently increased by up to € 127,825,000 divided into up to 50,000,000 ordinary bearer shares (contingent capital II). The contingent capital increase will only be executed insofar as holders of warrant or conversion rights or holders of warrant or conversion obligations arising from warrants or convertible bonds issued or guaranteed by METRO AG or an affiliate of METRO AG in terms of § 18 German Stock Corporation Act in which METRO AG holds at least 90 percent of shares, directly or indirectly, based on Authorisation II adopted by the General Meeting of 13 May 2009 under agenda item 7 exercise their warrant or conversion rights, fulfil their warrant or conversion obligations or insofar as METRO AG chooses to provide ordinary shares in METRO AG, in whole or in part, in lieu of a cash payment.

The contingent capital increase will not be executed insofar as a cash settlement is provided or shares in the Company or in another exchange-listed company are used to service the bonds. The new ordinary shares will be issued at the warrant or conversion price in accordance with the specifications of this authorisation.

- In the event bonds are issued which provide warrant rights but no warrant obligations, the warrant price will be 135 percent of the volume-weighted average price of ordinary shares in the Company on the XETRA trading system (or a functionally comparable successor system replacing the XETRA system) of the Frankfurt Stock Exchange in the period between adoption of the resolution regarding utilisation of Authorisation II by the Management Board and determination of the price of the bonds by the banks accompanying the issue or, in the event subscription rights are granted, 135 percent of the volume-weighted average price of ordinary shares in the Company on the XETRA trading system (or a functionally comparable successor system replacing the XETRA system) of the Frankfurt Stock Exchange during the days on which subscription rights to the bonds are traded on the Frankfurt Stock Exchange, with the exception of the last two days of trading (the average price referenced above is referred to hereinafter as the "reference price").
- If bonds are issued which confer conversion rights but no obligations, the conversion price is 135 percent of the reference price.
- If bonds are issued which define warrant or conversion obligations, the warrant or conversion price upon maturity or in the event of a takeover offer is as follows:
 - if the volume-weighted average price of ordinary shares in the Company on the XETRA trading system (or a functionally comparable successor system replacing the XETRA system) of the Frankfurt Stock Exchange in the twenty trading days ending with the third trading day prior to maturity of the bonds or, in case of a takeover offer, ending on the third trading day prior to the warrant or conversion date (the "average price") is
 - lower than or equal to the reference price, the reference price;
 - greater than the reference price and lower than 120 percent of the reference price, the average price;
 - equal to or greater than 120 percent of the reference price, 120 percent of the reference price;
 - without prejudice to the above provisions, 120 percent of the reference price if the bond holders or creditors exercise existing warrant or conversion rights prior to the creation of warrant or conversion obligations;

- without prejudice to the above provisions, the reference price, insofar as the Management Board, with the consent of the Supervisory Board and in accordance with the terms of the bonds, initiates early conversion in order to avert a grave and imminent loss to the Company or in order to avoid substantial deterioration in one of the Company's published credit ratings from a recognised rating agency.

The new ordinary shares participate in the profit from the beginning of the fiscal year in which they are created based on the exercise of warrant or conversion rights or the fulfilment of warrant or conversion obligations. The Management Board is authorised, with the consent of the Supervisory Board, to define further details regarding execution of the contingent capital increase.

III. MANAGEMENT BOARD

§ 5 Composition

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

§ 6 Business Management and Representation

- (1) The members of the Management Board shall conduct and manage the business of the Company in accordance with the law, these Articles of Association and the Management Board's Code of Procedure.
- (2) The Company shall be legally represented either by two Management Board members or by one member of the Management Board jointly with one officer with statutory authority (*Prokurist*).

IV. SUPERVISORY BOARD

§ 7

Composition, Term of Office

- (1) The Supervisory Board shall have 20 members, 10 of whom will be elected by the employees.
- (2) The Supervisory Board members are elected for that period up to that General Meeting which votes on the formal approval of the actions of the members of the Supervisory Board in the 4th fiscal year after commencement of the Supervisory Board's term of office. The fiscal year in which the term of office commences is not included in this count. Supervisory Board members may be re-elected. The General Meeting may also determine a shorter term of office at the elections.
- (3) Any member of the Supervisory Board may at any time step down from office by giving one month's written notice to the Chairman of the Supervisory Board or to the Management Board without stating grounds or reasons.

§ 8

Chairman and Vice Chairman

- (1) Directly after the Annual General Meeting at which the Supervisory Board members representing the shareholders have been newly elected, the Supervisory Board will elect from among its members, with the majority prescribed by law, a Supervisory Board Chairman and a Vice Chairman for the term of office set forth in § 7 para. 2 of these Articles of Association. No particular invitation is required for such Supervisory Board meeting.
- (2) Should the Chairman or his deputy (Vice Chairman) step down from the Supervisory Board or resign from office, the Supervisory Board shall promptly proceed to the election of a successor to this office.

§ 9

Convocation

- (1) Supervisory Board meetings shall be convened by the Chairman at 14 days' notice in writing, by telex, cable, fax or by means of electronic or other media. In urgent cases, the Chairman may reduce the term of notice and convene a meeting orally or by telephone.
- (2) The invitation shall be accompanied by an itemized agenda. Agenda items not communicated in due time may effectively be resolved at the meeting as long as no Supervisory Board member objects to such procedure.

§ 10
Supervisory Board Resolutions

- (1) Resolutions shall be adopted by the Supervisory Board at meetings. The Chairman may accept the participation of Supervisory Board members in a meeting and adoption of resolutions by way of a telephone or video conference. If ordered by the Chairman of the Supervisory Board, resolutions may also be passed outside of meetings by submitting votes in writing, by telephone, fax, electronically or in an equivalent form. For the adoption of resolutions outside of meetings, the following provisions shall apply analogously.
- (2) The Supervisory Board shall be deemed to have quorum if, after inviting all its members, not less than one half of all its mandatory members participate in the voting. A member shall also be deemed to participate in the adoption of a resolution if it abstains from a vote. At any rate, not less than three members shall participate in a vote.
- (3) Absent Supervisory Board members may participate in the passing of resolutions by submitting votes through other Supervisory Board members, in writing, by fax, electronically or in a comparable form (voting messages).
- (4) Resolutions shall be adopted by a simple majority of the votes cast unless mandatory legal provisions provide otherwise. An abstention shall not be deemed a vote.
- (5) The Chairman will determine the order in which the agenda items shall be dealt with, as well as the mode and order of voting.
- (6) Minutes of the meeting shall be prepared to record the items dealt with and resolutions passed by the Supervisory Board. Such minutes shall be signed by the Chairman of the meeting or – in the event of resolutions adopted outside a meeting - by the officer managing the voting procedure.

§ 11
Committees

- (1) The Supervisory Board may establish one or more committees from among its members. To the extent permitted by law, certain Supervisory Board powers of decision may be delegated to such committees.
- (2) Each committee may appoint a Chairman from among its members unless such Chairman is appointed by the Supervisory Board itself.
- (3) For the procedures to be adopted by the committees, the provisions of §§ 9, 10 shall apply analogously. Should any voting result in a tie, the Chairman shall have two votes in a second ballot on the same item if it again results in

a tie. Such second vote, too, may be cast in writing analogously to § 10 para. 3.

§ 12 Code of Procedure, Declarations of Intent

- (1) The Supervisory Board shall establish its own Code of Procedure by virtue of the law and in accordance with these Articles of Association.
- (2) The Chairman or, should he be unable to do so, the Vice Chairman, shall be authorised to make the declarations of intent on behalf of the Supervisory Board that are essential to implement the resolutions of the Supervisory Board and its committees. The Chairman exclusively or, should he be unable to do so, the Vice Chairman, shall be authorised to receive declarations and statements on behalf of the Supervisory Board.

§ 13 Remuneration of the Supervisory Board

- (1) In addition to the reimbursement of their cash expenses, the Supervisory Board members shall be entitled to a firm remuneration payable at the end of each fiscal year. This remuneration shall amount to € 35,000 per individual member.
- (2) Moreover, the Supervisory Board members shall receive an annual remuneration of € 600 for every € 25,000,000 of earnings before taxes and minority interests (EBT) in the consolidated financial statements of the Company which exceeds the average EBT (before scheduled goodwill amortization) of the past fiscal year and the two fiscal years preceding that year, of € 100 million. The remuneration shall be payable after the close of the General Meeting deciding on the ratification of the acts of the Supervisory Board for the past fiscal year.
- (3) The Chairman of the Supervisory Board shall receive triple, his deputy and the Chairmen of the committees double each and the other members of the committees one and a half times each, the amounts determined under para. 1 and 2. This shall not apply for the Chairman's function and membership of the committee pursuant to § 27 para. 3 German Co-determination Act. If a member of the Supervisory Board holds several of the offices mentioned in para. 1 in parallel, it shall only receive compensation for one office and in the case of differences in remuneration, for the office paying the highest remuneration.
- (4) Supervisory Board members having belonged to the Supervisory Board for part of the fiscal year only shall be entitled to one twelfth of the remuneration for every month or part thereof of their activity.

- (5) The VAT payable on the remuneration will be refunded by the Company.

§ 14
Amendments, Confidentiality

- (1) The Supervisory Board is authorised to decide on such amendments to these Articles of Association as relate to their wording only.
- (2) Even after their resignation from office, Supervisory Board members shall not disclose to third parties any of the confidential information, data and secrets of the Company that may have come to their attention during their term of office. In the event that a Supervisory Board member intends to pass on to a third party any information for which it cannot be safely precluded that such information is confidential or relates to secrets of the Company, such member will be obligated prior to any disclosure to consult the Chairman for comment thereon.

V. GENERAL MEETING

§ 15
Venue, Convening

- (1) The General Meeting shall be held at the place of the Company's registered office, at any German stock market location or in any other town within the territory of the Federal Republic of Germany.
- (2) The convening of the General Meeting must be made public at least 30 days before the day by the end of which shareholders must register for the General Meeting in accordance with § 16 of these Articles of Association.

§ 16
Right to Attend

- (1) Holders of ordinary shares are entitled to attend the General Meeting and exercise their voting rights'; holders of preference shares are entitled to attend the General Meeting, if they have registered for the General Meeting. The registration must be received in text form, and in the German or English language, by the Company at the address specified in the invitation to the General Meeting no later than the seventh day prior to the date of the General Meeting.
- (2) The right to attend the General Meeting and to exercise voting rights must be verified. Therefore a verification of share property in text form and in the German or English language from the depository institution maintaining the

securities account is required. The verification of share property must relate to the beginning of the twenty-first day prior to the date of the General Meeting and must be received by the Company at the address specified in the invitation to the General Meeting no later than the seventh day prior to the date of the General Meeting. Only persons/entities who have provided verification will be regarded as shareholders vis-à-vis the Company for participation in the General Meeting and the exercise of voting rights.

- (3) The Company may also permit participation in the General Meeting by means of electronic and other media except as otherwise provided for by law.

§ 17 Presidency

- (1) The Chairman of the Supervisory Board, or another Supervisory Board member designated by him, shall preside over the General Meeting. In the event that neither the Supervisory Board Chairman nor the Supervisory Board member designated by him takes the chair, the Supervisory Board shall elect a person to preside over the General Meeting.
- (2) The Chairman presides over the meeting, determines the order of business to be transacted at the meeting and decides on the mode and form of voting. He may permit the General Meeting itself, participation in voting and the exercise of further related rights by shareholders to be broadcast by means of electronic media or other media provided that this is in accordance with the law. The voting result may also be determined by deducting the number of ayes or nays and abstentions from the total number of votes of shareholders with voting rights.
- (3) The Chairman has the right to set an appropriate time limit for the shareholders' right to ask questions and speak. In particular, he has the right to set a time frame for the shareholders' right to speak and ask questions for the entire General Meeting, on individual agenda items and for individual speakers.

§ 18 Voting Right

- (1) One ordinary share confers one vote.
- (2) Voting rights may be exercised by proxy. Proxy must be issued in text form, unless otherwise provided by law.
- (3) Except as otherwise provided by the law, preference shares do not confer votes.

§ 19
Majority prerequisites

Unless peremptory or overriding statutory provisions stipulate otherwise, resolutions will be adopted by the General Meeting by simple majority of votes cast; in cases where a majority of the capital stock is prescribed, the simple majority of the capital stock represented thereat will suffice to pass a resolution.

VI. ANNUAL FINANCIAL STATEMENTS

§ 20
Annual Financial Statements and Appropriation of Profits

- (1) During the first three months of a fiscal year, the Management Board shall draw up the annual financial statements and the management report for the past fiscal year and present them without undue delay upon completion to the Supervisory Board. At the same time, the Management Board shall present to the Supervisory Board the proposal for the appropriation of the balance sheet profit it intends to make to the General Meeting.
- (2) The Supervisory Board shall appoint the auditors for the annual financial statements.
- (3) On adopting the annual financial statements, the Management Board and the Supervisory Board shall be authorised to transfer to the other reserves retained from earnings all or part of such net income as remains after appropriation of the required amounts to the legal reserve and after deducting any loss carried forward. The transfer of more than one half of the net income to the other reserves shall not be permissible if such reserves would after such transfer exceed fifty percent of the capital stock.
- (4) In the event of a capital increase, the participation in profits of new shares may be determined in derogation of § 60 para. 2 section 3 German Stock Corporation Act.
- (5) After the close of a fiscal year, subject to the Supervisory Board's consent, the Management Board may distribute an interim dividend to the shareholders pursuant to § 59 German Stock Corporation Act.

§ 21
Distribution of Profits

- (1) Holders of non-voting preference shares will receive from the annual net earnings a preferred dividend of € 0.17 per preference share.
- (2) Should the net earnings available for distribution not suffice in any one fiscal year to pay the preferred dividend, the arrears (excluding any interest) shall be paid from the net earnings of future fiscal years in an order based on age, i.e. in such manner that any older arrears are paid off prior to any more recent ones and that the preferred dividends payable from the profit of a fiscal year are not distributed until all of any accumulated arrears have been paid.
- (3) After the preferred dividend has been distributed, the holders of ordinary shares will receive a dividend of € 0.17 per ordinary share. Thereafter, a non-cumulative extra dividend of € 0.06 per share will be paid to the holders of non-voting preference shares. The extra dividend shall amount to 10 percent of such dividend as, in accordance with section 4 herein below, will be paid to the holders of ordinary shares inasmuch as such dividend equals or exceeds € 1.02 per ordinary share.
- (4) The holders of non-voting preference shares and of ordinary shares will equally share in any additional profit distribution in the proportion of their shares in the capital stock.

VII. FINAL PROVISIONS

§ 22

The formation costs at the Company's expense amount to DM 2,300.

Please note:

The binding language of the Articles of Association of METRO AG is German. Accordingly, only the German version of the Articles of Association shall be legally binding, while the English version is a convenience translation.