



PRESS RELEASE

METRO'S FULLY DILUTED NET EARNINGS PER SHARE INCREASED BY 7.3% IN THE FIRST QUARTER OF 2011

(Montréal, January 25, 2011) – METRO INC. (TSX : MRU.A) announced its results today for the first quarter ended December 18, 2010.

HIGHLIGHTS

- Net earnings of \$92.0 million, up 3.7% on an adjusted basis⁽¹⁾
- Fully diluted net earnings per share of \$0.88, up 7.3% on an adjusted basis⁽¹⁾
- Sales of \$2,631.9 million, down 0.5%
- Same store sales flat versus last year
- Declared dividend of \$0.1925 per share, up 13.2%

(Millions of dollars, except for net earnings per share/EPS)	12 weeks / Fiscal Year				
	2011	%	2010	%	Change (%)
Sales	2,631.9	100.0	2,645.0	100.0	(0.5)
EBITDA ⁽¹⁾	181.0	6.9	182.1	6.9	(0.6)
Net earnings	92.0	3.5	98.1	3.7	(6.2)
Adjusted net earnings ⁽¹⁾	92.0	3.5	88.7	3.4	3.7
Fully diluted EPS	0.88	—	0.91	—	(3.3)
Adjusted fully diluted EPS ⁽¹⁾	0.88	—	0.82	—	7.3

PRESIDENT'S MESSAGE

"We grew adjusted net earnings⁽¹⁾ in the first quarter despite experiencing continued food deflation due mostly to increased competitive activity. The roll-out of our Metro & Moi loyalty program across Québec has met our objectives and we are confident that this program will allow⁽²⁾ us to differentiate ourselves in the years to come," stated Eric R. La Flèche, President and Chief Executive Officer.

2011 FIRST QUARTER RESULTS

SALES

Sales in the first quarter of 2011 reached \$2,631.9 million versus \$2,645.0 million last year, a 0.5% decline. Same store sales were flat, an improvement over the previous quarters. Sales were impacted by continued food deflation due mostly to increased competitive activity, as well as lower drug pricing following the expiry of important drug patents and the new generic drug legislation in Ontario.

⁽¹⁾ See section on "Non-GAAP measurements"

⁽²⁾ See section "Forward-looking information"

EARNINGS BEFORE FINANCIAL COSTS, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)⁽¹⁾

EBITDA⁽¹⁾ for the first quarter of 2011 was \$181.0 million, down 0.6% from \$182.1 million for the same quarter last year. First-quarter EBITDA⁽¹⁾ represented 6.9% of sales, the same as last year. Excluding non-recurring costs of \$0.9 million before taxes to convert our Ontario supermarkets to the Metro banner recorded in the first quarter of 2010, adjusted EBITDA⁽¹⁾ represented 6.9% of sales in 2010.

Gross margin as percentage of sales in the first quarter of 2011 was equivalent to the corresponding quarter last year.

Our share of earnings from our investment in Alimentation Couche-Tard for the first quarter of 2011 was \$12.2 million compared to \$10.8 million in 2010. Excluding non-recurring items as well as our share of earnings from our investment in Alimentation Couche-Tard, our adjusted EBITDA⁽¹⁾ for the first quarter of 2011 was \$168.8 million or 6.4% of sales versus \$172.2 million or 6.5% of sales for the first quarter of 2010.

NET EARNINGS

Net earnings for the first quarter of 2011 were \$92.0 million, down 6.2% from \$98.1 million last year. Fully diluted net earnings per share were \$0.88, down 3.3% from \$0.91 for the corresponding quarter of 2010. Excluding the income tax expense decrease of \$10.0 million and pre-tax banner conversion costs of \$0.9 million recorded in the first quarter of 2010, adjusted net earnings⁽¹⁾ for the first quarter of 2010 were \$88.7 million and the adjusted fully diluted net earnings per share⁽¹⁾ were \$0.82. On an adjusted basis, 2011 first quarter net earnings and fully diluted net earnings per share were up 3.7% and 7.3% respectively over those for the corresponding quarter of 2010.

NORMAL COURSE ISSUER BID PROGRAM

Under the normal course issuer bid program, the Company may repurchase up to 6,000,000 of its Class A Subordinate Shares between September 8, 2010 and September 7, 2011. Between September 8, 2010 and January 14, 2011, the Company has repurchased 1,910,700 Class A Subordinate Shares at an average price of \$44.09 for a total of \$84.2 million. This program offers us an additional option for using excess funds. Thus, we can decide, in the shareholders' best interest, to reimburse debt or to repurchase Company shares.

DIVIDENDS

On January 24, 2011, the Company's Board of Directors declared a quarterly dividend of \$0.1925 per Class A Subordinate Share and Class B Share payable March 8, 2011, an increase of 13.2% over the dividend declared for the same quarter last year. On an annualized basis, this dividend represents 20.3% of 2010 net earnings.

FORWARD-LOOKING INFORMATION

We have used, throughout this press release, different statements that could, within the context of regulations issued by the Canadian Securities Administrators, be construed as being forward-looking information. In general, any statement contained herein, which does not constitute a historical fact, may be deemed a forward-looking statement. Expression such as "will allow" and other similar expressions are generally indicative of forward-looking statements. The forward-looking statements contained herein are based upon certain assumptions regarding the Canadian food industry, the general economy, our annual budget, as well as our 2011 action plan.

These forward-looking statements do not provide any guarantees as to the future performance of the Company and are subject to potential risks, known and unknown, as well as uncertainties that could cause the outcome to differ significantly. An economic slowdown or recession, or the arrival of a new competitor, are examples described under the "Risk Management" section of the 2010 Annual Report which could have an impact on these statements. We believe these statements to be reasonable and pertinent as at the date of publication of this press release and represent our expectations. The Company does not intend to update any forward-looking statement contained herein, except as required by applicable law.

⁽¹⁾ See section on "Non-GAAP measurements"

⁽²⁾ See section "Forward-looking information"

NON-GAAP MEASUREMENTS

In addition to the Canadian Generally Accepted Accounting Principles (GAAP) earnings measurements provided, we have included certain non-GAAP earnings measurements. These measurements are presented for information purposes only. They do not have a standardized meaning prescribed by GAAP and therefore may not be comparable to similar measurements presented by other public companies.

Earnings before financial costs, taxes, depreciation and amortization (EBITDA)

EBITDA is a measurement of earnings that excludes financial costs, taxes, depreciation and amortization. We believe that EBITDA is a measurement commonly used by readers of financial statements to evaluate a company's operational cash-generating capacity and ability to discharge its financial expenses.

Adjusted EBITDA, adjusted net earnings and adjusted fully diluted net earnings per share

Adjusted EBITDA, adjusted net earnings and adjusted fully diluted net earnings per share are earnings measurements that exclude non-recurring items. We believe that presenting earnings without non-recurring items leaves readers of financial statements better informed as to the current period and corresponding period's earnings, thus enabling them to better evaluate the Company's performance and judge its future outlook.

CONFERENCE CALL

Financial analysts and institutional investors are invited to participate in a conference call on the 2011 first quarter results at **4:00 p.m. (EST) on Tuesday, January 25, 2011**. To access the conference call, please dial 1-416-644-3426 or 1-800-731-5319. The media and investing public are invited to listen to the call in real time or delayed time on the METRO INC. Web site at **www.metro.ca**.

Notice to readers: METRO INC. first quarter of 2011 unaudited interim consolidated financial statements and management's discussion and analysis are available on the Internet at **www.metro.ca**.

Source:	METRO INC.
Information:	Richard Dufresne Senior Vice-President, Chief Financial Officer and Treasurer Tel.: (514) 643-1003
Investor Relations Department:	Tel.: (514) 643-1055 E-mail: finance@metro.ca

– 30 –

⁽¹⁾ See section on "Non-GAAP measurements"

⁽²⁾ See section "Forward-looking information"