



PRESS RELEASE

METRO'S FULLY DILUTED NET EARNINGS PER SHARE INCREASED BY 8.1% IN THE SECOND QUARTER OF 2011

(Montréal, April 20, 2011) – METRO INC. (TSX : MRU.A) announced its results today for the second quarter ended March 12, 2011.

HIGHLIGHTS

- Fully diluted net earnings per share of \$0.80, up 8.1%
- Net earnings of \$83.3 million, up 3.7%
- Sales of \$2,565.7 million, down 0.4%
- Same store sales, up 0.2 %
- 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	2,565.7	100.0	2,576.7	100.0	(0.4)
EBITDA ⁽¹⁾	171.7	6.7	171.6	6.7	0.1
Net earnings	83.3	3.2	80.3	3.1	3.7
Fully diluted EPS	0.80	—	0.74	—	8.1

(Millions of dollars, except for net earnings per share/EPS)	24 WEEKS / FISCAL YEAR				
	2011	%	2010	%	Change (%)
Sales	5,197.6	100.0	5,221.7	100.0	(0.5)
EBITDA ⁽¹⁾	352.7	6.8	353.7	6.8	(0.3)
Net earnings	175.3	3.4	178.4	3.4	(1.7)
Adjusted net earnings ⁽¹⁾	175.3	3.4	169.0	3.2	3.7
Fully diluted EPS	1.68	—	1.65	—	1.8
Adjusted fully diluted EPS ⁽¹⁾	1.68	—	1.56	—	7.7

PRESIDENT'S MESSAGE

"We are satisfied with the growth of our net earnings in the second quarter although sales continued to be affected by food price deflation and lower drug pricing. Despite the difficult competitive environment, we are confident that we will continue⁽²⁾ our growth due to our effective merchandising, loyalty, and cost control programs," stated Eric R. La Flèche, President and Chief Executive Officer.

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

⁽²⁾ See section "Forward-looking information"

2011 SECOND QUARTER RESULTS

SALES

Sales in the second quarter and first 24 weeks of 2011 reached \$2,565.7 million and \$5,197.6 million, down 0.4% and 0.5% respectively compared to sales of \$2,576.7 million and \$5,221.7 million for the corresponding periods last year. Same store sales for the second quarter of 2011 were up 0.2%. Over the second quarter and first 24 weeks, sales were impacted by continued food deflation of about 1%, 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 Québec and Ontario.

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

EBITDA⁽¹⁾ for the second quarter of 2011 was \$171.7 million, up 0.1% from \$171.6 million for the same quarter last year. Second-quarter EBITDA⁽¹⁾ represented 6.7% of sales, the same as last year.

EBITDA⁽¹⁾ for the first 24 weeks of 2011 was \$352.7 million or 6.8% of sales compared to \$353.7 million or 6.8% of sales for the same period last year. Excluding banner conversion costs of \$0.9 million before taxes recorded in the 24-week period of 2010, adjusted EBITDA⁽¹⁾ is unchanged at 6.8% of sales.

Second-quarter and 24-week gross margins as percentage of sales in 2011 were 18.6% and 18.5% respectively, an increase over 18.3% for each of the corresponding periods of 2010.

Our share of earnings from our investment in Alimentation Couche-Tard for the second quarter and the first 24 weeks of 2011 were \$8.1 million and \$20.3 million respectively, compared to \$6.5 million and \$17.3 million for the corresponding periods of fiscal 2010. Excluding our share of earnings from our investment in Alimentation Couche-Tard and 2010 conversion costs, our adjusted EBITDA⁽¹⁾ for the second quarter and the first 24 weeks of 2011 were \$163.6 million and \$332.4 million respectively or 6.4% of sales for both periods compared to \$165.1 million or 6.4% of sales for the second quarter of 2010 and \$337.3 million or 6.5% of sales for the 24-week period of 2010.

NET EARNINGS

Net earnings for the second quarter of 2011 were \$83.3 million compared to \$80.3 million for the same quarter last year, an increase of 3.7%. Fully diluted net earnings per share rose 8.1% to \$0.80 from \$0.74 last year.

Net earnings for the first 24 weeks of 2011 reached \$175.3 million compared to \$178.4 million last year, down 1.7%. Fully diluted net earnings per share were \$1.68 compared to \$1.65, an increase of 1.8%. Excluding the 2010 first quarter income tax expense decrease of \$10.0 million and pre-tax banner conversion costs of \$0.9 million, adjusted net earnings⁽¹⁾ for the 2010 24-week period were \$169.0 million and adjusted fully diluted net earnings per share⁽¹⁾ were \$1.56. On an adjusted basis⁽¹⁾, net earnings and fully diluted net earnings per share for the first 24 weeks of 2011 were up 3.7% and 7.7% respectively over last year.

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 April 8, 2011, the Company has repurchased 2,299,300 Class A Subordinate Shares at an average price of \$43.91 for a total of \$101.0 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.

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

⁽²⁾ See section "Forward-looking information"

DIVIDENDS

On April 19, 2011, the Company's Board of Directors declared a quarterly dividend of \$0.1925 per Class A Subordinate Share and Class B Share payable June 7, 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 continue" 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.

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 second quarter results at **10:00 a.m. (EDT) on Wednesday, April 20, 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. second quarter of 2011 unaudited interim consolidated financial statements and management's discussion and analysis are available on the Internet at **www.metro.ca** – Corporate Site – Annual Report and Other Documents – Quarterly Results – 2011 Second Quarter Results.

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

⁽²⁾ See section "Forward-looking information"

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⁽¹⁾ See section on “Non-GAAP measurements”
⁽²⁾ See section “Forward-looking information”