



PRESS RELEASE

METRO'S FULLY DILUTED NET EARNINGS PER SHARE INCREASED BY 11.0% IN THE FIRST QUARTER OF 2012

(Montreal, January 31, 2012) – METRO INC. (TSX : MRU.A) announced its results today for the first quarter ended December 17, 2011.

HIGHLIGHTS

- Net earnings of \$103.7 million, up 8.6%
- Fully diluted net earnings per share of \$1.01, up 11.0%
- Sales of \$2,711.7 million, up 3.4%
- Same store sales up 1.7%
- Declared dividend of \$0.215 per share, up 11.7%
- First financial statements prepared according to International Financial Reporting Standards (IFRS)

(Millions of dollars, except for net earnings per share/EPS)	12 WEEKS / FISCAL YEAR				
	2012	%	2011	%	Change (%)
Sales	2,711.7	100.0	2,622.5	100.0	3.4
EBITDA ⁽¹⁾	192.6	7.1	181.9	6.9	5.9
Net earnings	103.7	3.8	95.5	3.6	8.6
Fully diluted EPS	1.01	—	0.91	—	11.0

PRESIDENT'S MESSAGE

"We are pleased with our first quarter results as we continue to grow in a highly competitive market. Our customer-focused strategies and programs supported by a strong execution, together with our new Adonis partnership, fueled our results and we are confident they will allow⁽²⁾ us to continue our growth. Finally, we are happy that our shareholders approved today by an overwhelming majority the changes to our share capital⁽³⁾ structure, whereby there will now be only one class of voting and participating shares," stated Eric R. La Flèche, President and Chief Executive Officer.

2012 FIRST QUARTER RESULTS

SALES

Sales in the first quarter of 2012 reached \$2,711.7 million versus \$2,622.5 million last year, an increase of 3.4%. Sales of the Adonis stores and distributor Phoenicia were included for eight weeks in the first quarter and contributed \$33.0 million to the Corporation's sales. Same store sales were up 1.7%. We experienced moderate inflation in our food basket in the first quarter which was, however, lower than in the previous quarter and lower than levels reported by Statistics Canada.

⁽¹⁾ See section on "Earnings before financial costs, taxes, depreciation and amortization"

⁽²⁾ See section "Forward-looking information"

⁽³⁾ See section on "Share Capital Reorganization"

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

EBITDA for the first quarter of 2012 was \$192.6 million, up 5.9% from \$181.9 million for the same quarter last year. First-quarter EBITDA represented 7.1% of sales versus 6.9% last year.

Gross margin as percentage of sales in the first quarter of 2012 was 18.1%, the same as in the corresponding quarter last year.

Our share of earnings from our investment in Alimentation Couche-Tard for the first quarter of 2012 was \$13.0 million compared to \$12.3 million in 2011. Excluding our share of earnings from our investment in Alimentation Couche-Tard, our EBITDA for the first quarter of 2012 was \$179.6 million or 6.6% of sales versus \$169.6 million or 6.5% of sales for the first quarter of 2011.

EBITDA is a measurement of earnings that excludes financial costs, taxes, depreciation and amortization. This does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies. 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.

NET EARNINGS

Net earnings for the first quarter of 2012 were \$103.7 million, an increase of 8.6% over net earnings of \$95.5 million for the same quarter of 2011. Fully diluted net earnings per share rose 11.0% to \$1.01 from \$0.91 last year.

NORMAL COURSE ISSUER BID PROGRAM

Under the normal course issuer bid program, the Corporation may repurchase up to 6,000,000 of its Class A Subordinate Shares⁽³⁾ between September 8, 2011 and September 7, 2012. Between September 8, 2011 and January 20, 2012, the Corporation repurchased 1,130,100 Class A Subordinate Shares⁽³⁾ at an average price of \$50.03 for a total of \$56.5 million. This program offers us an additional option for using excess funds.

DIVIDENDS

On January 30, 2012, the Corporation's Board of Directors declared a quarterly dividend of \$0.215 per Class A Subordinate Share⁽³⁾ and Class B Share⁽³⁾ payable March 9, 2012, an increase of 11.7% over the dividend declared for the same quarter last year. On an annualized basis, this dividend represents approximately 22% of 2011 net earnings.

SHARE CAPITAL REORGANIZATION

At the Annual General Meeting on January 31, 2012, shareholders approved the following share capital reorganization:

- each issued and outstanding Class B Share carrying 16 votes per share is converted into one single vote Class A Subordinate Share;
- the Class B Shares, along with the rights, privileges, restrictions and conditions attached thereto, are eliminated;
- the Class A Subordinate Shares are redesignated as "Common Shares" and shall constitute the Corporation's sole class of equity shares carrying one vote per share;
- First Preferred Shares are redesignated as "Preferred Shares".

⁽¹⁾ See section on "Earnings before financial costs, taxes, depreciation and amortization"

⁽²⁾ See section "Forward-looking information"

⁽³⁾ See section on "Share Capital Reorganization"

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 “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 2012 action plan.

These forward-looking statements do not provide any guarantees as to the future performance of the Corporation 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 2011 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 Corporation does not intend to update any forward-looking statement contained herein, except as required by applicable law.

CONFERENCE CALL

Financial analysts and institutional investors are invited to participate in a conference call on the 2012 first quarter results at **3:00 p.m. (EST) on Tuesday, January 31, 2012**. To access the conference call, please dial 416-644-3426 or 800-731-5319. The media and investing public may access this conference via a listen mode only.

Notice to readers: METRO INC. first quarter of 2012 interim condensed 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 – 2012 First Quarter Results.

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