



METRO INTERNATIONAL S.A.

FINANCIAL RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30TH SEPTEMBER 2006

Luxembourg, 24th October 2006 – Metro International S.A. (“Metro”) (MTROA, MTROB), today announced its financial results for the third quarter and nine months ended 30th September 2006. The Group’s consolidated accounts have been prepared according to International Financial Reporting Standards (IFRS).

HIGHLIGHTS FOR Q3 2006

- Net sales increased by 18% to US\$ 87.1 million in Q3 ‘06 (2005: US\$ 74.0 million); at constant exchange rates, net sales improved by 11%.
- Group operating loss of US\$ 8.9 million (2005: loss of US\$ 10.2 million) prior to US\$ 12.3 million book profit arising from the sale of operations in Finland.
- Contribution from subsidiary and associate newspaper operations: loss of US\$ 2.3 million (2005: loss of US\$ 3.7 million).
- Net profit of US\$ 2.6 million, (2005: loss of US\$ 12.2 million).
- Weighted average basic earnings per share of US\$ 0.00 (2005: loss of US\$ 0.02)
- Strategic sales alliance established in the Gothenburg market with Stampen AB.

NINE MONTHS ENDED 30 SEPTEMBER 2006

- 13% year on year increase in net sales to US\$ 292.4 million (2005: US\$ 258.4 million); representing 14% net sales growth at constant exchange rates.
- Group operating profit of US\$ 6.0 million after US\$ 12.3 million book profit arising from the sale of operations in Finland (2005: loss of US\$ 8.0 million after profit from Metro Boston minority sale of US\$ 15.9 million).
- Contribution from subsidiary and associate newspaper operations: profit of US\$ 10.5 million (2005: loss of US\$ 4.0 million).
- Net profit of US\$ 1.5 million, (2005: loss of US\$ 12.9 million).
- Net debt reduced by US\$ 3.8 million (from US\$ 23.0 million as at 31st December, 2005 to US\$ 19.2 million as at 30th September, 2006).

Pelle Törnberg, President and CEO of Metro International, commented: "During the third quarter, which is the seasonally weakest period for the group, we have continued our progress in developing the capabilities and performance of the company. Our under-performing business in Finland was divested and will contribute a franchise income in the future. Newspaper editions operating for more than three years have improved their operating profit margin by 30% year on year, maintaining the profitability reported in our record second quarter despite recent increased circulation costs and some weakness in advertising demand during the summer, caused in part by the FIFA World Cup."

"Our third quarter EBIT, excluding non recurring items, was a loss of US\$ 8.9 million, which is 13% better than the previous year. In the nine months to September we have delivered an operating profit result improvement of US\$ 17.6 million compared to the equivalent period in 2005. With the Finland transaction we are on track at the end of Q3 to deliver a net profit this year."

"Although competition is intensifying in nearly all of our markets, Metro's advantage of scale, the strength of our brand and our unique global advertising offers are enabling us to withstand the competitive pressures in our sector. With over 31 million free daily newspapers now in circulation across the world, the concept which Metro has pioneered and continues to lead is firmly established. In response to these developments and to reinforce our focus on growing Metro's market positions, sales and profitability, our senior management team was further strengthened and a new organization structure was put in place during the third quarter. To further underpin Metro's longer-term prospects, we have also been able to increase our multi-currency credit arrangements from US\$75 million to US\$ 90 million and extend the facility to the end of 2011."

FINANCIAL SUMMARY

US\$ 000s	Q3 2006	Q3 2005	9 Months 2006	9 Months 2005	FY 2005
Net sales	87,117	73,984	292,394	258,386	359,650
Operating profit / (loss)	3,430	(10,222)	6,010	(8,009)	(2,507)
Net interest & other financial items	(996)	(785)	(3,146)	(1,656)	(2,659)
Profit / (loss) after financial items and before income tax	2,434	(11,007)	2,864	(9,665)	(5,166)
Net profit / (loss)	2,598	(12,198)	1,475	(12,902)	(6,971)
Net profit / (loss) attributable to equity holders of the parent	3,016	(12,355)	1,344	(12,383)	(8,040)
Weighted average number of shares outstanding	527,296,944	526,419,391	526,952,223	526,102,306	526,182,228
Weighted average basic and diluted earnings / (loss) per share (US\$)	0.00	(0.02)	0.00	(0.02)	(0.02)

GROUP OVERVIEW

Sales

Net sales in the quarter were US\$ 87.1 million, an increase of 18% on 2005 (2005: US\$ 74.0 million). At constant rates, net sales growth was 11%.

For the nine months to September 2006, net sales were US\$ 292.4 million, an increase of 13%. Sales growth at constant exchange rates was 14%.

Operating Profit

Group operating profit for the quarter was US\$ 3.4 million, including US\$ 12.3 million book profit arising from the sale of operations in Finland. Excluding this book profit, the operating result was a loss of US\$ 8.9 million (2005: loss of US\$ 10.2 million).

For the nine months to September 2006, Metro's operating profit was US\$ 6.0 million on sales of US\$ 292.4 million. Excluding the impact of non recurring items, the year on year operating profit result improvement was US\$ 17.6 million, of which US\$ 1.3 million was in the third quarter.

Increased Circulation

Total average daily newspaper copies printed by Metro's 15 fully consolidated country operations increased by 7% year on year in the third quarter (excluding the weekly Swedish real estate editions). This reflects the addition of 5 new fully consolidated daily Metro editions since the beginning of the fourth quarter of 2005, as well as circulation increases at a number of existing Metro editions. The daily circulation of associated company and franchise operations was 2.1 million copies. The total daily circulation of titles in which Metro has an interest (subsidiaries, associates, franchise editions and the share investment in Metro Dublin) increased to 8.8 million copies in the third quarter, making Metro the second largest daily newspaper in the world. Metro is distributed on a national basis in 14 of its 21 country markets. Metro is now the most read or highest circulation newspaper in 8 of these markets.

Management Structure

A new senior management team organization was established during the quarter. Chris Spalding was appointed Executive Vice President - Operations, with executive responsibility for all of Metro's Operations, reporting to Pelle Tornberg, CEO. Martin Alsander and Robert Patterson (the latter previously Chief Financial Officer), were appointed Executive Vice Presidents and are respectively in charge of half of Metro's Operations. Robert Murrells has joined the group as Chief Financial Officer on an interim basis, whilst a permanent officer is being sought.

Major Advertising Campaigns

The Group's central global sales group sold significant new client campaigns with Samsung, and Ramada Hotels during the quarter, to consolidate on the progress in the first half. Metro also confirmed its reputation for innovative and effective advertising by winning the 'Best Contribution by a Media Owner' award with Nokia at the M&M Europe Awards in September. The judges' panel comments included "It's definitely topical and miles ahead of what other papers are doing".

Operating Costs

The Group's total operating cost base increased year on year in the quarter by 8% at constant exchange rates. The Group's total operating cost base for its fully consolidated newspaper operations increased in the quarter by 11% year on year at constant exchange rates, which reflects circulation increases, new editions, growing pagination and unit paper price increases. The average cost per daily Metro, standard size copy, at constant exchange rates increased by 2.7% year on year in the quarter, reflecting in part higher commodity prices reaching our supply chain. Year to date the cost per copy has been reduced by 1.0%.

Interest, Other Financial Items and Tax

Net interest and other financial items were US\$ 1.0 million (2005: US\$ 0.8 million) in the third quarter and the Group reported a pre-tax profit of US\$ 2.4 million (2005: pre-tax loss of US\$ 11.0 million) for the period.

Current and deferred tax charges were US\$ 0.2 million (2005: US\$ 1.2 million), resulting in a net profit for the quarter of US\$ 2.6 million (2005: net loss of US\$ 12.2 million) and a weighted average basic earnings per share of US\$ 0.00 (2005: loss per share of US\$ 0.02).

SEGMENTAL OPERATING REVIEW

Newspaper Operations by Age

The trailing 12 month sales and operating results for the Group's subsidiary and associated operations above and below 3 years old on 1st July 2006 are:

US\$ 000s	Net Sales		Operating Profit (EBIT)	
	30 Sept 2006	30 Sept 2005	30 Sept 2006	30 Sept 2005
More than 3 years old	314,338	293,092	39,985	28,129
Less than 3 years old	74,676	58,617	(16,241)	(21,943)
TOTAL	389,014	351,709	23,744	6,186

The Metro newspaper operations launched more than three years prior to Q3 2006 reported annual net sales growth of 11%, at constant exchange rates, in the year to 30 September 2006. These editions have produced 46% year on year improvement in operating profitability at constant exchange rates. Operating profit margin has improved to 13% (2005: 10%).

Metro operations launched in the three years prior to Q3 2006 reported annual net sales growth of 33% for the quarter at constant exchange rates. The combined group reported for the quarter a 25% year on year reduction in operating losses at constant exchange rates.

Sweden

US\$ '000s	Q3 2006	Q3 2005	9 Months 2006	9 Months 2005	FY 2005
Net Sales	22,681	19,677	75,297	72,735	98,481
Operating profit (EBIT)	2,199	1,074	11,199	7,544	12,703
Operating margin %	9.7%	5.5%	14.9%	10.4%	12.9%
Number of editions	6	6			6

Metro Sweden publishes daily Metro editions in Stockholm, Gothenburg, Skåne (Malmö), and nationally, plus a weekly real estate newspaper, 'Metro Bostad' (Metro Property), distributed in Stockholm and Malmö.

With a 21% year on year increase in daily circulation in the quarter, Metro has consolidated its place as the most read newspaper in Sweden with 1.6 million daily readers according to the most recent Orvesto figures. Daily readership of the national edition has increased by 85% year on year to 361,000 daily readers.

Year on year local currency sales growth for Metro Sweden was 6% in the third quarter, and was consistent with growth in the first half year. The daily editions and Metro Bostad have both maintained the sales growth performance reported in the first half year. The Stockholm edition, despite increased competition, delivered an increased sales growth in the quarter. Q3 operating profit, in local currency, was 68% higher than 2005, and 52% higher for the nine months.

Northern Europe

US\$ '000s	Q3 2006	Q3 2005	9 Months 2006	9 Months 2005	FY 2005
Net Sales	22,035	19,945	74,700	68,117	95,293
Operating profit (EBIT)	(1,016)	309	4,030	3,938	9,175
Operating margin (%)	-4.6%	1.5%	5.4%	5.8%	9.6%
Number of editions	14	11			11

Northern European includes the Group's operations in Finland, Holland, Denmark, Hungary, the Czech Republic, and Poland. The Finnish operation was sold on 1st September 2006 to the Sanoma Group and the Metro title in Finland is now published under a franchise arrangement. Excluding Finland, net sales in Q3 increased year on year by 10% and by 13% for the nine months, at constant exchange rates, and reported an operating loss for the quarter of US\$ 0.5 million.

Third quarter sales growth in Holland was modest compared to the first half year, however, year on year sales growth for the nine months was 16%, in local currency. Figures from NOM Print Monitor for the year to April 2006 confirmed a 13% increase in daily readers to 1.7 million placing Metro as the joint third most read national newspaper in the Netherlands.

A new daily afternoon edition "MetroExpress Aften" was launched in Copenhagen in August, principally to serve local advertisers benefiting from extended retail trading hours. Overall, third quarter sales growth in Denmark was 17% year on year (local currency). Operating profit in the quarter decreased compared to 2005, due to start up costs of the afternoon edition. Index Denmark/Gallup readership figures for H1 2006 confirmed MetroXpress as the most read newspaper in Denmark once again with a 7% year on year increase in daily readers. Competition in Denmark has intensified during Q3, however, new market entrants are currently distributing to households and therefore do not match directly with the Metro proposition.

Net sales for Hungary in local currency followed the moderate growth trend of H1 2006. Events surrounding the demonstrations in Budapest during the quarter had an adverse affect on sales. Metro Hungary is the most widely circulated newspaper in the country as well as being the second most read newspaper, with 737,000 daily readers (Ipsos Szonda), up 7% year on year.

Year on year net sales growth in the quarter for the Czech Republic was 46% in local currency. Following national expansion earlier in the year, Metro has doubled its daily readership (according to the most recent Media Projekt figures). Operating losses for Metro Czech Republic increased year on year in the quarter.

Quarterly sales for Metro Poland were slightly lower year on year, however, the EBIT loss for the period was reduced by 9%. In September, circulation was increased to strengthen Metro's national coverage and attractiveness to local advertisers.

Southern Europe

US\$ '000s	Q3 2006	Q3 2005	9 Months 2006	9 Months 2005	FY 2005
Net Sales	22,233	16,716	84,882	68,892	98,968
Operating profit (EBIT)	(3,316)	(4,895)	(3,635)	(10,626)	(8,287)
Operating margin (%)	-14.9%	-29.3%	-4.3%	-15.4%	-8.4%
Number of editions	31	27			27

Southern Europe comprises the Group's operations in France, Spain, Italy, Greece and Portugal. Net sales for the combined operations increased by 23% year on year in the quarter at constant exchange rates and the operating loss for the quarter was reduced by 33% compared to 2005. The quarterly operating result for this segment reflects strongly the market seasonality.

Metro France produced 27% year on year sales growth in local currency and sales of US\$ 7.9 million (2005: US\$ 6.2 million) in the third quarter. The operating loss in the quarter was US\$ 0.7 million (2005: US\$ 1.1 million operating loss). In September, Metro became the number one national newspaper in France by circulation and has successfully raised net prices. The Lyon edition has been converted to a Rhone edition.

Metro Spain delivered a 35% year on year increase in net sales in Q3 in local currency, and a 31% reduction in operating losses over the quarter. Metro is the most widely distributed free daily newspaper in Spain, covering approximately 90% of the urban population. It is also the fourth largest general interest newspaper in the country, according to a recent readership survey by EGM.

Year on year net sales growth for Italy was 5% in the third quarter in local currency. The operating loss for the period was cut year on year by 32%, and this operation was profitable in September. Local sales continue to develop well and with 7 editions Metro is the second largest newspaper in Italy by circulation. Earlier in the year, Metro finally won inclusion in the official national readership survey, Audipress. The first readership survey results including Metro will however not be published until early 2007.

Metro Greece reported 12% year on year sales growth in the quarter, in local currency, which was above first half year trend. According to Bari FOCUS, Metro's daily audience increased by 60% year on year to 258,000 daily readers, consolidating Metro as the second most read newspaper in Greece.

Metro Portugal reported sales growth above 50% in the quarter and significantly reduced the operating loss for the period. Less than two years since launch, Metro is already the third most read newspaper nationwide in Portugal with 500,000 daily readers (according to Markttest/Bareme).

United States

US\$ '000s	Q3 2006	Q3 2005	9 Months 2006	9 Months 2005	FY 2005
Net Sales	7,951	7,650	24,059	20,646	28,558
Operating profit (EBIT)	(2,080)	(2,590)	(5,553)	(10,947)	(13,135)
Operating margin %	-26.2%	-33.9%	-23.1%	-53.0%	-46.0%
Number of editions	3	3			3

The sales growth of the US operations for the quarter was affected by the restructuring of sales departments; the US operations reported 4% year on year growth in net sales in the third quarter, and 17% for the nine months. In New York, sales growth for the third quarter increased year on year by 10%, and operating losses correspondingly were reduced by 26% from the third quarter of 2005. The Metro New York classified sales agreement with The New York Times Company began in late September. In Philadelphia, quarter losses were reduced by 43% and in Boston sales in the quarter were flat year on year.

Rest of World

US\$ '000s	Q3 2006	Q3 2005	9 Months 2006	9 Months 2005	FY 2005
Net Sales	9,490	8,652	25,778	23,768	32,372
Operating profit (EBIT)	1,883	2,443	4,428	6,069	8,208
Operating margin %	19.8%	28.2%	17.2%	25.5%	25.4%
Number of editions	2	2			2

The Rest of World segment comprises the operations in Chile and Hong Kong.

In Chile, year on year local currency sales growth was 15% in the quarter and operating profits improved by 40%. For the nine months, growth in sales and profit was 14% and 43% respectively. According to the latest KMR survey, Publimetro is the 4th most read newspaper in Chile with 302,000 daily readers.

In Hong Kong, sales for the quarter overall (in local currency) were flat year on year, with growth improving as the quarter progressed. The newly launched magazine, Metropop, continues to put some pressure on margins and although its revenue growth has been lower than expected, there are positive signs that this title is increasing advertiser acceptance. According to the TNS Global Survey, Metro's daily readership in Hong Kong has increased 43% year on year to 1,016,000.

Other

US\$ '000s	Q3 2006	Q3 2005	9 Months 2006	9 Months 2005	FY 2005
Net Sales	2,727	1,344	7,678	4,228	5,978
Canada - JV support	1,100	845	3,638	2,658	3,803
Online	235	131	633	227	364
Headquarters	1,392	368	3,407	1,343	1,811
Operating profit (EBIT)	(6,545)	(6,563)	(16,764)	(19,871)	(27,055)
Number of editions	16	8			8

Equity Participations:

Metro owns minority equity positions in joint venture operations in Seoul (South Korea) and Mexico, and the Group also holds 25% equity stakes in the entities that publish Metro Toronto, Vancouver, Ottawa and Montreal. Metro has an overall approximate financial interest of 50% in the Toronto and Montreal joint ventures and a 33% financial interest in the Vancouver and Ottawa joint venture.

All of Metro's Canadian operations showed year on year sales growth in excess of 20% in the quarter. Montreal is profitable for the first time over the nine months and year to date operating losses for Vancouver and Ottawa were reduced year on year by 122% and 196% respectively. Metro remains the most read national newspaper in Canada according to the latest NADBank survey.

Metro's joint venture in Seoul reported a 8% year on year sales growth for the quarter and 27% for the nine months to September. According to HRC Media Index, Metro is the fourth most read general interest newspaper in South Korea, with an estimated daily reach of over a million people.

The Mexican joint venture was launched in May 2006, and Metro holds a 35% equity share. Publimento is the largest newspaper by circulation in Mexico City, the world's second largest city by population.

The Groups total share in the pre-tax earnings of these associated companies was US\$ 0.1 million (2005: loss of US\$ 0.6 million).

Online:

Metro's online businesses, which operate under the 'Metro Modern Media' brand in Sweden and Denmark, include an online classified advertising site 'Metro Market', Metro's online travel agency and the recently launched Metro.se news portal in Sweden. Sales in the online business continue to grow. Following some fine-tuning of the news portal since it was launched, preparations are under way for further roll-outs.

Headquarters:

Headquarter revenues include the franchise fees receivable from the group's franchisees in Seoul and Pusan (South Korea), St Petersburg (Russia), Canary Islands (Spain) and Croatia, and the global sales department share of its multinational advertising sales. Headquarter net sales for the quarter increased by 278%, and 154% in the nine months. Since launch in May, the Croatian edition is already the largest newspaper nationwide, and two regions were added in September to complete the national network. Metro St Petersburg is the largest and most read newspaper in St Petersburg, with 3.5 times more readers than its nearest competitor, according to the latest official TNS Gallup Media Russia. The operation has recently launched a weekly TV Guide. With the sale of the Finnish operation, a franchise income will be generated from this market from 2007.

Headquarter costs comprise group senior management and central administration functions; the global advertising research, sales and marketing teams; the Metro World News editorial desk; global IT support and management, global business development; and the costs associated with the Group's long-term incentive plans (LTIPs). These plans gave rise to a non-cash charge in the third quarter and the nine months to September of US\$ 0.6 million (2005: US\$ 0.5 million) and US\$ 2.1 million (2005: US\$ 1.6 million) respectively. IT, advertising research and global sales infrastructure has been expanded during the year. For the nine months to September, headquarter net operating costs were 2% lower than the previous year.

FINANCIAL REVIEW

Cash Flow

In the nine months to September 2006, cash and cash equivalents have increased by US\$ 2.7 million, to US\$ 31.9 million. Cash flow used by operations in the quarter was US\$ 7.9 million (2005: used US\$ 5.7 million), and in the nine months to September the operations have generated cash of US\$ 2.6 million before interest and tax (2005: used US\$ 20.0 million). Working capital over the nine months has reduced by US\$ 5.0 million, compared to an increase of US\$ 1.3 million in the corresponding period of 2005.

Group capital expenditure on tangible fixed assets amounted to US\$ 1.1 million (2005: US\$ 1.1 million) in the quarter and was equivalent to 1% of group sales, whilst depreciation charges totaled US\$ 0.8 million (2005: US\$ 0.8 million). Disposals in the quarter included the assets of the Group's subsidiary in Finland, which was sold on 1st September 2006.

Group Net Debt and Financing Items

Group net debt amounted to US\$ 19.2 million at the end of the quarter, compared to US\$ 23.0 million as at 31 December 2005, and comprised cash and cash equivalents of US\$ 31.9 million, the US\$ 43.0 million drawn under the Group's multi-currency revolving credit facility, US\$ 5.0 million of loans payable to minority shareholders and other short-term bank loans totaling US\$ 3.1 million. The Group's credit facility was increased during August by US\$ 15 million to US\$ 90.0 million and extended to 31 December 2011. The first amortization, based on the current level of drawdown, is not due until 31st December, 2010.

Net interest costs were US\$ 0.8 million (2005: US\$ 0.5 million) in the quarter, and comprised US\$ 0.2 million (2005: US\$ 0.3 million) of interest income on the Group's cash balances and loans outstanding with associated companies, and US\$ 1.0 million (2005: US\$ 0.8 million) interest payable on the Group's credit facility and other borrowings. Other financial costs totaled US\$ 0.2 million (2005: US\$ 0.3 million) and primarily comprised foreign exchange differences and credit facility commitment fees.

Net Tax Charges and Utilization of Deferred Tax Assets

The Group reported a net tax credit of US\$ 0.2 million in the quarter (2005: charge of US\$ 1.2 million). Deferred tax released amounted to US\$ 0.5 million (2005: charge of US\$ 0.8 million) in the quarter. The Group's total tax loss carried forward for its newspaper publishing entities was approximately US\$ 150 million at the end of the reporting period and the Group reported deferred tax assets of US\$ 15.6 million (2005: US\$ 12.9 million).

Minority Interests

The net result for the quarter attributable to minority shareholders in the Group's subsidiaries in France, Denmark, Boston and Portugal, and the online travel business was a loss of US\$ 0.4 million (2005: US\$ 0.2 million loss).

Shares Outstanding

The total number of issued and outstanding shares at 30 September was 527,296,944, an increase of 1,145,657 new shares since the end of 2005, following the issue of restricted shares under the terms of the Group's LTIPs.

CONFERENCE CALL

The company will host a conference call today at 15.00 (CET). The call will also be webcast on Metro's website at www.metro.lu. To participate in the conference call, please dial in on the following numbers:

UK / International: +44 (0)20 7806 1951
Sweden: +46 (0) 8 5352 6458
US: +1 718 354 1387

A replay facility will be available shortly after the conclusion of the call. To access the replay, please dial the following numbers:

UK / International: +44 (0)20 7806 1970
Sweden: +46 (0) 8 5876 9441
US: +1 718 354 1112

The replay access number is 6194141#

DATE OF NEXT REPORT

Metro's financial results for the fourth quarter and twelve months ended 31 December 2006 will be published on 13 February 2007.

ANNUAL GENERAL MEETING 2007

The 2007 Annual General Meeting will be held on 29 May 2007 in Luxembourg. Shareholders wishing to have a matter considered at the Annual General Meeting should submit their proposals in writing to The Company Secretary, Metro International S.A., 11 Boulevard Royal, L-2249 Luxembourg, Luxembourg at least seven weeks before the Annual General Meeting in order to guarantee that the proposal may be included in the notice to the meeting.

Further details on how and when to register will be published in advance of the Annual General Meeting.

NOMINATION COMMITTEE FOR THE 2007 ANNUAL GENERAL MEETING

A Nomination Committee of major shareholders in Metro has been convened in accordance with the resolution of the 2006 Annual General Meeting. The Nomination Committee is comprised of Cristina Stenbeck on behalf of Investment AB Kinnevik and Emesco AB; Annika Andersson on behalf of the Fourth Swedish National Pension Fund; Magnus Bakke on behalf of Robur Fonder AB and Thomas Oybo on behalf of Orkla ASA who together represent more than 50% of the voting rights in Metro. The composition of the Nomination Committee may be changed to reflect any changes in the shareholdings of the major shareholders during the nomination process.

The Nomination Committee will submit a proposal for the composition of the Board of Directors, remuneration for the Board of Directors and the auditor and proposal on the Chairman of the Annual General Meeting of 2007 that will be presented to the 2007 Annual General Meeting for approval. Shareholders wishing to propose candidates for election to the Board of Directors of Metro should submit their proposals in writing to The Company Secretary, Metro International S.A., 11 Boulevard Royal, L-2249 Luxembourg, Luxembourg.

The Board of Directors
Metro International S.A.

Luxembourg, 24th October, 2006.

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For further information, please visit www.metro.lu, email info@metro.lu or contact:

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Metro is the largest and fastest growing international newspaper in the world. 70 Metro editions are published in 93 major cities in 21 countries in 19 languages across Europe, North & South America and Asia. Metro has a unique global reach - attracting a young, active, well-educated Metropolitan audience of 18.5 million daily readers and more than 38 million weekly readers. Metro has an equal number of male and female readers, of which 70% are under the age of 45. Metro's advertising sales have grown at a compound annual rate of 44% since the launch of the first edition in 1995.

Metro International S.A. 'A' and 'B' shares are listed on the Stockholmsbörsen 'O-List' under the symbols MTROA and MTROB.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying balance sheet of Metro International S.A. as of September 30, 2006 and the related statements of income, recognized gains and losses and cash flows for the nine months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards, as adopted by the EU. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of the entity as at September 30, 2006, and of its financial performance and its cash flows for the nine month period then ended in accordance with International Financial Reporting Standards, as adopted by the EU.

Anders Malmeby
Partner - KPMG

Stockholm,
24th October, 2006

METRO INTERNATIONAL S.A.

**CONSOLIDATED INCOME
STATEMENTS**
(US\$ '000s)

	Note	Q3 2006	Q3 2005	9 Months to Sep 2006	9 Months to Sep 2005	FY 2005
Net Sales		87,117	73,984	292,394	258,386	359,650
Cost of production		(57,015)	(49,621)	(182,655)	(169,673)	(226,753)
Gross income		30,102	24,363	109,739	88,713	132,897
Other income		12,305	-	12,305	15,884	15,884
Selling expenses		(20,894)	(18,913)	(64,628)	(61,544)	(82,170)
Administrative and development expenses		(17,922)	(15,115)	(51,861)	(49,846)	(67,680)
Share of earnings in associated companies		(161)	(557)	455	(1,216)	(1,438)
Operating profit	(3)	3,430	(10,222)	6,010	(8,009)	(2,507)
Financial items, net		(996)	(785)	(3,146)	(1,656)	(2,659)
Profit after financial items and before income tax		2,434	(11,007)	2,864	(9,665)	(5,166)
Current tax		(349)	(355)	(960)	(1,143)	(1,891)
Deferred tax		513	(836)	(429)	(2,094)	86
Net result		2,598	(12,198)	1,475	(12,902)	(6,971)
Attributable to:						
Equity holders of the parent		3,016	(12,355)	1,344	(12,383)	(8,040)
Minority interest		(418)	157	131	(519)	1,069
Net result		2,598	(12,198)	1,475	(12,902)	(6,971)
Weighted average and diluted basic earnings per share		0.00	(0.02)	0.00	(0.02)	(0.02)
Weighted average number of shares outstanding		527,296,944	526,419,391	526,952,223	526,102,306	526,182,228
Diluted weighted average number of shares outstanding		528,174,497	528,007,607	527,829,776	527,690,522	527,770,444

METRO INTERNATIONAL S.A.
CONSOLIDATED STATEMENTS OF
RECOGNISED GAINS AND LOSSES
(US\$ '000s)

	Note	9 Months to Sep 2006	9 Months to Sep 2005	FY 2005
Foreign exchange translation differences		2,140	(4,008)	(5,446)
Net gain/(loss) not recognized in the income statement		2,140	(4,008)	(5,446)
Net result for the period		1,475	(12,902)	(6,971)
Total recognized gains/(losses)		3,615	(16,910)	(12,417)
Attributable to:				
Equity holders of the parent		3,874	(16,856)	(14,138)
Minority interest		(259)	(54)	1,721
Total recognized gains/(losses)		3,615	(16,910)	(12,417)

METRO INTERNATIONAL S.A.
CONSOLIDATED BALANCE SHEET
(US\$ '000s)

	Note	30 Sep 2006	30 Sep 2005	31 Dec 2005
ASSETS				
Non-current assets				
<i>Intangible assets</i>				
Trademarks and Licenses, net		1,527	1,516	1,513
Goodwill, net		15,185	10,066	14,644
		16,712	11,582	16,157
<i>Property, plant and equipment</i>				
Machinery and equipment, net		8,450	7,386	7,409
<i>Financial assets</i>				
Deferred tax assets		15,634	12,947	14,969
Shares in associated companies		4,701	-	3,871
Other investments		238	298	238
Receivables from associated companies		6,590	3,401	5,326
Long-term receivables		2,753	1,367	1,507
		29,916	18,013	25,911
Total non-current assets		55,078	36,981	49,477
Current assets				
Accounts receivable, net		70,152	60,828	66,266
Other current receivables		10,582	12,619	8,824
Prepaid expenses		4,206	5,167	3,159
Cash and cash equivalents		31,862	27,074	29,209
Total current assets		116,802	105,688	107,458
TOTAL ASSETS		171,880	142,669	156,935

METRO INTERNATIONAL S.A.
CONSOLIDATED BALANCE SHEET
(US\$ '000s)

	Note	30 Sept 2006	30 Sept 2005	31 Dec 2005
EQUITY AND LIABILITIES				
Equity	(4)	31,300	19,671	25,427
<i>Long-term liabilities</i>				
Liability to minority partner		5,004	4,551	4,470
Long-term bank loans		43,048	34,951	43,079
Total long-term liabilities		48,052	39,502	47,549
<i>Current liabilities</i>				
Short-term bank loans		3,140	5,234	4,626
Accounts payable		37,100	36,716	37,244
Other liabilities		13,505	10,033	11,507
Accrued expenses		38,783	31,513	30,582
Total current liabilities		92,528	83,496	83,959
TOTAL LIABILITIES		140,580	122,998	131,508
TOTAL EQUITY AND LIABILITIES		171,880	142,669	156,935

METRO INTERNATIONAL S.A.
CONSOLIDATED STATEMENT
OF CASH FLOW (US\$ 000's)

	Note	9 Months to Sep 2006	9 Months to Sep 2005	FY 2005
Operating activities				
Profit / (Loss) before income tax		2,864	(9,665)	(5,166)
Adjustments for:				
Depreciation and amortization		2,322	2,603	3,213
Other non-cash items		(10,277)	(14,489)	(13,882)
Financial items, net		3,146	1,656	2,659
Share of earnings in associated companies		(455)	1,216	1,438
Changes in working capital:				
Change in current receivables		(3,178)	(12,036)	(12,573)
Change in current liabilities		8,175	10,733	12,320
Cash flow contributed / (used) by operations		2,597	(19,982)	(11,991)
Interest paid, net		(2,648)	(1,354)	(2,077)
Income tax paid		(1,289)	(854)	(1,345)
Net cash used in operations		(1,340)	(22,190)	(15,413)
Investment activities				
Investment in associated company shares		(520)	-	(3,614)
Increase/decrease in long-term receivables		(2,365)	(288)	(2,772)
Investment in intangible assets		-	(2,620)	(7,335)
Sale of operations and interests in subsidiaries (net)		11,570	16,152	16,152
Investment in property, plant and equipment		(3,130)	(3,762)	(4,849)
Net cash flow used in investing activities		5,555	9,482	(2,418)

METRO INTERNATIONAL S.A.
CONSOLIDATED STATEMENT
OF CASH FLOW [Continued]
(US\$ '000s)

Note	9 Months 2006	9 Months 2005	FY 2005
<hr/>			
Financing activities			
Loan from minority partner	220	1,040	1,104
Capital increase	40	24	60
Bank loans	(1,806)	-	8,000
Net cash flow provided by financing activities	(1,546)	1,064	9,164
<hr/>			
Net increase/(decrease) in cash and cash equivalents	2,669	(11,644)	(8,667)
Cash and cash equivalents at beginning of year	29,209	40,173	40,173
Currency effects on cash	(16)	(1,455)	(2,297)
Cash and cash equivalents at end of period	31,862	27,074	29,209
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METRO INTERNATIONAL S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1

Basis of preparation and scope of consolidated financial statements

Metro International S.A. was formed in December 1999 and was a wholly owned subsidiary of Modern Times Group MTG AB ("MTG"). MTG divested Metro International S.A. to its shareholders through a dividend on 18 August 2000.

Metro International S.A. and its subsidiaries (the "Company"), together with its South Korean, Russian, Spanish and Croatian franchise partners, publish free-of-charge newspapers, Monday through Friday and in some cases also on Saturday. As at 30 September 2006, Metro newspapers were distributed in Stockholm, Gothenburg, Malmö and in 81 other Swedish cities, Warsaw and nine other Polish cities, Prague and 40 other Czech cities, Budapest and 23 other Hungarian cities, the Netherlands, Helsinki and 14 other Finnish cities, Santiago and nine other Chilean cities, Philadelphia, Boston, New York, Rome, Lombardy, Genoa, Bologna, Veneto, Turin, Florence, Toronto, Montreal, Vancouver, Ottawa, Athens, Thessaloniki, Patra, Volos, Madrid, Catalonia, Aragon, Andalusia, Galicia, Alicante, Valencia, Elche, the Basque country, Castilla La Mancha, Castellon, the Canary Islands, Malaga and various other Spanish cities, Lisbon, Porto, Denmark, Paris, Marseilles, Lyon, St Etienne, Toulouse, Lille, Aix-en-Provence, Toulon, Aubagne, Bordeaux, Nice, Nantes, Rennes, Strasbourg, Hong Kong, Seoul, Pusan, Mexico City, Zagreb and three other Croatian regions and St Petersburg. Metro derives its revenues from advertising sales.

The Company is domiciled in Luxembourg.

The interim financial statements are prepared in accordance with IAS 34 – Interim Financial Reporting.

Note 2

Accounting and valuation policies

Metro's accounting and valuation policies are in accordance with IFRS (International Financial Reporting Standards) and are the same as in the consolidated financial statements for the period ended 31 December 2005.

Note 3

Seasonality of operations

The Group's operations are subject to seasonal fluctuations as advertising clients generally reduce advertising activity during the summer holiday period, particularly in Northern and Southern Europe. The group attempts to minimize the impact of this by reducing the number of editions published during the period. For the 12 months ended 30 September 2006, the Northern and Southern Europe segments combined had net sales of US\$ 216.8 million (12 months to 30 September 2005: US\$ 188.6 million) and an operating profit of US\$ 8.0 million (12 months to 30 September 2005: loss of US\$ 0.7 million).

METRO INTERNATIONAL S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 4

Segment Reporting

The segment reporting is based on geographic areas for subsidiary newspaper operations – Sweden, Northern Europe, Southern Europe, USA, and Rest of World. Other reporting segments are Equity Participants, Other Businesses and Headquarters.

Northern Europe comprises operations in Finland, Holland, Denmark, Hungary, the Czech Republic and Poland.

Southern Europe comprises operations in France, Spain, Italy Greece and Portugal.

Rest of World comprises operations in Chile and Hong Kong.

Other includes equity participations in associate company operations in Canada, South Korea, and Mexico, various online services businesses and the income from franchise operations in St Petersburg, Croatia, South Korea, Croatia and the Canary Islands.

Metro does not own the editions published in Alicante, Valencia, Elche and Castilla La Mancha but reports a share of the national advertising sales.

Metro owns the majority of the sales companies in Toronto and Montreal and 25% of the publishing entities. Metro therefore accounts for the sales companies as subsidiaries and the publishing entities as associated companies. Metro also owns 25% of the equity of the Vancouver and Ottawa joint venture and therefore accounts for these operations as associates. Metro, through royalty agreements, holds a 50% financial interest in the Toronto and Montreal joint ventures and a 33% financial interest in the joint venture publishing the editions in Vancouver and Ottawa.

METRO INTERNATIONAL S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Segment Reporting - Net Sales (External)

2006 (US\$ '000s)	Q1 2006	Q2 2006	Q3 2006	9 Months 2006
Sweden	24,313	28,303	22,681	75,297
Northern Europe	24,355	28,310	22,035	74,700
Southern Europe	27,350	35,299	22,233	84,882
USA	7,469	8,639	7,951	24,059
Rest of World	7,449	8,839	9,490	25,778
Other	2,246	2,705	2,727	7,678
TOTAL	93,182	112,095	87,117	292,394

2005 (US\$ '000s)	Q1 2005	Q2 2005	Q3 2005	9 Months 2005	Q4 2005	FY 2005
Sweden	25,839	27,219	19,677	72,735	25,746	98,481
Northern Europe	21,921	26,251	19,945	68,117	27,176	95,293
Southern Europe	22,760	29,416	16,716	68,892	30,076	98,968
USA	5,564	7,432	7,650	20,646	7,912	28,558
Rest of World	6,720	8,396	8,652	23,768	8,604	32,372
Other	1,299	1,585	1,344	4,228	1,750	5,978
TOTAL	84,103	100,299	73,984	258,386	101,264	359,650

There are no inter-segment sales.

METRO INTERNATIONAL S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Segment Reporting

Net Income / (Loss) - 2006

(US\$ '000s)	Q1 2006	Q2 2006	Q3 2006	9 Months 2006
Sweden	3,437	5,563	2,199	11,199
Northern Europe	1,493	3,553	(1,016)	4,030
Southern Europe	(2,197)	1,878	(3,316)	(3,635)
USA	(2,395)	(1,078)	(2,080)	(5,553)
Rest of World	1,162	1,383	1,883	4,428
Other	(5,388)	(4,831)	(6,545)	(16,764)
Operating profit / (loss) from operations	(3,888)	6,468	(8,875)	(6,295)
Sale of ownership interest in subsidiary	-	-	12,305	12,305
Operating profit (loss)	(3,888)	6,468	3,430	6,010
Items to reconcile to statement of operations:				
Financial items, net	(990)	(1,160)	(996)	(3,146)
Current tax	(269)	(342)	(349)	(960)
Deferred tax	(574)	(368)	513	(429)
Net result	(5,721)	4,598	2,598	1,475

METRO INTERNATIONAL S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Segment Reporting

Net Income / (Loss) - 2005

(US\$ '000s)	Q1 2005	Q2 2005	Q3 2005	9 Months 2005	Q4 2005	FY 2005
Sweden	2,470	4,000	1,074	7,544	5,159	12,703
Northern Europe	841	2,788	309	3,938	5,237	9,175
Southern Europe	(3,384)	(2,347)	(4,895)	(10,626)	2,339	(8,287)
USA	(4,847)	(3,510)	(2,590)	(10,947)	(2,188)	(13,135)
Rest of World	1,495	2,131	2,443	6,069	2,139	8,208
Other	(4,947)	(8,361)	(6,563)	(19,871)	(7,184)	(27,055)
Operating profit / (loss) from operations	(8,372)	(5,299)	(10,222)	(23,893)	5,502	(18,391)
Sale of ownership interest in subsidiary	15,884	-	-	15,884	-	15,884
Operating profit (loss)	7,512	(5,299)	(10,222)	(8,009)	5,502	(2,507)
Items to reconcile to statement of operations:						
Financial items, net	(636)	(235)	(785)	(1,656)	(1,003)	(2,659)
Current tax	(1,098)	310	(355)	(1,143)	(748)	(1,891)
Deferred tax	-	(1,258)	(836)	(2,094)	2,180	86
Net result	5,778	(6,482)	(12,198)	(12,902)	5,931	(6,971)

METRO INTERNATIONAL S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 5

Shareholders' equity

Metro International S.A. was formed on December 29, 1999.

The authorized share capital of the Company is US\$ 450 million divided into 1,000,000,000 Metro class A Shares (voting shares) and 500,000,000 Metro class B Shares (non-voting) with no par value.

The issued and outstanding share capital of the Company is US\$ 131,537,821 divided into 263,554,560 Metro class A Shares and 262,596,727 Metro class B Shares with no par value. Metro class A Shares carry one vote for every share while Metro class B Shares carry no votes. Dividends may be paid in US\$ or in shares of the Company or otherwise as the Company's Board may determine in accordance with the provisions of the Luxembourg Companies Act. The holders of Metro class B Shares are entitled to the greater of a) a cumulative preferred dividend corresponding to 0.5% of the accounting par value of the Metro class B shares in the Company or b) 2% of the overall dividend distributions made in a given year. Any balance of dividends must be paid equally on each Metro class A and Metro class B Share.

Total shareholders equity (US\$ '000s)	Equity holders of the parent	Minority interest	Total equity
Balance at January 1st 2005	38,150	(3,534)	34,616
Total recognized gains and losses	(13,486)	1,721	(11,765)
Restricted share program of LTIP scheme	1,888	-	1,888
Share option program of LTIP scheme	420	-	420
Sale of 49% ownership interest in Metro Boston	-	268	268
Balance at 31st December 2005	26,972	(1,545)	25,427
Balance at January 1st 2006	26,972	(1,545)	25,427
Total recognized gains and losses	3,874	(259)	3,615
Restricted share program of LTIP scheme	1,628	-	1,628
Share option program of LTIP scheme	630	-	630
Balance at 30th September 2006	33,104	(1,804)	31,300