



METRO INTERNATIONAL S.A.

FINANCIAL RESULTS FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31ST DECEMBER 2006

Luxembourg, 13th February 2007 – Metro International S.A. (“Metro International” or the “Company”) (MTRO SBD A, MTRO SBD B), today announced its financial results for the fourth quarter and twelve months ended 31st December 2006. The Group’s consolidated accounts have been prepared according to International Financial Reporting Standards (IFRS).

HIGHLIGHTS FOR Q4 2006

- Net sales increased by 23% to US\$ 124.1 million in Q4 ‘06 (2005: US\$ 101.3 million); at constant exchange rates, net sales improved by 15%.
- Group operating profit of US\$ 10.9 million (2005: profit of US\$ 5.5 million).
- Contribution from subsidiary and associate newspaper operations: operating profit of US\$ 17.2 million (2005: profit of US\$ 12.3 million).
- Net profit of US\$ 11.5 million, (2005: US\$ 5.9 million).
- Basic earnings per share of US\$ 0.02 (2005: US\$ 0.01).

TWELVE MONTHS ENDED 31ST DECEMBER 2006

- 16% year-on-year increase in net sales to US\$ 416.5 million (2005: US\$ 359.7 million).
- Group operating profit of US\$ 16.9 million after US\$ 12.3 million book profit arising from the sale of operations in Finland (2005: loss of US\$ 2.5 million after profit from Metro Boston minority sale of US\$ 15.9 million).
- Contribution from subsidiary and associate newspaper operations: operating profit of US\$ 28.6 million (2005: profit of US\$ 7.4 million).
- Net profit of US\$ 13.0 million, (2005: loss of US\$ 7.0 million).
- Net debt reduced by US\$ 6.3 million (from US\$ 23.0 million as at 31st December 2005 to US\$ 16.7 million as at 31st December 2006).
- Basic earnings per share of US\$ 0.02 (2005: loss of US\$ 0.01).
- Pelle Törnberg will be stepping down as President and CEO of Metro International during the course of 2007. The Board of Metro International has started the process of recruiting a new President and CEO and further announcements on this process will be communicated in due course.

Pelle Törnberg, President and CEO of Metro International, commented: “2006 has been a landmark year for Metro International. We have delivered our first net profit and been awarded the prestigious accolade of “World’s largest global newspaper” by Guinness World Records.”

“The 4th quarter is traditionally our strongest quarter and this year was no exception. We delivered a strong sales increase of 15% at constant exchange rates across the Group and doubled Group operating profit to US\$ 10.9 million compared to last year. Newspaper editions operating for more than 3 years improved their profit margins by 40% year-on-year, maintaining the profitability reported in previous quarters. Excluding Finland and Poland, Metro International delivered a 15.9% profit margin from newspapers more than 3 years old.”

“The TNS Pan-European Readership Survey, conducted in October and November, reports that Metro is now well established as the most read newspaper in Europe, reaching 15.1 million daily readers, up 25% in the last 6 months. Worldwide our readership is over 20 million. The advertising footprint we offer is larger than our corporate network through the development of strategic partnerships - e.g. our commercial relationships in the UK and Belgium now add an additional 2.8 million readers.”

“For the full year, sales at constant rates increased by 15% and an operating profit improvement of US\$ 19.4 million delivered an operating profit of US \$16.9 million. This includes US \$12.3 million from the sale of Finland. Excluding disposals, we generated an operating profit of US\$ 4.5 million compared to an operating loss of US\$ 18.4 million in 2005 on the same basis. This US \$22.9 million profit improvement came from better performance in the US, Spain, Sweden and other markets.”

“Net profit for the year improved by US \$20.0 million to US \$13.0 million. Excluding the Finland disposal, the Group generated a net profit of US\$ 0.5 million.”

“In Sweden, we have requested a review of the advertising tax position. This issue was reported in the 2005 annual report. As part of this, a prior year ad tax charge of US\$ 4.2 million has been recorded causing an increase to deferred tax assets of US \$1.1 million, resulting in a net charge to equity of US\$ 3.1 million.”

“Competition increased sharply in 2006. 230 free daily titles are published in 41 countries with a combined circulation of 34.8m daily copies (including Metro), up 43% year-on-year.”

“Despite this increased competition, Metro’s position as the world’s largest global newspaper, our strong brand and unique global advertising proposition continue to attract quality advertisers and deliver sales growth and improving margins. To support our continuing growth and improve focus on our markets, the senior management team was strengthened and a new organization structure put in place. We have launched online businesses in four countries in 2006 and in the next 18 months we will extend our online presence with new look websites to truly establish a global online footprint.”

FINANCIAL SUMMARY

US\$ 000s	Q4 2006	Q4 2005	12 Months 2006	12 Months 2005
Net sales	124,140	101,264	416,534	359,650
Operating profit / (loss)	10,916	5,502	16,926	(2,507)
Net interest & other financial items	(681)	(1,088)	(3,827)	(2,744)
Profit / (loss) after financial items and before income tax	10,235	4,414	13,099	(5,251)
Net profit / (loss)	11,500	5,870	12,975	(7,032)
Net profit / (loss) attributable to equity holders of the parent	10,260	4,282	11,604	(8,101)
Weighted average number of shares outstanding	527,296,944	526,419,391	527,036,707	526,182,228
Basic and diluted earnings / (loss) per share (US\$)	0.02	0.01	0.02	(0.01)

GROUP OVERVIEW

Sales

Net sales in the quarter were US\$ 124.1 million, an increase of 23% on 2005 (2005: US\$ 101.3 million). At constant rates, net sales growth was 15%.

For the twelve months to December 2006, net sales were US\$ 416.5 million, an increase of 16% (2005: US\$ 359.7 million). Sales growth at constant exchange rates was 15%.

Operating Profit

Group operating profit for the quarter was US\$ 10.9 million, double the operating result of the previous year (2005: profit of US\$ 5.5 million).

For the twelve months to December 2006, Metro International's operating profit was US\$ 16.9 million on sales of US\$ 416.5 million. Excluding the impact of non recurring items, the year-on-year operating profit result improvement was US\$ 22.9 million, of which US\$ 5.2 million was in the fourth quarter.

Increased Circulation

Total average daily newspaper copies printed by Metro International's 14 fully consolidated country operations increased by 14% year-on-year in the fourth quarter (excluding the weekly Swedish real estate editions and Finland which was sold September 2006).

This reflects the significant circulation increases at a number of existing Metro editions such as France, Spain and Sweden, as well the addition of four new fully consolidated daily Metro editions since the beginning of 2006.

The daily circulation of associated company and franchise operations was 2.2 million copies (including Finland). The total daily circulation of titles in which Metro International has an interest (subsidiaries, associates, franchise editions and the share investment in Metro Dublin) was 8.9 million copies in the fourth quarter, making Metro the second largest daily newspaper in the world. At the end of December 2006, Metro was distributed on a national basis in 14 out of its 21 country markets. Metro was the most read or highest circulation newspaper in 9 of these markets.

Management Structure

A new senior management team structure was established during 2006. Chris Spalding was appointed COO with executive responsibility for all of Metro International's operations, reporting to Pelle Törnberg, President and CEO. Martin Alsander and Robert Patterson (the latter previously Group Chief Financial Officer), were appointed Executive Vice Presidents and are respectively in charge of half of Metro International's operations. Frank Mooty joined the Group as Chief Financial Officer on an interim basis; Tom Symonds was appointed Managing Director, Metro Interactive; Sidonie Kingsmill was appointed Group Marketing Director; Simon Simmons was appointed Global Distribution Manager.

The Board of Metro International also announced today that Pelle Törnberg will be stepping down as President and CEO of Metro International during the course of 2007. The Board of Metro International has started the process of recruiting a new President and CEO and further announcements on this process will be communicated in due course.

Major Advertising Campaigns

In 2006, Metro International's international clients represented more than 25% of Group revenues - an increase of 16% year-on-year. The number of clients advertising in eight Metro countries or more increased by 33% year-on-year.

The 4th quarter was a record quarter for the Company's Global Sales team. Key clients included Microsoft, Nokia, Canon and Swatch. The Microsoft campaign was the first-ever multi market dominator (taking all the ads in the newspaper on a specific day) in Denmark, France, Italy and Finland. The Swatch campaign was a media first - a musical newspaper which ran in Milan, Rome, London, Paris, Hong Kong, Seoul and New York. These campaigns are further testimonies to Metro's unique appeal to international advertisers.

Swedish Advertising Tax

This issue was reported in the 2005 annual report as a contingent liability.

Metro has paid Swedish advertising tax on revenues at the rate of 11% until 2005 and at 8% in 2006. These rates are applicable to non-exempt non-newspaper media, whereas traditional newspapers pay advertising tax at the lower rates of 4% (to 2005) and 3% (2006). Metro has taken professional advice and is contesting its liability to bear advertising tax at the 11% rate for the years 2001 to 2005 and at 8% for 2006 and future years.

On 7th July 2006 Metro brought an action before the Stockholm District Court claiming that the application of Advertising Tax was applied unfairly to free newspapers compared to traditional newspapers. On the same day a complaint was submitted to the European Commission claiming that the Swedish Advertising Act violates European Community rules on state aid as well as other EC rules.

On 29th January 2007, Metro International's Swedish publisher, Tidnings AB Metro, wrote to the Swedish Tax Agency requesting a review of the company's Advertising Tax charges for the tax years 2001-2006. The letter concerns both the determination of the tax base and the tax rate.

As a result of Metro International's own review, Tidnings AB Metro has unilaterally declared a restatement of the tax base for 2001-2004 which increases the prior year tax charge by US\$ 4.2 million. The determination of the tax base was changed in 2005. The aforementioned charge is accounted for as a prior year adjustment through equity.

The request for a review also covers other components of the tax base closely linked to our status as a newspaper or a non-newspaper. It is impossible to quantify the likely future exposure to Tidnings in this regard – the worst case scenario is an additional tax charge of US\$ 11 million for 2001-2006. However if the Tax Office agrees to treat Metro as a newspaper, a tax refund will be due equivalent to the size of the current exposure. This matter will be reported as a contingent liability in Metro International's 2006 annual report.

As a result of the 2001-2004 advertising tax adjustment of US\$ 4.2 million, the historical deferred tax asset for these periods is consequently increased by US\$ 1.1 million resulting in a net prior year reserves adjustment of US \$3.1 million.

Operating Costs

The Group's total operating cost base increased year-on-year in the quarter by 10.8% at constant exchange rates. The Group's total operating cost base for its fully consolidated newspaper operations increased in the quarter by 9.8% 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 decreased by 3.3% year-on-year in the quarter. Year to date the cost per copy has been reduced by 2.1%.

Interest, Other Financial Items and Tax

Net interest and other financial items were US\$ 0.7 million (2005: US\$ 1.1 million) in the fourth quarter and the Group reported a pre-tax profit of US\$ 10.2 million (2005: pre-tax profit of US\$ 4.4 million) for the period.

Current and deferred tax credits in the fourth quarter were US\$ 1.3 million (2005: credits of US\$ 1.5 million), resulting in a net profit for the quarter of US\$ 11.5 million (2005: net profit of US\$ 5.9 million) and a weighted average basic earnings per share of US\$ 0.02 (2005: profit per share of US\$ 0.01).

SEGMENTAL OPERATING REVIEW

Newspaper Operations by Age

The 12 month sales and operating results for the Group's subsidiary and associated operations above and below 3 years old on 31st December 2006 are:

US\$ 000s	Net Sales		Operating Profit (EBIT)	
	31 Dec 2006	31 Dec 2005	31 Dec 2006	31 Dec 2005
More than 3 years old	329,817	296,124	45,792	28,744
Less than 3 years old	80,221	61,350	(17,012)	(21,365)
TOTAL	410,038	357,474	28,780	7,379

Metro International's newspaper operations launched more than three years prior to Q4 2006 reported annual net sales growth of 15%, at constant exchange rates, in the year to 31st December 2006. These editions have produced a 64% year-on-year improvement in operating profit at constant exchange rates. Operating profit margin has improved to 14% (2005: 10%).

Metro International's operations launched in the three years prior to Q4 2006 reported annual net sales growth of 36% for the quarter at constant exchange rates. The Group reported for the quarter a 24% year-on-year reduction in operating loss at constant exchange rates.

Sweden

US\$ '000s	Q4 2006	Q4 2005	12 Months 2006	12 Months 2005
Net Sales	31,311	25,746	106,608	98,481
Operating profit (EBIT)	5,705	5,159	16,904	12,703
Operating margin %	18.2%	20.0%	15.9%	12.9%
Number of editions	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.

Metro's readership increased by 12% year-on-year to 1.585m daily readers, according to the latest official readership figures from Orvesto (2006:3). This confirms Metro's status as the most read newspaper in Sweden and Scandinavia. Readership for the national edition increased by 74% to 388,000 daily readers. Readership of the three daily editions were stable despite the arrival of new free competitors. Metro Stockholm's reporter David Baas received The Golden Rake 2006, a prize awarded for outstanding journalistic achievement.

Year-on-year local currency sales growth for Metro Sweden was 9% in the fourth quarter, led by the national and Malmo editions. The Stockholm edition, despite increased competition, delivered 5% sales growth in the quarter. The Metro editions delivered a 14% revenue growth in the year. Q4 operating profit, in local currency, was 3% higher than 2005, and 31% higher for the full year.

Northern Europe

US\$ '000s	Q4 2006	Q4 2005	12 Months 2006	12 Months 2005
Net Sales	29,587	27,176	104,287	95,293
Operating profit (EBIT)	5,164	5,237	9,194	9,175
Operating margin (%)	17.5%	19.3%	8.8%	9.6%
Number of editions	12	11		

Northern Europe includes the Group's operations in Holland, Denmark, Hungary, the Czech Republic, and Poland, together with the Finnish operation which was sold on 1st September 2006. Excluding Finland, net sales in Q4 increased year-on-year by 10% and by 12% for the twelve months, at constant exchange rates. The sale of Finland returned a net profit of US\$ 12.4 million.

Fourth quarter sales growth in Holland was 10% year-on-year in local currency, and 14% year-on-year for the twelve months. 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. EBIT improved by 41% at constant rates.

Year-on-year sales growth in Denmark (excluding the Copenhagen afternoon edition) was 9% (local currency) in both the quarter and over the twelve months. Annual operating profit increased by 20%, excluding the Copenhagen afternoon edition. Index Denmark/Gallup readership figures for Q2 2006 confirmed MetroXpress as the most read newspaper in Denmark. Competition in Denmark has intensified. No official figures are yet available for the three new free door-to-door newspapers. Free daily newspapers now represent over 60% of overall newspaper circulation in Denmark. The Copenhagen afternoon edition was closed in November after a three month trial period. The overall loss on the project was US\$ 1.0 million.

Net sales for Hungary in local currency were 2% higher in the fourth quarter and reflected the moderate trend over the year in general. Metro Hungary is the most widely circulated newspaper in the country as well as being the second most read newspaper, with 758,000 daily readers (Ipsos Szonda, Nov 2006), up 10% year-on-year.

Year-on-year net sales growth in the quarter for the Czech Republic was 29% in local currency. Following the national expansion earlier in the year, Metro has doubled its daily readership (according to the most recent Media Projekt figures) and is now the 2nd most read newspaper in the Czech Republic. Further progress was made in Q4 towards establishing the planned trading results.

Fourth quarter sales (at constant rates) for Metro Poland were below the previous year and the EBIT loss consequently increased. The EBIT loss for the year, at US\$ 3.7 million, was higher than for 2005 and, in view of this result and the prevailing difficult market conditions, the activities of Metro Poland were discontinued in January 2007. The closure of Metro Poland will result in a one-off charge in Metro International's financial results for the quarter ending 31st March 2007 which is currently estimated at US\$ 2.2 million.

Southern Europe

US\$ '000s	Q4 2006	Q4 2005	12 Months 2006	12 Months 2005
Net Sales	40,219	30,076	125,101	98,968
Operating profit (EBIT)	4,541	2,339	906	(8,287)
Operating margin (%)	11.3%	7.8%	0.7%	-8.4%
Number of editions	30	27		

Southern Europe comprises the Group's operations in France, Spain, Italy, Greece and Portugal. Net sales for the combined operations increased by 26% year-on-year in the quarter at constant exchange rates and the operating profit for the quarter doubled compared to 2005. The strong quarterly operating result for this segment reflects market seasonality.

Metro France produced a 46% year-on-year sales growth in local currency; sales of US\$ 16.8 million (2005: US\$ 10.9 million) in the fourth quarter resulted in a 17% increase in reported operating profit. Since its 25% circulation increase in September, Metro is now the largest newspaper in France with 880,000 daily copies.

Metro Spain delivered an 11% year-on-year increase in net sales in Q4 in local currency, and an 11% operating profit margin to produce a profit of US\$ 1.1 million (2005: US\$ 0.6 million operating loss). The turnaround in Spain comes from a new management team and performance improvements delivered in Barcelona, Madrid and Seville and additional contributions from the new editions in Valencia and Alicante. A pending legal case is reported in the notes to the accounts as a contingent liability.

Italy's Q4 sales growth was 13% over the 2005 corresponding period in local currency. A strong performance in Milan was balanced with lower margins in Rome and Genoa.

Metro Greece reported an 8% year-on-year sales growth in the quarter, in local currency, and an operating margin of 6% (2005: 2%), while Metro Portugal reported sales growth above 50% in the quarter and reduced the operating loss to break-even for the quarter. Less than two years since launch, Metro is already the third most read newspaper nationwide in Portugal with 500,000 daily readers (according to Marktest/Bareme).

United States

US\$ '000s	Q4 2006	Q4 2005	12 Months 2006	12 Months 2005
Net Sales	8,920	7,912	32,979	28,558
Operating profit (EBIT)	(1,213)	(2,188)	(6,766)	(13,135)
Operating margin %	-13.6%	-27.7%	-20.5%	-46.0%
Number of editions	3	3		

New York sales have increased by 42% in the 4th quarter year-on-year. The Metro New York classified sales agreement with The New York Times Company began in late September. New York's operating loss was reduced by 34%. Sales remain flat in Philadelphia however operating margins have improved by 55%. Boston's sales remain flat but continue to deliver a healthy operating margin. US quarterly sales have increased by 13% year-on-year and the operating loss has been reduced by 45%

Rest of World

US\$ '000s	Q4 2006	Q4 2005	12 Months 2006	12 Months 2005
Net Sales	10,068	8,604	35,846	32,372
Operating profit (EBIT)	2,075	2,139	6,503	8,208
Operating margin %	20.6%	24.9%	18.1%	25.4%
Number of editions	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 22% in the quarter and operating profit improved by 41%. For the twelve months, growth in sales and profit was 16% and 42% respectively. Publometro is the fourth most read newspaper in Chile with 349,000 daily readers (KMR, Aug-Nov 2006). It is the largest or second largest newspaper in the relevant target groups and attracts a 17% gross market share of weekday newspaper advertising.

In Hong Kong, sales for the quarter (in local currency) continued the progress initiated in Q3, with 16% year-on-year growth, compared to 6% year-on-year growth for the twelve months. The newly launched magazine, Metropop, continues to put some pressure on margins and although its revenue growth has been lower than expected, there are further positive signs that this title is increasing advertiser acceptance. According to the TNS Global Survey, Metro is Hong Kong's 3rd largest newspaper by circulation.

Other

US\$ '000s	Q4 2006	Q4 2005	12 Months 2006	12 Months 2005
Net Sales	4,035	1,750	11,713	5,978
Canada - JV support	1,579	1,145	5,217	3,803
Online	234	137	867	364
Headquarters	2,222	468	5,629	1,811
Operating profit (EBIT)	(5,523)	(7,184)	(22,287)	(27,055)
Number of editions	16	8		

Equity Participations:

Metro International 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 International 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.

Metro International's profit share from the Canadian operations improved by US\$ 2.7 million compared to the 2005 performance and now delivers a healthy profit. Toronto and Montreal deliver good profit margins while Ottawa and Vancouver are currently loss-making.

Metro International's 29.99% joint venture in Seoul delivered a US\$ 1.1 million profit improvement to Metro International for the 12 months compared to 2005.

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

The Group's total share in the pre-tax earnings of these associated companies was a profit of US\$ 0.9 million in the fourth quarter and a profit of US\$ 1.7 million for the twelve months (2005: loss of US\$ 1.4 million).

Online:

In November 2006 Metro International appointed Tom Symonds, formerly Internet Director at BSkyB, as Managing Director, Metro Interactive.

Metro International will be building its interactive presence through 2007, by launching a number of new look sites focused on its core young, affluent and urban readership. During the first phase of development it is envisaged that the main revenue streams will come from advertising and classified advertisements.

Metro International's objective is to create an interactive offering that encourages user participation - embracing the growing trend of citizen journalism, with a locally focused content offering - giving the most relevant news and information experience via the internet and mobile technology.

The first launch of the new look website will be in the US in Q3 2007 followed by an accelerated rollout to all of Metro International's regions over the course of the next 12-18 months, establishing a truly global footprint.

Metro International's existing online businesses include an online classified advertising site 'Metro Market' and the recently launched Metro.se news portal in Sweden. Having underachieved against sales targets during 2006, the online travel agency was divested on 1st December 2006.

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 Group Global Sales department's share of its multinational advertising sales. Headquarter net sales for the year increased by 210%. Metro strengthened its position as the most read newspaper in St Petersburg with an 11% readership increase year-on-year to 582,000 daily readers. Metro has three times more daily readers than its closest (paid for) competitor in St Petersburg, according to the latest official TNS Gallup Media Russia. Since its launch in May, Metro Express is well established in Croatia as the highest circulation national newspaper with 6 daily editions. On a daily basis, it reaches 11% of the overall Croatian population and 23% in Zagreb.

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 twelve months of US\$ 2.4 million (2005: US\$ 1.8 million). IT, advertising research and global sales infrastructures have been expanded during the year. For the twelve months to December, headquarter net operating costs were 8% lower than the previous year and represented 5% of Group revenues.

FINANCIAL REVIEW

Cash Flow

In the twelve months to December 2006, cash and cash equivalents have increased by US\$ 6.1 million to US\$ 35.3 million. Cash flow generated by operations in the year was US\$ 11.7 million (2005: used US\$ 12 million). Working capital over the twelve months has reduced by US\$ 1.7 million, compared to an increase of US\$ 0.3 million in 2005.

Group capital expenditure on tangible fixed assets amounted to US\$ 4.4 million (2005: US\$ 4.8 million) in the year and was equivalent to 1% of Group sales, whilst depreciation charges totaled US\$ 3.3 million (2005: US\$ 3.2 million). Disposals in the year included the assets of the Group's subsidiary in Finland, which were sold on 1st September 2006 for \$12.3 million.

Group Net Debt and Financing Items

Group net debt amounted to US\$ 16.7 million at the end of the fourth quarter, compared to US\$ 23.0 million as at 31st December 2005, and comprised cash and cash equivalents of US\$ 35.3 million, the US\$ 43.2 million drawn under the Group's multi-currency revolving credit facility, US\$ 5.6 million of loans payable to minority shareholders and other short-term bank loans totaling US\$ 3.2 million. The Group's credit facility was increased during August by US\$ 15 million to US\$ 90.0 million and extended to 31st December 2011. The first amortization, based on the current level of drawdown, is not due until 31st December 2010.

Net interest costs were US\$ 0.9 million (2005: US\$ 0.7 million) in the quarter, and comprised US\$ 0.2 million (2005: US\$ 0.2 million) of interest income on the Group's cash balances and loans outstanding with associated companies, and US\$ 1.0 million (2005: US\$ 0.9 million) interest payable on the Group's credit facility and other borrowings. Other financial revenues totaled US\$ 0.4 million (2005: US\$ 0.0 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 charge of US\$ 0.1 million in the year (2005: charge of US\$ 1.8 million). Deferred tax credits amounted to US\$ 1.7 million (2005: credit of US\$ 0.1 million) in the year. 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\$ 18.3 million (2005: US\$ 15 million).

Minority Interests

The net result for the year attributable to minority shareholders in the Group's subsidiaries in France, Denmark, Boston and Portugal, and the online travel business was a profit of US\$ 1.4 million (2005: US\$ 1.1 million profit).

Shares Outstanding

The total number of issued and outstanding shares at 31st December 2006 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 register by clicking on the following link:

http://www.mamato.se/clients/fine/metro/q4_2006_reg/

DATE OF NEXT REPORT

Metro's 2006 annual report will be published in early May 2007 and will be on Metro's website at www.metro.lu

Metro's financial results for the first quarter and three months ended 31st March 2007 will be published on 23rd April 2007.

ANNUAL GENERAL MEETING 2007

The 2007 Annual General Meeting will be held on 29th 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.

It is expected that no dividend will be recommended at the AGM.

The Board of Directors
Metro International S.A.

Luxembourg, 13th February 2007.

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ABOUT METRO INTERNATIONAL AND METRO

*Metro is the largest and fastest growing international newspaper in the world. Metro is published in over 100 major cities in 20 countries across Europe, North & South America and Asia. Metro has a unique global reach - attracting a young, active, well-educated Metropolitan audience of **over 20 million daily readers**. Metro International's advertising sales have grown at a compound annual rate of 41% since the launch of the first edition in 1995.*

Metro International 'A' and 'B' shares are listed on the OMX Nordic Exchange's Nordic List under the symbols MTRO SBD A and MTRO SBD B.

METRO INTERNATIONAL S.A.

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

	Note	Q4 2006	Q4 2005, restated	12 Months to Dec 2006	12 Months to Dec 2005, restated
Net Sales		124,140	101,264	416,534	359,650
Cost of production		(70,648)	(57,080)	(253,303)	(226,753)
Gross income		53,492	44,184	163,231	132,897
Sale of shares in subsidiaries		167	-	12,472	15,884
Selling expenses		(24,113)	(20,626)	(88,741)	(82,170)
Administrative and development expenses		(19,150)	(17,834)	(71,011)	(67,680)
Share of earnings in associated companies		520	(222)	975	(1,438)
Operating profit	(3)	10,916	5,502	16,926	(2,507)
Financial items, net		(681)	(1,088)	(3,827)	(2,744)
Profit after financial items and before income tax		10,235	4,414	13,099	(5,251)
Current tax		(908)	(748)	(1,868)	(1,891)
Deferred tax		2,173	2,204	1,744	110
Net result		11,500	5,870	12,975	(7,032)
Attributable to:					
Equity holders of the parent		10,260	4,282	11,604	(8,101)
Minority interest		1,240	1,588	1,371	1,069
Net result		11,500	5,870	12,975	(7,032)
Basic and diluted basic earnings /(loss) per share		0.02	0.01	0.02	(0.01)
Weighted average number of shares outstanding		527,296,944	526,419,391	527,036,707	526,182,228
Diluted weighted average number of shares outstanding		527,296,930	527,081,886	528,079,186	527,173,021

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

	Note	12 Months to Dec 2006	12 Months to Dec 2005, restated
Foreign exchange translation differences		3,195	(4,794)
Net gain/(loss) not recognized in the income statement		3,195	(4,794)
Net result for the period		12,975	(7,032)
Total recognized income and expenses		16,170	(11,826)
Attributable to:			
Equity holders of the parent		15,123	(13,547)
Minority interest		1,047	1,721
Total recognized income and expenses		16,170	(11,826)

Impact of the tax base restatement in advertisement taxes during 2001-2004 on the retained earnings balance at 1st January 2005, see note 5.

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

Note **31 Dec 2006** 31 Dec 2005,
restated

ASSETS

Non-current assets

Intangible assets

Trademarks and Licenses, net	1,518	1,513
Goodwill, net	16,355	14,644
	17,873	16,157

Property, plant and equipment

Machinery and equipment, net	9,073	7,409
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Financial assets

Shares in associated companies	7,029	3,871
Other investments	238	238
Receivables from associated companies	5,179	5,326
Long-term receivables	2,672	1,507
	15,118	10,942

Deferred Tax Assets

Deferred tax assets	18,396	16,186
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Total non-current assets

60,460 50,694

Current assets

Accounts receivable, net	90,632	66,266
Other current receivables	11,282	8,824
Prepaid expenses	4,956	3,159
Cash and cash equivalents	35,254	29,209
Total current assets	142,124	107,458

TOTAL ASSETS

202,584 158,152

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

	Note	31 Dec 2006	31 Dec 2005, restated
EQUITY AND LIABILITIES			
Equity	(5)	41,677	22,300
<i>Long-term liabilities</i>			
Liability to minority partner		5,605	4,470
Long-term bank loans		43,141	43,079
Total long-term liabilities		48,746	47,549
<i>Current liabilities</i>			
Short-term bank loans		3,160	4,626
Accounts payable		49,860	37,244
Other liabilities		21,616	15,851
Accrued expenses		37,525	30,582
Total current liabilities		112,161	88,303
TOTAL LIABILITIES		160,831	135,852
TOTAL EQUITY AND LIABILITIES		202,584	158,152

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

	Note	12 Months to Dec 2006	12 Months to Dec 2005, restated
Operating activities			
Profit / (Loss) before income tax		13,099	(5,251)
Adjustments for:			
Depreciation and amortization		3,274	3,213
Other non-cash items		(9,196)	(13,882)
Financial items, net		3,827	2,744
Share of earnings in associated companies		(975)	1,438
Changes in working capital:			
Change in current receivables		(22,153)	(12,573)
Change in current liabilities		23,842	12,320
Cash flow contributed / (used) by operations		11,718	(11,991)
Interest paid, net		(3,194)	(2,077)
Income tax paid		(2,936)	(1,345)
Net cash used in operations		5,588	(15,413)
Investment activities			
Investment in associated company shares		(870)	(3,614)
Increase/decrease in long-term receivables		(3,329)	(2,772)
Investment in intangible assets		-	(7,335)
Sale of operations and interests in subsidiaries (net)		11,166	16,152
Investment in property, plant and equipment		(4,367)	(4,849)
Net cash flow used in investing activities		2,600	(2,418)

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

	Note	12 Months to Dec 2006	12 Months to Dec 2005
Financing activities			
Loan from minority partner		623	1,104
Capital increase		229	60
Bank loans		(1,917)	8,000
Net cash flow provided by financing activities		(1,065)	9,164
Net increase/(decrease) in cash and cash equivalents		7,123	(8,667)
Cash and cash equivalents at beginning of year		29,209	40,173
Currency effects on cash		(1,078)	(2,297)
Cash and cash equivalents at end of period		35,254	29,209

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, Finnish and Croatian franchise partners, publish free-of-charge newspapers, Monday through Friday and in some cases also on Saturday. As at 31st December 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 9 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 and 3 other Portuguese cities, 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 6 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) as endorsed by the EU and are the same as in the consolidated financial statements for the period ended 31st 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.

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, 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	Q4 2006	FY 2006
Sweden	24,313	28,303	22,681	31,311	106,608
Northern Europe	24,355	28,310	22,035	29,587	104,287
Southern Europe	27,350	35,299	22,233	40,219	125,101
USA	7,469	8,639	7,951	8,920	32,979
Rest of World	7,449	8,839	9,490	10,068	35,846
Other	2,246	2,705	2,727	4,035	11,713
TOTAL	93,182	112,095	87,117	124,140	416,534

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

There are no inter-segment sales.

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

Segment Reporting

Segment Operating Profit – 2006

(US\$ '000s)	Q1 2006	Q2 2006	Q3 2006	Q4 2006	FY 2006
Sweden	3,437	5,563	2,199	5,705	16,904
Northern Europe	1,493	3,553	(1,016)	5,164	9,194
Southern Europe	(2,197)	1,878	(3,316)	4,541	906
USA	(2,395)	(1,078)	(2,080)	(1,213)	(6,766)
Rest of World	1,162	1,383	1,883	2,075	6,503
Other	(5,388)	(4,831)	(6,545)	(5,523)	(22,287)
Operating profit / (loss) from operations	(3,888)	6,468	(8,875)	10,749	4,454
Sale of ownership interest in subsidiary	-	-	12,305	167	12,472
Operating profit (loss)	(3,888)	6,468	3,430	10,916	16,926
Items to reconcile segment reporting to net result:					
Financial items, net	(990)	(1,160)	(996)	(681)	(3,827)
Current tax	(269)	(342)	(349)	(908)	(1,868)
Deferred tax	(574)	(368)	513	2,173	1,744
Net result	(5,721)	4,598	2,598	11,500	12,975

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

Segment Reporting

Segment Operating Profit - 2005

(US\$ '000s)	Q1 2005	Q2 2005	Q3 2005	Q4 2005, restated	FY 2005, restated
Sweden	2,470	4,000	1,074	5,159	12,703
Northern Europe	841	2,788	309	5,237	9,175
Southern Europe	(3,384)	(2,347)	(4,895)	2,339	(8,287)
USA	(4,847)	(3,510)	(2,590)	(2,188)	(13,135)
Rest of World	1,495	2,131	2,443	2,139	8,208
Other	(4,947)	(8,361)	(6,563)	(7,184)	(27,055)
Operating profit / (loss) from operations	(8,372)	(5,299)	(10,222)	5,502	(18,391)
Sale of ownership interest in subsidiary	15,884	-	-	-	15,884
Operating profit (loss)	7,512	(5,299)	(10,222)	5,502	(2,507)
Items to reconcile segment reporting to net result:					
Financial items, net	(636)	(235)	(785)	(1,088)	(2,744)
Current tax	(1,098)	310	(355)	(748)	(1,891)
Deferred tax	-	(1,258)	(836)	2,204	110
Net result	<u>5,778</u>	<u>(6,482)</u>	<u>(12,198)</u>	<u>5,870</u>	<u>(7,032)</u>

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

Note 5

Shareholders' equity

Metro International S.A. was formed on 29th December 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 1st January 2005	38,150	(3,534)	34,616
Restatement of prior year equity closing balance	(3,066)	-	(3,066)
Balance at 1st January 1 2005, restated	35,084	(3,534)	31,550
Total recognized gains and losses, restated	(13,547)	1,721	(11,826)
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, restated	23,845	(1,545)	22,300
Balance at 1st January 2006, restated	23,845	(1,545)	22,300
Total recognized gains and losses	15,123	1,047	16,170
Restricted share program of LTIP scheme	2,367	-	2,367
Share option program of LTIP scheme	840	-	840
Balance at 31st December 2006	42,175	(498)	41,677

The opening balance of 2005 equity has been restated for the advertising tax charge and the deferred tax effect.

Note 6

Contingent Liabilities

Metro has paid advertising tax at the rate of 11% until 2005 and at 8% in 2006. These rates are applicable to non-exempt non-newspaper media, whereas traditional newspapers are liable to pay advertising tax at the lower rates of 4% (to 2005) and 3% (2006). Metro has taken professional advice and is contesting its liability to bear advertising tax at the 11% rate for the years 2001 to 2005 and at 8% for 2006 and future years. Metro has made certain deductions in determining its advertising tax base for the years 2001 to 2006. If these are disallowed at current tax rates the maximum exposure to the Group is an additional tax charge of US\$ 11 million.

On 7th July 2006 Metro brought an action before the Stockholm District Court claiming that the application of Advertising Tax was applied unfairly to free newspapers compared to traditional newspapers. On the same day a complaint was submitted to the European Commission claiming that the Swedish Advertising Act violates European Community rules on state aid as well as other EC rules.

On 29th January 2007 Metro wrote to the Swedish Tax Office restating the advertising tax computations for 2001 to 2006 and contesting Metro's treatment as non-newspaper media. It is impossible to quantify the net exposure since if the Tax Office agrees to treat Metro as a newspaper, a tax refund will be due equivalent to the size of the current exposure. For this reason, this matter is reported as a contingent liability.

Metro Spain is party to a lawsuit from a third party sales agency for termination of a contract without notice and breach of the non-compete clause. Advice from legal counsel is that there is a possible exposure but it is not possible to quantify the risk.