metro

METRO INTERNATIONAL S.A.

FINANCIAL RESULTS FOR THE SECOND QUARTER ENDED 30TH JUNE 2009

Luxembourg, 20th July, 2009 – Metro International S.A. (“Metro International” or the “Group”) (MTROA, MTROB), today announced its financial results for the second quarter ended 30th June 2009. Information was submitted for publication on 20th July, 2009 at 8:00 A.M. CET.

SECOND QUARTER HIGHLIGHTS

- **Net revenues declined by 12 percent in the second quarter adjusting for currency movements, closed and divested operations and revenues lost due to the Easter Holidays. Total net revenues decreased year-on-year in the second quarter by 26 percent to EUR 60.7 million (2008: EUR 81.5 million).**
- **The operating loss excluding closed and divested operations was EUR 1.2 million in the second quarter (2008: operating profit of EUR 2.5 million excluding closed and divested operations). The total operating loss was EUR 3.0 million (2008: operating profit of EUR 0.6 million).**
- **The net loss for the second quarter was EUR 3.7 million (2008: loss of EUR 2.0 million).**
- **Operating costs declined year-on-year in the second quarter by 11 percent excluding currency movements, one-off items, closed and divested operations. Costs incurred at headquarters declined year-on-year by 31 percent in the second quarter excluding one-off items.**
- **In May, Metro in the US was divested to Seabay Media Holdings LLC ("Seabay Media"). Seabay Media will continue to publish Metro in the US under a service and license agreement with Metro International.**
- **In June, Metro International exercised its option to acquire 58.5 percent of the capital and votes in its franchise operation in St. Petersburg, Russia.**
- **In June, Metro Portugal was fully divested to two local media companies, Holdmédia and Metro News. Concurrently Metro International signed a Franchise Agreement with the new owners.**
- **In June, the final results of the issue of Swedish Depository Receipts (“SDRs”) regarding subordinated debentures and warrants (the “Rights Issue”) were revealed. Through the Rights Issue, Metro International received proceeds of SEK 527.8 million (EUR 48.7 million) before transaction costs.**
- **Overall readership increased year-on-year by 8 percent for the Group in the second quarter.**
- **The basic and diluted net loss per share for the second quarter was EUR 0.007 and EUR 0.01 respectively (2008 basic and diluted: EUR 0.004).**

HALF YEAR HIGHLIGHTS

- **Total net revenues decreased by 15 percent for the half year adjusting for currency movements, closed and divested operations. Total net sales decreased by 25 percent to EUR 116.3 million (2008: EUR 154.9 million).**
- **The operating loss for the half year, excluding closed and divested operations, was EUR 9.1 million (2008: loss of EUR 0.9 million). The total operating loss was EUR 17.7 million (2008: loss of EUR 5.0 million).**
- **The net loss for the half year was EUR 18.9 million (2008: loss of EUR 8.3 million).**
- **Operational costs for the half year declined by 8 percent for the half year excluding currency movements, one-off items, closed and divested operations.**

- **Metro International recorded for the half year a basic net loss per share of EUR 0.03 (2008: net loss EUR 0.01).**

SUBSEQUENT EVENTS

- **On 10th July, the Group announced that four members of the Group's senior management have during the second quarter decided to leave Metro International for individual reasons.**
- **On 14th July, Metro International entered into a franchise agreement in Ecuador with the leading media group Grupo Hoy. On 15th July, Grupo Hoy's existing free newspapers Metro Hoy and Metro Quil were re-launched under Metro International's global newspaper format. Metro International will initially hold 15 percent equity interest in the publishing company with an option to increase this shareholding in the future.**

OPERATIONAL REVIEW

Per Mikael Jensen, President and CEO of Metro International, said:

During the second quarter the global advertising market has remained challenging as year-on-year sales declined in most of our operations. Excluding sold and divested operations, revenues lost due to the Easter Holidays and after adjusting for currency movements, net revenues declined year-on-year by 12 percent. It is however pleasing to note that a majority of our operations in Latin America and Russia are continuing to record positive sales growth.

The operating loss excluding closed and divested operations, for the quarter was EUR 1.2 million. Yet, operational profits were recorded in seven out of ten controlled operations (excluding US and Portugal) and in four out of five associated operations. These results have been achieved thanks to our sustained focus on cost control as we have successfully managed to drive down costs in all our operations throughout the first half year. Management is monitoring the development of every Metro operation very closely and is in a position to react quickly to any further negative changes in advertising sales. The implementation of all cost cutting initiatives has been done carefully to make sure that no long-term damage is done to the business. In comparison to the same period last year, operational costs declined in the quarter by 11 percent on a like-for-like basis and headquarters costs declined by 31 percent. We have duly managed to minimise the effects of the global economic recession on our business. I think this proves the competitive strength of Metro as a sustainable business model.

During the second quarter, we have continued to execute on our global strategy of reaching profitability in the short-term as well as ensuring long-term growth. For the purpose of achieving our goal of short short-term profitability, our operations in the US as well as in Portugal were fully divested in the second quarter. The deal regarding our US business with Seabay Media was completed on 1st June. In the same month, our operation in Portugal was divested to two local media companies; Holdmédia and Metro News. These activities were carried out in order release the Group from future funding requirements as well as to eliminate any future negative impact on Group operating income.

We have also made progress with our long term growth strategy by means of geographical expansion in growth markets such as in Russia and Latin America. On 1st June 2009, we announced that the Group has exercised its option to acquire 58.5 percent of the capital and votes in its franchise operation in St. Petersburg, Russia. Metro International will continue to receive a franchise fee for licensing its newspaper concept and brand to Metro St. Petersburg. Metro St. Petersburg is one of Metro International's fastest growing and most profitable operations and we are very pleased to be involved with this company. Through this acquisition, coupled with the launch in Moscow in the first quarter, Metro International has during the first half year of 2009 managed to significantly strengthen its presence in Russia.

Moreover, in July, the Group entered into a franchise agreement with the leading media group Grupo Hoy in Ecuador. Grupo Hoy's previously existing free newspapers Metro Hoy and Metro Quil were on 15th July re-launched under Metro International's global newspaper concept.

Also in this quarter, we announced the final results of the rights issue regarding subordinated debentures and warrants (the "Rights Issue"). Through the Rights Issue, Metro International received SEK 527.8 million (EUR

48.7 million) before transaction costs of SEK 26.4 million (EUR 2.4 million). Of these proceeds, EUR 28.7 million was used to repay in full the outstanding multi-currency revolving credit facility. As a result of this refinancing exercise of the Group, Metro International's balance sheet has been strengthened and we are better equipped to build on our strategy and face the challenges of the market.

Outlook and Risks

Metro International's outlook for the global advertising markets remains gloomy, regardless of the category and the visibility is very short. We expect that the second part of the year will develop in the same direction as we have experienced during the first and second quarter of 2009.

We have taken the necessary steps to reduce our cost base to counter a reduction in sales for the remainder of the year and are monitoring the situation very closely. We are committed to reducing our cost base and continue to evaluate further cost rationalisation opportunities.

Per Mikael Jensen

President and CEO
Metro International

FINANCIAL SUMMARY

€ 000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Net Revenue	**60,719**	81,508	**116,279**	154,929
Operating profit / (loss)	**(2,973)**	633	**(17,690)**	(4,944)
Profit / (loss) on sale of shares in subsidiaries	**(3,586)**	137	**(3,586)**	137
Operating profit / (loss) before financial items and tax	**(6,559)**	770	**(21,276)**	(4,807)
Net interest & other financial items	**(1,922)**	(2,510)	**(2,157)**	(3,332)
Profit / (loss) after financial items and before tax	**(8,480)**	(1,740)	**(23,433)**	(8,139)
Tax	**4,824**	(216)	**4,498**	(202)
Net profit / (loss)	**(3,657)**	(1,956)	**(18,935)**	(8,341)
Basic weighted average number of shares outstanding	**527,888,221**	527,716,195	**527,850,826**	527,618,192
Diluted wieghted average number of shares outstanding	**904,897,215**	527,716,195	**717,396,784**	527,618,192
Earnings per share				
Basic earnings / (loss) per share -euro	**(0.007)**	(0.004)	**(0.0338)**	**(0.014)**
Diluted earnings / (loss) per share - euro	**(0.010)**	(0.004)	**(0.0319)**	**(0.014)**

Unless otherwise indicated, all commentaries in this section are based on measures used by management to assess business performance. These measures are non-IFRS methods which management consider being useful for the understanding of the Group's performance. The disclosures of the closed/divested operations in the condensed consolidated interim financial statements and segment information have been made in accordance with IFRS 5 requirements (refer to note 4 on page 21). Accordingly, classification of operating performance and analysis of the results for the second quarter presented in this section of this report will differ from what is presented in the condensed consolidated interim financial statements and notes from page 17 to page 27 in this report for the second quarter 2009. In the financial statements and notes it is only the divested business in the US that has been classified as discontinued, whereas in the other parts of this interim report, closed/divested operations also includes the operations in Spain and Portugal.

The table below presents a reconciliation of revenues and operating profit/(loss) between the figures presented in the Financial Summary table above and the Condensed Consolidated Interim Statement of Comprehensive Income provided on page 17 in this report.

€ '000	Page ref.:	Q2 2009	Q2 2008	H1 2009	H1 2008
Net revenue:					
Net Revenues in Financial Summary	Page 3	**60,719**	81,508	**116,279**	154,929
Adjustments:					
Net revenue from discontinued operations (United States)	Page 22	3,590	5,697	8,793	11,146
Net Revenue in Condensed Consolidated Interim Statement of Comprehensive Income	Page 17	**57,129**	75,811	**107,486**	143,783

	Page ref.:	Q2 2009	Q2 2008	H1 2009	H1 2008
Operating profit / (loss):					
Operating profit / (loss) in Financial Summary	Page 3	**(2,973)**	633	(17,690)	(4,944)
Adjustments:					
Profit /(loss) from sale of shares in subsidiaries (*)	Page 17	(93)	137	(93)	137
Operating profit /(loss) from discontinued operations	Page 23	(1,518)	(755)	(3,360)	(2,760)
Operating profit / (loss) in Condensed Consolidated Interim Statement of Comprehensive Income	Page 17	**(1,548)**	1,525	**(14,423)**	(2,047)
Adjustments					
Net profit /(loss) from discontinued operations	Page 17	(5,011)	(755)	(6,853)	(2,760)
Operating profit / (loss) before financial items and tax	Page 3	**(6,559)**	770	**(21,276)**	(4,807)
Operating profit / (loss) excluding closed and divested operations:					
Operating profit /(loss) in Financial Summary	Page 3	(2,973)	633	(17,690)	(4,944)
Adjustments:					
Total contribution from closed (divested operations)	Page 7	(1,761)	(1,897)	(8,634)	(4,086)
		(1,212)	2,530	**(9,056)**	(858)

(*) Represents sale of shares in subsidiaries not classfied as discontinued operations.

GROUP OVERVIEW

Metro International publishes free-of-charge newspapers, Monday to Friday. As at 30th June 2009, 53 Metro editions were published in over 100 major cities in 18 countries across Europe, Asia, North and South America. Metro International has a global reach – attracting a young, active, well-educated, metropolitan audience – of 17 million daily readers. The Group's revenue is derived from advertising sales.

Net Revenues

In the second quarter net revenues declined by 12 percent adjusting for currency movements, closed and divested operations and revenues lost due to the Easter Holidays. Total net revenues decreased year-on-year in the second quarter by 26 percent to EUR 60.7 million (2008: EUR 81.5 million).

Operating & Net Result

The loss from operations in the second quarter, excluding closed and divested operations, was EUR 1.2 million (2008: operating profit of EUR 2.5 million excluding closed and divested operations). The total operating loss was EUR 3.0 million (2008: operating profit of EUR 0.6 million). The net loss for the second quarter was EUR 3.7 million (2008: loss of EUR 2.0 million).

Operating & Headquarters Costs

Operating costs declined year-on-year by 11 percent excluding currency movements, one-off items, closed and divested operations. In the second quarter, headquarters costs declined year-on-year by 31 percent excluding one-off items.

Results from Rights Offering

On 15th June, the final results of the issue of Swedish Depository Receipts ("SDRs") regarding subordinated debentures and warrants (the "Rights Issue") were revealed. The announcement made public that 1,198,499,915 units, corresponding to 90.8 percent of the offered units were subscribed for using unit rights. In addition, 18,119,407 units were subscribed for without unit rights, corresponding to 1.4 percent of the offered units. The remainder, corresponding to 7.8 percent of the units, was subscribed for by Metro International's main shareholder, Investment AB Kinnevik. Through the Rights Issue, Metro International received proceeds of SEK 527.8 million (EUR 48.7 million), before transaction costs. The subordinated debentures and warrants are currently being traded on the NASDAQ OMX Stockholm.

Divestment of Metro Portugal

On 10th June, the Group announced that it had entered into a sale and purchase agreement in Portugal with Holdimédia - SGPS, S.A. ("Holdmédia") and Metro News Publicações S.A. ("Metro News") resulting in a full divestment of the operation. Through the agreement, Holdimédia became the majority shareholder with 80 percent of Metro Portugal's share capital. As a part of this transaction, Metro International entered into a franchise agreement with the new owners who will continue to publish the Metro newspaper in Portugal. Before entering into these agreements, Metro International acquired the minority stake from Metro Portugal's former minority shareholder Meglo Média Global, SGPS, S.A. The sale of equity interest in the Portugal operation resulted in a loss on disposal of EUR 0.1 million and had no cash impact for the Group (excluding the cash balance of EUR 0.2 million in the operation).

Exercise of option in Metro St. Petersburg, Russia

On 1st June, the Group announced that it had exercised its option to acquire 58.5 percent of the capital and votes in its franchise operation in St. Petersburg, Russia ("Metro St. Petersburg"). Metro International will continue to receive a franchise fee for licensing its newspaper concept and brand to Metro St. Petersburg.

Divestment of the IT software development division under consideration

On 1st June, the Group announced that it is considering the divestment of its software development business unit. The potential divestment will consist of the intellectual property for all the internally developed advertising and production systems currently in use throughout Metro International's operations. It will also include the development and management teams of the business unit.

As of the date of this second quarter report, Metro International has not yet entered into an agreement on the divestment. Metro International will only agree to the deal if it will result in lower running costs for Metro International. In the event of a divestment, Metro International will continue to use the software via a software license and service agreement.

Ongoing discussions with potential partner in Italy

On 1st June, the Group announced that it was also in advanced negotiations with a potential partner in Italy which may lead to a partial or full divestment of the operation.

Divestment of Metro US

On 2nd June, the Group announced that all definitive agreements regarding the sale of its US operations to Seabay Media Holdings LLC ("Seabay Media") had been completed effective as of June 1st 2009. Under the terms of the agreement, Seabay Media will continue to publish Metro in all three markets under a service and license agreement with Metro International. The net loss on disposal of the US operations aggregated EUR 3.5 million out of which the cash cost to the Group for disposal has been estimated at approximately EUR 1.1 million (excluding cash balance of EUR 0.8 million in the operations).

Metro awarded Newspaper of the Year 2009

On 22nd April, the Group announced that it had been awarded “Newspaper of the Year 2009” at the inaugural Festival of Media Awards in Valencia, Spain. Metro International won the prestigious title over other international titles such as the Financial Times, the Wall Street Journal and the New York Times.

Closure costs in Spain

Management has revised the anticipated closure costs for Spain from EUR 5-6 million to EUR 4 million including non-cash items. Closure costs of EUR 4 million were accounted for in the first quarter 2009. Hence, no additional closure costs have been considered in the second quarter.

Readership

Metro International’s latest published readership figures increased year-on-year in the second quarter of 2009 in eleven out of 18 markets (Brazil, Canada, Denmark, Finland, France, Greece, Hungary, Italy, Mexico, Russia and Sweden). According to local official sources, readership increased year-on-year by 8 percent to 17.0 million (2008: 15.8 million adjusted for discontinued operations) excluding discontinued operations but including new editions launched since the first quarter 2008.[1]

---

[1] Note: Metro international has the highest circulation in Sweden, Denmark, Russia, Hungary, Canada, Mexico, Brazil (Sao Paolo)

Daily Readership per country ('000s)	Q2 '09	Q2 '08	Change YoY
France	2,484	2,323	7%
Netherlands	1,867	1,945	-4%
Italy	1,811	1,688	7%
Sweden	1,598	1,589	1%
USA	1,207	1,238	-3%
Canada	1,117	950	18%
Denmark	854	825	4%
Korea	772	935	-17%
Hong Kong	743	752	-1%
Russia (StP)	639	709	-10%
Portugal	538	648	-17%
Hungary	508	495	3%
Finland	407	289	41%
Czech rep.	363	413	-12%
Greece	346	250	38%
Chile	323	358	-10%
Brazil (SP)	302	154	96%
Mexico	380	260	46%
Russia (Moscow)	750		
TOTAL	**17,009**	**15,821**	**8%**

Source: latest published National Readership Survey (2008-09)
except estimate

Circulation
The total average daily newspaper copies printed by Metro International's ten controlled subsidiaries decreased by 7 percent year-on-year in the second quarter (excluding the closed and divested operations: US, Spain, Portugal but including St. Petersburg). This is a direct result of Metro International's efforts to maintain strong cost-control across the group.

The daily circulation in nine associated newspapers and franchise operations (including US, Portugal and Moscow) was 3.5 million which represents a year-on-year increase of 15 percent, primarily due to the launch of the Monterrey edition in Mexico and the Moscow edition in Russia.

Metro International's total daily circulation, including subsidiaries, associates and franchise editions, was 7.8 million in the second quarter, which makes Metro the second largest daily newspaper in the world and the world's largest international newspaper. At the end of June 2009, Metro was the highest circulated newspaper in seven of these markets.

Subsequent Events
On 14th July, the Group announced that it had entered into a franchise agreement in Ecuador with the leading media group Grupo Hoy, which publishes the existing free newspapers Metro Hoy in Quito and Metro Quil in Guayaquil. On the 15th July, these publications were re-launched using Metro International's global newspaper format. Metro International will initially hold a 15 percent equity interest in the publishing company with an option to increase this shareholding in the future. Metro International will receive franchise fees from Metro in Ecuador reflecting Metro International's operational support of the joint venture. Following the launch of the two Metro editions in Ecuador, Metro will become the largest newspaper in Latin America with over 500,000 daily copies distributed in four countries in six major cities.

On 10th July, the Group announced that four members of the Group's senior management have decided to leave Metro International for individual reasons during the second quarter. As a result of these resignations, Mr. Christian Toksvig, Vice President of Corporate Development, has been appointed Executive Vice President and will be a part of Metro's Executive Management Team with responsibility for Russia and Asia.

PROFIT AND LOSS ANALYSIS

€ '000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Contribution from controlled newspaper operations	**3,178**	7,297	**315**	9,128
Contribution from closed/divested operations	**(1,761)**	(1,897)	**(8,634)**	(4,086)
Total contribution	**1,417**	5,400	**(8,319)**	5,042
Share of associates	**156**	(81)	**(327)**	(168)
Web & online	**(1,673)**	(1,229)	**(2,742)**	(2,308)
Others	**-**	136	**-**	434
HQ revenues				
Franchise fees	**611**	647	**1,103**	1,133
Other activities	**387**	620	**888**	1,490
HQ costs				
Shared operational costs	**(1,783)**	(2,247)	**(3,369)**	(4,662)
Management & administration	**(2,088)**	(2,613)	**(4,924)**	(5,905)
Operating profit / (loss)	**(2,973)**	633	**(17,690)**	(4,944)
Profit / (loss) on disposal of shares in subsidiaries	**(3,586)**	137	**(3,586)**	137
Operating profit / (loss) before financial items and tax	**(6,559)**	770	**(21,276)**	(4,807)
Financial items	**(1,922)**	(2,510)	**(2,157)**	(3,332)
Taxes	**4,824**	(216)	**4,498**	(202)
Net profit /(loss)	**(3,657)**	(1,956)	**(18,935)**	(8,341)
Operating profit/(loss) excl. closed/divested operations	**(1,212)**	**2,530**	**(9,056)**	**(858)**

SEGMENTAL OPERATING REVIEW

Sweden

Metro Sweden publishes daily Metro editions in Stockholm, Gothenburg, Skåne and nationally, covering Sweden's largest cities (together referred to as "Green Metro"), a weekly real estate newspaper "Metro Bostad" (Metro Real Estate) distributed in Skåne, a weekly technology paper aimed at students, "Metro Teknik" and a student magazine for Universities "Metro Student".

€ 000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Net Sales	**13,425**	19,273	**25,663**	36,784
EBIT	**1,183**	2,702	**1,603**	4,450
EBIT %	**9%**	14%	**6%**	12%
Number of Editions at 30th June	**6**	6	**6**	6

Note: *Excludes Online*

Sweden's sales in local currency declined year-on-year by 20 percent in the second quarter 2009. The drop in sales was mainly due to a significant decline in the recruitment segment and in Metro Bostad.

Metro Sweden reported an EBIT profit of EUR 1.2 million in the second quarter of 2009 compared with a profit of EUR 2.7 million in the corresponding quarter of last year.

With the aim of improving sales in the recruitment segment Metro Sweden launched in June Stockholm's largest sales package for recruitment advertising together with Svenska Dagbladet. In the same month, Metro Sweden also launched an online recruitment web site.

In May Metro Sweden launched "Metro Play", a new mobile service that offers mobile games funded by advertising. During the first month of launch 30,000 games were downloaded from Metro Play. The new magazine Metro Student, launched in February this year, continued to deliver a profit in the second quarter.

Metro Sweden has 1.6 million daily readers nationwide and is the most read newspaper in Sweden. Metro's readership improved year-on-year by 1 percent. Metro Sweden currently has the highest number of daily readers ever reported in Sweden since records began.[2]

[2] Sifo Orvesto Konsument (2009-1)

Northern Europe
Northern Europe is comprised of the Group's operations in the Netherlands, Denmark and Hungary. Metro International's Northern European operations have a strong readership position by being the most or second most read newspaper in their respective markets. Metro International's market positions have improved particularly in Denmark and the Netherlands following reduced competition mainly since the second half of 2008.

€ 000s	**Q2 2009**	Q2 2008	**H1 2009**	H1 2008
Net Sales	**16,620**	18,072	**31,488**	34,563
EBIT	**788**	2,541	**(264)**	4,450
EBIT %	**5%**	14%	**(1%)**	13%
Number of Editions at 30th June	**9**	11	**9**	11

Note: *Q2 2008 figures excluded 24 Timer. All figures exclude Online.*

In the second quarter of 2009, Northern Europe continued to suffer from the economic downturn which has significantly impacted the region. Northern Europe's sales in local currency declined year-on-year by 6 percent in the quarter. The regional EBIT result was a profit of EUR 0.8 million in the second quarter compared to a profit of EUR 2.5 million in the same period last year.

In the Netherlands, sales decreased year-on-year by 30 percent in the quarter mainly due to a sharp decline in the recruitment segment. Due to the implementation of cost saving measures, the operation recorded year-on-year a positive EBIT result for the quarter. Metro in the Netherlands is the second most read newspaper in the country with 1.9 million readers and is the most read newspaper in the key target groups between 20-34 and 20-49 years old. [3]

In Denmark, local currency sales in MetroXpress declined year-on-year by 15 percent in the quarter due to the weakening advertising market. In the second quarter, MetroXpress recorded an EBIT profit whilst the recently acquired 24 Timer was in a loss making position for the same period. The losses for 24 Timer are however significantly lower compared to the same period last year due to a revision of the operational strategy and realization of synergies between the two titles. The two titles reported together a positive EBIT result. MetroXpress is by far the most read newspaper in Denmark with 589,000 daily readers, which represents a year-on-year improvement of 15 percent. The position of 24 Timer has also improved significantly since the beginning of the year and is now the second largest free daily newspaper in Denmark. Together with 24 Timer, MetroXpress has a daily reach of nearly 1 million readers.[4]

Hungary's local currency sales decreased year-on-year by 26 percent in the second quarter. Metro in Hungary reported an EBIT loss for the quarter. As of the middle of August 2009, Metro in Hungary will together with a leading regional media company, launch the largest advertising packages for printed media in Hungary. Metro is the second most read newspaper in Hungary with 508,000 daily readers which represents a year-on-year improvement of 3 percent.[5] Metro in Hungary is the market leader in terms of circulation and advertising sales.

Southern Europe
Southern Europe consists of the Group's operations in France, Italy, Greece and Portugal. The intensified decline of the advertising market coupled with stiff competition in the countries included in the segment for Southern Europe has during 2009 resulted in a number of structural changes. In January, Metro International's fully owned operation in Spain was suspended. In June 2009, Metro in Portugal was fully divested to Holdimédia – SGPS, S.A. ("Holdmédia") and Metro News Publicações S.A. ("Metro News"). Concurrently Metro International signed a Franchise Agreement with the new owners. Additionally, in May, Metro International announced that it is in advanced negotiations with a potential partner in Italy which may lead to a partial or full divestment of the operation.

---

[3] NOM 2007-2008
[4] AktualitetsIndex Danmark/Gallup May 2009
[5] TGI Q2'08-Q1'09

€ 000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Net Sales	**17,367**	28,568	**31,976**	52,515
EBIT	**191**	53	**(7,292)**	(3,015)
EBIT %	**1%**	0%	**(23%)**	(6%)
Excluding Spain and Portugal				
Net Sales	**16,295**	20,215	**29,673**	36,986
EBIT	**384**	1,114	**(2,073)**	(71)
EBIT %	**2%**	6%	**(7%)**	**(0%)**
Number of Editions at 30th June	**16**	33	**16**	**33**

Note: *Excludes Online*

Net sales in the region declined in the second quarter by 39 percent year-on-year and by 19 percent excluding Spain and Portugal. Despite the exceptionally difficult market conditions experienced by each operation, the region reported an EBIT profit of EUR 0.2 million and a profit of EUR 0.4 million excluding Spain and Portugal. This is mainly due to strong results being reported from Metro in France.

France's sales including barters decreased year-on-year by 10 percent in the second quarter. Nevertheless Metro France reported a strong EBIT profit for the quarter, mainly due to the successful implementation of cost saving measures taken by the new management team. Metro in France is one of the most read general interest daily newspapers in France with nearly 2.5 million daily readers, which is a 7 percent improvement year-on-year. Thanks to a consistent distribution strategy and various editorial improvements Metro France has seen a significant increase in the number of readers per copy to 3.4.[6]

In Italy, net sales decreased by 30 percent year-on-year in the second quarter. Despite significant cost cutting efforts in the quarter, the unfavourable economic conditions and the continued high competition affecting Italy resulted in a quarterly EBIT loss. Metro in Italy is the fifth most read general interest newspaper in the market with almost 1.8 million daily readers, a year-on-year improvement of 7 percent.[7] In Rome, Metro is the most read free newspaper and the most read newspaper overall. In Milan, Metro is the most read free newspaper and second most read overall after Corriere della Sera.

On 10th June, the Group announced the divestment of Metro Portugal to Holdmedia and Metro News. The financial results in the second quarter for Metro Portugal therefore are only recorded until the transfer date which took place on 19th June 2009. Net sales declined by 34 percent year-on-year in the second quarter while the country reported an EBIT loss for the same period. In Portugal, Metro is the most read free newspaper and third most read general interest newspaper nationwide. According to the last readership survey,[8] Metro Portugal has 5.2 daily readers per copy which is the highest number ever recorded within the Group.

In Greece, net sales declined year-on-year in the second quarter by 32 percent as a result of the declining advertising market. Metro in Greece has implemented cost cutting measures during the quarter to minimize the impact of the declining sales. In the second quarter Metro Greece reported a break-even EBIT result. Metro in Greece is the most read daily newspaper with 346,000 daily readers which represents a year-on-year improvement of 38 percent.[9]

Management has revised the anticipated closure costs for Spain from EUR 5-6 million to EUR 4 million including non-cash items. Closure costs of EUR 4 million were accounted for in the first quarter 2009. Hence, no additional closure costs have been considered in the second quarter.

United States

Metro in the US is published in New York, Boston and Philadelphia. On 2nd June, Metro International announced that it had divested its operations in the US to Seabay Media Holdings LLC ("Seabay Media").

[6] EPIQ 2008
[7] Audipress 2008-1
[8] Bareme Marktest 2009 R2
[9] Focus Bari 2009-A

Under the terms of the agreement, Seabay Media will continue to publish Metro in all three markets under a service and license agreement with Metro International.

€ 000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Net Sales	**3,590**	5,697	**8,793**	11,146
EBIT	**(1,518)**	(755)	**(3,360)**	(2,760)
EBIT %	**(42%)**	(13%)	**(38%)**	(25%)
Number of Editions at 30th June	**3**	3	**3**	3

As a result of the divestment of Metro US, its financial results in the second quarter are only recorded until the transfer date on the 1st June. Sales in the second quarter were EUR 3.6 million while the EBIT loss was EUR 1.5 million.

Metro US is the sixth most read nationwide general interest daily newspaper among people aged 45 years old and reaches 2.3 million readers over 18 years old every week.[10]

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

€ 000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Net Sales	**6,979**	7,089	**13,167**	13,944
EBIT	**773**	859	**994**	2,197
EBIT %	**11%**	12%	**8%**	16%
Number of Editions at 30th June	**2**	2	**2**	2

Note: *Excludes Online*

The segment reported EBIT profits of EUR 0.8 million for the second quarter compared with a profit of EUR 0.9 million in the same period last year. The operations in Hong Kong and Chile have during 2008 and 2009 continued to develop new revenue streams which complement sales generated from the daily free newspaper.

Metro Hong Kong reported a 12 percent year-on-year local currency sales decline in the second quarter due to the financial crises affecting the Asian region including the spread of the pandemic swine flu. Year-on-year, Metro in Hong Kong reported a strong positive EBIT profit, similar to last year despite the decline in sales and losses absorbed from the magazine Metro Pop. Metro in Hong Kong is the fourth most read daily newspaper in Hong Kong with 743,000 daily readers.[11]

Metro Hong Kong's fashion magazine Metro Box, launched in March 2008, reported a small EBIT loss in the second quarter yet a significantly better EBIT result compared to the same period last year. Most of the clients of Metro Box are luxury businesses which have been significantly affected during the economic downturn.

Metro Chile reported a year-on-year local currency sales decline of 11 percent in the quarter yet year-on-year EBIT margins remained strong. Publimetro, Metro Chile's daily newspaper, is the third most read newspaper in Santiago with 323,000 daily readers.[12]

Local currency sales in SUBTV, in which Metro Chile acquired a 35 percent equity interest in April 2008, increased by 44 percent year-on-year and reported a quarterly profit. In May, Metro International's operation in Chile acquired the remaining 60 percent equity interest in Grupo Previa which publishes the monthly luxury magazines Golf Digest and El Grafico. Local currency sales for Grupo Previa has decreased year-on-year by 31 percent in the second quarter 2009. Local currency sales for Diaro Pyme, the B2B online business in which Metro in Chile holds a 40 percent equity interest, increased year-on-year in the quarter by 25 percent. The net earnings from SUBTV, Diaro Pyme and Grupo Previa are reported as an Associate (see below) and are therefore not included in the Rest of the World results.

---

[10] Scarborough / Media Audit 2009 R1
[11] Synovate Media Atlas Q2'08-Q1'09
[12] KMR(Feb – May 2009)

Associates

Metro International owns minority equity interests through its associated companies in Seoul (South Korea), Brazil, Mexico, Czech Republic and in its strategic investments in Chile i.e. SUBTV, Diaro Pyme and Grupo Previa. In Canada, Metro International has a majority equity stake in the Toronto and Montreal sales companies (revenues in these companies are reported in other segments - refer page 22) as well as minority equity stakes in the publication companies in Canada. Metro International has an overall financial interest of 50 percent in all of the Canadian Metro operations except for Halifax, in which the group holds an indirect financial interest of 16.7 percent.

On 14th July, the Group announced that it has entered into a franchise agreement in Ecuador with the leading media group Grupo Hoy. On 15th July, Metro Hoy's two existing free daily newspapers were re-launched under Metro International's global newspaper format. Metro International will initially hold a 15 percent equity interest in the publishing company with an option to increase this shareholding in the future. Metro International will receive franchise fees from Metro in Ecuador reflecting Metro International's operational support of the joint venture. Following the launch of the two Metro editions in Ecuador, Metro will become the largest newspaper in Latin America with over 500,000 daily copies distributed in four countries in six major cities.

<u>Metro's share of net profit/ (loss) of the Associates consolidated in the results</u>

€ 000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Net profit / (loss) - Metro's share	**156**	(81)	**(327)**	(168)
Number of Editions as at 31 March	**14**	11	**14**	11

The Group's total share of the net earnings of these associated companies was a profit of EUR 0.2 million in the second quarter compared to a loss of EUR 0.1 million in the same period last year.

<u>Associate company operation sales not consolidated in Metro's sales</u>

€ 000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Canada	**12,326**	11,743	**22,347**	21,344
South Korea	**3,709**	5,250	**6,630**	10,255
Brazil	**2,703**	2,076	**4,279**	3,297
Mexico	**1,711**	1,578	**3,115**	2,658
Czech Republic	**2,788**	2,935	**4,549**	4,997
Chile	**560**	-	**1,014**	-
TOTAL	**23,797**	23,582	**41,934**	42,551

Metro Canada's local currency sales have increased by 6 percent year-on-year in the second quarter. This includes sales from the Halifax edition which commenced in February 2008. Metro is the most read national newspaper in Canada with over 1.1 million readers which includes a year-on-year readership increase of 18 percent.[13]

Metro Seoul, in which Metro International holds a 29.99 percent equity interest, reported year-on-year a 23 percent decline in local currency sales in the second quarter. Despite a deteriorating advertising market and stiff competition, the operation reported an EBIT profit in the quarter. Metro is the most read free daily newspaper in the country with 772,000 daily readers.[14]

Metro Mexico, in which Metro International holds a 49 percent equity interest, reported a year-on-year local currency sales growth of 22 percent which was partly due to the launch of a new edition in Monterrey in November last year. EBIT margins stayed positive despite the investment in the Monterrey edition. Publimetro has a total estimated readership of 380,000 readers from its editions published in Mexico City and Monterrey.

---

[13] NADbank (2008)

[14] Hankook Media Research (2008-3R)

During the quarter, Metro in Brazil reported a 44 percent year-on-year increase in local currency sales and delivered a strong EBIT margin. Metro International has a 30 percent equity interest in its Brazilian venture. Publimetro in Brazil is the fourth most read newspaper in Sao Paulo with 302,000 daily readers, which has doubled year-on-year.[15]

Metro in Czech Republic reported an EBIT loss for the quarter. Local currency sales in the second quarter decreased year-on-year by 2 percent due to the declining advertising market in Czech Republic. The operational integration with MAFRA a.s. has been successfully implemented including all of the planned synergy effects. Metro International has a 40 percent equity interest in Metro Czech Republic. Metro in the Czech Republic has a total daily readership of 363,000 and is the fourth most-read national daily newspaper and the number one newspaper in the city of Prague.[16]

Online
Metro International consolidates operational results from online activities in France, Denmark, Sweden, the Netherlands, Chile and Hungary.

€ 000s	**Q2 2009**	Q2 2008	**H1 2009**	H1 2008
Revenue	**298**	193	548	296
EBIT				
Operation Websites	**(463)**	(888)	(1,100)	(1,535)
Central Team and Infrastructure	**(1,210)**	(341)	(1,642)	(773)
Total	**(1,673)**	(1,229)	(2,742)	(2,308)

During the second quarter, revenues generated from Online increased by 54 percent to EUR 0.3 million. Year-on-year, the operating loss for online increased by EUR 0.4 million to EUR 1.7 million in the second quarter. The increase in central online costs is due to the depreciation of the infrastructure investment which commenced in the fourth quarter of 2008 as well as restructuring costs incurred in the second quarter.

Metro International continued the roll out of interactive properties with the launch of a new website in Mexico (www.publimetro.com.mx) in June 2009. The financial results from the website in Mexico are consolidated into the local operational results and are therefore not included in the EBIT for the Online segment. Metro intends to continue rolling out its global online platform to strategic countries throughout the remainder of 2009 and into 2010.

The second quarter of 2009 saw a strong performance from the Swedish web properties (www.metro.se) and (www.metrobloggen.se) with a year-on-year rise in monthly unique visitors of 89 percent. There was also a 69 percent year-on-year increase in page views across the Swedish websites. Metrobloggen.se continues to grow rapidly and is now one of Sweden's largest blogging platforms with over 30,000 registered bloggers. A new recruitment website Metrojobb (www.metrojobb.se) was launched in June 2009, adding to Metro Sweden's diverse portfolio's of websites.

France (www.metrofrance.com) and Denmark (www.metroxpress.dk) also saw an increase in audience reach in the second quarter, recording a year-on-year increase in monthly unique users of 29 percent and 39 percent respectively. The France website was read by over 650,000 visitors in June 2009.

Canada (www.metronews.ca) also experienced another quarter of strong growth with a 142 percent increase in monthly unique visitors when compared to the second quarter of 2008. The Canada site reached over 580,000 visitors in June 2009. Following the merger of the Philadelphia and New York websites onto the Boston web platform at the end of the first quarter, the new consolidated US website produced a quarter-on-quarter audience increase of 46 percent in monthly unique visitors.

News Businesses

[15] Ipsos Marplan (2008)
[16] Mediaprojekt (Q4 2008 – Q1 2009)

A number of mobile news websites were launched in the second quarter of 2009 to capitalise on the growing desire for mobile internet content. France, Holland and Mexico all launched a mobile news offering during the second quarter, following the previous examples in Sweden, Denmark, Italy and the US who joined the mobile platform during the first quarter 2009. These mobile offerings are intended to extend audience reach and improve Metro's brand loyalty in the interactive space.

Headquarters

Metro International’s Headquarters is comprised of several functions that provide operational support throughout the Group’s global network.

Revenues generated by Metro’s Headquarters include Franchise Income and Other Income. Other Income is derived from the Logistics function as well as from commission generated by the Global Sales function. Franchise fees in the second quarter 2009 were received from the Group’s franchisees in South Korea, Russia, Brazil, Mexico and Finland. Metro International also holds equity interests in its franchise operations in South Korea, Mexico and Brazil.

Headquarters costs are generated from several functions that provide services and support to the operations as well as from management and administrative functions. The main share of the costs for services and support to the operations is generated from functions such as IT, Global Sales, Metro World News (“MWN”), Logistics and Operative Management Support. Other important functions at Headquarters are Metro Life Panel, and the Global Marketing function. The majority of expenses incurred in relation to the Management and Administration functions include costs for senior management as well as for the Finance and Corporate Development functions. Other overhead costs comprise Internal Audit, Human Resources, Investor Relations and general office costs.

€ 000s	**Q2 2009**	Q2 2008	**H1 2009**	H1 2008
Revenues				
Other activities	**387**	685	**888**	1,555
Franchise Income	**611**	647	**1103**	1,133
	998	1,332	**1991**	2,688
Costs				
Shared Operational Costs	**(1,783)**	(2,247)	(3,369)	(4,662)
Management & administration	**(2,088)**	(2,613)	(4,924)	(5,905)
	(3,871)	(4,860)	(8,293)	(10,567)

Headquarters Revenues

Headquarters revenues declined year-on-year by 25 percent in the second quarter to EUR 1.0 million. The decline in revenues is a result of lower revenues generated within the logistics functions following a reduction of global purchasing material. Income from Franchise fees in the second quarter was EUR 0.6 million which is consistent with the performance against the same period last year.

The Group's franchise operation in St. Petersburg suffered a local currency sales decline of 13 percent year-on-year but was nevertheless able to report a year-on-year improvement of its EBIT profit for the quarter. The decline in sales was significantly better than the overall decline in the newsprint advertising market. Metro in St. Petersburg has a daily readership of 639,000[17], a significant lead over the second most read newspaper title in the city.

On 1st June, the Group announced that it had exercised its option to acquire 58.5 percent of the capital and votes in its franchise operation in Metro St. Petersburg, Russia. Metro International will continue to receive a franchise fee for licensing its newspaper concept and brand to Metro St. Petersburg.

In March 2009, Gazeta Metro was re-launched in Moscow, Russia, under the Metro brand and layout. As of December 2008, Metro International has an effective equity interest of 0.81 percent in Gazeta Metro through a newly formed joint venture with the ESN Group. Metro International has also entered into a franchise

[17] TNS Gallup Media Russia (September 2008 – February 2009)

agreement with the Gazeta Metro. Following the re-launch, Gazeta Metro is already the second most read newspaper in Moscow, according to official figures. In the second quarter, local currency sales increased year-on-year by 46 percent which is an improvement exceeding expectations. Following the re-launch, Metro Moscow circulates approximately 450,000 daily newspaper copies resulting in an estimated readership of 750,000.

Headquarters Costs

In the second quarter 2009, total costs relating to Metro International's headquarters decreased year-on-year by 31 percent excluding restructuring costs incurred during the period. Total headquarters costs declined year-on-year by 20 percent to EUR 3.9 million in the second quarter compared to a cost of EUR 4.9 million the same period last year. The cost reductions are mainly a result of bonus reductions among senior and operative management as well as savings in the Global Sales and MWN functions.

Shared operational costs at headquarters have been significantly reduced year-on-year. This is the effect of the cost cutting programs that was undertaken during the second half 2008 and in the first half year of 2009.

FINANCIAL REVIEW

Cash Flow

During the 6 months period ended June 2009 total cash and cash equivalents increased by EUR 7.6 million to EUR 27.5 million.

The net increase in cash balances is due to the net inflow of approximately EUR 18.5 million from the issue of Swedish Depository Receipts ("SDRs") regarding subordinated debentures and warrants (the "Rights Issue") (after deduction of transaction costs and re-payment of the revolving multicurrency bank facility of EUR 28.7 million) offset by approximately EUR 10.9 million in cash used by the operations, investing and other financing activities.

Reported net cash used by operations aggregated to EUR 7.5 million in the (2008: EUR 7.9 million). The Group has continued its focus on cash management through the implementation of cost reduction/rationalisation programmes and improved working capital management. This is reflected in the net change in working capital which decreased by approximately EUR 7.3 million compared to an increase of EUR 4.1 million in the corresponding period last year.

The total loss (excluding operational loss) on disposal of the US operations aggregated EUR 3.5 million out of which the cash cost to the Group for disposal has been estimated to approximately EUR 1.1 million (excluding cash balance of EUR 0.8 million in the operations). The sale of equity interest in the Portugal operation resulted in a loss on disposal of EUR 0.1 million and had no cash impact for the Group (excluding cash balance of EUR 0.2 million in the operation).

In regards to the Swedish advertising tax payment, it has not been communicated by the Administrative Court of Appeal when a final decision regarding the advertising tax liability will be made but a decision is expected in 2009. Since a further deferral of payment is not guaranteed the full provision related to the tax liability continues to be reported as a short-term provision at balance sheet date (refer to note 9)

Group Net Debt and Financial Items

Group net debt as at 30th June 2009 decreased to EUR 10.3 million from EUR 23.7 million as at 31st March 2009 due to the successful completion of the Rights Issue. Net debt comprised cash and cash equivalents of EUR 27.5 million, EUR 5.8 million of loans payable to minority shareholders, other short-term bank loans aggregating to EUR 3.5 million and the liability component of the Rights Issue representing the present value of the nominal amount of the subordinated debenture aggregating EUR 28.5 million (refer to note 7).

On 16th June 2009, following receipt of part proceeds of the Rights Issue, the Group fully re-paid EUR 28.7 million of its million multi-currency revolving bank facility.

During the second quarter Metro partially utilised the short term credit facility of EUR 7 million provided by Nordea Bank AB (publ). However, this facility was repaid and closed in connection with the closing of the Rights Issue.

Net financial items for the second quarter aggregated to a loss of EUR 1.9 million (2008: loss of EUR 2.5 million) and comprised mainly of the following items:

Interest (net)

- Interest income aggregating to EUR 0.1 million in the second quarter (2008: EUR 0.3 million) mainly on the loans outstanding with associated companies and group cash balances; and
- Interest costs aggregating to EUR 0.5 million in the second quarter (2008: EUR 0.9 million) on the Group's multicurrency revolving credit facility, short term credit facility and other borrowings; and
- Interest costs aggregating to EUR 0.02 million representing the amortised portion of the excess nominal value of the debenture over its initial fair value. The interest expense is non-cash since there is no interest paid during the life of the debenture (refer to note 7).

Exchange movements

- Net foreign exchange loss aggregating to EUR 1.2 million represents realised exchange effects from operational transactions and repayment of the revolving multi currency facility; and
- Net foreign exchange gain aggregating to EUR 0.2 million due to translation of monetary items denominated in currencies other than SEK due to change in the functional currency of the Parent Company from USD to SEK as from 1 January 2009.

Others

- Other financial items mainly comprise the write-off of the outstanding prepaid credit facility fees and shareholder fee to the minority shareholder in Denmark.

Net Tax Charges and Utilization of Deferred Tax Assets
The Group's net deferred tax asset as at 30th June 2009 was at EUR 4.1 million (31st March 2009: EUR 4.1 million). A deferred tax liability and asset of EUR 5.1 million respectively has been recorded in connection with the Rights Issue (refer to note 7). No deferred tax charge or recognition of further deferred tax assets has been booked in the second quarter in relation to the opening net deferred tax asset as at 31st March 2009.

Minority Interests
The net result for the second quarter attributable to minority shareholders in the Group's subsidiaries in France, Denmark, and Sweden was a profit of EUR 0.05 million (2008: loss of EUR 0.06 million).

On disposal of the majority equity interests in the subsidiaries Boston and Portugal, the minority receivables at the date of disposal have been adjusted through equity.

Shares Outstanding
The total number of issued and outstanding shares at 30th June 2009 was 527,812,591.

THE BOARD OF DIRECTORS' STATEMENT

The Board of Directors declare, to the best of our knowledge, that the condensed set of interim financial statements and notes to these financial statements (page 17 to 27) which has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union give a true and fair view of the assets, liabilities, financial position and profit or loss of Metro International S.A, or undertakings including in the consolidation as a whole as required under Art 4 of the Transparency Law, and that the interim management report includes a fair review of the information required under Art 4 of the Transparency Law.

The Board of Directors

Luxembourg, 20th July 2009.

Metro International SA
2-4 Avenue Marie-Therese
P.O. BOX 285
L-2132 Luxembourg
Registration no: B73790

AUDIT STATEMENT

This interim report has not been subject to review by the Group's auditors.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

Condensed Consolidated Interim Statement of Comprehensive Income

€ 000s	Q2 2009	Q2 2008	H1 2009	H1 2008
Continuing operations				
Net Sales	**56,001**	75,811	**105,230**	143,783
Other income	**1,128**	-	**2,256**	-
Net revenue	**57,129**	75.811	**107,486**	143.783
Cost of production	**(34,820)**	(44,817)	**(70,913)**	(87,488)
Gross income	**22,309**	30.994	**36,573**	56.295
Selling expenses	**(13,094)**	(17,200)	**(26,836)**	(33,388)
Administrative expenses	**(10,826)**	(12.325)	**(23,740)**	(24.923)
Profit/(loss) on sale of shares in subsidiaries	**(93)**	137	**(93)**	137
Share of earnings in associated companies	**156**	(81)	**(327)**	(168)
Operating profit / (loss)	**(1,548)**	1.525	**(14,423)**	(2.047)
Financial items - interest (net)	**(407)**	(707)	**(714)**	(1,445)
Financial items - exchange movements	**(955)**	(803)	**(767)**	(784)
Financial items - other	**(560)**	(1,000)	**(676)**	(1,103)
Financial items	**(1,922)**	(2,510)	**(2,157)**	(3,332)
Profit / (loss) before income tax	**(3.470)**	(985)	**(16.580)**	(5.379)
Current tax (expense) /credit	**(223)**	(216)	**(549)**	(258)
Deferred tax (expense) / credit	**5,047**	-	**5,047**	56
Tax	**4,824**	(216)	**4,498**	(202)
Net profit / (loss) from continuing operations	**1,354**	(1.201)	**(12,082)**	(5.581)
Discontinued operation				
Net profit / (loss) from discontinued operation (net of income tax)	**(5,011)**	(755)	**(6,853)**	(2,760)
Net profit / (loss)	**(3,657)**	(1.956)	**(18,935)**	(8.341)
Other comprehensive income / (expense)				
Foreign currency translation differences	**1,968**	(1.342)	**3,394**	4.157
Total comprehensive income for the period	**(1,689)**	(3,298)	**(15,541)**	(4,184)
Net profit /(loss) attributable to:				
Equity holders of the parent	**(3,707)**	(1,899)	**(17,824)**	(7,452)
Minority interest	**50**	(57)	**(1,111)**	(889)
Net profit / (loss)	**(3,657)**	(1,956)	**(18,935)**	(8,341)
Total comprehensive income attributable to:				
Equity holders of the parent	**(1,802)**	(3.028)	**(14,426)**	(3.693)
Minority interest	**113**	(270)	**(1,115)**	(491)
Total comprehensive income for the period	**(1,689)**	(3,298)	**(15,541)**	(4,184)
Basic weighted average number of shares outstanding	**527,888,221**	527.716.195	**527,850,826**	527.618.192
Diluted wieghted average number of shares outstanding	**904,897,215**	527,716,195	**717,396,784**	527,618,192
Earnings per share (refer note 8)				
Basic earnings/(loss) per share (euro)	**(0.007)**	(0.004)	**(0.0338)**	(0.014)
Diluted earnings / (loss) per share (euro)	**(0.010)**	(0.004)	**(0.0319)**	(0.014)
Earnings per share - continuing operations (refer note 8)				
Basic earnings/(loss) per share (euro)	**0.002**	(0.002)	**(0.021)**	(0.010)
Diluted earnings / (loss) per share (euro)	**(0.004)**	(0.002)	**(0.023)**	(0.010)

Note: *For reconciliation of reported results in the comprehensive income statement with tables and narrative in the previous sections refer to page 4.*

Condensed Consolidated Interim Statement of Financial Position

€ 000's			
ASSETS	**30 June 2009**	**31 March 2009**	**31 December 2008**
Non-current assets			
Intangible assets			
Trademarks and licenses	**6,133**	6,159	6,303
Capitalised development costs	**4,788**	4,828	5,095
Goodwill	**10,064**	9,796	10,027
	20,985	20,783	21,425
Property, plant and equipment			
Machinery and equipment	**3,003**	4,583	5,124
Financial assets			
Shares in associated companies	**8,187**	7,623	7,361
Other investments	**250**	227	226
Receivables from associated companies	**8,061**	5,484	5,368
Long-term receivables	**1,819**	1,403	1,364
	18,317	14,737	14,319
Deferred tax assets			
Deferred tax assets	**4,133**	4,114	4,125
Total non-current assets	**46,438**	44,217	44,993
Current assets			
Accounts receivable	**36,733**	42,059	57,932
Other current receivables	**7,394**	8,796	10,782
Prepaid expenses and accrued income	**5,377**	8,095	4,448
Cash and cash equivalents	**27,521**	14,970	19,717
Total current assets	**77,025**	73,920	92,879
TOTAL ASSETS	**123,463**	118,137	137,872
EQUITY AND LIABILITIES			
Equity attributable to the Equity Holders of the Parent	**17,303**	6,471	19,097
Minority Interest	**(2,250)**	(3,556)	(2,328)
TOTAL EQUITY	**15,053**	2,915	16,769
Non-current liabilities			
Liability to minority partner	**5,750**	6,398	6,101
Subordinated debentures	**28,529**	-	-
Total non-current liabilities	**34,279**	6,398	6,101
Current liabilities			
Short-term bank loans	**3,525**	32,223	31,256
Accounts payable	**22,921**	28,333	31,841
Ad Tax Provision	**7,709**	7,490	7,149
Other liabilities	**12,298**	12,004	14,745
Accrued expenses and deferred income	**27,678**	28,774	30,011
Total current liabilities	**74,131**	108,824	115,002
TOTAL LIABILITIES	**108,410**	115,222	121,103
TOTAL EQUITY AND LIABILITIES	**123,463**	118,137	137,872

Condensed Consolidated Interim Statement of changes in Equity

€ 000's	Equity holders of the parent	Minority Interest	Total Equity
Balance as at 1 January 2008	**12,331**	**(801)**	**11,530**
Total comprehensive income - 6 months ended 30 June 2008	(1,419)	(365)	(1,784)
Change in minority interest - sale of shares in subsidiary	-	2,059	2,059
Balance as at 30 June 2008	**10,912**	**893**	**11,805**
Total comprehensive income - 6 months ended 31 December 2008	8,890	(4,554)	4,336
Contribution from minority partner	211	367	578
Contribution from majority partner	(966)	966	-
Share option program of LTIP scheme	50	-	50
Balance as at 31 December 2008	**19,097**	**(2,328)**	**16,769**
Total comprehensive income - 6 months ended 30 June 2009	(14,426)	(1,115)	(15,541)
Dividend distribution to minority shareholders	-	(957)	(957)
Change in minority interest - sale of shares in subsidiary	-	2,150	2,150
Equity component of the rights issue (net of deferred tax liability)	12,632	-	12,632
Balance as at 30 June 2009	**17,303**	**(2,250)**	**15,053**

Condensed Consolidated Interim Cash Flow Statement

€ 000's	Period ended 30 June 2009	Period ended 30 June 2008
Operating activities		
Profit/(loss) before tax	**(23,433)**	(8,138)
Adjustments for:		
Depreciation and amortisation	**3,232**	1,285
Other non-cash items	**-**	450
Loss on disposal of discontinued operations	**3,493**	-
Loss on sale of shares in subsidiary	**93**	(137)
Financial items, net	**2,157**	3,914
Share of earnings in associated companies	**327**	168
Dividends from associated companies	**76**	-
Profit/(loss) before change in working capital	**(14,055)**	(2,458)
Change in working capital:		
Change in current receivables	**17,165**	8,845
Change in current liabilities	**(9,876)**	(13,023)
Working Capital (increase)/decrease	**7,289**	(4,178)
Cash flow contributed/(used) by operations	**(6,766)**	(6,636)
Interest paid, net	**(573)**	(1,307)
Income tax paid	**(119)**	(35)
Net cash contributed/(used) by operations	**(7,458)**	(7,978)
Investing activities		
Investment in associated company shares	**(126)**	(573)
Investment in shares in subsidiaries	**(42)**	-
Cash received - 24 Timer transaction	**-**	3,554
Disposal of discontinued operations, net of cash disposed of	**(1,966)**	-
Disposal of continued operations, net of cash disposed of	**(205)**	-
(Increase)/decrease in long-term receivables	**(1,382)**	2,532
Investment in intangibles	**(373)**	(410)
Investment in property, plant and equipment	**(217)**	(840)
Net cash flow contributed/(used) in investing activities	**(4,311)**	4,263
Financing activities		
Proceeds from issue of debentures and warrants	**48,498**	-
Payment of transaction costs	**(1,355)**	-
Net increase / decrease in short term bank loans	**961**	4,953
Proceeds from loans from minority partner	**917**	-
Repayment of borrowing to minority partner	**-**	(150)
Repayment of borrowing	**(28,691)**	-
Dividends paid to minority partner	**(957)**	-
Net cash flow contributed/(used) in financing activities	**19,373**	4,803
Net increase/(decrease) in cash and cash equivalents	**7,604**	1,088
Cash and cash equivalents at beginning of period	**19,717**	23,157
Currency effects on cash	**200**	(2,222)
Cash and cash equivalents at end of the period	**27,521**	22,023

Note 1 – Background

Metro International S.A. was formed in December 1999 as a subsidiary of the Modern Times Group AB (MTG) for the purpose of holding all of MTG's "Metro" newspaper publishing operations. On 15 August, 2000, MTG distributed all of its shares in Metro International S.A. to its shareholders in the form of a dividend (the "spin-off"). The combination of the former MTG businesses to form the Metro group has been accounted for as a merger of entities under common control since MTG controlled each of the businesses. Accordingly, the assets and liabilities as presented in the accompanying balance sheets have been combined at their historical cost and the statements of operations and cash flows include the activities of each business for all periods presented. Metro International 'A' and 'B' shares are listed on the OMX Nordic Exchange's Nordic List, category Small Cap, under the symbols MTRO SBDA and MTRO SBDB.

Metro International, its subsidiaries and associated companies (the "Group") and franchises publish free-of-charge newspapers, Monday to Friday. As at 30 June 2009, 53 Metro editions were published in over 100 major cities in 18 countries across Europe, Asia, North and South America. Metro International has a global reach – attracting a young, active, well-educated, metropolitan audience – of 17 million daily readers.

The Group's revenue is derived from the sale of advertisement.

Metro International has also franchise operations in Finland and Russia (Moscow), from which it receives franchise fees.

In June 2009 Metro exercised its option to acquire 58.5 percent of its franchise operation in St. Petersburg, Russia ("Metro St. Petersburg"). The net assets taken over as at 30 June 2009 were immaterial and hence no disclosures regarding the acquisition have been made in accordance with IFRS 3.

In June 2009 Metro also divested its equity interest in its US and Portuguese operations turning them into franchise operations. The results for Metro US and Metro Portugal are consolidated until the effective date of sale.

Furthermore, Metro International has a 10 percent shareholding in Metro Ireland. An understanding has been reached regarding Metro International's transfer of this 10 percent share although no final contract has yet been signed.

The Group is domiciled in Luxembourg.

Note 2 – Basis of preparation of financial statements and accounting policies

The Group's interim consolidated financial statements are prepared on a going concern basis and are in compliance with IAS 34. Metro International's accounting policies have been applied consistently to all periods presented in these financial statements and have been consistently applied by its group entities. The accounting policies and methods of computation applied in the interim financial statements are the same as applied in the annual financial statements for the year end 2008 (refer to note 4).

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 third quarter.

Note 4 – Segment Reporting and Discontinued Operations

IFRS 8 Operating Segments which is mandatory for the Group's consolidated financial statements from 1 January 2009 introduces the "management approach" to segment reporting. The management approach requires a presentation and disclosure of segment information based on the internal reports regularly reviewed by Group Executive Management in order to assess each segment's performance and to allocate resources to them.

Currently Executive Management reviews segment information in respect of its geographical segments. The segment reporting is based on geographic areas for subsidiary newspaper operations – Sweden, Northern Europe, Southern Europe, US (divested in June 2009) and Rest of World. Other reporting segments include income from equity positions in Associates, Online and Headquarters. The Headquarters segment includes revenues from Franchise fees and Other Income (Global Sales and Logistics) as well as costs for Shared Operational services and Management & Administration.

Northern Europe comprises operations in the Netherlands, Denmark and Hungary.

Southern Europe comprises operations in France, Spain (closed in January 2009), Italy, Greece and Portugal (divested in June 2009).

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

Various consolidation and restructuring activities during the first half of 2009 have resulted in closure/divestment of various assets in different geographies. Further with various strategic initiatives underway Executive Management is assessing its view of the business and relevance of the current segment reporting. As a result a new segment classification is intended to be made for the reporting period beginning from 1 January 2010.

For these condensed consolidated interim financial statements the Group's business in the US which has been disposed in June 2009 is classified as a discontinued operation. The operating result and the loss as a result of disposal of shares/agreement for sale of the US subsidiaries is reported on a separate line in the condensed consolidated interim income statement. The divestment in Portugal and closure of operations in Spain has affected the segment Southern Europe, however these operations have not been classified as discontinued operations as defined in IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Therefore revenues and operating losses upto the date of disposal/closure in relation to Portugal and Spain has been included in amounts relating to continuing operations in the condensed consolidated interim income statement.

Segment Reporting - Net Sales (External)

(€ 000s)	Q3 2008	Q4 2008	Q1 2009	Q2 2009	H1 2009
Sweden	11,446	19,025	12,238	**13,425**	**25,663**
Northern Europe	14,063	20,289	14,868	**16,620**	**31,488**
Southern Europe	16,258	26,377	14,609	**17,367**	**31,976**
Rest of World	7,770	7,879	6,188	**6,979**	**13,167**
Other	2,225	3,496	2,454	**2,738**	**5,192**
Sales from continuing operations	51,762	77,066	50,357	**57,129**	**107,486**
Sales from discontinued operations					
United States	5,256	6,462	5,203	**3,590**	**8,793**

(€ 000s)	Q3 2007	Q4 2007	Q1 2008	Q2 2008	H1 2008
Sweden	14,642	22,895	17,511	**19,273**	**36,784**
Northern Europe	16,871	23,268	16,491	**18,072**	**34,563**
Southern Europe	18,825	33,968	23,947	**28,568**	**52,515**
Rest of World	7,537	8,021	6,855	**7,089**	**13,944**
Other	2,566	3,060	3,168	**2,809**	**5,977**
Sales from continuing operations	60,441	91,212	67,972	**75,811**	**143,783**
Sales from discontinued operations					
United States	5,774	6,366	5,449	**5,697**	**11,146**

Note: *Country figures exclude Online and Web which are included in the segment 'other'. There are no inter-segment sales.*

Segment Reporting - Operating profit/(loss)

(€ 000s)	Q3 2008	Q4 2008	Q1 2009	Q2 2009	H1 2009
Sweden	(321)	3,744	420	**1,183**	**1,603**
Northern Europe	(1,878)	(37)	(1,052)	**788**	**(264)**
Southern Europe	(5,968)	75	(7,483)	**191**	**(7.292)**
Rest of World	931	743	221	**773**	**994**
Other	(4,696)	(5,021)	(4,981)	**(4,390)**	**(9,371)**
Profit/(loss) on sale of shares in subsidiaries	37,432	(308)	-	**(93)**	**(93)**
Operating profit / (loss) from continuing operations	25,500	(804)	(12,875)	**(1,548)**	**(14,423)**
Net profit /(loss) from discontinued operation - United States					
Operating profit / (loss) from discontinued operations	(1,499)	(1,083)	(1,842)	**(1,518)**	**(3,360)**
Loss on disposal	-	-	-	**(3,493)**	**(3,493)**
	(1,499)	(1,083)	(1,842)	**(5,011)**	**(6,853)**

(€ 000s)	Q3 2007	Q4 2007	Q1 2008	Q2 2008	H1 2008
Sweden	(549)	(3,303)	1,468	**2,702**	**4,170**
Northern Europe	(48)	4,018	1,909	**2.541**	**4.450**
Southern Europe	(3,237)	4,139	(3,068)	**53**	**-3015**
Rest of World	1,558	1,494	1,338	**859**	**2,197**
Other	(7,952)	(4,340)	(5,219)	**(4.767)**	**(9.986)**
Profit/(loss) on sale of shares in subsidiaries	-	-	-	**137**	**137**
Operating profit / (loss) from continuing operations	(10,228)	2,008	(3,572)	**1,525**	**(2,047)**
Net profit /(loss) from discontinued operation - United States					
Operating profit / (loss) from discontinued operations	(3,234)	(1,923)	(2,005)	**(755)**	**(2,760)**

Note: *Country figures exclude Online and Web , which are included in the segment 'other'*

Note 5 - Change in the functional currency of the Parent company, Metro International S.A.

Until 2009 the Parent company's functional currency for consolidation purposes has been USD. The parent company operates and finances its business in several currencies due to its international activities. In 2009 most of the group functions will be relocated from London to Stockholm and the current external debt financing in EUR is being replaced by funding in SEK. The parent company's expenses and cash outflows are predominantly denominated and settled in SEK. The Group has therefore considered the functional currency of the parent company and changed the functional currency from USD to SEK as from 1 January 2009.

As a result, transactions in SEK no longer give rise to any foreign currency translation differences recognised in the income statement. Instead, transactions in USD give rise to foreign currency translation differences recognised in the income statement. All foreign currency translation differences in the parent company's income statement also affect the consolidated income statement, but in a different way in comparison with the conditions before the change in functional currency. The foreign currency translation differences from the parent company's functional currency to the Group's presentation currency EUR is recognised in other comprehensive income as before.

Note 6 – Shareholders' equity

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

The authorized share capital of the Group as at 31st December 2008 was USD 450,000,000 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 Group is USD 131,953,147 divided into 264,385,212 Metro class A-shares and 263,427,379 Metro class B-shares with no par value.

On 24 February 2009 after approval of majority of shareholders at the Extraordinary General Meeting, the authorized share capital of the Group was converted to EUR 13,454,500 divided into 6,200,000,000 Metro class A-shares (voting shares) and 899,999,999 Metro class B-shares (non-voting) with no par value. The shareholders decided to absorb accumulated losses and change the legal accounting currency and amount of issued and outstanding share capital of the Group to EUR 1,000,000 divided into 264,385,212 Metro class A-shares and 263,427,379 Metro class B-shares with no par value.

Metro A-shares carry one vote for every share while Metro B-shares carry no votes. Dividends may be paid in USD or in shares of the Group or otherwise as the Group's Board of Directors may determine in accordance with the provisions of the Luxembourg Companies Act. The Metro B-shares are entitled to the greater of (a) a cumulative preferred dividend corresponding to 0.5 percent of the accounting par value of the Metro class B-shares in the Group or (b) 2 percent of the overall dividend distributions made in a given year. Any balance of dividends must be paid equally on each Metro A- and Metro B-share.

Note 7 – Rights Issue

On May 10, 2009 Metro International's Board of Directors resolved in accordance with the authorization from the Shareholders' General Meeting held on February 24, 2009 to issue:

- 1,319,531,478 Debentures (represented by Debenture SDRs), each with a nominal amount of SEK 0.50, in an aggregate nominal amount of SEK 659.7 million maturity date at December 30, 2013; and
- 1,319,531,478 Warrants (represented by Warrant SDRs), each Warrant entitling the holder to subscribe for one new Class A-share in the Group represented by one new share SDR of series A at a strike price of SEK 0.40.

On 15 June 2009, the final results of the issue of Swedish Depository Receipts ("SDRs") regarding subordinated debentures and warrants (the "Rights Issue") were revealed. The announcement made public that 1,198,499,915 units, corresponding to 90.8 percent of the offered units were subscribed for using unit rights. In addition, 18,119,407 units were subscribed for without unit rights, corresponding to 1.4 percent of the offered units. The remainder, corresponding to 7.8 percent of the units, will be subscribed for by Metro International's main owner, Investment AB Kinnevik, in accordance with the underwriting agreement. Through the Rights Issue, Metro International will receive (EUR 48.7 million) of SEK 527.8 million, before transaction costs. The subordinated debentures and warrants are now being traded on NASDAQ OMX Stockholm.

Debenture SDRs[18] and Warrants SDRs issued as units consisting of one debenture and one warrant are recognised as two separate financial instruments. The initial issue price for the unit is split and accounted into a financial liability component (debenture) and an equity component (warrant).

Liability component
On initial recognition, the fair value of the liability component at the time of issue is calculated by discounting future payment flows (the redemption / nominal value of the debenture) at the estimated current market yield for similar liabilities without any warrants connected to the initial issue.

Subsequent to the initial recognition, the debenture is measured at amortised cost. In an amortised cost measurement, the difference between initial value and redemption / nominal value is amortised in the income statement as interest expense over the remaining term using the effective rate method including transaction costs attributable to the liability component.

Equity component
The equity component, i.e. the warrant, is measured at the difference between the total initial receipts from the unit issue and the fair value of the financial liability at the time of issue. Transaction costs attributable to the equity component are deducted from equity. Subsequently, the equity component is not re-measured.

Transaction costs
Transaction costs are allocated to the two components in proportion to the initial split of the unit receipts into the liability component and the equity component.

Overview of the proceeds from the Rights Issue
A break up of the components on initial recognition is shown in the table below:

[18] Swedish depository receipts

	SEK million	EUR million
Proceeds from rights issue	527.8	48.7
Transaction costs	(26.0)	(2.4)
Net proceeds of which recognised as:	501.8	46.3
-equity component	192.5	17.7
-debt component	309.3	28.5

Note: *EUR amount is indicative and is based on the exchange rate as at 30 June 2009. The actual amounts in EUR recognised and outstanding in the legal entity and the Group are different.*

The total redemption/nominal value of the debenture is EUR 60.83 million (based on exchange rate as at 30 June 2009, SEK 659.7 million, or SEK 0.50 per debenture) with a maturity date at December 30, 2013.

The equity component originating from the warrant, is initially recognised at EUR 17.8 million (SEK 192.5 million) after deduction of pro rata transaction costs. The warrants are exercisable into Class A-shares at a strike price of SEK 0.40 during the period October 28, 2013 to November 22, 2013. If all warrants outstanding on June 30, 2009, should be exercised during the exercise period, according to the terms, a residual of EUR 12.2 million SEK 131.9 million will be paid out in cash as part of the yield on the debenture on 30 December 2013.

The Parent entity issuing the units' debentures and warrants denominated in SEK, will not be exposed to any currency translation risk since the functional currency of the parent entity is SEK. However, the debenture denominated in SEK will give rise to foreign currency translation differences on translation from the functional currency SEK to the group's presentation currency which is Euro. The translation differences will be recognised in other comprehensive income (directly in equity).

Deferred taxes

At the time of issue, a deferred tax liability of EUR 5.1 million (SEK 55.0 million) is recognised separately based on the temporary difference between the tax base and the book value (net present value of the redemption value of the subordinate debentures less transaction costs) of the debenture. The deferred tax liability is charged directly to equity. Due to available tax losses in the Parent Company a deferred tax asset has been recognised through the income statement to the extent a deferred tax liability has been recognised on the Rights Issue. The deferred tax asset and deferred tax liability have been offset in the balance sheet since conditions for offsetting are met as per IAS 12. The effect of deferred taxes at inception is shown in the table below:

				EUR million
	(Charged)/ credited to income statement	(Charged)/ credited directly to equity	Set-off of tax	Balance at inception and quarter end
Deferred tax asset	5.1	-	(5.1)	-
Deferred tax liability	-	(5.1)	5.1	-
	5.1	(5.1)	0.0	-

Going forward the deferred tax liability will be re-measured on each reporting date based on the liability component's temporary difference for tax purposes as opposed to accounting purposes. Over the term of the debenture the temporary difference and consequently the deferred tax liability will level out and the change will be recognised in the income statement. The deferred tax asset will be reassessed at each reporting date with any adjustments recognised in the income statement. Any net deferred tax asset will not be recognised unless sufficient taxable profits are expected to be available.

Note 8 – Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the equity holders of the parent by the weighted average number of shares outstanding during the year. Shares pending issue to the Board of Directors for the period 2008 – 2009 have been considered as issued as of the AGM 2009 and included in the calculation of the basic earnings per share, since all the necessary conditions for their issuance have been fulfilled. Therefore, the basic weighted average number of shares is higher than the actual number of outstanding shares as at 30 June 2009.

Diluted earnings per share
For the calculation of diluted earnings per share the weighted average number of shares is adjusted for effects of potential ordinary shares for:

- Share based payments to the Board of Directors for the period 2009 – 2010 (which were anti dilutive);
- Share based payments to the CEO (which were anti dilutive); and
- Debentures that are to be repaid by Metro in the end of 2013 and warrants that in the end of 2013, if exercised, require Metro to issue Class A shares upon the reception of payment of the strike price by the warrant holders.

Dilution is calculated only if the profit per share from continuing operations is reduced or the loss per share from continuing operations increased. Earnings attributable to equity holders of the Parent have been adjusted for all income statement amounts that depend on the existence of the debentures/warrants including consequential effects. As a result of the adjustments (mainly reversal of the deferred tax income) the diluted earnings per share for the second quarter is reported as a loss. Diluted earnings per share for continuing operations for the first half of the year has resulted in a higher loss per share.

Note 9 – Provisions

As reported in the 2007 Annual Report of Metro International, Metro has contested the view of the Swedish Administrative Court of Appeal regarding the advertising tax being imposed on Metro. As per 31 December 2007 the amount was fully provided for. On 31 July 2008, the County Administrative Court gave a verdict that the tax had to be paid. On 21 August 2008, Metro appealed against this judgement to the Court of Appeal and requested a deferral of payment of the tax. The Tax Authority granted such deferral on 27 August 2008. The deferral is valid until four weeks after the Court of Appeal has reached a judgement in the tax case. It has not been communicated by the Administrative Court of Appeal when a final decision regarding the ad tax liability will be made. However, a decision is expected in 2009. Since a further deferral of payment is not guaranteed the full provision related to the tax liability has been reported as a short term provision as at 30 June 2009.

Note 10 – Contingent Liabilities

Legal Proceedings in Spain
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 demanding damages of EUR 6.4 million. Metro Spain has contested the claims. Advice from legal counsel is that the amount of any adverse judgment cannot be reliably estimated. The Group has not made any provisions in the financial statements for the claim made. The closure of Metro's operations in Spain in January 2009 has not resulted in any change in the status of the case.

Legal proceedings in Italy and France
Lawsuits have been filed in France and Italy requesting that the Group is prohibited to use the trademark Metro for newspapers in these countries, including claims for damages for the infringing use that has already occurred. If these lawsuits are successful, the Group must cease its use of the trademark Metro in France and Italy, which may negatively affect the business operations in these countries. The Group may also be liable for damages for infringement, currently amounting to a maximum of approximately EUR 0.8 million in France and approximately EUR 0.3 million in Italy. It should be noted, however, that the claims for damages will increase the longer infringement continues. The Group has not made any provisions in the financial statements regarding these amounts.

Note 11 – Subsequent Events

On 14th July, the Group announced that it has entered into a franchise agreement in Ecuador with the leading media group Grupo Hoy which publishes the existing free newspapers Metro Hoy in Quito and Metro Quil in Guayaquil which on 15th July re-launched under Metro International's global newspaper format. Metro International will initially hold 15 percent equity interest in the publishing company with an option to increase this shareholding in the future. Metro International will receive franchise fees from Metro in Ecuador reflecting Metro International's operational support of the joint venture. Following the launch of the two Metro editions in Ecuador, Metro will become the largest newspaper in Latin America with over 500,000 daily copies distributed in four countries in six major cities.

On 10th July, the Group announced that four members of the Group's senior management have decided to leave Metro International for individual reasons during the second quarter. As a result of these resignations, Mr. Christian Toksvig, Vice President of Corporate Development, has been appointed Executive Vice President and will be a part of Metro's Executive Management Team with responsibility for Russia and Asia.

CONFERENCE CALL

Metro International will host a conference call today at 10.00 A.M. CET which will be broadcast live on the internet and as a conference call.

Participants can take part in the call either through the audiocast or the conference call.

To view the Internet Audiocast:
A live audiocast of the presentation will be available on www.metro.lu, 20th July 2009 at 10.00 A.M. CET.

To participate in the conference call, please dial in on the following numbers:

Sweden	Tel: +46 (0)8 505 598 53
UK / International	Tel: +44 (0)20 304 324 36
US free phone number	Tel: +1 866 458 40 87

Conference call participants can access the presentation slides on http://www.metro.lu/node/79.

For those unable to listen to the live broadcast, a replay will be available at Metro's website www.metro.lu approximately one hour after the event.

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

Per Mikael Jensen, CEO and President	Tel: +44 (0)20 7016 1300
Anders Kronborg, CFO	Tel: +44 (0)79 1254 0800
Ingrid Seldén, IR Contact	Tel: +44 (0)77 2524 5881

DATE OF NEXT REPORT

Metro's financial results for the second quarter ended 30th September 2009 will be published on 19th October 2009.