METRO INTERNATIONAL S.A.

FINANCIAL RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2005

Luxembourg, 20 April 2005 – Metro International S.A. ("Metro") (MTROA, MTROB) today announced its financial results for the first quarter ended 31 March 2005.

FIRST QUARTER 2005 HIGHLIGHTS

- **28% year on year increase in net sales to US$ 84.1 million (US$ 65.8 million)**
- **Operating profit of US$ 7.5 million, including US$ 15.9 million Metro Boston transaction profit (loss of US$ 3.9 million)**
- **A 49% interest in Metro Boston sold for US$ 16.5 million to The New York Times Company, realizing a transaction profit of US$ 15.9 million**
- **Operating loss for newspaper editions of US$ 3.6 million (profit of US$ 0.4 million) and operating loss for online businesses of US$ 0.4 million (US$ 0.0 million)**
- **Operating profit for newspaper editions, excluding the new Lisbon and New York editions of US$ 1.0 million (profit of US$ 0.7 million)**
- **Daily circulation at the end of March 2005 reached 6.9 million copies**
- **Net profit of US$ 5.8 million (loss of US$ 5.4 million)**
- **Cash and bank balances of US$ 47.3 million and net cash of US$ 3.3 million**
- **Weighted average basic profit per share of US$ 0.01 (loss of US$ 0.01)**

Metro International S.A.

SUMMARY

US$ '000s	1 January – 31 March 2005	1 January – 31 March 2004 (restated)	1 January – 31 December 2004 (restated)
Sales	84,103	65,820	302,448
Operating profit (loss) from newspaper editions	(3,570)	435	13,077
Online businesses	(445)		
Headquarters	(4,357)	(4,352)	(20,736)
Sale of ownership interest in subsidiary	15,884	-	-
Operating profit (loss)	7,512	(3,917)	(7,659)
Net interest	(495)	(225)	(1,210)
Other financial items, net	(141)	(443)	(640)
Profit (loss) before tax and minority interests	6,876	(4,585)	(9,509)
Net result attributable to equity holders of the parent	6,169	(4,445)	(7,560)
Weighted average basic number of shares outstanding	525,910,189	525,710,093	525,760,117
Weighted average basic earnings per share (US$)	0.01	(0.01)	(0.01)

Pelle Törnberg, President and CEO of Metro International, commented:

"Metro invested heavily in the first quarter of 2005, launching 11 new editions with a combined circulation of 670,000, in 19 cities in 5 countries. These new launches have pushed Metro's total daily circulation up by over 10% since the beginning of the year to 6.9 million copies. These launches follow the starting up in the fourth quarter of last year of new editions in Lisbon and Rotterdam as well as fully national editions in Poland and Sweden. The group has also absorbed during the quarter pre-launch costs of several online service businesses, which will be launched in the second quarter."

"The US editions had financially a disappointing quarter. Metro New York's sales growth has not been as steep as desired and all three operations were hard hit by negative PR directed at the business and seemingly partly motivated by an attempt to block the transaction in Boston with The New York Times Company. This transaction, which involved the disposal of a 49% minority interest in Metro Boston for cash consideration of US$ 16.5 million, was nevertheless completed and realized in the quarter a US$ 15.9 million profit. The successful completion of the transaction has meant that our three US operations are now operating normally again and the financial performance of the region is strongly expected to improve. The transaction confirms that value is being created by Metro in the US and its completion has boosted Metro's cash holdings to above US$ 47.3 million as at the quarter end."

"Metro Sweden's first quarter result, like that of a number of operations, was affected by a significant investment in circulation and this was necessary to solidify Metro's leading position in the Swedish market as a response to changes in the competitive environment. Recent readership survey data testifies to the success of this strategy and it augers well for the future profitability of Metro Sweden."

GROUP OVERVIEW

Metro reported a 27.8% year on year increase in net sales in the first quarter to US$ 84.1 million (US$ 65.8 million). At constant exchange rates, net sales grew by 21.4% year on year in the quarter. The year on year quarter comparison has been modestly distorted by the fact that the Easter holidays fell during the current year into the first quarter, whilst in 2004 the Easter holidays occurred in the second quarter. All country operations reported positive local currency year on year sales growth in the first quarter of 2005.

Six out of the sixteen country operations were profitable in the first quarter.

During the first quarter of 2005 Metro converted in January its Milan edition into a Lombardy regional edition and this is being delivered in 8 cities in the region, including Milan. Metro Italy continued its expansion towards the end of the quarter by launching new editions in Genoa, Turin, Veneto, Bologna and Florence. The Veneto edition is distributed in Padua and Verona. Metro Sweden further expanded its national coverage during the quarter. Metro France also extended its national coverage by adding a new edition in the cities of Nantes and Rennes and an additional edition in Strasbourg. In February 2005 a new edition was launched in Spain, covering 7 cities in the Castilla La Mancha region, in cooperation with a third party. Metro Spain further increased its national presence by launching in February a new edition in Malaga. Metro's presence in Canada was significantly enhanced by the launch in March of new editions in Ottawa and Vancouver, in equal partnership with CanWest Global Communications Corporation and Torstar Corporation. The above business development activity follows launches in the proceeding quarter of a regional edition in Rotterdam, the Group's first ever Portuguese language edition in Lisbon, an edition in Nice, the extension of Metro Poland's national edition from two days a week in four cities to five days a week in 9 cities, the launch of a national edition in eleven additional cities in Sweden and the transformation of Metro Spain's La Coruna edition into a Galicia regional edition, with the distribution extended to Vigo and Santiago.

Metro announced in January 2005 that it intended to sell a 49% minority interest in Metro Boston to The New York Times Company for a cash consideration of US$ 16.5 million. This transaction was completed in March 2005.

Multinational advertising sales have continued to grow. Deals completed during the quarter include campaigns for Levis, Western Union and the London tourism authorities.

Metro continued, over the past 12 months, to reduce its average cost per thousand newspaper copies, despite the impact of the new launches. The year on year reduction at constant exchange rates excluding the major editions launched in 2004 (New York, Hus & Hem and Lisbon) amounted to 1% in the quarter. These savings reflect Metro's purchasing power as a global publisher, benefits resulting from the rigorous and consistent application of benchmarking techniques and the realization of other cost synergies across the organization.

Excluding Metro New York, Metro Lisbon and the profit arising on the disposal of a minority interest in Metro Boston, Metro newspaper operations reported in the first quarter a combined operating profit of US$ 1.0 million (US$ 0.7 million).

Metro is preparing to launch several online service businesses during the second quarter and incurred, in connection with these new businesses, start-up costs during the quarter totaling US$ 0.4 million. Metro will report its online businesses as a distinct reporting segment.

Metro's headquarter net costs for the quarter were constant year on year at US$ 4.4 million, the lowest net headquarter cost since Q1 2004.

Metro's total group operating profits in the first quarter increased year on year by US$ 11.4 million to US$ 7.5 million (loss of US$ 3.9 million). Adjusted for the US$ 15.9 million profit arising on the sale in the quarter of a 49% interest in the Boston subsidiary, the first quarter operating loss increased year on year by US$ 4.5 million. Excluding, however, the loss contributions of Metro New York, Metro Lisbon and the new online operations there was a year on year reduction in the quarter's operating loss of US$ 0.3 million.

The group reported a pre-tax profit of US$ 6.9 million (loss of US$ 4.6 million) in the first quarter. Group net profits totaled US$ 5.8 million (loss of US$ 5.4 million) in the first quarter.

Metro acquired in February 2005 the 10% of the shares in Metro Hungary, which it did not already own. A loan receivable from the subject minority shareholder was netted off against the total consideration payable and the net balance remaining was settled in cash.

SEGMENTAL OPERATING REVIEW

Sweden

Metro Sweden comprises the editions in Stockholm, Gothenburg, Skåne as well as a national edition currently distributed in 11 other cities. Metro Sweden also includes the Metro Hus & Hem weekly real estate newspapers launched during the first quarter of 2004 in Stockholm and Malmö. Metro Sweden reported a combined 20% year on year net sales growth in the first quarter to US$ 25.8 million (US$ 21.6 million). Local currency sales, for this 10 year old operation, were up 12% year on year in the quarter, with all Metro Sweden daily editions contributing positively to this year on year sales growth.

The launch of Metro's national edition during the fourth quarter of 2004 and its further expansion in the quarter will establish Metro as the largest newspaper in the country. The product has been well received by national advertisers and the editions in Stockholm, Gothenburg and Malmö are also benefiting from Metro's increased competitiveness in the lucrative national advertising market.

Regrettably the Metro Hus & Hem real estate editions came under pressure during the quarter from a competitor pursuing an aggressive price strategy. This has somewhat damaged the profitability of the two editions.

In order to position Metro as the clear readership leader in the Stockholm daily newspaper market Metro Sweden raised the circulation of its Stockholm edition and supported this by an increase in marketing expenditure. The adverse effect on Metro Sweden's operating profitability, resulting from these actions, is believed to be short term.

Metro Sweden reported a combined operating profit of US$ 2.5 million (US$ 4.2 million) in the first quarter.

Metro Stockholm's circulation investment contributed to an 11% jump in Metro Sweden's readership to 1.2 million per the latest Orvesto readership survey. Metro Sweden expects to make a further positive leap in readership following the inclusion in the official readership surveys of Metro's new national edition.

France

Metro France's ten editions reported for the quarter a 30% year on year increase in net sales to US$ 7.5 million (US$ 5.8 million). Local currency net sales grew year on year by 24% for the quarter. The year on year sales growth excluding barter revenues was 45% during the quarter despite the occurrence in the quarter of the Easter holidays, which in the prior year fell into the second quarter. Barter revenues have significantly declined as a result of a lower requirement to market the business. Metro France launched two new editions during the quarter (an edition distributed in the cities of Nantes and Rennes and a Strasbourg edition). The continuing strong sales growth during the quarter reflects Metro's increased competitiveness in the national newspaper advertising market and rapidly growing acceptance by national advertisers and media agencies alike.

Metro France reported an operating loss in the first quarter of US$ 1.9 million (US$ 2.1 million). This first quarter operating loss, was adversely impacted by the ongoing investment in new editions. In local currency first quarter operating losses were reduced year on year by 17%.

Following anti-competition claims advanced by Metro and another free newspaper, free daily newspapers are with effect from the beginning of this year included in the French national newspaper readership survey, EuroPQN. This is expected to be of significant benefit to Metro from the beginning of 2006.

Rest of Europe

The Rest of Europe segment, Metro's largest reporting segment by sales, comprises ten country operations (Denmark, Finland, Holland, Italy, Spain, Portugal, Greece, the Czech Republic, Hungary and Poland), of which 5 were profitable over the 12 months to 31 March 2005. The operations reported a combined 34% year on year increase in net sales in the quarter to US$ 37.2 million (US$ 27.8 million). Net sales at constant exchange rates increased by 26% year on year in the quarter, the same level of year on year constant exchange rate growth reported by these operations for the twelve months ended 31 December 2004.

All year on year revenue and profit comparisons given below are based on reported local currency results.

Metro Denmark became Denmark's leading national newspaper by readership in June 2004, only 5 months after the launch of its national edition and has been the most read Danish newspaper for each of the last six months. The operation succeeded in lifting its sales year on year in the quarter by 68% and recorded a double digit operating profit margin on sales in the quarter, compared to an operating loss during the first quarter of 2004.

Metro Finland did not perform at all adequately during the quarter, reporting only a modest year on year sales increase and an increase in operating losses. This result is all the more disappointing, following as it does a 30% year on year increase in sales during the fourth quarter and a 50% year on year sales increase in December.

Metro Holland, which includes since October 2004, the regional Rotterdam edition, reported a year on year increase in sales in the first quarter of 25%. The Rotterdam edition accounted for approximately 7% of the operation's total sales in the quarter and was expectedly loss contributing in this its first full quarter. Metro Holland, which earned a double digit operating profit margin during the quarter, continued its expansion following the end of the quarter. In April the operation launched its second regional edition, a 125,000 copy daily newspaper in Amsterdam. Prior to this launch Metro's presence in Amsterdam was limited to 35,000 copies of its national edition. The new Amsterdam edition addresses Metro's relatively low profile in Holland's largest metropolitan area and it has also increased Metro Holland's total circulation to 485,000 copies, the second highest newspaper circulation in the country.

Metro Italy recorded a small loss during the quarter, 32% lower than the prior year equivalent quarter operating loss. Year on year sales growth during the quarter was 14%. It was considered appropriate timing to expand Metro Italy's presence in the national market. The operation consequently extended the circulation of its Milan edition into 7 further cities in the Lombardy region in the quarter and in late March expanded into 5 large cities in north and central Italy. Metro Italy's circulation has risen to 850,000 and the operation has now become a very competitive player in the sizeable national newsprint advertising market.

Metro Spain, which has 1.7 million daily readers, has started the year positively growing its sales year on year by 17%. A small operating loss, slightly reduced year on year was recorded by the operation for the quarter. Operating profitability was impacted by the launch in the quarter of the Malaga edition which together with the new edition in Castilla La Mancha has lifted the operation's daily circulation to almost 870,000 copies.

Metro Portugal, a 65% subsidiary operation, which printed and distributed its newspaper on only two days, in December 2004, was printed daily starting from 11 January 2005. The operation's first two months' sales were negatively impacted by uncertainty in the market created by the national election, but since the beginning of March sales have started to grow steeply. The operation suffered an operating loss in this, its first full quarter of US$ 1.1 million. Metro Portugal has achieved an estimated daily readership of 225,000, within only 3 months of its launch and is expected to report significantly reduced losses going forward. Metro Portugal is by circulation already the largest newspaper in Portugal.

Metro Greece accelerated its sales growth during the first quarter with sales up year on year by 28%. The October 2004 launched weekly Thessaloniki edition has to date exceeded expectations, reaching profitability already in its first full quarter. Metro Greece cut its first quarter operating loss by 42%.

Metro Hungary, which is the largest newspaper in Hungary by circulation, had an excellent quarter increasing its sales year on year by 22%. The operation's first quarter operating profit margin comfortably exceeded 10%, higher than the operating profit margin for the whole 2004 year. Second half 2004 official readership was up year on year by 24%. Metro Hungary further strengthened its market position during the first week of April through its expansion into a further four cities. Metro Hungary, which had a 10% minority shareholder, became a wholly owned subsidiary during the quarter following the buyout, at a negotiated price, of the minority shareholder.

Metro Prague had an acceptable quarter, lifting its sales year on year by 8%. The operation reported an operating loss for the quarter 41% below that of the first quarter of 2004. The distribution of the paper was greatly improved during the quarter and the operation is confident that the success of the actions taken will over time be reflected in the local readership survey results.

Metro Poland achieved a 51% year on year growth in sales during the quarter. The company's national edition was greatly expanded in the fourth quarter and Metro Poland is now for the first time proving its ability to compete competitively and effectively in the country's national advertising market. Operating losses increased year on year by 12% in the quarter, despite the high sales growth. This is owing to the operation's materially higher cost base, resulting from its national expansion. Subject to the current level of healthy sales growth being maintained, this operation's operating losses are expected to start rapidly declining.

The United States

Sales for the United States operations increased by 27% year on year in the first quarter to US$ 5.6 million (US$ 4.4 million). This increase reflects the impact of the launch of the sizeable New York edition in May 2004. The Philadelphia edition reported year on year revenue growth of 7%. The Boston edition suffered its first ever quarterly year on year decline in sales owing to a damaging negative public relations campaign waged against the company by a competitor and to a lesser extent by a temporary loss of management focus owing to the Boston's Globe's extensive due diligence. All three operations were effected by the negative publicity.

Metro Philadelphia, which reported its first ever quarterly operating profit in the fourth quarter of 2004, was not profitable during the quarter. A more offensive circulation strategy has been adopted during the quarter in order to position the operation for greater sales growth in the future. Metro Boston, which reported in the fourth quarter of 2004 its third consecutive quarterly operating profit, was loss making in the first quarter of 2005. The New York operation reported its third full quarter operating result and the US operations combined reported an operating loss of US$ 4.8 million (US$ 0.7 million) in the first quarter.

Metro New York, already after six months of its launch, had become the fifth largest newspaper in the city and its suburbs, the largest individual newspaper advertising market in the world. A recently commissioned customized readership survey conducted by Scarborough Research confirmed that Metro New York is delivering the same active, young, metropolitan reader profile that Metro consistently strives for and delivers in all of its markets around the world. Scarborough Research attributed a readership to Metro New York of over 500,000, 51% of whom are aged under 35 years. This supports the company's efforts to attract high quality premium brand advertising. There is good evidence that the US operations with their aggregate daily circulation of over 620,000, will also increasingly benefit from their strong combined position on the North Eastern seaboard. This gives significant scope to sell multi-city advertising packages targeted at large print advertisers in the region.

Rest of World

The three country operations (Chile, Hong Kong and the joint ventures in Canada) that comprise the Rest of World segment reported a 28% year on year increase in net sales to US$ 7.6 million (US$ 6.0 million) in the first quarter. Net sales at constant exchange rates increased by 27% year on year in the quarter, up from an equivalent 25% in the fourth quarter of 2004.

Metro Chile continued in the quarter to maintain its steady double digit local currency sales growth and this enabled the operation to report a record first quarter operating profit. Metro Chile has succeeded in growing its readership in a highly competitive market.

Metro Hong Kong enjoyed another strong quarter and reported for the first quarter a 35% year on year increase in sales. The operating profit margin for the quarter was a very satisfactory 29%. Metro Hong Kong extended during the quarter its distribution agreement with the Hong Kong subway operator MTR Corporation for a further 5 years. MTR Corporation is one of the world's most technologically advanced, innovative and customer orientated subway operators and is an ideal partner for Metro in the city. MTR Corporation is presently building new subway lines and the new stations will also be available for Metro newspaper distribution.

Metro Canada became the largest daily newspaper in Canada following the launch during the quarter of Metro Vancouver and of Metro Ottawa. The initial daily circulations of these two editions is 145,000 and 60,000 respectively. Metro Toronto and Metro Montreal continue to grow their readership and per the latest NADBANK survey, the two editions have a combined readership of 1.3 million readers. Metro Toronto and Metro Montreal reported a combined quarterly operating profit for the quarter. Metro Toronto, the larger of the two operations reported a year on year increase in sales in the quarter of 18%. Metro Montreal was modestly loss making during the quarter.

Online

Metro planned and prepared during the quarter to launch several international online service businesses in the near future. In April a classified advertising site containing approximately 900,000 classified advertisements, ‘Metro Market’, was launched in Sweden and a number of other online service businesses are at advanced stage of development. It is planned to extend over the coming months the ‘Metro Market’ business to other countries in which Metro has an existing presence. ‘Metro Market’ allows Metro to participate in the fast growing internet advertising market, whilst exploiting synergies with its printed newspaper business.

Headquarters

Headquarter revenues amounted to US$ 0.4 million (US$ 0.3 million) in the quarter. These revenues comprise mainly the franchise fees from the group’s two franchise operations in South Korea.

Headquarter functions include group senior management, finance and accounting, taxation planning, treasury, controlling, legal affairs, global sales, group human resources, research, information technology, central business development and marketing, as well as the Metro World News editorial team.

Costs associated with the group’s long-term incentive plan (LTIP) are accounted for within the headquarter segment. The plan gave rise to a non-cash charge in the first quarter of US$ 0.4 million (US$ 0.0 million), increasing the life to date charge to US$ 1.2 million. A second allocation of three year LTIP awards has been approved by Metro’s Board of Directors, but these will not be issued until after approval by the 31 May 2005 Annual General Meeting of shareholders. No charge has been taken to the profit and loss account in respect of these planned future awards. The 2004 LTIP charge was restated in accordance with the newly applied IFRS 2 and has accordingly been increased by US$ 0.4 million.

Headquarter operating losses amounted to US$ 4.4 million (US$ 4.4 million) in the first quarter, the lowest quarterly headquarter cost since the first quarter of 2004. Headquarter costs wholly attributable to business development totaled US$ 0.7 million during the quarter. Central overhead costs totaled in the quarter US$ 3.3 million, excluding the US$ 0.4 million LTIP charge.

FINANCIAL REVIEW

Average debtor sales days outstanding at the end of March was maintained at the record low level of 51 days.

Cash flow used by operations was US$ 5.5 million during the quarter (US$ 3.0 million). Tight management of working capital continues to be achieved and there was a positive change in working capital over the quarter of US$ 1.6 million. The group received during the quarter US

$16.2 million, net of transaction costs, from The New York Times Company as consideration for a 49% interest in Metro Boston.

The group reported US$ 1.0 million in charges arising from the depreciation of tangible fixed assets in the first quarter, whilst the group's capital expenditure during the quarter totaled US$ 1.3 million. Capital expenditure during the quarter, which included investments in racks for the expanded Swedish national edition, technology and office equipment for the new online businesses as well as ongoing maintenance capital expenditure, was equivalent to approximately 1.6% of the group's first quarter net sales.

The group had amortized US$ 4.2 million of goodwill during 2004. In 2005, however, in accordance with the newly effective IFRS accounting rules, Metro has ceased to amortize goodwill in its accounts. The 2004 financial results have been restated in accordance with the new rules. The year on year increase in the net book value of goodwill at the quarter end is attributable to goodwill arising during the quarter on the buy-out of the 10% minority shareholder in Metro Hungary as well as foreign currency effects.

Net interest costs were US$ 0.5 million (US$ 0.2 million) in the first quarter. Net interest costs comprised US$ 0.2 million of interest income on the group's cash balances and loans outstanding with associate operations in the first quarter as well as US$ 0.7 million of interest payable on the group's US $34.7 million bank loan and other borrowings in the quarter. The bank loan balance was restated during the quarter in accordance with the recently adopted IAS 32. US$ 2.3 million of capitalized arrangement fees and other arrangement costs which remain to be amortized over the remaining life of the loan are now netted off against the drawn down loan balance.

The group reported a tax charge of US$ 1.1 million in the quarter (US$ 0.8 million), including a US$ 0.6 million Massachusetts State tax charge arising on the Metro Boston transaction. The group's deferred tax asset balance, which amounted to US$ 16.9 million at the end of the year, will be prudently utilized to off set future corporate tax charges incurred by profitable operations. The group currently has approximately US$ 230 million in tax losses carried forwards at non HQ operating entities.

The aggregate minority shareholders' interest in the quarter's net result was a loss of US$ 0.4 million (loss of US$ 0.9 million). The group reflects minority interests in its subsidiaries in France, Denmark, Boston and Portugal. Télévision Française 1 acquired its 34.3% shareholding in Metro France in the fourth quarter of 2003 and A-Pressen has been a 30% shareholder in Metro Denmark since this operation's incorporation. The New York Times Company became a 49% minority partner in Metro Boston in March 2005. Metro, in the fourth quarter of 2004, became the majority shareholder in the legal entity publishing Metro's Lisbon edition, with a 65% stake. Grupo Media Capital, SGPS, SA controls the remaining 35% of the company's shares.

The weighted average number of outstanding shares remained in the first quarter of 2005 at 525,910,189. The group therefore reported a profit per share of US$ 0.01 (loss of US$ 0.01) in the first quarter.

Metro had liquid funds of US$ 47.3 million at 31 March 2005 of which restricted cash comprised only US$ 0.4 million. A new five-year US$ 75.0 million multi-currency revolving credit facility was entered into with a syndicate of banks in September 2004, led by Nordea and this facility provides the group with significantly enhanced operating and financial flexibility. US$ 37.0 million was drawn down on the facility upon signing and US$ 36.3 million of this balance was used to fully repay the Swedish Krona 267 million outstanding on the June 2002 Swedish Krona 400 million bilateral credit facility. The first scheduled amortization payment on the new facility, based on the current level of draw down is due 31 December 2008. Metro now has total available liquid resources, including its unutilized credit line, of US$ 85 million.

The group had net cash at 31 March 2005 of US$ 3.3 million (net debt of US$ 2.1 million) and comprised cash holdings at the year end of US$ 47.3 million net of the US$ 34.7 million long-term bank loan, $4.0 million of loans payable to minority shareholders and other short-term bank loans of US$ 5.4 million.

Metro International S.A.

CONFERENCE CALL

The company will host a conference call to present the results at 3:00 pm (CET). The call will also be webcast on Metro's website at www.metro.lu.

To participate please use the following dial in lines:

UK	+44 (0)20 7162 0125
Sweden	+46 (0)8 505 20114
US	+1 334 420 4950

OTHER INFORMATION

The Annual General Meeting of shareholders of Metro International will be held on Tuesday, May 31, 2005.
The Nomination Group, consisting of Cristina Stenbeck, Vigo Carlund (Investment AB Kinnevik), Mats Lagerqvist (Robur) and Björn Lind (SEB Asset Management and SEB Trygg Liv) will submit a proposal for the composition of the Board of Directors that will be presented to the 2005 Annual General Meeting for approval.

Shareholders who would like to suggest representatives for the Metro International Board of Directors can contact the company at the address below:

E-mail: agm@metro.lu or Letter: AGM, Metro International, 11 Boulevard Royal,
L-2449 Luxembourg

Metro's financial results for the second quarter and three months ended 30 June will be released on 21 July 2005.

This interim report has not been subject to review by the Company's auditors.
20 April 2005

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

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Metro International S.A.

CONSOLIDATED INCOME STATEMENTS (US$ '000s)	**Note**	**Period ended 31 March 2005**	**Period ended 31 March 2004**
Sales		84,103	65,820
Cost of sales		(56,312)	(41,337)
Gross income		27,791	24,483
Selling expenses		(20,072)	(16,409)
Administrative and development expenses		(15,949)	(11,971)
Share of earnings in associated companies		(142)	(20)
Sale of ownership interest in subsidiary		15,884	-
Operating profit (loss)	(3)	7,512	(3,917)
Financial items, net		(636)	(668)
Profit (loss) after financial items and before income tax		6,876	(4,585)
Current tax		(1,098)	(503)
Deferred tax		-	(298)
Net result		5,778	(5,386)
Attributable to:			
Equity holders of the parent		6,169	(4,445)
Minority interest		(391)	(941)
Net result		5,778	(5,386)
Weighted average basic earnings per share		0.01	(0.01)
Weighted average basic number of shares outstanding		525,910,189	525,710,093

(cont.)

CONSOLIDATED STATEMENTS OF RECOGNIZED GAINS AND LOSSES (US$ '000s)	**Note**	**Jan–Mar 2005**	**Jan–Mar 2004**
Foreign exchange translation differences		(2,850)	3
Net loss not recognized in the income statement		(2,850)	3
Net result for the period		5,778	(5,386)
Total recognized gain (loss)		2,928	(5,383)
Attributable to:			
Equity holders of the parent		3,135	(4,502)
Minority interest		(207)	(881)
Net result		2,928	(5,383)

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CONSOLIDATED BALANCE SHEETS (US$ '000s)	Note	31 March 2005	31 December 2004
ASSETS			
Non-current assets			
Intangible assets			
Licenses, net		27	28
Goodwill, net		10,386	8,740
		10,413	8,768
Property, plant and equipment			
Machinery and equipment, net		7,017	6,918
Financial assets			
Deferred tax assets		16,098	16,939
Shares in associated companies		162	174
Other investments		298	298
Receivables from associated companies		4,214	4,370
Long-term receivables		1,591	2,339
		22,363	24,120
Total non-current assets		39,793	39,806
Current assets			
Accounts receivable, net		58,630	63,744
Other current receivables		5,588	4,137
Prepaid expenses		6,250	5,032
Cash and cash equivalents		47,320	40,173
Total current assets		117,788	113,086
TOTAL ASSETS		157,581	152,892

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CONSOLIDATED BALANCE SHEETS (US$ '000s)	Note	31 March 2005	31 December 2004
SHAREHOLDERS' EQUITY			
Shareholders' equity	(4)	37,917	34,616
Long-term liabilities			
Liability to minority partners		4,016	4,031
Long-term bank loans		34,695	34,567
Total long-term liabilities		38,711	38,598
Current liabilities			
Short-term bank loans		5,350	5,111
Accounts payable		31,843	41,043
Other liabilities		10,808	10,440
Accrued expenses		32,952	23,084
Total current liabilities		80,953	79,678
Total liabilities		119,664	118,276
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		157,581	152,892

Metro International S.A.

CONSOLIDATED STATEMENTS OF CASH FLOWS (US$ 000's)	Note	1 January – 31 March 2005	1 January – 31 March 2004
Operating activities			
Loss before income tax		6,876	(4,585)
Adjustments for:			
Depreciation and amortization		957	659
Other non-cash items		(15,779)	-
Financial items, net		636	668
Share of earnings associated companies		142	20
Changes in working capital:			
Change in current receivables		(315)	971
Change in current liabilities		1,940	(706)
Cash flow used by operations		(5,543)	(2,973)
Interest paid / received		(16)	(516)
Income tax paid		(40)	(53)
Net cash used in operations		(5,599)	(3,542)
Investment activities			
Increase/decrease in long-term receivables		(239)	207
Investment in shares		(1,115)	-
Investment in property, plant and equipment		(1,329)	(485)
Net cash flow used in investing activities		(2,683)	(278)
Financing activities			
Loan from minority partner		194	-
Sale of ownership interest in subsidiary (net)		16,152	-
Net cash flow provided by financing activities		16,346	-

Metro International S.A.

(cont.)

CONSOLIDATED STATEMENTS OF CASH FLOWS (US$ '000s)	**Note**	**1 January – 31 March 2005**	**1 January – 31 March 2004**
Net increase/(decrease) in cash and cash equivalents		8,064	(3,820)
Cash and cash equivalents at beginning of year		40,173	43,614
Currency effects on cash		(917)	(120)
Cash and cash equivalents at end of period		47,320	39,674

Metro International S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1

Basis of preparation and scope of consolidated financial statements

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

Metro International S.A. and its subsidiaries (the "Company"), together with its South Korean franchise partner, publish free-of-charge newspapers, Monday through Friday and in some cases also on Saturday. As at 31 March 2005, Metro newspapers were distributed in Stockholm, Gothenburg, Skåne and in eleven other Swedish cities, Warsaw and nine other Polish cities, Prague, Budapest and 18 other Hungarian cities, the Netherlands, Helsinki, Santiago and three other Chilean cities, Philadelphia, Boston, New York, Rome, Milan, Genoa, Bologna, Veneto, Turin, Florence, Toronto, Montreal, Vancouver, Ottawa, Athens, Thessaloniki, Madrid, Barcelona, Zaragoza, Seville, La Coruna, Alicante, Valencia, Castilla La Mancha, Malaga, Lisbon, Denmark, Paris, Marseilles, Lyon, Toulouse, Lille, Aix-en-Provence, Toulon, Aubagne, Bordeaux, Nice, Nantes, Rennes, Strasbourg, Hong Kong, Seoul and Pusan. Metro derives its revenues from advertising sales.

The Company has incurred pre-launch costs in connection with a number of online service businesses, to be launched shortly after the balance sheet date.

The Company is domiciled in Luxembourg.

Note 2

Accounting and valuation policies

Metro’s accounting policies are in accordance with IFRS (International Financial Reporting Standards). The following new accounting standards have had an impact on Metro’s financial reporting from 1 January 2005.

IFRS

In June 2002, the European Union’s Council of Ministers decided that all exchange-listed companies within the European Union as from fiscal year 2005 shall prepare consolidated financial statements fully in compliance with International Financial Reporting Standards (IFRS). Metro is not considered a first time adopter of IFRS since financial statements in accordance with IFRS accounting standards have been published prior to 1 January 2005. However, the following new IFRS accounting standards have an impact on Metro’s financial reporting.

IFRS 2 Share based payment

The International Accounting Standards Board (IASB) issued IFRS 2 Share-based Payment on 19 February 2004. The standard is effective for annual periods beginning on or after 1 January 2005. Metro adopted IFRS 2 from 1 January 2005 and the comparative income statements and balance sheets in the quarterly and annual reports of 2005 are adjusted accordingly.

According to the standard, equity-settled grants to employees generally are measured based on the fair value of the options issued at the grant date. The fair value of options issued is recognized as an employee expense with a corresponding increase in equity and is measured at grant date and spread over the period during which the employees become entitled to the options. The amount recognized as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

IFRS 3 Business Combinations, IAS 36 Impairment of Assets, IAS 38 Intangible Assets
On 31 March 2004 IFRS 3 Business Combinations was issued by the IASB. Revisions to IAS 36 Impairment of Assets and IAS 38 Intangible Assets, both related to IFRS 3, were issued on 31 March 2004. Generally IFRS 3 became effective for business combinations agreed to on or after 31 March 2004. Entities could choose to apply IFRS 3 from any date prior to 31 March 2004 to all business combinations occurring on or after the chosen application date providing that sufficient information was available at the date of initially accounting for those business combinations. The effective date of the revisions to IAS 36 and IAS 38 was 1 April 2004. Metro retroactively applies IFRS 3, IAS 36 and IAS 38 on acquisitions from 1 January 2004 and the goodwill amortization reported in the quarterly and annual reports of 2004 is reversed in the comparative income statements in the quarterly and annual reports of 2005.

According to IFRS 3 goodwill represents future economic benefits arising from assets that are not capable of being identified individually and recognized separately. Acquired goodwill and other intangible assets with indefinite lives are not amortized according to IFRS 3, but must be tested for impairment in accordance with the revised IAS 36 at least annually.

For an item to be recognized as an intangible asset according to the revised IAS 38, it must have future economic benefits that it is probable will be realized and its cost must be reliably measurable. Intangible assets are recognized initially at cost.

IAS 27 Consolidated and Separate Financial Statements
In December 2003, the IASB issued a revised version of IAS 27 Consolidated and Separate Financial Statements. The revised standard is applicable for annual periods beginning on or after 1 January 2005. Metro applies IAS 27 from 1 January 2005 and the comparative income statements and balance sheets in the quarterly and annual reports of 2005 are adjusted accordingly.

The revised IAS 27 requires that minority interest be classified within equity but separate from parent shareholders' equity. Minority interests in the profit or loss of the group should also be disclosed separately.

IAS 39 Financial Instruments: Recognition and Measurement
In December 2003, a revised version of IAS 39 Financial Instruments: Recognition and Measurement was issued. The revised standard is effective for accounting periods beginning on or after 1 January 2005.

IAS 39 establishes principles for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. IAS 32 sets out requirements for presenting and disclosing information about financial instruments.

All financial assets and liabilities are classified into different categories in order to be accounted for and measured according to the applicable principle for each category. Interest income and expenses are calculated using the effective interest rate method.

Note 3

Segment reporting

The segment reporting is based on geographic areas – 'Sweden', 'France', 'Rest of Europe', 'United States', 'Rest of World' and includes also 'Online' and 'Headquarters'.

The 'Rest of Europe' area comprises the newspapers in Prague, Hungary, the Netherlands, Helsinki, Italy, Poland, Greece, Spain, Denmark and Lisbon.

The 'Rest of World' area comprises the newspapers in Chile, Canada and Hong Kong.

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

Metro owns the majority of the sales companies in Toronto and Montreal and 25% of the Toronto and Montreal publishing entities. Metro therefore accounts for the former as subsidiaries and the latter as associated companies. Metro owns 33% of the operations in Vancouver and Ottawa and accounts for these operations as associates.

'Online' comprises various online service businesses. 'Headquarters' includes the income from the franchise operation in South Korea.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (US$ '000s)	**Jan-March 2005**	**Jan- March 2004**
Segment reporting		
Net sales (external)		
Sweden	25,838	21,623
France	7,500	5,752
Rest of Europe	37,181	27,823
USA	5,564	4,368
Rest of World	7,617	5,969
Headquarters	403	285
	84,103	65,820

There are no inter-segment sales.

Metro International S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (US$ '000s)	Jan-Mar 2005	Jan-Mar 2004
Segment reporting		
Net income (loss)		
Sweden	2,470	4,227
France	(1,864)	(2,143)
Rest of Europe	(678)	(1,522)
USA	(4,847)	(746)
Rest of World	1,349	619
Operating profit (loss) from newspaper editions	(3,570)	435
Online	(445)	-
Sale of ownership interest in subsidiary	15,884	-
Headquarters	(4,357)	(4,352)
Operating profit (loss)	7,512	(3,917)
Items to reconcile to statement of operations		
Financial items, net	(636)	(668)
Current tax	(1,098)	(503)
Deferred tax	-	(298)
Net result	**5,778**	**(5,386)**

Metro International S.A.

Note 4

Shareholders' equity

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

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

The issued and outstanding share capital of the Company is $131,477,547 divided into 263,434,011 Metro class A Shares and 262,476,178 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 U.S dollars or in shares of the Company or otherwise as the company's Board of Directors may determine in accordance with the provisions of the Luxembourg Companies Act. The Metro B Shares are entitled to a preferred dividend of 2% on any dividend distributions. Any balance of dividends must be paid equally on each Metro A and Metro B Share.

Total shareholders equity (US$ '000s)	***Equity holders of the parent***	***Minority interest***	***Total equity***
Balance at January 1st 2004	**39,967**	**(2,125)**	**37,842**
Total recognized gains and losses	(2,501)	(1,409)	(3,910)
Capital increase	317	-	317
Share option program	367	-	367
Balance at 31st December 2004	**38,150**	**(3,534)**	**34,616**
Balance at January 1st 2005	**38,150**	**(3,534)**	**34,616**
Total recognized gains and losses	3,135	(207)	2,928
Share option program	105	-	105
Sale of 49% ownership interest in Metro Boston	-	268	268
Balance at 31st March 2005	**41,390**	**(3,473)**	**37,917**