



PRESS RELEASE

METRO POSTS RECORD SALES AND NET EARNINGS IN 2009

(Montréal, November 18, 2009) – METRO INC. (TSX: MRU.A) announced its results today for the fourth quarter and fiscal year ended September 26, 2009. METRO realized record adjusted net earnings⁽¹⁾ of \$85.9 million (\$0.78 per share) in the fourth quarter, up 18.5% over those in 2008. Adjusted net earnings⁽¹⁾ for fiscal 2009 reached a record \$359.0 million (\$3.23 per share), a 27.8% increase over 2008.

2009 FOURTH QUARTER HIGHLIGHTS

- Adjusted net earnings⁽¹⁾ of \$85.9 million, up 18.5%
- Adjusted fully diluted net earnings per share⁽¹⁾ of \$0.78, up 20.0%
- Net earnings of \$84.4 million (\$0.77 per share) versus \$72.5 million (\$0.65 per share)
- Sales of \$2,532.5 million, up 2.3%
- Same store sales up 2.0%
- Declared dividend of \$0.1375 per share, up 10.0%

FISCAL 2009 HIGHLIGHTS

- Adjusted net earnings⁽¹⁾ of \$359.0 million, up 27.8%
- Adjusted fully diluted net earnings per share⁽¹⁾ of \$3.23, up 30.2%
- Net earnings of \$354.4 million (\$3.19 per share) versus \$292.2 million (\$2.58 per share)
- Sales of \$11,196.0 million, up 4.4%
- Repurchase of nearly 4 million shares

⁽¹⁾ See section on “Non-GAAP measurements”

⁽²⁾ See section on “Forward-looking information”

"We are proud to have posted record net earnings in every quarter of fiscal 2009. I congratulate all our employees and retailers for their great work. We successfully completed the major project of converting our five conventional banners in Ontario to the Metro banner. Also, on September 27, 2009, we completed the acquisition of 15 GP stores, consolidating our position in Eastern Québec. Despite the challenging economic environment, we are confident that we will continue⁽²⁾ to grow in the coming year," stated Eric R. La Flèche, President and Chief Executive Officer.

METRO announced today the creation of dunnhumby Canada, an exclusive joint venture with dunnhumby, an international consulting and marketing service organization known worldwide for its expertise in transforming customer data analysis into actionable business decisions. The joint venture's mission is to better satisfy our customers' needs, therefore improving their loyalty, through the development and implementation of customer-centric strategies. (see other press release).

⁽¹⁾ See section on "Non-GAAP measurements"

⁽²⁾ See section on "Forward-looking information"

SALES

2009 fourth quarter sales reached \$2,532.5 million compared to \$2,476.0 million last year, an increase of 2.3%. Excluding decreased sales due to the non-renewal of a convenience store chain supply contract, 2009 fourth quarter sales increased by 3.2%. Same-store sales increased by 2.0%.

Sales for fiscal 2009 reached \$11,196.0 million, up 4.4% compared to sales of \$10,725.2 million for fiscal 2008. Excluding decreased sales due to the non-renewal of a convenience store chain supply contract, sales increased by 5.3%.

EARNINGS BEFORE FINANCIAL COSTS, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)⁽¹⁾

Fourth quarter EBITDA⁽¹⁾ in 2009 reached \$175.8 million, up 9.5% from \$160.6 million for the same quarter last year. Fourth quarter EBITDA⁽¹⁾ represented 6.9% of sales versus 6.5% last year. Excluding banner conversion costs of \$2.3 million recorded in 2009, adjusted fourth quarter EBITDA⁽¹⁾ represented 7.0% of sales. This increase is due mainly to an increase in our gross margins driven by our efforts to improve our Ontario operations.

EBITDA⁽¹⁾ for fiscal 2009 was \$741.6 million or 6.6% of sales versus \$638.9 million or 6.0% of sales last year. Excluding banner conversion costs of \$11.0 million recorded in fiscal 2009, adjusted EBITDA⁽¹⁾ represented 6.7% of sales. The higher 2009 EBITDA⁽¹⁾ as a percentage of sales compared to that for 2008 can be explained largely by the difficulties we experienced in the first two quarters of 2008, namely intense competition in Ontario, issues associated with our new information systems in Ontario and our new Food Services warehouse in Québec. We overcame these difficulties in the third and fourth quarters of 2008.

Our share of earnings from our investment in Alimentation Couche-Tard for the 2009 fourth quarter and fiscal year were \$11.7 million and \$37.4 million respectively, versus \$5.0 million and \$17.6 million for the corresponding periods of fiscal 2008. Excluding non-recurring items as well as our share of earnings from our investment in Alimentation Couche-Tard, our adjusted EBITDA⁽¹⁾ for the fourth quarter and fiscal 2009 were \$166.4 million and \$715.2 million respectively or 6.6% and 6.4% of sales versus \$155.6 million or 6.3% of sales for the fourth quarter of 2008 and \$621.3 million or 5.8% for fiscal 2008.

In the first quarter of 2009, we retrospectively applied a new accounting standard issued by the Canadian Institute of Chartered Accountants (CICA), Section 3031 "Inventories", by restating prior periods' financial statements. Unlike the two first quarters of 2009 where changes in inventory levels between the beginning and the end of each quarter affected EBITDA⁽¹⁾, the new standard's application had no material effect in the third and fourth quarters, nor on the overall fiscal year. The high level of inventory at the end of the first quarter, because of the Holidays, raised first quarter EBITDA⁽¹⁾. As the level decreased in the second quarter, EBITDA⁽¹⁾ was negatively affected.

⁽¹⁾ See section on "Non-GAAP measurements"

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EBITDA⁽¹⁾ Adjustments

<i>(Millions of dollars, unless otherwise indicated)</i>	12 weeks / Fiscal Year					
	2009			2008		
	EBITDA	Sales	EBITDA/Sales (%)	EBITDA	Sales	EBITDA/Sales (%)
EBITDA	175.8	2,532.5	6.9	160.6	2,476.0	6.5
Banner conversion costs	2.3	—		—	—	
Adjusted EBITDA	178.1	2,532.5	7.0	160.6	2,476.0	6.5
Share of earnings from our investment in Alimentation Couche-Tard	(11.7)	—		(5.0)	—	
Adjusted EBITDA excluding share of earnings	166.4	2,532.5	6.6	155.6	2,476.0	6.3

<i>(Millions of dollars, unless otherwise indicated)</i>	Fiscal Year					
	2009			2008		
	EBITDA	Sales	EBITDA/Sales (%)	EBITDA	Sales	EBITDA/Sales (%)
EBITDA	741.6	11,196.0	6.6	638.9	10,725.2	6.0
Banner conversion costs	11.0	—		—	—	
Adjusted EBITDA	752.6	11,196.0	6.7	638.9	10,725.2	6.0
Share of earnings from our investment in Alimentation Couche-Tard	(37.4)	—		(17.6)	—	
Adjusted EBITDA excluding share of earnings	715.2	11,196.0	6.4	621.3	10,725.2	5.8

DEPRECIATION AND AMORTIZATION AND FINANCIAL COSTS

Total depreciation and amortization expenses for the fourth quarter and fiscal 2009 amounted to \$46.3 million and \$189.1 million respectively, compared with \$41.4 million and \$176.3 million for the same periods last year. Fourth quarter financial costs totalled \$10.1 million in 2009 versus \$12.4 million last year, while financial costs for fiscal 2009 totalled \$48.0 million versus \$58.4 million last year. Interest rates for fiscal 2009 averaged 4.4% versus 5.2% last year.

INCOME TAXES

The 2009 fourth quarter and fiscal 2009 income tax expenses of \$35.0 million and \$150.1 million represented effective tax rates of 29.3% and 29.8% respectively. On May 17, 2009, an approval milestone was met with regard to the Québec government's 2007-2008 budget provision to cut the tax rate on investment income from 16.25% to 11.9%, i.e. the same rate as for business income. This change in tax rate reduced our future income tax liabilities by \$2.7 million and our 2009 third quarter income tax expenses by the same amount. Excluding this reduction, our effective fiscal 2009 tax rate was 30.3%. The 2008 fourth quarter and fiscal 2008 tax expenses were \$34.3 million and \$113.9 million respectively and the tax rates were 32.1% and 28.2% respectively. In the first quarter of 2008, we benefited from an income tax expense decrease of \$11.4 million. Excluding this decrease, the effective tax rate for fiscal 2008 was 31.0%.

In the 2009 budget speech on March 26, 2009, the Ontario government announced successive future decreases in the corporate tax rate from the current rate of 14% to 10% between July 1, 2010 and July 1, 2013. At the end of fiscal 2009, the Ontario Legislature had still not approved the measure in first reading. This milestone was met on November 16, 2009. We shall reduce⁽²⁾ both our future income tax liabilities and income tax expenses by \$10.0 million during the first quarter of fiscal year 2010.

⁽¹⁾ See section on "Non-GAAP measurements"

⁽²⁾ See section on "Forward-looking information"

NET EARNINGS

The 2009 fourth quarter net earnings were \$84.4 million compared to \$72.5 million for the corresponding quarter last year, an increase of 16.4%. Fully diluted net earnings per share rose 18.5% to \$0.77 from \$0.65 last year. Excluding non-recurring costs recorded in the fourth quarter of 2009, namely \$2.3 million before taxes to convert our Ontario supermarkets to the Metro banner, our adjusted net earnings⁽¹⁾ were \$85.9 million, an 18.5% increase over fiscal 2008, and our adjusted fully diluted net earnings per share⁽¹⁾ were \$0.78, up 20.0%.

Net earnings for fiscal 2009 reached \$354.4 million versus \$292.2 million last year, up 21.3%. Excluding the income tax expense decreases of \$2.7 million in 2009 and \$11.4 million in 2008 as well as banner conversion costs of \$11.0 million before taxes in 2009, adjusted net earnings⁽¹⁾ for the fiscal 2009 were \$359.0 million, up 27.8% from the \$280.8 million for fiscal 2008. Adjusted fully diluted net earnings per share⁽¹⁾ were \$3.23 up 30.2% from \$2.48 last year.

Net Earnings Adjustments

	12 weeks / Fiscal Year					
	2009		2008		Change (%)	
	<i>(Millions of dollars)</i>	Fully diluted EPS (Dollars)	<i>(Millions of dollars)</i>	Fully diluted EPS (Dollars)	Net earnings	Fully diluted EPS
Net earnings	84.4	0.77	72.5	0.65	16.4	18.5
Banner conversion costs after taxes	1.5	0.01	—	—		
Adjusted net earnings ⁽¹⁾	85.9	0.78	72.5	0.65	18.5	20.0

	Fiscal Year					
	2009		2008		Change (%)	
	<i>(Millions of dollars)</i>	Fully diluted EPS (Dollars)	<i>(Millions of dollars)</i>	Fully diluted EPS (Dollars)	Net earnings	Fully diluted EPS
Net earnings	354.4	3.19	292.2	2.58	21.3	23.6
Banner conversion costs after taxes	7.3	0.06	—	—		
Decrease in tax expense	(2.7)	(0.02)	(11.4)	(0.10)		
Adjusted net earnings ⁽¹⁾	359.0	3.23	280.8	2.48	27.8	30.2

⁽¹⁾ See section on "Non-GAAP measurements"

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Quarterly Highlights

<i>(Millions of dollars, unless otherwise indicated)</i>	2009	2008	Change (%)
Sales			
Q4	2,532.5	2,476.0	2.3
Q3	3,513.3	3,370.0	4.3
Q2	2,549.7	2,372.4	7.5
Q1	2,600.5	2,506.8	3.7
Fiscal	11,196.0	10,725.2	4.4
Net earnings			
Q4	84.4	72.5	16.4
Q3	112.6	91.9	22.5
Q2	76.3	54.0	41.3
Q1	81.1	73.8	9.9
Fiscal	354.4	292.2	21.3
Adjusted net earnings⁽¹⁾			
Q4	85.9	72.5	18.5
Q3	111.8	91.9	21.7
Q2	77.2	54.0	43.0
Q1	84.1	62.4	34.8
Fiscal	359.0	280.8	27.8
Fully diluted net earnings per share⁽¹⁾ (Dollars)			
Q4	0.77	0.65	18.5
Q3	1.01	0.81	24.7
Q2	0.68	0.48	41.7
Q1	0.73	0.64	14.1
Fiscal	3.19	2.58	23.6
Adjusted fully diluted net earnings per share⁽¹⁾ (Dollars)			
Q4	0.78	0.65	20.0
Q3	1.01	0.81	24.7
Q2	0.68	0.48	41.7
Q1	0.76	0.54	40.7
Fiscal	3.23	2.48	30.2

In 2009, effective merchandising allowed us to record sales growth and our ongoing efforts to improve execution in Ontario allowed us to increase our gross margins.

First, second, third and fourth quarter sales for 2009 were up 3.7%, 7.5%, 4.3% and 2.3% respectively over those for 2008. Excluding decreased sales due to the non-renewal of a convenience store chain supply contract, 2009 first quarter sales were up 4.7%; second quarter sales were up 8.3%; third quarter sales were up 5.2%, and fourth quarter sales were up 3.2%.

⁽¹⁾ See section on "Non-GAAP measurements"

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First quarter net earnings and fully diluted net earnings per share for 2009 were up 9.9% and 14.1% respectively over those for 2008. Excluding 2009 first quarter costs of \$4.5 million before taxes to convert our Ontario supermarkets to the Metro banner and the income tax expense decrease of \$11.4 million in 2008 as a result of future federal income tax rate decreases, 2009 first quarter adjusted net earnings⁽¹⁾ and adjusted fully diluted net earnings per share⁽¹⁾ were up 34.8% and 40.7% respectively.

Second quarter net earnings and fully diluted net earnings per share for 2009 were up 41.3% and 41.7% respectively from 2008. Excluding banner conversion costs of \$1.3 million before taxes recorded in the second quarter of 2009, adjusted net earnings⁽¹⁾ for the second quarter of 2009 were up 43.0%.

Difficulties encountered in the first two quarters of 2008 also explain the increases in the first two quarters of 2009 over the same quarters of 2008. These difficulties stemming from a more intensely competitive environment in Ontario and issues associated with our new information systems in Ontario and our new Food Services warehouse in Québec were resolved in the third and fourth quarters of 2008.

Third quarter net earnings and fully diluted net earnings per share in 2009 were up 22.5% and 24.7% respectively from 2008. Excluding non-recurring items recorded in the third quarter of 2009, namely \$2.9 million before taxes to convert our Ontario supermarkets to the Metro banner as well as an income tax expense decrease of \$2.7 million, adjusted net earnings⁽¹⁾ and adjusted fully diluted net earnings per share⁽¹⁾ for the third quarter of 2009 were up 21.7% and 24.7% respectively, compared to adjusted net earnings⁽¹⁾ and adjusted fully diluted net earnings per share⁽¹⁾ for the third quarter of 2008.

Fourth quarter net earnings and fully diluted net earnings per share in 2009 were up 16.4% and 18.5% respectively over those for 2008. Excluding 2009 fourth quarter banner conversion costs of \$2.3 million before taxes, adjusted net earnings⁽¹⁾ and adjusted fully diluted net earnings per share⁽¹⁾ for the fourth quarter of 2009 were up 18.5% and 20.0% over adjusted net earnings⁽¹⁾ and adjusted fully diluted net earnings per share⁽¹⁾ for the fourth quarter of 2008.

	2009					2008				
	Q1	Q2	Q3	Q4	Fiscal	Q1	Q2	Q3	Q4	Fiscal
<i>(Millions of dollars)</i>										
Net earnings	81.1	76.3	112.6	84.4	354.4	73.8	54.0	91.9	72.5	292.2
Banner conversion costs after taxes	3.0	0.9	1.9	1.5	7.3	—	—	—	—	—
Decrease in tax expense	—	—	(2.7)	—	(2.7)	(11.4)	—	—	—	(11.4)
Adjusted net earnings ⁽¹⁾	84.1	77.2	111.8	85.9	359.0	62.4	54.0	91.9	72.5	280.8

	2009					2008				
	Q1	Q2	Q3	Q4	Fiscal	Q1	Q2	Q3	Q4	Fiscal
<i>(Dollars and per share)</i>										
Fully diluted net earnings	0.73	0.68	1.01	0.77	3.19	0.64	0.48	0.81	0.65	2.58
Banner conversion costs after taxes	0.03	—	0.02	0.01	0.06	—	—	—	—	—
Decrease in tax expense	—	—	(0.02)	—	(0.02)	(0.10)	—	—	—	(0.10)
Adjusted fully diluted net earnings ⁽¹⁾	0.76	0.68	1.01	0.78	3.23	0.54	0.48	0.81	0.65	2.48

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Cash Position

OPERATING ACTIVITIES

Operating activities generated cash flows of \$230.9 million in the fourth quarter and \$520.2 million for fiscal 2009, compared to \$185.5 million in the fourth quarter of 2008 and \$450.2 million for fiscal 2008. The increases in 2009 fourth quarter and fiscal year cash flows over the 2008 fourth quarter and fiscal year are due primarily to an increase in net earnings and a different variation in future taxes following the use of carried forward losses in 2009.

INVESTING ACTIVITIES

Investing activities required outflows of \$94.8 million in the fourth quarter and \$258.8 million for fiscal 2009 versus \$72.7 million in the fourth quarter of 2008 and \$188.6 million for fiscal 2008. These increases are due primarily to greater acquisition of fixed assets.

During fiscal 2009, the Company and its retailers invested \$376.3 million in our retail network for a gross expansion of 549,900 square feet and a net expansion of 280,500 square feet or 1.5%. Major renovations and expansions of 32 stores were completed and 13 new stores were opened.

FINANCING ACTIVITIES

Financing activities required outflows of \$58.8 million in the fourth quarter and \$171.7 million for fiscal 2009 versus 2008 fourth quarter and fiscal year outflows of \$85.8 million and \$210.4 million. The decreases in 2009 fourth quarter and fiscal year outflows from those in 2008 are attributable to lesser amounts by which long-term debt was paid down in the fourth quarter of 2009 compared to the same quarter of 2008 and to the minority interest buyback payment in the fourth quarter of 2008.

Financial Position

Despite the difficult economic environment, we do not anticipate⁽²⁾ any liquidity risk and consider that our financial position at the end of fiscal 2009 remains very solid. We had \$241.4 million in cash and cash equivalents and an unused authorized revolving line of credit of \$400.0 million. Our long-term debt corresponded to 30.7% of the combined total of long-term debt and shareholders' equity (long-term debt/total capital).

At the end of the fourth quarter of 2009, the main elements of our long-term debt were as follows:

	Interest Rate	Balance (Millions of dollars)	Maturity
Credit A Facility	Rates fluctuate with changes in bankers' acceptance rates	369.3	August 15, 2012
Series A Notes	4.98% fixed rate	200.0	October 15, 2015
Series B Notes	5.97% fixed rate	400.0	October 15, 2035

At the end of fiscal 2009, interest rate swap agreements in the notional amount of \$100.0 million were outstanding under our Credit A Facility. These agreements provide for the exchange of variable interest payments for fixed interest payments according to the following terms:

Fixed Rates	Notional Amount (Millions of dollars)	Maturity
3.9820%	50.0	December 16, 2009
4.0425%	50.0	December 16, 2010

Giving effect to these swap agreements, at the end of fiscal 2009, long-term indebtedness comprised \$700.0 million at fixed rates ranging from 4.482% to 5.97% and \$269.3 million at variable rates which fluctuate with changes in bankers' acceptance rates.

⁽¹⁾ See section on "Non-GAAP measurements"

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FINANCIAL RATIOS

	As at September 26, 2009	As at September 27, 2008
Financial structure		
Long-term debt <i>(Millions of dollars)</i>	1,004.3	1,005.0
Shareholders' equity <i>(Millions of dollars)</i>	2,264.1	2,068.3
Long-term debt/total capital (%)	30.7	32.7
	Fiscal 2009	Fiscal 2008
Results		
EBITDA ⁽¹⁾ /Financial costs <i>(Times)</i>	15.5	10.9

CAPITAL STOCK, STOCK OPTIONS AND PERFORMANCE SHARE UNITS

	As at September 26, 2009	As at September 27, 2008
Number of Class A Subordinate Shares outstanding <i>(Thousands)</i>	107,830	109,806
Number of Class B Shares outstanding <i>(Thousands)</i>	718	750
Stock options:		
Number outstanding <i>(Thousands)</i>	1,864	3,534
Exercise price <i>(Dollars)</i>	17.23 to 39.17	17.01 to 39.17
Weighted average exercise price <i>(Dollars)</i>	28.53	23.63
Performance share units:		
Number outstanding <i>(Thousands)</i>	268	258
Weighted average maturity <i>(Months)</i>	18	20

NORMAL COURSE ISSUER BID PROGRAM

The Company decided to renew the issuer bid program as an additional option for using excess funds. Thus, we will be able to decide, in shareholders' best interest, to reimburse debt or to repurchase shares. The Board of Directors authorized the Company to repurchase, in the normal course of business, between September 8, 2009 and September 7, 2010, up to 6,000,000 of its Class A Subordinate Shares representing approximately 5.5% of its issued and outstanding shares at the close of the Toronto Stock Exchange on August 5, 2009. Repurchases will be made through the stock exchange at market price and in accordance with its policies and regulations. The Class A Subordinate Shares so repurchased will be cancelled. Under the normal course issuer bid program covering the period from September 5, 2008 to September 4, 2009, the Company repurchased 4,597,200 Class A Subordinate shares at an average price of \$34.57 per share for a total of \$158.9 million. Under the program covering the period from September 8, 2009 to September 7, 2010, the Company has repurchased, as of November 6, 2009, 953,500 Class A Subordinate shares at an average price of \$34.61 per share for a total of \$33.0 million.

DIVIDENDS

On September 20, 2009, the Company's Board of Directors declared a quarterly dividend of \$0.1375 per Class A Subordinate Share and Class B Share payable November 17, 2009, an increase of 10.0% over the dividend for the same quarter last year. On an annualized basis, this dividend represents more than 20% of 2008 net earnings.

SHARE TRADING

The share price of METRO INC. shares remained in the range of \$27.38 to \$40.00 in fiscal 2009. During this period, a total of 114.9 million shares were traded on the Toronto Stock Exchange. The closing price on Friday, November 6, 2009 was \$33.50, compared to \$31.77 at the end of fiscal 2008.

⁽¹⁾ See section on "Non-GAAP measurements"

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New Accounting Policies

ADOPTED IN 2009

Inventories

In the first quarter of 2009, we adopted Section 3031 “Inventories”. Under this new standard, inventories are to be measured at the lower of cost and net realizable value, and the retail method may be used if the results approximate cost. In addition, all costs incurred in bringing the inventories to their present location and condition shall be included in the cost of inventories. Other costs are to be expensed in the period in which they are incurred.

We measure our wholesale inventories at the lower of cost, determined by the average cost method net of certain considerations received from vendors, and net realizable value. Retail inventories are valued at the retail price less the gross margin and certain considerations received from vendors. Following this new section’s adoption, we have included certain costs in our cost of inventories, such as receiving and shelving costs, as well as costs for products transformed in store. Warehousing costs are recognized as operating expenses.

New Section 3031 has been applied retrospectively with restatement of prior period financial statements.

The adjustments are explained in note 2 to the consolidated financial statements included in this press release.

Goodwill and Intangible Assets

In the first quarter of 2009, we adopted Section 3064 “Goodwill and Other Intangible Assets”. The new section states that upon their initial identification, intangible assets are to be recognized as assets only if they meet the definition of an intangible asset and the recognition criteria. As for subsequent measurement of intangible assets, goodwill and disclosure, Section 3064 carries forward the requirements of the former Section 3062 “Goodwill and Other Intangible Assets”. The adoption of these guidelines did not have any material effect on our results, financial position or cash flows.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In the second quarter of 2009, we adopted EIC-173 “Credit Risk and the Fair Value of Financial Assets and Financial Liabilities”. Under this new abstract, an entity’s own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of these guidelines did not have any material effect on our results, financial position or cash flows.

Financial Instruments

In the fourth quarter of 2009, we adopted the amendments to Section 3862 “Financial Instruments — Disclosures”. These amendments resulted in enhanced disclosures regarding fair value measurement of interest rate swaps and foreign exchange forward contracts. The adoption of these amendments had no effect on our results, financial position or cash flows.

RECENTLY ISSUED

International Financial Reporting Standards

On February 13, 2008, the Accounting Standards Board confirmed the date of the changeover from GAAP to International Financial Reporting Standards (IFRS). Canadian publicly accountable enterprises must adopt IFRS for their interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company’s IFRS changeover date will be the first day of fiscal 2012, namely September 25, 2011.

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We set up a project structure to achieve the changeover of our consolidated financial statements to IFRS. A multidisciplinary working group analyzes, recommends accounting policy choices and implements each IFRS standard. A steering committee made up of senior executives approves accounting policy choices and makes sure that IT, internal control, contractual and any other adjustments are made. The external auditors are notified of our choices and consulted on them. The Company's Audit Committee ensures that management fulfills its responsibilities and successfully accomplishes the changeover to IFRS.

We also developed a work plan whose phases are outlined in the following tables, with actions, timetable and progress.

Phase 1: Preliminary Study and Diagnostic

Actions	Identification of the IFRS standards that will require changes with regard to measurement in consolidated financial statements and disclosure. Rank of standards based on their anticipated impact on our consolidated financial statements and the efforts their implementation requires.
Timetable	End of our 2008 fiscal year.
Progress	Completed.

Phase 2: Analysis of Standards

Actions	Analysis of the differences between GAAP and IFRS. Selection of the accounting policies that the Company will apply on an ongoing basis. Company's selection of IFRS 1 exemptions at the date of transition. Calculation of the quantitative impacts on the consolidated financial statements. Disclosure analysis. Preparation of draft consolidated financial statements and notes. Identification of the collateral impacts in the following areas: <ul style="list-style-type: none"> • information technology; • internal control over financial reporting; • disclosure controls and procedures; • contracts; • compensation; • taxation; • training.
Timetable	We have prepared a detailed timetable which contemplates the bulk of the analysis that will be completed by the end of September 2010. We prioritized standards, based on their ranking in the diagnostic, the time needed to complete the analysis and implementation, working group members' availability, as well as the timing of discussion papers, exposure drafts and new standards to be issued by the International Accounting Standards Board (IASB).
Progress	At the end of the fourth quarter of fiscal 2009, we began the analysis of 25 IFRS standards and interpretations out of a total of approximately 50 that may have an impact on our Company.

⁽¹⁾ See section on "Non-GAAP measurements"

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Phase 3: Implementation

Actions	Preparation of the opening balance sheet at the date of transition. Compilation of the comparative financial data. Production of the interim consolidated financial statements and the associated disclosure. Production of the annual consolidated financial statements and the associated disclosure. Implementation of changes regarding collateral impacts.
Timetable	At the end of fiscal 2011, our opening balance sheet, comparative financial data under IFRS and changes regarding collateral impacts will be completed. In fiscal 2012, we will produce our interim and annual consolidated financial statements and disclosure in accordance with IFRS.
Progress	Not yet commenced.

Throughout our IFRS transition project, we will provide update reports on our work plan. We will also explain the main differences between our existing accounting policies and those we will be implementing under IFRS (both narrative and quantitative information), as well as our selection of IFRS 1 exemptions available at the date of transition.

Subsequent Events

Store Acquisition

Following the closing of our financial statements for the fiscal year ended September 26, 2009, we acquired 17 affiliate stores, including 15 GP stores, that the Company was already supplying. The acquisition of these stores will enable⁽²⁾ us to further consolidate our presence in Québec.

dunnhumby

METRO announced today the creation of dunnhumby Canada, an exclusive joint venture with dunnhumby, an international consulting and marketing service organization known worldwide for its expertise in transforming customer data analysis into actionable business decisions. The joint venture's mission is to better satisfy our customers' needs, therefore improving their loyalty, through the development and implementation of customer-centric strategies.

Press Release

This press release sets out the financial position and consolidated results of METRO INC. on September 26, 2009. It should be read in conjunction with the unaudited interim consolidated financial statements and accompanying notes in this press release along with the consolidated financial statements for the fiscal year ended September 27, 2008 and related notes and MD&A presented in the Company's 2008 Annual Report. Certain comparative figures in this press release have been restated as a consequence of the new accounting standard on inventories which the Company adopted in the first quarter of 2009. This press release is based upon information as at November 6, 2009 unless otherwise stated.

⁽¹⁾ See section on "Non-GAAP measurements"

⁽²⁾ See section on "Forward-looking information"

Forward-looking Information

We have used, throughout this press release, different statements that could, within the context of regulations issued by the Canadian Securities Administrators, be construed as being forward-looking information. In general, any statement contained herein, which does not constitute a historical fact, may be deemed a forward-looking statement. Expressions such as “continue”, “believe”, “do not anticipate”, “shall reduce”, “will be”, “will enable” and other similar expressions are generally indicative of forward-looking statements. The forward-looking statements contained herein are based upon certain assumptions regarding the Canadian food industry, the general economy, our annual budget as well as our 2010 action plan.

These forward-looking statements do not provide any guarantees as to the future performance of the Company and are subject to potential risks, known and unknown, as well as uncertainties that could cause the outcome to differ significantly. An economic slowdown or recession or the arrival of a new competitor are examples described under the “Risk Management” section of the 2008 Annual Report which could have an impact on these statements. We believe these statements to be reasonable and pertinent as at the time of publication of this press release and represent our expectations. The Company does not intend to update any forward-looking statements contained herein, except as required by applicable law.

Non-GAAP Measurements

In addition to the Canadian generally accepted accounting principles (GAAP) earnings measurements provided, we have included certain non-GAAP earnings measurements. These measurements are presented for information purposes only. They do not have a standardized meaning prescribed by GAAP and therefore may not be comparable to similar measurements presented by other public companies.

Earnings before financial costs, taxes, depreciation and amortization (EBITDA)

EBITDA is a measurement of earnings that excludes financial costs, taxes, depreciation and amortization. We believe that EBITDA is a measurement commonly used by readers of financial statements to evaluate a company's operational cash-generating capacity and ability to discharge its financial expenses.

Adjusted EBITDA, adjusted net earnings and adjusted fully diluted net earnings per share

Adjusted EBITDA, adjusted net earnings and adjusted fully diluted net earnings per share are earnings measurements that exclude non-recurring items. We believe that presenting earnings without non-recurring items leaves readers of financial statements better informed as to the current period and corresponding period's earnings, thus enabling them to better evaluate the Company's performance and judge its future outlook.

Conference Call

Financial analysts and institutional investors are invited to participate in a conference call on the 2009 fourth quarter results at **10:00 a.m. (EDT) on Wednesday, November 18, 2009**. To access the conference call, please dial (416) 644-3423 or (514) 807-8791. The media and investing public are invited to listen to the call in real time or delayed time on the METRO INC. Web site at www.metro.ca.

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⁽¹⁾ See section on “Non-GAAP measurements”

⁽²⁾ See section on “Forward-looking information”

Consolidated Statements of Earnings

Periods ended September 26, 2009 and September 27, 2008
(Unaudited) (Millions of dollars, except for net earnings per share)

	12 weeks Fiscal Year		52 weeks Fiscal Year	
	2009	2008 (Restated – note 2)	2009	2008 (Restated – note 2)
Sales	\$ 2,532.5	\$ 2,476.0	\$ 11,196.0	\$ 10,725.2
Cost of sales and operating expenses (note 8)	(2,366.1)	(2,320.4)	(10,480.8)	(10,103.9)
Share of earnings in a public company subject to significant influence	11.7	5.0	37.4	17.6
Banner conversion costs (note 3)	(2.3)	—	(11.0)	—
Earnings before financial costs, taxes, depreciation and amortization	175.8	160.6	741.6	638.9
Depreciation and amortization	(46.3)	(41.4)	(189.1)	(176.3)
Operating income	129.5	119.2	552.5	462.6
Financial costs, net (note 5)	(10.1)	(12.4)	(48.0)	(58.4)
Earnings before income taxes	119.4	106.8	504.5	404.2
Income taxes (note 6)	(35.0)	(34.3)	(150.1)	(113.9)
Earnings before minority interest	84.4	72.5	354.4	290.3
Minority interest	—	—	—	1.9
Net earnings	\$ 84.4	\$ 72.5	\$ 354.4	\$ 292.2
Net earnings per share (Dollars) (note 7)				
Basic	0.77	0.66	3.21	2.60
Fully diluted	0.77	0.65	3.19	2.58

See accompanying notes

Consolidated Balance Sheets

(Unaudited) (Millions of dollars)

	As at September 26, 2009	As at September 27, 2008 <small>(Restated – note 2)</small>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 241.4	\$ 151.7
Accounts receivable	315.8	302.7
Inventories (note 8)	681.3	641.6
Prepaid expenses	8.3	7.6
Income taxes receivable	6.6	25.0
Future income taxes	29.8	38.4
	1,283.2	1,167.0
Investments and other assets	204.0	176.1
Fixed assets	1,305.8	1,231.9
Intangible assets	325.4	328.6
Goodwill	1,478.6	1,478.6
Future income taxes	3.6	2.7
Accrued benefit assets	65.6	40.7
	\$ 4,666.2	\$ 4,425.6
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Bank loans	\$ 0.8	\$ 0.9
Accounts payable	1,111.2	1,062.7
Income taxes payable	24.8	50.9
Future income taxes	9.2	6.0
Current portion of long-term debt	6.4	6.3
	1,152.4	1,126.8
Long-term debt	1,004.3	1,005.0
Accrued benefit obligations	49.0	50.7
Future income taxes	165.0	140.8
Other long-term liabilities	31.4	34.0
	2,402.1	2,357.3
Shareholders' equity		
Capital stock (note 9)	716.7	697.6
Contributed surplus (note 10)	3.7	4.9
Retained earnings	1,545.7	1,366.8
Accumulated other comprehensive income (note 11)	(2.0)	(1.0)
	2,264.1	2,068.3
	\$ 4,666.2	\$ 4,425.6
<i>See accompanying notes</i>		

Consolidated Statements of Cash Flows

Periods ended September 26, 2009 and September 27, 2008
(Unaudited) (Millions of dollars)

	12 weeks Fiscal Year		52 weeks Fiscal Year	
	2009	2008 (Restated – note 2)	2009	2008 (Restated – note 2)
Operating activities				
Net earnings	\$ 84.4	\$ 72.5	\$ 354.4	\$ 292.2
Non-cash items				
Share of earnings in a public company subject to significant influence	(11.7)	(5.0)	(37.4)	(17.6)
Depreciation and amortization	46.3	41.4	189.1	176.3
Amortization of deferred financing costs	0.5	0.5	2.1	2.1
Loss on disposal and write-off of fixed and intangible assets	2.7	1.6	3.0	—
Gain on disposal of investments	—	—	(0.1)	(0.6)
Interest income on investments	—	—	(0.2)	—
Future income taxes	8.9	(3.8)	32.1	(8.7)
Stock-based compensation cost	1.2	1.1	5.0	3.8
Difference between amounts paid for employee future benefits over current period cost	(17.1)	(12.6)	(26.6)	(11.7)
Minority interest	—	—	—	(1.9)
	115.2	95.7	521.4	433.9
Net change in non-cash working capital related to operations	115.7	89.8	(1.2)	16.3
	230.9	185.5	520.2	450.2
Investing activities				
Net change in investments and other assets	(5.4)	7.8	(4.6)	1.8
Dividends from public company subject to significant influence	0.7	0.7	2.9	2.9
Addition to fixed assets	(82.2)	(77.2)	(235.1)	(171.5)
Proceeds on disposal of fixed assets	2.1	—	14.8	10.9
Addition to intangible assets	(10.0)	(4.0)	(36.8)	(32.7)
	(94.8)	(72.7)	(258.8)	(188.6)
Financing activities				
Net change in bank loans	(0.6)	0.3	(0.1)	0.8
Issuance of shares (note 9)	0.5	7.8	44.0	11.4
Redemption of shares (note 9)	(43.3)	(40.4)	(142.5)	(120.7)
Acquisition of treasury shares (note 9)	—	—	(4.3)	(0.9)
Performance share units cash settlement (note 10)	—	—	(0.5)	—
Increase of long-term debt	0.8	0.3	5.2	1.9
Repayment of long-term debt	(1.9)	(26.3)	(10.2)	(31.0)
Net change in other long-term liabilities	0.7	4.5	(4.0)	2.7
Dividends paid	(15.0)	(13.9)	(59.3)	(55.3)
Settlement and distribution to minority interest	—	(18.1)	—	(19.3)
	(58.8)	(85.8)	(171.7)	(210.4)
Net change in cash and cash equivalents	77.3	27.0	89.7	51.2
Cash and cash equivalents – beginning of period	164.1	124.7	151.7	100.5
Cash and cash equivalents – end of period	\$ 241.4	\$ 151.7	\$ 241.4	\$ 151.7
Other information				
Interest paid	2.2	2.6	47.0	55.4
Income taxes paid	18.5	20.2	105.3	121.8

See accompanying notes

Consolidated Statements of Retained Earnings

Periods ended September 26, 2009 and September 27, 2008
(Unaudited) (Millions of dollars)

	Fiscal Year	
	2009	2008 (Restated – note 2)
Balance – beginning of period	\$ 1,359.6	\$ 1,214.3
Adjustment due to a new accounting policy related to inventories (note 2)	7.2	7.7
Restated balance	1,366.8	1,222.0
Net earnings	354.4	292.2
Dividends	(59.3)	(55.3)
Share redemption premium (note 9)	(116.2)	(92.1)
Balance – end of period	\$ 1,545.7	\$ 1,366.8

See accompanying notes

Consolidated Statements of Comprehensive Income

Periods ended September 26, 2009 and September 27, 2008
(Unaudited) (Millions of dollars)

	12 weeks Fiscal Year		52 weeks Fiscal Year	
	2009	2008 (Restated – note 2)	2009	2008 (Restated – note 2)
Net earnings	\$ 84.4	\$ 72.5	\$ 354.4	\$ 292.2
Other comprehensive income (note 11)				
Change in fair value of derivatives designated as cash flow hedges	0.8	(0.3)	(1.4)	(3.3)
Corresponding income taxes	(0.2)	0.1	0.4	1.1
Comprehensive income	\$ 85.0	\$ 72.3	\$ 353.4	\$ 290.0

See accompanying notes

Notes to Interim Consolidated Statements

Periods ended September 26, 2009 and September 27, 2008
(Unaudited) (Millions of dollars, unless otherwise indicated)

1. Statement Presentation

The unaudited interim consolidated financial statements were prepared by management in accordance with Canadian generally accepted accounting principles (GAAP). The accounting policies and procedures used in preparing these interim consolidated financial statements are the same as those used in preparing the audited annual consolidated financial statements for the year ended September 27, 2008, except for the new accounting policies described in note 2. The unaudited interim consolidated financial statements should be read along with the audited annual consolidated financial statements and notes to the statements in the Company's 2008 Annual Report. The operating results for the interim period covered do not necessarily reflect overall results for the fiscal year. Certain comparative figures have been reclassified to conform to the presentation being used in the current fiscal year.

2. New Accounting Policies

ADOPTED IN 2009

Inventories

In the first quarter of 2009, the Company adopted Section 3031 "Inventories". Under this new standard, inventories are to be measured at the lower of cost and net realizable value, and the retail method may be used if the results approximate cost. In addition, all costs incurred in bringing the inventories to their present location and condition shall be included in the cost of inventories. Other costs are to be expensed in the period in which they are incurred.

The Company measures its wholesale inventories at the lower of cost, determined by the average cost method net of certain considerations received from vendors, and net realizable value. Retail inventories are valued at the retail price less the gross margin and certain considerations received from vendors. Following this new section's adoption, the Company has included certain costs in its cost of inventories, such as receiving and shelving costs, as well as costs for products transformed in store. Warehousing costs are recognized as operating expenses.

New Section 3031 has been applied retrospectively with restatement of prior period financial statements.

The Company recorded the following adjustments for the year ended September 27, 2008:

Balance sheet components

<i>Increase or (Decrease)</i>	Beginning balance September 30, 2007	Ending balance September 27, 2008
Inventories	26.8	26.0
Goodwill	(11.5)	(11.5)
Long-term future income tax liabilities	7.6	7.3
Retained earnings	7.7	7.2

Earnings components

<i>Increase or (Decrease)</i>	12-week period ended September 27, 2008	52-week period ended September 27, 2008
Cost of sales and operating expenses	(0.2)	0.8
Income taxes	—	(0.3)
Net earnings	0.2	(0.5)
Basic net earnings per share (<i>Dollars</i>)	0.01	—
Fully diluted net earnings per share (<i>Dollars</i>)	0.01	—

2. New Accounting Policies (cont'd)

Goodwill and Intangible Assets

In the first quarter of 2009, the Company adopted Section 3064 "Goodwill and Intangible Assets". The new section states that upon their initial identification, intangible assets are to be recognized as assets only if they meet the definition of an intangible asset and the recognition criteria. As for subsequent measurement of intangible assets, goodwill and disclosure, Section 3064 carries forward the requirements of the former Section 3062 "Goodwill and Other Intangible Assets". The adoption of these guidelines did not have any material effect on the Company's results, financial position or cash flows.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In the second quarter of 2009, the Company adopted EIC-173 "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". Under this new abstract, an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of these guidelines did not have any material effect on the Company's results, financial position or cash flows.

Financial Instruments

In the fourth quarter of 2009, the Company adopted the amendments to Section 3862 "Financial Instruments — Disclosures". These amendments resulted in enhanced disclosures regarding fair value measurement of interest rate swaps and foreign exchange forward contracts. The adoption of these amendments had no effect on the Company's results, financial position or cash flows.

3. Banner Conversion Costs

On August 7, 2008, the Company announced its conversion plan for changing the five banners under which it operates its 159 Ontario supermarkets to the Metro banner by December 2009. The Company also announced that an amount of approximately \$25 will be incurred for this conversion, most of which had already been recorded under the A&P Canada integration plan.

Banner conversion costs of \$11.0 for the 52-week period of 2009, including \$2.3 incurred in the fourth quarter, are part of those not recorded under the A&P Canada integration plan.

4. Employee Future Benefits

The Company offers several defined benefit and defined contribution plans that provide most participants with pension, other retirement and other post-employment benefits. The Company's defined benefit and defined contribution plan expenses were as follows:

	12 weeks Fiscal Year				52 weeks Fiscal Year			
	2009		2008		2009		2008	
	Pension plans	Other plans	Pension plans	Other plans	Pension plans	Other plans	Pension plans	Other plans
Defined contribution plans	\$ 8.5	\$ 0.1	\$ 5.2	\$ 0.1	\$ 30.0	\$ 0.6	\$ 25.1	\$ 0.5
Defined benefit plans								
Current service cost	5.0	0.5	5.5	(0.1)	21.0	1.5	23.9	1.0
Interest cost	7.8	0.7	7.1	0.5	33.6	2.2	30.6	2.0
Projected return on plan assets	(8.5)	—	(10.0)	—	(38.9)	—	(42.6)	—
Amortization of actuarial losses (gains) and past service cost	0.5	(0.3)	0.5	—	0.5	(0.3)	0.5	—
Plan amendments	(0.3)	(0.2)	(0.8)	(0.2)	0.9	(0.3)	0.7	(0.2)
	4.5	0.7	2.3	0.2	17.1	3.1	13.1	2.8
	\$ 13.0	\$ 0.8	\$ 7.5	\$ 0.3	\$ 47.1	\$ 3.7	\$ 38.2	\$ 3.3

5. Financial Costs, net

	12 weeks Fiscal Year		52 weeks Fiscal Year	
	2009	2008	2009	2008
Interest, short term	\$ 0.1	\$ 0.3	\$ 1.7	\$ 2.2
Interest, long term	9.8	12.5	46.1	57.0
Amortization of deferred financing costs	0.5	0.5	2.1	2.1
Interest income	(0.3)	(0.9)	(1.9)	(2.9)
	\$ 10.1	\$ 12.4	\$ 48.0	\$ 58.4

6. Income Taxes

The effective income tax rates were as follows:

<i>(Percentage)</i>	12 weeks Fiscal Year		52 weeks Fiscal Year	
	2009	2008 (Restated – note 2)	2009	2008 (Restated – note 2)
Combined statutory income tax rate	31.1	31.5	31.3	31.3
Changes				
Impact of 4.35% decrease in Quebec tax rate on future taxes on investment income (2009 – \$2.7)	—	—	(0.5)	—
Impact of 3.5% decrease in federal tax rate on future taxes (2008 – \$11.4)	—	—	—	(2.8)
Share of earnings in a public company subject to significant influence	(2.2)	(1.1)	(1.3)	(0.8)
Others	0.4	1.7	0.3	0.5
	29.3	32.1	29.8	28.2

7. Net Earnings per Share

Basic net earnings per share and fully diluted net earnings per share were calculated based on the following number of shares:

<i>(Millions)</i>	12 weeks Fiscal Year		52 weeks Fiscal Year	
	2009	2008	2009	2008
Weighted average number of shares outstanding – Basic	109.0	111.1	110.4	112.6
Dilutive effect under stock option plan and performance share units	0.5	0.8	0.7	0.7
Weighted average number of shares outstanding – Diluted	109.5	111.9	111.1	113.3

8. Inventories

Inventories were detailed as follows:

	As at September 26, 2009	As at September 27, 2008 (Restated – note 2)
Wholesale inventories	\$ 304.0	\$ 293.7
Retail inventories	377.3	347.9
	\$ 681.3	\$ 641.6

The cost of inventories recognized as an expense for the 12-week period ended September 26, 2009 was \$2,083.9 (2008 – \$2,049.7) and \$9,218.0 for the 52-week period of 2009 (2008 – \$8,895.6).

9. Capital Stock

Outstanding

	Class A Subordinate Shares		Class B Shares		Total
	Number (Thousands)		Number (Thousands)		
Balance as at September 27, 2008	109,806	\$ 696.1	750	\$ 1.5	\$ 697.6
Shares issued for cash	2,044	44.0	—	—	44.0
Shares redeemed for cash, excluding premium of \$116.2	(3,989)	(26.3)	—	—	(26.3)
Acquisition of treasury shares, excluding premium of \$3.6	(115)	(0.7)	—	—	(0.7)
Released treasury shares	52	0.3	—	—	0.3
Stock options exercised	—	1.8	—	—	1.8
Conversion of Class B Shares into Class A Subordinate Shares	32	0.1	(32)	(0.1)	—
Balance as at September 26, 2009	107,830	\$ 715.3	718	\$ 1.4	\$ 716.7

Stock Option Plan

The outstanding options and the changes during the 52-week period of fiscal 2009 were summarized as follows:

	Number (Thousands)	Weighted average exercise price (Dollars)
Balance as at September 27, 2008	3,534	23.63
Granted	343	36.78
Exercised	(2,011)	21.31
Cancelled	(2)	34.86
Balance as at September 26, 2009	1,864	28.53

The exercise prices of the outstanding options ranged from \$17.23 to \$39.17 as of September 26, 2009 with expiration dates up to 2016. 506,640 of those options could be exercised at a weighted average exercise price of \$24.83.

The weighted average fair value of stock options granted during the 52-week period ended September 26, 2009 was \$7.88 (2008 – \$6.17) and was established at the time of grant using the Black & Scholes model and based on the following weighted average assumptions: risk-free interest rate of 2.3% (2008 – 3.3%), expected six-year term (2008 – six-year term), anticipated volatility of 22.0% (2008 – 22.3%) and an anticipated 1.4% dividend yield (2008 – 1.4%).

The compensation expense for these stock options amounted to \$0.5 for the 12-week period ended September 26, 2009 (2008 – \$0.5) and \$2.3 for the 52-week period of 2009 (2008 – \$1.9).

9. Capital Stock (cont'd)

Performance Share Unit Plan

Performance share units (PSUs) outstanding and changes during the 52-week period of fiscal 2009 were summarized as follows:

	Number (Units)
Balance as at September 27, 2008	257,986
Granted	97,394
Settled	(64,177)
Cancelled	(23,633)
Balance as at September 26, 2009	267,570

The Company holds in trust Class A Subordinate Shares for participants until the PSUs shall be vested or cancelled. The trust, considered a variable interest entity, is consolidated in the Company's financial statements with the cost of the acquired shares presented as treasury shares reducing capital stock.

The number of treasury shares and changes during the 52-week period of fiscal 2009 were summarized as follows:

	Number (Units)
Balance as at September 27, 2008	194,000
Acquisition of treasury shares	115,000
Released treasury shares	(51,745)
Balance as at September 26, 2009	257,255

A compensation expense of \$0.7 and \$2.7 respectively during the 12-week period and the 52-week period ended September 26, 2009 pertaining to PSUs was recorded (2008 - \$0.6 and \$1.9).

10. Contributed Surplus

Balance as at September 27, 2008	\$ 4.9
Stock-based compensation cost	5.0
Stock options exercised	(1.8)
Acquisition of treasury shares	(3.6)
Released treasury shares	(0.3)
PSUs cash settlement	(0.5)
Balance as at September 26, 2009	\$ 3.7

11. Accumulated Other Comprehensive Income

Derivatives designated as cash flow hedges constitute the sole item in Accumulated Other Comprehensive Income. The changes that occurred during the 52-week period were as follows:

	Fiscal Year	
	2009	2008
Balance – beginning of year	\$ (1.0)	\$ 1.2
Change in fair value of derivatives designated net of income taxes of \$0.4 (2008 – \$1.1)	(1.0)	(2.2)
Balance – end of year	\$ (2.0)	\$ (1.0)

12. Subsequent Events

Store Acquisition

Following the closing of its financial statements for the fiscal year ended September 26, 2009, the Company acquired 17 affiliate stores which it was already supplying. The acquisition of these stores will enable the Company to consolidate its presence in Québec.

dunnhumby

The Company has entered into an agreement with dunnhumby, an international consulting and marketing service organization, to create an exclusive joint venture who's mission is to better satisfy our customers' needs, therefore improving their loyalty, through the development and implementation of customer-centric strategies.