METRO INC

ANNUAL INFORMATION FORM

Year ended September 30, 2006

December 12, 2006

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N.B. :

- All disclosures in this Annual Information Form are as of September 30, 2006 unless otherwise indicated.
- Documents referred to from time to time in this Annual Information Form are incorporated by reference.

1 Incorporation

1.1 INCORPORATION OF THE ISSUER — METRO INC. (the "Company") is governed by Part IA of the *Companies Act* (Quebec) and results from the amalgamation on April 30, 1982 of Métro-Richelieu Group Inc. and United Grocers Inc. Métro-Richelieu Group Inc. was incorporated under the name Magasins LaSalle Stores Limitée by letters patent dated December 22, 1947 under the *Companies Act* (Quebec) and in September 1976, the company, then known as Metro Food Stores Ltd., merged with Richelieu Groceries Limited under the name Métro-Richelieu Inc., which was changed to Métro-Richelieu Group Inc. in 1979. United Grocers Inc. was incorporated under the *Companies Act* (Quebec) by letters patent dated August 31, 1928. By certificate of amendment dated September 25, 1986, the Company's name was changed from Groupe des Epiciers Unis Métro-Richelieu Inc., the name which it had used since its amalgamation on April 30, 1982, to Métro-Richelieu Inc. By certificate of amendment dated January 26, 2000, the name of the Company was changed to its present name.

The Company's head office and principal place of business is located at 11011 Maurice-Duplessis Boulevard, Montréal, Quebec H1C 1V6.

In this Annual Information Form, "METRO" means, depending on the context, the Company and all or some of its subsidiaries collectively or the Company or one or more of its subsidiaries.

1.2 SUBSIDIARIES — The following table lists METRO's main subsidiaries, the jurisdiction under which they are incorporated, the percentage of the voting rights and the percentage of the non-voting securities of its subsidiaries held by METRO.

	Percentage of voting rights	Percentage of non-voting shares	Jurisdiction of Incorporation
Metro Richelieu Inc.	100%	100%	Canada
Loeb Canada Inc.	100%	N/A	Canada
McMahon Distributeur pharmaceutique Inc.*	100%	100%	Canada
4296711 Canada Inc.	100%	N/A	Canada
A&P Canada Co.**	100%	N/A	Nova Scotia

* *METRO holds this company indirectly through Metro Richelieu Inc.*

** *METRO holds this company indirectly through 4296711 Canada Inc. By certificate of name change dated June 15, 2006, The Great Atlantic & Pacific Company of Canada became A&P Canada Co. ("A&P Canada").*

2 General Development of the Business over the Past Three Years

Over the past three fiscal years, i.e. 2004, 2005 and 2006, METRO and its retailers have invested $670 million in the food stores. Sales have grown at an annual compound rate of 2.21% (excluding sales generated by A&P Canada as well as the effect of the 53rd week) and retail floor space has increased by 2.0% annually (excluding the effect of the acquisition of A&P Canada). Major work was carried out on a total of 155 stores, with 41 new stores, 35 stores expanded and 79 stores fully renovated (including the renovations performed in the A&P Canada network, which can be detailed as follows: 7 new stores, 4 stores expanded and 15 stores fully renovated during fiscal 2006).

This investment laid solid and durable foundations throughout the serviced territory on which METRO and its retailers continue to build. Our retail network meets real customer needs with friendly stores, personalized service and a wide range of quality products at very competitive prices.

The highlights of the past three years are described below:

2006:

Following the acquisition of A&P Canada, METRO continued the implementation of its integration and rationalization plan. The plan, which includes three stages, namely store network, operations, and implementation of the Company's information systems at A&P, progressed significantly in fiscal 2006. The Company finished converting the Ontario Super C discount stores to the Food Basics or Loeb banner and put in place new organizational structures that optimize Quebec and Ontario divisions' operations, such as a national procurement group for grocery and private label products to provide the various banners with the best products at the best possible prices. With $51.3 million in synergies achieved in fiscal 2006, METRO exceeded its initial first-year target of $35 million.

Mr. L.G. Serge Gadbois left his functions on January 29, 2006 as Senior Vice-President, Finance and Treasurer, after 22 years of service. He was replaced by Mr. Richard Dufresne as Senior Vice-President and Chief Financial Officer and Treasurer.

During fiscal 2006, METRO realized a gain of $10.5 million before taxes on the disposal of its 14% share in Achille de la Chevrotière Limitée, a grocery distributor located in Northwestern Québec.

2005 :

In the spirit of their past relations, METRO, Développements Orano Inc. and Alimentation Couche-Tard Inc. signed a new shareholder agreement to replace the 1987 agreement signed when METRO sold the 7 Jours convenience stores to Alimentation Couche-Tard Inc. METRO will thus retain certain rights pertaining to the initial agreement, such as a preemptive right and the right to nominate one person for election to the Board of Directors of Alimentation Couche-Tard Inc. as long as METRO holds at least 5% of the total outstanding shares of Alimentation Couche-Tard Inc. on a fully diluted basis. In addition, METRO and Développements Orano Inc. retain a reciprocal right of first refusal on the sale and transfer of the shares of Alimentation Couche-Tard Inc. that they hold, subject to certain exceptions.

On August 13, 2005, METRO acquired all the shares of The Great Atlantic and Pacific Tea Company for a price of $1,700 million. Following this acquisition, the Company implemented a corporate reorganization and The Great Atlantic and Pacific Tea Company became The Great Atlantic & Pacific Company of Canada (now known as A&P Canada Co.).

On October 12, 2005, METRO issued 10-year medium term notes in a principal amount of $200 million maturing on October 15, 2015 and 30-year medium term notes in a principal amount of $400 million maturing on October 15, 2035. The proceeds of these issues were, *inter alia*, used to repay part of the credit facilities obtained through a bank syndicate (for more details, refer to Item 6.2 – "Debts and Credit Ratings").

2004 :

METRO renovated or modified 36 Metro stores to integrate its new Metro Plus concept. Metro Plus offers a wide range of new products and services in addition to those generally available such as: non-food, organic, health and beauty, floral and seasonal products, etc.

3} Description of the Business

3.1 BUSINESS OF THE COMPANY — Although the food retailing markets in Quebec and Ontario are highly competitive, METRO holds a leadership position in them and intends to increase its market shares thanks to its site selection, dynamic marketing focused on consumer needs, and the modernization of its stores and information systems.

As of September 30, 2006, METRO supplied 669 stores in Quebec and Ontario, i.e., 166 Metro and 61 Metro Plus stores, 35 Loeb stores, 55 Super C discount stores, 51 Dominion stores, 67 A&P stores, three Ultra Food & Drug stores, nine The Barn Markets stores, 114 Food Basics stores and 108 Marché Richelieu neighbourhood stores.

METRO also supplies almost 4,000 customers such as oil companies, hotels and restaurants, as well as small retail outlets.

The Company's five warehouses and three cash-and-carry stores ensure the procurement and storage of grocery products, general merchandise, non-perishable goods and certain dairy products.

METRO also operates 14 warehouses for the procurement and storage of meat, frozen foods, fruits and vegetables as well as for the supply of institutional clients and small retail outlets.

The Company operates in the pharmaceutical sector and serves directly, from two warehouses or through authorized suppliers, independent and/or (in Ontario) corporate drugstores and health care institutions such as hospitals and nursing homes throughout Quebec and Ontario.

Its subsidiary, McMahon Distributeur pharmaceutique inc. is the franchisor for the Brunet banner, which totalled 112 drugstores as of September 30, 2006. McMahon Distributeur pharmaceutique inc. also supplies a network of drugstores focusing on professional pharmacy services that operate under the Clini-Plus banner. As of September 30, 2006, the Clini-Plus banner totalled 72 stores.

As of September 30, 2006, 78 of A&P Canada's stores provided full in-store pharmacy services. These drugstores operate under two banners, Pharmacy and Drug Basics. The operations of McMahon Distributeur pharmaceutique inc. are concentrated in Quebec, whereas those of A&P Canada are in Ontario.

3.2 CLIENTS AND SUPPLIERS — The Metro, Metro Plus, Super C, Marché Richelieu, Loeb, Dominion, A&P, Ultra Food & Drug, The Barn Markets and Food Basics banners are designed to meet specific consumer needs. Each one presents a consistent image to the public and is backed by specialized technical support.

As of September 30, 2006, the majority of food stores displaying the Metro, Metro Plus and Marché Richelieu banners are owned by affiliated retailers or franchisees, whereas 39 of the 114 Food Basics food stores are operated by franchisees. The Company offers a range of services to its banner retailers and, in many cases, these services are self-financed since they are billed directly to the stores that use them. The services include merchandising, marketing and advertising programs as well as retail accounting and data processing, store installations and equipment, insurance programs and other analysis and advisory programs. As a whole, these products and programs reflect METRO's policy, which is to offer its affiliated retailers and franchisees a comprehensive, high-quality service. METRO also offers its banner retailers a range of commercial programs, as well as rebates and loyalty incentives, all of which are competitive in the food industry.

METRO also offers most of these services to its Brunet banner franchisees through its subsidiary, McMahon Distributeur pharmaceutique Inc.

METRO grants the right to operate under its banners at its sole discretion. Retailers who wish to operate under one of the Company's banners must first meet certain criteria. Most affiliated retailers are bound by various agreements with METRO.

The Company's operations are not dependent on a single client or a small number of clients, and are not seasonal in nature. The Company maintains business relationships with a large number of national and regional suppliers, and holds sufficient inventories to ensure product availability.

The Company and A&P Canada entered into an information technology services agreement pursuant to which The Great Atlantic & Pacific Tea Company, Inc. ("A&P US") is providing A&P Canada with certain information technology services for an initial term of 24 months and for a base annual fee of $20 million.

3.3 HUMAN RESOURCES — As of September 30, 2006, the Company had 65,000 direct and indirect employees. METRO employed directly 38,567 persons, 34,896 of whom were governed by 130 collective agreements. During the past fiscal year, METRO negotiated and renewed 16 collective agreements covering 1,801 employees. These agreements are in force for periods of 24 months to 86 months and will expire between January 31, 2008 and October 1st, 2013. As of September 30, 2006, 15 collective agreements had expired and are or will soon be under negotiation. These collective agreements covered 14,663 employees. Over the next fiscal year, 18 collective agreements covering 12,355 employees will expire, while three agreements covering 132 employees will be reopened with regard to compensation.

As for the other collective agreements, 77 agreements covering 5,901 employees will expire between October 3, 2007 and December 30, 2013, while one collective agreement covering 44 employees will be reopened with regard to compensation.

3.4 TRADE-MARKS AND TRADE NAMES — The Company uses and has exclusive ownership of several trade-marks and trade names. Its principal banners are Metro, Metro Plus, Super C, Marché Richelieu, Loeb, Dominion, A&P, Ultra Food & Drug, The Barn Markets, Food Basics, Brunet, Clini Plus, Pharmacy and Drug Basics. Its private labels are identified by the following trade-marks, among others: Irresistible, Merit Selection Merite, Super C, Econochoice, Master Choice and Equality. The Company makes sure that it protects its assets by registering them or by other measures. Furthermore, in connection with the acquisition of A&P Canada, the Company and A&P US have entered into an agreement for the use of the marks "A&P" and "Atlantic & Pacific".

3.5 SOCIAL AND ENVIRONMENTAL POLICIES — The Company has adopted many years ago an environmental policy which specifies that the Company must take the necessary steps to comply with the applicable legal requirements and to improve, on an ongoing basis, its environmental performance. A committee made up of members of the management ensures the implementation of the policy and of programs to reduce the impact of the operations on the environment. Also, environmental audits are conducted regularly in all of the Company's facilities and corrective actions, if necessary, are taken quickly.

To the Company's knowledge, requirements related to environmental protection do not and will not have any significant impact on METRO's capital spending, earnings or competitive position within the normal course of its operating activities.

In addition, in its efforts to ensure the well-being of its employees at work, METRO has adopted a policy prohibiting any form of harassment.

3.6 RESEARCH AND DEVELOPMENT — METRO, through its marketing research department, produces studies on consumer food habits and needs. Moreover, the Company has created a department dedicated mainly to the development of private-label products that better suit its customers' new consumption patterns.

3.7 REGULATIONS — METRO's operating activities require certain government permits and licences, in particular pertaining to alcoholic beverages and health products. METRO believes that it holds all licences and permits required for the proper conduct of these activities. Also, the Company sells certain products subject to price regulation: medication, milk, beer and wine.

3.8 LOAN OPERATIONS — METRO does not have any loan operations as such. However, in the normal course of its business, situations may arise where METRO might grant loans.

3.9 REORGANIZATIONS — In connection with the acquisition of A&P Canada, the Company carried out the following corporate reorganization:

1. On August 15, 2005, 4296711 Canada Inc., a subsidiary of the Company which acquired the shares of The Great Atlantic and Pacific Tea Company, transferred the shares of The Great Atlantic and Pacific Tea Company to 3103672 Nova Scotia Company, a subsidiary of 4296711 Canada Inc.;
2. On August 16, 2005, The Great Atlantic and Pacific Tea Company amalgamated with 3103672 Nova Scotia Company, the resulting company being called The Great Atlantic and Pacific Tea Company;
3. On August 17, 2005, The Great Atlantic and Pacific Tea Company amalgamated with its subsidiary The Great Atlantic & Pacific Company of Canada, the resulting company being called The Great Atlantic & Pacific Company of Canada. By certificate of name change dated June 15, 2006, the company is now called A&P Canada Co.

3.10 RISK FACTORS — The risk factors are described on page 31 of METRO's 2006 Annual Report under "Risk Management" in Management's Discussion and Analysis.

4} Dividends

The dividend policy is described on page 24 of METRO's 2006 Annual Report under "Dividend Policy" in Management's Discussion and Analysis.

In the past three fiscal years, the Company paid the following dividends per share:

Dividends paid

Class of Share	2006	2005	2004
Class A Subordinate Shares	$ 0.415	$ 0.385	$ 0.325
Class B Shares	$ 0.415	$ 0.385	$ 0.325

5} Structure of the Share Capital

The Class A Subordinate Shares and the Class B Shares of the Company are restricted shares (within the meaning of the applicable Canadian securities regulations) in that they do not carry equal voting rights. Each Class A Subordinate Share entitles its holder to one vote and each Class B Share entitles its holder to 16 votes. As regards any dividends declared, paid or reserved for payment during any fiscal year in respect of the Class A Subordinate Shares and the Class B Shares, the Class A Subordinate Shares and the Class B Shares shall participate on a per share basis. In the event of the Company's liquidation or dissolution or of any other distribution of its assets among its shareholders with a view to winding up its business, all Company assets available for distribution and payment to the holders of Class A Subordinate Shares and Class B Shares shall be paid and distributed equally on a per share basis to the holders of Class A Subordinate Shares and Class B Shares.

Subject to the restrictions hereinafter provided, if a take-over bid for the Class B Shares is made to the holders of Class B Shares without being made simultaneously and on the same terms and conditions to the holders of Class A Subordinate Shares, each Class A Subordinate Share becomes convertible into one Class B Share at the holder's option in order to entitle the holder to accept the take-over bid, from the date the take-over bid is made. However, such right of conversion is deemed not to have become effective if the holders of Class B Shares who hold, directly or indirectly, more than 50% of the Class B Shares outstanding on the date of the take-over bid have refused the bid prior to its expiry. In addition, such right of conversion is deemed not to have become effective if the take-over bid is not completed by the offeror. The Articles of the Company contain a definition of a take-over bid which triggers such right of conversion, provide for certain procedures to be followed in order to exercise such right of conversion and stipulate that, upon the making of any such take-over bid, the Company or the transfer agent will communicate in writing with the holders of the Class A Subordinate Shares in order to provide them with the particulars of the manner in which they may exercise their right of conversion.

The Class B Shares are subject to restrictions regarding their issue, holding and transfer. No Class B Shares may be issued, held or transferred except in blocks of 10,800 (which number shall be adjusted in response to any Board-authorized stock split on the split's effective date). Furthermore, these shares may not be issued, held or transferred except to persons meeting special criteria defined in the Articles of the Company. Class B Shares held by a disqualified holder will be converted into fully paid, non-assessable Class A Subordinate Shares at a rate of one Class A Subordinate Share for one Class B Share.

An agreement was entered into on August 15, 2005 between A&P US, A&P Luxembourg s.à.r.l. ("A&P Luxembourg") and the Company with respect to the issue of 18,076,645 Class A Subordinate Shares of the Company to A&P Luxembourg. Under this agreement, the parties' principal rights and obligations are as follows:

(i) A&P US's ownership of Shares of the Company (directly and through A&P Luxembourg) will be subject to a 5 year standstill period, during which time A&P US (and A&P Luxembourg) will not be permitted to increase, directly or indirectly, its ownership interest in the Company to 20% or more of all issued and outstanding Class A Subordinate Shares at any time without the approval of the Company;

(ii) A&P US will benefit from customary demand and piggy-back registration rights; and

(iii) In the event A&P US or A&P Luxembourg decides to sell or otherwise transfer in a single transaction or series of related transactions, 25% or more of the Class A Subordinate Shares they own, the Company or a third party designated by the Company will have a right of first opportunity to purchase such shares from A&P US or A&P Luxembourg in accordance with agreed upon procedures.

Furthermore, pursuant to that agreement, A&P Luxembourg and A&P US have the right to designate a total of two candidates for a director position of the Company as long as they hold together 10% or more of all the issued and outstanding Class A Subordinate Shares or one candidate for a director position of the Company where they hold together 5% or more, but less than 10% of all the issued and outstanding Class A Subordinate Shares.

Information concerning the issued share capital can be found on page 49 of METRO's 2006 Annual Report, in Note 15 to the Consolidated Financial Statements.

6} Market for Securities

6.1 TRADING PRICE AND VOLUME — The Class A Subordinate Shares of METRO are listed on the Toronto Stock Exchange under the ticker symbol MRU.A.

The table below shows the monthly range close-of-market highs and lows, monthly trading volume and average daily volume for the last fiscal year.

Trading price and volume

Month	Monthly high ($)	Monthly low ($)	Total monthly volume	Average daily volume
October 2005	36.00	30.90	3,571,295	178,565
November 2005	34.90	31.80	3,309,886	150,449
December 2005	32.20	29.11	4,819,020	240,951
January 2006	31.42	29.80	3,331,091	158,623
February 2006	31.00	28.47	3,928,837	196,442
March 2006	31.95	29.26	3,104,014	134,957
April 2006	33.50	29.84	2,723,035	143,318
May 2006	33.00	30.50	2,899,972	131,817
June 2006	32.40	29.15	3,180,197	144,554
July 2006	31.35	29.60	2,071,075	103,554
August 2006	31.66	29.25	3,528,406	160,382
September 2006*	34.73	31.00	4,712,375	235,619

**For the period ended September 30, 2006*

6.2 DEBTS AND CREDIT RATINGS

Credit Ratings: During the year, the firms of Standard & Poor's and Dominion Bond Rating Services ("DBRS") gave the Company a credit rating of BBB.

Credit ratings established by these rating agencies are based on quantitative and qualitative considerations relevant to the Company. The credit ratings are intended to indicate the risk that the Company will not satisfy its obligations on a timely basis and disregard certain factors such as market risk or price risk, since these factors should be considered by investors as risk factors in their process of investment decision making. Such ratings do not constitute a recommendation to purchase, hold or sell the securities and may be changed or withdrawn at any time by the rating agencies.

The Standard & Poor's and DBRS ratings for long term borrowing vary between AAA and D. The BBB rating granted by Standard & Poor's and DBRS testifies to the existence of adequate protection mechanisms. However, an unfavourable economic situation or changing circumstances could affect the Company's ability to meet its financial commitments compared with companies that have obtained a higher rating.

Debts: On August 12, 2005, the Company entered into a new credit agreement with a bank syndicate, providing for credit facilities in an aggregate amount of $1,650 million .

On October 12, 2005, METRO issued 10-year and 30-year medium term notes maturing respectively on October 15, 2015 and October 15, 2035.

The 10-year medium term notes in a principal amount of $200 million bear interest at a rate of 4.98% per annum and the 30-year medium term notes in a principal amount of $400 million bear interest at a rate of 5.97%.

A portion of the proceeds of issuance of the medium term notes was used to repay the entire $400 million balance of the 3-year credit facility, an amount of $100 million served to reduce the 5-year credit facility and the balance of the proceeds was set aside as short-term liquidity.

On December 22, 2005, the credit agreement was amended and restated from its original version signed on August 12, 2005 reflecting, in particular, the partial repayment of the credit facilities made by the Company, and providing for the release of guarantees granted by the Company's main subsidiaries.

The Company has set itself the objective of rapidly improving its balance sheet with the aim of accelerating repayment of its long term debt. In fact, since August 12, 2005, the Company has reimbursed a principal amount of approximately $180 million on its long term debt.

The table below indicates the principal amount outstanding at the end of the financial year considering the credit facilities and medium term notes mentioned here above.

Financings*

Type	Maturing	Principal amount outstanding as of 08/12/05	Principal amount outstanding as of 09/24/05	Principal amount outstanding as of 10/12/05	Principal amount outstanding as of 09/30/06
Operating credit**	08/15/2010	$ 0	$ 0	$ 80 million	$ 0
Credit facility (3 years)	08/15/2008	$ 500 million	$ 400 million	$ 0	$ 0
Credit facility (5 years)	08/15/2010	$ 750 million	$ 750 million	$ 650 million	$ 469 million
Medium term notes (10 years)	10/15/2015	$ 0	$ 0	$ 200 million	$ 200 million
Medium term notes (30 years)	10/15/2035	$ 0	$ 0	$ 400 million	$ 400 million
TOTAL		$1,250 million	$1,150 million	$1,330 million	$1,069 million

* *Amounts shown are rounded to the nearest million.*
** *The authorized operating credit amounts to $400 million.*

6.3 PRIOR SALES — Class B Shares are not listed on any Canadian or foreign stock exchange and were not involved in any transaction. For more information on the attributes of this share class, refer to Item 5 of this Annual Information Form.

The medium term notes are neither traded nor listed on any recognized stock exchange.

7} Escrowed Securities

Escrowed Securities *(as at December 1st, 2006)*

Designation of the Class	Number of Escrowed Securities	Percentage of Class
Class A Subordinate Shares	1,425,724	1.25%
Class B Shares	858,240	100%

The escrowed shares are Class A Subordinate Shares and Class B Shares of the Company pledged to METRO by some of METRO's clients. Escrowed shares are held as collateral by METRO to be released and returned to the owner according to the required terms of credit or when the owner is no longer a client of METRO and no longer has any debts with METRO.

8} Directors and Officers

8.1 NAME, OCCUPATION AND SECURITY HOLDING — The name and occupation of the directors of the Company and their place of residence along with the make-up of the Board's Executive, Human Resources, Corporate Governance and Nominating as well as Audit Committees are given below.

List of directors

Name/Place of residence	Function	Director since/ Expiry of current term of office	Principal occupation	Previously held positions
Brunet, Pierre O.C., F.C.A. Montréal, Quebec	Director	Since 2001 January 2007	Chairman of the Board of Directors of Caisse de dépôt et placement du Québec	From 2000 to 2002, Vice-Chairman of the Board of National Bank of Canada. He was Chairman of the Board of the Canadian Institute of Chartered Accountants from 2002 to 2004.
DeSerres, Marc Westmount, Quebec	Director	Since 2002 January 2007	President of Omer DeSerres inc.	
Dussault, Claude Toronto, Ontario	Director	Since 2005 January 2007	President and Chief Executive Officer of ING Canada Inc.	
Ferland, Serge Québec, Quebec	Director	Since 1997 January 2007	President of Alimentation Serro inc.	
Gaunt, Bobbie Andrea Saugatuck, MI, United States	Director	Since 2006 January 2007	Corporate director	From June to October 2004, she was Interim President and Chief Executive Officer of Advo Inc.
Gauthier, Paule, P.C., O.C., O.Q., Q.C. Québec, Quebec	Director	Since 2001 January 2007	Partner of Desjardins Ducharme, general partnership	
Gobeil, Paul, F.C.A. Ottawa, Ontario	Director and Vice-Chairman of the Board of Directors	Since 1990 January 2007	Vice-Chairman of the Board of Directors of the Company	
Haub, Christian W.E. Greenwich, CT, United States	Director	Since 2006 January 2007	Executive Chairman of The Great Atlantic & Pacific Tea Company Inc.	
Jodoin, Maurice, C.F.A. Montréal, Quebec	Director and Chairman of the Board of Directors	Since 1987 January 2007	Chairman of the Board of Directors of the Company	
Labonté, Maryse Saint-Sylvestre, Quebec	Director	Since 2000 January 2007	General Manager of G.F. Labonté inc.	

Name/Place of residence	Function	Director since/ Expiry of current term of office	Principal occupation	Previously held positions
Labonté, Michel Montréal, Quebec	Director	Since 2006 (1) January 2007	Corporate director	He has occupied the following positions at the National Bank of Canada: from 1993 to 2002, Senior Vice-President, Finance and Control, from 2002 to 2003, Senior Vice-President, Finance and Technology, from 2003 to 2005, Senior Vice-President , Finance, Technology and Corporate Affairs and from 2005 to October 2006, Executive Advisor.
Lessard, Pierre H., F.C.A. Westmount, Quebec	Director, President and Chief Executive Officer	Since 1990 January 2007	President and Chief Executive Officer of the Company	
Nadeau, Marie-José Montréal, Quebec	Director	Since 2000 January 2007	Executive Vice-President Corporate Affairs and Secretary General of Hydro-Québec	
Roy, Bernard A., Q.C. Montréal, Quebec	Director	Since 1990 January 2007	Senior Partner of Ogilvy Renault	

(1) Mr. Michel Labonté is a director since his appointment on November 14, 2006 to fill the vacant position left by Mr. Gérard Antoine Limoges.

Composition of committees of the board of directors

Executive Committee	Human Resources Committee	Audit Committee	Corporate Governance and Nominating Committee
Brunet, Pierre	Brunet, Pierre *(Chair)*	DeSerres, Marc	DeSerres, Marc
Ferland, Serge	Dussault, Claude	Gaunt, Bobbie Andrea	Haub, Christian W.E.
Gobeil, Paul	Gaunt, Bobbie Andrea	Gauthier, Paule	Jodoin, Maurice *(Chair)*
Haub, Christian W.E.	Gauthier, Paule	Labonté, Michel *(Member and Chair since November 14, 2006)*	Nadeau, Marie-José
Jodoin, Maurice	Jodoin, Maurice	Limoges, Gérard Antoine *(Member and Chair until April 7, 2006)*	Roy, Bernard A.
Lessard, Pierre H. *(Chair)*		Nadeau, Marie-José *(Interim Chair until November 14, 2006)*	
Roy, Bernard A.			

To the Company's knowledge, the directors and executive officers of the Company, as a group, own or control directly or indirectly 815,543 Class A Subordinate Shares corresponding to 0.72% of the issued shares of that class as of December 1st, 2006, and 21,600 Class B Shares corresponding to 2.52% of the issued shares of that class as of December 1st, 2006.

The names, occupations and places of residence of the executive officers of the Company who are not directors are indicated below. Each executive officer has held the principal occupation indicated opposite his or her name or another management position within the same company or a related company for at least five years, except for Mr. Richard Dufresne who has worked in investment banking for over 14 years. From 2000 to January 2006, he was director, Investment banking at Merrill Lynch & Co.

Name / Place of residence	Occupation
Eric Richer La Flèche Town of Mount Royal, Quebec	Executive Vice-President and Chief Operating Officer
Alain Brisebois Toronto, Ontario	Senior Vice-President, Ontario Division
Johanne Choinière Town of Mount Royal, Quebec	Senior Vice-President, National Procurement and Corporate Brands
Richard Dufresne St-Laurent, Quebec	Senior Vice-President and Chief Financial Officer and Treasurer since January 30, 2006
Robert Sawyer Town of Mount Royal, Quebec	Senior Vice-President, Quebec Division
Jacques Couture Laval, Quebec	Vice-President, Information Systems
Paul Dénommée Brossard, Quebec	Vice-President, Corporate Controller
Alain Picard Montréal, Quebec	Vice-President, Human Resources
Simon Rivet Brossard, Quebec	Vice-President, General Counsel and Secretary

8.2 CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS — To the Company's knowledge, no director or executive officer of the Company and no shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

a) is or has been in the past ten years before the date of this Annual Information Form a director or executive officer of any other company that, while that person was acting in that capacity,

   i) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemption under securities legislation for a period of more than 30 consecutive days, except for Mr. Pierre H. Lessard who was a director of CINAR Corporation, the shares of which were suspended from trading on the Toronto Stock Exchange for more than 30 consecutive days and delisted on the NASDAQ due to the inability of CINAR Corporation to meet continued listing requirements, and Mr. Paul Gobeil who was a director of BridgePoint International Inc. the shares of which were suspended from trading on the Toronto Stock Exchange because its subsidiary, BridgePoint International (Canada) Inc., made a proposal to its creditors;

   ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the other issuer access to any exemption under securities legislation for a period of more than 30 consecutive days; or

   iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets, save and except for Mr. Pierre Brunet who was a director of Slater Steel Inc. which filed a plan of arrangement with its creditors, for Mr. Paul Gobeil who was a director of BridgePoint International (Canada) Inc., which made a proposal to its creditors, for Mr. Marc DeSerres who was a director of Albums DF Ltée, which filed for bankruptcy, and was also a director of Fly America Furniture Inc. which made a commercial proposal to its creditors, for Mr. Serge Ferland who was a director of Labcal Technologies Inc. which was granted an order under the *Companies' Creditors Arrangement Act* (c. C-36) and for Mr. Maurice Jodoin who was a director of Falcon Well Services which went under receivership;

b) was subject to court-imposed penalties or sanctions relating to securities legislation or by a securities regulatory authority, or entered into a settlement agreement with such authority except for Ms. Marie-José Nadeau and Messrs. Michel Labonté and Alain Brisebois who were each imposed a fine for late-filing of an insider report; or

c) was subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

To the Company's knowledge, no director or officer of the Company and no shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, or a personal holding company of any such persons, has within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or its assets.

8.3 CONFLICT OF INTEREST — To the Company's knowledge, no director or officer of the Company or of a subsidiary has an existing or potential material conflict of interest with the Company or one of its subsidiaries, with the exception of two directors who are retailers (Ms. Maryse Labonté and Mr. Serge Ferland) who, as owners of food stores operating under the Metro banner, have a potential conflict of interest with the Company by virtue of their client-supplier business relationship with the Company.

9} Legal Proceedings

There are no legal proceedings involving significant claims.

10} Persons with an Interest in Material Transactions

A&P US and its related entity, A&P Luxembourg, hold more than 10% of the Class A Subordinate Shares of the Company, and they are considered to be persons with an interest in the material transactions described in Items 3.2, 5 and 12 of this Annual Information Form.

11} Transfer Agent and Registrar

Computershare Trust Company of Canada acts as transfer agent and registrar.

The register(s) of transfers for Class A Subordinate Shares and Class B Shares of the Company are held in Montréal.

12} Material Contracts

The Company is not bound to any material contracts outside the ordinary course of business other than the contract described in Item 5 of this Annual Information Form and other than the following:

- A share purchase agreement entered into on July 19, 2005 between A&P US, A&P Luxembourg, the Company and 4296711 Canada Inc. providing for the acquisition by 4296711 Canada Inc., a subsidiary of the Company, of all the issued and outstanding shares of the share capital of A&P Canada for an aggregate consideration of $1,700 million, consisting of $1,200 million in cash and $500 million in the form of 18,076,645 shares issued to A&P Luxembourg.

13} Interest of Experts

13.1 NAME OF EXPERTS — Ernst & Young LLP are the Company's auditors.

13.2 INTEREST OF THE COMPANY'S EXTERNAL AUDITORS — For the 2005-2006 financial year, the Company's Audit Committee obtained written confirmation from Ernst & Young LLP confirming the auditor's independence and objectivity with regard to the Company, pursuant to the Code of Ethics of the Quebec Order of Chartered Accountants.

14} Information on the Audit Committee

The information on the Audit Committee mandated by regulatory standards can be found in Schedules A and B hereto.

15} Additional Information

Additional information, including directors' and officers' remuneration, principal holders of the Company's securities, options to purchase securities and interest of insiders in material transactions, is, where applicable, contained in the Company's management proxy circular dated December 12, 2006 for its next annual shareholders' meeting. Additional financial information is included in the annual financial statements of METRO for the years ended September 30, 2006 and September 24, 2005 and in "Management's Discussion & Analysis" contained in the Company's 2006 Annual Report.

These documents are available to the public under the conditions stipulated in section 87 of the *Quebec Securities Act*, and copies are available from the Finance Department at the Company's head office, 11011 Maurice-Duplessis Boulevard, Montréal, Quebec H1C 1V6 or through the Company's website at www.metro.ca.

Additional information concerning the Company is also available on Sedar's website at www.sedar.com.

Upon request to the Secretary, the Company will provide to any person or company,

a) when the securities of the Company are in the course of a distribution under a preliminary short form prospectus or a short form prospectus:

   i) one copy of the Company's Annual Information Form, together with one copy of any document, or the relevant pages of any document, incorporated by reference in the Annual Information Form,

   ii) one copy of the Company's consolidated financial statements for its most recently completed fiscal year for which financial statements have been filed together with the auditor's accompanying report and one copy of the Company's most recent interim financial statements that have been filed, if any, for any period after the end of its most recently completed fiscal year,

   iii) one copy of the management proxy circular for the Company's most recent annual shareholders' meeting that involved the election of directors, or one copy of any annual filing prepared instead of that management proxy circular, as appropriate, and

   iv) one copy of any other documents that are incorporated by reference into the preliminary short form prospectus or the short form prospectus and are not required to be provided under clauses i), ii) or iii);

b) at any other time, one copy of any other documents referred to in a) i), ii) and iii) for which the Company may require payment of a reasonable charge if the request is made by a person or company that does not hold Company securities.

The investing public can also e-mail correspondence and comments to: finance@metro.ca

Information on the Audit Committee

MANDATE OF THE AUDIT COMMITTEE — The mandate of the Audit Committee, approved by the Board of Directors, is set out in Schedule B to this Annual Information Form.

COMPOSITION OF THE AUDIT COMMITTEE, TRAINING AND EXPERIENCE OF ITS MEMBERS — Until January 24, 2006, the Audit Committee was composed of the 4 following independent directors: Mesdames Paule Gauthier and Marie-José Nadeau as well as Messrs. Marc DeSerres and Gérard Antoine Limoges (Chairman of the Committee). Since January 24, 2006, the Audit Committee is made up of the following independent directors: Mesdames Paule Gauthier, Bobbie Andrea Gaunt and Marie-José Nadeau and Mr. Marc DeSerres. Until his resignation, on April 7, 2006, Mr. Gérard Antoine Limoges was a member and Chairman of the Audit Committee. Subsequently, Ms. Marie-José Nadeau acted as Interim Chair of the Audit Committee until the appointment of Mr. Michel Labonté on November 14, 2006. Mr. Labonté has chaired the Audit Committee since his appointment.

Each of the members has training and experience which is relevant to the performance of his duties. Mr. Limoges practised for 37 years as a chartered accountant and is a member of several audit committees of public companies, some of which he chairs. Mr. Labonté has experience relevant to the performance of his duties on the Audit Committee since he has served as Vice-President, Finance, first at Hydro-Québec and then at National Bank of Canada for more than 23 years. Mr. Labonté is also chair of the audit committee of Manac inc. as well as Academic Coordinator for the module devoted mainly to accounting issues and the role of members of audit committees of the Directors Education Program of the Institute of Corporate Directors (ICD) Corporate Governance College. Ms. Gauthier acquired her experience by serving on other audit committees and has practised commercial law for over 20 years. Ms. Nadeau acquired her experience by serving for 10 years on the audit and finance committee of Hydro-Québec and is currently a member of the audit committee of Churchill Falls and Labrador Hydro. Ms. Gaunt acquired her experience by serving as President and CEO of Ford Motor Company of Canada, Limited, Interim President and CEO of Advo Inc. and on other audit committees. Mr. DeSerres acquired his experience as President of Omer DeSerres since 1980.

PRE-APPROVAL POLICIES AND PROCEDURES — The Audit Committee approved the "Policy concerning the pre-approval of audit services and non-audit services" whose main components are described below.

The external auditors are engaged to audit the annual consolidated financial statements of the Company. The external auditors may also be engaged for audit-related services, tax services and non-audit services, as long as these services do not interfere with their independence.

The Audit Committee, which is responsible, *inter alia,* for overseeing the work of the external auditors, must pre-approve all services that the external auditors of the Company may render to the Company and its subsidiaries. On an annual basis, the Committee examines and pre-approves the particulars of the services which may be provided by the external auditors and the associated level of fees. Any type of service which has not been approved by the Committee must be specifically pre-approved by the Committee if it is to be provided by the external auditors. The same applies if the service offered exceeds the pre-approved level of fees. The Committee has delegated to its Chairman the authority to specifically pre-approve services that have not already been approved. However, he must communicate any such decisions at the next committee meeting.

On a quarterly basis, the Committee examines the pre-approval status of any service other than audit services that the external auditors were asked to provide or could be asked to provide during the next quarter.

POLICY CONCERNING COMPLAINTS WITH RESPECT TO ACCOUNTING, CONTROLS OR AUDITING MATTERS — The Audit Committee approved a policy allowing anyone, including the employees of the Company, to make a complaint by anonymous submission regarding accounting, accounting controls or auditing matters of the Company. All complaints received will be sent directly to the director of the Internal Audit Department who will be responsible for analysing the complaint and, if necessary, making due inquiry. The Committee will be informed at every meeting of complaints received, the results of the inquiry and, if applicable, any corrective measures to be implemented or of the fact that no complaints have been filed.

The full text of the Company's complaint policy can be found on the Company's website at www.metro.ca.

POLICY CONCERNING THE HIRING OF PARTNERS OR EMPLOYEES OF THE EXTERNAL AUDITORS — The Audit Committee approved a policy with respect to the Company's hiring of certain candidates for key positions. This policy applies to any partner, employee or former partner or employee of the current or former external auditors of the Company who is applying for a position in which the candidate could exercise decision-making authority or significantly influence decision making with respect to the presentation of financial information or auditing matters. Specifically, the candidate must not have been involved in the auditing of the Company's financial statements within the 12 months preceding the hiring date and, moreover, the eventual hiring of the candidate must not compromise the independence of the external auditors.

FEES FOR THE SERVICES OF THE EXTERNAL AUDITORS — For each of the financial years ended September 30, 2006 and September 24, 2005, the following fees were billed by the external auditors for audit services, audit-related services, tax services and the other services provided by the external auditors.

	2005	2006
Audit fees	$ 791,487	$ 1,811,218
Audit-related fees	$ 592,270	$ 301,076
Fees for tax services	$ 450,922	$ 777,198
All other fees	$ 5,000	$ 0

Mandate of the Audit Committee

1. OBJECTIVES

The objectives of the Audit Committee are as follows:

1.1 Assist the Board of Directors in performing its duties, in particular ensuring that the management of the Company discharges its responsibilities with respect to:

1.1.1 identifying the principal risks of the business and putting appropriate systems in place to manage such risks;

1.1.2 the integrity of internal control systems and management information systems of the Company;

1.1.3 the production of reliable financial information;

1.1.4 compliance with the various authorities and legislation.

1.2 Ensure an effective communications link between the Board of Directors, management and the external and internal auditors.

1.3 Reinforce the independence of the external and internal auditors.

1.4 Ensure the integrity of the financial reports disclosed by the Company.

2. SCOPE OF MANDATE

The responsibilities of the Audit Committee extend to Metro Inc., its subsidiaries and their divisions.

3. COMPOSITION AND ORGANIZATION

3.1 The Committee is composed of a minimum of three and a maximum of six members of the Board of Directors who are all independent directors. All members must be financially literate.

3.2 At any time, the Committee may communicate directly with the external auditors, the internal auditors or the management of the Company.

4. RESPONSIBILITIES

The Audit Committee must periodically submit the results of the reviews conducted and its recommendations to the Board of Directors.

4.1. Financial Information

4.1.1 The Committee reviews, before their public disclosure, the audited annual and interim financial statements, the MD&A and all press releases relating to the financial statements.

4.1.2 The Committee reviews with the management of the Company and the external auditors the various accounting practices and the changes being proposed thereto as well as the various estimates made by management which may have a significant impact on the financial position.

4.1.3 The Committee reviews with the management of the Company and the external auditors all important decisions made concerning the evaluation or presentation of financial information.

4.1.4 The Committee reviews the accounting treatment of material or unusual transactions.

4.1.5 The Committee ensures coordination between the management of the Company and the various regulatory organizations as well as the external auditors.

4.1.6 The Committee ensures that adequate procedures are in place for the review of the Company's disclosure to the public of information extracted or derived from the Company's financial statements, other than the information covered by paragraph 4.1.1 hereof, and periodically assesses the adequacy of such procedures.

4.2 Internal Control

4.2.1 The Committee reviews, by means of communication with the external auditors and the internal auditors, the effectiveness of controls and the reliability of the financial information disclosed.

4.2.2 The Committee keeps informed, by means of the external and internal auditors, of any weaknesses of the systems which could lead to errors or irregularities in the financial information produced, of any departures from the Company's accounting policies and of various legislation.

4.2.3 The Committee ensures the effectiveness of the coordination between the internal audit and the external audit.

4.2.4 The Committee analyses the conditions surrounding the departure or appointment of the officer responsible for finance and any other key financial executive who participates in the financial information process.

4.3 Internal Audit

4.3.1 The Committee examines the mandate of the internal auditors.

4.3.2 The Committee evaluates the degree of independence of the internal auditors in relation to the financial executives of the Company and its subsidiaries.

4.3.3 The Committee reviews the annual internal audit plan and recommends mandates or studies, if it deems necessary.

4.3.4 The Committee reviews the audit management letters, including management's comments, and reviews the corrective measures taken by management.

4.4 External Audit

4.4.1 The Committee recommends the appointment and the compensation of the external auditors to the Board of Directors.

4.4.2 The Committee reviews the reports of the external auditors which are sent to it directly. The Committee also monitors all the work performed by the external auditors, its audit plans and the results of its audits.

4.4.3 The Committee discusses with the external auditors, by means of meetings, problems encountered during the audit, including the existence, if applicable, of restrictions imposed by the management of the Company or areas of disagreement with the latter about the financial information and ensures that such disagreements are resolved.

4.4.4 The Committee, or one or more of its members to whom it has delegated authority, pre-approves non-audit services that are assigned to the external auditors. The Committee may also adopt policies and procedures concerning the pre-approval of non-audit services that are assigned to the external auditors. It monitors the fees paid with respect to such mandates.

4.4.5 The Committee must be informed of cases where the management of the Company has requested opinions from an accounting firm other than the one appointed as auditors.

4.4.6 The Committee makes sure that the external auditors have obtained the cooperation of the employees and officers of the Company.

4.4.7 The Committee examines the post-audit letter or the management letter of the external auditors as well as the reactions of management and management's response to the deficiencies observed.

4.4.8 The Committee examines the qualifications, performance and independence of the external auditors and ensures that the audit report accompanying the financial statements is issued by an audit firm that is a participant in the program of the Canadian Public Accountability Board and that the firm respects any sanctions and restrictions imposed by the board.

4.4.9 The Committee reviews and approves the Company's hiring policy concerning (current and former) partners and employees of the (current and former) external auditor.

4.5 Integrity of the Company

4.5.1 The Committee monitors the Company's conduct by establishing inter alia complaint procedures regarding accounting, internal accounting controls or auditing matters and by establishing procedures respecting confidentiality and the protection of the anonymity of persons who may file such complaints.

4.5.2 The Committee has the authority to engage any advisor it deems necessary in order to help it in the performance of its duties, and to set the compensation of such advisor.

4.6 Environment

4.6.1 The Committee ensures that the Company's environmental policy is applied and complied with and reports to the Board accordingly.