Serving Britain’s shoppers a little better every day.

4 October 2017

Dave Lewis – CEO
Alan Stewart – CFO
Agenda.

- Six strategic drivers
- 1H results
- Creating long-term value for our four key stakeholders
A differentiated brand

Jan 2014 – Aug 2017

1H 17/18

- NPS + 11 YoY\(^1\)
- YouGov Most Improved Brand\(^2\)
- Value perception +2.9 points\(^3\)
- Quality perception +1.9 points\(^3\)

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1. Reflects % of Fans minus Critics answering the question “Based on your visit, how likely is it that you would recommend the following to a friend or colleague?” for large stores.
2. As per YouGov’s 2017 inaugural mid-year Brand health rankings report.
Reduce operating costs by £1.5bn

Jan 2015 – Aug 2016
Cumulative cost savings prior to £1.5bn target

- Announced Jan 15: £250m
- Updated Apr 15: £400m
- Achieved by Aug 16: £629m

Cumulative cost savings from Oct 2016 £1.5bn target

- 1H 16/17
- FY 16/17
- 1H 17/18
- FY 17/18
- 1H 18/19
- FY 18/19
- 1H 19/20
- FY 19/20

£226m
£485m
Generate £9bn cash from operations

Feb 2016 – Aug 2017
Cumulative retail cash generated from operations¹

1H 17/18

- £237m working capital inflow²
- Further £71m reduction in stock³
- One-touch replenishment now running at c.100 million cases p.a.

Cumulative retail cash generated from operations:

- £3.8bn
- £9.0bn

1. Cumulative retail cash generated from operations excluding pension deficit repayments.
2. Excluding exceptionals.
3. Represents stock holdings across stores and depots in the UK.
Maximise the mix to achieve a 3.5% – 4.0% margin

Oct 2016

<table>
<thead>
<tr>
<th></th>
<th>Fresh</th>
<th>Packaged</th>
<th>GM</th>
<th>Clothing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large stores</td>
<td>Green</td>
<td>Green</td>
<td>Red</td>
<td>Green</td>
<td>Red</td>
</tr>
</tbody>
</table>

1H 16/17: 2.2%
1H 15/16: 1.4%

1H 17/18: 2.7%

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>1H 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>2.2% =&gt; 2.7%, up 50bps</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK&amp;ROI</td>
<td>1.8% =&gt; 2.1%, up 32bps</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Europe</td>
<td>0.6% =&gt; 1.9%, up 132bps</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia</td>
<td>4.1% =&gt; 5.6%, up 146bps</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Colour of boxes illustrates indicative margin percentage relative to total (blue – above average, green – at average, red – below average).
Maximise value from property

Feb 2015 – Aug 2017

1H 17/18

£175m value released
inc. £55m from Hackney ‘air rights’

Store buyback from BLT²
3 Extras, 4 superstores; 665k sq.ft³

410k sq.ft repurposed
e.g. H&M, Decathlon, TK Maxx

Cumulative value from property proceeds¹

1. Proceeds from sale of property, plant and equipment, investment property, intangible assets and non-current assets classified as held for sale and development stock.
2. As announced in April 2017.
3. On a gross internal area basis.

£147m
£568m
£817m
£1,113m
£1,288m
Innovation

Ideas  Feasibility  Capability  Pre-launch prep  Launch  Execution
1H results.
First half progress

Positive sales growth

Group sales growth at actual rates on a comparable days and a continuing operations basis.

Strong profit growth

Group operating profit before exceptional items on a continuing operations basis.

Strong cash generation

Retail cash generated from operations on a continuing operations basis.

1H 16/17  |  1H 17/18
---|---
£24.4bn | £25.2bn

+3.3%

£596m | £759m

+27.3%

£955m | £1,139m

+19.3%
UK performance

Volume growth\(^1\)

- \(+0.3\%\) total
- \(+1.5\%\) fresh

Improving the customer offer\(^2\)

Better sales mix\(^3\)

84% full price sales

1. Excluding tobacco and fuel.
2. Bakery Industry Awards.
3. Percentage of clothing sales at full price.
UK & ROI

- Strong like-for-like sales growth, up 2.1%
- Lower level of inflation than market
- Extra LFL: +1.6%; Online grocery: +4.6%
- Positive fresh food volume +1.5%
- More selective in General Merchandise
- Significant cost reduction of £181m

Operating profit and margin\(^1\)

\[\begin{array}{c}
\text{UK & ROI} \\
1\text{H 16/17} \\
\text{Price} \\
\text{Volume and mix} \\
\text{Cost reduction programme} \\
\text{Cost inflation/other} \\
\text{UK & ROI} \\
1\text{H 17/18}
\end{array}\]

\[\begin{array}{c}
£389m \\
1.8\% \\
\vphantom{\text{UK & ROI}} \\
\vphantom{\text{Price}} \\
\vphantom{\text{Volume and mix}} \\
\vphantom{\text{Cost reduction programme}} \\
\vphantom{\text{Cost inflation/other}} \\
£471m \\
2.1\%
\end{array}\]

1. Before exceptional items.
Central Europe

- Improving like-for-like sales growth
  - 1Q: (0.4)%; 2Q: +0.6%
- Ongoing investment in offer
- Significant cost reduction of £42m
- Working closely with suppliers to mitigate inflation

[Operating profit and margin chart]

1. Before exceptional items.
Asia

- Like-for-like sales reflect decision to stop unprofitable bulk selling
- 1H LFL excluding this impact: c.(2)%
- Significant reduction in short-term couponing, particularly in 2Q
- Improved mix

Operating profit and margin¹

<table>
<thead>
<tr>
<th></th>
<th>Asia 1H 16/17</th>
<th>Price</th>
<th>Volume and mix</th>
<th>Cost reduction programme</th>
<th>Cost inflation/other</th>
<th>Asia 1H 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>£101m</td>
<td>4.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>£141m</td>
</tr>
<tr>
<td>£141m</td>
<td>5.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ Before exceptional items.
Tesco Bank

• 2.6% growth in active customer accounts
• 16% growth in lending balances, with an increasing focus on secured lending
  – Mortgage lending growth of 37%
  – Increased proportion of secured vs unsecured lending up 4% to 24%
• Operating profit before exceptional items down (3.4)%
  – Strong retail banking performance
  – Offset by higher than usual debt sale last year
### Tesco Bank

<table>
<thead>
<tr>
<th></th>
<th>1H 17/18</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lending to customers</td>
<td>£10,762m</td>
<td>16.2%</td>
</tr>
<tr>
<td>Secured lending</td>
<td>£2,542m</td>
<td>37.0%</td>
</tr>
<tr>
<td>Unsecured lending</td>
<td>£8,220m</td>
<td>11.0%</td>
</tr>
<tr>
<td><strong>Bad debt: asset ratio</strong></td>
<td>1.3%</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Operating profit pre exceptional items</strong></td>
<td>£86m</td>
<td>(3.4)%</td>
</tr>
<tr>
<td>Cost: income ratio(^1)</td>
<td>59.6%</td>
<td>2.6%   improvement</td>
</tr>
<tr>
<td>Net interest margin</td>
<td>4.0%</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>Tier 1 capital ratio</strong></td>
<td>16.5%</td>
<td>(0.1)%</td>
</tr>
<tr>
<td><strong>Total capital ratio</strong></td>
<td>19.7%</td>
<td>(0.2)%</td>
</tr>
</tbody>
</table>

1. 1H 16/17 adjusted for £(45)m customer redress and £(21.8)m in restructuring; Statutory cost: income ratio 1H 17/18 59.4% and 1H 16/17 79.2%.
Sources and uses of cash

1. Exceptional working capital includes £(135)m of payments in relation to the Deferred Prosecution Agreement with the SFO and initial shareholder compensation payments, £(39)m utilisation of onerous leases, £(53)m of restructuring payments relating to the prior year, £(29)m of restructuring payments relating to the current year and £9m of other items.
Capital expenditure

FY 17/18 capex guidance: c.£1.1bn
FY 18/19 onwards: between £1.1bn and £1.4bn
Triennial pension review

• Triennial pension review concluded
• Annual contributions to increase by £15m to £285m p.a. from April 2018
• Long-term framework unchanged
• Actuarial deficit as at March 2017: £3.0bn (March 2014: £2.75bn)
IAS 19 pension deficit

- IAS 19 pension deficit reduced to £2.4bn
- Discount rate more appropriately reflects corporate bond yields over life of liabilities
- Latest industry life expectancy tables applied
- Actual scheme experience favourable versus March 2014 expectations
Balance sheet progress

Net debt

<table>
<thead>
<tr>
<th>Period</th>
<th>1H 16/17</th>
<th>FY 16/17</th>
<th>1H 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt</td>
<td>£4.4bn</td>
<td>£3.7bn</td>
<td>£3.3bn</td>
</tr>
</tbody>
</table>

Lease commitments

<table>
<thead>
<tr>
<th>Period</th>
<th>1H 16/17</th>
<th>FY 16/17</th>
<th>1H 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease</td>
<td>£7.8bn</td>
<td>£7.4bn</td>
<td>£7.3bn</td>
</tr>
</tbody>
</table>

Pension deficit

<table>
<thead>
<tr>
<th>Period</th>
<th>1H 16/17</th>
<th>FY 16/17</th>
<th>1H 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension</td>
<td>£5.9bn</td>
<td>£5.5bn</td>
<td>£2.4bn</td>
</tr>
</tbody>
</table>

Total indebtedness decreased from £21bn in 2014 to £13bn in Oct 17
### Improving debt metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>1H 17/18</th>
<th>FY 16/17</th>
<th>1H 16/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt/EBITDA¹</td>
<td>1.3x</td>
<td>1.6x</td>
<td>2.1x</td>
</tr>
<tr>
<td>Fixed Charge Cover²</td>
<td>2.4x</td>
<td>2.2x</td>
<td>2.0x</td>
</tr>
<tr>
<td>Total indebtedness ratio³</td>
<td>3.7x</td>
<td>5.0x</td>
<td>5.6x</td>
</tr>
</tbody>
</table>

1. EBITDA is based on continuing operations (excluding Turkey).
2. EBITDAR/(Interest + Rent).
3. Net Debt + pension deficit + NPV of lease obligations / EBITDAR.
## Earnings per share

<table>
<thead>
<tr>
<th></th>
<th>1H 17/18</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating profit</strong>¹</td>
<td>£759m</td>
<td>27.3%</td>
</tr>
<tr>
<td><strong>JVs &amp; Associates</strong></td>
<td>£12m</td>
<td>500%</td>
</tr>
<tr>
<td><strong>Net finance costs</strong>²</td>
<td>£(195)m</td>
<td>19.4%</td>
</tr>
<tr>
<td><strong>Profit before tax</strong>³</td>
<td>£576m</td>
<td>61.8%</td>
</tr>
<tr>
<td><strong>Taxation</strong></td>
<td>£(130)m</td>
<td>(35.4)%</td>
</tr>
<tr>
<td><strong>Profit after tax</strong>³</td>
<td>£446m</td>
<td>71.5%</td>
</tr>
<tr>
<td><strong>Diluted weighted average number of shares (m)</strong></td>
<td>8,175</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Diluted EPS</strong>³</td>
<td>5.46p</td>
<td>71.2%</td>
</tr>
</tbody>
</table>

1. Before exceptional items.
3. Before exceptional items, IAS 19 net pension finance costs and IAS 39 fair value remeasurements attributable to owners of the parent.
Dividend

• 1p interim dividend
• Ex-dividend date 12 October 2017; Payment date 24 November 2017
• Total cash cost of £82m
• Intend to reach targeted cover of around two times earnings in the medium term
• Reflects improved performance and Board confidence
## Guidance

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating margin</td>
<td>3.5% to 4.0% Group operating margin by 19/20</td>
</tr>
<tr>
<td>Operating costs</td>
<td>Reduce operating costs by a further £1.5bn by 19/20</td>
</tr>
<tr>
<td>Retail cash generation</td>
<td>Generate £9bn of cash from operations by 18/19</td>
</tr>
<tr>
<td>Working capital</td>
<td>Underlying decrease of around £0.2bn per annum</td>
</tr>
<tr>
<td>Pension deficit contribution</td>
<td>Increasing from £270m to £285m per annum, from April 2018</td>
</tr>
</tbody>
</table>
| Capex                            | Current year: £1.1bn  
Future years: £1.1bn – £1.4bn per annum                           |
| Net finance costs\(^1\)          | c.4% of long-term debt per annum                                      |
| Effective tax rate               | c.25% for the current year  
Decreasing to c.20% over medium term                                |
| Dividend                         | Targeting cover of around 2 times EPS in medium term  
Broadly one-third : two-thirds split between interim and final       |

Financial summary.

• Strong financial performance across the Group
  – 3.3% sales growth
  – 27% increase in operating profit; margin up 50bps
  – 19% increase in retail cash generation
• Balance sheet significantly strengthened
  – Net debt reduced by £469m from FY 16/17
  – £1bn of debt repaid including £500m bond tender
  – Annual pension contributions agreed at £285m p.a. from April 2018
• Reinstatement of dividend
Creating long-term value for our four key stakeholders.
Customers

“Everything I wanted to buy was available”¹

Market outperformance²

1. Reflects customers responding positively to “Was everything you wanted to buy available?” as part of the periodic Customer Spotlight survey.
2. Shows volume outperformance. Data is for Tesco Weeks 1-26 and is sourced from IRI Retail Advantage™, global insight providers to the retail industry. IRI market definition excludes Aldi and Lidl.

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1H 14/15 1H 15/16 1H 16/17 1H 17/18

Tesco Market

Food

Fresh

Packaged

General Merchandise

-3.5% -2.5% -1.5% -0.5% 0.5% 1.5% 2.5% 3.5%
A great place to work

1. Reflects % of colleagues recommending Tesco as a great place to work as part of our ‘What Matters To You?’ survey undertaken every January and August.
2. For store colleagues over two years.
3. Refers to the additional number of colleague hours available per week as a result of the changes to the replenishment model.

- 10.5% pay increase
- Simpler structures
- >45,000 more hours to serve customers


Suppliers

Growing volumes with supplier partners

<table>
<thead>
<tr>
<th>No. of partners</th>
<th>Volume growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>95</td>
<td>&gt;100%</td>
</tr>
<tr>
<td>185</td>
<td>&gt;50%</td>
</tr>
<tr>
<td>330</td>
<td>&gt;25%</td>
</tr>
<tr>
<td>568</td>
<td>&gt;10%</td>
</tr>
</tbody>
</table>

Contribution to volume growth

Range review  New product development  Growth of core

Data is as presented at IGD Tesco update in May 2017, showing volume growth for the last 12 months.
Shareholders – a structurally advantaged business

- **Unrivalled store network**: 3,582 stores
- **Unparalleled online reach**: 99% coverage
- **Loyal customer base**: 16m active households
- **Supply chain expertise**: 70% one touch replenishment
- **Unique own label capability**: 50% of sales
- **Long-standing supplier partnerships**: 67 strategic partners

1. Reflects percentage of cases in packaged food that do not require re-working by colleagues in stores.
Shareholders – January 2015 internal plan

Sales base

- £50bn excl. fuel
- £56bn incl. fuel

Assuming ongoing sales deflation

Levers

- ↑ Volume
- ↑ Mix
- ↓ Costs

Ambitions

- Reduce costs by £1.5bn
- 3.5% – 4.0% operating margin
- £9bn retail cash flow
Shareholders – a sustainable model to deliver strong returns

**Ambitions**
- Reduce costs by £1.5bn
- 3.5% – 4.0% operating margin
- £9bn retail cash flow

**Financial efficiency**
- Capital discipline: £1.1bn – £1.4bn p.a.
- Optimise working capital c.£0.2bn/yr
- Lower cost of debt

**Outcome**
- Significant free cash flow

**Uses of cash**

**Shareholder returns**
- Significant EPS growth
- Dividend around 2x cover in medium term

**Strengthen the balance sheet**
- Return to investment grade credit metrics

**Reinvest in the business**
Capacity to innovate

<table>
<thead>
<tr>
<th>Market</th>
<th>Tesco</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB</td>
<td>25.0%</td>
</tr>
<tr>
<td>C1</td>
<td>27.1%</td>
</tr>
<tr>
<td>C2</td>
<td>20.4%</td>
</tr>
<tr>
<td>D</td>
<td>15.2%</td>
</tr>
<tr>
<td>E</td>
<td>12.6%</td>
</tr>
</tbody>
</table>

Creating the UK’s leading food business
Creating the UK’s leading food business – CMA timetable

- Provisional findings by end of October 17
- Final report due by end of calendar year
Summary.

- Delivering against our six strategic drivers
- Continued momentum in our performance
  - Sales up, profits up, cash up
  - More competitive offer, more customers shopping at Tesco
  - Balance sheet significantly strengthened
  - Dividend reinstated
- A sustainable model to deliver strong shareholder returns
Q&A
Appendix
## Segmental performance

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales</th>
<th>Operating profit before exceptional items</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1H 17/18</td>
<td>1H 16/17</td>
</tr>
<tr>
<td>UK &amp; ROI</td>
<td>£19.0bn</td>
<td>£18.6bn</td>
</tr>
<tr>
<td>Central Europe</td>
<td>£3.1bn</td>
<td>£2.8bn</td>
</tr>
<tr>
<td>Asia</td>
<td>£2.5bn</td>
<td>£2.4bn</td>
</tr>
<tr>
<td>Bank</td>
<td>£0.5bn</td>
<td>£0.5bn</td>
</tr>
<tr>
<td>Group</td>
<td>£25.2bn</td>
<td>£24.4bn</td>
</tr>
</tbody>
</table>

\(^1\) Change shown on a comparable days basis.
Margin progression

Group

<table>
<thead>
<tr>
<th></th>
<th>1H 15/16</th>
<th>1H 16/17</th>
<th>1H 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>1.4%</td>
<td>2.2%</td>
<td>2.7%</td>
</tr>
<tr>
<td>UK &amp; ROI</td>
<td>0.8%</td>
<td>1.8%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Central Europe</td>
<td>1.0%</td>
<td>0.6%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Asia</td>
<td>4.2%</td>
<td>4.1%</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

Operating margin shown before exceptional items.
Like-for-like sales performance¹

**UK**

- **1Q 16/17**: 0.3%
- **2Q 16/17**: 0.9%
- **3Q 16/17**: 1.8%
- **4Q 16/17**: 0.7%
- **1Q 17/18**: 2.3%
- **2Q 17/18**: 2.1%

**Central Europe**

- **1Q 16/17**: 2.8%
- **2Q 16/17**: 1.3%
- **3Q 16/17**: 0.7%
- **4Q 16/17**: (0.8%)
- **1Q 17/18**: (0.4%)
- **2Q 17/18**: 0.6%

**ROI**

- **1Q 16/17**: 0.3%
- **2Q 16/17**: 0.1%
- **3Q 16/17**: 0.5%
- **4Q 16/17**: (1.3%)
- **1Q 17/18**: 0.2%
- **2Q 17/18**: 2.0%

**Asia**

- **1Q 16/17**: 3.3%
- **2Q 16/17**: 3.0%
- **3Q 16/17**: 0.4%
- **4Q 16/17**: 0.5%
- **1Q 17/18**: (6.0%)
- **2Q 17/18**: (10.7%)²

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¹ Excl. VAT, excl. Fuel.
UK like-for-like sales performance¹ by format

**Extra**

<table>
<thead>
<tr>
<th>Format</th>
<th>16/17 1Q</th>
<th>16/17 2Q</th>
<th>16/17 3Q</th>
<th>16/17 4Q</th>
<th>17/18 1Q</th>
<th>17/18 2Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra</td>
<td>0.1%</td>
<td>0.5%</td>
<td>1.2%</td>
<td>1.4%</td>
<td>1.7%</td>
<td>(0.2)%</td>
</tr>
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</table>

**Superstores**

<table>
<thead>
<tr>
<th>Format</th>
<th>16/17 1Q</th>
<th>16/17 2Q</th>
<th>16/17 3Q</th>
<th>16/17 4Q</th>
<th>17/18 1Q</th>
<th>17/18 2Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra</td>
<td>0.3%</td>
<td>1.3%</td>
<td>1.7%</td>
<td>1.1%</td>
<td>2.3%</td>
<td>2.3%</td>
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</table>

**Metro**

<table>
<thead>
<tr>
<th>Format</th>
<th>16/17 1Q</th>
<th>16/17 2Q</th>
<th>16/17 3Q</th>
<th>16/17 4Q</th>
<th>17/18 1Q</th>
<th>17/18 2Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra</td>
<td>(0.2)%</td>
<td>0.3%</td>
<td>0.5%</td>
<td>1.5%</td>
<td>2.0%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

**Express**

<table>
<thead>
<tr>
<th>Format</th>
<th>16/17 1Q</th>
<th>16/17 2Q</th>
<th>16/17 3Q</th>
<th>16/17 4Q</th>
<th>17/18 1Q</th>
<th>17/18 2Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra</td>
<td>2.9%</td>
<td>4.2%</td>
<td>3.1%</td>
<td>2.6%</td>
<td>4.0%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

Online 1H 17/18:
- Grocery 4.6%
- General Merchandise & Clothing (6.7)%


43
## Exceptional items

<table>
<thead>
<tr>
<th></th>
<th>1H 17/18</th>
<th>1H 16/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restructuring and redundancy</td>
<td>£(63)m</td>
<td>£(95)m</td>
</tr>
<tr>
<td>Property transactions</td>
<td>£65m</td>
<td>£59m</td>
</tr>
<tr>
<td>Profit on the sale of Lazada</td>
<td>£124m</td>
<td>-</td>
</tr>
<tr>
<td>Tesco Bank customer redress</td>
<td>-</td>
<td>£(45)m</td>
</tr>
<tr>
<td><strong>Total exceptional items in operating profit</strong></td>
<td><strong>£126m</strong></td>
<td><strong>£(81)m</strong></td>
</tr>
</tbody>
</table>
Strong liquidity position

- £3.8bn of cash and short term investments\(^1\)
- £4.4bn undrawn committed facilities expiring 2019-21

1. Retail cash excluding overdraft and cash set aside for Booker.
Disclaimer.

This document may contain forward-looking statements that may or may not prove accurate. For example, statements regarding expected revenue growth and operating margins, market trends and our product pipeline are forward-looking statements. Phrases such as "aim", "plan", "intend", "anticipate", "well-placed", "believe", "estimate", "expect", "target", "consider" and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from what is expressed or implied by the statements. Any forward-looking statement is based on information available to Tesco as of the date of the statement. All written or oral forward-looking statements attributable to Tesco are qualified by this caution. Tesco does not undertake any obligation to update or revise any forward-looking statement to reflect any change in circumstances or in Tesco’s expectations.