

B. Report from Deloitte

The Board of Directors on behalf of Tesco PLC
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5 February 2018

Dear Sirs

Project Blue

We report on the profit forecast comprising group operating profit before exceptional items of Tesco PLC (the “Company”) and its subsidiaries (together the “Tesco Group”) for the 52 weeks ending 24 February 2018 (the “Tesco Profit Forecast”). The Tesco Profit Forecast, and the material assumptions upon which it is based, are set out on pages 56–57 of the class 1 circular (the “Circular”) issued by the Company dated 5 February 2018.

Responsibilities

It is the responsibility of the directors of the Company (the “Directors”) to prepare the Tesco Profit Forecast in accordance with the requirements of Rule 28 of the City Code on Takeovers and Mergers (the “Takeover Code”).

It is our responsibility to form an opinion as required by Rule 28.1(a) of the Takeover Code as to the proper compilation of the Tesco Profit Forecast and to report that opinion to you.

This report is given solely for the purposes of complying with Rule 28.1(a)(i) of the Takeover Code and for no other purpose. Therefore, to the fullest extent permitted by law we do not assume any other responsibility to any person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Rule 23.2 of the Takeover Code, consenting to its inclusion in the Circular.

Basis of Preparation of the Tesco Profit Forecast

The Tesco Profit Forecast has been prepared on the basis stated on pages 56–57 of the Circular and is based on the unaudited interim financial results for the 26 weeks ended 26 August 2017,

the unaudited management accounts for the 18 weeks ended 30 December 2017 and a forecast for the remaining period ending 24 February 2018. The Tesco Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Tesco Group.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included evaluating the basis on which the historical financial information included in the Tesco Profit Forecast has been prepared and considering whether the Tesco Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Tesco Group. Whilst the assumptions upon which the Tesco Profit Forecast are based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Tesco Profit Forecast have not been disclosed or if any material assumption made by the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Tesco Profit Forecast has been properly compiled on the basis stated.

Since the Tesco Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Tesco Profit Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. We have not consented to the inclusion of this report and our opinion in any registration statement filed with the SEC under the US Securities Act of 1933 (either directly or by incorporation by reference) or in any offering document enabling an offering of securities in the United States (whether under Rule 144A or otherwise). We therefore accept no responsibility to, and deny any liability to, any person using this report and opinion in connection with any offering of securities inside the United States of America or who makes a claim on the basis they had acted in reliance on the protections afforded by United States of America law and regulation.

Opinion

In our opinion, the Tesco Profit Forecast has been properly compiled on the basis stated and the basis of accounting used is consistent with the accounting policies of the Tesco Group.

Yours faithfully

Deloitte LLP

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