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## **Tesco in Europe 2006**

**Andrew Higginson**

**Finance and Strategy Director**



## **Tesco in Europe 2002**

- 28 guests
- 2 countries
- 3 days
- 8 stores

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## **Tesco in Europe 2006**

- 46 guests
- 4 countries
- 4 days
- 17 stores

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## **Outline**

- Republic of Ireland
- Czech Republic
- Slovakia
- Turkey

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## Key messages

- Established serious businesses in key European markets
- Made great progress since 2002
- Strength and depth of management
- Focused on delivering profitable growth and returns

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## Tesco Ireland

- Acquired in 1997
- 2002: 1.7m sq ft, £1.0bn annual turnover
- 2006: 2.1m sq ft, £1.5bn annual turnover
- First moves into multi-format

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## Tesco CR

- Acquired in 1996
- 2002: 1.6m sq ft, £323m annual turnover
- 2006: 2.6m sq ft, £473m annual turnover
- First 1K store in group
- Transforming asset swap with Carrefour

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## Tesco SR

- Acquired in 1996
- 2002: 1.4m sq ft, £215m annual turnover
- 2006: 2.3m sq ft, £393m annual turnover
- Multi-format growth

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## Tesco Kipa

- Acquired in 2003 - five stores
- 2006: 0.6m sq ft, £182m annual turnover
- Development of Tesco in a Box
- Major growth opportunity

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## Progress since 2002

- Europe:
  - space has increased by 97%\*
  - sales have increased by 112%\*
  - profit has increased by over 200%\*
- International:
  - CROI has improved from less than 10% to 11.4%
  - Added 232 hypermarkets and 318 other format stores

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\* growth on Full Year 2002

## Profitable growth

- Margin progression\*: 3.6% to 5.2% to ....
- Capability driven improvement
- Opportunities:
  - Own label
  - Regional sourcing
  - Non-food
  - Investment in maturing markets



\* margin from Full Year 2001/2 to FY 2005/6 on VAT inc. basis

## Tesco in Europe 2006

- 363 stores in six countries
- 16.7 million square feet
- £5.2 billion sales
- £271 million profit
- Proven track record
- Big opportunities



## Current performance

LFL sales growth

	Q1 06/07*	H2 05/06
Czech	4.6	0.2
Ireland	5.5	5.4
Slovakia	6.1	4.3
Turkey	5.7	2.4

\*11 weeks to 13 May 2006

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## Housekeeping

- Tight timetable
- Wake up calls
- Groups
- Dress code
- Luggage

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## Tuesday 23rd May - Dublin

10.10	Depart Stansted	
11.30	Arrive Dublin	
	- Presentation	(TK)
	- Tesco Clare Hall	
	- Dunnes / Superquinn	
	- Tesco Express Swords	
	- Tesco Dundrum	
18.40	Coach to Johnnie Fox's	

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## Wednesday 24th May - Prague

06.45	Depart hotel	
08.00	Fly from Dublin to Prague	
	- Roadmap to Returns II	(PAC / BR)
11.30	Arrive Prague	
	- Tesco Letnany	
	- Tesco Neratovice	
	- Tesco Kralupy	
	- Lidl	
17.50	Depart Prague for Bratislava	
20.40	An Evening with Cherokee	(JH)

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## Thursday 25th May - Bratislava / Izmir

07.30	Depart hotel
08.00	Store tour <ul style="list-style-type: none"><li>- Tesco Lamac</li><li>- Kaufland</li><li>- Hypernova</li><li>- Tesco Zlate Piesky</li></ul>
11.50	Depart Bratislava for Izmir
15.20	Arrive Izmir <ul style="list-style-type: none"><li>- Kipa Cigli</li><li>- Carrefour</li></ul>
20.00	Dinner

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## Friday 26th May - Antalya

07.00	Depart hotel
08.30	Depart Izmir for Antalya
09.40	Arrive Antalya <ul style="list-style-type: none"><li>- Migros</li><li>- Kipa Antalya</li></ul>
13.30	Depart Antalya
16.10	Arrive Stansted
	CLOSE

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