



Neighborhood Market

Tim Mason

Chief Executive Officer

Viceroy Hotel, Santa Monica
26 November 2007



why we're here

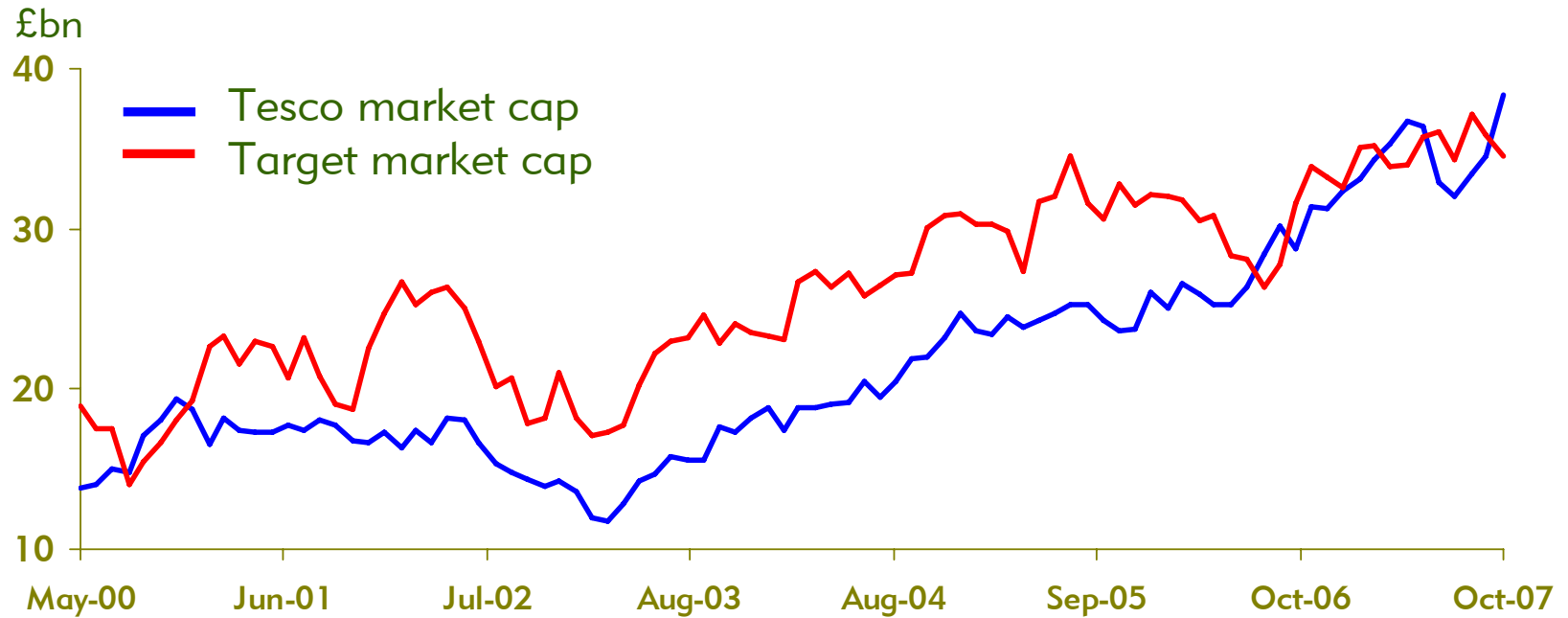
A tale of two businesses



Source: Bloomberg



A tale of two businesses



Note: At constant FX
Source: Bloomberg



The time is right

- Experienced international retailer
- Financially strong
- We are bringing our skills in:
 - Own brand/private label
 - Fresh supply chain management
 - Small store format skills
 - Customer insight and relationship management



Express - a global format



what to expect from our stores

- All types of neighborhood
- 10,000 sq ft
- Simple layouts and clear aisles
- Focus on fresh food
- Simple packaging
- Food you can trust
- Competitively priced



A responsible retailer



who you will meet

- John Burry – Commercial
- Simon Uwins – Marketing
- Tony Eggs – Real Estate
- Bryan Pugh – Retail Operations
- Mark Champagne – Supply Chain & Distribution
- Doug Rutledge – Information Technology
- Hugh Cousins – Human Resources
- Remco Waller – Finance
- Mary Kasper – General Counsel

How it's going

- We've been open for nearly three weeks
- 13 stores now trading in LA, Las Vegas and San Diego
- Customer response has been good
- Fresh offer particularly well received

How it's going



Tesco in the united states 2007

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These statements are based on our current expectations and involve certain risks and uncertainties, which are difficult to predict and may be beyond our control, as well as assumptions. If assumptions prove to be incorrect or if known or unknown risks and uncertainties materialize into actual events or circumstances, actual results may differ materially from what is forecast due to a variety of factors.

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