



## INTERIM RESULTS 2011/12

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## GROUP INCOME STATEMENT

	2011/12 <sup>1</sup>	2010/11 <sup>1</sup>	Growth
	Group £m	Group £m	
<b><u>Continuing operations</u></b> <sup>2</sup>			
Revenue (sales excluding VAT) <sup>3</sup>	32,168	29,834	7.8%
<b>Trading profit</b>	<b>1,773</b>	<b>1,710</b>	<b>3.7%</b>
Trading profit margin	5.51%	5.73%	(22)bp
Add: Property profit	245	261	
Deduct: IAS 19 Pensions charge	(242)	(270)	
Deduct: IAS 17 Leasing	(23)	(25)	
Deduct: Tesco Bank intangibles and other acquisition costs	(12)	(21)	
Deduct: IFRIC 13	(13)	(4)	
Deduct: Restructuring costs	-	(20)	
Add back: Normal cash pension contributions	209	198	
	<hr/>	<hr/>	
<b>Statutory operating profit</b>	<b>1,937</b>	<b>1,829</b>	<b>5.9%</b>
Share of post-tax profits of JVs and associates	41	13	
Net finance costs	(97)	(164)	
	<hr/>	<hr/>	
<b>Statutory profit before tax</b>	<b>1,881</b>	<b>1,678</b>	<b>12.1%</b>
Adjustments:			
Deduct: IAS 32 and IAS 39 effect	(32)	(18)	
Add back: IAS 19 Pensions charge	238	283	
Add back: IAS 17 Leasing charge	19	20	
Add back: Tesco Bank intangibles and other acquisition costs	12	21	
Add back: IFRIC 13	13	4	
Add back: Restructuring costs	-	20	
Deduct: Normal cash pension contributions	(209)	(198)	
	<hr/>	<hr/>	
<b>Underlying profit before tax</b>	<b>1,922</b>	<b>1,810</b>	<b>6.2%</b>
Tax	(433)	(407)	
	<hr/>	<hr/>	
Profit for the period	1,448	1,271	13.9%
<b><u>Discontinued operation</u></b>			
Loss for the period from discontinued operation	(65)	(82)	(20.7)%
<b><u>Continuing &amp; discontinued operations</u></b>			
	<hr/>	<hr/>	
Profit for the period	1,383	1,189	16.3%
Attributable to:			
Equity holders of the parent	1,377	1,184	16.3%
Minority Interests	6	5	20.0%
<b><u>Continuing operations</u></b> <sup>2</sup>			
Earnings per share from continuing operations (pence)			
- Basic	17.96	15.81	13.6%
- Diluted	17.90	15.74	13.7%
Underlying Earnings per share from continuing operations (pence)			
- Diluted	18.30	16.98	7.8%
Dividend per share (pence)	4.63	4.37	5.9%

# GROUP SEGMENTAL SUMMARY

## Continuing Operations<sup>2</sup>

Revenue <sup>3</sup>		UK	Asia <sup>4</sup>	Europe <sup>5</sup>	United States	Tesco Bank	Group
2011/12 <sup>1</sup>	£m	21,196	5,223	4,927	300	522	32,168
2010/11 <sup>1</sup>	£m	20,038	4,679	4,399	244	474	29,834
Growth	%	5.8%	11.6%	12.0%	23.0%	10.1%	7.8%

Trading Profit		UK	Asia <sup>4</sup>	Europe <sup>5</sup>	United States	Tesco Bank	Group
2011/12 <sup>1</sup>	£m	1,273	292	237	(73)	44	1,773
2010/11 <sup>1</sup>	£m	1,218	246	212	(95)	129	1,710
Growth	%	4.5%	18.7%	11.8%	23.2%	(65.9)%	3.7%

Trading Margin		UK	Asia <sup>4</sup>	Europe <sup>5</sup>	United States	Tesco Bank	Group
2011/12 <sup>1</sup>	%	6.01%	5.59%	4.81%	(24.33)%	8.43%	5.51%
2010/11 <sup>1</sup>	%	6.08%	5.26%	4.82%	(38.93)%	27.22%	5.73%
Growth	bp	(7)	33	(1)	1,460	(1,879)	(22)

### Notes

<sup>1</sup> For UK, ROI and US, these results are for the 26 weeks ended 27 August 2011 and the previous year comparison is made with the 26 weeks ended 28 August 2010. For Tesco Bank, India and Japan these results are for the 6 months ended 31 August 2011 and the previous year comparison is made with the 6 months ended 31 August 2010. For all other countries these results are for the 181 days ended 28 August 2011 and the previous year comparison is made with the 182 days ended 29 August 2010

<sup>2</sup> Continuing operations excludes Japan as a discontinued operation

<sup>3</sup> Revenue and revenue growth exclude the impact of IFRIC 13 (customer loyalty schemes)

<sup>4</sup> Asia consists of China, India, Malaysia, South Korea and Thailand

<sup>5</sup> Europe consists of Czech Republic, Hungary, Poland, Republic of Ireland, Slovakia and Turkey

# TESCO BANK INCOME STATEMENT

	2011/12 <sup>1</sup>	2010/11 <sup>1</sup>
	H1	H1
	£m	£m
<b>Revenue</b>		
Interest receivable and similar income	223	252
Fees and commissions receivable	299	222
	<u>522</u>	<u>474</u>
<b>Direct Costs</b>		
Interest payable	(75)	(63)
Fees and commissions payable	(68)	(10)
	<u>(143)</u>	<u>(73)</u>
<b>Gross profit</b>	<b>379</b>	<b>401</b>
Other expenses:		
Staff costs	(61)	(30)
Premises and equipment	(36)	(28)
Other administrative expenses	(151)	(135)
Depreciation and amortisation	(21)	(5)
<small>(excluding amortisation of intangibles arising on acquisition)</small>		
	<u>(269)</u>	<u>(198)</u>
<b>Trading profit before provisions for bad and doubtful debts</b>	<b>110</b>	<b>203</b>
Provisions for bad and doubtful debts	(66)	(74)
	<u>44</u>	<u>129</u>
<b>Trading profit</b>	<b>44</b>	<b>129</b>
Deduct: Tesco Bank intangibles <sup>2</sup>	(8)	(19)
Deduct: IAS 17 Leasing charge	(2)	(3)
Net finance costs	(2)	(3)
Share of profit/(loss) of joint ventures and associates	4	(2)
	<u>36</u>	<u>102</u>
<b>Profit before tax</b>	<b>36</b>	<b>102</b>

## Notes

<sup>1</sup> These results are for the 6 months ended 31 August 2011 and the previous year comparison is made with the 6 months ended 31 August 2010

<sup>2</sup> The non-cash amortisation of intangibles arising on acquisition.

# TESCO BANK BALANCE SHEET

	2011/12 <sup>1</sup>	2010/11 <sup>2</sup>	2010/11 <sup>2</sup>
	H1	FY	H1
	£m	£m	£m
<b>Non-current assets</b>			
Intangible assets	343	276	221
Property, plant and equipment	100	111	92
Other investments	1,345	1,002	767
Loans and advances to customers	1,982	2,127	2,012
Deferred tax assets	-	-	31
Derivative financial instruments	12	16	-
	<b>3,782</b>	<b>3,532</b>	<b>3,123</b>
<b>Current assets</b>			
Loans and advances to customers	2,577	2,514	2,462
Trade and other receivables	508	260	167
Derivative financial instruments	1	-	7
Cash and cash equivalents	514	706	692
	<b>3,600</b>	<b>3,480</b>	<b>3,328</b>
<b>Current liabilities</b>			
Trade and other payables	(256)	(226)	(244)
Financial liabilities			
- Borrowings	(225)	(224)	-
- Derivative financial instruments	(10)	(7)	(9)
Loans to banks	(121)	(36)	(50)
Provisions	(92)	(39)	(96)
Customer deposits	(4,807)	(4,897)	(4,731)
	<b>(5,511)</b>	<b>(5,429)</b>	<b>(5,130)</b>
<b>Net current liabilities</b>	<b>(1,911)</b>	<b>(1,949)</b>	<b>(1,802)</b>
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	(134)	(126)	(224)
- Derivative financial instruments	(56)	(31)	(60)
Deferred tax liabilities	(11)	(9)	(5)
Customer deposits	(315)	(177)	-
	<b>(1,911)</b>	<b>(1,949)</b>	<b>(1,802)</b>
<b>Net assets included within Tesco Group accounts<sup>3</sup></b>	<b>1,355</b>	<b>1,240</b>	<b>1,032</b>

## Notes

<sup>1</sup> As at 31 August 2011, with comparatives at 28 February 2011 and 31 August 2010

<sup>2</sup> Refer to Interim Consolidated Financial Information for details of the reclassification relating to cash and cash equivalents

<sup>3</sup> Intra-group liabilities of £258m (2010/11: £254m, HY 2010/11: £264m) have been eliminated on consolidation in preparing the Tesco PLC consolidated financial statements. Net assets of Tesco Bank are £1,111m (2010/11: £1,017m, HY 2010/11: £785m) including the intra-group liabilities and ATM commission.

# TESCO GROUP CASH FLOW

	Retail		Tesco Bank		Tesco Group	
	2011/12 <sup>1</sup> £m	2010/11 <sup>1</sup> £m	2011/12 <sup>1</sup> £m	2010/11 <sup>1</sup> £m	2011/12 <sup>1</sup> £m	2010/11 <sup>1</sup> £m
<b>Profit before tax<sup>2</sup></b>	<b>1,845</b>	<b>1,576</b>	<b>36</b>	<b>102</b>	<b>1,881</b>	<b>1,678</b>
ATM commission	(14)	(17)	14	17	-	-
Net finance costs	95	161	2	3	97	164
Share of post-tax profits of joint ventures and associates	(37)	(15)	(4)	2	(41)	(13)
<b>Operating profit</b>	<b>1,889</b>	<b>1,705</b>	<b>48</b>	<b>124</b>	<b>1,937</b>	<b>1,829</b>
Operating loss of discontinued operation	(51)	(82)	-	-	(51)	(82)
Depreciation, amortisation and net property, plant and equipment impairment	733	678	29	24	762	702
Impairment of goodwill	-	55	-	-	-	55
Profit/ losses arising on property-related items	(245)	(261)	-	-	(245)	(261)
Loss arising on sale of non property-related items	4	1	-	-	4	1
Adjustment for non-cash element of pensions charge	33	72	-	-	33	72
Tesco Bank non cash movements	-	-	112	44	112	44
Share-based payments	98	108	2	4	100	112
<b>Cashflow from operations excluding working capital</b>	<b>2,461</b>	<b>2,276</b>	<b>191</b>	<b>196</b>	<b>2,652</b>	<b>2,472</b>
(Decrease)/ increase in working capital	(202)	(113)	(20)	40	(222)	(73)
<b>Cash generated from operations</b>	<b>2,259</b>	<b>2,163</b>	<b>171</b>	<b>236</b>	<b>2,430</b>	<b>2,399</b>
Interest paid	(133)	(243)	(2)	(3)	(135)	(246)
Corporation tax (paid)/received	(274)	(336)	(3)	17	(277)	(319)
<b>Cash flows from operating activities</b>	<b>1,852</b>	<b>1,584</b>	<b>166</b>	<b>250</b>	<b>2,018</b>	<b>1,834</b>
Acquisition of subsidiaries, net of cash acquired	(139)	(86)	-	-	(139)	(86)
Proceeds from sale of property, plant and equipment, and intangible assets	569	1,240	-	-	569	1,240
Purchase of property, plant and equipment, and intangible assets	(1,865)	(1,871)	(94)	(117)	(1,959)	(1,988)
Investments and loans to joint ventures and associates	107	(5)	-	(8)	107	(13)
Net proceeds from sale of / (investments in) short-term investments & other investments	425	136	(309)	(69)	116	67
Dividends received from joint ventures and associates	27	34	-	-	27	34
Interest received	23	82	-	-	23	82
<b>Net cash used in investing activities</b>	<b>(853)</b>	<b>(470)</b>	<b>(403)</b>	<b>(194)</b>	<b>(1,256)</b>	<b>(664)</b>
Proceeds from issue of ordinary share capital	23	46	-	-	23	46
Investment in Tesco Bank	(50)	(149)	50	149	-	-
Net repayment of borrowings, including finance leases	(151)	(1,064)	(5)	-	(156)	(1,064)
Dividends paid, including those to non-controlling interests	(814)	(732)	-	-	(814)	(732)
Own shares purchased	(290)	(24)	-	-	(290)	(24)
<b>Net cash from financing activities</b>	<b>(1,282)</b>	<b>(1,923)</b>	<b>45</b>	<b>149</b>	<b>(1,237)</b>	<b>(1,774)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(283)</b>	<b>(809)</b>	<b>(192)</b>	<b>205</b>	<b>(475)</b>	<b>(604)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,722</b>	<b>2,615</b>	<b>706</b>	<b>487</b>	<b>2,428</b>	<b>3,102</b>
Effect of foreign exchange rate changes	7	(39)	-	-	7	(39)
<b>Cash and cash equivalents at the end of the period</b>	<b>1,446</b>	<b>1,767</b>	<b>514</b>	<b>692</b>	<b>1,960</b>	<b>2,459</b>
Less cash held in disposal group <sup>3</sup>	(10)	-	-	-	(10)	-
<b>Cash and cash equivalents not held in disposal group</b>	<b>1,436</b>	<b>1,767</b>	<b>514</b>	<b>692</b>	<b>1,950</b>	<b>2,459</b>

## Notes

<sup>1</sup> For UK, ROI and US, these results are for the 26 weeks ended 27 August 2011 and the previous year comparison is made with the 26 weeks ended 28 August 2010. For Tesco Bank, India and Japan these results are for the 6 months ended 31 August 2011 and the previous year comparison is made with the 6 months ended 31 August 2010. For all other countries these results are for the 181 days ended 28 August 2011 and the previous year comparison is made with the 182 days ended 29 August 2010

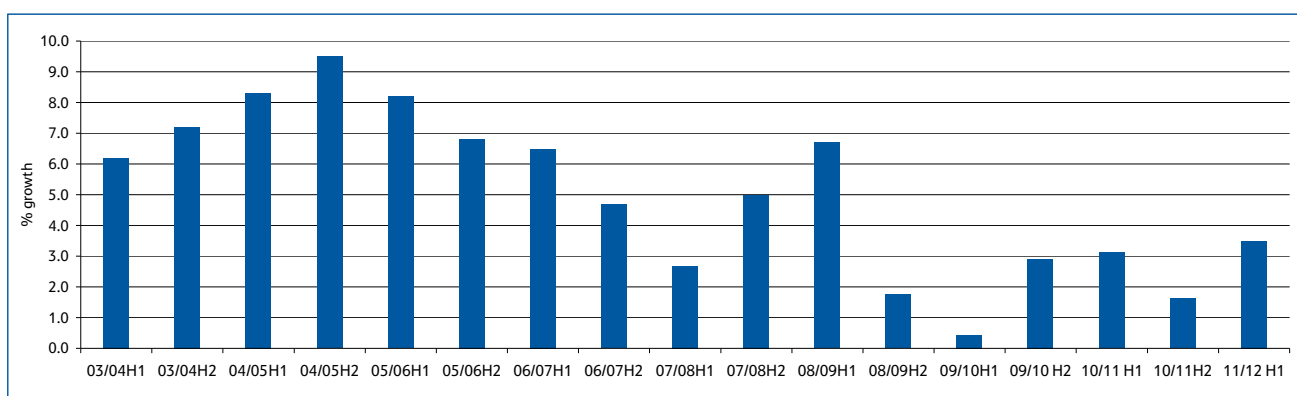
<sup>2</sup> Bank profit before tax is per Bank Income Statement

<sup>3</sup> This relates to the cash held within our discontinued operation reported within assets of the disposal group.

## UK SALES PERFORMANCE (inc. VAT, exc. IFRIC 13)

	Inc. Petrol				Exc. Petrol			
	Quarter 1 2011/12	Quarter 2 2011/12	First half 2011/12	First half 2010/11	Quarter 1 2011/12	Quarter 2 2011/12	First half 2011/12	First half 2010/11
	13 wks to 28/05/11	13 wks to 27/08/11	26 wks to 27/08/11	26 wks to 28/08/10	13 wks to 28/05/11	13 wks to 27/08/11	26 wks to 27/08/11	26 wks to 28/08/10
	%	%	%	%	%	%	%	%
Existing stores	3.4	3.5	3.5	3.1	1.0	(0.0)	0.5	1.2
Net new stores	3.6	3.8	3.6	2.8	3.9	4.0	3.9	3.0
<b>Total</b>	<b>7.0</b>	<b>7.3</b>	<b>7.1</b>	<b>5.9</b>	<b>4.9</b>	<b>4.0</b>	<b>4.4</b>	<b>4.2</b>

## UK HALF YEAR LIKE-FOR-LIKE SALES GROWTH (inc. Petrol, inc. VAT, exc. IFRIC 13)



## UK SALES AREA BY SIZE OF STORE

Store Size	August 2011			February 2011		
	No. of stores	Million sq ft	% of total sq ft	No. of stores	Million sq ft	% of total sq ft
sq ft						
0-3,000	1931	4.0	10.7%	1789	3.7	10.1%
3,001-20,000	308	3.9	10.3%	304	3.8	10.4%
20,001-40,000	295	8.8	23.7%	297	8.9	24.2%
40,001-60,000	177	9.2	24.7%	172	9.0	24.4%
Over 60,000	154	11.4	30.6%	153	11.3	30.9%
<b>Total</b>	<b>2,865</b>	<b>37.3</b>	<b>100.0%</b>	<b>2,715</b>	<b>36.7</b>	<b>100.0%</b>

## INTERNATIONAL SALES PERFORMANCE (inc. Petrol, exc. IFRIC 13)

		SALES GROWTH (inc. VAT)				REVENUE (exc. VAT)			
		CONSTANT RATES			ACTUAL RATES	in local currency m	£m	average exchange rate	closing exchange rate
		like-for-like %	net new stores %	total %	total %				
<b>Continuing Operations</b>									
China	TY	6	12	18	16	6,085	577	10.55	10.43
	LY	6	13	19	19	5,164	498	10.37	10.53
Malaysia	TY	1	14	15	14	2,067	422	4.900	4.879
	LY	(2)	8	6	24	1,799	370	4.866	4.874
South Korea	TY	1	6	7	7	4,647,144	2,634	1,764	1,766
	LY	3	5	8	23	4,347,496	2,453	1,772	1,855
Thailand	TY	8	9	17	17	76,823	1,564	49.11	48.96
	LY	(1)	6	5	15	65,523	1,340	48.90	48.54
India	TY	67	0	67	56	1,913	26	72.81	75.36
	LY	n/a	n/a	n/a	n/a	1,256	18	69.57	72.64
United States	TY	12	20	32	23	487	300	1.626	1.633
	LY	10	33	43	47	369	244	1.513	1.550
Czech Republic	TY	1	11	12	22	21,341	771	27.69	27.39
	LY	0	4	5	4	19,083	629	30.33	30.19
Hungary	TY	3	5	8	17	281,543	922	305.3	308.2
	LY	(5)	2	(3)	(7)	261,583	786	332.7	346.5
Poland	TY	0	7	7	11	5,175	1,137	4.551	4.709
	LY	3	5	8	15	4,875	1,033	4.719	4.853
Slovakia	TY	8	6	14	18	623	547	1.138	1.130
	LY	10	3	13	10	553	470	1.177	1.218
Turkey	TY	5	12	17	3	918	350	2.624	2.868
	LY	(0)	11	10	17	785	338	2.321	2.362
Republic of Ireland	TY	(4)	6	2	5	1,365	1,200	1.138	1.130
	LY	6	2	8	5	1,341	1,139	1.177	1.218

### Discontinued Operation

Japan	TY	(9)	(5)	(14)	(10)	29,010	222	130.9	125.7
	LY	(8)	4	(4)	9	33,453	245	136.3	131.7



## GROUP SPACE SUMMARY

Actual at 27 August 2011

### NUMBER OF STORES

	2010/11 year end	openings		acquisitions	extensions / adjustments	gross store number gain	closures / disposals	As at 27 Aug 2011	% of group
		Q1	Q2						
<b>UK</b>	<b>2,715</b>	<b>40</b>	<b>44</b>	<b>77</b>	<b>-</b>	<b>161</b>	<b>(11)</b>	<b>2,865</b>	<b>50.9%</b>
Asia <sup>1</sup>	1,279	52	87	-	(1)	138	(1)	1,416	25.2%
Europe <sup>1</sup>	1,082	21	32	46	-	99	(9)	1,172	20.8%
United States	164	11	2	-	-	13	-	177	3.1%
<b>International</b>	<b>2,525</b>	<b>84</b>	<b>121</b>	<b>46</b>	<b>(1)</b>	<b>250</b>	<b>(10)</b>	<b>2,765</b>	<b>49.1%</b>
<b>Group</b>	<b>5,240</b>	<b>124</b>	<b>165</b>	<b>123</b>	<b>(1)</b>	<b>411</b>	<b>(21)</b>	<b>5,630</b>	<b>100.0%</b>

### SPACE - '000 sq ft

	2010/11 year end	openings		acquisitions	extensions / adjustments	gross sales area gain	closures / disposals	As at 27 Aug 2011	% of group
		Q1	Q2						
<b>UK</b>	<b>36,722</b>	<b>284</b>	<b>295</b>	<b>124</b>	<b>13</b>	<b>716</b>	<b>(161)</b>	<b>37,277</b>	<b>35.1%</b>
Asia <sup>1</sup>	34,478	680	693	-	(4)	1,369	(31)	35,816	33.7%
Europe <sup>1</sup>	30,209	450	451	189	33	1,123	(115)	31,217	29.4%
United States	1,702	115	22	-	-	137	-	1,839	1.7%
<b>International</b>	<b>66,389</b>	<b>1,245</b>	<b>1,166</b>	<b>189</b>	<b>29</b>	<b>2,629</b>	<b>(146)</b>	<b>68,872</b>	<b>64.9%</b>
<b>Group</b>	<b>103,111</b>	<b>1,529</b>	<b>1,461</b>	<b>313</b>	<b>42</b>	<b>3,345</b>	<b>(307)</b>	<b>106,149</b>	<b>100.0%</b>

**Note**

<sup>1</sup> Japan and franchise stores are excluded from store and space numbers

## UK SPACE SUMMARY

### NUMBER OF STORES

	2010/11 year-end	openings		acquisitions	extensions / conversions	gross store number gain	closures / disposals	As at 27 Aug 2011
		Q1	Q2					
Extra	212	1	-	-	-	1	-	213
Homeplus	13	-	-	-	-	-	-	13
Superstore	470	2	3	-	-	5	(5)	470
Metro	186	1	-	1	-	2	(1)	187
Express	1,285	26	33	-	3	62	(2)	1,345
<b>Total Tesco</b>	<b>2,166</b>	<b>30</b>	<b>36</b>	<b>1</b>	<b>3</b>	<b>70</b>	<b>(8)</b>	<b>2,228</b>
One Stop	521	9	6	76	(3)	88	(3)	606
Dobbies	28	1	2	-	-	3	-	31
<b>Total UK</b>	<b>2,715</b>	<b>40</b>	<b>44</b>	<b>77</b>	<b>-</b>	<b>161</b>	<b>(11)</b>	<b>2,865</b>

### SPACE - '000 SQ FT

	2010/11 year-end	openings		acquisitions	extensions / conversions	gross sales area gain	closures / disposals	As at 27 Aug 2011
		Q1	Q2					
Extra	15,079	64	-	-	-	64	-	15,143
Homeplus	554	-	-	-	-	-	-	554
Superstore	13,962	81	105	-	10	196	(140)	14,018
Metro	2,095	8	-	7	-	15	(11)	2,099
Express	2,932	64	83	-	8	155	(4)	3,083
<b>Total Tesco</b>	<b>34,622</b>	<b>217</b>	<b>188</b>	<b>7</b>	<b>18</b>	<b>430</b>	<b>(155)</b>	<b>34,897</b>
One Stop	797	15	10	117	(5)	137	(6)	928
Dobbies	1,303	52	97	-	-	149	-	1,452
<b>Total UK</b>	<b>36,722</b>	<b>284</b>	<b>295</b>	<b>124</b>	<b>13</b>	<b>716</b>	<b>(161)</b>	<b>37,277</b>

## ASIA SPACE SUMMARY

**Actual at 27 August 2011**

### NUMBER OF STORES

		2010/11 year end	openings		acquisitions	extensions / adjustments	gross store number gain	closures / disposals	As at 27 Aug 2011
			Q1	Q2					
<b>China</b>	- hypermarkets	93	3	1	-	-	4	-	97
	- other	12	-	-	-	-	-	-	12
<b>Malaysia</b>	- hypermarkets	37	2	2	-	-	4	-	41
	- other	1	-	2	-	-	2	(1)	2
<b>South Korea</b>	- hypermarkets	121	1	1	-	-	2	-	123
	- other	233	11	11	-	(1)	21	-	254
<b>Thailand</b>	- hypermarkets	124	1	1	-	-	2	-	126
	- other	658	34	69	-	-	103	-	761
<b>Total Asia</b>	- hypermarkets	375	7	5	-	-	12	-	387
	- other	904	45	82	-	(1)	126	(1)	1,029
<b>Total Asia</b>	<b>- TOTAL</b>	<b>1,279</b>	<b>52</b>	<b>87</b>	<b>-</b>	<b>(1)</b>	<b>138</b>	<b>(1)</b>	<b>1,416</b>

*Memo:*

<b>South Korea</b>	- franchise stores <sup>1</sup>	25	1	6	-	-	7	-	32
<b>Japan</b>	- other <sup>1</sup>	140	-	1	-	-	1	(8)	133

### SPACE - '000 SQ FT

		2010/11 year end	openings		acquisitions	extensions / adjustments	gross sales area gain	closures / disposals	As at 27 Aug 2011
			Q1	Q2					
<b>China</b>	- hypermarkets	8,108	264	93	-	-	357	-	8,465
	- other	27	-	-	-	-	-	-	27
<b>Malaysia</b>	- hypermarkets	3,294	140	151	-	-	291	-	3,585
	- other	31	-	64	-	-	64	(31)	64
<b>South Korea</b>	- hypermarkets	10,931	89	108	-	-	197	-	11,128
	- other	745	26	30	-	(6)	50	-	795
<b>Thailand</b>	- hypermarkets	9,387	54	53	-	-	107	-	9,494
	- other	1,955	107	194	-	2	303	-	2,258
<b>Total Asia</b>	- hypermarkets	31,720	547	405	-	-	952	-	32,672
	- other	2,758	133	288	-	(4)	417	(31)	3,144
<b>Total Asia</b>	<b>- TOTAL</b>	<b>34,478</b>	<b>680</b>	<b>693</b>	<b>-</b>	<b>(4)</b>	<b>1,369</b>	<b>(31)</b>	<b>35,816</b>

*Memo:*

<b>South Korea</b>	- franchise stores <sup>1</sup>	61	3	14	-	-	17	-	78
<b>Japan</b>	- other <sup>1</sup>	505	-	2	-	-	2	(33)	474

**Note**

<sup>1</sup> Japan and franchise stores are excluded from store and space numbers

## EUROPE SPACE SUMMARY

**Actual at 27 August 2011**

### NUMBER OF STORES

		2010/11 year end	openings		acquisitions	extensions / adjustments	gross store number gain	closures / disposals	As at 27 Aug 2011
			Q1	Q2					
<b>Czech Republic</b>	- hypermarkets	73	-	-	-	-	-	-	73
	- other	85	6	5	46	-	57	-	142
<b>Hungary</b>	- hypermarkets	115	-	1	-	-	1	-	116
	- other	90	2	1	-	-	3	-	93
<b>Poland</b>	- hypermarkets	68	3	-	-	3	6	-	74
	- other	303	4	11	-	(3)	12	(6)	309
<b>Slovakia</b>	- hypermarkets	54	-	-	-	-	-	-	54
	- other	43	1	5	-	-	6	-	49
<b>Turkey</b>	- hypermarkets	46	1	3	-	-	4	-	50
	- other	75	1	5	-	-	6	-	81
<b>Republic of Ireland</b>	- hypermarkets	11	2	-	-	-	2	-	13
	- other	119	1	1	-	-	2	(3)	118
<b>Total Europe</b>	- hypermarkets	367	6	4	-	3	13	-	380
	- other	715	15	28	46	(3)	86	(9)	792
<b>Total Europe</b>	<b>-TOTAL</b>	<b>1,082</b>	<b>21</b>	<b>32</b>	<b>46</b>	<b>-</b>	<b>99</b>	<b>(9)</b>	<b>1,172</b>

*Memo:*

<b>Czech Republic</b>	- franchise stores <sup>1</sup>	-	-	2	83	-	85	(1)	84
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### SPACE - '000 SQ FT

		2010/11 year end	openings		acquisitions	extensions / adjustments	gross sales area gain	closures / disposals	As at 27 Aug 2011
			Q1	Q2					
<b>Czech Republic</b>	- hypermarkets	4,184	-	-	-	-	-	-	4,184
	- other	1,054	36	35	189	-	260	-	1,314
<b>Hungary</b>	- hypermarkets	6,639	-	34	-	-	34	-	6,673
	- other	546	14	11	-	-	25	-	571
<b>Poland</b>	- hypermarkets	5,129	140	-	-	114	254	-	5,383
	- other	3,017	37	126	-	(65)	98	(50)	3,065
<b>Slovakia</b>	- hypermarkets	2,677	-	-	-	(16)	(16)	-	2,661
	- other	706	2	21	-	-	23	-	729
<b>Turkey</b>	- hypermarkets	2,760	76	184	-	-	260	-	3,020
	- other	256	8	37	-	-	45	-	301
<b>Republic of Ireland</b>	- hypermarkets	687	134	-	-	-	134	-	821
	- other	2,554	3	3	-	-	6	(65)	2,495
<b>Total Europe</b>	- hypermarkets	22,076	350	218	-	98	666	-	22,742
	- other	8,133	100	233	189	(65)	457	(115)	8,475
<b>Total Europe</b>	<b>-TOTAL</b>	<b>30,209</b>	<b>450</b>	<b>451</b>	<b>189</b>	<b>33</b>	<b>1,123</b>	<b>(115)</b>	<b>31,217</b>

*Memo:*

<b>Czech Republic</b>	- franchise stores <sup>1</sup>	-	-	2	80	-	82	(1)	81
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**Note**

<sup>1</sup> Franchise stores are excluded from store and space numbers

## GROUP SPACE FORECAST

### Forecast to 25th February 2012

SPACE - '000 sq ft

	As at 27th Aug 2011	openings		acquisitions	extensions / adjustments	gross sales area gain	closures / disposals	2011/12 year end	% of group
		Q3	Q4						
Extra	15,143	667	311	-	387	1,365	-	16,508	14.5%
Homeplus	554	-	-	-	-	-	-	554	0.5%
Superstore	14,018	68	420	28	(137)	379	(80)	14,317	12.6%
Metro	2,099	36	-	-	(4)	32	-	2,131	1.9%
Express	3,083	116	127	-	1	244	-	3,327	2.9%
<b>Total Tesco</b>	<b>34,897</b>	<b>887</b>	<b>858</b>	<b>28</b>	<b>247</b>	<b>2,020</b>	<b>(80)</b>	<b>36,837</b>	<b>32.5%</b>
One Stop	928	15	15	-	(5)	25	(2)	951	0.8%
Dobbies	1,452	50	-	-	-	50	-	1,502	1.3%
<b>Total UK</b>	<b>37,277</b>	<b>952</b>	<b>873</b>	<b>28</b>	<b>242</b>	<b>2,095</b>	<b>(82)</b>	<b>39,290</b>	<b>34.6%</b>
China	8,492	703	857	-	-	1,560	-	10,052	8.9%
Malaysia	3,649	129	-	-	-	129	-	3,778	3.3%
South Korea	11,923	105	466	-	-	571	(11)	12,483	11.0%
Thailand	11,752	590	474	-	-	1,064	(4)	12,812	11.3%
<b>Asia</b>	<b>35,816</b>	<b>1,527</b>	<b>1,797</b>	<b>-</b>	<b>-</b>	<b>3,324</b>	<b>(15)</b>	<b>39,125</b>	<b>34.5%</b>
Czech Republic	5,498	102	161	-	-	263	(18)	5,743	5.1%
Hungary	7,244	53	3	-	-	56	-	7,300	6.4%
Poland	8,448	357	267	-	-	624	(16)	9,056	8.0%
Slovakia	3,390	116	131	-	-	247	-	3,637	3.2%
Turkey	3,321	122	312	-	-	434	-	3,755	3.3%
Republic of Ireland	3,316	73	73	-	-	146	(12)	3,450	3.0%
<b>Europe</b>	<b>31,217</b>	<b>823</b>	<b>947</b>	<b>-</b>	<b>-</b>	<b>1,770</b>	<b>(46)</b>	<b>32,941</b>	<b>29.0%</b>
<b>United States</b>	<b>1,839</b>	<b>60</b>	<b>234</b>	<b>-</b>	<b>-</b>	<b>294</b>	<b>-</b>	<b>2,133</b>	<b>1.9%</b>
<b>International</b>	<b>68,872</b>	<b>2,410</b>	<b>2,978</b>	<b>-</b>	<b>-</b>	<b>5,388</b>	<b>(61)</b>	<b>74,199</b>	<b>65.4%</b>
<b>Group</b>	<b>106,149</b>	<b>3,362</b>	<b>3,851</b>	<b>28</b>	<b>242</b>	<b>7,483</b>	<b>(143)</b>	<b>113,489</b>	<b>100.0%</b>

**Memo:**

South Korea franchise <sup>1</sup>	78	14	37	-	-	51	-	129
Czech Republic franchise <sup>1</sup>	81	-	-	-	-	-	-	81
Japan <sup>1</sup>	474	-	3	-	-	3	(78)	399

**Note**

<sup>1</sup> Japan and franchise stores are excluded from store and space numbers

## EARNINGS PER SHARE

		CONTINUING OPERATIONS <sup>1</sup>	
		2011/12 <sup>2</sup> H1 £m	2010/11 <sup>2</sup> H1 £m
<b>EARNINGS</b>			
<b>Statutory profit before tax</b>		<b>1,881</b>	<b>1,678</b>
Adjustments:			
Deduct: IAS 32 and IAS 39 effect		(32)	(18)
Add back: IAS 19 Pensions charge		238	283
Add back: IAS 17 Leasing charge		19	20
Add back: Tesco Bank intangibles and other acquisition costs		12	21
Add back: IFRIC 13		13	4
Add back: Restructuring costs		-	20
Deduct: Normal cash pension contributions		(209)	(198)
<b>Underlying profit before tax</b>		<b>1,922</b>	<b>1,810</b>
	TY ERT %		
	LY ERT %		
Tax on profit <sup>3</sup>	23.00%	(433)	(407)
Tax on underlying profit <sup>3</sup>	23.00%	(442)	(439)
Minority Interest		(6)	(5)
<b>BASIC EARNINGS</b>		<b>1,442</b>	<b>1,266</b>
<b>UNDERLYING EARNINGS</b>		<b>1,474</b>	<b>1,366</b>
 <b>SHARES</b>		 2011/12 H1	 2010/11 H1
Shares in issue at start of year	Million	<b>8,046</b>	<b>7,985</b>
SAYE and Executive Share Option Schemes	Million	<b>4</b>	<b>11</b>
Shares issued and Own Shares purchased	Million	<b>(16)</b>	<b>14</b>
Less : weighted average shares in trust	Million	<b>(5)</b>	<b>(1)</b>
<b>BASIC weighted average no of shares</b>	Million	<b>8,029</b>	<b>8,009</b>
Weighted average no of options	A Million	<b>167</b>	<b>159</b>
Average option price	B Pence	<b>334</b>	<b>326</b>
Average share price	C Pence	<b>397</b>	<b>414</b>
Dilutory number of shares	[A x (C-B)/C] Million	<b>27</b>	<b>34</b>
<b>DILUTED weighted average no of shares</b>	Million	<b>8,056</b>	<b>8,043</b>
 <b>BASIC Earnings Per Share - Continuing Operations</b>	 Pence	 17.96	 15.81
<b>DILUTED Earnings Per Share - Continuing Operations</b>	Pence	17.90	15.74
<b>UNDERLYING BASIC Earnings Per Share - Continuing Operations</b>	Pence	18.36	17.06
<b>UNDERLYING DILUTED Earnings Per Share - Continuing Operations</b>	Pence	18.30	16.98

### Note

<sup>1</sup> Continuing operations excludes Japan as a discontinued operation

<sup>2</sup> For UK, ROI and US, these results are for the 26 weeks ended 27 August 2011 and the previous year comparison is made with the 26 weeks ended 28 August 2010. For Tesco Bank and India Japan these results are for the 6 months ended 31 August 2011 and the previous year comparison is made with the 6 months ended 31 August 2010. For all other countries these results are for the 181 days ended 28 August 2011 and the previous year comparison is made with the 182 days ended 29 August 2010

<sup>3</sup> Effective rate of tax on statutory profit before tax for 2010/11 has been restated on a continuing operations basis. The restated effective tax rate has been applied to the underlying profit before tax, restated on a continuing operations basis, to calculate tax on underlying profit before tax, consistent with the usual methodology