



Tesco Kipa – Turkey

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Update on Tesco Kipa



	Feb 2006	Feb 2011
No of stores	8	121
Hypers	8	46
Express	0	66
1K	0	9

	2005/06*	2010/11
Sales £m	232	777
Sales % growth	37%	18%
Sales % growth (constant FX)	15%	15%

* Note: 2005/06 sales given on a 12-month basis



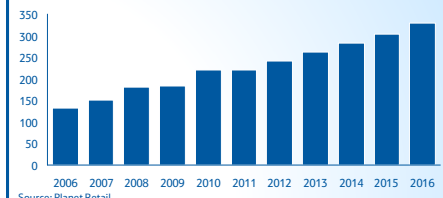
Recent Developments

- Over 1.3m customers per week
- Launched Clubcard in March 2011:
 - 360,000 Clubcard members
 - 50% sales participation
- Opened 4 Extra stores and our first 1K stores in Istanbul since October 2010
- Launched the F&F and Cherokee ranges in October 2010
- Over 90% of Kipa own label products sourced from Turkish suppliers:
 - participation 20% of sales by volume
- Opportunities for growth:
 - Market share < 2%
 - Forecast openings >700k sq ft 2011/12
- Carbon intensity reduced by 40% since 2006

Tesco Kipa is a growing business in a developing retail market

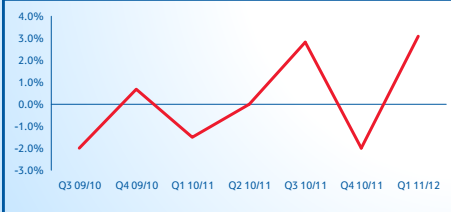


Turkey retail market sales, GBP bn



Source: Planet Retail

Quarterly LFL



Looking ahead

- Strong new space programme, supplemented by increased growth in 1K and 2K stores, along with further Extra conversions
- Headline sales growth will be underpinned by strong growth in general merchandise, supported by rising disposable incomes and a young population