

#### PRELIMINARY RESULTS 2012/13

ADDITIONAL INFORMATION

- 1. Group Income Statement
- 2. Segmental Summary
- 3. Tesco Bank Income Statement
- 4. Tesco Bank Balance Sheet
- 5. Tesco Group Cash Flow
- 6. UK Sales Performance
- 7. International Sales Performance
- 8. Group Space Summary
- 9. UK Space Summary
- 10. Asia Space Summary
- 11. Europe Space Summary
- 12. Group Space Forecast
- 13. Earnings Per Share

#### **INVESTOR CONTACTS:**

Chris Griffith Gillian Robb Charles Wedderburn

+44 (0) 1992 644 800 +44 (0) 1992 806 833 +44 (0) 1992 806 269

investor.relations@uk.tesco.com +44 (0) 1992 646 484

## **GROUP INCOME STATEMENT**

	2012/13 <sup>1</sup>	2011/12 <sup>1</sup>	Growth
	Group	Group	
Continuing operations <sup>2</sup>	£m	£m	
Revenue (sales excluding VAT) <sup>3</sup>	65,398	64,541	1.3%
Trading profit	3,453	3,969	(13.0)%
Trading profit margin	5.28%	6.15%	(87)bp
Other underlying profit items:			
- Profits/losses arising on property-related items	370	397	(6.8)%
- Share of post-tax profits of joint ventures and associates	46	80	(42.5)%
- Net interest cost	(320)	(297)	(7.7)%
Underlying profit before tax	3,549	4,149	(14.5)%
IAS adjustments	(33)	(43)	23.3%
Restructuring and other one-off costs			
- Impairment of PPE and onerous lease provisions	(895)	-	n/m
- Provision for customer redress	(115)	(57)	(101.8)%
- Impairment of goodwill	(495)	-	n/m
- Other restructuring and one-off items	(51)	(11)	(363.6)%
Statutory profit before tax	1,960	4,038	(51.5)%
Tax	(574)	(874)	34.3%
Profit for the period	1,386	3,164	(56.2)%
Discontinued operations			
Loss for the period from discontinued operations	(1,266)	(350)	(261.7)%
Continuing & discontinued operations			
Profit for the period	120	2,814	(95.7)%
Attributable to:	124	2.806	(DE C)0/
Equity holders of the parent Minority Interests	124 (4)	2,806 8	(95.6)% (151.3)%
	(4)	0	(1.5)%
Continuing operations <sup>2</sup>			
Earnings per share from continuing operations (pence)			
- Basic	17.30	39.35	(56.0)%
- Diluted	17.30	39.23	(55.9)%
Underlying earnings per share from continuing operations (pence)			
- Diluted	35.97	40.31	(10.8)%
Dividend per share (pence)	14.76	14.76	0.0%

### **GROUP SEGMENTAL SUMMARY**

Continuing Operations<sup>2</sup>

Revenue <sup>3</sup>	UK	Asia <sup>4</sup>	Europe <sup>5</sup>	Tesco Bank	Group
2012/13 <sup>1</sup> £m 2011/12 <sup>1</sup> £m	43,579 42,803	11,479 10,828	9,319 9,866	1,021 1,044	65,398 64,541
Growth %	1.8%	6.0%	(5.5)%	(2.2)%	1.3%

Trading Profit	UK	UK Asia <sup>4</sup> Europe <sup>5</sup> Tesco E		UK Asia <sup>4</sup> E		Tesco Bank	Group
2012/13 <sup>1</sup> £m 2011/12 <sup>1</sup> £m	2,272 2,478	661 737	329 529	191 225	3,453 3,969		
Growth %	(8.3)%	(10.3)%	(37.8)%	(15.1)%	(13.0)%		

Trading N	Trading Margin		Asia <sup>4</sup>	Europe <sup>5</sup>	Tesco Bank	Group
2012/13 <sup>1</sup> 2011/12 <sup>1</sup>	%	5.21% 5.79%	5.76% 6.81%	3.53% 5.36%	18.71% 21.55%	5.28% 6.15%
Growth	bp	(58)	(105)	(183)	(284)	(87)

#### <u>Notes</u>

<sup>1</sup> For the UK, the Republic of Ireland and the US, these results are for the 52 weeks ended 23 February 2013 (prior financial year 52 weeks ended 25 February 2012). For all other operations, these results are for the calendar year ended 28 February 2013 (prior financial year ended 29 February 2012). All growth rates are calculated at actual exchange rates unless otherwise stated. Statutory numbers include the accounting impact of IFRIC 13 (Customer Loyalty Programmes). All other numbers are shown excluding the accounting impact of IFRIC 13, consistent with internal management reporting. More information can be found in Note 1 to the preliminary consolidated financial information

<sup>2</sup> Continuing operations excludes Japan and US

<sup>3</sup> Revenue and revenue growth exclude the impact of IFRIC 13 (Customer Loyalty Programmes)

<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, Turkey and franchising

### **TESCO BANK INCOME STATEMENT**

	2012/13 <sup>1</sup>	2011/12 <sup>1</sup>
	FY	FY
	£m	£m
Revenue		
Interest receivable and similar income	480	438
Fees and commissions receivable	541	606
	1,021	1,044
Direct Costs		
Interest payable	(172)	(157)
Fees and commissions payable	(26)	(23)
	(198)	(180)
Gross profit	823	864
Other expenses:		
Staff costs	(134)	(118)
Premises and equipment	(78)	(66)
Other administrative expenses	(276)	(285)
Depreciation and amortisation	(62)	(45)
(excluding amortisation of intangibles arising on acquisition)		
	(550)	(514)
Trading profit before provisions for bad and doubtful debts	273	350
Provisions for bad and doubtful debts	(82)	(125)
Trading profit	191	225
Deduct: Tesco Bank intangibles <sup>2</sup>	(15)	(15)
Deduct: IAS 17 Leasing charge	(1)	(2)
Deduct: Management charges	(1)	(1)
Net finance costs	(9)	(5)
Share of profit/(loss) of joint ventures and associates	10	5
Restructuring and other one-off charges <sup>3</sup>	(85)	(67)
Profit before tax	90	140

#### <u>Notes</u>

<sup>1</sup> These results are for the 12 months ended 28 February 2013 and the previous year comparison is made with the 12 months ended 29 February 2012

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

<sup>3</sup> Restructuring and one-off charges includes a one-off credit of £30m in 2012/13

#### **TESCO BANK BALANCE SHEET**

	2012/13 <sup>1</sup>	2011/12 <sup>1</sup>
	FY	FY
	£m	£m
Non-current assets		
Intangible assets	428	383
Property, plant and equipment	94	110
Investments in joint ventures and associates	95	72
Other investments	819	1,526
Loans and advances to customers	2,465	1,901
Derivative financial instruments	33	18
	3,934	4,010
Current assets		
Trade and other receivables	186	537
Loans and advances to customers	3,093	2,502
Derivative financial instruments	-	1
Current tax asset	36	-
Cash and cash equivalents	1,055	580
	4,370	3,620
Current liabilities		
Trade and other payables	(246)	(242)
Financial liabilities		
- Derivative financial instruments	(7)	(8)
- Customer deposits	(5,322)	(5,087)
- Deposits by banks	(9)	(78)
Provisions	(102)	(78)
	(5,686)	(5,493)
Net current liabilities	(1,316)	(1,873)
Non-current liabilities		
Financial liabilities		
- Borrowings	(407)	(198)
- Derivative financial instruments	(57)	(63)
- Customer deposits	(677)	(300)
- Deposits by banks	(6)	-
Deferred tax liabilities	(49)	(38)
Net assets included within Tesco Group accounts <sup>2</sup>	1,422	1,538

#### <u>Notes</u>

,

<sup>1</sup> As at 28 February 2013 with comparatives at 29 February 2012

 $^2$  Intra-group liabilities of £252m (2011/12: £399m) have been eliminated on consolidation in preparing the Tesco PLC consolidated financial statements. Net assets of Tesco Bank are £1,198m (2011/12: £1,165m) including the intra-group liabilities and ATM commission

#### **TESCO GROUP CASH FLOW**

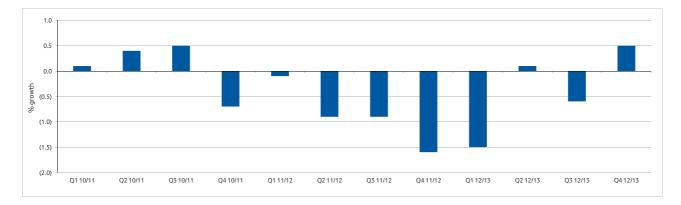
201111         2011112         2011112         20111		Reta	ail	Tesco Bank		Tesco	Group
Pertochance al National properties of the fore tax in the moment of property and the fore tax in the moment of property and the fore tax in the moment of the property part and equipment of property part and equipment (part					-		
Alt Mit commission         (20) <td>Profit before tax<sup>1</sup></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Profit before tax <sup>1</sup>						
Net Home's costs Departing too's difficult ventures and associates Departing too's difficult ventures and associates (4) (10) (10) (10) (10) (10) (10) (10) (10	ATM commission	(28)	(26)			· -	, -
Share of post-tar profits of priving vertices and sociates         (44)         (80)         (10)         (2)         (24)         (80)           Operating ports of continuing operations         (2,27)         (2,23)         (2,37)         (2,30)         (2,37)         (2,30)		'	· ·			· ·	
Operating is or discontinue do projections         (1,257)         (224)          (1,257)         (224)           Deprecting is or discontinue do remainment of property.         2,142         1,313         77         60         2,219         1,573           Profit() as anising on parbert-veltated terms, including loss arising on parbert-veltated terms.         4         4         (4)          4         4         (4)          4         4         (4)          4         4         (4)           4         4         (4)           4         4         (4)  .							
Deprecision, amorisation and net impairment of property, plant and equipment, investment and intragibles assists (Profit)loss arising on property-related items, including loss ating on property related items, included in profit before tax Cashfow from operations acturings (180)         177         60         2,219         1,773           Additional contribution into persion scheme         515         -         -         6(1)         35         -         -         4(4)         (0)         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         4(1)         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -			4,016			2,188	
plant and equipment and intemplie assets         intermediate         intermediate           (ProfI)(Iss arining on property-related items, frouting loss operations         449         (G75)         -         -         449         (G75)           (ProfI)(Iss arining on sale of thom property-related items, frouting loss operations         4         4         (d)         -         -         4         449         (G75)           (ProfI)(Iss arining on sale of thom property-related items (from operations charges         (d)         35         -         -         (d)         35           Additional combines on some associates         54         122         (1)         2         125         307         107         166         170         126         107         166         170         126         107         166         127         107         166         127         107         166         127         107         166         127         107         166         127         669 <td>Operating loss of discontinued operations</td> <td>(1,257)</td> <td>(324)</td> <td>-</td> <td>-</td> <td>(1,257)</td> <td>(324)</td>	Operating loss of discontinued operations	(1,257)	(324)	-	-	(1,257)	(324)
arising on property related terms from discontinued operations       - <td< td=""><td>plant and equipment and intangible assets</td><td>· ·</td><td></td><td>77</td><td>60</td><td></td><td></td></td<>	plant and equipment and intangible assets	· ·		77	60		
Profit Diss arising on sale of subsidiaries & other investments         35         -         -         (5)         35         (5)           Impairment of goodwill         775         -         -         -         (4)         355         -         -         (4)         355         -         -         (4)         355         -         -         (4)         355         -         -         (4)         355         -         -         (4)         355         -         -         (4)         355         -         -         (4)         355         -         -         (4)         355         -         100         106         100         <	arising on property related items from discontinued	449	(375)	-	-	449	(375)
investments         investments         investments           Impairment for non-cash element of ponsions charges         (4)         35         -         -         (6)         35           Adjuttorial contribution into genation scheme         (180)         -         -         (180)         -           Adjuttorial contribution into genation scheme         (180)         -         -         (180)         -           Cashfor from operation scaluling working capital         3.889         4.992         359         389         4.248         5.881           Cashfor from operation scaluling working capital         1         66         (376)         2411         (375)         307           Cashfor from operation scaluling working capital         1         66         (376)         2411         (375)         307           Construction scaluling and the scaluling working capital         1         66         (376)         241         (375)         307           Construction scaluling and scaluling working capital         1         720         (50)         668         -         (72)         (65)         668         -         -         66         -         1.351         1.141         -         1.351         1.141         -         1.351         1.141 </td <td>(Profit)/loss arising on sale of non property-related items</td> <td>4</td> <td>4</td> <td>(4)</td> <td>-</td> <td>-</td> <td>4</td>	(Profit)/loss arising on sale of non property-related items	4	4	(4)	-	-	4
Adjustner for non-cash element of pension sharges       (4)       35       -       -       (4)       35         Adjustner for non-cash element of pension scheme       (180)       -       -       -       (180)       -         Shart-based payments       54       123       (1)       2       53       125         Tesce Bank non-cash items included in profit before tax       5.889       4.992       359       389       4.248       5.881         Cashiftor from operation seculding working capital       1       66       (376)       241       (375)       307         Cashiftor from operation seculding working capital       1       66       (376)       241       (375)       307         Construction tax paid       (443)       (527)       (7)       (60)       3.890       4.248       (579)       (49)         Recausition/idiposal of subidiaries, net of cash       2.902       3.800       (65)       668       -       -       68       -       -       68       -       -       68       -       -       68       -       -       68       -       -       1.351       1.141       -       -       1.351       1.141       -       -       1.351       1.141			-	-	(5)		(5)
Additional contribution into pension scheme       (180)       -       -       -       (180)       -         Share based payments       Tacso Bank non-cash Rems included in profit before tax       54       123       170       166       170       166         Cash flow from operations excluding working capital       1       66       (376)       241       (373)       307         Cash generated from operations       3,889       4,992       359       389       4,248       5,381         Increase judic Corporation tax paid       (448)       (527)       (77)       650       3,875       5,688         Interast paid       (540)       (72)       (65)       -       (72)       (65)         Acquisition/disposal of subsidiaries, net of cash acquired/disposed       68       -       -       68       -         Proceeds from sale of property, plant and equipment, investment property, non-current assets classified as held for sale and intragible assets       1351       1,141       -       -       1351       1,141         Investments and ref decrease/(increase) in loans to joint ventures and associates       51       400       -       -       85       103       -       -       85       103       -       -       85       103       -			-	-	-		-
Share-based payments         54         123         (1)         2         53         125           Tesco Bank non-cash term sincluded in profit before tax         -         -         170         166         170         166           Cashflow from operations excluding working capital         1         66         (376)         241         (375)         307           Cash generated from operations         3,890         5,098         (177)         650         3,873         5,688           Interest paid         (344)         (540)         (731)         (39)         (16)         (679)         (749)           Net cash generated from operating activities         2,902         3,800         (650)         608         2,837         4,408           (Acquisition/disposed)         0         (157)         (16)         (272)         (65)         668         -         -         1.551         1.141         -         1.551         1.141         -         1.551         1.141         -         1.551         1.141         -         1.551         1.141         -         1.551         1.141         -         1.551         1.141         -         1.551         1.141         -         1.551         1.660         1.727			-	-			
Cashflow from operations excluding working capital (Increase)/decrease in working capital         3,889         4,992         359         389         4,248         5,381           (Increase)/decrease in working capital         1         66         (376)         241         (373)         307           Cash generated from operations         3,899         5,098         (77)         630         (367)         5,673           Interest paid         (448)         (527)         (59)         (4)         (657)         (651)           Cash generated from operating activities         2,902         3,800         (65)         666         (72)         (65)           Proceeds from sale of porty, plant and equipment, investment sale of porty, plant and equipment, investment sale of porty, plant and equipment, investment associates         68         -         -         68         -         -         68         -         -         68         -         -         1.141         -         1.351         1.141         -         1.351         1.141         -         1.351         1.141         -         -         68         -         -         -         68         -         -         -         68         -         -         -         1.427         769         - <td< td=""><td></td><td></td><td>123</td><td>(1)</td><td></td><td></td><td>125</td></td<>			123	(1)			125
Increase/decrease in working capital         1         66         (376)         241         (375)         307           Cash generated from operations         3,890         5,058         (17)         630         (443)         (57)         (79)         (44)         (57)         (79)         (44)         (57)	Tesco Bank non-cash items included in profit before tax	-	-	170	166	170	166
Cash generated from operations         3,890         5,058         (17)         630         3,873         5,688           Interest paid         (443)         (527)         (9)         (4)         (577)         (749)           Cash generated from operating activities         2,902         3,800         (65)         608         (72)         (65)         -         -         (72)         (65)           Proceeds from sale of property, plant and equipment, investment property, non-current assets classified as held for sale and intragible associates         68         -         -         -         68         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         -         68         -         -         68         -         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         -         1,351         1,141         -         1,351         1,141         -         -         1,351         1,407	Cashflow from operations excluding working capital	3,889	4,992	359	389	4,248	5,381
Interest paid Corporation tax paid         (448)         (527)         (9)         (4)         (457)         (531)           Net cash generated from operating activities         2,902         3,800         (65)         608         -         (72)         (65)         -         (72)         (65)         -         -         (72)         (65)         -         -         (72)         (65)         -         -         (72)         (65)         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         1,351         1,141         -         -         1,351         1,141         -         -         -         -         68         -         -         -         -         1,351         1,141         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -	(Increase)/decrease in working capital	1	66	(376)	241	(375)	307
Corporation tax paid         (540)         (731)         (39)         (18)         (579)         (749)           Net cash generated from operating activities         2,902         3,800         (65)         608         2,837         4,408           (Acquisition)/disposal of subsidiaries, net of cash acquired (fighsposed)         -         -         663         -         -         668         -         -         668         -         -         668         -         -         668         -         -         668         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         1,351         1,141         -         -         51         40         -         -         51	Cash generated from operations	3,890	5,058	(17)	630	3,873	5,688
Net cash generated from operating activities         2,902         3,800         (65)         608         2,837         4,408           (Acquisition)/disposal of subsidiaries, net of cash acquired(disposed)         (72)         (65)         608         -         -         -         68         -         -         68         -         -         68         -         -         68         -         -         68         -         -         68         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         68         -         -         -         1,351         1,141         -         -         1,351         1,141         -         -         1,351         1,141         -         -         1,351         1,141         -         -         1,351         1,141         -							
(Acquisition)/disposal of subsidiaries, net of cash acquired/(disposed)         (72)         (65)         -         -         (72)         (65)           Proceeds from sale of pioperty, plant and equipment, investment property, non-current assets classified as held for sale and intengible assets         68         -         -         68         -           Purchase of property, plant and equipment, investment property, non-current assets classified as held for sale and intengible assets         (137)         (160)         (2,987)         (3,708)           Intengible assets         Investments and net decrease (Increase) in loans to joint ventures and associates         (180)         73         (21)         -         (201)         73           Net proceeds from (investments in)/sale of short-term investments in)/sale of short-term investments associates         51         40         -         -         51         40           Interest received from joint ventures and associates         51         40         -         -         85         103         -         -         85         103         -         -         85         103         -         -         69         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -							
acquired(disposed)       68       -       -       -       68       -         Proceeds from sale of property, plant and equipment, investment property, non-current assets classified as held for sale and intragible assets       1,351       1,141       -       -       68       -         Purchase of property, plant and equipment, investment property, non-current assets classified as held for sale and intragible assets       (2,850)       (3,542)       (137)       (166)       (2,987)       (3,708)         Proceeds from for extrements in/ball of sale and intragible assets       (180)       73       (21)       -       (201)       73         Investments and associates       51       40       -       -       51       40         Dividends received from joint ventures and associates       51       40       -       -       85       103         Proceeds from issue of ordinary share capital investing activities       (2620)       (2,471)       548       (712)       (278)       (3,183)         Proceeds from issue of ordinary share capital invisorment in Seco Bank       105       100       -       -       57       69       -       -       6033       -       -       6033       -       -       6033       -       -       6033       -       -       60333	Net cash generated from operating activities	2,902	5,800	(65)	808	2,857	4,408
Proceeds from sale of property, plant and equipment, investment property, non-current assets classified as held for sale and intragible assets       1,351       1,141       -       -       1,351       1,141         Purchase of property, plant and equipment, investment property, non-current assets classified as held for sale and intagible assets       (2,850)       (3,542)       (137)       (166)       (2,987)       (3,708)         Investments and net decrease/(increase) in loans to joint ventures and associates       (180)       73       (21)       -       (201)       73         Ventures and associates       51       40       -       -       51       40         Interest received       65       103       -       -       85       103         Proceeds from lisue of ordinary share capital investments of borrwings, including finance leases       57       69       -       -       57       69         Proceeds from Tesco Bank       (105)       100       (105)       (100)       -		(72)	(65)	-	-	(72)	(65)
investment property, non-current assets classified as held for sale       (2,850)       (3,542)       (137)       (166)       (2,987)       (3,708)         Purchase of property, plant and equipment, investment property, non-current assets classified as held for sale and intangible assets       (180)       73       (21)       -       (201)       73         Investments and net decrease/(increase) in loans to joint ventures and associates       (180)       73       (21)       -       (201)       73         Net proceeds from (investments in)/sale of short-term investments       721       (221)       706       (546)       1,427       (767)         Dividends received from joint ventures and associates       51       40       -       -       85       103         Net cash used in investing activities       (826)       (2,471)       548       (712)       (278)       (3,183)         Proceeds from issue of ordinary share capital Investment in Tesco Bank       57       69       -       -       67       69         Purchase of non-controlling interests       (1,266)       174       52       (34)       (1,24)       140         Purchase of non-controlling interests       (4)       (69)       -       -       (4)       (89)         Dividend spaid, including those to no	-		-	-	-		-
property, non-current assets classified as held for sale and intangible assets(180)73(21)-(201)73Investments and net decrease/(increase) in loans to joint ventures and associates(180)73(21)-(201)73Net proceeds from (investments in)/sale of short-term investments & other investments721(221)706(546)1,427(767)Dividends received from joint ventures and associates514065103Net cash used in investing activities(826)(2,471)548(712)(278)(5,183)Proceeds from issue of ordinary share capital Investment in Tesco Bank57(69)5769Investment frees of and Investment frees of Bank(15)(102)(105)(100) </td <td>investment property, non-current assets classified as held</td> <td>1,351</td> <td>1,141</td> <td>-</td> <td>-</td> <td>1,351</td> <td>1,141</td>	investment property, non-current assets classified as held	1,351	1,141	-	-	1,351	1,141
Investments and net decrease/(increase) in loans to joint ventures and associates       (180)       73       (21)       -       (201)       73         Net proceeds from (investments in)/sale of short-term investments & other investments       721       (221)       706       (546)       1,427       (767)         Dividends received from joint ventures and associates       51       40       -       -       51       40         Interest received       85       103       -       -       51       40         Interest received       85       103       -       -       51       40         Interest received       85       103       -       -       57       69         Investment in Tesco Bank       (12)       45       112       -       -       -         Dividend received from Tesco Bank       105       100       (100)       -	property, non-current assets classified as held for sale and	(2,850)	(3,542)	(137)	(166)	(2,987)	(3,708)
investments & other investments       51       40         Dividends received from joint ventures and associates       51       40         Interest received       85       103       -       -         Net cash used in investing activities       (826)       (2,471)       548       (712)         Proceeds from issue of ordinary share capital investment in Tesco Bank       57       69       -       -       57       69         Investment in Tesco Bank       (45)       (112)       45       112       -	Investments and net decrease/(increase) in loans to joint	(180)	73	(21)	-	(201)	73
Interest received         85         103         -         85         103           Net cash used in investing activities         (826)         (2,471)         548         (712)         (278)         (3,183)           Proceeds from issue of ordinary share capital Investment in Tesco Bank         57         69         -         -         69         -         -         69         -         -         -         69         -         -         -         69         -         -         -         57         69         -         -         -         -         57         69         - <t< td=""><td>investments &amp; other investments</td><td></td><td></td><td>706</td><td>(546)</td><td></td><td></td></t<>	investments & other investments			706	(546)		
Net cash used in investing activities         (826)         (2,471)         548         (712)         (278)         (3,183)           Proceeds from issue of ordinary share capital Investment in Tesco Bank         57         69         -         -         57         69           Dividend received from Tesco Bank         105         100         (105)         (100)         -	-			-	-		
Proceeds from issue of ordinary share capital Investment in Tesco Bank       57       69       -       -       57       69         Investment in Tesco Bank       105       100       (105)       (100)       -				- 5/8			
Investment in Tesco Bank(45)(112)45112Dividend received from Tesco Bank105100(105)(100)Net increase/(repayment) of borrowings, including finance leases(1,286)17452(34)(1,234)140Purchase of non-controlling interests(4)(89)(4)(89)Dividends paid, including those to non-controlling interests(1,184)(1,183)(1,184)(1,183)Own shares purchased-(303)(303)(303)Net cash used in financing activities(281)(15)475(126)194(141)Cash and cash equivalents at the beginning of the period1,7311,7225807062,3112,428Effect of foreign exchange rate changes26242624Cash and cash equivalents at the end of the period1,4761,7311,0555802,5312,311	Net cash used in investing activities	(820)	(2,471)	J48	(712)	(278)	(3,103)
Dividend received from Tesco Bank105100(105)(100)Net increase/(repayment) of borrowings, including finance leases(1,286)17452(34)(1,234)140Purchase of non-controlling interests(4)(89)(4)(89)Dividends paid, including those to non-controlling interests(1,184)(1,183)(4)(89)Own shares purchased-(303)(303)(303)Net cash used in financing activities(281)(15)475(126)194(141)Cash and cash equivalents at the beginning of the period1,7311,7225807062,3112,428Effect of foreign exchange rate changes26242624Cash and cash equivalents at the end of the period1,4761,7311,0555802,5312,311				-	-	57	69
Net increase/(repayment) of borrowings, including finance leases(1,286)17452(34)(1,234)140Purchase of non-controlling interests(4)(89)(4)(89)Dividends paid, including those to non-controlling interests(4)(1,183)(4)(89)Own shares purchased-(303)(303)(1,184)(1,183)Net cash used in financing activities(281)(15)475(126)194(1141)Cash and cash equivalents at the beginning of the period1,7311,7225807062,3112,428Effect of foreign exchange rate changes26242624Cash and cash equivalents at the end of the period1,4761,7311,0555802,5312,311						-	-
Dividends paid, including those to non-controlling interests Own shares purchased(1,184)(1,183) - (303)(1,184)(1,183) - - (303)Net cash used in financing activities(2,357)(1,344)(1,183) - (303)(1,184)(1,183) - - (303)Net (decrease)/increase in cash and cash equivalents(281)(15)475(126)194(141)Cash and cash equivalents at the beginning of the period1,7311,7225807062,3112,428Effect of foreign exchange rate changes26242624Cash and cash equivalents at the end of the period1,4761,7311,0555802,5312,311	Net increase/(repayment) of borrowings, including finance					(1,234)	- 140
Own shares purchased         -         (303)         -         -         (303)           Net cash used in financing activities         (2,357)         (1,344)         (8)         (22)         (2,365)         (1,366)           Net (decrease)/increase in cash and cash equivalents         (281)         (15)         475         (126)         194         (141)           Cash and cash equivalents at the beginning of the period         1,731         1,722         580         706         2,311         2,428           Effect of foreign exchange rate changes         26         24         -         -         26         24           Cash and cash equivalents at the end of the period         1,476         1,731         1,055         580         2,531         2,311	Purchase of non-controlling interests	(4)	(89)	-	-	(4)	(89)
Net cash used in financing activities(2,357)(1,344)(8)(22)(2,365)(1,366)Net (decrease)/increase in cash and cash equivalents(281)(15)475(126)194(141)Cash and cash equivalents at the beginning of the period1,7311,7225807062,3112,428Effect of foreign exchange rate changes26242624Cash and cash equivalents at the end of the period1,4761,7311,0555802,5312,311		(1,184)		-	-	(1,184)	
Net (decrease)/increase in cash and cash equivalents(281)(15)475(126)194(141)Cash and cash equivalents at the beginning of the period1,7311,7225807062,3112,428Effect of foreign exchange rate changes26242624Cash and cash equivalents at the end of the period1,4761,7311,0555802,5312,311	i	(2.357)		(8)	(22)	(2.365)	
Cash and cash equivalents at the beginning of the period1,7311,7225807062,3112,428Effect of foreign exchange rate changes26242624Cash and cash equivalents at the end of the period1,4761,7311,0555802,5312,311							
Effect of foreign exchange rate changes2624-2624Cash and cash equivalents at the end of the period1,4761,7311,0555802,5312,311							
Cash and cash equivalents at the end of the period         1,476         1,731         1,055         580         2,531         2,311	Cash and cash equivalents at the beginning of the period	1,731	1,722	580	706	2,311	2,428
	Effect of foreign exchange rate changes	26	24	-	-	26	24
Less cash held in disposal group <sup>2</sup> (19)         (6)         -         -         (19)         (6)	Cash and cash equivalents at the end of the period	1,476	1,731	1,055	580	2,531	2,311
	Less cash held in disposal group <sup>2</sup>	(19)	(6)	-	-	(19)	(6)
Cash and cash equivalents not held in disposal group         1,457         1,725         1,055         580         2,512         2,305	Cash and cash equivalents not held in disposal group	1,457	1,725	1,055	580	2,512	2,305

Notes <sup>1</sup> Bank profit before tax is per Bank Income Statement <sup>2</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. P	etrol		Exc. Petrol					
	First Half 2012/13	Second Half 2012/13	Full Year 2012/13	Full Year 2011/12	First Half 2012/13	Second Half 2012/13	Full Year 2012/13	Full Year 2011/12		
	26 wks to 25/08/12	26 wks to 23/02/13	52 wks to 23/02/13	52 wks to 25/02/12	26 wks to 25/08/12	26 wks to 23/02/13	52 wks to 23/02/13	52 wks to 25/02/12		
	%	%	%	%	%	%	%	%		
Existing stores	(1.0)	(1.0)	(1.0)	2.8	(0.6)	(0.1)	(0.3)	0.0		
Net new stores	3.2	2.4	2.8	3.4	3.3	2.6	2.9	3.7		
Total	2.2	1.4	1.8	6.2	2.7	2.5	2.6	3.7		

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



#### **UK SALES AREA BY SIZE OF STORE**

Store Size		February 201	3		February 201	2
sq ft	No. of stores	Million sq ft	% of total sq ft	No. of store	s Million sq ft	% of total sq ft
0-3,000	2,166	4.6	11.4%	2,020	4.2	10.9%
3,001-20,000	316	4.0	10.1%	312	4.0	10.3%
20,001-40,000	304	9.1	22.8%	300	9.0	23.4%
40,001-60,000	186	9.8	24.6%	182	9.6	24.8%
Over 60,000	169	12.4	31.1%	161	11.8	30.6%
	3,141	39.9	100.0%	2,975	38.6	100.0%
Dotcom-only						
Over 60,000	5	0.6		4	0.5	
Total	3,146	40.5	_	2,979	39.1	_

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

		SALES GROWTH (inc. VAT)			AT)		REVENU	E (exc. VAT	)
			CONSTANT RATES		ACTUAL RATES				
Continuing Operations		like-for-like %	net new stores %	total %	total %	in local currency m	£m	average exchange rate	closing exchange rate
China	TY	(1)	7	6	9	14,317	1,432	10.00	9.53
	LY	4	12	16	15	13,477	1,311	10.28	9.94
Malaysia	TY	-	6	6	5	4,591	937	4.900	4.733
	LY	(2)	14	12	12	4,345	891	4.876	4.757
South Korea	TY	(5)	5	-	(1)	9,421,714	5,311	1,774	1,656
	LY	-	6	6	7	9,428,674	5,339	1,766	1,777
Thailand	TY	3	13	16	16	183,470	3,742	49.03	45.57
	LY	5	10	15	14	157,739	3,235	48.76	47.92
India	TY LY	25 40	-	25 40	11 30	4,884 3,906	57 52	85.68 75.12	82.84 77.47
Czech Republic	TY	(7)	5	(2)	(10)	42,009	1,356	30.98	29.38
	LY	(1)	10	9	14	43,682	1,537	28.42	29.47
Hungary	TY	(1)	1	-	(9)	569,648	1,606	354.7	337.7
	LY	2	4	6	8	574,213	1,775	323.5	340.7
Poland	TY	(4)	5	1	(5)	11,150	2,176	5.124	4.797
	LY	2	7	9	7	10,994	2,288	4.805	4.913
Slovakia	TY	(1)	7	6	(1)	1,371	1,114	1.231	1.154
	LY	6	6	12	14	1,301	1,128	1.153	1.179
Turkey	TY	-	13	13	8	2,123	745	2.850	2.736
	LY	3	12	15	(1)	1,894	693	2.733	2.782
Republic of Ireland	TY	(1)	3	2	(5)	2,850	2,315	1.231	1.154
	LY	(3)	6	3	5	2,818	2,444	1.153	1.179
Franchising <sup>1</sup>	TY	n/a	n/a	n/a	n/a	9	7	1.231	1.154
	LY	n/a	n/a	n/a	n/a	1	1	1.153	1.179

#### **Discontinued Operations**

Japan	TY	(3)	(19)	(22)	(24)	42,630	328	129.9	142.6
	LY	(7)	(6)	(13)	(8)	55,067	436	126.3	127.1
United States	TY	2	9	11	12	1,112	700	1.588	1.526
	LY	12	20	32	27	1,001	625	1.601	1.578

<u>Note</u>

<sup>1</sup>Wholesale sales to F&F franchisees located in the Middle East

## **GROUP SPACE SUMMARY**

	2011/12 year end	2012/13 year end	Net Gain <sup>1</sup>	Oper H1	nings H2	Acquisitions	Closures/ Disposals	Conversions/ Extensions <sup>1</sup>
UK	2,979	3,146	167	86	97	2	(18)	4
Asia <sup>2</sup>	1,719	2,131	412	195	236	-	(19)	-
Europe	1,351	1,507	156	86	52	19	(1)	-
International	3,070	3,638	568	281	288	19	(20)	-
Group	6,049	6,784	735	367	385	21	(38)	4
Memo:								
United States <sup>3</sup>	185	200	15	14	1	-	-	-

#### NUMBER OF STORES

#### SPACE - '000 SQ FT

	2011/12 year end	2012/13 year end	Net Gain	Ope H1	nings H2	Acquisitions	Closures/ Disposals	Conversions/ Extensions
UK	39,082	40,495	1,413	527	895	23	(107)	75
Asia <sup>2</sup>	38,782	41,664	2,882	1,152	2,208	-	(447)	(31)
Europe	32,699	34,077	1,378	823	542	79	(1)	(65)
International	71,481	75,741	4,260	1,975	2,750	79	(448)	(96)
Group	110,563	116,236	5,673	2,502	3,645	102	(555)	(21)
Memo:								
United States <sup>3</sup>	1,870	1,994	124	121	3	-	-	-

<u>Note</u>

<sup>1</sup> Extensions are not included in the net gain for "number of stores", since they are the expansion of an existing store

<sup>2</sup> Japan is excluded from Asia's store and space numbers

<sup>3</sup> United States is excluded from Group store and space numbers

#### **UK SPACE SUMMARY**

	2011/12	2012/13	Net Gain <sup>1</sup>	Ope	nings	Acquisitions	Closures/	Format co	onversions	Extensions <sup>1</sup>
	year end	year end		H1	H2		Disposals	Removals	Additions	
Extra	230	238	8	3	4	-	-	-	1	1
Homeplus	13	12	(1)	-	-	-	(1)	-	-	-
Superstore	471	481	10	5	6	1	(1)	(1)	-	3
Metro	190	192	2	1	2	1	(2)	-	-	-
Express	1,427	1,547	120	61	69	-	(5)	(6)	1	-
Dotcom-only	4	5	1	-	1	-	-	-	-	-
Total Tesco	2,335	2,475	140	70	82	2	(9)	(7)	2	4
One Stop	613	639	26	15	15	-	(9)	(1)	6	-
Dobbies	31	32	1	1	-	-	-	-	-	-
Total UK	2,979	3,146	167	86	97	2	(18)	(8)	8	4

#### NUMBER OF STORES

#### SPACE - '000 SQ FT

	2011/12	2012/13	Net Gain	Ope	nings	Acquisitions	Closures/	Format c	onversions	Extensions
	year end	year end		H1	H2		Disposals	Removals	Additions	
Extra	16,448	17,051	603	185	331	-	-	-	78	9
Homeplus	554	523	(31)	-	-	-	(31)	-	-	-
Superstore	13,754	14,053	299	105	226	13	(33)	(46)	-	34
Metro	2,126	2,145	19	8	21	10	(20)	-	-	-
Express	3,287	3,588	301	149	174	-	(10)	(14)	2	-
Dotcom-only	490	604	114	-	114	-	-	-	-	-
Total Tesco	36,659	37,964	1,305	447	866	23	(94)	(60)	80	43
One Stop	933	991	58	30	29	-	(13)	(2)	14	-
Dobbies	1,490	1,540	50	50	-	-	-	-	-	-
Total UK	39,082	40,495	1,413	527	895	23	(107)	(62)	94	43

#### <u>Note</u>

<sup>1</sup> Extensions are not included in the net gain for "number of stores", since they are the expansion of an existing store

### ASIA SPACE SUMMARY

		2011/12 year end	2012/13 year end	Net Gain	Ope H1	nings H2	Acquisitions	Closures/ Disposals	Conversions/ Extensions
China	- hypermarket	110	117	7	2	10	-	(5)	-
	- other	14	14	-	-	-	-	-	-
Malaysia	- hypermarket	45	47	2	1	1	-	-	-
	- other	-	-	-	-	-	-	-	-
South Korea	- hypermarket	127	133	6	4	2	-	-	-
	- other	286	298	12	6	19	-	(9)	(4)
	- franchise stores	45	89	44	15	27	-	(2)	4
Thailand	- hypermarket	136	149	13	2	11	-	-	-
	- other	956	1,284	328	165	166	-	(3)	-
Total Asia	- hypermarket	418	446	28	9	24	-	(5)	-
	- other	1,256	1,596	340	171	185	-	(12)	(4)
	- franchise stores	45	89	44	15	27	-	(2)	4
Total Asia <sup>1</sup>	- Total	1,719	2,131	412	195	236	-	(19)	-

#### NUMBER OF STORES

Memo:								
Japan - other	121	-	(121)	-	-	-	(121)	-

### SPACE - '000 SQ FT

		2011/12 year end	2012/13 year end	Net Gain	Ope H1	nings H2	Acquisitions	Closures/ Disposals	Conversions/ Extensions
China	- hypermarket	9,591	10,165	574	176	812	-	(414)	-
	- other	31	31	-	-	-	-	-	-
Malaysia	- hypermarket	3,778	3,918	140	75	65	-	-	-
	- other	-	-	-	-	-	-	-	-
South Korea	- hypermarket	11,548	12,108	560	375	185	-	-	-
	- other	896	934	38	16	51	-	(22)	(7)
	- franchise stores	107	188	81	32	47	-	(5)	7
Thailand	- hypermarket	10,029	10,709	680	89	623	-	-	(32)
	- other	2,802	3,611	809	389	425	-	(6)	1
Total Asia	- hypermarket	34,946	36,900	1,954	715	1,685	-	(414)	(32)
	- other	3,729	4,576	847	405	476	-	(28)	(6)
	- franchise stores	107	188	81	32	47	-	(5)	7
Total Asia <sup>1</sup>	- Total	38,782	41,664	2,882	1,152	2,208	-	(447)	(31)

#### Memo:

Japan - other 396 -	(396)	-	-	-	(396)	-
---------------------	-------	---	---	---	-------	---

### EUROPE SPACE SUMMARY

		2011/12 year end	2012/13 year end	Net Gain	Oper H1	nings H2	Acquisitions	Closures/ Disposals	Conversions/ Extensions
Czech Republic	- hypermarket	79	86	7	4	3	_	_	-
·	- other	140	148	8	8	-	-	-	-
	- franchise stores	103	142	39	32	8	-	(1)	-
Hungary	- hypermarket	117	118	1	1	-	-	-	-
	- other	95	98	3	-	3	-	-	-
Poland	- hypermarket	79	82	3	2	1	-	-	-
	- other	333	364	31	17	14	-	-	-
Slovakia	- hypermarket	58	62	4	2	2	-	-	-
	- other	62	74	12	4	8	-	-	-
Turkey	- hypermarket	54	56	2	2	-	-	-	-
	- other	94	135	41	12	10	19	-	-
Republic of Ireland	- hypermarket	13	13	-	-	-	-	-	-
	- other	124	129	5	2	3	-	-	-
Total Europe	- hypermarket	400	417	17	11	6	-	-	-
	- other	848	948	100	43	38	19	-	-
	- franchise stores	103	142	39	32	8	-	(1)	-
Total Europe	- Total	1,351	1,507	156	86	52	19	(1)	-

#### NUMBER OF STORES

#### SPACE - '000 SQ FT

		2011/12 year end	2012/13 year end	Net Gain	Ope H1	nings H2	Acquisitions	Closures/ Disposals	Conversions/ Extensions
Czech Republic	- hypermarket	4,370	4,627	257	139	118	-	-	-
	- other	1,323	1,324	1	32	-	-	-	(31)
	- franchise stores	104	141	37	30	8	-	(1)	-
Hungary	- hypermarket	6,723	6,753	30	54	-	-	-	(24)
	- other	578	576	(2)	-	8	-	-	(10)
Poland	- hypermarket	5,601	5,737	136	77	59	-	-	-
	- other	3,305	3,689	384	222	162	-	-	-
Slovakia	- hypermarket	2,824	2,960	136	63	73	-	-	-
	- other	803	862	59	20	39	-	-	-
Turkey	- hypermarket	3,255	3,351	96	96	-	-	-	-
	- other	373	602	229	85	65	79	-	-
Republic of Ireland	- hypermarket	821	821	-	-	-	-	-	-
	- other	2,619	2,634	15	5	10	-	-	-
Total Europe	- hypermarket	23,594	24,249	655	429	250	-	-	(24)
	- other	9,001	9,687	686	364	284	79	-	(41)
	- franchise stores	104	141	37	30	8	-	(1)	-
Total Europe	- Total	32,699	34,077	1,378	823	542	79	(1)	(65)

#### GROUP SPACE FORECAST

#### Forecast to 22nd February 2014

	2012/13	2013/14	Net Gain		nings	Acquisitions	Closures /	Conversions	% of group
	year end	year end		H1	H2		Disposals	Extensions	at year end
Extra	17,051	17,703	652	324	328	-	-	-	14.7%
Homeplus	523	523	-	-	-	-	-	-	0.4%
Superstore	14,053	14,162	109	83	120	-	(94)	-	11.7%
Metro	2,145	2,163	18	9	22	-	(13)	-	1.8%
Express	3,588	3,955	367	150	224	-	(7)	-	3.3%
Dotcom-only	604	716	112	-	112	-	-	-	0.6%
Total Tesco	37,964	39,222	1,258	566	806	-	(114)	-	32.5%
One Stop	991	1,059	68	40	36	-	(8)	-	0.9%
Dobbies	1,540	1,632	92	-	92	-	-	-	1.4%
Total UK	40,495	41,913	1,418	606	934	-	(122)	-	34.7%
	<b>.</b>								
China	10,196	10,561	365	592	356	-	(583)	-	8.7%
Malaysia	3,918	4,026	108	-	108	-	-	-	3.3%
South Korea	13,230	14,106	876	517	359	-	-	-	11.79
Thailand	14,320	15,722	1,402	456	946	-	-	-	13.0%
Asia	41,664	44,415	2,751	1,565	1,769	-	(583)	-	36.8%
Czech Republic	6,092	5,983	(109)	3	-	-	(17)	(95)	5.0%
Hungary	7,329	7,353	24	13	11	-	-	-	6.19
Poland	9,426	9,740	314	270	44	-	-	-	8.19
Slovakia	3,822	3,889	67	36	31	-	-	-	3.29
Turkey	3,953	4,047	94	53	116	-	(75)	-	3.49
Republic of Ireland	3,455	3,464	9	9	22	-	(32)	10	2.99
Europe	34,077	34,476	399	384	224	-	(124)	(85)	28.5%
International	75,741	78,891	3,150	1,949	1,993	-	(707)	(85)	65.39

SPACE - '000 SQ FT

Group	116,236	120,804	4,568	2,555	2,927	-	(829)	(85)	100.0%

# **EARNINGS PER SHARE**

			CONTINUING	PERATIONS <sup>1</sup>
<u>EARNINGS</u>			2012/13 <sup>2</sup> FY £m	2011/12 <sup>2</sup> FY £m
Statutory profit before tax			1,960	4,038
Adjustments:				
Add back: IAS 19 Pensions charg Add back: IAS 17 Leasing charge Add back: Tesco Bank intangible Add back: IFRIC 13 Add back: Restructuring and Oth	s and other acquisitior	n costs	430 28 19 28 51	474 31 22 17 11
Add back one-off items: - Impairment of PPE and onerou - Increased provision for PPI - Impairment of Goodwill	s lease provision		895 115 495	- 57 -
Deduct: IAS 32 and IAS 39 effect Deduct: Normal cash pension co			14 (486)	(44) (457)
Underlying profit before tax			3,549	4,149
Tax on profit <sup>3</sup> Tax on underlying profit <sup>3</sup>		RT % I.64% I.64%	(574) (662)	(874) (898)
Minority Interest BASIC EARNINGS UNDERLYING EARNINGS			<u>4</u> 1,390 2,891	(8) 3,156 3,243

<u>SHARES</u>			2012/13 <sup>2</sup> FY	2011/12 <sup>2</sup> FY
Shares in issue at start of year		Million	8,032	8,046
SAYE and Executive Share Option Schemes		Million	7	8
Shares issued and Own Shares purchased		Million	3	(27)
Less : weighted average shares in trust		Million	(9)	(6)
BASIC weighted average no of shares		Million	8,033	8,021
Weighted average no of options Average option price Average share price Dilutory number of shares	A B C [A x (C-B)/C]	Million Pence Pence Million	76 311 328 4	161 328 386 24
DILUTED weighted average no of shares		Million	8,037	8,045
BASIC Earnings Per Share - Continuing Operations DILUTED Earnings Per Share - Continuing Operations UNDERLYING BASIC Earnings Per Share - Continuing Operations UNDERLYING DILUTED Earnings Per Share - Continuing Operations		Pence Pence Pence Pence	17.30 17.30 35.99 35.97	39.35 39.23 40.43 40.31

#### Notes

<sup>1</sup> Continuing operations excludes Japan and US

<sup>2</sup> For UK and ROI, these results are for the 52 weeks ended 23 February 2013 and the previous year comparison is made with the 52 weeks ended 25 February 2012. For all other countries these results are for the 12 months ended 28 February 2013
<sup>3</sup> Effective rate of tax on statutory profit before tax for 2011/12 has been restated on a continuing operations basis