



## PRELIMINARY RESULTS 2013/14

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## GROUP INCOME STATEMENT

	2013/14 <sup>2</sup>	2012/13 <sup>3</sup>	Growth
	Group £m	Group £m	
<b>Revenue (sales excluding VAT)<sup>2</sup></b>	<b>64,149</b>	<b>63,967</b>	<b>0.3%</b>
<b>Trading profit</b>	<b>3,315</b>	<b>3,525</b>	<b>(6.0)%</b>
Trading profit margin	5.17%	5.51%	(34)bp
Deduct: IAS 19 Pensions charge	(11)	4	(375.0)%
Deduct: IAS 17 Leasing	(28)	(25)	(12.0)%
Deduct: Tesco Bank intangibles and other acquisition costs	(14)	(19)	26.3%
Deduct: IFRIC 13	(10)	(28)	64.3%
Deduct: Impairment of goodwill	0	(495)	n/m
Deduct: Provision for customer redress	(63)	(115)	45.2%
Deduct: Impairment of PPE and onerous lease provisions included within cost of sales	(734)	(161)	(355.9)%
Add: Impairment of PPE and onerous lease provisions included within profit/losses arising on property-related items	98	(709)	113.8%
Deduct: Other restructuring and one off costs	(102)	(14)	(628.6)%
Add: Other profits/losses arising on property-related items	180	419	(57.0)%
<b>Statutory operating profit</b>	<b>2,631</b>	<b>2,382</b>	<b>10.5%</b>
Share of post-tax profits of JVs and associates	60	72	(16.7)%
Net finance costs	(432)	(397)	(8.8)%
<b>Statutory profit before tax</b>	<b>2,259</b>	<b>2,057</b>	<b>9.8%</b>
Add back: IAS 32 and IAS 39 effect	11	15	(26.7)%
Add back: IAS 19 Pensions charge	648	555	16.8%
Add back: IAS 17 Leasing charge	22	17	29.4%
Add back: Tesco Bank intangibles and other acquisition costs	14	19	(26.3)%
Add back: IFRIC 13	10	28	(64.3)%
Add back: Impairment of goodwill	0	495	n/m
Add back: Provision for customer redress	63	115	(45.2)%
Add back: Impairment of PPE and onerous lease provisions included within cost of sales	734	161	355.9%
Deduct: Impairment of PPE and onerous lease provisions included within profit/losses arising on property-related items	(98)	709	(113.8)%
Add back: Other restructuring and one off costs	102	14	628.6%
Deduct: Other profits/losses arising on property-related items	(180)	(419)	57.0%
Deduct: Normal cash pension contributions	(531)	(486)	(9.3)%
<b>Underlying profit before tax</b>	<b>3,054</b>	<b>3,280</b>	<b>(6.9)%</b>
Tax on underlying profit before tax	(469)	(572)	18.0%
<b>Underlying Profit after tax for the period</b>	<b>2,585</b>	<b>2,708</b>	<b>(4.5)%</b>
Tax on statutory profit before tax	(347)	(529)	34.4%
Loss after tax for the period from discontinued operations	(942)	(1,504)	37.4%
<b>Profit after tax</b>	<b>970</b>	<b>24</b>	<b>3,941.7%</b>
Attributable to:			
Equity holders of the parent	974	28	3,378.6%
Minority Interests	(4)	(4)	0.0%
<b>Earnings per share from continuing operations (pence)</b>			
- Basic	23.75	19.07	24.5%
- Diluted	23.72	19.06	24.4%
<b>Underlying Earnings per share from continuing operations at actual tax rate (pence)</b>			
- Diluted	32.05	33.74	(5.0)%
Dividend per share (pence)	14.76	14.76	0.0%

# SEGMENTAL SUMMARY

## Continuing Operations<sup>1</sup>

Revenue <sup>2</sup>		UK	Asia <sup>4</sup>	Europe <sup>5</sup>	Tesco Bank	Group
2013/14 <sup>3</sup>	£m	43,570	10,309	9,267	1,003	64,149
2012/13 <sup>3</sup>	£m	43,582	10,045	9,319	1,021	63,967
Growth	%	0.0%	2.6%	(0.6)%	(1.8)%	0.3%

Trading Profit		UK	Asia <sup>4</sup>	Europe <sup>5</sup>	Tesco Bank	Group
2013/14 <sup>3</sup>	£m	2,191	692	238	194	3,315
2012/13 <sup>3</sup>	£m	2,272	733	329	191	3,525
Growth	%	(3.6)%	(5.6)%	(27.7)%	1.6%	(6.0)%

Trading Margin		UK	Asia <sup>4</sup>	Europe <sup>5</sup>	Tesco Bank	Group
2013/14 <sup>3</sup>	%	5.03%	6.71%	2.57%	19.34%	5.17%
2012/13 <sup>3</sup>	%	5.21%	7.30%	3.53%	18.71%	5.51%
Growth	bp	(18)	(59)	(96)	63	(34)

### Notes

<sup>1</sup> Continuing operations exclude the results from our operations in China, the US and Japan which have been treated as discontinued.

<sup>2</sup> Revenue and revenue growth exclude the impact of IFRIC 13 (Customer Loyalty Programmes).

<sup>3</sup> The financial year represents the 52 weeks ended 22 February 2014 (prior financial year 52 weeks ended 23 February 2013). For the UK and the Republic of Ireland, the results are for the 52 weeks ended 22 February 2014 (prior financial year 52 weeks ended 23 February 2013). For all other operations, the results are for the financial year ended 28 February 2014 (prior financial year ended 28 February 2013). 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>4</sup> Asia consists of 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

	2013/14 <sup>1</sup>	2012/13 <sup>1</sup>
	FY	FY
	£m	£m
<b>Revenue</b>		
Interest receivable and similar income	507	480
Fees and commissions receivable	496	541
	1,003	1,021
<b>Direct Costs</b>		
Interest payable	(149)	(172)
Fees and commissions payable	(29)	(26)
	(178)	(198)
<b>Gross profit</b>	<b>825</b>	<b>823</b>
Other expenses:		
Staff costs	(146)	(134)
Premises and equipment	(87)	(78)
Other administrative expenses	(266)	(276)
Depreciation and amortisation (excluding amortisation of intangibles arising on acquisition)	(71)	(62)
	(570)	(550)
<b>Trading profit before provisions for bad and doubtful debts</b>	<b>255</b>	<b>273</b>
Provisions for bad and doubtful debts	(61)	(82)
<b>Trading profit</b>	<b>194</b>	<b>191</b>
Deduct: Tesco Bank intangibles <sup>2</sup>	(12)	(15)
Deduct: IAS 17 Leasing charge	-	(1)
Movements on derivatives and hedge accounting	6	-
Net finance costs: interest	(6)	(9)
Share of profit of joint ventures and associates	2	10
Restructuring and other one-off items <sup>3</sup>	(63)	(85)
Deduct: management charges	(1)	(1)
<b>Profit before tax</b>	<b>120</b>	<b>90</b>

### Notes

<sup>1</sup> These results are for the 12 months ended 28 February 2014 and the previous year comparison is made with the 12 months ended 28 February 2013.

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

<sup>3</sup> Restructuring and other one-off items includes year end provisions for PPI (2013/14: £20m; 2012/13: £90m), CCA (2013/14: £43m; 2012/13: nil) and CCP (2013/14: nil; 2012/13: £25m). Restructuring and other one-off items in 2012/13 includes a one-off credit of £30m.

## TESCO BANK BALANCE SHEET

	2013/14 <sup>1</sup>	2012/13 <sup>1</sup>
	FY	FY
	£m	£m
<b>Non-current assets</b>		
Intangible assets	446	428
Property, plant and equipment	93	94
Investments in joint ventures and associates	77	95
Other investments	850	819
Loans and advances to customers	3,210	2,465
Derivative financial instruments	35	33
	<b>4,711</b>	<b>3,934</b>
<b>Current assets</b>		
Trade and other receivables	209	186
Loans and advances to customers	3,705	3,093
Derivative financial instruments	2	-
Current tax assets	1	36
Cash and cash equivalents	485	1,055
	<b>4,402</b>	<b>4,370</b>
<b>Current liabilities</b>		
Trade and other payables	(260)	(246)
Financial liabilities:		
- Derivative financial instruments	(4)	(7)
- Customer deposits	(4,713)	(5,322)
- Deposits by banks	(772)	(9)
Provisions	(105)	(102)
	<b>(5,854)</b>	<b>(5,686)</b>
<b>Net current liabilities</b>	<b>(1,452)</b>	<b>(1,316)</b>
<b>Non-current liabilities</b>		
Financial liabilities:		
- Borrowings	(395)	(407)
- Derivative financial instruments	(38)	(57)
- Customer deposits	(1,366)	(677)
- Deposits by banks	(8)	(6)
Deferred tax liabilities	(25)	(49)
	<b>1,427</b>	<b>1,422</b>
<b>Net assets included within Tesco Group accounts<sup>2</sup></b>	<b>1,427</b>	<b>1,422</b>

### Notes

<sup>1</sup> As at 28 February 2014 with comparatives at 28 February 2013.

<sup>2</sup> Intra-group liabilities of £94m (2012/13: £252m) have been eliminated on consolidation in preparing the Tesco PLC consolidated financial statements. Net assets of Tesco Bank are £1,357m (2012/13: £1,198m) including the intra-group liabilities and ATM commission.

## GROUP CASH FLOW

	Retail		Tesco Bank		Tesco Group	
	2013/14 £m	2012/13 £m	2013/14 £m	2012/13 £m	2013/14 £m	2012/13 £m
<b>Profit before tax<sup>1</sup></b>	2,139	1,967	120	90	2,259	2,057
ATM commission	(24)	(28)	24	28	-	-
<b>Statutory profit before tax</b>	<b>2,115</b>	<b>1,939</b>	<b>144</b>	<b>118</b>	<b>2,259</b>	<b>2,057</b>
Net finance costs	432	388	-	9	432	397
Share of post-tax profits of joint ventures and associates	(58)	(62)	(2)	(10)	(60)	(72)
<b>Operating profit</b>	<b>2,489</b>	<b>2,265</b>	<b>142</b>	<b>117</b>	<b>2,631</b>	<b>2,382</b>
Operating loss of discontinued operations	(925)	(1,451)	-	-	(925)	(1,451)
Depreciation, amortisation and net property, plant and equipment and intangible assets impairment	2,198	2,142	84	77	2,282	2,219
(Profits)/losses arising on property-related items, including loss arising on property-related items from discontinued operations	(70)	449	-	-	(70)	449
(Profit)/loss arising on sale of non property-related items	(1)	4	-	(4)	(1)	-
(Profit)/loss arising on sale of subsidiaries & other investments	1	35	-	-	1	35
Impairment of goodwill	540	575	-	-	540	575
Impairment of other investments	42	-	-	-	42	-
Adjustment for non-cash element of pensions charge	11	(4)	-	-	11	(4)
Additional contribution into pension scheme	(4)	(180)	-	-	(4)	(180)
Share-based payments	46	54	1	(1)	47	53
Tesco Bank non-cash items included in profit before tax	-	-	76	54	76	54
<b>Cash flow from operations excluding working capital</b>	<b>4,327</b>	<b>3,889</b>	<b>303</b>	<b>243</b>	<b>4,630</b>	<b>4,132</b>
(Increase)/decrease in working capital	280	(1)	(594)	(258)	(314)	(259)
<b>Cash generated from operations</b>	<b>4,607</b>	<b>3,888</b>	<b>(291)</b>	<b>(15)</b>	<b>4,316</b>	<b>3,873</b>
Interest paid	(490)	(448)	(6)	(9)	(496)	(457)
Corporation tax paid	(612)	(540)	(23)	(39)	(635)	(579)
<b>Net cash generated from operating activities</b>	<b>3,505</b>	<b>2,900</b>	<b>(320)</b>	<b>(63)</b>	<b>3,185</b>	<b>2,837</b>
Purchase of property, plant and equipment, investment property and intangible assets	(2,774)	(2,850)	(107)	(137)	(2,881)	(2,987)
<b>Memo: Free cash flow</b>	<b>731</b>	<b>50</b>	<b>(427)</b>	<b>(200)</b>	<b>304</b>	<b>(150)</b>
(Acquisition)/disposal of subsidiaries, net of cash acquired/(disposed)	(13)	(72)	-	-	(13)	(72)
Proceeds from sale of property, plant and equipment, investment property, non-current assets classified as held for sale	568	1,351	-	-	568	1,351
Proceeds from sale of intangible assets	2	-	-	-	2	-
Proceeds from sale of joint ventures and associates	-	68	-	-	-	68
Investments and net decrease/(increase) in loans to joint ventures and associates	42	(180)	7	(21)	49	(201)
Net (investments in)/proceeds from sale of short-term investments	(494)	721	-	-	(494)	721
Net (investments in)/proceeds from sale of other investments	(207)	-	(61)	706	(268)	706
Dividends received from joint ventures and associates	47	51	15	-	62	51
Interest received	121	85	-	-	121	85
<b>Net cash used in investing activities</b>	<b>(2,708)</b>	<b>(826)</b>	<b>(146)</b>	<b>548</b>	<b>(2,854)</b>	<b>(278)</b>
Proceeds from issue of ordinary share capital	62	57	-	-	62	57
Net increase/(repayment) of borrowings, including finance leases	1,183	(1,431)	-	197	1,183	(1,234)
Purchase of non-controlling interests	-	(4)	-	-	-	(4)
Dividends paid, including those to non-controlling interests	(1,189)	(1,184)	-	-	(1,189)	(1,184)
Owned shares purchased	-	-	-	-	-	-
<b>Net cash used in financing activities</b>	<b>56</b>	<b>(2,562)</b>	<b>-</b>	<b>197</b>	<b>56</b>	<b>(2,365)</b>
<b>Intra-Group funding and intercompany transactions</b>	<b>104</b>	<b>207</b>	<b>(104)</b>	<b>(207)</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>957</b>	<b>(281)</b>	<b>(570)</b>	<b>475</b>	<b>387</b>	<b>194</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,476</b>	<b>1,731</b>	<b>1,055</b>	<b>580</b>	<b>2,531</b>	<b>2,311</b>
Effect of foreign exchange rate changes	(105)	26	-	-	(105)	26
<b>Cash and cash equivalents at the end of the period</b>	<b>2,328</b>	<b>1,476</b>	<b>485</b>	<b>1,055</b>	<b>2,813</b>	<b>2,531</b>
Less cash held in disposal group <sup>2</sup>	(307)	(19)	-	-	(307)	(19)
<b>Cash and cash equivalents not held in disposal group</b>	<b>2,021</b>	<b>1,457</b>	<b>485</b>	<b>1,055</b>	<b>2,506</b>	<b>2,512</b>

### Notes

<sup>1</sup> Tesco Bank profit before tax is per Tesco Bank Income Statement.

<sup>2</sup> This relates to the cash held within our discontinued operations reported within assets of the disposal group.

## RETAIL CASH FLOW

	Continuing Operations		Discontinued Operations		Retail	
	2013/14 £m	2012/13 £m	2013/14 £m	2012/13 £m	2013/14 £m	2012/13 £m
<b>Operating profit</b>	<b>2,489</b>	<b>2,265</b>	<b>(925)</b>	<b>(1,451)</b>	<b>1,564</b>	<b>814</b>
Depreciation and amortisation and net impairment of property, plant and equipment and intangible assets	2,156	1,465	42	677	2,198	2,142
(Profits)/losses arising on property-related items	(232)	161	162	288	(70)	449
(Profit)/loss arising on sale of non property-related items	(1)	4	-	-	(1)	4
(Profit)/loss arising on sale of subsidiaries & other investments	1	-	-	35	1	35
Impairment of goodwill	-	495	540	80	540	575
Impairment of other investments	42	-	-	-	42	-
Adjustment for non-cash element of pensions charge	11	(4)	-	-	11	(4)
Additional contribution into pension scheme	(4)	(180)	-	-	(4)	(180)
Share-based payments	41	56	5	(2)	46	54
<b>Cash flow from operations excluding working capital</b>	<b>4,503</b>	<b>4,262</b>	<b>(176)</b>	<b>(373)</b>	<b>4,327</b>	<b>3,889</b>
(Increase)/decrease in working capital	243	(253)	37	252	280	(1)
<b>Cash generated from operations</b>	<b>4,746</b>	<b>4,009</b>	<b>(139)</b>	<b>(121)</b>	<b>4,607</b>	<b>3,888</b>
Interest paid	(475)	(421)	(15)	(27)	(490)	(448)
Corporation tax paid	(594)	(521)	(18)	(19)	(612)	(540)
<b>Net cash generated from operating activities</b>	<b>3,677</b>	<b>3,067</b>	<b>(172)</b>	<b>(167)</b>	<b>3,505</b>	<b>2,900</b>
Purchase of property, plant and equipment, investment property and intangible assets	(2,500)	(2,559)	(274)	(291)	(2,774)	(2,850)
<b>Memo: Free cash flow</b>	<b>1,177</b>	<b>508</b>	<b>(446)</b>	<b>(458)</b>	<b>731</b>	<b>50</b>

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

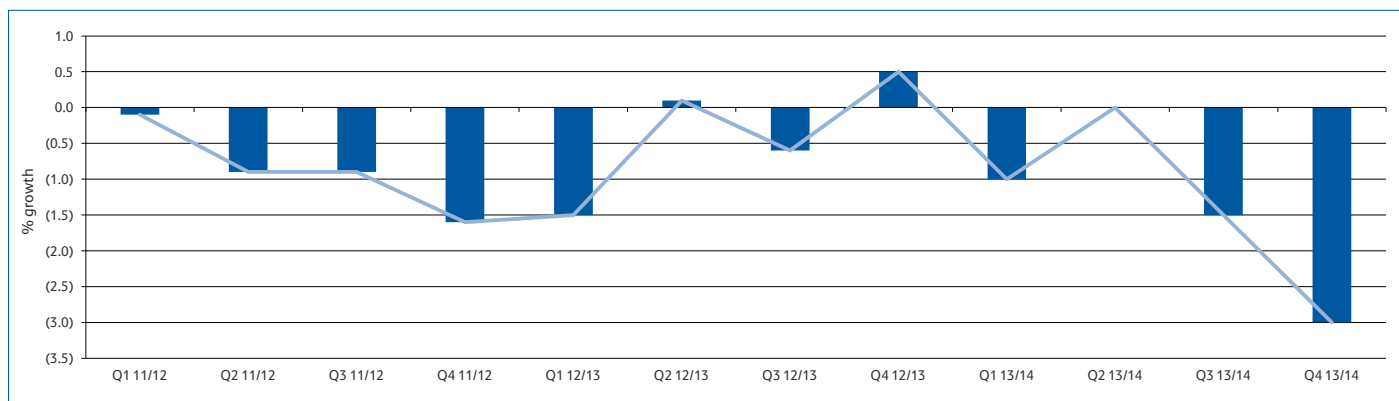
### Inc. Petrol

	First Half 2013/14 26 wks to 24/08/13 %	Second Half 2013/14 26 wks to 22/02/14 %	Full Year 2013/14 52 wks to 22/02/14 %	Full Year 2012/13 52 wks to 23/02/13 %
Existing stores	(0.9)	(3.1)	(2.0)	(1.0)
Net new stores	2.0	1.9	1.9	2.8
<b>Total</b>	<b>1.1</b>	<b>(1.2)</b>	<b>(0.1)</b>	<b>1.8</b>

### Exc. Petrol

	First Half 2013/14 26 wks to 24/08/13 %	Second Half 2013/14 26 wks to 22/02/14 %	Full Year 2013/14 52 wks to 22/02/14 %	Full Year 2012/13 52 wks to 23/02/13 %
Existing stores	(0.5)	(2.2)	(1.3)	(0.3)
Net new stores	2.2	2.1	2.1	2.9
<b>Total</b>	<b>1.7</b>	<b>(0.1)</b>	<b>0.8</b>	<b>2.6</b>

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



## UK SALES AREA BY SIZE OF STORE

### Tesco Store Size

sq ft	No. of stores	Million sq ft	% of total sq ft
0-3,000	1,648	3.9	10.2%
3,001-20,000	319	4.0	10.5%
20,001-40,000	300	8.9	23.4%
40,001-60,000	170	9.0	23.5%
60,001-80,000	117	7.4	19.3%
80,001-100,000	45	4.1	10.6%
Over 100,000	9	1.0	2.5%

### February 2014

No. of stores	Million sq ft	% of total sq ft
<b>2,608</b>	<b>38.3</b>	<b>100.0%</b>

### February 2013

No. of stores	Million sq ft	% of total sq ft
<b>2,470</b>	<b>37.4</b>	<b>100.0%</b>

### Dotcom-only

Over 60,000	6	0.7	5	0.6
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### Other

One Stop (inc. Franchise)	730	1.2	639	1.0
Dobbies	34	1.6	32	1.5

### Total (inc. Franchise)

<b>3,378</b>	<b>41.8</b>	<b>3,146</b>	<b>40.5</b>
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**INTERNATIONAL SALES PERFORMANCE (inc. Petrol, exc. IFRIC 13)**

		SALES GROWTH (inc. VAT)				REVENUE (exc. VAT)			
		CONSTANT RATES			ACTUAL RATES				
		like-for-like %	net new stores %	total %	total %	in local currency m	£m	average exchange rate	closing exchange rate
<b>Continuing Operations</b>									
Malaysia	TY	-	2	2	(1)	4,675	931	5.021	5.509
	LY	-	6	6	5	4,591	937	4.900	4.733
South Korea	TY	(4)	4	-	3	9,420,754	5,474	1,721	1,792
	LY	(5)	5	-	(1)	9,421,714	5,311	1,774	1,656
Thailand	TY	(6)	9	3	3	188,348	3,836	49.10	54.38
	LY	3	13	16	16	183,470	3,742	49.03	45.57
India	TY	29	(2)	27	16	6,407	68	94.22	103.9
	LY	25	-	25	11	4,884	57	85.68	82.84
Czech Republic	TY	(4)	1	(3)	(4)	40,316	1,298	31.06	33.26
	LY	(7)	5	(2)	(10)	42,009	1,356	30.98	29.38
Hungary <sup>1</sup>	TY	1	(2)	(1)	-	563,741	1,597	353.0	376.9
	LY	(1)	1	-	(9)	569,648	1,606	354.7	337.7
Poland	TY	(3)	4	1	4	11,209	2,259	4.962	5.047
	LY	(4)	5	1	(5)	11,150	2,176	5.124	4.797
Slovakia	TY	(5)	3	(2)	2	1,340	1,134	1.182	1.215
	LY	(1)	7	6	(1)	1,371	1,114	1.231	1.154
Turkey	TY	(4)	4	-	(9)	2,112	679	3.110	3.644
	LY	-	13	13	8	2,123	745	2.850	2.736
Republic of Ireland	TY	(6)	-	(6)	(2)	2,694	2,279	1.182	1.215
	LY	(1)	3	2	(5)	2,850	2,315	1.231	1.154
Franchising <sup>2</sup>	TY	n/a	n/a	n/a	n/a	25	21	1.182	1.215
	LY	n/a	n/a	n/a	n/a	9	7	1.231	1.154

**Discontinued Operations**

China	TY	(4)	5	1	5	14,502	1,504	9.642	10.18
	LY	(1)	7	6	9	14,307	1,431	10.00	9.526

**Notes**

<sup>1</sup> Following the introduction of legislation preventing large retailers from selling tobacco in mid-July 2013, Hungary like-for-like growth is shown on an exc. tobacco basis.

<sup>2</sup> Wholesale sales to F&F franchisees.

## GROUP SPACE SUMMARY

### NUMBER OF STORES

	2012/13	2013/14	Net Gain <sup>1</sup>	Openings		Acquisitions	Closures/ Disposals	Repurposing / Extensions
	year end	year end		H1	H2			
<b>UK (exc. Franchise)</b>	<b>3,146</b>	<b>3,370</b>	<b>224</b>	<b>78</b>	<b>125</b>	<b>33</b>	<b>(12)</b>	<b>2</b>
Asia <sup>2</sup>	1,911	2,219	308	149	172	-	(14)	50
Europe	1,365	1,374	9	20	28	-	(39)	91
<b>International (exc. Franchise)</b>	<b>3,276</b>	<b>3,593</b>	<b>317</b>	<b>169</b>	<b>200</b>	<b>-</b>	<b>(53)</b>	<b>141</b>
<b>Group (exc. Franchise)<sup>3</sup></b>	<b>6,422</b>	<b>6,963</b>	<b>541</b>	<b>247</b>	<b>325</b>	<b>33</b>	<b>(65)</b>	<b>143</b>
Franchise	231	342	111	43	85	-	(16)	15
<b>Group (inc. Franchise)<sup>3</sup></b>	<b>6,653</b>	<b>7,305</b>	<b>652</b>	<b>290</b>	<b>410</b>	<b>33</b>	<b>(81)</b>	<b>158</b>

**Memo:**

China	131	134	3	5	2	-	(4)	-
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### SPACE - '000 SQ FT

	2012/13	2013/14	Net Gain	Openings		Acquisitions	Closures/ Disposals	Repurposing / Extensions
	year end	year end		H1	H2			
<b>UK (exc. Franchise)</b>	<b>40,495</b>	<b>41,813</b>	<b>1,318</b>	<b>549</b>	<b>884</b>	<b>58</b>	<b>(132)</b>	<b>(41)</b>
Asia <sup>2</sup>	31,280	33,197	1,917	721	1,172	-	(31)	55
Europe	33,936	34,067	131	282	310	-	(251)	(210)
<b>International (exc. Franchise)</b>	<b>65,216</b>	<b>67,264</b>	<b>2,048</b>	<b>1,003</b>	<b>1,482</b>	<b>-</b>	<b>(282)</b>	<b>(155)</b>
<b>Group (exc. Franchise)<sup>3</sup></b>	<b>105,711</b>	<b>109,077</b>	<b>3,366</b>	<b>1,552</b>	<b>2,366</b>	<b>58</b>	<b>(414)</b>	<b>(196)</b>
Franchise	329	495	166	46	148	-	(20)	(8)
<b>Group (inc. Franchise)<sup>3</sup></b>	<b>106,040</b>	<b>109,572</b>	<b>3,532</b>	<b>1,598</b>	<b>2,514</b>	<b>58</b>	<b>(434)</b>	<b>(204)</b>

**Memo:**

China	10,196	10,546	350	394	176	-	(220)	-
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**Note**

<sup>1</sup> Extensions/Repurposed stores are not included in the net gain for "number of stores", since they are expansions/reductions in the space of existing stores.

Asia and Franchise totals include one store conversion that is therefore included in the net gain for "number of stores".

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

<sup>3</sup> China is excluded from Group store and space numbers.

## UK SPACE SUMMARY

### NUMBER OF STORES

	2012/13	2013/14	Net Gain <sup>1</sup>	Openings		Acquisitions	Closures/ Disposals	Repurposing /Extensions
	year end	year end		H1	H2			
Extra	238	247	9	4	5	-	-	2
Homeplus	12	12	-	-	-	-	-	-
Superstore	481	482	1	3	2	-	(4)	-
Metro	192	195	3	1	5	-	(3)	-
Express	1,547	1,672	125	54	74	-	(3)	-
Dotcom-only	5	6	1	-	1	-	-	-
<b>Total Tesco (exc. Franchise)</b>	<b>2,475</b>	<b>2,614</b>	<b>139</b>	<b>62</b>	<b>87</b>	<b>-</b>	<b>(10)</b>	<b>2</b>
One Stop	639	722	83	16	36	33	(2)	-
Dobbies	32	34	2	-	2	-	-	-
<b>Total UK (exc. Franchise)</b>	<b>3,146</b>	<b>3,370</b>	<b>224</b>	<b>78</b>	<b>125</b>	<b>33</b>	<b>(12)</b>	<b>2</b>
Franchise - One Stop	-	8	8	-	8	-	-	-
<b>Total UK (inc. Franchise)</b>	<b>3,146</b>	<b>3,378</b>	<b>232</b>	<b>78</b>	<b>133</b>	<b>33</b>	<b>(12)</b>	<b>2</b>

### SPACE - '000 SQ FT

	2012/13	2013/14	Net Gain	Openings		Acquisitions	Closures/ Disposals	Repurposing /Extensions
	year end	year end		H1	H2			
Extra	17,051	17,610	559	295	305	-	-	(41)
Homeplus	523	523	-	-	-	-	-	-
Superstore	14,053	14,110	57	92	60	-	(95)	-
Metro	2,145	2,191	46	9	61	-	(24)	-
Express	3,588	3,883	295	125	178	-	(8)	-
Dotcom-only	604	716	112	-	112	-	-	-
<b>Total Tesco (exc. Franchise)</b>	<b>37,964</b>	<b>39,033</b>	<b>1,069</b>	<b>521</b>	<b>716</b>	<b>-</b>	<b>(127)</b>	<b>(41)</b>
One Stop	991	1,142	151	28	70	58	(5)	-
Dobbies	1,540	1,638	98	-	98	-	-	-
<b>Total UK (exc. Franchise)</b>	<b>40,495</b>	<b>41,813</b>	<b>1,318</b>	<b>549</b>	<b>884</b>	<b>58</b>	<b>(132)</b>	<b>(41)</b>
Franchise - One Stop	-	10	10	-	10	-	-	-
<b>Total UK (inc. Franchise)</b>	<b>40,495</b>	<b>41,823</b>	<b>1,328</b>	<b>549</b>	<b>894</b>	<b>58</b>	<b>(132)</b>	<b>(41)</b>

#### Note

<sup>1</sup> Extensions/Repurposed stores are not included in the net gain for "number of stores", since they are expansions/reductions in the space of existing stores.

## UK NEW STORES

### 2013/14 OPENINGS<sup>1</sup>

Format	Store Name	Opening Date	Size ('000 sq ft)
Superstore	Prestatyn	Mar - 13	46
Extra	Gateshead Trinity Square	May - 13	90
Superstore	Gosport	May - 13	22
Extra	Newry Downshire	Jun - 13	59
Metro	Wembley	Jun - 13	9
Extra	Sunderland Retail Park	Jun - 13	67
Extra	West Bromwich	Jul - 13	79
Superstore	Sandy	Aug - 13	24
Superstore	Rugeley	Sep - 13	37
Metro	Gloucester Churchdown	Oct - 13	14
Metro	Sheringham	Oct - 13	14
Extra	Consett Genesis	Oct - 13	55
Extra	Kings Lynn Hardwick	Oct - 13	73
Extra	Stourbridge, Crown Centre	Oct - 13	61
Dotcom	Erith	Oct - 13	112
Metro	Faringdon Park Rd	Nov - 13	13
Extra	Streatham	Nov - 13	58
Superstore	Galston	Nov - 13	23
Metro	London Bermondsey	Jan - 14	8
Metro	Glasgow Knightswood	Jan - 14	12
Extra	Wisbech Cromwell	Feb - 14	57

### 2014/15 FORECAST OPENINGS<sup>1</sup>

Format	Store Name	Forecast Opening Date	Size ('000 sq ft)
Extra	Lincoln	May - 14	74
Metro	Bow, Gladstone Place	May - 14	15
Superstore	Swaffham, Castle Acre	Jul - 14	24
Superstore	Linwood, Paisley	Jul - 14	38
Superstore	Stourport	Sep - 14	29
Superstore	Hoyland, Market Street	Oct - 14	19
Extra	Bridgewater, Banbridge	Oct - 14	56
Superstore	Taplow, Bath Road	Oct - 14	36
Superstore	Dunfermline, Fire Station	Oct - 14	46
Superstore	Bournemouth, Kinson	Nov - 14	23
Metro	Coleford, Lords Hill	Dec - 14	10
Extra	Rotherham, Civic Centre	Jan - 15	56

**Note**

<sup>1</sup> Excludes Express, One Stop and Dobbies stores.

## ASIA SPACE SUMMARY

### NUMBER OF STORES

		2012/13 year end	2013/14 year end	Net Gain <sup>1</sup>	Openings		Acquisitions	Closures/ Disposals	Repurposing/ Extensions
					H1	H2			
Malaysia	- hypermarket	47	49	2	-	2	-	-	-
	- other	-	-	-	-	-	-	-	-
South Korea	- hypermarket	133	139	6	3	3	-	-	-
	- other	298	294	(4)	3	3	-	(11)	1
Thailand	- hypermarket	149	160	11	3	8	-	-	5
	- other	1,284	1,577	293	140	156	-	(3)	44
<b>Total Asia</b>	- hypermarket	329	348	19	6	13	-	-	5
	- other	1,582	1,871	289	143	159	-	(14)	45
<b>Total Asia (exc. Franchise)</b>	<b>- Total</b>	<b>1,911</b>	<b>2,219</b>	<b>308</b>	<b>149</b>	<b>172</b>	<b>-</b>	<b>(14)</b>	<b>50</b>

Franchise	- South Korea	89	198	109	42	77	-	(9)	(1)
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<b>Total Asia (inc. Franchise)</b>	<b>- Total</b>	<b>2,000</b>	<b>2,417</b>	<b>417</b>	<b>191</b>	<b>249</b>	<b>-</b>	<b>(23)</b>	<b>49</b>
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**Memo:**

China	- hypermarket	117	119	2	3	2	-	(3)	-
	- other	14	15	1	2	-	-	(1)	-

### SPACE - '000 SQ FT

		2012/13 year end	2013/14 year end	Net Gain	Openings		Acquisitions	Closures/ Disposals	Repurposing/ Extensions
					H1	H2			
Malaysia	- hypermarket	3,918	4,029	111	-	111	-	-	-
	- other	-	-	-	-	-	-	-	-
South Korea	- hypermarket	12,108	12,662	554	280	274	-	-	-
	- other	934	921	(13)	7	7	-	(28)	1
Thailand	- hypermarket	10,709	11,324	615	142	405	-	-	68
	- other	3,611	4,261	650	292	375	-	(3)	(14)
<b>Total Asia</b>	- hypermarket	26,735	28,015	1,280	422	790	-	-	68
	- other	4,545	5,182	637	299	382	-	(31)	(13)
<b>Total Asia (exc. Franchise)</b>	<b>- Total</b>	<b>31,280</b>	<b>33,197</b>	<b>1,917</b>	<b>721</b>	<b>1,172</b>	<b>-</b>	<b>(31)</b>	<b>55</b>

Franchise	- South Korea	188	356	168	45	137	-	(13)	(1)
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<b>Total Asia (inc. Franchise)</b>	<b>- Total</b>	<b>31,468</b>	<b>33,553</b>	<b>2,085</b>	<b>766</b>	<b>1,309</b>	<b>-</b>	<b>(44)</b>	<b>54</b>
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**Memo:**

China	- hypermarket	10,165	10,490	325	366	175	-	(216)	-
	- other	31	56	25	28	1	-	(4)	-

**Note**

<sup>1</sup> Extensions/Repurposed stores are not included in the net gain for "number of stores", since they are expansions/reductions in the space of existing stores. South Korea and Franchise totals include one store conversion that is therefore included in the net gain for "number of stores".

## EUROPE SPACE SUMMARY

### NUMBER OF STORES

		2012/13 year end	2013/14 year end	Net Gain <sup>1</sup>	Openings		Acquisitions	Closures/ Disposals	Repurposing/ Extensions
					H1	H2			
Czech Republic	- hypermarket	86	86	-	-	-	-	-	5
	- other	148	125	(23)	-	1	-	(24)	84
Hungary	- hypermarket	118	118	-	-	-	-	-	1
	- other	98	102	4	2	2	-	-	-
Poland	- hypermarket	82	86	4	3	1	-	-	-
	- other	364	369	5	2	6	-	(3)	-
Slovakia	- hypermarket	62	63	1	-	1	-	-	-
	- other	74	87	13	7	6	-	-	-
Turkey	- hypermarket	56	56	-	-	1	-	(1)	-
	- other	135	136	1	6	3	-	(8)	-
Republic of Ireland	- hypermarket	13	14	1	-	1	-	-	-
	- other	129	132	3	-	6	-	(3)	1
<b>Total Europe</b>	- hypermarket	417	423	6	3	4	-	(1)	6
	- other	948	951	3	17	24	-	(38)	85
<b>Total Europe (exc. Franchise)</b>	<b>- Total</b>	<b>1,365</b>	<b>1,374</b>	<b>9</b>	<b>20</b>	<b>28</b>	<b>-</b>	<b>(39)</b>	<b>91</b>
Franchise	- Czech Republic	142	136	(6)	1	-	-	(7)	16
<b>Total Europe (inc. Franchise)</b>	<b>- Total</b>	<b>1,507</b>	<b>1,510</b>	<b>3</b>	<b>21</b>	<b>28</b>	<b>-</b>	<b>(46)</b>	<b>107</b>

### SPACE - '000 SQ FT

		2012/13 year end	2013/14 year end	Net Gain	Openings		Acquisitions	Closures/ Disposals	Repurposing/ Extensions
					H1	H2			
Czech Republic	- hypermarket	4,627	4,474	(153)	-	-	-	-	(153)
	- other	1,324	1,230	(94)	-	3	-	(88)	(9)
Hungary	- hypermarket	6,753	6,704	(49)	-	-	-	-	(49)
	- other	576	584	8	4	4	-	-	-
Poland	- hypermarket	5,737	5,958	221	177	44	-	-	-
	- other	3,689	3,756	67	27	63	-	(23)	-
Slovakia	- hypermarket	2,960	2,980	20	-	20	-	-	-
	- other	862	920	58	28	30	-	-	-
Turkey	- hypermarket	3,351	3,335	(16)	-	39	-	(55)	-
	- other	602	649	47	46	20	-	(19)	-
Republic of Ireland	- hypermarket	821	880	59	-	59	-	-	-
	- other	2,634	2,597	(37)	-	28	-	(66)	1
<b>Total Europe</b>	- hypermarket	24,249	24,331	82	177	162	-	(55)	(202)
	- other	9,687	9,736	49	105	148	-	(196)	(8)
<b>Total Europe (exc. Franchise)</b>	<b>- Total</b>	<b>33,936</b>	<b>34,067</b>	<b>131</b>	<b>282</b>	<b>310</b>	<b>-</b>	<b>(251)</b>	<b>(210)</b>
Franchise	- Czech Republic	141	129	(12)	1	-	-	(6)	(7)
<b>Total Europe (inc. Franchise)</b>	<b>- Total</b>	<b>34,077</b>	<b>34,196</b>	<b>119</b>	<b>283</b>	<b>310</b>	<b>-</b>	<b>(257)</b>	<b>(217)</b>

**Note**

<sup>1</sup> Extensions/Repurposed stores are not included in the net gain for "number of stores", since they are expansions/reductions in the space of existing stores.

## GROUP SPACE FORECAST

### Forecast to 28 February 2015

SPACE - '000 SQ FT

	2013/14 year end	2014/15 year end	Net Gain	Openings		Acquisitions	Closures / Disposals	Repurposing / Extensions	% of Group <sup>1</sup> at year end
				H1	H2				
Extra	17,610	17,712	102	74	112	-	-	(84)	15.8%
Homeplus	523	523	-	-	-	-	-	-	0.5%
Superstore	14,110	14,209	99	62	153	-	(116)	-	12.7%
Metro	2,191	2,196	5	15	10	-	(20)	-	1.9%
Express	3,883	4,214	331	137	206	-	(12)	-	3.8%
Dotcom only	716	716	-	-	-	-	-	-	0.6%
<b>Total Tesco (exc. Franchise)</b>	<b>39,033</b>	<b>39,570</b>	<b>537</b>	<b>288</b>	<b>481</b>	<b>-</b>	<b>(148)</b>	<b>(84)</b>	<b>35.3%</b>
One Stop	1,142	1,315	173	101	80	-	(8)	-	1.2%
Dobbies	1,638	1,653	15	-	15	-	-	-	1.5%
<b>Total UK (exc. Franchise)</b>	<b>41,813</b>	<b>42,538</b>	<b>725</b>	<b>389</b>	<b>576</b>	<b>-</b>	<b>(156)</b>	<b>(84)</b>	<b>38.0%</b>
Malaysia	4,029	4,212	183	43	140	-	-	-	3.7%
South Korea	13,583	13,695	112	-	112	-	-	-	12.2%
Thailand	15,585	15,996	411	220	201	-	-	(10)	14.3%
<b>Asia (exc. Franchise)</b>	<b>33,197</b>	<b>33,903</b>	<b>706</b>	<b>263</b>	<b>453</b>	<b>-</b>	<b>-</b>	<b>(10)</b>	<b>30.2%</b>
Czech Republic	5,704	5,696	(8)	-	-	-	(8)	-	5.1%
Hungary	7,288	7,296	8	2	6	-	-	-	6.5%
Poland	9,714	9,822	108	88	71	-	(51)	-	8.8%
Slovakia	3,900	3,945	45	9	36	-	-	-	3.5%
Turkey	3,984	4,031	47	43	4	-	-	-	3.6%
Republic of Ireland	3,477	3,576	99	72	42	-	(15)	-	3.2%
<b>Europe (exc. Franchise)</b>	<b>34,067</b>	<b>34,366</b>	<b>299</b>	<b>214</b>	<b>159</b>	<b>-</b>	<b>(74)</b>	<b>-</b>	<b>30.7%</b>
<b>International (exc. Franchise)</b>	<b>67,264</b>	<b>68,269</b>	<b>1,005</b>	<b>477</b>	<b>612</b>	<b>-</b>	<b>(74)</b>	<b>(10)</b>	<b>60.9%</b>
<b>Group (exc. Franchise)</b>	<b>109,077</b>	<b>110,807</b>	<b>1,730</b>	<b>866</b>	<b>1,188</b>	<b>-</b>	<b>(230)</b>	<b>(94)</b>	<b>98.9%</b>
Korea Franchise	356	868	512	227	285	-	-	-	0.8%
Czech Franchise	129	105	(24)	-	-	-	(24)	-	0.1%
One Stop (UK) Franchise	10	209	199	111	88	-	-	-	0.2%
<b>Total Franchise</b>	<b>495</b>	<b>1,182</b>	<b>687</b>	<b>338</b>	<b>373</b>	<b>-</b>	<b>(24)</b>	<b>-</b>	<b>1.1%</b>
<b>Group (inc. Franchise)</b>	<b>109,572</b>	<b>111,989</b>	<b>2,417</b>	<b>1,204</b>	<b>1,561</b>	<b>-</b>	<b>(254)</b>	<b>(94)</b>	<b>100.0%</b>

<sup>1</sup>Based on Group (inc. Franchise)

## EARNINGS PER SHARE

		CONTINUING OPERATIONS <sup>1</sup>	
		2013/14 <sup>2</sup> FY £m	2012/13 <sup>2</sup> FY £m
<b>EARNINGS</b>			
<b>Statutory profit before tax</b>		<b>2,259</b>	<b>2,057</b>
Adjustments:			
Add back: IAS 19 Pensions charge		648	555
Add back: IAS 17 Leasing charge		22	17
Add back: Tesco Bank intangibles and other acquisition costs		14	19
Add back: IFRIC 13		10	28
Add back: Restructuring and one off costs		102	14
Add back one-off items:			
- impairment of PPE and onerous lease provision included within cost of sales		734	161
- impairment of PPE and onerous lease provision included within property-related items		(98)	709
- provision for customer redress		63	115
- impairment of goodwill		-	495
Deduct: Other profits/losses arising on property related items		(180)	(419)
Add back: IAS 32 and IAS 39 effect		11	15
Deduct: Normal cash pension contributions		(531)	(486)
<b>Underlying profit before tax</b>		<b>3,054</b>	<b>3,280</b>
	TY ERT %    LY ERT %		
Tax on profit <sup>3</sup>	15.36%    25.72%	(347)	(529)
Tax on underlying profit <sup>3</sup>	15.36%    17.44%	(469)	(572)
Minority Interest		4	4
<b>BASIC EARNINGS</b>		<b>1,916</b>	<b>1,532</b>
<b>UNDERLYING EARNINGS</b>		<b>2,589</b>	<b>2,712</b>
<b>SHARES</b>		2013/14 <sup>2</sup> FY	2012/13 <sup>2</sup> FY
<b>Shares in issue at start of year</b>	<b>Million</b>	<b>8,054</b>	<b>8,032</b>
SAYE and Executive Share Option Schemes	Million	8	7
Shares issued and Own Shares purchased	Million	15	3
Less: weighted average shares in trust	Million	(9)	(9)
<b>BASIC weighted average no of shares</b>	<b>Million</b>	<b>8,068</b>	<b>8,033</b>
Weighted average no of options	A Million	121	76
Average option price	B Pence	321	311
Average share price	C Pence	349	328
Deduct:			
Dilutory number of shares	[A x (C-B)/C] Million	10	4
<b>DILUTED weighted average no of shares</b>	<b>Million</b>	<b>8,078</b>	<b>8,037</b>
BASIC Earnings Per Share - Continuing Operations	Pence	23.75	19.07
DILUTED Earnings Per Share - Continuing Operations	Pence	23.72	19.06
UNDERLYING BASIC Earnings Per Share - Continuing Operations	Pence	32.09	33.76
UNDERLYING DILUTED Earnings Per Share - Continuing Operations	Pence	32.05	33.74
UNDERLYING DILUTED Earnings Per Share - Continuing Operations (Constant Tax)	Pence	31.27	33.74

### Notes

<sup>1</sup> Continuing operations excludes China, the US and Japan as discontinued operations.

<sup>2</sup> For the UK and the Republic of Ireland the results are for the 52 weeks ended 22 February 2014 (prior financial year 52 weeks ended 23 February 2013). For all other operations the results are for the financial year ended 28 February 2014 (prior financial year ended 28 February 2013).

<sup>3</sup> Effective rate of tax on statutory profit before tax for 2012/13 has been restated on a continuing operations basis.