

CONTINUING TO CHAMPION GREAT VALUE FOR CUSTOMERS.

Our sales performance (exc. VAT, exc. fuel) for the 13 weeks ended 28 May 2022 is detailed below. The three-year like-for-like (LFL) sales growth represents a comparison versus pre-pandemic performance in FY19/20.

	Sales £m	One-year LFL	Three-year LFL ¹
UK & ROI	12,596	1.5%	9.7%
UK	9,879	(1.5)%	8.1%
ROI	612	(2.4)%	10.1%
Booker	2,105	19.4%	19.6% ²
Central Europe	976	9.0%	11.3%
Group Retail	13,572	2.0%	9.9%

UK: Ongoing support for customers in challenging times; further improvement in market share

- Market share growth of +37bps³, outperforming on both value and volume
- Overall distribution of Aldi Price Match and Low Everyday Prices products up c.19% YoY
- Maintaining largest improvement in quality & value perception of any food retailer in the market vs pre-pandemic
- YoY performance impacted by annualisation of lockdown last year, most notably in GM, clothing and online, partially offset by inflation

ROI: Sales ahead of pre-pandemic levels, one-year performance reflects trading over lockdown last year

- Market share growth +11bps YoY⁴; Brand NPS increased by +4 points YoY to 18
- Sales decline due to lapping highest level of restrictions, which is partially offset by inflation

Booker: Strong performance, particularly in Catering, reflects benefit of lapping lockdown and underlying business growth

- Catering LFL sales increased by +57.4%; added over 13,000 net new customers
- Retail LFL sales increased by +2.3%

CE: Growth driven by inflation across all three markets, despite impact of lapping lockdown

- Continued market share growth in all three countries, +40bps overall⁵
- Completed sale of 17 malls & one retail park, generating proceeds of c.£200m as announced in April

Bank: Sales up +38.8% largely from acquisition of Tesco Underwriting; recovery in card sales & travel money

Outlook: At this early stage in the year, our guidance ranges for profit and cash remain unchanged

Ken Murphy, Chief Executive:

“Whilst the market environment remains incredibly challenging, our laser focus on value, as well as the daily dedication and hard work of our colleagues, has helped us to outperform the market. Our material and ongoing investment in the powerful combination of Aldi Price Match, Low Everyday Prices and Clubcard Prices is removing the need for customers to shop elsewhere.

Although difficult to separate from the significant impact of lapping last year’s lockdowns, we are seeing some early indications of changing customer behaviour as a result of the inflationary environment. Customers are facing unprecedented increases in the cost of living and it is therefore even more important that we work with our supplier partners to mitigate as much inflation as possible.”

Contacts.

Investor Relations:	Chris Griffith	01707 940 900
Media:	Simon Rew	0330 6780 639
	Nick Claydon, Teneo	07974 982 547

A call for investors and analysts will be held today at 09:00am. A link will be available on our website at www.tescopl.com/investors. A transcript and playback facility will also be made available after the call.

We will report our Interim results on Wednesday 5 October 2022.

Channel sales breakdown.

	One-year LFL	Three-year LFL
Large	(0.7)%	3.9%
Convenience	6.2%	2.1%
Online	(14.5)%	55.0%
Total UK	(1.5)%	8.1%

Additional Q1 sales detail.

(exc. VAT, exc. fuel)	Sales £m	Total sales change (constant rates)	Total sales change (actual rates)
UK & ROI	12,596	1.5%	1.4%
UK	9,879	(1.4)%	(1.4)%
ROI	612	(2.1)%	(4.5)%
Booker	2,105	19.3%	19.3%
Central Europe	976	7.7%	4.8%
Group Retail	13,572	2.0%	1.6%
Tesco Bank	261	38.8%	38.8%
Group	13,833	2.5%	2.2%

Fuel.

	Sales £m	One-year LFL	Three-year LFL
UK exc. fuel	9,879	(1.5)%	8.1%
Fuel	2,035	44.0%	22.4%
UK inc. fuel	11,915	4.2%	10.4%

Notes.

1. Three-year LFL is calculated by comparing current year sales to sales in 2019/20, including sales from those stores which were trading in both years
2. Best Food Logistics was acquired by Booker in early March 2020 and is therefore included within LFL sales performance on a one-year basis but not included on a three-year basis
3. Kantar Total Tesco year-on-year market share gains of Grocers Total Till Roll on 12 week rolling basis to 15 May 2022
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5. GFK market share data on a 12 week rolling basis to 30 April 2022