

Tesco is a growth business

In the UK, Tesco is the leading food retailer with 639 stores. We aim to increase food sales while developing our non-food business, offering the convenience of one-stop shopping to our customers.

Outside the UK, we currently have 182 stores. In the last financial year, we acquired the largest food retailing business in Ireland and we are expanding our hypermarket businesses in Central Europe and Asia.

By understanding customer needs better than anyone, we aim to increase value for customers, earning their lifetime loyalty and to enhance returns to shareholders.

Financial highlights

- Group sales* up 6.3%
- Earnings per share*† up 7.7%
- Group operating profit* up 7.8%
- Dividend per share* up 6.5%

	1999 52 weeks £m	1998* 52 weeks (proforma) £m	1998 53 weeks (restated) £m	1997 52 weeks £m
Group sales (including value added tax)	18,546	17,447	17,779	14,984
Group operating profit (prior to integration costs and goodwill amortisation)	965	895	912	774
Profit on ordinary activities before tax ‡	881	817	832	750
Group enterprise value (market capitalisation plus net debt)	13,528	12,556	12,556	8,121
Earnings per share †‡	9.37p	8.70p	8.84p	7.83p
Dividend per share	4.12p	3.87p	3.87p	3.45p
Number of stores	821	781	781	758
Retail selling area (000 sq ft)	21,353	18,254	18,254	16,747

† Adjusted diluted

‡ Excluding net loss on disposal of fixed assets, net loss on disposal of discontinued operations, integration costs and goodwill amortisation

* 1998/99 was a 52 week year compared to 53 weeks for 1997/98. A proforma 52 week profit and loss account for 1998 has been used for comparison

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