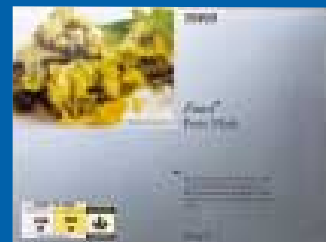


# from essential



# POTATOES



# to exotic

**We give customers genuine choice and variety in food. Tesco selects, prepares and packages everyday products in dozens of different ways – from fresh to frozen, from value packs to gourmet treats, from raw ingredients to ready meals.**

**We are continually innovating and investing in new lines to increase choice for our customers.** The average Tesco superstore carries more than 20,000 different food products, including 2,500 under our own label, and last year alone, we introduced 2,000 new lines.

**The Tesco Finest range, introduced in February last year, has been a great success and is now available in 120 selected stores.** It offers superb quality and flavour in both fresh and prepared foods, including a core range of over 100 products and new lines which change with the seasons. We launched our new spring range in January 1999, and plan further developments for the year ahead.

We are developing and extending our range of chilled ready meals including a new premium Indian range. Ready meals appeal to all our busy customers who prefer someone else to do the cooking. This market is growing and our share of it increased from 15% to 20% last year.

Our wines and spirits have grown over the year, we now offer over 800 different wines including New World varieties. In addition, our 'great with' wines make teaming the right bottle with the right meal that much easier.

**More and more customers are now seeking out organic foods.** We aim to offer organic alternatives at the lowest possible price, allowing customers to choose between organic and conventionally grown produce on our most popular lines. This all helped sales to double last year. Our new organic research facility at Aberdeen University, opened by the Prince of Wales in October 1998, is dedicated to researching ways to grow organic produce cost-effectively, so that we can offer our customers even better value.

