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Tesco Announces New Bond Issue

Tesco today priced a multi-tranche Sterling and Euro dominated bond issue (the "Notes"). The Notes will be issued by Tesco plc. The Final terms for the Notes will be submitted to the UK Listing Authority.

The Notes consist of three tranches: €600 million aggregate principal amount paying 5.125% interest and maturing on 24th February 2015, £600 million aggregate principal amount paying 5% interest and maturing on 24th February 2014 and £900 million aggregate principal amount paying 6.125% interest and maturing on 24th February 2022.

Order books for the Notes opened on the morning of 17th February 2009 and closed in a little over an hour owing to the popularity of the Tesco bonds. Tesco will use the net proceeds of the offering to refinance certain short-term debt.

Enquiries:

Steve Webb, Tesco, Investor Relations
Jonathan Church, Tesco, Press & Media
Angus Maitland, Maitland, Press & Media

Tel: 01992 644800
Tel: 01992 646606
Tel: 020 7379 5151

Notes:

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