RNS Number : 7391I
Tesco PLC
18 June 2026

Q1 Trading Statement 2026/27

CUSTOMER SATISFACTION UP STRONGLY, DRIVEN BY A RELENTLESS FOCUS ON VALUE

Sales performance (exc. VAT, exc. fuel) for the 13 weeks ended 30 May 2026:

	Sales (£m)	LFL sales change[1]
UK & ROI	**13,438**	**1.8%**
UK	12,600	1.8%
ROI	838	3.3%
Booker	**2,246**	**(3.2)%**
Central Europe	**1,142**	**0.8%**
Group	**16,826**	**1.0%**

Ken Murphy, Chief Executive:

"I am pleased with our progress in the first quarter, with customer satisfaction up strongly and continued sales growth building on the exceptional performance we delivered last year. With the conflict in the Middle East creating ongoing uncertainty for many households, we remain focused on giving customers the very best combination of price, quality and service.

We extended Aldi Price Match to over 2,000 Express stores during the quarter, helping customers benefit from great value wherever and however they shop with us. We are also investing in innovation and quality, with over 520 new and improved products launched during the period, including our largest ever Finest deli transformation and a further expansion of our Tesco High Protein range.

Shopping at Tesco is ever more convenient and personalised, with the rollout of 'Book for Later' Whoosh delivery slots offering more options for same-day delivery, and Your Clubcard Prices providing nearly 100 million tailored offers for customers since launching in March. Tesco Media is growing strongly, with the World Cup providing exciting opportunities to help us connect brands and customers.

I want to thank colleagues for their continued dedication and hard work. By relentlessly focusing on what matters most for our customers, we are well-placed to build on our progress to date."

Performance highlights[2]

UK: Customer satisfaction up strongly year-on-year, with LFL sales growth on top of strong prior-year base

- NPS[3] of 31 up +6pts year-on-year, with quarter-on-quarter progress, including value and range
- Like-for-like sales up +1.8%, building on an exceptionally strong prior-year period supported by record-breaking weather and competitor disruption (also reflected in latest market share data); two-year LFL sales up +6.9%[4]
- Food sales up +2.6% with Fresh food sales up +3.6%; Finest total sales growth of +9% (two-year: +29%)
- Strong Online growth, with sales up +8.9%; expanded Whoosh into a further 34 large stores, giving more customers access to an even wider range of products
- Launched over 520 new and improved products including over 220 Finest lines; further highlights include new ready-to-drink cocktails and food-to-go breakfast options, and an enhanced Fire Pit barbeque range
- Testing dynamic, personalised recommendations at online checkout to help customers discover new ranges and products; launched new Adobe-powered personalised customer communications platform
- Further recognition for Tesco Media, winning Retail Media category in Campaign's Media Company awards
- Continued growth in insurance policies in force through Tesco Insurance & Money Services, up +15% YoY to 2.7m; nearly 6m customers now benefiting from Tesco Mobile's award-winning customer service[5]

ROI: Growth across all channels supported by strong performance in Food

- Strong volume-driven sales growth, with like-for-like sales up +3.3%; +8.6% on a two-year basis[4]
- Total sales up +5.6%[6] including contribution from new stores; all channels in growth, led by Online up +10.9%
- Food sales up +3.7%, with volume growth across both Fresh and Packaged

Booker: Performance reflects lower-margin contract exit and strong prior-year sales growth

- Further progress in customer satisfaction scores including price, speed and availability; 146 net new retailer partners added in the quarter

- Core retail sales decline of (1.5)%, including c.200bps impact from the ending of a lower-margin national account in August 2025, and the prior year benefiting from favourable weather; two-year LFL of +3.2%[4]
- Core catering sales declined (3.3)% with sales in the prior year supported by weather and a later Easter; two-year LFL of +2.9%[4]

Central Europe: Sales growth driven by improved mix and volume gains in Food

- Like-for-like sales up +0.8% supported by volume gains in Food, with Packaged sales up +2.0%
- Non-food sales up +0.9%, with strong performance across key events including Mother's Day and Easter
- Growth across all channels, including Online growth of +17.4% following extended delivery coverage, better availability and improved customer experience

Guidance

The conflict in the Middle East continues to create uncertainty for customers and we are committed to delivering the very best combination of price, quality and service. Having made a good start to the year, we continue to expect Group adjusted operating profit of between £3.0bn and £3.3bn for FY 26/27 and free cash flow within our medium-term guidance range of £1.5bn to £2.0bn.

Since the commencement of our £750m share buyback programme on 16 April 2026 and up until market close on 17 June 2026, we have bought back £341m worth of our ordinary shares. The balance will be completed by April 2027.

Contacts

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A call for investors and analysts will be held today at 9:00am. A link will be available on our website at www.tescoplc.com/investors. A transcript and playback facility will also be made available after the call.

We will report our Interim Results on Thursday 8 October 2026.

Additional Q1 sales detail

13 weeks to 30 May 2026	**Sales**	**Sales change**	**Sales change**	**1-year LFL[1]**	**2-year LFL[4]**
(exc. VAT, exc. fuel)	*£m*	*(constant rates)*	*(actual rates)*		
UK & ROI	**13,438**	**2.6%**	**2.8%**	**1.8%**	**7.0%**
UK	12,600	2.4%	2.4%	1.8%	6.9%
ROI	838	5.6%	8.5%	3.3%	8.6%
Booker	**2,246**	**(2.7)%**	**(2.7)%**	**(3.2)%**	**(1.5)%**
Central Europe	**1,142**	**1.6%**	**8.3%**	**0.8%**	**4.8%**
Group	**16,826**	**1.8%**	**2.3%**	**1.0%**	**5.6%**

	Sales £m	**1-year LFL[1]**
UK exc. fuel	12,600	1.8%
Fuel	1,742	19.5%
UK revenue	**14,342**	**3.7%**

Booker sales performance

	Sales £m	**1-year LFL[1]**	**2-year LFL[4]**
Core retail	833	(1.5)%	3.2%
Core catering	684	(3.3)%	2.9%
Tobacco	366	(9.7)%	(17.2)%
Best Food Logistics	363	0.5%	(0.3)%
Total Booker	**2,246**	**(3.2)%**	**(1.5)%**

Notes

1. As last year's financial year included a 53rd week and to align seasonal events throughout each year, like-for-like comparisons for Q1 are against an offset week in the prior year - that is, comparing weeks 1-13 this year with weeks 2-14 last year. Total sales change aligns to reporting periods, reflecting weeks 1-13 in both years.
2. Sales growth percentages refer to like-for-like change unless otherwise stated.
3. Customer satisfaction and Brand NPS is based on BASIS Global Brand Tracker for 12 weeks ended 31 May 2026. Responses to the question: "How likely is it that you would recommend the following company to a friend or colleague as a place to shop?".
4. Two-year LFL is calculated by comparing current year sales to sales in 2024/25 for those stores that were trading in both years. The Venus Wines and Spirits business was acquired in June 2024 and is therefore excluded from two-year LFL.
5. Tesco Mobile 'Best Network for Customer Service' at 2026 Uswitch Telecoms Awards.
6. At constant exchange rates.

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