

press release

13 March 2009

Tesco survive tough trading

- Results are positive in tough trading environment says The Share Centre
 - Investors have opportunity to buy on Tesco's long term potential

Today Tesco became the latest supermarket to issue Christmas trading results. **Graham Spooner, investment adviser at retail stockbroker The Share Centre**, comments on what Tesco's increase of just 2.5% means for investors in like-for-like sales.

"Although today's results show Tesco's worst sales increase since the early 1990s, Tesco's figures are in line with expectations and are good news in such a tough retail environment. Market share in non-food products is picking up as customers seek value and choose Tesco over specialist outlets. This underlines the strength of the company and is positive for future growth.

"The big four supermarkets are constantly snapping at each others heels over market share and competing over discounts which is good for the customer. We saw encouraging results from Sainsbury last week, which are continuing to build momentum. However, Tesco has one of the largest market shares in the sector and this remains relatively consistent.

"Considering the volatility on the high street at present, we are advising Tesco shareholders to hold. However, those looking to buy should think about gradually investing their money to help smooth out market fluctuations. Shares aren't expected to increase dramatically in the short term but long term potential remains. Their cheap food and cut-price clothing is likely to attract UK consumers watching their pennies at present. The store's international sales are up and there is potential for Tesco to further expand abroad."

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Risk Warnings:

Investing in general, and the products and services mentioned above, may not be suitable for all: if in doubt, individuals should seek independent financial advice. The value of investments and the income from them can go down as well as up and investors may not get back their original investment.

The bases and levels of taxation relating to ISAs, CTFs and SIPP's are subject to change and the value of these tax allowances may depend upon the circumstances of the individual.

About The Share Centre:

The Share Centre was established in 1990 to provide value-for-money share services for private investors. Its range of services includes buying and selling shares (by Internet, telephone and post) and a comprehensive share administration and safe custody service. Tax-efficient investment 'wrappers' including ISAs, CTFs and SIPP's are also available.

The Share Centre's Advice team provides comment on market sectors and individual shares, including all of the post-privatisation/demutualization companies, on www.share.com. Access is available to customers and registered users of the site. Registration is free. To understand how our Advice team arrive at their views please read our [Investment Research Policy](#).

In addition, account customers can receive individual telephone advice on UK-listed shares and on funds traded via the CoFunds trading platform.

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