

press release

13 January 2011

TESCO REMAINS THE NUMBER ONE SUPERMARKET DESPITE DISAPPOINTING UK SALES

- Tesco's international sales rose 14.2%
- UK sales were disappointing and below other leading supermarkets
- Tesco remains The Share Centre's favourite supermarket and a 'buy' for investors

Graham Spooner, investment adviser at The Share Centre explains that despite poor UK sales Tesco remains his sector pick for investors.

"These are disappointing results for our sector pick. However, investors should not be put off by this as Tesco remains a long term 'buy' and any weakness in share price should be seen as an opportunity to add the supermarket giant to a portfolio.

"We feel Tesco's international presence is its main attraction and it was the saving grace of these results as international sales rose 14.2%. Asia leapt 24.2%, led by China and Thailand, sales in Europe grew 5.6%, or 9.1% at constant currency, while Fresh & Easy stores in the US increased sales by 36.9%.

"The snow and icy weather in the UK has been blamed for weaker than expected results in the six weeks up to 8 January 2011 as like for like sales were up just 0.6% and total sales grew 4.2% - underperforming all its major rivals.

"We like Tesco's attractive international earnings, good cash flow and the potential for sustainable growth and are keen to see how they will fare in 2011".

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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. Past performance is not a reliable indicator of future performance.

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, individual shares and funds 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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