



**In view of the enormous potential that Tesco has to sell motoring policies we thought BODY repairers might like to read the following interesting snippets from Tesco plc's 52 week results to 27 Feb 2010. The results were released on April 20 and are for all of their operations (food and non-food) across the UK, Europe, Asia and the US.**

The company says, 'We are growing faster than the industry as a whole and we have achieved this by remaining focused – as always - on customers. Our strategy of earning their loyalty by helping them to spend less – with low prices and affordable new products such as the Discount Brands – deflated sales growth initially but it was the right thing to do for customers. By encouraging and rewarding loyalty - through an increased investment in Clubcard - we have maintained steadier sales growth during the year than the industry as a whole, which has seen a significant slowdown with the steep decline in inflation.

Delivering for customers through recession is not just about lowering prices and offering great promotions; it's about delivering all elements of the shopping trip. Consequently, we have continued to invest in availability, service, range and quality with pleasing results'.

#### SNIPPETS INCLUDE:

\* 8.5% increase in Group sales\* (ex-petrol); 6.8% inc-petrol at £62.5bn

\* UK sales incl VAT were £ £42,254m with growth at 4.2% (excludes petrol sales).

\*UK sales growth 'moderated a little' from 3.7% in the first half to 2.7% in the second half.

\* Strong property profits; divestments totalling £1.8bn at attractive yields

\*18% more UK households redeeming Clubcard vouchers than a year ago

\* Our award-winning defined-benefit career-average pension scheme is an important part of our competitive benefits package, which helps Tesco recruit and retain the best people. In the UK we have 160,000 employees in the scheme. As at February 2010, under the IAS 19 methodology of pension liability valuation, the scheme had a deficit on a post-tax basis of £1.3bn, compared to £1.4bn at half year. Strategy - be as strong in non-food as in food; develop retailing services; and put community at the heart of what we do

\* Tesco Bank results show revenue up 9.4% to £860mn with profits of £250mn / 13.1%. Customer accounts rose by more than 400,000 including a 27% growth in personal loan sales.

\* 'In insurance we held our number of policies broadly flat in a very competitive market; the number of motor insurance policies declined – partly as a result of a planned reduction in our exposure to high-risk drivers.

In September 2009 we entered into an agreement with Fortis (UK) Ltd to help us build the operational platform and technical expertise required to further develop our insurance business. We have also selected the core technology platforms for the banking products. The migration programmes for both sides of the business are progressing well and we expect to be writing business on the new systems by the end of 2010/11. We have secured new premises for banking and insurance operations in Glasgow and Newcastle, which will open in mid-2010.

\* tesco.com

Our online businesses – including dotcom grocery and Direct - delivered another strong performance, achieving a 14% increase in sales with profits rising 26% to £136m.

The number of active customers in our online grocery business has grown - to over one million – and basket size has increased.

Tesco Direct extends the reach of our non-food offer to customers via the internet, by phone and catalogues. Customers can choose to have goods delivered to their home or they can pick them up at one of our 261 in-store Direct desks. Tesco Direct had another good year, growing sales by 28% and continuing on its path towards profitability.

#### COMMUNITY, ENVIRONMENT AND CORPORATE RESPONSIBILITY

Caring for the environment. We have made great progress this year in reducing CO2 emissions across our business globally. Emissions from our baseline 2007 store and distribution centre portfolio have fallen by 7.8% over the past year and new stores and distribution centres built since 2006/07 are on average emitting 28.8% less CO2 than their equivalents in 2006/07. We have delivered on our promise to divert 100% of store waste in the UK from going directly to landfill. We opened the world's first zero-carbon supermarket in Ramsey, Cambridgeshire, in January this year, deploying a range of energy-efficiency measures, natural refrigeration and renewable energy technology.

Actively supporting local communities. During the year, we gave over £60m in cash donations to charities and contributions to community projects including cause-related marketing, gifts-in-kind, staff time and management costs / the equivalent of more than 1% of Tesco profits they say.

Buying and selling products responsibly. We are committed to buying and selling our products responsibly and treating our suppliers fairly. We know that many of our customers want to buy products that support their local businesses and economy, particularly in the current economic climate. They are also concerned about the environmental impact of the products they buy. In the UK, we have dedicated local buying, marketing and technical teams in each of our regional buying offices.

Creating good jobs and careers. We are dedicated to creating good jobs wherever we are. We will create 16,000 new jobs this year, including 9,000 in the UK. We also offer a wide range of competitive benefits.

*The full report can be found on the Tesco investor website.*