

PRESS RELEASE

Issued on behalf of Tesco Stores Limited

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Tesco defies downturn to attract investment to Bradley Stoke

Tesco today announced an £80million joint venture for the new Bradley Stoke town centre in Bristol, to be known as the Willow Brook Centre. The 50:50 joint venture with BP Pension Fund enables Tesco to release funding for further development projects.

The Willow Brook Centre will be delivered by Spenhill, the regeneration subsidiary of Tesco. The scheme will comprise of a new Tesco Extra store, petrol station, further shops, restaurants and office accommodation together with a new town square. The scheme will open later this year, a further phase of retail accommodation will follow in spring 2009.

This venture highlights the investment that Tesco brings and attracts even in the in the present climate.

Notes to Editors:

1. The joint venture term is for 20 years at a yield for the scheme of 5.35% with a yield of 4.8% being attributed to the Tesco store,
2. The rental uplift is calculated by reference to RPI collared between 0-3.5% per annum. Other lettings will be on open market terms.