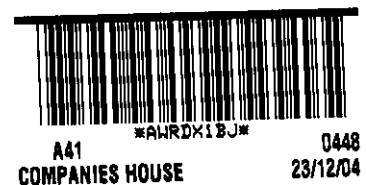


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TESCO PENSION TRUSTEES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 28 FEBRUARY 2004



TESCO PENSION TRUSTEES LIMITED

DIRECTORS' REPORT

The directors present their report and financial statements for the 53 weeks ended 28 February 2004.

Principal activities

The company did not trade in the period.

Directors and their interests

The directors of the company during the period were as follows:

R S Ager	(Resigned 15 March 2004)
V W Benjamin	
N S Gellatly	(Resigned 12 June 2003)
C M Chapman	
E Watts	
M Risk	
L Hunter	
W O'Neill	
R Howell	
L Neville-Rolfe	(Appointed 15 March 2004)
W Maund	(Appointed 12 June 2003)

None of the directors had any disclosable beneficial interests in the company.

R S Ager is also a director of Tesco PLC, the company's ultimate parent company, and as such his disclosable interest in Tesco PLC is all declared in the accounts of that company.

The directors at 28 February 2004 who are not also directors of Tesco PLC, the company's ultimate holding company, had the following interests in the shares of Tesco PLC at the beginning (or subsequent date of appointment) and end of the period.

	Ordinary shares		Share options*			
	2004	2003	2004	Granted	Exercised	2003
E Watts	26,615	25,811	Nil	-	-	Nil
V W Benjamin	67,900	107,900	Nil	-	-	Nil
N S Gellatly	1,451	7,255	8,407	1,625	(1,240)	8,022
M Risk	235,653	192,800	410,896	72,525	(42,168)	380,539
L Hunter	1,460	1,093	4,517	2,719	(1,382)	3,180
C M Chapman	128,064	72,277	600,080	98,750	(978)	502,308
W O'Neill	121,955	97,511	135,408	41,475	(30,000)	123,933
R Howell	193,505	139,002	302,409	70,900	(4,963)	236,472

*Executive share option scheme (1984, 1994 and 1996) and savings related share option scheme (1981). Details of these schemes are set out in the annual report and accounts of Tesco PLC

By order of the Board on 20 DEC 2004


M Risk

Director

Tesco Pension Trustees Limited
Registered Number 1118945

TESCO PENSION TRUSTEES LIMITED

BALANCE SHEET AS AT 28 FEBRUARY 2004

	Note	2004 £	2003 £
CURRENT ASSETS			
Amounts due from group undertakings		2	2
<hr/>			
NET CURRENT ASSETS		2	2
<hr/>			
CAPITAL AND RESERVES			
Called up share capital	3	2	2
<hr/>			
EQUITY SHAREHOLDERS' FUNDS		2	2
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For the 53 weeks ended 28 February 2004 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the period in question in accordance with section 249B(2).

The Directors acknowledge their responsibility for:

- a) Ensuring the company keeps accounting records which comply with section 221
- b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial period in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Board on 28 DEC 2004



M Risk
Director

The notes on pages 3 and 4 form part of these financial statements.

TESCO PENSION TRUSTEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEKS ENDED 28 FEBRUARY 2004

1 PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

In accordance with FRS1 (revised), the company, being the wholly owned subsidiary of another company which prepares a cash flow statement including the cash flows of this company, has not prepared such a statement itself.

2 ACTIVITY AND DIRECTORS

During the year the company has not traded and consequently a profit and loss account has not been disclosed.

The directors received no emoluments for their services to the company (2003: £nil).

The company had no employees during the period (2003: nil).

3 CALLED UP SHARE CAPITAL

	2004	2003
	£	£
Authorised, allotted and fully paid up: 100 Ordinary shares of £1 each	100	100
<hr/>		
Allotted, called up and fully paid: 2 Ordinary shares of £1 each	2	2

4 ULTIMATE PARENT UNDERTAKING

The immediate and ultimate parent company and controlling party is Tesco PLC, which is incorporated in Great Britain and registered in England and Wales, and which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Tesco PLC financial statements can be obtained from the Company Secretary, Tesco PLC, Tesco House, PO Box 18, Delamare Road, Cheshunt, Hertfordshire, EN8 9SL.

TESCO PENSION TRUSTEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEKS ENDED 28 FEBRUARY 2004 (continued)

5 RELATED PARTY DISCLOSURES

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption under Financial Reporting Standard 8 "Related Party Disclosures", as the consolidated financial statements of Tesco PLC, in which the company is included, are available at the address noted above.