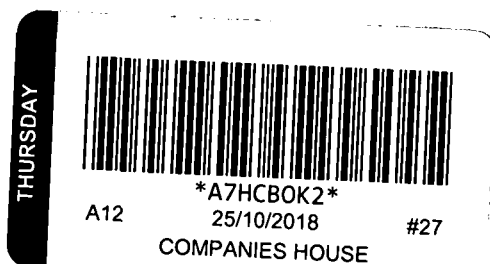


TESCO BLUE (3LP) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018
REGISTERED NUMBER: 10127682



TESCO BLUE (3LP) LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018

The Directors present their Annual Report and the audited financial statements of the Tesco Blue (3LP) Limited (the "Company") for the 52 weeks ended 24 February 2018 (prior period: 45 weeks ended 25 February 2017 ("2017")).

Business review and principal activity

The principal activity of the Company is to act as a holding company for Tesco PLC's investment in The Tesco Blue Limited Partnership and related entities.

There has been no significant change in the nature or level of this activity during the period and the Directors do not expect this to change significantly throughout the next financial period.

The financial statements of the Company have been prepared in accordance with FRS 102 (the Financial Reporting Standards applicable in the United Kingdom and the Republic of Ireland) ("FRS 102").

Results and dividends

The results for the period show a result before tax of £nil (2017: £nil) and profit after tax of £518,409 (2017: £3,151,849).

The Directors do not recommend a payment of a dividend for the 52 weeks ended 24 February 2018 (2017: £nil).

The Company has net assets of £29,399,259 at the period end (2017: £28,880,850) and net current assets of £3,670,259 at the period end (2017: £3,151,850).

Principal risks and uncertainties

From the perspective of the Company, the principal risks relate to the carrying value of investments that the Company holds. To manage this risk, the Company periodically reviews the financial statements of the entities the Company has investments in.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Tesco PLC Group (the "Group") and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include the Company, are discussed on pages 22 to 25 of the Tesco PLC Annual Report and Financial Statements 2018, which do not form a part of this Report.

Business risk

On 29 March 2017, the United Kingdom government invoked Article 50 to initiate the process of the United Kingdom leaving the European Union within two years. This could cause disruptions and uncertainties which could have an adverse effect on our property business, financial results and operations.

Going concern

The Directors consider that the Company has adequate resources to remain in operation for a period of at least twelve months from the date of signing and have therefore continued to adopt the going concern basis in preparing the financial statements.

Research and development

The Company does not undertake any research and development activities (2017: none).

Political donations

There were no political donations for the period (2017: £nil) and the Company did not incur any political expenditure (2017: £nil).

Future developments

The Company's performance is expected to continue throughout the next financial period and it is anticipated that the current performance levels will be maintained. The Company's future developments form a part of the Group long-term strategies, which are discussed on pages 8 and 9 of the Tesco PLC Annual Report and Financial Statements 2018, which do not form a part of this Report.

TESCO BLUE (3LP) LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018 (continued)

Employees

The Company had no employees during the period (2017: none).

Strategic report

The Directors have taken advantage of the exemption provided by section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 from preparing a Strategic Report.

Directors and their interests

The following Directors served during the period and up to the date of signing the financial statements:

J Gibney
A Soni
Tesco Services Limited

None of the Directors had any disclosable interests in the Company during this period.

A qualifying third-party indemnity provision as defined in Section 234 of the Companies Act 2006 is in force for the benefit of the Tesco PLC Company Secretary (who is also a Director of Tesco Services Limited which is appointed to the Board of the Company) in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which Directors and Officers may not be indemnified, Tesco PLC maintained a Directors' and Officers' liability insurance policy throughout the financial period and up to the date of signing the financial statements.

Directors' responsibilities statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Company to prepare financial statements for each financial period. Under that law the Directors have prepared the Company financial statements in accordance with FRS 102 (the Financial Reporting Standards applicable in the United Kingdom and the Republic of Ireland). Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

TESCO BLUE (3LP) LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018 (continued)

Directors' responsibilities statement (continued)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, disclose with reasonable accuracy at any time the financial position of the Company, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each Director who is a Director of the Company at the date of approval of these financial statements confirms that:

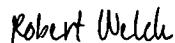
- so far as the Directors are aware, there is no relevant information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that ought to have been taken as a Director to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent auditor

Deloitte LLP, having indicated its willingness to continue in office, will be deemed to be reappointed as auditor under section 487(2) of the Companies Act 2006.

Approved by the Board of Directors and signed on its behalf by 30 August 2018



Robert Welch, for and on behalf of Tesco Services Limited
Director
Tesco Blue (3LP) Limited
Registered Number: 10127682
Registered Office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TESCO BLUE (3LP) LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 24 February 2018 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Tesco Blue (3LP) Limited (the 'Company') which comprise:

- the Profit and Loss Account;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TESCO BLUE (3LP) LIMITED (continued)

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

We have nothing to report in respect of these matters.



Simon Letts FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
St Albans, United Kingdom
5 September 2018

TESCO BLUE (3LP) LIMITED**PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018**

		52 weeks ended 24 February 2018	45 weeks ended 25 February 2017
	Notes	£	£
Operating result	4	-	-
Results before taxation		-	-
Tax credit	6	518,409	3,151,849
Profit for the financial period		518,409	3,151,849

There are no material differences between the result before taxation and the profit for the period stated above and their historical cost equivalents.

There is no other comprehensive income/loss in the periods presented; therefore no Statement of Comprehensive Income has been prepared. Total comprehensive income is equal to profit for the periods presented.

The notes on pages 9 to 14 are an integral part of these financial statements.

TESCO BLUE (3LP) LIMITED**BALANCE SHEET AS AT 24 FEBRUARY 2018**

		24 February 2018	25 February 2017
	Notes	£	£
Fixed assets			
Investments	7	25,729,000	25,729,000
		<u>25,729,000</u>	<u>25,729,000</u>
Current assets			
Deferred tax assets	6	3,670,258	3,151,849
Debtors : amounts falling due within one year		1	1
		<u>3,670,259</u>	<u>3,151,850</u>
Net current assets		<u>3,670,259</u>	<u>3,151,850</u>
Net assets		<u><u>29,399,259</u></u>	<u><u>28,880,850</u></u>
Capital and reserves			
Called up share capital	8	1,001	1,001
Share premium		25,728,000	25,728,000
Profit and loss account		3,670,258	3,151,849
Total shareholders' funds		<u><u>29,399,259</u></u>	<u><u>28,880,850</u></u>

The notes on pages 9 to 14 are an integral part of these financial statements.

The financial statements on pages 6 to 14 were approved by the Board of Directors and authorised for issue on 30 August 2018. They were signed on its behalf by:

Robert Welch

Robert Welch, for and on behalf of Tesco Services Limited
Director

Tesco Blue (3LP) Limited

Registered Number: 10127682

Registered Office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom

TESCO BLUE (3LP) LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE 52 WEEKS ENDED
24 FEBRUARY 2018**

	Called up share capital*	Share premium	Profit and loss account	Total
	£	£	£	£
Share capital and share premium issued	1,001	25,728,000	-	25,729,001
Profit and total comprehensive income for the financial period	-	-	3,151,849	3,151,849
Balance as at 25 February 2017	1,001	25,728,000	3,151,849	28,880,850
Profit and total comprehensive income for the financial period	-	-	518,409	518,409
Balance as at 24 February 2018	1,001	25,728,000	3,670,258	29,399,259

*Refer Note 8 for break-up of Called up share capital.

The notes on pages 9 to 14 are an integral part of these financial statements.

TESCO BLUE (3LP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018

1. Statement of compliance

The financial statements of Tesco Blue (3LP) Limited (the "Company") have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

2. General information

The Company is a private company limited by shares incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006.

The financial statements of the Company for the 52 weeks period ended 24 February 2018 were approved by the Board of Directors on August 2018 and the Balance Sheet was signed by Robert Welch, for and on behalf of Tesco Services Limited.

The address of the registered office is Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom.

The functional currency of Tesco Blue (3LP) Limited is considered to be Pound Sterling because that is the currency of the primary economic environment in which the Company operates and financial statements are presented in Pound Sterling.

3. Accounting policies

a) Basis of preparation

The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and are prepared under the historical cost convention on a going concern basis.

The Company is a wholly owned subsidiary of Tesco PLC and is included in the consolidated financial statements of Tesco PLC, which are publicly available. Consequently the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 102 section 7 "Statement of Cash Flows".

Transactions with fellow wholly owned subsidiaries are not disclosed as the Company has taken advantage of the exemption under FRS 102 section 33.1A.

The Company has taken advantage from the financial instrument disclosures, required under FRS 102 paragraph 11 and 12, as the information is provided in the consolidated financial statement disclosures.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and to the preceding period, unless otherwise stated. There are no new and mandatorily effective standards in the year that would have a material impact on the financial statements.

b) Going concern

The Directors consider that the Company has adequate resources to remain in operation for a period of at least twelve months from the date of signing and have therefore continued to adopt the going concern basis in preparing the financial statements.

c) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions in applying the Company's accounting policies to determine the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. There are no judgements and estimates that have a significant effect on amounts recognised in the financial statements.

TESCO BLUE (3LP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018 (continued)

3. Accounting policies (continued)

d) Significant accounting policies

Investments

Investments in subsidiaries and associated undertakings are stated at cost plus incidental expenses less where appropriate provisions for impairment.

Impairment of investments

At each balance sheet date, the Company reviews the carrying amounts of the fixed asset investments to determine whether there is any need for impairment in accordance with Section 31 of FRS 102, "Impairment of Fixed Assets and Goodwill". Any impairment is recognised in the Profit and Loss Account in the period in which it occurs.

Income taxes

Current tax, including United Kingdom corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Group relief on taxation

The Company may receive or surrender group relief from Group companies without payment and consequently there may be no tax charge in the Profit and Loss account.

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited to the Profit and Loss account, except when it relates to items charged or credited directly in equity or other comprehensive income, in which case deferred tax is also recognised in equity or other comprehensive income, respectively.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

TESCO BLUE (3LP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018 (continued)****3. Accounting policies (continued)****d) Significant accounting policies (continued)****Deferred taxation (continued)**

Current tax and deferred tax for the period

Current and deferred tax are recognised in the Profit and Loss account, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4. Operating result

The Directors received no emoluments for their services to the Company (2017: £nil).

The Company had no employees during the period (2017: none).

5. Auditor's remuneration

The auditor's remuneration of £4,000 for the current period and prior period was borne by the Tesco PLC.

6. Tax on profit**(a) Factors that have affected the tax charge**

The standard rate of corporation tax in the UK was 20% from 1 April 2015, and was changed from 20% to 19% from 1 April 2017.

This gives an overall blended corporation tax rate for the Company for the full year of 19.09% (2017: 20.00%).

(b) Tax credit in the Profit and Loss Account

	52 weeks ended 24 February 2018	45 weeks ended 25 February 2017
	£	£
Current tax		
UK corporation tax on profit for the period	-	-
Total current tax	-	-
Deferred tax:		
Origination and reversal of timing differences	(582,239)	(3,227,250)
Impact of rate change	63,830	75,401
Total tax credit for the period	(518,409)	(3,151,849)

TESCO BLUE (3LP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 24 FEBRUARY 2018 (continued)****6. Tax on profit (continued)****(c) Reconciliation of the tax credit**

The differences between the total tax credit shown above and the amount calculated by applying the blended rate of UK corporation tax to profit is as follows:

	52 weeks ended 24 February 2018 £	45 weeks ended 25 February 2017 £
Results before tax	-	-
Tax on profit at blended corporation tax rate of 19.09% (2017: 20.00%)	-	-
Effects of:		
Expenses not deductible	22,932	2,800
Income not taxable in determining taxable profit	(104,040)	(94,910)
Group relief claimed without payment	(501,131)	(410,564)
Deferred tax asset acquired	-	(2,724,576)
Impact of rate change	63,830	75,401
Total income tax credit reported in the Profit and Loss Account	(518,409)	(3,151,849)

(d) Deferred tax asset

The following are the major deferred tax assets recognised by the Company and movements thereon during the current and prior financial periods measured using the tax rates that are expected to apply when the liability is settled or the asset realised based on the tax rates that have been enacted or substantively enacted by the balance sheet date:

	Accelerated capital allowances £	Short-term timing difference £	Transitional adjustments £	Total £
At 25 February 2017	(779,117)	4,084,061	(153,095)	3,151,849
Origination and reversal of temporary differences				
- In respect of the current period	(28,230)	588,976	21,493	582,239
- In respect of the prior period	-	-	-	-
Change in tax rate	3,095	(64,569)	(2,356)	(63,830)
At 24 February 2018	(804,252)	4,608,468	(133,958)	3,670,258

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where assets and liabilities relate to income taxes levied by the same taxation authority.

TESCO BLUE (3LP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED
24 FEBRUARY 2018 (continued)****6. Tax on profit (continued)****(e) Tax rate changes**

The Finance Act 2016 included legislation to reduce the main rate of UK corporation tax from 20% to 19% from 1 April 2017 and to 17% from 1 April 2020. These rate reductions were enacted by the Balance Sheet date and therefore included in these consolidated financial statements. Temporary differences have been re-measured using the enacted tax rates that are expected to apply when the liability is settled or the asset realised.

7. Investments

	Shares in Group undertakings £	Total £
<i>Cost:</i>		
At 25 February 2017	25,729,000	25,729,000
At 24 February 2018	25,729,000	25,729,000
<i>Carrying value:</i>		
At 24 February 2018	25,729,000	25,729,000
At 25 February 2017	25,729,000	25,729,000

The Directors believe that the carrying value of the investments is supported by their underlying net assets as the subsidiaries hold the legal title and the economic rights to all the investment property leased by The Tesco Blue Limited Partnership.

In accordance with the Companies Act 2006 information on the Company's subsidiary and associated undertakings are set out below.

Details of the Group undertakings at the period end are as follows:

Group undertakings	Place of incorporation	Registered office address	Share Class	% shares held	Direct/indirect holding	Nature of business
The Tesco Blue Limited Partnership	United Kingdom	Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom	Capital contribution	49.95%	Direct	Property investment
The Teesport Unit Trust	Jersey	Lime Grove House, Green Street, St Helier, Jersey, JE1 2ST	Trust	0.1%	Direct	Property investment

TESCO BLUE (3LP) LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED
24 FEBRUARY 2018 (continued)****8. Called up share capital**

	24 February 2018 £	25 February 2017 £
Allotted, called up and fully paid		
1,001 Ordinary shares of £1 each (2017: 1,001 Ordinary shares of £1 each)	1,001	1,001
	<u>1,001</u>	<u>1,001</u>

On 15 April 2016 when the Company was incorporated, 1,001 Ordinary Shares of £1 each were issued to Tesco Property Holding Limited. Out of these 1,000 shares were issued at a premium of £25,728 per share, resulting in total share premium of £25,728,000.

9. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Tesco Property Holdings Limited.

The Company's ultimate parent company is Tesco PLC, which is registered in England and Wales. Tesco PLC is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Tesco PLC Annual Report and financial statements can be obtained from the Company Secretary at the registered office: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom.

10. Related party transactions

Transactions with fellow wholly owned subsidiaries are not disclosed as the Company has taken advantage of the exemption under FRS 102 section 33.1A.

11. Accounting period

The financial statements have been prepared for the 52 weeks ended 24 February 2018. The comparatives presented are for the 45 weeks period from the date of incorporation, 15 April 2016 to 25 February 2017 and hence, not comparable to the current 52 weeks ended 24 February 2018.