

# J Sainsbury plc

We employ over 189,000 colleagues who work hard every day to make our customers' lives easier and to provide them with great products, quality and service whenever and wherever it is convenient for them.

## Food

Our strategic focus is to help our customers live well for less. Through the combination of our supermarket, convenience and groceries online offerings, we ensure that customers are able to access great value, high quality products in the way that suits them, when it suits them. We continue to invest in range, price, service and quality, both in our own label offer, but also working with a broad variety of exciting brands to differentiate our offer. We are using space innovatively in our larger supermarkets by working with selected concession partners to maximise our use of space and help make Sainsbury's an attractive retail destination.

## General Merchandise & Clothing

We are one of the largest general merchandise and clothing retailers in the UK, offering a wide range of products across our Argos, Tu, Sainsbury's Home and Habitat brands, in stores and online. Since acquiring Argos in September 2016, we have rapidly integrated the business, realising significant synergies. The cutting-edge supply chain and fulfilment model of Argos means we are strongly positioned to serve our customers' whenever and wherever they want. Offering high street style at supermarket prices has made Tu clothing very popular with our customers. We are strongly positioned in womenswear and childrenswear.

## Financial Services

Financial Services are an integral part of our business, representing another opportunity for the group to offer a full range of services to our customers. Sainsbury's Bank & Argos Financial Services, together, offer accessible products such as credit cards, insurance, travel money, and personal loans that reward loyalty.

## FY 20/21 Highlights

### Headline figures

**£356m** ↓39%  
Underlying profit before tax

**£(261)m**  
Loss before tax

**£28,837m** ↑7.3%  
Underlying Retail sales (inc VAT, exc. fuel)

**11.7p** ↓41%  
Underlying earnings per share

### Group performance

**£709m** ↓28%  
Group underlying operating profit

**£784m** ↑£173m yoy  
Retail free cash flow

**£730m** ↓22%  
Retail operating profit

**3.4x** ↑ from 3.2x  
Net debt/underlying EBITDA

**£(21)m**  
Financial Services operating loss

**£640m** ↓£539m  
Net debt excluding lease liabilities

**7.4p**  
Final dividend per share

**£6,469m**  
Total net debt

### Sales

**8.1%**  
Lfl sales increase  
inc VAT, ex fuel

**7.3%**  
Total retail sales growth inc VAT, ex fuel

#### Channels

**2.5%**   
Supermarket sales growth  
(inc Argos SIS)

**(9.4)%**   
Convenience sales growth

**119.6%**   
Groceries online  
sales growth

#### Categories

**7.8%**   
Grocery sales growth

**8.3%**   
General Merchandise  
sales growth

**10.9%**  
Argos sales growth

**(8.5)%**   
Clothing sales growth

**850k+**  
Weekly  
grocery orders

**90%**  
of Argos Sales  
now online

**42%**  
of Total Sales  
are digital

**7.4m+**  
digital  
Nectar users

**2,500+**  
SKUs  
in Price Lock

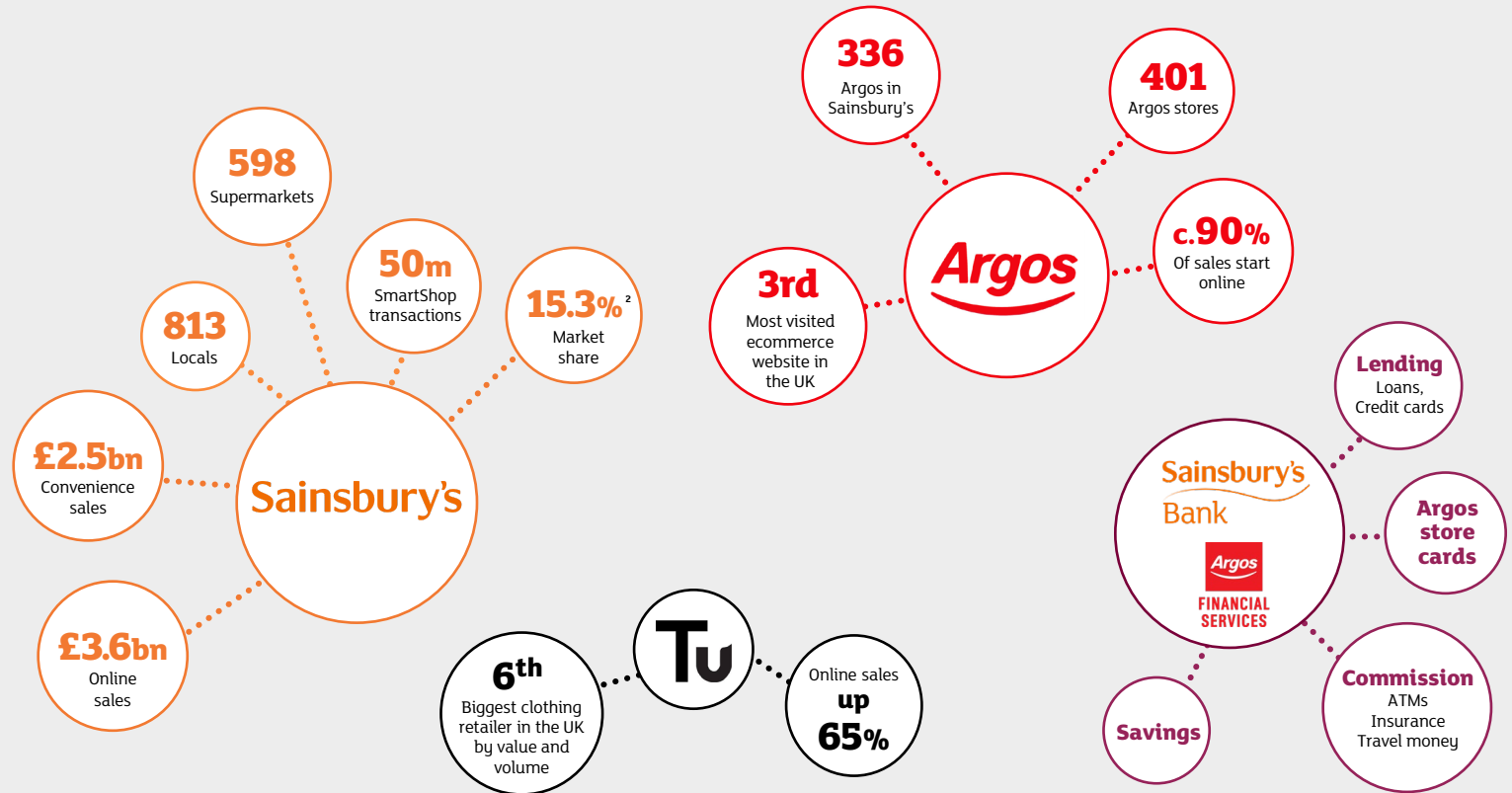
**250+**  
SKUs  
in Aldi  
Price Match

Uber/  
Deliveroo  
in  
**37**  
cities

Smartshop  
Sales  
participation  
**30%**

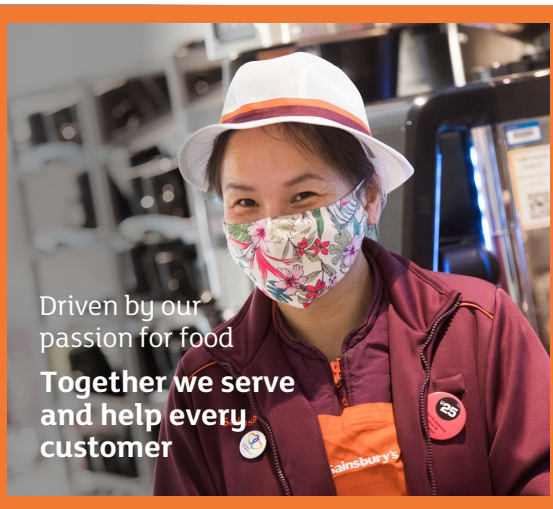
# Group overview

as at 6 March 2021



<sup>1</sup> FY20/21, inc. VAT inc. fuel  
<sup>2</sup> Kantar 52 week rolling Total Till Roll market share to 23 February 2021

## Purpose



## Our business strategy

<p><b>Food First</b></p> <ul style="list-style-type: none"> <li>Better value and innovation</li> <li>Underpinned by buying benefits and lower cost to serve</li> </ul>	<p><b>Brands that Deliver</b></p> <ul style="list-style-type: none"> <li>Customer and profit focus</li> <li>Supporting the core food business</li> </ul>	<p><b>Save to Invest</b></p> <ul style="list-style-type: none"> <li>Structurally lower operating costs to fuel investment in the core</li> <li>Cutting complexity and increasing pace of execution</li> </ul>
<p><b>Connected to Customers</b></p> <p>Know and serve our customers better, use the power of Nectar</p>	<p><b>Net Zero 2040</b></p> <p>Become net zero by 2040</p>	

## Investor Relations contacts

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