

J Sainsbury plc

We employ over 152,000 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 everyone eat better. 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 22/23 Sales

Sales ex fuel

2.6%

LfL sales growth
inc VAT, ex fuel
YoY

2.0%

Total retail
sales growth
inc VAT, ex fuel
YoY

6.7%

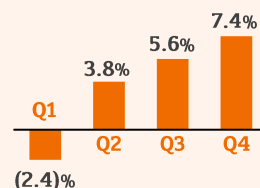
Total retail
sales growth
inc VAT, ex fuel
Yo3Y

Categories

Grocery sales growth

3.0%
YoY

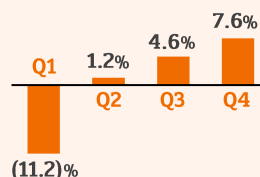
10.8%
Yo3Y



General Merchandise sales growth

(0.4)%
YoY

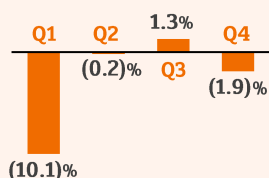
(4.9)%
Yo3Y



Clothing sales growth

(3.0)%
YoY

0.0%
Yo3Y



Fuel sales growth

23.4%
YoY

20.3%
Yo3Y

Sales inc fuel

5.7%

LfL sales growth
inc VAT, inc fuel
YoY

5.2%

Total retail
sales growth
inc VAT, inc fuel
YoY

8.8%

Total retail
sales growth
inc VAT, inc fuel
Yo3Y

FY 22/23 Financial Performance

Headline figures

£28,664m ↑2%

Underlying Retail sales (ex fuel)

£327m ↓62%

Statutory profit before tax

£690m ↓5%

Underlying profit before tax

23.0p ↓9%

Underlying basic earnings per share

Group performance

£972m ↓6%

Group underlying operating profit

£645m ↑28% YoY

Retail free cash flow

£926m ↓7%

Retail underlying operating profit

3.0x ↓ from 3.1x

Net debt/underlying EBITDA

£46m ↑21%

Financial Services operating profit

£144m Improved by
£285m YoY

Net funds excluding lease liabilities

13.1p Flat YoY

Total dividend per share

£(6,344)m Improved by
£415m YoY

Net debt including lease liabilities

FY highlights

£560m

Invested in value
over last 2 years

£900m

More than
Cost savings
delivered
over 2 years

3ppts

improvement in
Argos SG&A
to sales Yo3Y

18%

Reduction in
packaging
vs baseline

Launched
**Nectar
Prices**

Launched
nearly
1,400

New products

Improved
**Price
position**
vs all
competitors

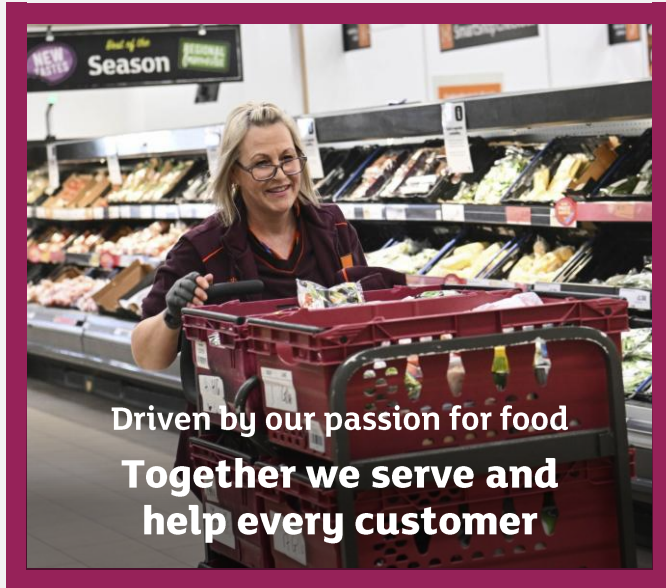
Announced
record
£225m

investment in
colleague pay
& benefits

51%

reduction in
Scope 1 & 2 GHG
emission vs
base line

Purpose



Our business strategy



- Better value and innovation
- Underpinned by buying benefits and lower cost to serve



- Customer and profit focus
- Supporting the core food business



- Structurally lower operating costs to fuel investment in the core
- Cutting complexity and increasing pace of execution



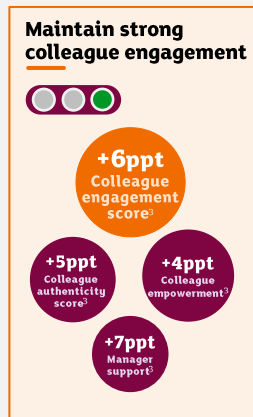
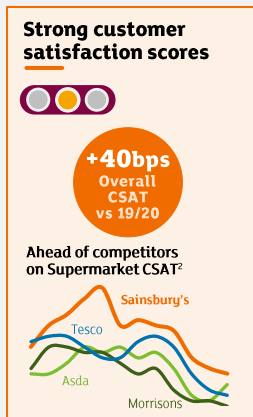
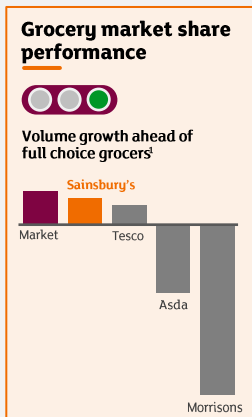
Know and serve our customers better, use the power of Nectar



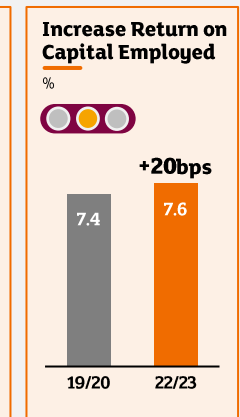
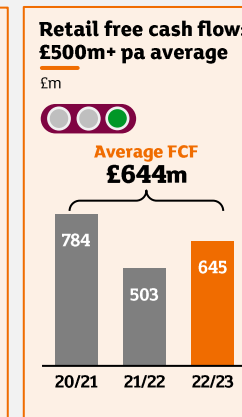
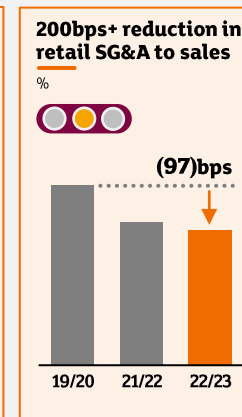
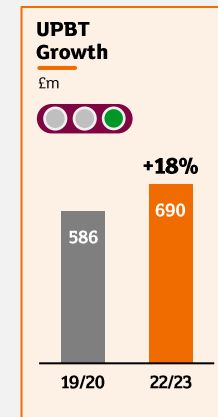
Environmental and social sustainability at our core

Two years into our plan, we're making good progress on our metrics

Operational



Financial



¹ Source: NielsenIQ Panel volume growth Yo3Y. Total FMCG (excluding Kiosk & Tobacco), 52 weeks to 4 March 2023. Market Universe: Total Outlets
² Source: Competitor benchmarking survey. Overall Supermarket customer satisfaction % score 2020/21 to 2022/23

³ Source: eSAT scores March 2023 vs April 2021 (baseline)

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