

FINAL TERMS

MIFID II Product Governance/Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, references in this paragraph to "manufacturer" do not refer to the Issuer nor to the Guarantor who are not subject to MiFID II.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of MiFID II (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded) on insurance mediation where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA") – The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

27 September 2019

Wm Morrison Supermarkets Plc

Legal Entity Identifier: 213800IN6LSRGTZSOS29

Issue of £350,000,000 2.500 per cent. Notes due 1 October 2031

Guaranteed by Safeway Limited

under the £3,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 24 May 2019 as supplemented by the supplement to it dated 19 September 2019 which together constitute a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full

information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the London Stock Exchange at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html through a regulatory information service.

1. (a) Issuer: Wm Morrison Supermarkets Plc
- (b) Guarantor(s): Safeway Limited
2. (a) Series Number: 5
- (b) Tranche Number: 1
- (c) Date on which the Notes will be consolidated and form a single Series: Not Applicable
3. Specified Currency or Currencies: Pounds Sterling (£)
4. Aggregate Nominal Amount:
 - (a) Series: £350,000,000
 - (b) Tranche: £350,000,000
5. Issue Price: 99.558 per cent. of the Aggregate Nominal Amount
6. (a) Specified Denomination(s): £200,000 and integral multiples of £1,000 in excess thereof up to and including £399,000. No Notes in definitive form will be issued with a denomination above £399,000.
- (b) Calculation Amount: £1,000
7. (a) Issue Date: 1 October 2019
- (b) Interest Commencement Date: Issue Date
8. Maturity Date: 1 October 2031
9. Interest Basis: 2.500 per cent. Fixed Rate
(See paragraph 14 below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11. Change of Interest Basis or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Issuer Call

		Issuer Make-Whole Call
		Investor Put on a Change of Control
		(See paragraphs 18, 19 and 21 below)
13.	(a)	Status of the Notes: Senior
	(b)	Status of the Notes Guarantee: Senior
	(c)	Date Board approval for issuance of Notes and Notes Guarantee obtained: 9 September and 26 September 2019 (Issuer) 26 September 2019 (Guarantor)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Note Provisions	Applicable
	(a)	Rate(s) of Interest: 2.500 per cent. per annum payable in arrear on each Interest Payment Date
	(b)	Interest Payment Date(s): 1 April and 1 October in each year up from and including 1 April 2020 to and including the Maturity Date
	(c)	Fixed Coupon Amount(s): £12.50 per Calculation Amount
	(d)	Broken Amount(s): Not Applicable
	(e)	Day Count Fraction: Actual/Actual (ICMA)
	(f)	Determination Date(s): 1 April and 1 October in each year
15.	Floating Rate Note Provisions	Not Applicable
16.	Zero Coupon Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

17.	Notice periods for Condition 6.2:	Minimum period: 30 days Maximum period: 60 days
18.	Issuer Call:	Applicable
	(a)	Optional Redemption Date(s): Any date from and including 1 July 2031 to but excluding the Maturity Date
	(b)	Optional Redemption Amount: £1,000 per Calculation Amount
	(c)	If redeemable in part: Not Applicable
	(d)	Notice periods: Minimum period: 15 days Maximum period: 30 days
19.	Issuer Make-Whole Call:	Applicable from and including the Issue Date

to but excluding 1 July 2031

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| (a) | Gross Redemption Yield: | A yield calculated in accordance with the generally accepted market practice at such time as advised in writing to the Issuer and the Trustee by the Financial Advisor |
| (b) | Reference Bond: | 4.750 per cent. UK Treasury Stock due December 2030 (ISIN: GB00B24FF097) |
| (c) | Redemption Margin: | 0.30 per cent. |
| (d) | If redeemable in part: | Not Applicable |
| (e) | Notice periods: | Minimum period: 15 days
Maximum period: 30 days |
| 20. | Investor Put: | Not Applicable |
| 21. | Investor Put on a Change of Control: | Applicable |
| (a) | Optional Redemption Amount: | £1,000 per Calculation Amount |
| (b) | Notice periods: | Minimum period: 30 days
Maximum period: 60 days |
| 22. | Final Redemption Amount: | £1,000 per Calculation Amount |
| 23. | Early Redemption Amount payable on redemption for taxation reasons or on event of default: | £1,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 24. | Form of Notes: | |
| (a) | Form: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
| (b) | New Global Note: | Yes |
| 25. | Additional Financial Centre(s): | Not Applicable |
| 26. | Talons for future Coupons to be attached to Definitive Notes: | No |

Signed on behalf of

Wm Morrison Supermarkets Plc:



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By: TREVOR STRAIN

Duly authorised

Signed on behalf of

Safeway Limited:



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By: TREVOR STRAIN

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Application has been made for the Notes to be admitted to listing on the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's regulated market.
- (ii) Date from which admission 1 October 2019 effective:
- (iii) Estimate of total expenses related £4,500 to admission to trading:

2. RATINGS

Ratings: The Notes to be issued have been rated:
Moody's Investors Service Ltd: Baa2

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business.

4. YIELD

Indication of yield: 2.543 per cent. per annum
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

- (i) ISIN: XS2058692471
- (ii) Common Code: 205869247
- (iii) FISN: See the website of the Association of National Numbering Agencies (ANNA) or alternatively source from the responsible National Numbering Agency that assigned the ISIN
- (iv) CFI code: See the website of the Association of National Numbering Agencies (ANNA) or alternatively source from the responsible National Numbering Agency that assigned the ISIN

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| (v) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): | Not Applicable |
| (vi) | Delivery: | Delivery against/ payment |
| (vii) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (viii) | Intended to be held in a manner which would allow Eurosystem eligibility: | Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |

6. **DISTRIBUTION**

U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
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