

5 October 2008

Tesco PLC

**Issue of
JPY 2,000,000,000 0.40 per cent. Fixed Rate Notes due December 2009
under the
£10,000,000,000 Euro Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Offering Circular dated 23rd January, 2008 which, as modified by a supplement to the Offering Circular dated 26th August 2008, constitutes a base prospectus for the purposes of Directive 2003/71/EC of 4th November, 2003 of the European Parliament and the Council of the European Union (the “Prospectus Directive”). 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 Offering Circular and such supplement to the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and, the Offering Circular and the supplement to the Offering Circular dated 26th August 2008. The Offering Circular and such supplement are available for viewing during normal business hours and copies may be obtained from the registered office of the Issuer and from the specified office of the Paying Agents for the time being.

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|----|-----------------------------------|-----------------------------|---|
| 1. | (i) | Series Number: | 66 |
| | (ii) | Tranche Number: | 1 |
| 2. | Specified Currency or Currencies: | | Japanese Yen (“JPY”) |
| 3. | Aggregate Nominal Amount: | | |
| | (i) | Tranche: | JPY 2,000,000,000 |
| | (ii) | Series: | JPY 2,000,000,000 |
| 4. | Issue Price: | | 99.01per cent. of the Aggregate Nominal Amount |
| 5. | (i) | Specified Denominations: | JPY 10,000,000 |
| | (ii) | Calculation Amount: | JPY 10,000,000 |
| 6. | (i) | Issue Date: | 8th October 2008 |
| | (ii) | Interest Commencement Date: | Issue Date |
| 7. | Maturity Date: | | 18th December 2009 |
| 8. | Interest Basis: | | Fixed Rate
(further particulars specified below) |

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| 9. | Redemption/Payment Basis: | Redemption at par |
| 10. | Change of Interest Basis or Redemption/Payment Basis: | Not Applicable |
| 11. | Put/Call Options: | Not Applicable |
| 12. | Method of distribution: | Non-syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 13. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate[(s)] of Interest: | 0.40 per cent. per annum payable semi-annually in arrear |
| | (ii) Interest Payment Date(s): | 18th December and 18 th June in each year up to and including the Maturity Date |
| | (iii) Fixed Coupon Amount(s):
<i>(Applicable to Notes in definitive form.)</i> | JPY 20,000.00 per Calculation Amount on 18 th June 2009 and 18 th December 2009. |
| | (iv) Broken Amount(s):
<i>(Applicable to Notes in definitive form.)</i> | JPY 7,777.77 per Calculation Amount payable on the Interest Payment Date falling on 18 th December 2008. |
| | (v) Fixed Day Count Fraction: | 30/360 |
| | (vi) Determination Date(s): | Not Applicable |
| | (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: | None |
| 14. | Floating Rate Note Provisions | Not Applicable |
| 15. | Zero Coupon Note Provisions | Not Applicable |
| 16. | Index Linked Interest Note Provisions | Not Applicable |
| 17. | Dual Currency Interest Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 18. | Issuer Call | Not Applicable |
| 19. | Investor Put | Not Applicable |

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| 20. | Final Redemption Amount | JPY 10,000,000 per Calculation Amount |
| 21. | Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(e)): | JPY 10,000,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 22. | (i) Form of Notes: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event. |
| | (ii) New Global Note: | No |
| 23. | Additional Financial Centre(s) or other special provisions relating to Payment Dates: | London |
| 24. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No. |
| 25. | Details relating to Partly Paid Notes: | Not Applicable |
| 26. | Details relating to Instalment Notes: | Not Applicable |
| 27. | Redenomination: | Redenomination not applicable |
| 28. | Other final terms: | Not Applicable |

DISTRIBUTION

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| 29. | (i) If syndicated, names of Managers: | Not Applicable |
| | (ii) Date of Subscription Agreement: | Not Applicable |
| | (iii) Stabilising Manager(s) (if any): | Not Applicable |
| 30. | If non-syndicated, name of relevant Dealer | HSBC Bank plc |
| 31. | Additional selling restrictions: | Not Applicable |

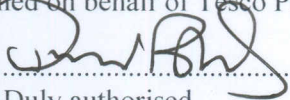
PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority of the Notes described herein pursuant to the £10,000,000,000 Euro Note Programme of Tesco PLC.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms

Signed on behalf of Tesco PLC:

By: 
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf for the Notes to be admitted to trading on the London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority with effect from 8th October 2008.
- (ii) Estimate of total expenses related to admission to trading: GBP 1,750 (excluding VAT)

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

Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer

3. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Not Applicable

4. YIELD (*Fixed Rate Notes only*) 1.238 per cent. Indication of yield:

5. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (*Index-linked Notes only*)

Not Applicable

6. PERFORMANCE OF RATE[S] OF EXCHANGE (*Dual Currency Notes only*)

Not Applicable

7. OPERATIONAL INFORMATION

- (i) ISIN Code: XS0391703294
- (ii) Common Code: 039170329
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):☐ Not Applicable
- (iv) Delivery: Delivery against payment

(v) Names and addresses of Not Applicable
additional Paying Agent(s) (if
any):

(vi) Intended to be held in a manner No
which would allow Eurosystem
eligibility: