

## FINAL TERMS

26 September 2008

**Tesco PLC**

**Issue of**

**CHF 250,000,000 3.75 per cent. Notes due 2011**

**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 23 January 2008 which, as supplemented by a supplement to the Offering Circular dated 26 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 as amended and supplemented by the Swiss listing prospectus dated 26 September 2008 (the "**Swiss Prospectus**") prepared by the Issuer in connection with the listing of the Notes on the SWX Swiss Exchange. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Offering Circular, the supplement to the Offering Circular dated 26 August 2008 and the Swiss Prospectus. 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. The Swiss Prospectus is available for viewing at ABN AMRO Bank N.V., Amsterdam, Zurich Branch, Beethovenstrasse 32, 8002 Zurich and copies may be obtained from ABN AMRO Bank N.V., Amsterdam, Zurich Branch, Beethovenstrasse 32, 8002 Zurich.

1.      (i)      Series Number:               65  
         (ii)     Tranche Number:         1
2.      Specified Currency or            Swiss Francs (**CHF**)  
         Currencies:
3.      Aggregate Nominal Amount  
         (i)      Tranche:                 CHF 250,000,000  
         (ii)     Series:                 CHF 250,000,000

- |     |   |   |
|-----|---|---|
| 4.  | Issue Price:  | 100.472 per cent. of the Aggregate Nominal Amount |
| 5.  | (i) Specified Denomination:                           | CHF 5,000   |
|     | (ii) Calculation Amount                               | CHF 5,000   |
| 6.  | (i) Issue Date:                                       | 29 September 2008                                 |
|     | (ii) Interest Commencement Date:                      | Issue Date  |
| 7.  | Maturity Date:  | 29 September 2011                                 |
| 8.  | Interest Basis:                                       | Fixed Rate (further particulars specified below)  |
| 9.  | Redemption/Payment Basis:                             | Redemption at par                                 |
| 10. | Change of Interest Basis or Redemption/Payment Basis: | Not Applicable                                    |
| 11. | Put/Call Options:                                     | Investor Put (see the Schedule hereto)            |
| 12. | Method of distribution:                               | Syndicated  |

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- |     |  |   |
|-----|--|---|
| 13. | Fixed Rate Note Provisions:  | Applicable  |
|     | (i) Rate of Interest:  | 3.75 per cent. per annum payable annually in arrear   |
|     | (ii) Interest Payment Date(s):   | 29 September in each year, commencing on 29 September 2009, up to and including the Maturity Date |
|     | (iii) Fixed Coupon Amount(s):  | CHF 187.50 per Calculation Amount   |
|     | (iv) Broken Amount(s):   | Not Applicable  |
|     | (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

- |     |   |                                      |
|-----|---|--------------------------------------|
| 18. | Issuer Call:  | Not Applicable                       |
| 19. | Investor Put:   | Applicable (see the Schedule hereto) |
| 20. | Final Redemption Amount:  | CHF 5,000 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)): | Condition 6(e) shall apply           |

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

- |     |     |                |  |
|-----|-----|----------------|--|
| 22. | (i) | Form of Notes: | The Notes will be in bearer form and will be represented by a Permanent Global Note (the <b>Permanent Global Note</b> ). |
|-----|-----|----------------|--|

The Permanent Global Note will be deposited with SIS SegalInterSettle AG, the Swiss Securities Services Corporation in Olten, Switzerland (the **SIS**) and will document the right to receive the principal and interest thereon and all other rights and obligations in connection therewith. Without prejudice to the provisions of the Permanent Global Note, so long as the Notes are represented by the Permanent Global Note, each person (determined on the basis of statements of account provided by SIS) shall be the beneficial owner of an interest in the Permanent Global Note to the extent of the amount (determined on the basis of statements of account provided by SIS) of their investment therein.

Owners of beneficial interests in the Permanent Global Note do not have the right to request the printing and delivery of Definitive Notes. The Permanent Global Note will be exchangeable for Definitive Notes in whole but not in part at the option of the Swiss Principal Paying Agent or the Issuer. The Issuer irrevocably agrees and undertakes to the Swiss Principal Paying Agent to arrange for the printing and delivery to it of the Definitive Notes with Coupons attached in the name and at the expense of the Issuer, should the Swiss Principal Paying Agent deem such printing to be necessary or useful, after consultation with the Issuer, or if the presentation of Definitive Notes and Coupons is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights of the Trustee or the Noteholders. Should the Definitive Notes and Coupons be printed, the Swiss

Principal Paying Agent will then exchange the Permanent Global Note against delivery of the Definitive Notes and Coupons and thereupon cancel and return the Permanent Global Note to the Issuer.

- (ii) New Global Note: No
23. Additional Financial Centre(s) or other special provisions relating to Payment Dates: Zurich
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: For the purposes of the Notes described in these Final Terms only, the following shall apply:
1. The following provisions shall be inserted immediately following Condition 5(d) as Condition 5(e):  
*"(e) Discharge of the Issuer*  
 The receipt by ABN AMRO Bank N.V., Amsterdam, Zurich Branch, as Swiss Principal Paying Agent, of the due and punctual payment of the funds in Swiss Francs in Zurich shall release the Issuer from its obligations under the Notes and Coupons for the payment of principal and interest due on the respective payment dates to the extent of such payments.  
 Except to the extent required by law, payment of principal and interest in respect of the Notes shall be made in freely disposable Swiss Francs without collection costs and whatever the circumstances may be, irrespective of the nationality, domicile or residence of the holder of the Notes and without requiring any certification, affidavit or the fulfilment of any other formality. Payment on the Notes will, except to the extent required by law, be made irrespective of any transfer restrictions and regardless of any bilateral or multilateral payment or clearing agreements which may be applicable, at any time, to such payment."

2. Condition 6(d) shall be deleted and replaced by the provisions of the Schedule hereto.
3. Condition 11(ii) shall be deleted.
4. The following shall be inserted at the end of Condition 11:

"In respect of any Notes denominated in Swiss Francs, the Issuer will at all times maintain a Paying Agent having a specified office in Switzerland and (for the purposes of payments on such Notes only) will at no time maintain a Paying Agent having a specified office outside Switzerland."

In addition, all references in the Terms and Conditions of the Notes to the "Agent" and to the "Paying Agents" shall, so far as the context permits, be construed as references only to the "Swiss Principal Paying Agent" and the "Swiss Paying Agents", respectively (each as set out under paragraph 5(v) of "Part B - Other Information" of these Final Terms).

5. Condition 13 shall be deemed deleted and replaced with the following:

"So long as the Notes are listed on the SWX Swiss Exchange and the rules of the SWX Swiss Exchange so require, notices in respect of the Notes will be validly given through the Swiss Principal Paying Agent by means of publication on the internet website of the SWX Swiss Exchange ([www.swx.com](http://www.swx.com)). In addition, the Swiss Principal Paying Agent may also publish any such notices in accordance with the rules of the SWX Swiss Exchange on behalf of the Issuer.

Notices to be given by any Noteholder shall be in writing and given by lodging the same with the Swiss Principal Paying Agent."

6. Pursuant to the Supplemental Agency Agreement entered into on 29 September 2008 between the Issuer and the paying agents named therein (the **Supplemental Agency Agreement**), the Issuer will appoint ABN AMRO Bank N.V., Amsterdam, Zurich Branch as Swiss principal paying agent (the **Swiss Principal Paying Agent**) at the following address in respect of the Notes:

Beethovenstrasse 33, 8002 Zurich

Accordingly, ABN AMRO Bank N.V., Amsterdam, Zurich Branch will act as the Swiss Principal Paying Agent in respect of the Notes and the "Swiss Paying Agents" as set out under paragraph 5(v) of "Part B - Other Information" of these Final Terms will act as Swiss Paying

Agents.

7. References in the Terms and Conditions of the Notes as set out in Part 7 of the Schedule of Forms dated 17 July 1997 (as modified and/or supplemented and/or restated from time to time) to "Capita Trust Company Limited" shall be deemed to be deleted and replaced by "Royal Exchange Trust Company Limited".

## DISTRIBUTION

29. (i) If syndicated, names of the Managers:

**Joint-Lead Managers:**

ABN AMRO Bank N.V., Amsterdam, Zurich Branch  
UBS AG  
The Royal Bank of Scotland plc

**Co-Lead Managers:**

Credit Suisse  
Zurich Cantonalbank  
Bank Sarasin & Co., Ltd.  
Bank Julius Baer & Co., Ltd.  
Bank Vontobel Ltd.  
BNP Paribas (Suisse) SA  
Deutsche Bank AG London Branch, acting through  
Deutsche Bank AG Zurich Branch  
Lombard Odier Darier Hentsch & Cie  
Pictet & Cie  
PKB Privatbank AG  
Raiffeisen Switzerland Cooperative  
Rued, Blass & Cie AG

- (ii) Date of Subscription Agreement: 26 September 2008
- (iii) Stabilising Manager(s) (if any): Not Applicable
30. If non-syndicated, names of relevant Dealer: Not Applicable
31. Additional selling restrictions: TEFRA D rules are applicable in accordance with usual Swiss practice

## PURPOSE OF FINAL TERMS


These Final Terms comprise the final terms required for issue and admission to trading on the SWX Swiss Exchange and listing on the main segment of the SWX Swiss Exchange 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

A handwritten signature in black ink is written over the signature line and extends upwards into the 'Signed on behalf of Tesco PLC:' text.

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

- |      |   |  |
|------|---|--|
| (i)  | Listing and Admission to trading:                           | The Notes are expected to be provisionally admitted to trading on the SWX Swiss Exchange with effect from 29 September 2008 on a "when and if issued" basis. Application for definitive listing on the SWX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. |
| (ii) | Estimate of total expenses related to admission to trading: | CHF 19,500   |

### **2. RATINGS**

- |          |   |
|----------|---|
| Ratings: | The long-term debt of the Issuer has been rated:<br>S&P: A- (stable)<br>Moody's: A3 (stable)<br>Fitch: A (stable) |
|----------|---|

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

Save for any 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.

### **4. YIELD**

- |                      |   |
|----------------------|---|
| Indication of yield: | 3.76 per cent. (annual)   |
|                      | 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:  | CH0045756522   |
| (ii)  | Common Code:   | 038889672  |
| (iii) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): | SIS SegalInterSettle AG, the Swiss Securities Services Corporation in Olten, Switzerland<br><br>Security Number: 4575652 |
| (iv)  | Delivery:  | Delivery against payment   |



- |     |   |  |
|-----|---|--|
| (v) | Names and addresses of additional Paying Agent(s) (if any): | The only Paying Agents appointed in respect of the Notes are appointed pursuant to the Supplemental Agency Agreement and are as follows. |
|-----|---|--|

**Swiss Principal Paying Agent:**

ABN AMRO Bank N.V., Amsterdam, Zurich Branch  
 Beethovenstrasse 33  
 8002 Zurich  
 Switzerland

**Swiss Paying Agents:**

ABN AMRO Bank (Schweiz) AG  
 UBS AG  
 Credit Suisse  
 Zurich Cantonalbank  
 Bank Sarasin & Co., Ltd.  
 Bank Julius Baer & Co., Ltd.  
 Bank Vontobel Ltd.  
 BNP Paribas (Suisse) SA  
 Lombard Odier Darier Hentsch & Cie  
 Pictet & Cie  
 PKB Privatbank AG  
 Raiffeisen Switzerland Cooperative  
 Rued, Blass & Cie AG

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

## SCHEDULE

In relation to the Final Terms dated 26 September 2008 of which this forms the attached Schedule, Condition 6(d) shall be deleted and replaced with the following:-

If during the period from the Issue Date to 22 September 2011 there occurs a Restructuring Event and within the Restructuring Period (i) (if at the time that Restructuring Event occurs there are Rated Securities) a Rating Downgrade in respect of that Restructuring Event occurs or (ii) (if at such time there are no Rated Securities), a Negative Rating Event in respect of that Restructuring Event occurs (that Restructuring Event and, where applicable, Rating Downgrade or Negative Rating Event, as the case may be, occurring within the Restructuring Period together called a "Put Event"), the holder of each Note will have the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer gives notice under Condition 6(b)) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Optional Redemption Date (as defined below) at its principal amount (the "Optional Redemption Amount") together with (or, where purchased, together with an amount equal to) interest accrued to (but excluding) the Optional Redemption Date.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, the Trustee shall, give notice (a "Put Event Notice") to the Noteholders in accordance with Condition 13 specifying the nature of the Put Event and the procedure for exercising the option contained in this Condition 6(d).

To exercise the option to require redemption of a Note under this Condition 6(d), the holder of the Note, if it is in definitive form, must deliver such Note, on any Business Day (as defined below) falling within the period (the "Put Period") of 45 days after a Put Event Notice is given, at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a "Put Notice") and in which the holder may specify a bank account to which payment is to be made under this Condition 6(d).

If the Notes are represented by a Global Note, such option may be exercised by the holder of the Global Note by giving notice to the Swiss Principal Paying Agent of the principal amount of Notes in respect of which the option is exercised and presenting such Global Note for endorsement of exercise within the time limits specified in this Condition 6(d).

"Business Day" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the place of the specified office of the Swiss Paying Agent at which the Note is delivered,

The Definitive Notes should be delivered together with all Coupons appertaining thereto maturing after the date (the "Optional Redemption Date") seven days after the expiry of the Put Period, failing which the Swiss Paying Agent will require payment of an amount equal to the face value of any such missing Coupon. Any amount so paid will be reimbursed in the manner provided in Condition 5 against presentation and surrender of the relevant missing Coupon (or any replacement therefor issued pursuant to Condition 10) any time after such payment, but before the expiry of the period of five years from the date on which such Coupon would have become due, but not thereafter. The Swiss Paying Agent to which such Note and Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. Payment in respect of any Note so delivered will be made, if the holder duly specifies a bank account in the Put Notice to which payment is to

be made, on the Optional Redemption Date by transfer to that bank account and, in every other case, on or after the Optional Redemption Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Swiss Paying Agent. A Put Notice, once given, shall be irrevocable. For the purposes of Condition 5 and certain other purposes specified in the Trust Deed, receipts issued pursuant to this Condition 6(d) shall be treated as if they were Notes. The Issuer shall redeem or, at the option of the Issuer, purchase (or procure the purchase of) the relevant Notes on the Optional Redemption Date unless previously redeemed or purchased.

For the purpose of these Conditions:

A "Negative Rating Event" shall be deemed to have occurred if (i) the Issuer does not, either prior to or not later than 21 days after the relevant Restructuring Event, seek, and thereupon use all reasonable endeavours to obtain, a rating of the Notes or any other unsecured and unsubordinated debt of the Issuer (or any Subsidiary of the Issuer which is guaranteed on an unsecured and unsubordinated basis by the Issuer) having an initial maturity of five years or more ("Rateable Debt") from a Rating Agency or (ii) if it does so seek and use such endeavours, it is unable, as a result of such Restructuring Event to obtain such a rating of at least investment grade BBB- (in the case of Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("S&P")), Baa3 (in the case of Moody's Investors Service Limited ("Moody's")) or BBB- (in the case of Fitch Ratings Ltd. ("Fitch Ratings")), or their respective equivalents for the time being), provided that a Negative Rating Event shall not be deemed to have occurred in respect of a particular Restructuring Event if the Rating Agency declining to assign a rating of at least investment grade (as defined above) does not announce or publicly confirm or inform the Trustee in writing at its request that its declining to assign a rating of at least investment grade was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Restructuring Event (whether or not the Restructuring Event shall have occurred at the time such investment grade rating is declined);

"Rated Securities" means the Notes so long as they shall have an effective rating from any Rating Agency and otherwise any unsecured and unsubordinated debt of the Issuer having an initial maturity of five years or more which is rated by one of the Rating Agencies; provided that if there shall be no such unsecured and unsubordinated debt of the Issuer prior to the maturity of the Notes, the holder of not less than one-quarter of the principal amount of outstanding Notes may require the Issuer to obtain and thereafter update on an annual basis a rating of the Notes from one Rating Agency. In addition, the Issuer may at any time obtain and thereafter update on an annual basis a rating of the Notes from any Rating Agency, provided that, except as provided above, the Issuer shall not have any obligation to obtain such a rating of the Notes;

"Rating Agency" means S&P and its successors or Moody's and its successors or Fitch Ratings and its successors or any other rating agency of equivalent standing specified by the Issuer from time to time in writing to the Trustee;

A "Rating Downgrade" shall be deemed to have occurred in respect of a Restructuring Event if the current rating whether provided by a Rating Agency at the invitation of the Issuer or by its own volition assigned to the Rated Securities by any Rating Agency is withdrawn and is not within the Restructuring Period replaced by a rating of another Rating Agency at least equivalent to that which was current immediately before the occurrence of the Restructuring Event or is reduced from an investment grade rating BBB-/Baa3/BBB- (or their respective equivalents for the time being) or better to a non-investment grade rating BB+/Ba/BB+ (or their respective equivalents for the time being) or worse; provided that a Rating Downgrade otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Restructuring Event if the Rating Agency making the reduction in rating to which this definition would otherwise apply does not announce or

publicly confirm or inform the Trustee in writing at its request that the reduction was the result, in whole or part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Restructuring Event (whether or not the applicable Restructuring Event shall have occurred at the time of the Rating Downgrade);

A "Restructuring Event" shall be deemed to have occurred at each time (whether or not approved by the Board of Directors of the Issuer) that any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), or any persons acting on behalf of any such person(s), at any time is/are or become(s) interested (within the meaning of Part 22 of the Companies Act 2006) in (A) more than 50 per cent., of the issued or allotted ordinary share capital of the Issuer or (B) such number of shares in the capital of the Issuer carrying more than 50 per cent., of the voting rights normally exercisable at a general meeting of the Issuer; and

"Restructuring Period" means the period ending 90 days after the public announcement of the Restructuring Event having occurred (or such longer period in which the Rated Securities or Rateable Debt, as the case may be, is or are under consideration (announced publicly within the first mentioned period) for rating review or, as the case may be, rating by a Rating Agency).