

## Group income statement

	Notes	52 weeks ended 26 February 2022			52 weeks ended 27 February 2021 <sup>(a)</sup>		
		Before adjusting items £m	Adjusting items <sup>(b)</sup> (Note 4) £m	Total £m	Before adjusting items £m	Adjusting items <sup>(b)</sup> (Note 4) £m	Total £m
<b>Continuing operations</b>							
<b>Revenue</b>	2	<b>61,344</b>	<b>–</b>	<b>61,344</b>	<b>57,887</b>	<b>–</b>	<b>57,887</b>
Cost of sales		(56,574)	(176)	(56,750)	(53,948)	221	(53,727)
Impairment reversal/(loss) on financial assets	2	39	–	39	(384)	–	(384)
<b>Gross profit/(loss)</b>		<b>4,809</b>	<b>(176)</b>	<b>4,633</b>	<b>3,555</b>	<b>221</b>	<b>3,776</b>
Administrative expenses		(1,984)	(89)	(2,073)	(1,767)	(462)	(2,229)
<b>Operating profit/(loss)</b>		<b>2,825</b>	<b>(265)</b>	<b>2,560</b>	<b>1,788</b>	<b>(241)</b>	<b>1,547</b>
Share of post-tax profits/(losses) of joint ventures and associates	14	15	–	15	26	–	26
Finance income	5	9	–	9	15	–	15
Finance costs	5	(652)	101	(551)	(695)	(257)	(952)
<b>Profit/(loss) before tax</b>		<b>2,197</b>	<b>(164)</b>	<b>2,033</b>	<b>1,134</b>	<b>(498)</b>	<b>636</b>
Taxation	6	(502)	(8)	(510)	(249)	145	(104)
<b>Profit/(loss) for the year from continuing operations</b>		<b>1,695</b>	<b>(172)</b>	<b>1,523</b>	<b>885</b>	<b>(353)</b>	<b>532</b>
<b>Discontinued operations</b>							
Profit/(loss) for the year from discontinued operations	7	(2)	(38)	(40)	309	5,117	5,426
<b>Profit/(loss) for the year</b>		<b>1,693</b>	<b>(210)</b>	<b>1,483</b>	<b>1,194</b>	<b>4,764</b>	<b>5,958</b>
<b>Attributable to:</b>							
Owners of the parent		1,691	(210)	1,481	1,190	4,764	5,954
Non-controlling interests		2	–	2	4	–	4
		<b>1,693</b>	<b>(210)</b>	<b>1,483</b>	<b>1,194</b>	<b>4,764</b>	<b>5,958</b>
<b>Earnings/(losses) per share from continuing and discontinued operations</b>							
Basic	9			19.34p			61.83p
Diluted	9			19.12p			61.66p
<b>Earnings/(losses) per share from continuing operations</b>							
Basic	9			19.86p			5.60p
Diluted	9			19.64p			5.58p

(a) Comparatives have been restated due to a change in accounting policy. Refer to Note 1 for further details.

(b) 'Exceptional items and amortisation of acquired intangibles' have been renamed 'Adjusting items'. Refer to Note 1 for further details.

The notes on pages 122 to 191 form part of these financial statements.

## Group statement of comprehensive income/(loss)

	Notes	52 weeks 2022 £m	52 weeks 2021* £m
<b>Items that will not be reclassified to the Group income statement</b>			
Change in fair value of financial assets at fair value through other comprehensive income		4	–
Remeasurements of defined benefit pension schemes	30	4,075	(963)
Net fair value gains/(losses) on inventory cash flow hedges		33	(3)
Tax on items that will not be reclassified	6	(918)	248
		<b>3,194</b>	<b>(718)</b>
<b>Items that may subsequently be reclassified to the Group income statement</b>			
Change in fair value of financial assets at fair value through other comprehensive income		(25)	(1)
Currency translation differences:			
Retranslation of net assets of overseas subsidiaries, joint ventures and associates, net of hedging instruments		(39)	(68)
Movements in foreign exchange reserve and net investment hedging on subsidiary disposed, reclassified and reported in the Group income statement		66	(413)
Gains/(losses) on cash flow hedges:			
Net fair value gains/(losses)		44	59
Reclassified and reported in the Group income statement		(45)	(86)
Tax on items that may be reclassified	6	(5)	(3)
		<b>(4)</b>	<b>(512)</b>
<b>Total other comprehensive income/(loss) for the year</b>		<b>3,190</b>	<b>(1,230)</b>
Profit/(loss) for the period		1,483	5,958
<b>Total comprehensive income/(loss) for the year</b>		<b>4,673</b>	<b>4,728</b>
<b>Attributable to:</b>			
Owners of the parent		4,671	4,724
Non-controlling interests		2	4
<b>Total comprehensive income/(loss) for the year</b>		<b>4,673</b>	<b>4,728</b>
<b>Total comprehensive income/(loss) attributable to owners of the parent arising from:</b>			
Continuing operations		4,645	(254)
Discontinued operations		26	4,978
		<b>4,671</b>	<b>4,724</b>

\* Comparatives have been restated due to a change in accounting policy. Refer to Note 1 for further details.

The notes on pages 122 to 191 form part of these financial statements.

## Group balance sheet

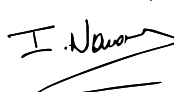
	Notes	26 February 2022 £m	27 February 2021 <sup>(a)</sup> £m	29 February 2020 <sup>(a)</sup> £m
<b>Non-current assets</b>				
Goodwill and other intangible assets	10	5,360	5,393	6,078
Property, plant and equipment	11	17,060	16,945	19,157
Right of use assets	12	5,720	5,951	6,874
Investment property	13	22	19	26
Investments in joint ventures and associates	14	86	178	307
Other investments <sup>(b)</sup>	16	1,253	763	866
Trade and other receivables	18	159	170	166
Loans and advances to customers and banks	19	3,141	3,309	4,171
Reinsurance assets	23	184	–	–
Post-employment benefit surplus	30	3,150	–	–
Derivative financial instruments	25	942	1,425	1,083
Deferred tax assets	6	85	552	449
		<b>37,162</b>	<b>34,705</b>	<b>39,177</b>
<b>Current assets</b>				
Other investments <sup>(b)</sup>	16	226	178	202
Inventories	17	2,339	2,069	2,433
Trade and other receivables	18	1,263	1,263	1,396
Loans and advances to customers and banks	19	3,349	3,093	4,280
Reinsurance assets	23	61	–	–
Derivative financial instruments	25	69	37	63
Current tax assets		93	41	21
Short-term investments	20	2,076	1,011	1,076
Cash and cash equivalents	20	2,345	2,510	4,137
		<b>11,821</b>	<b>10,202</b>	<b>13,608</b>
Assets of the disposal group and non-current assets classified as held for sale	7	368	605	285
		<b>12,189</b>	<b>10,807</b>	<b>13,893</b>
<b>Current liabilities</b>				
Trade and other payables	21	(9,181)	(8,399)	(8,922)
Borrowings	24	(725)	(1,080)	(2,219)
Lease liabilities	12	(547)	(575)	(598)
Derivative financial instruments	25	(26)	(81)	(61)
Customer deposits and deposits from banks	27	(4,729)	(5,321)	(6,377)
Insurance contract provisions	23	(623)	–	–
Current tax liabilities		(11)	(79)	(324)
Provisions	28	(283)	(186)	(155)
		<b>(16,125)</b>	<b>(15,721)</b>	<b>(18,656)</b>
Liabilities of the disposal group classified as held for sale	7	(14)	(276)	–
<b>Net current liabilities</b>		<b>(3,950)</b>	<b>(5,190)</b>	<b>(4,763)</b>
<b>Non-current liabilities</b>				
Trade and other payables	21	(53)	(109)	(170)
Borrowings	24	(6,674)	(6,188)	(6,005)
Lease liabilities	12	(7,411)	(7,827)	(8,968)
Derivative financial instruments	25	(357)	(926)	(887)
Customer deposits and deposits from banks	27	(1,650)	(1,017)	(1,830)
Insurance contract provisions	23	(27)	–	–
Post-employment benefit deficit	30	(303)	(1,222)	(3,085)
Deferred tax liabilities	6	(910)	(48)	(40)
Provisions	28	(183)	(119)	(137)
		<b>(17,568)</b>	<b>(17,456)</b>	<b>(21,122)</b>
<b>Net assets</b>		<b>15,644</b>	<b>12,059</b>	<b>13,292</b>
<b>Equity</b>				
Share capital	31	484	490	490
Share premium		5,165	5,165	5,165
Other reserves		3,079	3,183	3,658
Retained earnings		6,932	3,239	4,001
<b>Equity attributable to owners of the parent</b>		<b>15,660</b>	<b>12,077</b>	<b>13,314</b>
Non-controlling interests		(16)	(18)	(22)
<b>Total equity</b>		<b>15,644</b>	<b>12,059</b>	<b>13,292</b>

(a) Comparatives have been restated due to a change in accounting policy. Refer to Note 1 for further details.

(b) Refer to Note 1 for further details regarding changes in presentation of the primary financial statements.

The notes on pages 122 to 191 form part of these financial statements.

  
**Ken Murphy**  
Directors

  
**Imran Nawaz**

The financial statements on pages 116 to 191 were approved and authorised for issue by the Directors on 12 April 2022.