Continuing operations guidance for 2026/27

Profit

- We expect to deliver underlying operating profit from continuing operations of between £1,025 million and £1,065 million

Finance costs

- We expect underlying net finance costs in 2026/27 to be between £300 million and £310 million

Space

- Subject to final planning consent, in total for 2026/27, we expect to open around ten supermarkets and around 25 convenience stores
- We expect a net space growth impact on sales of around 0.5 per cent in 2026/27

Depreciation and amortisation

- In 2026/27, we expect an underlying depreciation and amortisation charge of around £1.1 billion

Items excluded from underlying results

- Total cash costs for the three-year Next Level Sainsbury's restructuring programme expected to be around £150 million

Tax rate

- We expect an underlying tax rate in 2026/27 of around 29 per cent

Capital allocation

- We have completed £200 million of the previously announced £300 million share buyback, with the remaining £100 million to be completed in the second half

Capital expenditure

- We expect continuing cash capital expenditure of between £750 million and £800 million in 2026/27

Free cash flow

- We expect to deliver free cash flow of more than £500 million, in line with our commitment to generate at least £1.6 billion of Retail free cash flow over the three years to 2026/27

Net Debt

- We continue to target leverage of 3.0x - 2.4x to deliver a solid investment grade balance sheet.

Pension

- For 2026/27, the total defined benefit pension scheme contributions are expected to be around £27 million