

First Quarter Trading Statement for the 16 weeks to 21 June 2025

Consistently great value delivers highest market share since 2016

Simon Roberts, Chief Executive of J Sainsbury plc, said:

“Our winning combination of great value, outstanding quality, excellent availability and leading customer service has driven further share gains, reaching our highest market share in almost a decade. We’re delivering our strongest ever customer offer and many more people are choosing us for their main grocery shop.

“We know how important it is that we provide consistently great value and we have built further on our strong competitive position, improving our prices against all key competitors year-on-year. We’re now offering even more opportunities for customers to save on the items they buy most often through the biggest Aldi Price Match commitment in the market, covering around 800 everyday essentials. As a result, our Value for Money customer satisfaction scores are the highest they have ever been.

“I would like to thank our brilliant colleagues, suppliers and farmers for their care and commitment as we work together to deliver for our customers and communities. We have great momentum, growing faster than the market for three consecutive years and we are well set to deliver another strong performance over the summer. Boosted by a sunny spring, we’re already off to a great start with Taste the Difference fresh food sales up 20 per cent as customers enjoy our delicious new Deli and Picnic ranges, which are perfect for sharing with friends and family.”

Sales Performance (YoY)	Q1 - 16 weeks to 21 June 2025
Sainsbury's	4.9%
Grocery	5.0%
General Merchandise + Clothing	4.2%
Argos	4.4%
Total Retail (exc. fuel)	4.9%
Like-for-like sales (exc. fuel)	4.7%

2025/26 Outlook

- We are committed to sustaining our strong competitive position in the year ahead and expect to continue to grow grocery volumes ahead of the market
- We continue to expect to deliver Retail underlying operating profit of around £1 billion and Retail free cash flow of more than £500 million
- Profit delivery will be supported by continued growth in Nectar profit contribution and industry-leading cost saving delivery and will be weighted more towards the second half versus last year

Strategic Highlights

First choice for food: More customers are choosing Sainsbury's as their first choice for food¹, with 30 successive periods of growth in primary customer numbers² and market outperformance over Easter³. We have gained market share for the third consecutive year⁴, reflecting strong consistent delivery of value, quality and service and excellent availability.

- Our value proposition is stronger than ever and we've improved our price position against all key competitors year-on-year⁵. Value for Money customer satisfaction scores are the highest they have ever been⁶, supported by the growth of our Aldi Price Match campaign to around 800 products and Nectar Prices offers available on over 9,000 products
- We are delivering outstanding quality and innovation at affordable prices, with Taste the Difference sales up 18 per cent and continued outperformance versus the market⁷. We launched more than 450 new products in the first quarter, with more than 250 of these in Taste the Difference. Our exciting new Taste the Difference range of Deli and Picnic items has performed well ahead of expectations as customers enjoy sharing plates such as Spanish Jamón Croquetas with Aioli & Pecorino and Pugliese Burrata with Sun-soaked Tomatoes with friends and family at home while enjoying the warmer weather
- We have delivered strong sales growth and improved customer service across Supermarkets, Convenience and Online, with standout customer satisfaction scores in Availability of Products, Appealing Promotions and Value for Money⁸
- Convenience sales grew by six per cent, with our highest ever customer satisfaction scores reflecting a positive customer response to our Aldi Price Match commitment⁹. We continue to invest to better serve distinct customer missions, increasing the amount of space allocated to fresh food and enhancing our food to go offer

- Groceries Online sales increased six per cent year-on-year, reflecting growth in both orders and basket size as well as improved customer satisfaction scores¹⁰, supported by continued very strong OnDemand sales growth
- We are making good progress with our 'More for More' plan to rebalance space in our supermarkets towards Food, completing investments in 21 stores in the quarter. We continue to expect benefits to build through the second half of the financial year. We additionally opened seven new convenience stores and two new supermarkets in the quarter, both of which are performing ahead of expectations
- We are proud to have partnered with three other major supermarkets, as part of the Alliance Food Sourcing coalition, to launch the *Let's make a meal of it* campaign - bringing together the retail industry to help tackle food poverty by working to identify and secure more sources of surplus food and raise money for FareShare
- Tu Clothing sales grew eight per cent, outperforming the market¹¹, driven by improved design and strong availability. Womenswear delivered the biggest growth, up 13 per cent, with strong seasonal performance in the warmer weather

Loyalty everyone loves: Customers love the benefits of our Nectar loyalty programme and we are focused on further enhancing our unique personalisation capabilities to optimise value delivery for Sainsbury's customers, driving continued improvements in value perception scores⁶. As we advance this technology, we're leveraging these skills across the Nectar coalition of brands and are investing at scale to accelerate our Nectar360 retail media business.

- Our popular Nectar Prices are now available on over 9,000 products, driving consistently high Nectar participation as more and more customers use Nectar when they shop with us. We're leading the way in personalisation, with more than one million customers already accessing personalised savings each week through Your Nectar Prices, currently available on SmartShop and Online. We are going further to scale this offer, making it even easier for customers to access the offers tailored to them and are working to generate up to 500 million personalised offers each week
- We will launch our new unified retail media platform Nectar360 Pollen later this year. Revolutionising how more than 900 brands and agencies run omnichannel retail media campaigns, the platform will be a one-stop shop to access the full potential of our retail media network. Designed in-house and powered by customer insight and AI, the platform will be the most advanced of its kind in the UK when it launches later this year. Our Nectar360 clients will soon be able to plan, book and activate their retail media investment across Sainsbury's and Argos through one platform, unlocking more impactful campaigns driven by market-leading measurement capabilities
- Setting a new standard for transparency, consistency and accountability, Nectar360 is on track to become one of the first two businesses to be certified under IAB Europe's new Retail Media Certification programme

More Argos, more often: Argos sales grew ahead of a subdued, highly competitive and deflationary general merchandise market¹², helped by warm and dry weather against a weak comparative. We are making good progress with our More Argos, more often strategy, focused on driving frequency of visit and basket size, with strong customer traffic and volume growth in the first quarter.

- Improvements to customers' digital journeys are delivering a more tailored and personalised experience on our website and on our app, driving an increase in app participation and strong online growth. This has been partially offset by instore sales declines as we near the end of the impact of our store closure programme
- Customers continue to spend carefully and we have strengthened our value proposition across key categories and best sellers. Higher value perception scores¹³ have additionally been boosted by the popular Big Red promotional events and we have launched a new marketing campaign, The A List, to showcase our premium brands and trending products
- Product availability continues to improve and we have further expanded our stockless ranges, with new supplier direct fulfilled products from the likes of Bosch, Decathlon and Hisense. Alongside this, we are making good progress in delivering sharper product curation through consolidating our 27 own brands to seven refreshed and distinctive brands
- Investment in the customer proposition is being supported by transformation activity focused on reducing fulfilment costs, tighter stock management and further optimisation of our store operating model

Save and invest to win: We are confident in delivering £1 billion of cost savings by March 2027, investing in high-returning activity across the customer proposition, productivity, operations and technology stability and resilience.

- Self-service participation has continued to grow and we delivered record SmartShop participation in the quarter, delivering further cost savings. We are making good progress with the next phase of our front-end transformation, investing to improve the functionality of SmartShop handsets, including trials of Pay on Handset and product finding functionality
- We have made good progress implementing the propositional changes in supermarkets that we announced in January. This is delivering improvements in product quality and customer proposition alongside cost savings and conversion of backwall food service space into additional food selling area
- We are already benefiting from recent changes to management structures in our store support centres, reducing cost and driving faster decision making and delivery

Sales performance (exc. VAT)

Please note that all sales performance numbers in the tables below have been re-presented on an exclusive of VAT basis. Previously, sales performance had been disclosed on an inclusive of VAT basis.

Like-for-like sales performance	2024/25				2025/26
	Q1	Q2	Q3	Q4	Q1
Like-for-like sales (exc. fuel)	2.9%	4.3%	2.9%	4.0%	4.7%
Like-for-like sales (inc. fuel)	2.6%	2.2%	0.3%	2.6%	2.2%

Total sales performance (%)	2024/25				2025/26
	Q1	Q2	Q3	Q4	Q1
Sainsbury's	4.3%	5.2%	3.8%	4.2%	4.9%
Grocery	4.9%	5.5%	4.2%	4.1%	5.0%
GM (Sainsbury's) + Clothing	(4.5)%	2.0%	(0.4)%	6.4%	4.2%
Argos	(7.7)%	(1.4)%	(1.4)%	1.9%	4.4%
Total Retail (exc. fuel)	2.6%	4.3%	2.9%	3.9%	4.9%
Fuel	0.4%	(10.6)%	(17.4)%	(6.8)%	(13.6)%
Total Retail (inc. fuel)	2.3%	2.2%	0.3%	2.5%	2.4%

Total sales performance (£m)	2024/25				2025/26
	Q1	Q2	Q3	Q4	Q1
Sainsbury's	7,430	5,497	8,040	3,690	7,797
Grocery	6,994	5,155	7,426	3,484	7,342
GM (Sainsbury's) + Clothing	437	342	614	206	455
Argos	1,077	860	1,611	548	1,125
Total Retail (exc. fuel)	8,507	6,357	9,651	4,238	8,922
Fuel	1,291	894	1,117	575	1,114
Total Retail (inc. fuel)	9,798	7,251	10,768	4,813	10,037

Notes

Certain statements made in this announcement are forward-looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

A webcast presentation and live Q&A will be held at 9:15 (BST). This will be available to view on our website at the following link: <https://sainsburys-2025-26-first-quarter-trading-statement.open-exchange.net/>

A recorded copy of the Q&A call and a transcript will be available at www.about.sainsburys.co.uk/investors/results-reports-and-presentations following the event.

Sainsbury's will announce its Interim Results for the 28 weeks ending 13 September 2025 on 6 November 2025.

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Title Worldpanel by Numerator Panel (Kantar), City Read. Total Grocery, Volume market share – From Q1 16/17 to Q1 25/26, 16 weeks to 15 June 2025

¹ Worldpanel by Numerator Continuous Panel (Kantar), Total Fresh & Grocery exc. Kiosk. Primary shopper numbers growth YoY. 16 weeks to 15 June 2025 vs 16 weeks to 16 June 2024. Primary shopper is defined as any shopper who bought 40% of more of their groceries at particular retailer within the time period indicated

² Worldpanel by Numerator Continuous Panel (Kantar), Total FMCG exc. Kiosk & Tobacco. Primary shopper numbers YoY growth, 12-week rolling, trended by period to 15 June 2025

³ Worldpanel by Numerator Panel (Kantar), Total FMCG exc. Kiosk & Tobacco. Volume growth vs the Market: 5 weeks to 27 April 2025 vs 5 weeks to 7 April 2024

⁴ Worldpanel by Numerator Panel (Kantar), Total FMCG exc. Kiosk & Tobacco. Volume market share gains: 16 weeks to 15 June 2025, 16 weeks to 16 June 2024 and 16 weeks to 18 June 2023

⁵ Value Reality. Latest 4-week average Value Index data 25/26 vs 24/25 (w/c 26 May 2025 to w/c 16 June 2025, vs w/c 27 May 2024 to w/c 17 June 2024). Acuity, Internal modelling

⁶ Lettuce Know. Supermarket Value for Money customer satisfaction scores. Highest quarterly score since programme began in Q1 22/23

⁷ Worldpanel by Numerator Panel (Kantar), Total FMCG exc. Kiosk & Tobacco. Premium Own Label, sales value growth YoY: 16 weeks to 15 June 2025

⁸ Lettuce Know. Customer satisfaction scores. Q1 25/26 vs Q1 24/25

⁹ Lettuce Know. Convenience customer satisfaction scores. Highest quarterly scores since programme began in Q1 22/23

¹⁰ Lettuce Know. Groceries Online customer satisfaction scores in "Overall Satisfaction". Q1 25/26 vs Q1 24/25

¹¹ Worldpanel by Numerator Continuous Panel (Kantar), Total Clothing, Footwear and Accessories. Volume growth, 12 weeks to 25 May 2025

¹² BRC, Total NFNC exc. H&B & Stationary. Growth vs the Market: 16 weeks to 21 June 2025

¹³ Argos CSAT survey – Value for Money – Q1 25/26 vs Q1 24/25