30 June 2026

First Quarter Trading Statement for the 16 weeks to 20 June 2026

Consistently great value drives continued volume growth and market share gains

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

"Customers are looking for value now more than ever. We are consistently delivering outstanding quality at great value, so more people are choosing Sainsbury's for their big weekly shop. This has driven an encouraging start to the year with continued volume growth and market outperformance.

"We've kept our strong focus on value, with the biggest Aldi Price Match in the market, across supermarkets and convenience stores, and Nectar Prices on around 11,000 products. Leading product innovation and outstanding quality fresh food set our offer apart, with standout performances in summer favourites like berries, barbecue and deli. And we're achieving record customer satisfaction scores on availability in supermarkets and complete orders in Groceries Online, reflecting strong operational momentum. This combination is really delivering at the big customer moments and we outperformed the market at Mother's Day, Eid al Fitr, Easter and the May heatwave.

"As customers make more considered food choices, we're going further to make healthy everyday essentials more accessible and affordable, starting with fibre, fruit and veg. From new products and reformulation to clear Full on Fibre labelling on over 500 products, we're making it easier for families to choose healthier options.

"With the World Cup in full swing and an exciting summer of sport ahead, I want to say a huge thank you to all our Sainsbury's and Argos colleagues and our farmers and suppliers for showing up so well for our customers every day."

Sales Performance **Q1 - *16 weeks to 20 June 2026***	**YoY**	**£m**
Sainsbury's	3.1%	8,041
Grocery	*3.6%*	*7,603*
General Merchandise + Clothing	*(3.7)%*	*438*
Argos	(0.5)%	1,114
Total Retail (exc. fuel)	**2.7%**	**9,153**
Like-for-like sales (exc. fuel)	2.1%	

2026/27 Outlook

We will continue to make deliberate, balanced choices to sustain our strong competitive position and expect to continue to outperform the grocery market. We have had an encouraging start to the year but the impact of the conflict in the Middle East on our customers and our business remains uncertain and we continue to expect to deliver Total underlying operating profit of between £975 million and £1,075 million and Retail free cash flow of more than £500 million.

Strategic Highlights

First choice for food

We have sustained our strong competitive position[1] and outperformed the grocery market[2] through consistently delivering great value and availability while amplifying our core brand strengths in fresh healthy food, innovation, quality and service. This delivered another quarter of volume growth and market share gains[2] despite tough comparatives, with more customers choosing Sainsbury's for their big trolley, weekly shop[3].

- Consistently great value across the full basket
  - Strengthened our value position against largest key competitors[1]
  - Reflected in further strengthening of value perception[4]
  - Maintained the biggest Aldi Price Match in the market for over a year
- Continue to outperform the market in fresh food[5], with sales up 5 per cent
  - Outperformed the market during key events[6], delivering record-breaking sales in berries and burgers during the May heatwave and best-ever sales of lamb over Easter
- Outstanding quality and innovation, driving quality perception scores closer to premium competitors and extending our lead versus the rest of the market[7]
  - Launched over 380 new products, around half of which were in Taste the Difference
  - Extending our restaurant quality Discovery range to barbecue with strong early performance
  - More customers shopping Taste the Difference[8] driving continued strong growth on growth, with sales up 6 per cent

- Delivering for customers however they want to shop with us
  - Groceries Online sales up 12.5 per cent[9], supported by market leading OnDemand proposition[10]
  - Highest ever customer satisfaction scores across availability in Supermarkets and order fulfilment in Groceries Online[11]
  - Strong increase in customer satisfaction metrics for ease of finding products and ease of moving around the store, reflecting focus on improving the instore shopping trip[12]
  - Convenience stores outperformed during warm weather periods with record breaking sales in key summer categories
- Securing good food for everyone
  - Making good, healthy food easier to find, more exciting to choose and more affordable
  - Helping customers boost their fibre intake with launch of new and reformulated products as well as Full on Fibre labelling across more than 500 products, of which over 100 products included in Aldi Price Match or Nectar Prices
  - Tackling food insecurity in partnership with Comic Relief. New ambition to raise £30 million by 2030 helping us double our impact so far, to donate a total of 120 million meals to children and families across the UK since 2022
- Tu Clothing and Sainsbury's General Merchandise sales down year on year against tough comparatives
  - Tu Clothing sales down (2.1) per cent, outperforming a soft market[13], reflecting improvements to availability and style credentials[14]
  - General Merchandise sales down (6.3) per cent, primarily reflecting an ongoing programme to focus General Merchandise ranges more tightly and reduce space allocation in favour of food, improving sales and profit densities

Loyalty everyone loves

Nectar participation continues to grow, with almost 1 million more customers regularly using Digital Nectar[15], recognising the benefits of the great value they can access through our trusted Nectar loyalty programme and coalition partnerships. This is helping further accelerate the growth of our Nectar360 Retail Media business.

- Customers on average saved more than £16 on an £80+ big weekly shop with Nectar Prices in the quarter, with around 11,000 products on offer each week
- Successfully launched new partnerships with Uber and Merlin Entertainments and implemented simpler redemption experiences on the Nectar app to help families more easily access everyday value
- Well underway with onboarding clients to Nectar360 Pollen, our unified Retail Media Platform. Brands reporting more seamless omnichannel experience, stronger measurement capabilities and more relevant experiences for customers
- Early Pollen campaigns delivering strong results, with over 2.5x incremental sales impact when using multiple channels and up to 10x higher conversion rates from targeted activity

More Argos, more often

Our Argos transformation plan is driving improvements to choice, availability and service. These contributed to encouraging volume growth in the quarter, offset by the impact of subdued consumer spending on average selling price, with sales down 0.5 per cent.

- Encouraging volume growth of 2.2 per cent despite tough comparative of sustained warm and dry weather last year
  - Lower sales in core seasonal categories offset by growth in Home and Toys and benefit from strong sales of fans during the May heatwave week and large screen TV sales in the lead up to the World Cup
  - Continued year on year reduction in average selling price, with mix shift towards lower ticket items and protection of our strong value position against sustained market pricing pressure
- Dedicated Argos management team delivering transformation plan
  - Extended Supplier Direct Fulfilled range; over 5,000 new products added in Q1 with total of 26,000 products now live. On track to launch Marketplace later this financial year
  - Further strengthening digital proposition with Argos app participation now at around 30 per cent of digital sales
  - Productivity improvements through introduction of AI-led stock forecasting and route planning

Save and invest to win

We remain on track to deliver £1 billion of cost savings over the three years to March 2027, investing in technology and infrastructure to drive operational efficiency whilst improving customer experience.

- Brought together leadership of stores, supply chain and logistics, delivering availability improvement, and restructured retail management team to bring focus and dedicated channel expertise to supermarket, convenience and digital channels
- Continuing to enhance the end-to-end digital customer experience through the introduction of 'SmartLists' within the Sainsbury's app; enabling customers to create, organise and do their shopping with ease both online and in-store
- Facial recognition technology now live in over 55 stores following successful trial, with over 90 per cent of identified offenders not returning. Up to 150 further stores planned before Christmas

Sales performance (exc. VAT)

Like-for-like sales performance	2025/26				2026/27
	Q1	Q2	Q3	Q4	Q1
Like-for-like sales (exc. fuel)	4.6%	4.3%	3.4%	3.1%	2.1%
Like-for-like sales (inc. fuel)	2.2%	2.8%	2.9%	1.5%	3.9%

Total sales performance	2025/26				2026/27
	Q1	Q2	Q3	Q4	Q1
Sainsbury's	4.9%	5.5%	4.9%	4.3%	3.1%
Grocery	*5.0%*	*5.7%*	*5.4%*	*4.5%*	*3.6%*
GM (Sainsbury's) & Clothing	*4.2%*	*2.1%*	*(1.1)%*	*1.0%*	*(3.7)%*
Argos	4.0%	0.1%	(1.0)%	0.2%	(0.5)%
Total Retail (exc. fuel)	**4.8%**	**4.8%**	**3.9%**	**3.8%**	**2.7%**
Fuel[16]	(13.6)%	(7.8)%	(1.2)%	(10.1)%	17.5%
Total Retail (inc. fuel)	**2.4%**	**3.2%**	**3.4%**	**2.1%**	**4.3%**

Total sales performance (£m)	2025/26				2026/27
	Q1	Q2	Q3	Q4	Q1
Sainsbury's	7,797	5,799	8,431	3,848	8,041
Grocery	*7,342*	*5,450*	*7,824*	*3,640*	*7,603*
GM (Sainsbury's) & Clothing	*455*	*349*	*607*	*208*	*438*
Argos	1,120	861	1,595	549	1,114
Total Retail (exc. fuel)[17]	**8,915**	**6,659**	**10,022**	**4,396**	**9,153**
Fuel[16]	1,115	824	1,103	517	1,310
Total Retail (inc. fuel)[17]	**10,030**	**7,483**	**11,125**	**4,913**	**10,462**

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. They appear in a number of places throughout this announcement and include statements regarding our intentions, beliefs or current expectations and those of our officers, directors and employees concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the business we operate. 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 9:00 (BST). This will be available to view on our website at the following link: https://sainsburys-26-27-q1-trading-statement.open-exchange.net/registration

A recorded copy of the webcast and Q&A call, alongside slides and a transcript of the presentation will be available at https://corporate.sainsburys.co.uk/investors/results-reports-and-presentations/ following the event.

Sainsbury's will announce its 2026/27 Interim Results at 07:00 (BST) on 22 October 2026.

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[1] Value Reality, June 2026 vs February 2026; Acuity, internal modelling

[2] NielsenIQ EPOS, Total FMCG excl. Kiosk & Tobacco, units YoY growth and market share, 16 weeks to 20 June 2026

[3] Worldpanel by Numerator Panel, Total Fresh & Grocery excl. Kiosk & Tobacco, Main Shop Buyers YoY growth, 12 weeks to 17 May 2026

[4] CSAT Supermarket Competitor Benchmarking data – Value for Money Q1 2026/27 vs Q1 2025/26

[5] NielsenIQ EPOS, Total FMCG excl. Kiosk & Tobacco and GM, Fresh categories (Sainsbury's defined category hierarchy) Sainsbury's units growth YoY differential to the total market (incl. Sainsbury's), 16 weeks to 20 June 2026

[6] NielsenIQ EPOS, Total FMCG excl. Kiosk & Tobacco, weekly units growth YoY differential to the total market incl. Sainsbury's (event week trade adjusted)

[7] CSAT Supermarket Competitor Benchmarking data – Quality, Q1 2024/25 vs Q1 2026/27. Premium competitors – M&S and Waitrose, Rest of the market – Tesco, Asda, Morrisons, Aldi and Lidl

[8] Worldpanel by Numerator Panel, Total Fresh & Grocery excl. Kiosk, Premium Own Label tier (excl. Premium Plus tier), Buyers YoY growth, 16 weeks to 14 June 2026

[9] Groceries Online includes sales through Sainsburys.co.uk and sales through OnDemand channels serviced by supermarket and convenience locations

[10] NIQ Digital Purchases e-receipts consumer panel, On Demand market (food delivery platforms & quick commerce), value market share, 16 weeks to 20 June 2026

[11] Lettuce Know. Customer Satisfaction for Q1 2026/27 - highest quarterly score since programme began in March 2022 for Availability (Supermarkets) and Order Completeness (Groceries Online)

[12] Lettuce Know. Customer Satisfaction Supermarket scores for Ease of Finding Products and Ease of Moving Around the Store, Q1 2026/27 vs Q4 2025/26

[13] Worldpanel Fashion Panel, Total Clothing, Footwear and Accessories YoY retailer volume growth differential vs the market, 12 weeks to 24 May 2026

[14] Brand Tracking – Style, March to May 2026 vs March to May 2025

[15] Increase in digitally active Nectar users Q1 2026/27 vs Q1 2025/26

[16] Fuel sales represent sales of fuel from our Petrol Filling Stations (PFS) and sales from our Ultra Rapid Electric Vehicle charging business, Smart Charge

[17] Total Retail sales are reported after the elimination of intra-segmental revenues