

Profits up more than £300m at UK's largest supermarket

Profits at Tesco reached £2.83bn – up more than £300m from a year earlier – as the UK's largest supermarket group said it had brought down prices.

More people are shopping at [Tesco](#), due to improved product value and quality, the company said.

Profits topped £2.83bn last year, up from £2.5bn a year earlier, while the amount of money Tesco took in was also up.

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Revenue reached £68.19bn, not including VAT and fuel sales, an increase of £2.86bn from the same period a year before.

It comes after the retailer was [cleared of charges of 'greedflation'](#) – an allegation that high inflation was being used as a reason to disproportionately and unfairly raise prices, and profits as a result.

In July last year the competition regulator, the Competition and Markets Authority (CMA), said historically high [food costs](#) were not driven by weak competition among shops and rising costs had not been passed on in full to shoppers.

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Food price rises “lessened substantially”

Over the year goods, especially food, became more expensive as the rate of inflation remained above 5% for most of the year.

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Food prices in particular rose during last year – food inflation was higher than overall inflation and stood at double digits for much of 2023.

But the rate or price rises that has hit customers hard, particularly since the invasion of Ukraine, has “lessened substantially”, Tesco chief executive Ken Murphy said as the business published results for its 2023/24 financial year.

He added: “However we are conscious that things are still difficult for many customers, so we have worked hard to reduce prices and have now been the cheapest full-line grocer for well over a year”.

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On Wednesday morning the company announced it was to spend £1bn buying back shares so Tesco itself will own more of the company.

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The year before, the 2022/2023 financial year, had been described as [“incredibly tough”](#) for customers in which Tesco grappled with “unprecedented levels of inflation in the prices we have paid our suppliers for their products and the cost of running our own operations”.