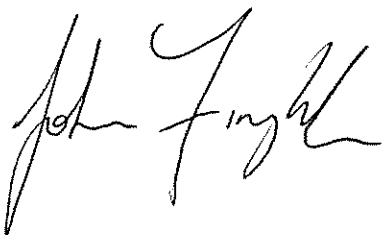


TERMS OF REFERENCE

The OFT, in exercise of its powers under section 131 of the Enterprise Act 2002, hereby makes a reference to the Competition Commission for an investigation into the supply of groceries by retailers in the United Kingdom.

The OFT has reasonable grounds for suspecting that a feature or a combination of features of the market or markets in which the reference goods are supplied prevents, restricts or distorts competition in connection with the supply of the reference goods in the United Kingdom. For the purposes of this reference:

- The expression 'groceries':
 - includes food (other than that sold for consumption in the store), pet food, drinks (alcoholic and non-alcoholic), cleaning products, toiletries and household goods
 - excludes petrol, clothing, DIY products, financial services, pharmaceuticals, newspapers magazines, greetings cards, CDs, DVDs, videos and audio tapes, toys, plants, flowers, perfumes, cosmetics, electrical appliances, kitchen hardware, gardening equipment, books, tobacco and tobacco products.



John Fingleton
Chief Executive
9 May 2006