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John Lewis plc
31 October 2016

Announcement of increase to Early Instruction Fee

On 17 October 2016, John Lewis plc (the “**Issuer**” or “**John Lewis**”) announced invitations to holders of each series of bonds (“**Holders**”) described in the table below (together the “**Bonds**”, and each series of the Bonds a “**Series**”) to consent to certain amendments to the terms and conditions of the relevant Bonds (each such invitation a “**Consent Solicitation**” and collectively the “**Consent Solicitations**”) and distributed a consent solicitation memorandum dated 17 October 2016 (the “**Consent Solicitation Memorandum**”) and a supplemental consent solicitation memorandum dated 25 October 2016 (the “**First Supplemental Consent Solicitation Memorandum**”) in respect of the Consent Solicitations:

Details of the Bonds

Description	ISIN	Outstanding principal amount	Original Early Instruction Fee	Revised Early Instruction Fee
£275,000,000 8.375 per cent. Bonds due 2019	XS0421003665	£275,000,000	0.25%	0.375%
£300,000,000 6.125 per cent. Bonds due 2025	XS0527985583	£300,000,000	0.25%	0.45%
£300,000,000 4.250 per cent. Bonds due 2034	XS1140961563	£300,000,000	0.25%	0.50%

Second Supplemental Consent Solicitation Memorandum

Following consultation with investors, John Lewis has prepared a second supplemental consent solicitation memorandum (the “**Second Supplemental Consent Solicitation Memorandum**”) which sets out an increase in the Early Instruction Fee payable in respect of the Consent Solicitation.

Subject to the restrictions described below, Holders may obtain a copy of the Second Supplemental Consent Solicitation Memorandum from the Tabulation Agent, the contact details for which are set out below. In order to receive a copy of the Second Supplemental Consent Solicitation Memorandum, a Holder will be required to provide certain confirmations as to his or her status as a Holder. Holders are advised to read carefully the Second Supplemental Consent Solicitation Memorandum.

Capitalised terms used in this announcement but not defined have the meanings given to them in the Second Supplemental Consent Solicitation Memorandum.

Amendments to the procedures for participating in the Consent Solicitations

Following consultation with investors, John Lewis has decided to increase the Early Instruction Fee payable to all Holders who vote in favour of the relevant Extraordinary Resolution prior to the Revised Early Instruction Deadline of 10.00 a.m. (London time) on Monday 7 November 2016 and who do not revoke their votes from 0.25 per cent. of the principal amount of the Bonds which are the subject of such Electronic Voting Instruction to (i) 0.375 per cent. of the 2019 Bonds, (ii) 0.45 per cent. of the 2025 Bonds and (iii) 0.50 per cent. of the 2034 Bonds which are the subject of such Electronic Voting Instruction.

Accordingly, Holders who deliver, or arrange to have delivered on their behalf, and who do not revoke, valid Electronic Voting Instructions in respect of and in favour of the relevant Extraordinary Resolution prior to 10.00 a.m. (London time) on Monday 7 November 2016 shall be eligible to receive an amount equal to (i) 0.375 per cent. of the principal amount of the 2019 Bonds which are the subject of such Electronic Voting Instruction; (ii) 0.45 per cent. of the principal amount of the 2025 Bonds which are the subject of such Electronic Voting Instruction; and (iii) 0.50 per cent. of the principal amount of the 2034 Bonds which are the subject of such Electronic Voting Instruction (each a **“Revised Early Instruction Fee”**), subject to (i) the Extraordinary Resolution in respect of the relevant Series being duly passed and the corresponding amendments to the Conditions of the relevant Series of Bonds being implemented, and (ii) the Extraordinary Resolution in respect of each other Series of Bonds being duly passed and the corresponding amendments to the Conditions of each other Series of Bonds being implemented. However, John Lewis shall have full discretion to waive condition (ii) above. Holders who (i) submit or deliver Electronic Voting Instructions after the Revised Early Instruction Deadline, (ii) submit or deliver Electronic Voting Instructions voting against the relevant Extraordinary Resolution, or (iii) otherwise vote in respect of the relevant Extraordinary Resolution other than by submission or delivery of an Electronic Voting Instruction, will not be eligible to receive the Revised Early Instruction Fee or any other Instruction Fee. No Instruction Fee other than the Revised Early Instruction Fee shall be payable in respect of the Consent Solicitations.

Holders who have, on or prior to the date of the Second Supplemental Consent Solicitation Memorandum, delivered, or have arranged to have delivered on their behalf, and who do not revoke, valid Electronic Voting Instructions in respect of and in favour of the relevant Extraordinary Resolution shall be eligible to receive the Revised Early Instruction Fee on the terms set out above and do not need to take any further action.

In accordance with the procedures set out in the Consent Solicitation Memorandum, Holders who have, on or prior to the date of the Second Supplemental Consent Solicitation Memorandum, delivered, or have arranged to have delivered on their behalf, Electronic Voting Instructions in respect of the relevant Extraordinary Resolution may revoke any such Electronic Voting Instruction and submit a further Electronic Voting Instruction in respect of the relevant Extraordinary Resolution.

Holders are advised to read carefully the Second Supplemental Consent Solicitation Memorandum for full details of, and information on the procedures for participating in, any Consent Solicitation.

Questions and requests for assistance in connection with the Consent Solicitations may be directed to the Solicitation Agents:

Solicitation Agents

HSBC Bank plc
8 Canada Square
London E14 5HQ

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP

Telephone: +44 207 992 6237
LM_EMEA@hsbc.com
Attention: Liability Management Group

Telephone: +44 207 134 2468
Email: emea_lm@jpmorgan.com
Attention: Liability Management

Tabulation Agent

Lucid Issuer Services Limited
Tankerton Works
12 Argyle Walk
London WC1H 8HA

Telephone: +44 20 7704 0880
Attention: David Shilson
Email: johnlewis@lucid-is.com

DISCLAIMER: This announcement must be read in conjunction with the Second Supplemental Consent Solicitation Memorandum. The Second Supplemental Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with respect to the Consent Solicitation. If any Holder is in any doubt as to the action it should take or is unsure of the impact of the implementation of the Proposals, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to participate in the Consent Solicitation or otherwise participate in the Proposals. None of the Issuer, the Solicitation Agents, the Tabulation Agent, the Trustee or the Principal Paying Agent makes any recommendation as to whether Holders should participate in the Consent Solicitation or otherwise participate in the Proposals.

Nothing in this announcement or the Second Supplemental Consent Solicitation Memorandum constitutes or contemplates an offer of, an offer to purchase or the solicitation of an offer to purchase or sell any security in any jurisdiction. The distribution of this announcement and the Second Supplemental Consent Solicitation Memorandum in certain jurisdictions may be restricted by law, and persons into whose possession this announcement or the Second Supplemental Consent Solicitation Memorandum comes are requested to inform themselves about, and to observe, any such restrictions.

Each Holder participating in any Consent Solicitation will be required to make certain representations. Any Electronic Voting Instruction from a Holder that is unable to make these representations will not be accepted.