

**8 September 2016**

**John Lewis plc**

**Proposed capital reduction**

John Lewis plc (the “**Company**”) is proposing, subject to shareholder approval, to repay its 5% First Cumulative Preference Stock and 7% Cumulative Preference Stock in accordance with their respective terms (the “**Proposals**”). A circular outlining the Proposals and setting out the relevant resolutions will be issued to shareholders shortly.

Assuming the Proposals are approved by shareholders, and following the repayment, the Company will no longer have any listed Cumulative Preference Stock.

Keith Hubber  
Company Secretary

*This announcement contains inside information*