

JOHN LEWIS PARTNERSHIP UNAUDITED INTERIM RESULTS
FOR THE 26 WEEKS ENDED 1 AUGUST 2026

ISSUED: 10 SEPTEMBER 2026

Investing for customers through a challenging market

- Partnership sales¹ grew by 2% to £6.3bn in the first half of the year
- Loss before tax and exceptional items² (LBTBE) was £89m, compared to £34m last year, reflecting increased investment and a more challenging economic environment
- Customer satisfaction remains strong in our brands as shoppers respond to our investments
- Investment in brands up 29% in H1 to £246m as we stepped up store modernisations
- Cash generated from operations³ was £131m, down £46m year-on-year, as we accelerated greater investment into the first half
- Liquidity remains strong at £1.4bn, with external borrowings at historic lows
- We are continuing to invest through a difficult economic environment and remain confident our investments are unlocking the commercial opportunity in our brands.

Jason Tarry, Chairman of the John Lewis Partnership, said:

“Our first-half results reflect our continued investment in our transformation, a more challenging trading environment and the increased costs of doing business. Partnership sales grew, customer satisfaction remains strong and the stores we’ve transformed are outperforming the rest of our estate. That gives us confidence in the commercial headroom for both Waitrose and John Lewis.

“We are managing the business with discipline and have chosen to keep investing in our customers, Partners and the long-term strength of our brands. While losses grew in the half, our employee-owned model allows us to take that longer-term view, supported by our financial strength. As in every year, our profit is earned in the second half so our focus now is on serving customers brilliantly through our peak trading period. I’m grateful to all our Partners for everything they continue to deliver.”

Financial and operational review

Partnership sales were up 2% to £6.3bn in the first half of the year and customer satisfaction remained strong, reflecting the enduring trust in our brands. LBTBE was £89m, compared with a £34m loss a year earlier.

Three dynamics affected financial performance in the half: deliberate choices to invest for the long term; tougher trading conditions, especially in general merchandise; and the increased costs of doing business.

¹ All references to Partnership sales or sales are Total trading sales which includes VAT, sale or return and other non-cash accounting adjustments

² Profit/loss before tax, Partnership Bonus and exceptional items (PBTBE/LBTBE). Additional detail is included in the Glossary. Partnership Bonus is £nil for the first half of 2026/27 (2025/26: £nil) and exceptional items are described on pages 12 to 13

³ Net cash generated from operating activities before Partnership Bonus, bond finance costs and BonusSave plan

Trading performance across our brands was mixed. We saw good sales momentum in Waitrose but weaker customer demand for larger discretionary purchases impacted John Lewis sales. To help mitigate this, we continued to focus on driving productivity across our business, through both margins and operating costs.

Underlying margin growth was delivered in both brands during the first half. We made deliberate choices to reinvest some of those gains in reducing prices, through direct price investment in Waitrose and targeted promotional and clearance activity in John Lewis. We also invested more in loyalty for customers, notably through Waitrose 'Little Treats'. Partnership gross margin was +20bps.

During the half we invested more in stores to improve customer experience than in recent years: accelerating our store refurbishment programme; rolling out electronic shelf edge labels; modernising technology, including automation across our supply chains; and investing in inventory management systems to improve availability and reduce waste. Alongside this we are evolving our central structures so we run a simpler head office and protect investment in stores. We'll see the benefits of these investments build through the second half.

Despite these savings, the cost of doing business increased. Operating costs grew through a combination of rising cost of employment including the annualisation of last year's National Insurance increase, continued technology modernisation and costs of managing our operations through the heatwaves to maintain levels of service for customers. We increased annual pay by £108m, maintaining our commitment to invest in our Partners. This takes increases in Partner pay to over £400m over the last four years.

Exceptional costs in the half were £35m (2025/26: £54m), primarily restructuring costs relating to head office, as well as costs associated with our Cloud technology modernisation. These take the loss before tax to £124m (2025/26: £88m).

Our strong balance sheet and cash position allow us to keep taking decisions for the long-term. Total liquidity was £1.4bn, external borrowings remained at historic lows and cash generated from operations was £131m (2025/26: £177m). We have invested £246m - up nearly 30% - and remain on course for investing around £600m this year.

Waitrose sales grew 4% to £4.3bn. Adjusted operating profit⁴ was £103m, down £7m, and operating margin was 2.6%, compared to 2.8% last year. This reflects the extra cost of running our operations through the heatwaves and a deliberate choice to increase investment in loyalty and lower prices, which positively affected customers' experience of the brand. Net Promoter Scores for our loyalty offer increased by 20 points year-on-year. In the half we invested a further £20m in permanently lower prices, and we are investing a similar amount later this month, taking our total investment since 2023 to over £180m.

⁴ Adjusted operating profit is Operating profit before exceptional items and profit/loss on property disposals

The Home of Food Lovers strategy is resonating with customers: Waitrose No.1 range sales increased 15%, online sales grew 11% and we launched over 540 new own-brand products across our ranges. We modernised 15 stores – with completed refurbishments already showing improved sales and customer satisfaction scores. Electronic shelf-edge labels reached 225 stores, freeing up Partners' time to serve customers, and we acquired three new sites, including two full-line supermarkets in Hale Barns and Cricklewood, due to open later this year. We also began work on our first South West distribution centre at Avonmouth, which will create over 550 jobs and will serve around 50 stores from early 2027. For the sixth year running, Waitrose won the Grocer 33 Customer Service Award.

John Lewis sales were £2.0bn, down 2%, as the discretionary market became more challenging. The headline sales figure also reflects more targeted promotional and clearance activity, supported by disciplined stock management, contributing to full-price sales growing by 5.5%, although we still invested more in promotions in response to the subdued market. Adjusted operating loss was £83m, compared to £53m last year, reflecting softer trading, cost growth and our decision to continue investing in the transformation of the brand.

John Lewis is in the earlier stages of that transformation, with encouraging evidence that our investment in our omnichannel offer is making a difference. Stores where we have invested are outperforming the wider estate, demonstrating the value of combining inspiring experiences and Partner expertise with a national omnichannel presence. This year's £50m store investment programme includes Glasgow, Cambridge, Leicester, Reading and Liverpool.

We introduced over 100 new brands and products, introduced a new Sport and Wellness concept and unveiled our new hospitality proposition, Platter, which will reach 32 cafés and restaurants by the end of 2027. Investments in the half paved the way for a significant refresh of the John Lewis website. Never Knowingly Undersold continues to reinforce our commitment to quality, service and competitive value and John Lewis was named Which? Retailer of the Year for the second year running.

As previously announced, Will Kernan has been appointed Managing Director of John Lewis, succeeding Peter Ruis.

John Lewis Money is part of how we give customers more reasons to choose us. It established itself as a regulated broker in the half and rolled out new panel-backed Home and Car insurance propositions, so customers get greater choice and more competitive pricing, driving long-term customer value across the Partnership.

Outlook

There is no doubt the wider economic and geopolitical landscape has weighed on our customers during the first half and we remain cautious in our outlook for the second half. As in every year, the majority of our profit is earned in the second half, and the full-year outcome will be determined by peak trading.

We are set up well for the second half. We remain focused on doing the right things for our customers and continuing to invest through the cycle. With peak ahead, we are excited about our plans across John Lewis and Waitrose and look forward to making the festive season special for all our customers.

ENQUIRIES

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A glossary of financial and non-financial terms is included on pages 26 to 28 of this document.

Consolidated income statement for the 26 weeks to 1 August 2026 (unaudited)

Notes		26 weeks to 1 August 2026	26 weeks to 26 July 2025	53 weeks to 31 January 2026
		£m	£m	£m
5, 6	Revenue	5,489	5,446	11,723
	Cost of sales	(3,781)	(3,762)	(7,995)
	Gross profit	1,708	1,684	3,728
	Other operating income	52	53	113
	Operating and administrative expenses	(1,827)	(1,774)	(3,757)
	of which:			
4	Exceptional items (net)	(35)	(54)	(120)
	Partnership Bonus	-	-	(35)
	Share of (loss)/profit of joint venture (net of tax)	-	(1)	1
5	Operating (loss)/profit	(67)	(38)	85
7	Finance costs	(75)	(71)	(146)
7	Finance income	18	21	40
	Loss before tax	(124)	(88)	(21)
8	Taxation	40	25	(22)
	Loss for the period	(84)	(63)	(43)
	(Loss)/profit before Partnership Bonus, tax and exceptional items	(89)	(34)	134

Consolidated statement of comprehensive income for the 26 weeks to 1 August 2026 (unaudited)

Notes		26 weeks to 1 August 2026	26 weeks to 26 July 2025	53 weeks to 31 January 2026
		£m	£m	£m
	Loss for the period	(84)	(63)	(43)
	Other comprehensive income/(expense):			
	Items that will not be reclassified to profit or loss:			
11	Remeasurement of defined benefit pension scheme	52	(25)	(179)
	Movement in deferred tax on pension scheme	(14)	6	45
	Items that may be reclassified subsequently to profit or loss:			
	Fair value gain/(loss) on cash flow hedges	9	(13)	(20)
	Cash flow hedge gains reclassified and reported in the consolidated income statement	(3)	-	-
	Movement in deferred tax on cash flow hedges	(2)	2	3
	Other comprehensive income/(expense) for the period	42	(30)	(151)
	Total comprehensive expense for the period	(42)	(93)	(194)

Consolidated balance sheet as at 1 August 2026 (unaudited)

Notes		1 August 2026 £m	26 July 2025 £m	31 January 2026 £m
	Non-current assets			
9	Intangible assets	294	322	292
9	Property, plant and equipment	2,844	2,754	2,809
9	Right-of-use assets	1,254	1,250	1,267
	Trade and other receivables	21	23	22
13	Derivative financial instruments	2	-	-
	Investment in and loans to joint venture	7	6	7
	Deferred tax asset	108	78	90
		4,530	4,433	4,487
	Current assets			
	Inventories	714	724	724
	Trade and other receivables	283	297	278
	Current tax receivable	18	25	10
13	Derivative financial instruments	4	4	1
	Short-term investments	235	248	194
	Cash and cash equivalents	714	806	940
		1,968	2,104	2,147
	Total assets	6,498	6,537	6,634
	Current liabilities			
13	Borrowings and overdrafts	(2)	(6)	(4)
	Trade and other payables	(1,690)	(1,668)	(1,740)
	Current tax payable	(5)	(5)	(5)
13	Lease liabilities	(162)	(161)	(158)
13	Other liabilities held at amortised costs	(2)	(2)	(2)
10	Provisions	(95)	(98)	(85)
13	Derivative financial instruments	(5)	(9)	(9)
		(1,961)	(1,949)	(2,003)
	Non-current liabilities			
13	Borrowings	(427)	(427)	(427)
	Trade and other payables	(22)	(23)	(23)
13	Lease liabilities	(1,598)	(1,638)	(1,618)
13	Other liabilities held at amortised costs	(55)	(57)	(56)
10	Provisions	(98)	(95)	(94)
13	Derivative financial instruments	(1)	(1)	(1)
11	Retirement benefit obligations	(523)	(398)	(560)
	Deferred tax liability	(5)	(5)	(5)
		(2,729)	(2,644)	(2,784)
	Total liabilities	(4,690)	(4,593)	(4,787)
	Net assets	1,808	1,944	1,847
	Equity			
	Share capital	1	1	1
	Other reserves	7	2	-
	Retained earnings	1,800	1,941	1,846
	Total equity	1,808	1,944	1,847

Consolidated statement of changes in equity for the 26 weeks to 1 August 2026 (unaudited)

Notes	Share capital	Capital redemption reserve	Capital reserve	Hedging reserve	Foreign currency translation reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 25 January 2025	1	5	1	-	-	2,023	2,030
Loss for the period	-	-	-	-	-	(63)	(63)
II Remeasurement of defined benefit pension scheme	-	-	-	-	-	(25)	(25)
Fair value loss on cash flow hedges	-	-	-	(13)	-	-	(13)
Tax on above items recognised in equity	-	-	-	2	-	6	8
Total comprehensive expense for the period	-	-	-	(11)	-	(82)	(93)
Hedging losses transferred to cost of inventory	-	-	-	7	-	-	7
Balance at 26 July 2025	1	5	1	(4)	-	1,941	1,944
Balance at 25 January 2025	1	5	1	-	-	2,023	2,030
Loss for the year	-	-	-	-	-	(43)	(43)
II Remeasurement of defined benefit pension scheme	-	-	-	-	-	(179)	(179)
Fair value loss on cash flow hedges	-	-	-	(20)	-	-	(20)
Tax on above items recognised in equity	-	-	-	3	-	45	48
Total comprehensive expense for the period	-	-	-	(17)	-	(177)	(194)
Hedging losses transferred to cost of inventory	-	-	-	11	-	-	11
Balance at 31 January 2026	1	5	1	(6)	-	1,846	1,847
Loss for the period	-	-	-	-	-	(84)	(84)
II Remeasurement of defined benefit pension scheme	-	-	-	-	-	52	52
Fair value gain on cash flow hedges	-	-	-	9	-	-	9
Cash flow hedge gain reclassified and reported in the consolidated income statement	-	-	-	(3)	-	-	(3)
Tax on above items recognised in equity	-	-	-	(2)	-	(14)	(16)
Total comprehensive income/(expense) for the period	-	-	-	4	-	(46)	(42)
Hedging losses transferred to cost of inventory	-	-	-	3	-	-	3
Balance at 1 August 2026	1	5	1	1	-	1,800	1,808

Consolidated statement of cash flows for the 26 weeks to 1 August 2026 (unaudited)

Notes		26 weeks to 1 August 2026	26 weeks to 26 July 2025	53 weeks to 31 January 2026
		£m	£m	£m
12	Cash generated from operations before Partnership Bonus	188	239	716
	Net taxation paid	(2)	(5)	(8)
	Finance costs paid on lease and other liabilities	(55)	(57)	(113)
	Net cash generated from operating activities before Partnership Bonus, bond finance costs and BonusSave plan	131	177	595
	Partnership Bonus paid	(35)	-	-
	Finance costs paid in respect of bonds and related financial instruments	-	-	(13)
	Net cash flow in relation to BonusSave plan shares	(2)	(2)	(4)
	Net cash generated from operating activities	94	175	578
	Cash flows from investing activities			
	Purchase of property, plant and equipment	(154)	(97)	(293)
	Initial direct costs on new leases	(4)	-	-
	Purchase of intangible assets	(67)	(53)	(113)
	Proceeds from sale of property, plant and equipment and intangible assets	1	-	1
	Finance income received	18	21	40
13	Cash outflow from movement in short-term investments	(41)	(95)	(41)
	Net cash used in investing activities	(247)	(224)	(406)
	Cash flows from financing activities			
	Payment of capital element of leases	(72)	(69)	(155)
	Outflow in relation to other liabilities at amortised cost	(1)	(1)	(2)
	Net cash used in financing activities	(73)	(70)	(157)
	(Decrease)/increase in net cash and cash equivalents	(226)	(119)	15
13	Net cash and cash equivalents at beginning of the period	940	925	925
	Net cash and cash equivalents at end of the period	714	806	940
	Net cash and cash equivalents comprise:			
	Cash at bank and in hand	162	168	173
	Short-term deposits	552	638	767
		714	806	940

Notes to the financial statements (unaudited)

I Basis of preparation

This condensed set of interim financial statements was approved by the Board on 9 September 2026. The condensed set of interim financial statements do not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. The condensed set of interim financial statements is unaudited and has not been reviewed by the auditor. The comparative information for the 26 weeks to, or as at, 26 July 2025 has not been audited or reviewed.

The results for the 26 weeks to 1 August 2026 have been prepared using the discrete period approach, considering the interim period as an accounting period in isolation. The tax charge is based on the effective rate estimated for the full year, which has been applied to the loss in the 26 weeks to 1 August 2026.

The Partnership's published financial statements for the 53 weeks to 31 January 2026 have been reported on by the Partnership's auditor and filed with the Registrar of Companies. The report of the auditor was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

This condensed set of interim financial statements for the 26 weeks ended 1 August 2026 has been prepared in accordance with UK-adopted IAS 34 'Interim Financial Reporting'. The condensed set of interim financial statements should be read in conjunction with the Annual Report and Accounts for the 53 weeks to 31 January 2026, which have been prepared in accordance with UK-adopted International Financial Reporting Standards (UK-adopted IFRS). Changes to significant accounting policies are described in note 2.

Going concern

In determining the appropriate basis of preparation of the condensed set of interim financial statements for the period ended 1 August 2026, the Directors are required to consider whether the Partnership can continue in operational existence for a period of at least 12 months from the approval of these financial statements. The Board has concluded that it is appropriate to adopt the going concern basis, having undertaken a rigorous assessment of the financial forecasts with specific consideration to the trading position of the Partnership. As at 1 August 2026, the Partnership had total assets less current liabilities of £4.5bn and net assets of £1.8bn. Total liquidity as at that date remains strong at £1.4bn, made up of cash and cash equivalents, short-term investments and a new, undrawn revolving credit facility (RCF) of £460m maturing in 2031. The revolving credit facility is undrawn at the balance sheet date and has not been drawn at any point since it was acquired.

The Directors have modelled a severe but plausible downside scenario ('severe downside scenario') which reflects a deeper economic downturn and under-delivery of the business plan. The modelling covers the going concern assessment period, being for the 12 month period ending September 2027. Consistent with prior periods, the Directors have further considered a longer period to January 2028 to ensure alignment with the Partnership's internal planning cycle and peak trading. For the purposes of the going concern assessment, it is assumed that all Partnership borrowings are repaid at their maturity date and that no further refinancing or funding is undertaken.

The severe downside scenario has a significant adverse impact on sales, margin, costs and cash flow: Waitrose and John Lewis continue to trade both in store and online, albeit with lower sales and margins compared to current levels. This severe downside scenario assumes a poor trading environment throughout the assessment period, as well as a reduction in gross margin against expectations across both Lines of Business, a higher impairment charge and a decrease in pension scheme assets. The impact of the severe downside adjustments has been reviewed against the Partnership's projected cash position and financial covenants.

The severe downside scenario modelled indicates that without mitigating actions, the Partnership would breach covenants attached to the RCF and syndicate term loan in 2027/28 due to the reduction in profits and net assets modelled. Without mitigations, the cash position also falls to a low of £84m in 2027/28 and the RCF of £460m remains undrawn.

1 Basis of preparation (continued)

Should the severe downside scenario occur, mitigating actions would be required to ensure that the Partnership remains liquid and financially viable. The Directors have identified available mitigations in the going concern assessment period, all within management's control, to reduce costs and optimise the Partnership's cash flow, liquidity and covenant headroom. These mitigations would only be triggered in the event of the severe downside scenario materialising. Mitigating actions include, but are not limited to, reducing investment expenditure through postponing or pausing projects and change activity, deferring or cancelling discretionary spend (including discretionary Partner benefits), and reducing marketing spend. Post mitigating actions, there would be no breaches of financial covenants and the cash low point under such a scenario would be £401m in 2027/28, with further mitigations available. If outcomes are unexpectedly significantly worse, the Directors may need to consider what additional mitigating actions are needed, for example, leveraging the value of our asset base to support liquidity.

Consequently, the Directors have concluded that the Partnership will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the condensed set of interim financial statements and therefore have prepared the financial statements on a going concern basis.

2 Accounting policies

The Partnership's results for the 26 weeks to 1 August 2026 have been prepared on a basis consistent with the Partnership's accounting policies published in the financial statements for the 53 weeks to 31 January 2026.

A number of amendments to, and the interpretation of, existing accounting standards became effective during the period, none of which have had a significant impact on the condensed interim financial statements.

3 Risks and uncertainties

The Partnership has a formal risk assessment, mitigation and monitoring process, which includes rigorous analysis of internal, external, existing and emerging risks Partnership wide. The principal risks and uncertainties affecting the Partnership were reported in the Strategic Report, set out on pages 24 to 28 of the John Lewis Partnership Annual Report and Accounts 2026, a copy of which is available on the Partnership's website www.johnlewispartnership.co.uk. There has been no change to our list of principal risks in the first half of this financial year.

Our principal risks are:

- Productivity: We cannot make sufficient improvement in our productivity levels to return Partnership financials to a position where we are not needing to make significant financial trade offs;
- Change delivery: Change does not realise the desired benefits to agreed timelines and drives unforeseen cost and consequences;
- Information security: Loss of key customer, Partner and/or commercially sensitive data leading to financial, regulatory, legal, operational and reputational issues;
- Strategic resilience: Failure of our strategy to respond to changes in the external environment sufficiently or fast enough to secure the future success of the Partnership, and/or be sufficiently clear or compelling to inspire and engage Partners;
- Regulatory non-compliance: Failure to comply with key regulatory requirements;
- Operational resilience: Inability to prevent, remedy, and recover from a major/sustained business interruption, due to a loss of key IT systems; premises (including plant/equipment) or suppliers;
- Customer experience: Customers do not receive differentiated, excellent customer service across touchpoints;
- Customer proposition: Failure to deliver profitable, market-leading propositions to inspire our customers and maintain competitive advantage;
- Partner differentiation: The responsibilities and benefits of membership are not sufficiently felt and experienced by Partners and/or do not drive a distinctive and better business in service of our purpose; and
- Ethics and Sustainability: Failure to live up to our ethics and sustainability ambition.

The economic outlook and consumer sentiment remain uncertain which may affect the pace or outcome of our business plan delivery.

4 Exceptional items

	26 weeks to 1 August 2026		26 weeks to 26 July 2025		53 weeks to 31 January 2026	
	Operating expenses £m	Taxation credit £m	Operating expenses £m	Taxation credit £m	Operating (expenses)/ income £m	Taxation credit/ (charge) £m
Strategic restructuring and redundancy programmes:						
Productivity	(24)	6	(7)	2	(18)	5
Physical estate	-	-	(2)	-	2	(4)
	(24)	6	(9)	2	(16)	1
Store impairments						
Waitrose	-	-	-	-	23	(5)
John Lewis	-	-	-	-	(19)	4
	-	-	-	-	4	(1)
Other items	-	-				
Cloud technology modernisation	(9)	2	(6)	2	(9)	2
Non-current asset write offs	-	-	(39)	7	(77)	15
Exit of Build to Rent	(2)	-	-	-	(22)	-
	(11)	2	(45)	9	(108)	17
	(35)	8	(54)	11	(120)	17

Strategic restructuring and redundancy programmes

Our refreshed strategy is focused on providing a brilliant retail experience for our customers, inspired by our Partners. During the year, a number of ongoing transformation projects which were announced in previous years have continued. These continue to be across our shop operations and central operations.

The costs incurred over the life of the change programmes outlined are significant in value and, given the level of change, they are significant in nature, therefore the Partnership considers them exceptional items to provide a more meaningful view of the Partnership's underlying business performance. The financial impacts of these programmes are detailed below.

Productivity: Improving our productivity is a key pillar of the Partnership's strategy. In the 26 week period to 1 August 2026, a charge of £(24)m (26 July 2025: £(7)m) has been recorded; which is principally the redundancy and restructuring costs from simplifying central teams and John Lewis shops. In the 53 week period to 31 January 2026, a charge of £(18)m was recorded, also principally the redundancy and restructuring costs from simplifying central teams and John Lewis shops.

Physical estate: Since 2017, we have been working on our programme of rebalancing our physical estate; this includes ensuring that the size and shape of our estate is delivering on both our customer proposition, and financial returns. We have refocused on the need to ensure our stores reflect how our customers want to shop - 'right space, right place' - and as a result we anticipate these changes will extend to 2027/28.

There were no costs for the 26 week period to 1 August 2026 (26 July 2025: £(2)m). For the 53 week period to 31 January 2026, a net credit of £2m principally related to a gain on the exit of a retail property lease, offset by costs associated with the closure of a customer delivery hub and a distribution centre.

Store impairments - Waitrose: In the 26 week period to 1 August 2026, no impairment charge or release was recognised (26 July 2025: £nil, 31 January 2026: £23m net release).

4 Exceptional items (continued)

Store impairments - John Lewis: In the 26 week period to 1 August 2026, no impairment charge or release was recognised (26 July 2025: £nil, 31 January 2026: £(19)m net charge).

Cloud technology modernisation: The Partnership has commenced a one-off exercise of exiting the Partnership's data centres and moving the Partnership's applications, databases and mainframe principally to the cloud. This is a three year programme and the costs principally relate to developing the hosting environment, decommissioning the data centre, dual running costs and incremental project costs. In the 26 week period to 1 August 2026, a charge of £(9)m was recorded (26 July 2025: £(6)m, 31 January 2026: £(9)m).

Non-current asset write offs: In the prior year, following a review of legacy IT assets, the Directors wrote off certain intangible assets and plant, property and equipment that no longer had any continuing value to the Partnership following the modernisation of our IT architecture including the use of software as a service. In the 26 week period to 26 July 2025 a charge of £(39)m was recorded, 31 January 2026: £(77)m. No further assets have been written off in the 26 week period to 1 August 2026.

Exit of Build to Rent: In the 26 week period to 1 August 2026 the Partnership has written off £2m (26 July 2025: £nil, 31 January 2026: £22m) of assets in the course of construction which reflects the Partnership's decision to exit from our Build to Rent property business.

5 Segmental reporting

The Partnership's reporting segments are determined based on the internal financial reporting to the chief operating decision-maker (CODM), which is the Executive Team. Our segments are: John Lewis, Waitrose and Other Partnership, (which includes John Lewis Money, Build to Rent and Enterprise). The Executive Team reviews the operating performance of our Lines of Business using two alternative performance measures: Total trading sales and Adjusted operating profit.

Total trading sales represents the full customer sales value including VAT as reported to the Partnership's Executive Team, before adjustments including 'sale or return' sales and other accounting adjustments. This measure shows the headline sales trend and is used by the Executive Team to assess the performance of our Lines of Business.

Adjusted operating profit is an alternative performance measure derived from Operating profit. It excludes exceptional items, profit or loss on disposal of assets, net interest, bonus and tax. These items are outside of the control of the segments and are a function of the Partnership decision making process.

Adjusted operating profit is calculated for each segment using a direct and indirect allocation methodology to allocate centrally incurred costs to segments. Direct costs are those costs which are directly identifiable by segments. Indirect costs are the remaining costs which are incurred centrally for multiple segments and are allocated to a segment in order to assess performance, allocate future spend and manage targetery. The allocation is apportioned to each segment based on the type of spend. It is set at the start of each yearly budget/forecasting cycle and reviewed during the year.

The Waitrose business is not subject to highly seasonal fluctuations although there is an increase in trading in the fourth quarter of the year. There is a more marked increase in the fourth quarter for the John Lewis business.

5 Segmental reporting (continued)

	Waitrose £m	John Lewis £m	Other Partnership ¹ £m	Total £m
26 weeks to 1 August 2026				
Total trading sales	4,273	2,019	-	6,292
Value added tax	(242)	(329)	-	(571)
Sale or return and other accounting adjustments	(60)	(172)	-	(232)
Revenue	3,971	1,518	-	5,489
Adjusted operating profit/(loss)²	103	(83)	(50)	(30)
Other operating expenses - exceptional items				(35)
Loss on property disposals				(2)
Operating loss				(67)
Operating profit margin ³	2.6%	(5.5)%		(0.5)%

Other segmental information:

Depreciation and amortisation ⁴	(152)	(78)	(11)	(241)
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¹ Other Partnership includes John Lewis Money, Build to Rent and Enterprise which do not require separate reporting

² Included in Adjusted operating profit/(loss) is other operating income of which £47m (split between operating segments: £23m Waitrose, £19m John Lewis and £5m Other Partnership) represents further income from customers. This is reported to the CODM separately as part of other income and expenses

³ Operating profit margin is adjusted operating profit as a percentage of revenue

⁴ This measure is also included within Adjusted operating profit

	Waitrose £m	John Lewis £m	Other Partnership ¹ £m	Total £m
26 weeks to 26 July 2025				
Total trading sales	4,124	2,069	-	6,193
Value added tax	(231)	(336)	-	(567)
Sale or return and other accounting adjustments	(29)	(151)	-	(180)
Revenue	3,864	1,582	-	5,446
Adjusted operating profit/(loss)²	110	(53)	(40)	17
Other operating expenses - exceptional items				(54)
Loss on property disposals				(1)
Operating loss				(38)
Operating profit margin ³	2.8%	(3.4)%		0.3%

Other segmental information:

Depreciation and amortisation ⁴	(143)	(101)	(4)	(248)
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¹ Other Partnership includes John Lewis Money, Build to Rent and Enterprise which do not require separate reporting

² Included in Adjusted operating profit/(loss) is other operating income of which £48m (split between operating segments: £23m Waitrose, £21m John Lewis and £4m Other Partnership) represents further income from customers. This is reported to the CODM separately as part of other income and expenses

³ Operating profit margin is adjusted operating profit as a percentage of revenue

⁴ This measure is also included within Adjusted operating profit

5 Segmental reporting (continued)

	Waitrose	John Lewis	Other Partnership ¹	Total
	£m	£m	£m	£m
53 weeks to 31 January 2026				
Total trading sales	8,559	4,888	-	13,447
Value added tax	(478)	(794)	-	(1,272)
Sale or return and other accounting adjustments	(85)	(367)	-	(452)
Revenue	7,996	3,727	-	11,723
Adjusted operating profit/(loss)²	256	58	(72)	242
Other operating expenses - exceptional items				(120)
Partnership Bonus				(35)
Loss on property disposals				(2)
Operating profit				85
Operating profit margin ³	3.2%	1.6%		2.1%

Other segmental information:

Depreciation and amortisation ⁴	(293)	(176)	(10)	(479)
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¹ Other Partnership includes John Lewis Money, Build to Rent and Enterprise which do not require separate reporting

² Included in Adjusted operating profit/(loss) is other operating income of which £96m (split between operating segments: £49m Waitrose, £45m John Lewis, and £2m Other Partnership) represents further income from customers. This is reported to the CODM separately as part of other income and expenses

³ Operating profit margin is adjusted operating profit as a percentage of revenue

⁴ This measure is also included within Adjusted operating profit

6 Revenue

Disaggregation of revenue from contracts with customers

The revenue recognition policy is unchanged from that described in the Annual Report and Accounts for the 53 weeks to 31 January 2026. We analyse our revenue between goods and services. Goods are split into four major product lines: Grocery, Home, Fashion and Technology. Services currently comprise free warranties on selected goods.

	26 weeks to 1 August 2026	26 weeks to 26 July 2025	53 weeks to 31 January 2026
	£m	£m	£m
Major product lines			
Goods			
- Grocery	3,958	3,849	7,967
- Home ¹	413	425	977
- Fashion ¹	501	526	1,251
- Technology	570	592	1,410
Services			
- Free warranty	6	7	14
Other revenue	41	47	104
	5,489	5,446	11,723

¹ Included in the revenue for Home and Fashion categories are £2m and £110m respectively (26 July 2025: £2m and £102m respectively; 31 January 2026: £4m and £245m respectively) relating to concession income from sales or return transactions.

7 Net finance costs

	26 weeks to 1 August 2026	26 weeks to 26 July 2025	53 weeks to 31 January 2026
	£m	£m	£m
Finance costs			
Finance costs in respect of borrowings and lease liabilities ¹	(60)	(61)	(121)
Net finance costs arising on defined benefit retirement and employee benefits schemes	(15)	(10)	(25)
Total finance costs	(75)	(71)	(146)
Finance income			
Finance income in respect of cash and short-term investments	18	21	40
Total finance income	18	21	40
Net finance costs	(57)	(50)	(106)

¹ Finance costs in respect of borrowings and lease liabilities include lease liabilities of £47m (26 July 2025: £47m; 31 January 2026: £95m)

Capitalised borrowing costs totalled £2m (26 July 2025: £1m; 31 January 2026: £3m) which were capitalised within intangible assets and property, plant and equipment.

8 Income taxes

Income tax credit is calculated based on management's best estimate of the full year effective tax rate based on estimated full year profits excluding any discrete items. The tax credit on discrete items at half year is calculated separately. The effective tax rate for the 26 weeks to 1 August 2026 is higher than the statutory rate of 25% primarily due to non-qualifying depreciation and other general disallowables.

9 Property, plant and equipment, Intangible assets and Right-of-use assets

	Property, plant and equipment	Intangible assets	Right-of-use assets	Total
	£m	£m	£m	£m
Net book value at 31 January 2026	2,809	292	1,267	4,368
Additions ¹	145	63	66	274
Depreciation and amortisation ²	(106)	(61)	(74)	(241)
Disposals and write-offs ³	(4)	-	(5)	(9)
Net book value at 1 August 2026	2,844	294	1,254	4,392

¹ For the period ended 1 August 2026, additions include the non-cash capital expenditure accrual on property, plant and equipment of £24m (31 January 2026: £34m) and intangible assets of £3m (31 January 2026: £8m)

² For the period ended 1 August 2026, depreciation and amortisation includes an impairment charge of £nil to right-of-use assets (31 January 2026: £26m release), £nil to land and buildings (31 January 2026: £16m charge), and £nil to fixtures and fittings (31 January 2026: £7m charge)

³ For the period ended 1 August 2026, disposals and write-offs include write-offs of £1m from property, plant and equipment (31 January 2026: £32m), £nil from intangible assets (31 January 2026: £68m) and £nil from right-of-use assets (31 January 2026: £nil)

Intangible assets primarily relate to internally developed computer software.

Right-of-use assets are recognised in relation to the Partnership's leases, representing the economic benefits of the Partnership's right to use the underlying leased assets. The Partnership's lease portfolio is principally comprised of property leases of land and buildings in relation to Waitrose and John Lewis stores, distribution centres and head offices. The Partnership also holds a number of vehicle and equipment leases and service agreements deemed to meet the definition of a lease under IFRS 16.

In accordance with IAS 36, the Partnership reviews its property, plant, intangible assets and right-of-use assets for impairment at least annually or whenever events or circumstances indicate that the value on the balance sheet may not be recoverable. The impairment review methodology is unchanged from that described in the Annual Report and Accounts for the 53 weeks to 31 January 2026.

For the 26 weeks to 1 August 2026 an assessment was completed to identify if there were any indicators for impairment of intangible assets, tangible assets or cash-generating units (CGUs). Management considered financial performance as well as macroeconomic factors. In the 26 week period to 1 August 2026, no impairment charge or release was recognised (26 July 2025: £nil, 31 January 2026: £3m release).

10 Provisions

	Long leave £m	Customer refunds £m	Insurance claims £m	Reorganisation £m	Other £m	Total £m
At 31 January 2026	(112)	(18)	(20)	(11)	(18)	(179)
Charged to income statement	(8)	(18)	(4)	(29)	(2)	(61)
Released to income statement	-	-	-	7	-	7
Utilised	6	18	4	10	2	40
At 1 August 2026	(114)	(18)	(20)	(23)	(18)	(193)
Of which:						
Current	(41)	(18)	(5)	(23)	(8)	(95)
Non-current	(73)	-	(15)	-	(10)	(98)

The Partnership has a long leave scheme, open to all Partners, which provides up to six months' paid leave after 25 years' service. There is no proportional entitlement for shorter periods of service. The provision for the liabilities under the scheme is assessed on an actuarial basis, reflecting Partners' expected service profiles, salary growth, National Insurance and overtime earnings assumptions. The discount rate applied differs from the discount rate used for the Partnership's retirement benefit obligations (note 11) as it reflects a rate appropriate to the shorter duration of the long leave liability so as to accrue the cost over Partners' service periods.

Provisions for customer refunds reflect the Partnership's expected liability for returns of goods sold, based on experience of rates of return.

The provision for insurance claims covers potential liabilities arising from claims that fall below certain thresholds. These claims relate to the Partnership's employer's, public and vehicle third-party liability insurances. The provision is recognised when there is a present obligation arising from a past event, including both reported and incurred but not reported claims as of the reporting date. The provision is calculated using independent actuarial assessments.

Provisions for reorganisation reflect restructuring and redundancy costs, principally in relation to simplifying central teams and John Lewis shops (see note 4).

Other provisions primarily include property-related costs including dilapidations provisions. Dilapidations provisions are calculated with reference to specific lease terms, where we can reliably estimate the expected cost and payment for dilapidations is probable. In making this assessment, we consider the recent history of dilapidations payments and the time horizon for any payments. The effect of discounting non-current provisions is not individually material.

11 Retirement benefit obligations

The pension scheme operated by the Partnership is the John Lewis Partnership Trust for Pensions (the Trustee). The scheme includes a defined benefit section, providing pensions and death benefits to members. All contributions to the defined benefit section of the scheme are funded by the Partnership. The defined benefit section of the scheme closed to new members and future accrual on 1 April 2020 and all active members of the scheme moved to become deferred members.

The pension scheme is subject to a full actuarial valuation every three years using assumptions agreed between the Trustee and the Partnership. The purpose of this valuation is to design a funding plan to ensure that the pension scheme has sufficient funds available to meet future benefit payments. We are in the process of finalising the valuation with the Trustee.

Scheme assets are stated at market value at 1 August 2026.

The scheme also includes a defined contribution section. Contributions to the defined contribution section of the scheme are made by both Partners and the Partnership.

11 Retirement benefit obligations (continued)

The following financial assumptions have been used:

	1 August 2026	26 July 2025	31 January 2026
Discount rate	6.36%	6.02%	5.82%
Future retail price inflation (RPI)	2.96%	2.84%	2.92%
Future consumer price inflation (CPI)	2.70%	2.54%	2.64%
Increase in pensions - in payment			
Pre-April 1997	1.89%	1.83%	1.87%
April 1997 - April 2016	2.80%	2.54%	2.77%
Post-April 2016	1.89%	1.83%	1.87%
Increase in pensions - deferred	2.70%	2.54%	2.64%

The movement in the net defined benefit liability in the period is as follows:

	26 weeks to 1 August 2026	26 weeks to 26 July 2025	53 weeks to 31 January 2026
	£m	£m	£m
Net defined benefit liability at beginning of period	(560)	(363)	(363)
Operating cost/Pension expense	(1)	(2)	(1)
Interest cost on pension liabilities	(110)	(107)	(213)
Interest income on assets	94	97	192
Contributions	2	2	4
Total gains/(losses) recognised in equity	52	(25)	(179)
Net defined benefit liability at end of period	(523)	(398)	(560)
of which:			
Total funded defined benefit liability at end of period	(511)	(385)	(547)
Defined benefit obligation for unfunded arrangements	(12)	(13)	(13)

The post-retirement mortality assumptions used in valuing the pension liabilities were based on the 'S4' (31 January 2026: 'S4'; 26 July 2025: 'S3') series standard tables. Based on scheme experience, the probability of death at each age was multiplied by 108% for males and 95% for females who were non pensioners and 101% for males and 95% for females who were pensioners (31 January 2026: 107% for males and 94% for females who were non pensioners and 100% for males and 94% for females who were pensioners; 26 July 2025: 112% for males and 95% for females who were non pensioners and 103% for males and 92% for females who were pensioners). Future improvements in life expectancy have been allowed for in line with the latest Continuous Mortality Investigation (CMI) 2025 improvements model with a smoothing parameter of 7.0 (31 January 2026: CMI 2024, smoothing parameter of 7.0) subject to a long-term trend of 1.25% (31 January 2026: 1.25%; 26 July 2025: 1.25%).

The average life expectancies assumed were as follows:

	1 August 2026		26 July 2025		31 January 2026	
	Men	Women	Men	Women	Men	Women
Average life expectancy for a 65 year old (in years)	21.7	24.1	21.2	24.1	21.6	24.1
Average life expectancy at age 65, for a 50 year old (in years)	22.1	25.2	21.5	24.9	22.0	25.1

12 Reconciliation of loss before tax to cash generated from operations before Partnership Bonus

	26 weeks to 1 August 2026	26 weeks to 26 July 2025	53 weeks to 31 January 2026
	£m	£m	£m
Loss before tax	(124)	(88)	(21)
Amortisation and write offs of intangible assets ¹	61	100	198
Depreciation and write offs of tangible assets ¹	181	188	378
Share of loss/(profit) of joint venture (net of tax)	-	1	(1)
Net finance costs	57	50	106
Partnership Bonus	-	-	35
Loss on disposal of property, plant and equipment and intangible assets	2	3	2
Decrease/(increase) in inventories	9	(2)	-
(Increase)/decrease in receivables	(4)	(3)	17
(Decrease)/increase in payables	(8)	(2)	29
Decrease in retirement benefit obligations	(1)	(1)	(3)
Increase/(decrease) in provisions	15	(7)	(24)
Cash generated from operations before Partnership Bonus	188	239	716

¹ Includes no impairment charge or release (26 July 2025: no impairment charge or release, 31 January 2026: release)

13 Analysis of net debt

	31 January 2026	Cash movements	Non-cash movements		1 August 2026
	£m	£m	Fair value gains	Other, including lease additions, terminations, modifications and reassessments	£m
Non-current assets					
Derivative financial instruments	-	-	2	-	2
	-	-	2	-	2
Current assets					
Cash and cash equivalents	940	(226)	-	-	714
Short-term investments	194	41	-	-	235
Derivative financial instruments	1	(4)	7	-	4
	1,135	(189)	7	-	953
Current liabilities					
Borrowings and overdrafts	(4)	2	-	-	(2)
Other liabilities held at amortised cost	(2)	1	-	(1)	(2)
Lease liabilities	(158)	119	-	(123)	(162)
Derivative financial instruments	(9)	4	-	-	(5)
	(173)	126	-	(124)	(171)
Non-current liabilities					
Borrowings	(431)	-	-	-	(431)
Unamortised debt transaction costs	4	-	-	-	4
Other liabilities amortised cost	(56)	-	-	1	(55)
Lease liabilities	(1,618)	-	-	20	(1,598)
Derivative financial instruments	(1)	-	-	-	(1)
	(2,102)	-	-	21	(2,081)
Total net debt	(1,140)	(63)	9	(103)	(1,297)

13 Analysis of net debt (continued)

Reconciliation of net cash flow to net debt

	26 weeks to 1 August 2026	26 weeks to 26 July 2025	53 weeks to 31 January 2026
	£m	£m	£m
(Decrease)/increase in net cash and cash equivalents in the period	(226)	(119)	15
Cash outflow from movement in short-term investments	41	95	41
Cash outflow from SIP shares	2	2	4
Cash outflow from other liabilities held at amortised cost	1	1	2
Cash outflow from movement in other net debt items	119	119	260
Cash movement in net debt for the period	(63)	98	322
Opening net debt	(1,140)	(1,217)	(1,217)
Non-cash movements in net debt for the period	(94)	(124)	(245)
Closing net debt	(1,297)	(1,243)	(1,140)

14 Management of financial risks

The principal financial risks to which the Partnership is exposed are capital and long-term funding risk, liquidity risk, interest rate risk, foreign currency risk, credit risk, and energy risk.

This condensed set of interim financial statements does not include all risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Annual Report and Accounts for the 53 weeks to 31 January 2026. During the 26 weeks to 1 August 2026, the Partnership has continued to apply the financial risk management process and policies as detailed in the Annual Report and Accounts for the 53 weeks to 31 January 2026.

Valuation techniques and assumptions applied in determining the fair value of each class of asset or liability are consistent with those used as at 31 January 2026 and reflect the current economic environment.

Fair value estimation

The different levels per the IFRS 13 fair value hierarchy have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

During the 26 weeks to 1 August 2026, there have been no transfers between any levels of the IFRS 13 fair value hierarchy and there were no reclassifications of financial assets as a result of a change in the purpose or use of those assets.

The fair value of a derivative financial instrument represents the difference between the value of the outstanding contracts at their contracted rates and a valuation calculated using the forward rates of exchange and interest rates prevailing at the balance sheet date. The fair value of the derivative financial instruments held by the Partnership are classified as Level 2 under the IFRS 13 fair value hierarchy, as all significant inputs to the valuation model used are based on observable market data and are not traded in an active market. At 1 August 2026, the net fair value of derivative financial instruments was £nil (31 January 2026: £9m liability; 26 July 2025: £6m liability).

14 Management of financial risks (continued)

The following table compares the Partnership's liabilities held at amortised cost, where there is a difference between carrying value (CV) and fair value (FV):

	1 August 2026		26 July 2025		31 January 2026	
	£m	£m	£m	£m	£m	£m
	CV	FV	CV	FV	CV	FV
Financial liabilities						
Listed bonds	(296)	(248)	(296)	(242)	(296)	(255)

The fair values of the Partnership's listed bonds have been determined by reference to market price quotations and classified as Level 1 under the IFRS 13 fair value hierarchy. For other financial assets and liabilities, there are no material differences between carrying value and fair value.

15 Capital commitments

At 1 August 2026, contracts had been entered into for future capital expenditure of £123m (31 January 2026: £40m; 26 July 2025: £99m) of which £110m (31 January 2026: £29m; 26 July 2025: £92m) relates to property, plant and equipment and £13m (31 January 2026: £11m; 26 July 2025: £7m) relates to intangible assets. At 1 August 2026, the Partnership had committed to payments totalling £21m (31 January 2026: £nil; 26 July 2025: £nil) over an average period of 15 years for leases which have been signed but have not yet commenced and are not included in lease liabilities.

16 Related party transactions

There have been no material changes to the principal subsidiaries listed in the Annual Report and Accounts for the 53 weeks to 31 January 2026. All related party transactions arise during the ordinary course of business. There were no material changes in the transactions or balances during the 26 weeks to 1 August 2026.

17 Subsequent events

There are no disclosable subsequent events.

Statement of Directors' responsibilities

The Directors confirm that to the best of their knowledge the condensed set of interim financial statements has been prepared in accordance with UK-adopted IAS 34 Interim Financial Reporting.

With the exception of Will Kernan who resigned from the Partnership Board with effect from 6 September 2026, there have been no changes to the Directors of John Lewis Partnership plc to those listed in the Partnership's 2026 Annual Report and Accounts. A list of current directors is maintained on the Partnership's website:

www.johnlewispartnership.co.uk.

For and by order of the Board



Jason Tarry, Chairman



Andy Mounsey, Chief Financial Officer

9 September 2026

GLOSSARY OF FINANCIAL AND NON-FINANCIAL TERMS

This glossary gives an explanation of financial and non-financial terms included in the results statement. Where applicable tables have been included to give a year-on-year comparison.

Adjusted net debt (not updated at half year)

The Partnership's borrowings and overdrafts, lease liabilities, derivative financial instruments less any unrestricted cash and cash equivalents, short-term deposits and investments.

	2026 £m	2025 £m
Borrowings and overdrafts	(431)	(434)
Derivative financial instruments	(9)	3
Other liabilities held at amortised cost	(58)	(60)
Lease liabilities	(1,776)	(1,804)
Cash and cash equivalents and short term investments	1,134	1,078
Net debt	(1,140)	(1,217)
Restricted cash	(15)	(14)
Adjusted net debt	(1,155)	(1,231)

Adjusted operating profit

Adjusted operating profit represents operating profits used to assess the performance of all the Lines of Business of the Partnership and to determine the allocation of resources. It excludes exceptional items, profit or loss on disposal of property, net interest, Partnership Bonus and tax.

	Waitrose £m	John Lewis £m	Other Partnership £m	Total £m
26 weeks to 1 August 2026				
Adjusted operating profit/(loss)	103	(83)	(50)	(30)
Other operating expenses - exceptional items				(35)
Loss on property disposals				(2)
Operating loss				(67)

	Waitrose £m	John Lewis £m	Other Partnership £m	Total £m
26 weeks to 26 July 2025				
Adjusted operating profit/(loss)	110	(53)	(40)	17
Other operating expenses - exceptional items				(54)
Loss on property disposals				(1)
Operating loss				(38)

Capital investment

Cash outflows in relation to additions to tangible assets (property, plant and equipment), and intangible assets (IT software) recognised on the balance sheet.

Debt ratio (not updated at half year)

The Debt ratio compares our Adjusted net debt to EBITDA. This measure is important as it provides an indication of our ability to repay our debts.

	2026 £m	2025 £m
Adjusted net debt	(1,155)	(1,231)
EBITDA	719	743
Debt ratio	1.6x	1.7x

EBITDA (not updated at half year)

Operating profit before Partnership Bonus, exceptional items, depreciation and amortisation. This measure is important to assess our Debt ratio.

	2026 £m	2025 £m
Operating profit	85	196
<i>add back</i>		
Depreciation, amortisation and write-offs	479	518
Exceptional items (net)	120	29
Partnership Bonus	35	-
EBITDA	719	743

Exceptional items

Items of income and/or expense which are significant by virtue of their size and nature are presented as exceptional items. The separate reporting of exceptional items helps to provide a better understanding of our underlying business performance.

Investment

Total investment spend includes capital investment, restructuring and redundancy costs, and lease disposal costs.

Line of Business

The Partnership's Lines of Business are Waitrose, John Lewis, John Lewis Money, Build to Rent and Enterprise. Enterprise represents the costs specific to running the Partnership, which cannot be influenced or controlled at the Line of Business level. Note 5 shows our segments are Waitrose, John Lewis and Other Partnership, where Other Partnership comprises John Lewis Money, Build to Rent and Enterprise.

Profit before tax, Partnership Bonus and exceptional items (PBTBE)

This measure is important as it allows for a comparison of underlying profit performance.

	26 weeks to 1 August 2026 £m	26 weeks to 26 July 2025 £m
Loss before tax, Partnership Bonus and exceptional items	(89)	(34)
Exceptional items	(35)	(54)
Partnership Bonus	-	-
Loss before tax	(124)	(88)

Total liquidity

The cash, short term investments and undrawn committed credit facilities we have available to us, which we can use to settle liabilities as they fall due.

Total trading sales

Total trading sales represents the full customer sales value, including VAT, that is used to assess ongoing sales performance. It is before adjustment for sale or return sales and other accounting adjustments. A reconciliation between Total trading sales and Revenue is provided below.

Reconciliation of Total trading sales to Revenue

	Waitrose £m	John Lewis £m	Partnership £m
26 weeks to 1 August 2026			
Total trading sales	4,273	2,019	6,292
<i>Deduct:</i>			
Value added tax	(242)	(329)	(571)
Sale or return and other accounting adjustments	(60)	(172)	(232)
Revenue	3,971	1,518	5,489

	Waitrose £m	John Lewis £m	Partnership £m
26 weeks to 26 July 2025			
Total trading sales	4,124	2,069	6,193
<i>Deduct:</i>			
Value added tax	(231)	(336)	(567)
Sale or return and other accounting adjustments	(29)	(151)	(180)
Revenue	3,864	1,582	5,446