

J Sainsbury plc announces adjustment of Conversion Price to holders of £250,000,000 Perpetual Subordinated Convertible Bonds

J Sainsbury plc (the "**Company**") hereby announces (the "**Notice**") to the holders of its £250,000,000 Perpetual Subordinated Convertible Bonds (ISIN: XS1268412993 / Common Code: 126841299) (the "**Bonds**").

Adjustment of Conversion Price

On 4 May 2016, the Company announced that on 8 July 2016 it would pay a final dividend of 8.1 pence per Ordinary Share to Shareholders on the register of members on the record date of 13 May 2016.

In accordance with the terms and conditions of the Bonds (the "**Conditions**"), notice is hereby given with respect to Condition 7(b)(iii)(A), which requires an adjustment to be made to the Conversion Price if the Company shall announce any Dividend to the Shareholders, provided that such adjustment (rounded down if applicable) would be equal to, or more than, 1 per cent of the Conversion Price then in effect.

The current Conversion Price is 342.9737 pence per Ordinary Share.

From and including 12 May 2016, being the Effective Date, the Conversion Price will be adjusted to 332.4921 pence per Ordinary Share. All other Conditions of the Bonds remain unchanged.

Conversion Agent

The Bank of New York Mellon, London Branch

Effective Date of Adjustment of Conversion Price

The adjustment to the Conversion Price will become effective on 12 May 2016.

Defined terms

Unless otherwise defined in this Notice, terms used in this Notice have the meanings given to them in the Conditions.

This announcement is given by:

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Contacts

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