

Tesco to close 43 stores despite better Christmas sales

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The beleaguered supermarket Tesco has said it will close 43 unprofitable stores across the UK - a "significant proportion" of which will be local convenience shops.

The firm is also shelving plans to open a further 49 new stores.

Additionally, Tesco will make cuts of £250m, and is considering closing its staff pension scheme.

However the retail giant, which has more than 3,300 stores in the UK, had a better Christmas than expected.

Sales over the holiday period were down just 0.3% on the year before, and up 0.1% if fuel sales are included.

Overall, like-for-like sales for the three months to the beginning of January were down by 2.9%.

In the previous three months, sales had dropped by 5.4%.

Tesco's chief executive, Dave Lewis, said the firm was "facing the reality of the situation," and was "seeing the benefits of listening to our customers".

Tesco also confirmed that two of its businesses - Tesco Broadband and online entertainment service Blinkbox, will be sold to TalkTalk.

It also announced that Matt Davies, the boss of Halfords Group, will take charge of Tesco's operations

in the UK and Republic of Ireland from June.

Sales at the retail giant improved in the six week Christmas period, with grocery shopping up almost 13% on last year, and online clothing sales more than doubling.