



## Tesco Property Finance 2 plc

£ 564,500,000 Secured 6.0517 per cent. Bonds due 13 October 2039

Issuer and Partnership Quarterly Report for the period covering October 2012 to January 2013

### IPD 13

Report Date	10-Jan-13
Loan Interest Payment Date	10-Jan-13
Calculation Date	08-Jan-13
Interest Payment Date	14-Jan-13

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Prepared by HSBC Bank plc acting as Cash Manager for and on behalf of Tesco Property Finance 2 plc,  
The Tesco Atrato Limited Partnership,

**1. Partnership Rent Account 69796072**

Opening Balance		0.04 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
23-Sep-09	Initial Deposit on Closing Date	5,000.00	Cr
20-Dec-12	Rent	8,414,913.00	Cr
10-Jan-13	To Partnership Transaction Account	8,414,913.00	Dr
Closing Balance		5,000.04	Cr

**2. Partnership VAT Account 69796099**

Opening Balance		1,809,134.03 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Oct-12	VAT Payment	1,654,091.97	Dr
20-Dec-12	VAT Funding	1,682,982.60	Cr
Closing Balance		1,838,024.66	Cr

**3. Partnership Transaction Account 69796080**

Opening Balance		105,762.02 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
11-Oct-12	Property Advisor Fee (Reserved)	145,000.00	CR
07-Jan-13	Credit Interest	693.50	Cr
07-Jan-13	Credit Interest	39.37	Cr
07-Jan-13	Credit Interest	325.23	Cr
10-Jan-13	Transfer from Rent	8,414,913.00	Cr
10-Jan-13	Trustee Fee	1,500.00	Dr
10-Jan-13	Ongoing Fee	26,450.00	Dr
10-Jan-13	Expenses	77,108.43	Dr
10-Jan-13	Partnership Swap payment	1,993,272.34	Cr
10-Jan-13	Partnership Debt	10,258,558.44	Dr
10-Jan-13	Property Advisor Fee	0.00	Dr
10-Jan-13	Transfer to General	0.00	Dr
Closing Balance		151,388.59	Cr

**4. General Partner Corporation Tax Reserve Account 69796115**

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
Closing Balance		0.00	Cr

**5. Partnership Pre-Enforcement Priority of Payments**

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Jan-13	<b>Partnership Available Funds</b>		
	a Rental Income		8,414,913.00
	b Funds from Issuer under Partnership Swaps		10,258,582.98
	c From Partnership VAT Account		-
	d From Partnership Disposal Proceeds Account		-
	e From Partnership Insurance Proceeds Account		-
	f Interest received by the Partnership Accounts and Rent Account		-
	g Eligible Investment Earnings by Partnership		-
	h Advance under Committed Subordinated Loan Agreement		-
	i Net proceeds of a CPO Disposal or a Mortgage Property		-
	j Net proceeds of a disposal of a Mortgage Property		-
	k Any other sums standing to the credit of the Partnership Transaction Ac		106,820.12
	<b>Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	1,500.00	
	b Issuer Security Trustee Fee, Bond Trustee, operating expenses of the Issuer (Ongoing Partnership Facility Fee)	20,700.00	
	c Partnership Operating Expenses excluding GP UK Tax	18,735.00	
	d Partnership Operator Fee	53,873.43	
	d Property Advisor Fee (Annual 25 K Jan)	-	
	d Nominees Corporate Services Provider Fee	3,000.00	
	d Nominees Holdco Corporate Services Provider Fee	1,500.00	
	d Nominees Side Letter payments	-	
	d Nominees Holdco Side Letter payments	-	
	d Account Bank Fee	-	
	d Cash Manager Fee	-	
	d Issuer Account Bank, PPA CM, CSP Fee (Ongoing Partnership Facility Fee)	5,000.00	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment	6,250.00	
	f Partnership Debt Interest	8,231,891.44	
	f Partnership Swap payment	8,265,310.64	
	g Partnership Debt Principal	2,026,667.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee (reserved amount)	145,000.00	
	k Partnership Expenses Ledger payment	138.59	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	<b>Totals</b>	<b>18,780,316.10</b>	<b>18,780,316.10</b>

**Expense Reserve Ledger - Max GBP 500,000.00**

	Date	
	10-Jan-13	6,388.59 Cr
	Balance	<u>6,388.59</u>

**6. Issuer Transaction Account 69796123**

Opening Balance		64,824.36 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
01-Nov-12	Credit interest	219.83	Cr
03-Dec-12	Credit interest	8.55	Cr
02-Jan-13	Credit interest	8.02	Cr
14-Jan-13	Swaps Receipts	1,993,272.34	Cr
14-Jan-13	Partnership Debt	10,258,558.44	Cr
14-Jan-13	Swap Pays	1,993,272.34	Dr
14-Jan-13	Ongoing Fee	25,700.00	Cr
14-Jan-13	HSBC Fee	7,700.00	Dr
14-Jan-13	Issuer Operating Expenses	18,000.00	Dr
14-Jan-13	Issuer Profit	750.00	Cr
14-Jan-13	Notes	10,258,558.43	Dr
Closing Balance		65,810.77	Cr

**7. Issuer Pre-Enforcement Priority of Payments**

Date		Funds Paid Out of account (£)	Funds Received into account (£)
14-Jan-13			
	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		8,265,310.64
	b Amounts due to Issuer in respect of Partnership Loan		10,285,008.44
	c Any amount due to Issuer under Issuer Swap Agreement		10,258,582.98
	d Interest Received by Issuer on Transaction Account		0.00
	e Eligible Investment Earnings		0.00
	<b>Issuer Pre-Enforcement Priority of Payments</b>		
	a Bond Trustee Fee	1,200.00	
	a Issuer Security Trustee Fee	1,500.00	
	b Issuer Operating Expenses	18,000.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	0.00	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	8,231,891.43	
	d Bond Principal	2,026,667.00	
	d Issuer Swap Provider	8,265,310.64	
	d Partnership Swap payment	10,258,582.98	
	e Issuer Profit	750.00	
	f Swap Subordinated Amounts	0.00	
	g Issuer Partnership Swap Termination Amount	0.00	
	h Issuer Transaction Account	0.01	
	<b>Totals</b>	<b>28,808,902.06</b>	<b>28,808,902.06</b>

## 8. Note Information

Listing Irish Stock Exchange

### Original Rating

Moody's	A3
Standard and Poor's	A-
Fitch	A-
Offered Date	23-Sep-09
Expected Maturity	13-Oct-39
Issue Amount	£564,500,000
ISIN code	XS0347919028
Interest Rate	6.0517%
Current Factor	0.963869612046058
Next Factor	0.960279413640390

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