



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 2014 to January 2015

IPD 21

Report Date	08-Jan-15
Loan Interest Payment Date	12-Jan-15
Calculation Date	08-Jan-15
Interest Payment Date	13-Jan-15

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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		0.08 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
23-Sep-09	Initial Deposit on Closing Date	5,000.00	Cr
23-Dec-14	Rent	8,883,565.31	Cr
12-Jan-15	To Partnership Transaction Account	8,883,565.31	Dr
Closing Balance		5,000.08	Cr

2. Partnership VAT Account 69796099

Opening Balance		1,870,234.26 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Oct-14	VAT Payment	1,773,763.09	Dr
23-Dec-14	VAT Funding	1,776,713.09	Cr
Closing Balance		1,873,184.26	Cr

3. Partnership Transaction Account 69796080

Opening Balance		35,934.05 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jan-15	Credit Interest	659.03	Cr
07-Jan-15	Credit Interest	15.63	Cr
07-Jan-15	Credit Interest	306.37	Cr
12-Jan-15	Transfer from Rent	8,883,565.31	Cr
12-Jan-15	Trustee Fee	1,500.00	Dr
12-Jan-15	Ongoing Fee	14,779.43	Dr
12-Jan-15	Expenses	65,668.90	Dr
12-Jan-15	Partnership Swap payment	1,532,951.84	Cr
12-Jan-15	Partnership Debt	10,258,558.26	Dr
12-Jan-15	Property Advisor Fee	0.00	Dr
12-Jan-15	Transfer to General	0.00	Dr
Closing Balance		112,925.64	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 (£)
12-Jan-15	Partnership Available Funds		
	a Rental Income		8,883,565.31
	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		981.03
	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		-
	Partnership Pre-Enforcement Priority of Payments		
	a Partnership Security Trustee Fees	1,500.00	
	b Issuer Security Trustee Fee, Bond Trustee, operating expenses of the Issuer (Ongoing Partnership Facility Fee)	9,029.43	
	c Partnership Operating Expenses excluding GP UK Tax	62,652.43	
	d Partnership Operator Fee	-	
	d Property Advisor Fee (Annual 25 K Jan)	-	
	d Nominees Corporate Services Provider Fee	2,010.98	
	d Nominees Holdco Corporate Services Provider Fee	1,005.49	
	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	7,973,206.26	
	f Partnership Swap payment	8,725,631.14	
	g Partnership Debt Principal	2,285,352.00	
	g Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee	0.00	
	k Partnership Expenses Ledger payment	70,741.59	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	Totals	19,143,129.32	19,143,129.32

Expense Reserve Ledger - Max GBP 500,000.00

Date		
	Opening Balance	35,934.04
	12-Jan-15	76,991.59 Cr
	Balance	<u>112,925.63</u>

6. Issuer Transaction Account 69796123

Opening Balance		72,441.90 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
03-Nov-14	Credit interest	137.48	Cr
01-Dec-14	Credit interest	8.35	Cr
02-Jan-15	Credit interest	9.55	Cr
13-Jan-15	Swaps Receipts	1,532,951.84	Cr
13-Jan-15	Partnership Debt	10,258,558.26	Cr
13-Jan-15	Swap Pays	1,532,951.84	Dr
13-Jan-15	Ongoing Fee	14,029.43	Cr
13-Jan-15	HSBC Fee	7,700.00	Dr
13-Jan-15	Issuer Operating Expenses	6,329.43	Dr
13-Jan-15	Issuer Profit	750.00	Cr
13-Jan-15	Notes	10,258,558.25	Dr
Closing Balance		73,347.29	Cr

7. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jan-15			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		8,725,631.14
	b Amounts due to Issuer in respect of Partnership Loan		10,273,337.69
	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
	Issuer Pre-Enforcement Priority of Payments		
	a Bond Trustee Fee	1,200.00	
	a Issuer Security Trustee Fee	1,500.00	
	b Issuer Operating Expenses	6,329.43	
	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	7,973,206.25	
	d Bond Principal	2,285,352.00	
	d Issuer Swap Provider	8,725,631.14	
	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	
	Totals	29,257,551.81	29,257,551.81

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	0.933580244464128
Next Factor	0.929531790965456

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