



## 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 January 2017 to April 2017

### IPD 30

|                            |           |
|----------------------------|-----------|
| Report Date                | 06-Apr-17 |
| Loan Interest Payment Date | 10-Apr-17 |
| Calculation Date           | 06-Apr-17 |
| Interest Payment Date      | 13-Apr-17 |

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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

| Opening Balance |                                    | 5,000.14     | Cr    |
|-----------------|------------------------------------|--------------|-------|
| DATE            | ENTRY DETAILS                      | AMOUNT (£)   | CR/DR |
| 24-Mar-17       | Rent                               | 9,093,970.75 | Cr    |
| 10-Apr-17       | To Partnership Transaction Account | 9,093,970.75 | Dr    |
| Closing Balance |                                    | 5,000.14     | Cr    |

### 2. Partnership VAT Account

| Opening Balance |               | 1,959,070.32 | Cr    |
|-----------------|---------------|--------------|-------|
| DATE            | ENTRY DETAILS | AMOUNT (£)   | CR/DR |
| 31-Jan-17       | VAT Payment   | 1,784,991.08 | Dr    |
| 24-Mar-17       | VAT Funding   | 1,819,759.65 | Cr    |
| Closing Balance |               | 1,993,838.89 | Cr    |

### 3. Partnership Transaction Account

| Opening Balance |                           | 292,799.64    | Cr    |
|-----------------|---------------------------|---------------|-------|
| DATE            | ENTRY DETAILS             | AMOUNT (£)    | CR/DR |
| 09-Jan-17       | Credit Interest           | -             | Cr    |
| 09-Jan-17       | Credit Interest           | -             | Cr    |
| 09-Jan-17       | Credit Interest           | -             | Cr    |
| 10-Jan-17       | Transfer from Rent        | 9,093,970.75  | Cr    |
| 10-Jan-17       | Trustee Fee               | 1,500.00      | Dr    |
| 10-Jan-17       | Ongoing Fee               | 16,555.64     | Dr    |
| 10-Jan-17       | Expenses                  | 22,667.44     | Dr    |
| 10-Jan-17       | Partnership Swap payment  | 1,321,545.38  | Cr    |
| 10-Jan-17       | Partnership Debt          | 10,258,558.41 | Dr    |
| 10-Jan-17       | Property Pool Manager Fee | 116,234.64    | Dr    |
| Closing Balance |                           | 292,799.64    | Cr    |

### 4. General Partner Corporation Tax Reserve Account

| 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-Apr-17 | <b>Partnership Available Funds</b>   |                               |                                 |
|           | a Rental Income  |                               | 9,093,970.75                    |
|           | 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  |                               | -                               |
|           | <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) | 2,700.00                      |                                 |
|           | c Partnership Operating Expenses excluding GP UK Tax   | 17,984.40                     |                                 |
|           | d Partnership Operator Fee   | 1,696.84                      |                                 |
|           | d Property Advisor Fee (Annual 25 K Jan)   | -                             |                                 |
|           | d Nominees Corporate Services Provider Fee   | -                             |                                 |
|           | d Nominees Holdco Corporate Services Provider Fee  | 2,986.20                      |                                 |
|           | 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)  | 13,105.64                     |                                 |
|           | d Headlease payment  | -                             |                                 |
|           | e Partnership Expenses Ledger payment  | -                             |                                 |
|           | f Partnership Debt Interest  | 7,642,513.41                  |                                 |
|           | f Partnership Swap payment   | 8,937,037.60                  |                                 |
|           | g Partnership Debt Principal   | 2,616,045.00                  |                                 |
|           | g Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)                                  | 750.00                        |                                 |
|           | i Partnership Swap Termination Amount  | -                             |                                 |
|           | j Property Pool Manager Fee  | 116,234.64                    |                                 |
|           | k Partnership Expenses Ledger payment  | -                             | 0.00                            |
|           | l Alteration Adjustment Rent   | -                             |                                 |
|           | m Committed Subordinated Loan payment  | 17,984.40                     |                                 |
|           | n Partnership Distribution Account   | -                             |                                 |
|           | <b>Totals</b>  | <b>19,370,538.13</b>          | <b>19,352,553.73</b>            |

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

|      |                       |            |       |
|------|-----------------------|------------|-------|
|      | Opening Balance       | 292,799.64 | Cr    |
| DATE | ENTRY DETAILS         | AMOUNT (£) | CR/DR |
|      | Expense ledger top-up | -          | CR    |
|      | Closing Balance       | 292,799.64 | Cr    |

## 6. Issuer Transaction Account

| Opening Balance |  | 80,110.98     | Cr    |
|-----------------|--|---------------|-------|
| DATE            | ENTRY DETAILS  | AMOUNT (£)    | CR/DR |
| 01-Feb-17       | Debit interest                                       | 910.03        | Dr    |
| 01-Dec-16       | Credit interest                                      | -             | Cr    |
| 01-Jan-16       | Credit interest                                      | -             | Cr    |
| 13-Apr-17       | Swaps Receipts                                       | 1,321,545.38  | Cr    |
| 13-Apr-17       | Partnership Debt                                     | 10,258,558.41 | Cr    |
| 13-Apr-17       | Swap Pays  | 1,321,545.38  | Dr    |
| 13-Apr-17       | Ongoing Fee  | 15,805.64     | Cr    |
| 13-Apr-17       | HSBC Fee   | 7,700.00      | Dr    |
| 13-Apr-17       | Issuer Operating Expenses                            | -             | Dr    |
| 13-Apr-17       | Issuer Profit (paid as part of Ongoing Fee)          | 750.00        | Cr    |
| 13-Apr-17       | Notes  | 10,258,558.40 | Dr    |
| 13-Oct-16       | Issuer/Issuer Holdco Corporate Services Provider Fee | 6,511.25      | Dr    |
| Closing Balance |  | 81,545.35     | Cr    |

## 7. Issuer Pre-Enforcement Priority of Payments

| Date      |  | Funds Paid Out of account (£) | Funds Received into account (£) |
|-----------|--|-------------------------------|---------------------------------|
| 13-Apr-17 |  |                               |                                 |
|           | <b>Issuer Available Funds</b>                          |                               |                                 |
|           | a Funds due to Issuer under Partnership Swap Agreement |                               | 8,937,037.60                    |
|           | b Amounts due to Issuer in respect of Partnership Loan |                               | 10,275,114.05                   |
|           | c Any amount due to Issuer under Issuer Swap Agreement |                               | 10,258,582.98                   |
|           | d Interest Received by Issuer on Transaction Account   |                               | -                               |
|           | e Eligible Investment Earnings                         |                               | -                               |
|           | <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                            | -                             |                                 |
|           | c Issuer/Issuer Holdco Corporate Services Provider Fee | 8,105.64                      |                                 |
|           | c Paying Agent Fee                                     | 500.00                        |                                 |
|           | c Account Bank Fee                                     | 750.00                        |                                 |
|           | c Cash Manager Fee                                     | 3,750.00                      |                                 |
|           | d Bond Interest  | 7,642,513.40                  |                                 |
|           | d Bond Principal                                       | 2,616,045.00                  |                                 |
|           | d Issuer Swap Provider                                 | 8,937,037.60                  |                                 |
|           | d Partnership Swap payment                             | 10,258,582.98                 |                                 |
|           | e Issuer Profit  | 750.00                        |                                 |
|           | f Swap Subordinated Amounts                            | -                             |                                 |
|           | g Issuer Partnership Swap Termination Amount           | -                             |                                 |
|           | h Issuer Transaction Account                           | -                             |                                 |
|           | <b>Totals</b>  | <b>29,470,734.62</b>          | <b>29,470,734.63</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      | 0.890225252435784 |
| Next Factor         | 0.885520869796280 |

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