



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 July 2018 to October 2018

IPD 36

Report Date	08-Oct-18
Loan Interest Payment Date	11-Oct-18
Calculation Date	08-Oct-18
Interest Payment Date	15-Oct-18

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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		-	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
27-Sep-18	Rent	9,749,497.20	Cr
11-Oct-18	To Partnership Transaction Account	9,749,497.20	Dr
Closing Balance		-	Cr

2. Partnership VAT Account

Opening Balance		1,925,404.57	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
30-Jul-18	VAT Payment	1,851,650.06	Dr
10-Oct-18	Funding	73,754.51	Dr
27-Sep-18	VAT Funding	1,948,899.41	Cr
Closing Balance		1,948,899.41	Cr

3. Partnership Transaction Account

Opening Balance		500,000.00	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
08-Oct-18	Credit Interest	2,131.83	Cr
10-Oct-18	Transfer from VAT Account	73,754.51	Cr
10-Oct-18	Transfer from Rent	9,749,497.20	Cr
10-Oct-18	Trustee Fee	1,500.00	Dr
10-Oct-18	Ongoing Fee	92,449.71	Dr
10-Oct-18	Expenses	25,730.24	Dr
10-Oct-18	Partnership Swap payment	687,326.00	Cr
10-Oct-18	Partnership Debt	10,258,558.36	Dr
10-Oct-18	Property Pool Manager Fee	200,736.46	Dr
10-Oct-18	Partnership distribution account	0.00	Dr
Closing Balance		433,734.77	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 (£)
11-Oct-18			
	Partnership Available Funds		
	a) Rental Income		9,749,497.20
	b) Funds from Issuer under Partnership Swaps		10,258,582.98
	c) From Partnership VAT Account		73,754.51
	d) From Partnership Disposal Proceeds Account		-
	e) From Partnership Insurance Proceeds Account		-
	f) Interest received by the Partnership Accounts and Rent Account		2,131.83
	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		66,265.23
	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)	86,699.71	
	c) Partnership Operating Expenses excluding GP UK Tax	24,839.35	
	d) Partnership Operator Fee	890.89	
	d) Property Advisor Fee (Annual 25 K Jan)	-	
	d) Nominees Corporate Services Provider Fee	-	
	d) Nominees Holdco Corporate Services Provider Fee	-	
	d) Nominees Side Letter payments	-	
	d) Nominees Holdco Side Letter payments	-	
	d) Account Bank Fee	-	
	d) Cash Manager Fee	-	
	Issuer Account Bank, PPA CM, CSP Fee (Ongoing Partnership Facility Fee)	5,000.00	
	d) Headlease payment	-	
	e) Partnership Expenses Ledger payment	-	
	f) Partnership Debt Interest	7,395,875.36	
	f) Partnership Swap payment	9,571,256.98	
	g) Partnership Debt Principal	2,862,683.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i) Partnership Swap Termination Amount	-	
	j) Property Pool Manager Fee	200,736.46	
	k) Partnership Expenses Ledger payment	-	
	l) Alteration Adjustment Rent	-	
	m) Committed Subordinated Loan payment	-	
	n) Partnership Distribution Account	0.00	
	Totals	20,150,231.75	20,150,231.75

Expense Reserve Ledger - Max GBP 500,000.00

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	500,000.00	Cr
	Partnership Expenses Ledger payment	-	CR
	Partnership Expenses Ledger payment	-	CR
	Closing Balance	500,000.00	Cr

6. Issuer Transaction Account

Opening Balance		83,818.27	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
01-Aug-18	Credit Interest	22.56	Cr
03-Sep-18	Credit Interest	29.75	Cr
01-Oct-18	Credit Interest	25.74	Cr
11-Oct-18	Swaps Receipts	687,326.00	Cr
15-Oct-18	Partnership Debt	10,258,558.36	Cr
15-Oct-18	Swap Pays	687,326.00	Dr
15-Oct-18	Ongoing Fee	91,699.71	Cr
15-Oct-18	HSBC Fee	7,700.00	Dr
15-Oct-18	Issuer Operating Expenses	83,999.71	Dr
15-Oct-18	Issuer Profit (paid as part of Ongoing Fee)	750.00	Cr
15-Oct-18	Notes	10,258,558.35	Dr
15-Oct-18	Issuer/Issuer Holdco Corporate Services Provider Fee	-	Dr
Closing Balance		84,646.33	Cr

7. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
15-Oct-18			
	Issuer Available Funds		
	a) Funds due to Issuer under Partnership Swap Agreement		9,571,256.98
	b) Amounts due to Issuer in respect of Partnership Loan		10,351,008.07
	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		-
	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	83,999.71	
	c) Issuer/Issuer Holdco Corporate Services Provider Fee	-	
	c) Paying Agent Fee	500.00	
	c) Account Bank Fee	750.00	
	c) Cash Manager Fee	3,750.00	
	d) Bond Interest	7,395,875.35	
	d) Bond Principal	2,862,683.00	
	d) Issuer Swap Provider	9,571,256.98	
	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	0.01	
	Totals	30,180,848.03	30,180,848.03

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	
Issue Amount	£564,500,000
ISIN code	XS0347919028
Interest Rate	6.0517%
Current Factor	0.865980749335695
Next Factor	0.860909565987600

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