



## Tesco Property Finance 1 plc

£ 430,650,000 Secured 7.6227 per cent. Bonds due 13 April 2039

Issuer and Partnership Quarterly Report for the period covering October 2010 to January 2011

### IPD 6

Report Date	11-Jan-11
Loan Interest Payment Date	10-Jan-11
Calculation Date	06-Jan-11
Interest Payment Date	13-Jan-11

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Prepared by HSBC Bank plc acting as Cash Manager for and on behalf of Tesco Property Finance 1 plc, The Tesco Blue Limited Partnership, The Teesport Limited Partnership, Tesco Blue (Nominee 1) Limited, Tesco Blue (Nominee 2) Limited, Tesco Blue (GP) Limited and Teesport (GP) Limited.

**1. Partnership Rent Account 69601986**

Opening Balance		0.02 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
23-Dec-10	Rent Received	5,595,805.00	Cr
10-Jan-11	To Partnership Transaction Account	5,595,805.00	Dr
Closing Balance		<u>0.02</u>	Cr

**2. Partnership VAT Account 69601943**

Opening Balance		11,632.13 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Sep-10	VAT Funding	979,265.90	Cr
27-Oct-10	VAT Payment	979,265.90	Dr
24-Dec-10	VAT Funding	943,550.80	Cr
Closing Balance		<u>955,182.93</u>	Cr

**3. Partnership Transaction Account 69601935**

Opening Balance		400,000.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jan-11	Credit Interest on Partnership Accounts	712.74	Cr
10-Jan-11	Credit from Partnership Rent Account	5,595,805.00	Cr
10-Jan-11	Partnership Swap	1,937,465.61	Cr
10-Jan-11	Security Trustee Fee	16,871.50	Dr
10-Jan-11	Expenses	337,321.09	Dr
10-Jan-11	Partnership Debt	6,586,547.46	Dr
10-Jan-11	Loan Advance	828,130.21	Dr
10-Jan-11	Distribution Account	0.00	Dr
Closing Balance		<u>165,113.09</u>	Cr

**4. General Partner Corporation Tax Reserve Account 69601978**

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

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Jan-11	<b>Partnership Available Funds</b>		
	a Rental Income		5,595,805.00
	b Principal from Teesport Partnership pursuant to Interpartnership Loan		-
	c Funds from Issuer under Partnership Swaps		7,414,677.67
	d Recived from Issuer Holdco Teesport Gen Partner or Tessport JPUT		
	e From Partnership VAT Account		
	f From Partnership Disposal Proceeds Account		
	g From Partnership Insurance Proceeds Account		
	h Interest received by the Partnership Accounts and Rent Account		712.74
	i Eligible Investment Earnings by Partnership		
	j Teesport Indirect Interest as notified by Teesport GP or Teesport JPUT		
	k Advance under Committed Subordinated Loan Agreement		
	l Net proceeds of a CPO Disposal or a Mortgage Property		
	m Net proceeds of a disposal of a Mortgage Property		
	n Any net proceeds of a disposal of the Teesport Indirect Interest		
	o Any other sums standing to the credit of the Partnership Transaction Ac		400,000.00
	<b>Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	3,826.39	
	b Issuer Security Trustee Fee, Bond Trustee , Issuer Operating Fee, Issuer Profit (Ongoing Partnership Facility Fee)	13,045.11	
	c Partnership Operating Expenses	41,125.00	
	c Teesport JPUT Trustee Operating Expenses	11,265.00	
	d Partnership Operator Fee	5,843.40	
	d Property Advisor Fee	-	
	d Nominees Corporate Services Provider Fee	3,000.00	
	d Nominees Holdco Corporate Services Provider Fee	1,500.00	
	d Depot Propco Corporate Services Provider Fee	-	
	d Nominees Side Letter payments	-	
	d Nominees Holdco Side Letter payments	-	
	d Account Bank Fee	-	
	d Cash Manager Fee	-	
	d Account Bank, PPA CM, Issuer CSP Fee (Ongoing Partnership Facility Fee)	8,303.41	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment	6,250.00	
	f Partnership Debt Interest	6,586,547.46	
	f Partnership Swap payment	5,477,212.06	
	g Interpartnership Loan Advance	828,130.21	
	g Partnership Debt Principal	-	
	h Partnership Swap Termination Amount	-	
	i Property Pool Manager Fee	266,284.28	
	j Partnership Expenses Ledger payment	158,863.09	
	k Alteration Adjustment Rent	-	
	k Substitution Adjustment Rent	-	
	l Committed Subordinated Loan payment	-	
	m Remaining Partnership Loan Notes payment	-	
	n Partnership Distribution Account	0.00	
	<b>Totals</b>	<b>13,411,195.41</b>	<b>13,411,195.41</b>

### 6. Teesport Rent Account 69601994

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance		0.00 Cr
23-Dec-10	Rent Received	1,322,093.50	Cr
10-Jan-11	Transfer to Transaction Account.	1,322,093.50	Dr
	Closing Balance		0.00 Cr

**7. Teesport VAT Account 69602019**

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Sep-10	VAT Funding	231,366.36	Cr
27-Oct-10	VAT Payment	231,366.36	Dr
24-Dec-10	VAT Funding	231,366.36	Cr
Closing Balance		<u>231,366.36</u>	Cr

**8. Teesport Transaction Account 69602000**

Opening Balance		100,000.01 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jan-11	Credit Interest	870.88	Cr
10-Jan-11	Credit from Teesport Partnership Rent Account	1,322,093.50	Cr
10-Jan-11	Advance from Blue	828,130.21	Cr
10-Jan-11	Swaps	460,505.70	Cr
10-Jan-11	Security Trustee Fee	3,058.19	Dr
10-Jan-11	Expenses	38,374.48	Dr
10-Jan-11	Loan Interest and Principal	2,591,033.12	Dr
10-Jan-11	Distribution Account	0.00	Dr
Closing Balance		<u>79,134.51</u>	Cr

**9. Teesport General Partner Corporation Tax Reserve Account 69602035**

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

**10. Development Reserve Account 69602043**

Opening Balance		2,312,184.95 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
20/01/10	Drawdown 7	85,769.00	Dr
10/02/10	Drawdown 8	74,574.00	Dr
Closing Balance		<u>2,151,841.95</u>	Cr

**11. Teesport Partnership Pre-Enforcement Priority of Payments**

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Jan-11	<b>Teesport Partnership Available Funds</b>		
	a Rental Income		1,322,093.50
	b Advance from Partnership to the Teesport Partnership per Interpart Loan		828,130.21
	c Funds from Issuer under Teesport Partnership Swaps		1,762,981.28
	d From Teesport Partnership VAT Account		-
	e From Teesport Partnership Disposal Proceeds Account		-
	f From Teesport Partnership Insurance Proceeds Account		-
	g Interest received by the Teesport Partnership Accounts and Rent Account		-
	h Eligible Investment Earnings by Teesport Partnership		-
	i Advance under Committed Subordinated Loan Agreement		-
	j Net proceeds of a CPO Disposal or a Mortgage Property		-
	k Net proceeds of a disposal of Teesport Distribution Centre		-
	l Any other sums standing to the credit of the Teesport Partnership		
	l Transaction Ac		100,870.89
	<b>Teesport Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	869.79	
	b Issuer Security Trustee Fee, Bond Trustee Fee Issuer Operating Fee, Issuer Profit (Ongoing Teesport Partnership Facility Fee)	3,058.19	
	c Teesport Partnership Operating Expenses	10,575.00	
	d Teesport Partnership Operator Fee	4,500.00	
	d Property Advisor Fee	-	
	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	-	
	d Issuer/Issuer Holdco CSP Fee, Paying Agent Account Bank, Cash Manager (Ongoing Teesport Partnership Facility Fee)	1,946.59	
	d Teesport Distribution Centre Ground Rent payment	-	
	e Teesport Partnership Loan Interest	1,544,099.12	
	e Teesport Partnership Swap payment	1,302,475.58	
	f Teesport Partnership Loan Principal	1,046,934.00	
	f Interpartnership Loan Principal	-	
	g Teesport Partnership Swap Termination Amount	-	
	h Property Pool Manager Fee	20,483.10	
	i Teesport Partnership Expenses Ledger payment	79,134.51	
	j Alteration Adjustment Rent	-	
	j Substitution Adjustment Rent	-	
	k Committed Subordinated Loan payment	-	
	l Teesport Partnership Distribution Account	0.00	
	<b>Totals</b>	<b>4,014,075.88</b>	<b>4,014,075.88</b>

## 12. Issuer Transaction Account 69601927

	Opening Balance		1.73 Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	From Close	32,363.90	Cr
07-Oct-09	Credit interest	12.92	Cr
13-Oct-09	Issuer Profit	6,250.00	Cr
13-Oct-09	Issuer Operating Expenses (Reserved)	46,270.00	Cr
13-Jan-10	Issuer Profit	6,250.00	Cr
07-Jan-10	Credit interest	71.51	Cr
07-Apr-10	Credit Interest	109.26	Cr
13-Apr-10	Issuer Profit	6,250.00	Cr
07-Jul-10	Credit interest	47.18	Cr
13-Jul-10	Issuer Profit	6,250.00	Cr
07-Oct-10	Credit interest	100.50	Cr
13-Oct-10	Issuer Profit	6,250.00	Cr
07-Jan-11	Credit interest	116.52	Cr
13-Jan-11	Swap	-	Cr
13-Jan-11	Loan and Debt Payments	9,177,580.58	Cr
13-Jan-11	Ongoing Fees	26,353.30	Cr
13-Jan-11	Fees of the Issuer	12,893.75	Dr
13-Jan-11	Bond Payments	9,177,580.58	Dr
13-Jan-11	Issuer Profit	6,250.00	Cr
13-Jan-11	Additional	328.45	Cr
	Closing Balance	77,545.48	Cr

## 13. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jan-11	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		5,477,212.06
	b Amounts due to Issuer in respect of Partnership Debt		6,586,547.46
	b Ongoing Partnership Facility Fee		21,348.52
	c Funds Due to Issuer under Teesport Partnership Swap Agreement		1,302,475.58
	d All amounts payable to Issuer in respect of Teesport Partnership Loan		2,591,033.12
	d Ongoing Teesport Partnership Facility Fee		5,004.78
	e Any amount due to Issuer under Issuer Swap Agreement		9,177,658.95
	f Interest Received by Issuer on Transaction Account		328.45
	g Eligible Investment Earnings		-
	<b>Issuer Pre-Enforcement Priority of Payments</b>		
	a Bond Trustee Fee	1,175.00	
	a Issuer Security Trustee Fee	1,468.75	
	b Issuer Operating Expenses (Reserved)	7,209.55	
	b Issuer Profit	6,250.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	5,250.00	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	8,130,646.58	
	d Bond Principal	1,046,934.00	
	d Issuer Swap Provider	6,779,687.64	
	d Partnership Swap payment	7,414,677.67	
	d Teesport Partnership Swap payment	1,762,981.28	
	e Issuer Swap Subordinated Amounts	-	
	f Issuer Partnership Swap Termination Amount	-	
	f Issuer Teesport Partnership Swap Termination Amount	-	
	g Issuer Transaction Account	328.45	
	<b>Totals</b>	25,161,608.92	25,161,608.92

## 14. Note Information

Listing Irish Stock Exchange

Original Rating

Moody's A3

Standard and Poor's A-

Fitch A-

Offered Date 25-Jun-09

Expected Maturity 13-Apr-39

Issue Amount £430,650,000

ISIN code XS0425412227

Interest Rate 7.6227%

Current Factor 0.990721973760594

Next Factor 0.988290918379194

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