

**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 Jun to Oct 09**

**IPD 1**

Report Date	13-Oct-09
Loan Interest Payment Date	12-Oct-09
Calculation Date	10-Oct-09
Interest Payment Date	13-Oct-09

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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		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
22-Sep-09		6,206,761.92	Cr
12-Oct-09	To Partnership Transaction Account	6,206,761.92	Dr
Closing Balance		<u>0.00</u>	Cr

**2. Partnership VAT Account 69601943**

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

**3. Partnership Transaction Account 69601935**

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Oct-09	Credit Interest on Partnership Accounts	306.09	Cr
12-Oct-09	Credit from Partnership Rent Account	6,206,761.92	Cr
Closing Balance		<u>6,207,068.01</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 (£)
	<b>Partnership Available Funds</b>		
	a Rental Income		6,206,761.92
	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		306.09
	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		
	<b>Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	1,153.70	
	b Issuer Security Trustee Fee, Bond Trustee , Issuer Operating Fee, Issuer Profit (Ongoing Partnership Facility Fee)	44,227.79	
	c Partnership Operating Expenses		
	c Teesport JPUT Trustee Operating Expenses		
	d Partnership Operator Fee	11,199.86	
	d Property Advisor Fee		
	d Nominees Corporate Services Provider Fee	4,614.80	
	d Nominees Holdco Corporate Services Provider Fee	2,307.40	
	d Depot Propco Corporate Services Provider Fee	8,625.00	
	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)	16,703.55	
	d Headlease payment		
	e Partnership Expenses Ledger payment	6,250.00	
	f Partnership Debt Interest	7,889,381.02	
	f Partnership Swap payment	5,282,037.18	
	g Interpartnership Loan Advance		
	g Partnership Debt Principal		
	h Partnership Swap Termination Amount		
	i Property Pool Manager Fee		
	j Partnership Expenses Ledger payment	355,245.38	
	k Alteration Adjustment Rent		
	k Substitution Adjustment Rent		
	l Committed Subordinated Loan payment		
	m Remaining Partnership Loan Notes payment		
	n Partnership Distribution Account		
	<b>Totals</b>	13,621,745.68	13,621,745.68

0.00

**6. Teesport Rent Account 69601994**

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
22-Sep-09		1,466,305.49	Cr
12-Oct-09		1,466,305.49	Dr
Closing Balance		<u>0.00</u>	Cr

**7. Teesport VAT Account 69602019**

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

**8. Teesport Transaction Account 69602000**

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
25-Jun-09	From Close	279,318.00	Cr
07-Jul-09	Interest	11.01	Cr
07-Jul-09	Interest	232.10	Cr
07-Oct-09	Interest	72.31	Cr
07-Oct-09	Interest	84.56	Cr
07-Oct-09	Interest	1,076.68	Cr
12-Oct-09	Credit from Teesport Partnership Rent Account	1,466,305.49	Cr
Closing Balance		<u>1,747,100.15</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		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
25-Jun-09	Development Reserve Fund	5,883,000.00	Cr
16-Jul-09	Drawdown 1	1,642,704.05	Dr
10-Aug-09	Drawdown 2	1,146,735.00	Dr
07-Sep-09	Drawdown 3	363,055.00	Dr
Closing Balance		<u>2,730,505.95</u>	Cr

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
12-Oct-09	<b>Teesport Partnership Available Funds</b>		
	a Rental Income		1,466,305.49
	b Advance from Partnership to the Teesport Partnership per Interpart Loan		
	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		
	Any other sums standing to the credit of the Teesport Partnership		
	l Transaction Ac		280,794.66
	<b>Teesport Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	283.80	
	b Issuer Security Trustee Fee, Bond Trustee Fee Issuer Operating Fee, Issuer Profit (Ongoing Teesport Partnership Facility Fee)	10,879.71	
	c Teesport Partnership Operating Expenses		
	d Teesport Partnership Operator Fee	8,625.00	
	d Property Advisor Fee		
	d Nominees Corporate Services Provider Fee	1,135.20	
	d Nominees Holdco Corporate Services Provider Fee	567.60	
	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)	4,108.95	
	d Teesport Distribution Centre Ground Rent payment		
	e Teesport Partnership Loan Interest	1,940,729.34	
	e Teesport Partnership Swap payment	1,256,085.52	
	f Teesport Partnership Loan Principal		
	f Interpartnership Loan Principal		
	g Teesport Partnership Swap Termination Amount		
	h Property Pool Manager Fee		
	i Teesport Partnership Expenses Ledger payment	100,000.00	
	j Alteration Adjustment Rent		
	j Substitution Adjustment Rent		
	k Committed Subordinated Loan payment		
	l Teesport Partnership Distribution Account	187,666.31	
	<b>Totals</b>	<b>3,510,081.43</b>	<b>3,510,081.43</b>

**12. Issuer Transaction Account 69601927**

Opening Balance		Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
25-Jun-09	Closing Funds	1,115,633.00	Dr
25-Jun-09	Closing Funds	5,883,000.00	Dr
25-Jun-09	Closing Funds	47,510,716.00	Dr
25-Jun-09	Closing Funds	77,882,968.00	Dr
25-Jun-09	Closing Funds	102,797,327.00	Dr
25-Jun-09	Closing Funds	190,042,864.00	Dr
25-Jun-09	Closing Funds	425,266,875.00	Cr
07-Jul-09	Interest	1.35	Cr
28-Sep-09	Transfer to Blue Finco 1	2,003.10	Dr
Closing Balance		32,365.25	Cr

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Oct-09	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		5,282,037.18
	b Amounts due to Issuer in respect of Partnership Debt		7,889,381.02
	b Ongoing Partnership Facility Fee		60,931.34
	c Funds Due to Issuer under Teesport Partnership Swap Agreement		1,256,085.52
	d All amounts payable to Issuer in respect of Teesport Partnership Loan		1,940,729.34
	d Ongoing Teesport Partnership Facility Fee		14,988.66
	e Any amount due to Issuer under Issuer Swap Agreement		9,177,658.95
	f Interest Received by Issuer on Transaction Account		1.35
	g Eligible Investment Earnings		
	<b>Issuer Pre-Enforcement Priority of Payments</b>		
	a Bond Trustee Fee	1,150.00	
	a Issuer Security Trustee Fee	1,437.50	
	b Issuer Operating Expenses (Reserved)	46,270.00	
	b Issuer Profit	6,250.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	15,812.50	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	9,830,110.36	
	d Bond Principal		
	d Issuer Swap Provider	6,538,122.70	
	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		1.35
	<b>Totals</b>	25,621,813.36	25,621,813.36

## 14. Note Information

Listing	Irish Stock Exchange
<u>Original Rating</u>	
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	1.00
Next Factor	1.00

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