



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 April 2016 to July 2016

IPD 26

Report Date	08-Jul-16
Loan Interest Payment Date	11-Jul-16
Calculation Date	08-Jul-16
Interest Payment Date	13-Jul-16

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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		0.14 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
23-Sep-09	Initial Deposit on Closing Date	5,000.00	Cr
22-Jun-16	Rent	8,973,824.28	Cr
11-Jul-16	To Partnership Transaction Account	8,973,824.28	Dr
Closing Balance		5,000.14	Cr

2. Partnership VAT Account 69796099

Opening Balance		1,875,978.99 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Apr-16	VAT Payment	1,767,738.10	Dr
22-Jun-16	VAT Funding	1,794,764.89	Cr
Closing Balance		1,903,005.78	Cr

3. Partnership Transaction Account 69796080

Opening Balance		163,741.74 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jul-16	Credit Interest	62.16	Cr
07-Jul-16	Credit Interest	303.56	Cr
07-Jul-16	Credit Interest	665.68	Cr
11-Jul-16	Transfer from Rent	8,973,824.28	Cr
11-Jul-16	Transfer from Partnership VAT Account	0.00	Cr
11-Jul-16	Trustee Fee	1,500.00	Dr
11-Jul-16	Ongoing Fee	8,450.00	Dr
11-Jul-16	Expenses	21,586.70	Dr
11-Jul-16	Partnership Swap payment	1,444,297.52	Cr
11-Jul-16	Partnership Debt	10,258,558.60	Dr
11-Jul-16	Property Advisor Fee	0.00	Dr
11-Jul-16	Transfer to General	0.00	Dr
Closing Balance		292,799.64	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 (£)
11-Jul-16	Partnership Available Funds		
	a Rental Income		8,973,824.28
	b Funds from Issuer under Partnership Swaps		10,258,582.98
	c From Partnership VAT Account		0.00
	d From Partnership Disposal Proceeds Account		0.00
	e From Partnership Insurance Proceeds Account		0.00
	f Interest received by the Partnership Accounts and Rent Account		1,031.40
	g Eligible Investment Earnings by Partnership		0.00
	h Advance under Committed Subordinated Loan Agreement		0.00
	i Net proceeds of a CPO Disposal or a Mortgage Property		0.00
	j Net proceeds of a disposal of a Mortgage Property		0.00
	k Any other sums standing to the credit of the Partnership Transaction Ac		0.00
	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)	2,700.00	
	c Partnership Operating Expenses excluding GP UK Tax	21,586.70	
	d Partnership Operator Fee	0.00	
	d Property Advisor Fee (Annual 25 K Jan)	0.00	
	d Nominees Corporate Services Provider Fee	0.00	
	d Nominees Holdco Corporate Services Provider Fee	0.00	
	d Nominees Side Letter payments	0.00	
	d Nominees Holdco Side Letter payments	0.00	
	d Account Bank Fee	0.00	
	d Cash Manager Fee	0.00	
	d Issuer Account Bank, PPA CM, CSP Fee (Ongoing Partnership Facility Fee)	5,000.00	
	d Headlease payment	0.00	
	e Partnership Expenses Ledger payment	6,250.00	
	f Partnership Debt Interest	7,757,745.60	
	f Partnership Swap payment	8,814,285.46	
	g Partnership Debt Principal	2,500,813.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	0.00	
	j Property Pool Manager Fee	0.00	
	k Partnership Expenses Ledger payment	122,807.90	
	l Alteration Adjustment Rent	0.00	
	m Committed Subordinated Loan payment	0.00	
	n Partnership Distribution Account	0.00	
	Totals	19,233,438.66	19,233,438.66

Expense Reserve Ledger - Max GBP 500,000.00

Date			
	Opening Balance	219,142.92	
	11-Jul-16	6,250.00	Cr
	11-Jul-16	122,807.90	Cr
	Balance	348,200.82	

6. Issuer Transaction Account 69796123

Opening Balance		77,652.18 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
02-May-16	Credit interest	94.29	Cr
01-Jun-16	Credit interest	9.59	Cr
01-Jul-16	Credit interest	9.59	Cr
13-Jul-16	Swaps Receipts	1,444,297.52	Cr
13-Jul-16	Partnership Debt	10,258,558.60	Cr
13-Jul-16	Swap Pays	1,444,297.52	Dr
13-Jul-16	Ongoing Fee	7,700.00	Cr
13-Jul-16	HSBC Fee	7,700.00	Dr
13-Jul-16	Issuer Operating Expenses	0.00	Dr
13-Jul-16	Issuer Profit (paid as part of Ongoing Fee)	750.00	Cr
13-Jul-16	Notes	10,258,558.59	Dr
Closing Balance		78,515.66	Cr

7. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jul-16			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		8,814,285.46
	b Amounts due to Issuer in respect of Partnership Loan		10,267,008.60
	c Any amount due to Issuer under Issuer Swap Agreement		10,258,582.98
	d Interest Received by Issuer on Transaction Account		113.47
	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	0.00	
	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	7,757,745.59	
	d Bond Principal	2,500,813.00	
	d Issuer Swap Provider	8,814,285.46	
	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	113.48	
	Totals	29,339,990.51	29,339,990.51

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	0.908352023029229
Next Factor	0.903921884853853

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