

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 Jan 2010 to Apr 2010****IPD 1**

Report Date	13-Apr-10
Loan Interest Payment Date	12-Apr-10
Calculation Date	08-Apr-10
Interest Payment Date	13-Apr-10

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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 69796072

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
24-Mar-10	Rent	8,701,890.21	Cr
12-Apr-10	To Partnership Transaction Account	8,701,890.21	Dr
Closing Balance		<u>0.00</u> Cr	

2. Partnership VAT Account 69796099

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Jan-10	VAT Funding	1,110,879.60	Cr
29-Jan-10	VAT Payment	1,110,879.60	Dr
Closing Balance		<u>0.00</u> Cr	

3. Partnership Transaction Account 69796080

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
11-Jan-10	Property Advisor Fee (Reserved)	25,000.00	Cr
11-Jan-10	Property Pool Manager Fee (Reserved)	63,750.00	Cr
11-Jan-10	Expense Reserve Ledger	71,322.66	Cr
07-Apr-10	Credit Interest	605.35	Cr
12-Apr-10	Transfer from Rent	8,701,890.21	Cr
12-Apr-10	Trustee Fee	1,468.75	Dr
12-Apr-10	Ongoing Fee	61,868.75	Dr
12-Apr-10	Mourants	8,812.50	Dr
12-Apr-10	Partnership Swap payment	2,984,382.20	Cr
12-Apr-10	Partnership Debt	10,258,558.63	Dr
12-Apr-10	Transfer to General	852,991.59	Dr
Closing Balance		<u>663,250.20</u> Cr	

4. General Partner Corporation Tax Reserve Account 69796115

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 (£)
12-Apr-10	Partnership Available Funds		
	a Rental Income		8,701,890.21
	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		0.00
	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		71,928.01
	Partnership Pre-Enforcement Priority of Payments		
	a Partnership Security Trustee Fees	1,468.75	
	b Issuer Security Trustee Fee, Bond Trustee, operating expenses of the Issuer (Ongoing Partnership Facility Fee)	56,118.75	
	c Partnership Operating Expenses excluding GP UK Tax	10,750.22	
	d Partnership Operator Fee	4,406.25	
	d Property Advisor Fee (Annual 25 K Jan)	0.00	
	d Nominees Corporate Services Provider Fee	2,937.50	
	d Nominees Holdco Corporate Services Provider Fee	1,468.75	
	d Nominees Side Letter payments	0.00	
	d Nominees Holdco Side Letter payments	0.00	
	d Account Bank Fee		
	d Cash Manager Fee		
	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	8,540,461.63	
	f Partnership Swap payment	7,274,200.76	
	g Partnership Debt Principal	1,718,097.00	
	h Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	0.00	
	j Property Pool Manager Fee	63,750.00	
	k Partnership Expenses Ledger payment	493,750.00	
	l Alteration Adjustment Rent	0.00	
	m Committed Subordinated Loan payment	0.00	
	n Partnership Distribution Account	852,991.59	
	Totals	19,032,401.20	19,032,401.20

Expense Reserve Ledger - Max GBP 500,000.00

Date
12-Apr-10 500,000.00 Cr

Balance 500,000.00

6. Issuer Transaction Account 69796123

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	0.00	Cr
13-Jan-10	From Close	17,364.00	Cr
13-Jan-10	Eissuer Operating Costs (Reserved)	50,996.00	Cr
13-Jan-10	Issuer Profit	750.00	Cr
01-Feb-10	Credit interest	91.77	Cr
01-Mar-10	Credit interest	7.96	Cr
01-Apr-10	Credit interest	8.51	Cr
26-Mar-10	Dividend Declared	12,501.50	Dr
13-Apr-10	Swaps Receipts	2,984,382.20	Cr
13-Apr-10	Partnership Debt	10,258,558.63	Cr
13-Apr-10	Swap Pays	2,984,382.20	Dr
13-Apr-10	Ongoing Fee	61,868.75	Cr
13-Apr-10	HSBC Fee	7,643.75	Dr
13-Apr-10	SFM Fee	0.00	Dr
13-Apr-10	Notes	10,258,558.62	Dr
	Closing Balance	110,941.75	Cr

7. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Apr-10			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		7,274,200.76
	b Amounts due to Issuer in respect of Partnership Loan		10,320,427.38
	c Any amount due to Issuer under Issuer Swap Agreement		10,258,582.98
	d Interest Received by Issuer on Transaction Account		108.24
	e Eligible Investment Earnings		0.00
	Issuer Pre-Enforcement Priority of Payments		
	a Bond Trustee Fee	1,175.00	
	a Issuer Security Trustee Fee	1,468.75	
	b Issuer Operating Expenses	53,475.00	
	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	8,540,461.62	
	d Bond Principal	1,718,097.00	
	d Issuer Swap Provider	7,274,200.76	
	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	108.25	
	Totals	27,853,319.36	27,853,319.36

14. Note Information

Listing	Irish Stock Exchange
<u>Original Rating</u>	
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	1.00000000000
Next Factor	0.99695642693

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