



## 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 January 2014 to April 2014

IPD 18

Report Date	08-Apr-14
Loan Interest Payment Date	10-Apr-14
Calculation Date	08-Apr-14
Interest Payment Date	14-Apr-14

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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		0.08 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
23-Sep-09	Initial Deposit on Closing Date	5,000.00	Cr
20-Mar-14	Rent	8,678,746.90	Cr
10-Apr-14	To Partnership Transaction Account	8,678,746.90	Dr
Closing Balance		5,000.08	Cr

**2. Partnership VAT Account 69796099**

Opening Balance		1,930,838.78 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
30-Jan-14	VAT Payment	1,703,419.72	Dr
13-Mar-14	Issuer Transaction Account	200,000.00	Dr
20-Mar-14	VAT Funding	1,735,749.39	Cr
Closing Balance		1,763,168.45	Cr

**3. Partnership Transaction Account 69796080**

11-Oct-13 Opening Balance		132,627.27 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
17-Feb-14	SFM Refund	362.70	Cr
13-Mar-14	Credit from VAT account	200,000.00	Cr
07-Apr-14	Credit Interest	750.83	Cr
07-Apr-14	Credit Interest	68.71	Cr
07-Apr-14	Credit Interest	352.97	Cr
10-Apr-14	Transfer from Rent	8,678,746.90	Cr
10-Apr-14	Trustee Fee	1,500.00	Dr
10-Apr-14	Ongoing Fee	14,819.04	Dr
10-Apr-14	Expenses	21,130.38	Dr
10-Apr-14	Partnership Swap payment	1,734,128.96	Cr
10-Apr-14	Partnership Debt	10,258,559.02	Dr
10-Apr-14	Property Advisor Fee	351,132.67	Dr
10-Apr-14	Transfer to General	0.00	Dr
Closing Balance		99,897.23	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 (£)
10-Apr-14	<b>Partnership Available Funds</b>		
	a Rental Income		8,678,746.90
	b Funds from Issuer under Partnership Swaps		10,258,582.98
	c From Partnership VAT Account		-
	d From Partnership Disposal Proceeds Account		-
	e From Partnership Insurance Proceeds Account		-
	f Interest received by the Partnership Accounts and Rent Account		-
	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		334,162.48
	<b>Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	1,500.00	
	b Issuer Security Trustee Fee, Bond Trustee, operating expenses of the Issuer (Ongoing Partnership Facility Fee)	9,069.04	
	c Partnership Operating Expenses excluding GP UK Tax	9,000.00	
	d Partnership Operator Fee	7,630.38	
	d Property Advisor Fee (Annual 25 K Jan)	-	
	d Nominees Corporate Services Provider Fee	3,000.00	
	d Nominees Holdco Corporate Services Provider Fee	1,500.00	
	d Nominees Side Letter payments	-	
	d Nominees Holdco Side Letter payments	-	
	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	-	
	e Partnership Expenses Ledger payment	6,250.00	
	f Partnership Debt Interest	8,073,872.02	
	f Partnership Swap payment	8,524,454.02	
	g Partnership Debt Principal	2,184,687.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee	351,132.67	
	k Partnership Expenses Ledger payment	93,647.23	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	<b>Totals</b>	<b>19,271,492.36</b>	<b>19,271,492.36</b>

**Expense Reserve Ledger - Max GBP 500,000.00**

	Date	
	10-Apr-14	99,897.23 Cr
	Balance	<u>99,897.23</u>

**6. Issuer Transaction Account 69796123**

Opening Balance		69,673.02 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
03-Feb-14	Credit interest	135.87	Cr
03-Mar-14	Credit interest	8.03	Cr
01-Apr-14	Credit interest	8.32	Cr
14-Apr-14	Swaps Receipts	1,734,128.96	Cr
14-Apr-14	Partnership Debt	10,258,559.02	Cr
14-Apr-14	Swap Pays	1,734,128.96	Dr
14-Apr-14	Ongoing Fee	14,069.04	Cr
14-Apr-14	HSBC Fee	7,700.00	Dr
14-Apr-14	Issuer Operating Expenses	6,369.04	Dr
14-Apr-14	Issuer Profit	750.00	Cr
14-Apr-14	Notes	10,258,559.01	Dr
Closing Balance		70,575.25	Cr

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
14-Apr-14			
	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		8,524,454.02
	b Amounts due to Issuer in respect of Partnership Loan		10,273,378.06
	c Any amount due to Issuer under Issuer Swap Agreement		10,258,582.98
	d Interest Received by Issuer on Transaction Account		0.00
	e Eligible Investment Earnings		0.00
	<b>Issuer Pre-Enforcement Priority of Payments</b>		
	a Bond Trustee Fee	1,200.00	
	a Issuer Security Trustee Fee	1,500.00	
	b Issuer Operating Expenses	6,369.04	
	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	8,073,872.01	
	d Bond Principal	2,184,687.00	
	d Issuer Swap Provider	8,524,454.02	
	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	0.01	
	<b>Totals</b>	29,056,415.06	29,056,415.06

## 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	0.945367167404783
Next Factor	0.941497039858282

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