



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 July 2016 to October 2016

IPD 28

Report Date	07-Oct-16
Loan Interest Payment Date	10-Oct-16
Calculation Date	07-Oct-16
Interest Payment Date	13-Oct-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

Opening Balance		5,000.14	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
27-Sep-16	Rent	9,093,970.75	Cr
10-Oct-16	To Partnership Transaction Account	9,093,970.75	Dr
Closing Balance		5,000.14	Cr

2. Partnership VAT Account

Opening Balance		1,903,005.78	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
25-Jul-16	VAT Payment	1,763,945.11	Dr
27-Sep-16	VAT Funding	1,819,759.65	Cr
Closing Balance		1,958,820.32	Cr

3. Partnership Transaction Account

Opening Balance		292,799.64	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jul-16	Credit Interest	31.59	Cr
07-Jul-16	Credit Interest	146.49	Cr
07-Jul-16	Credit Interest	148.09	Cr
10-Oct-16	Transfer from Rent	9,093,970.75	Cr
10-Oct-16	Transfer from Partnership VAT Account	-	Cr
10-Oct-16	Trustee Fee	1,500.00	Dr
10-Oct-16	Ongoing Fee	45,749.42	Dr
10-Oct-16	Expenses	29,938.81	Dr
10-Oct-16	Partnership Swap payment	1,321,545.38	Cr
10-Oct-16	Partnership Debt	10,258,558.17	Dr
10-Oct-16	Property Advisor Fee	80,095.90	Dr
Closing Balance		292,799.64	Cr

4. General Partner Corporation Tax Reserve Account

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-Oct-16	Partnership Available Funds		
	a Rental Income		9,093,970.75
	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		326.17
	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		-
	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)	32,700.00	
	c Partnership Operating Expenses excluding GP UK Tax	25,574.00	
	d Partnership Operator Fee	839.21	
	d Property Advisor Fee (Annual 25 K Jan)	-	
	d Nominees Corporate Services Provider Fee	-	
	d Nominees Holdco Corporate Services Provider Fee	3,525.60	
	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)	12,299.42	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment	-	
	f Partnership Debt Interest	7,719,910.17	
	f Partnership Swap payment	8,937,037.60	
	g Partnership Debt Principal	2,538,648.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee	80,095.90	
	k Partnership Expenses Ledger payment	-	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	Totals	19,352,879.90	19,352,879.90

Expense Reserve Ledger - Max GBP 500,000.00

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	292,799.64	Cr
	Closing Balance	292,799.64	Cr

6. Issuer Transaction Account

Opening Balance		78,515.65	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
01-Aug-16	Credit interest	94.35	Cr
01-Sep-16	Credit interest	0.97	Cr
01-Oct-16	Credit interest	-	Cr
13-Oct-16	Swaps Receipts	1,321,545.38	Cr
13-Oct-16	Partnership Debt	10,258,558.17	Cr
13-Oct-16	Swap Pays	1,321,545.38	Dr
13-Oct-16	Ongoing Fee	44,999.42	Cr
13-Oct-16	HSBC Fee	7,700.00	Dr
13-Oct-16	Issuer Operating Expenses	30,000.00	Dr
13-Oct-16	Issuer Profit (paid as part of Ongoing Fee)	750.00	Cr
13-Oct-16	Notes	10,258,558.17	Dr
13-Oct-16	Issuer/Issuer Holdco Corporate Services Provider Fee	7,299.42	Dr
Closing Balance		79,360.97	Cr

7. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Oct-16			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		8,937,037.60
	b Amounts due to Issuer in respect of Partnership Loan		10,304,307.59
	c Any amount due to Issuer under Issuer Swap Agreement		10,258,582.98
	d Interest Received by Issuer on Transaction Account		95.32
	e Eligible Investment Earnings		-
	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	30,000.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	7,299.42	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	7,719,910.17	
	d Bond Principal	2,538,648.00	
	d Issuer Swap Provider	8,937,037.60	
	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	95.32	
	Totals	29,500,023.49	29,500,023.49

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	0.903921884853853
Next Factor	0.899424722763507

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