

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 Oct 2009 to Jan 2010****IPD 1**

Report Date	13-Jan-10
Loan Interest Payment Date	11-Jan-10
Calculation Date	07-Jan-10
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 69796072

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
23-Sep-09	From Close	5,000.00	Cr
17-Dec-09	Rent	8,516,743.62	Cr
11-Jan-10	To Partnership Transaction Account	8,521,743.62	Dr
Closing Balance		<u>0.00</u>	Cr

2. Partnership VAT Account 69796099

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

3. Partnership Transaction Account 69796080

Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Oct-09	From Close	257,989.20	Cr
07-Jan-10	Interest	69.80	Cr
07-Jan-10	Credit Interest	791.53	Cr
11-Jan-10	Transfer from Rent	8,521,743.62	Cr
Closing Balance		<u>8,780,594.15</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 (£)
11-Jan-10	Partnership Available Funds		
	a Rental Income		8,516,743.62
	b Funds from Issuer under Partnership Swaps		10,258,582.98
	c From Partnership VAT Account		0.00
	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		0.00
	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		263,850.53
	Partnership Pre-Enforcement Priority of Payments		
	a Partnership Security Trustee Fees	1,437.50	
	b Issuer Security Trustee Fee, Bond Trustee, operating expenses of the Issuer (Ongoing Partnership Facility Fee)	53,583.50	
	c Partnership Operating Expenses excluding GP UK Tax	0.00	
	d Partnership Operator Fee	18,515.72	
	d Property Advisor Fee	25,000.00	
	d Nominees Corporate Services Provider Fee	6,058.20	
	d Nominees Holdco Corporate Services Provider Fee	3,029.10	
	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)	13,566.37	
	d Headlease payment	0.00	
	e Partnership Expenses Ledger payment	6,250.00	
	f Partnership Debt Interest	10,397,083.72	
	f Partnership Swap payment	7,274,200.76	
	g Partnership Debt Principal	0.00	
	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	393,750.00	
	l Alteration Adjustment Rent	0.00	
	m Committed Subordinated Loan payment	0.00	
	n Partnership Distribution Account	782,202.26	
	Totals	19,039,177.13	19,039,177.13

6. Issuer Transaction Account 69796123

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance		0.00 Cr
	From Close	17,364.00	Cr
01-Oct-09	Credit interest	0.61	Cr
02-Nov-09	Credit interest	2.28	Cr
01-Dec-09	Credit interest	2.07	Cr
04-Jan-10	Credit interest	2.43	Cr
	Closing Balance	<u>17,371.39</u>	Cr

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	1.00000000000

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