



## 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 2012 to July 2012

IPD 11

Report Date	10-Jul-12
Loan Interest Payment Date	10-Jul-12
Calculation Date	06-Jul-12
Interest Payment Date	13-Jul-12

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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		0.04 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
23-Sep-09	Initial Deposit on Closing Date	5,000.00	Cr
20-Jun-12	Rent	8,164,965.08	Cr
10-Jul-12	To Partnership Transaction Account	8,164,965.08	Dr
Closing Balance		5,000.04	Cr

**2. Partnership VAT Account 69796099**

Opening Balance		1,724,369.47 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
27-Apr-12	VAT Payment	1,599,218.04	Dr
20-Jun-12	VAT Funding	1,632,993.04	Cr
Closing Balance		1,758,144.47	Cr

**3. Partnership Transaction Account 69796080**

Opening Balance		136,779.32 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
11-Apr-12	Property Advisor Fee (Reserved)	0.00	Cr
09-Apr-12	Interest	874.13	Cr
10-Jul-12	Transfer from Rent	8,164,965.08	Cr
10-Jul-12	Trustee Fee	1,500.00	Dr
10-Jul-12	Ongoing Fee	8,450.00	Dr
10-Jul-12	Mourants	22,128.89	Dr
10-Jul-12	Partnership Swap payment	2,238,776.64	Cr
10-Jul-12	Partnership Debt	10,258,558.21	Dr
10-Jul-12	Property Advisor Fee	167,343.76	Dr
10-Jul-12	Transfer to General	0.00	Dr
Closing Balance		83,414.31	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-Jul-12	<b>Partnership Available Funds</b>		
	a Rental Income		8,164,965.08
	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		137,653.45
	<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)	2,700.00	
	c Partnership Operating Expenses excluding GP UK Tax	9,000.00	
	d Partnership Operator Fee	8,628.89	
	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	8,291,851.21	
	f Partnership Swap payment	8,019,806.34	
	g Partnership Debt Principal	1,966,707.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee	167,343.76	
	k Partnership Expenses Ledger payment	77,164.31	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	<b>Totals</b>	<b>18,561,201.51</b>	<b>18,561,201.51</b>

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

Date		
10-Jul-12	83,414.31	Cr
Balance	<u>83,414.31</u>	

## 6. Issuer Transaction Account 69796123

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	63,023.72	Cr
01-May-12	Credit interest	134.06	Cr
01-Jun-12	Credit interest	8.05	Cr
02-Jul-12	Credit interest	8.05	Cr
13-Jul-12	Swaps Receipts	2,238,776.64	Cr
13-Jul-12	Partnership Debt	10,258,558.21	Cr
13-Jul-12	Swap Pays	2,238,776.64	Dr
13-Jul-12	Ongoing Fee	7,700.00	Cr
13-Jul-12	HSBC Fee	7,700.00	Dr
13-Jul-12	SFM Fee	0.00	Dr
13-Jul-12	Issuer Profit	750.00	Cr
13-Jul-12	Notes	10,258,558.20	Dr
	Closing Balance	63,923.89	Cr

## 7. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jul-12			
	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		8,019,806.34
	b Amounts due to Issuer in respect of Partnership Loan		10,267,008.21
	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	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	8,291,851.20	
	d Bond Principal	1,966,707.00	
	d Issuer Swap Provider	8,019,806.34	
	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>	28,545,397.53	28,545,397.53

## 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	0.970890283436670
Next Factor	0.967406302922941

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