



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 October 2013 to January 2014

IPD 17

Report Date	08-Jan-14
Loan Interest Payment Date	10-Jan-14
Calculation Date	07-Jan-14
Interest Payment Date	13-Jan-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		0.04 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
23-Sep-09	Initial Deposit on Closing Date	5,000.00	Cr
20-Dec-13	Rent	8,678,746.88	Cr
10-Jan-14	To Partnership Transaction Account	8,678,746.88	Dr
Closing Balance		5,000.04	Cr

2. Partnership VAT Account 69796099

Opening Balance		1,929,838.78 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Oct-13	VAT Payment	1,734,749.39	Dr
20-Dec-13	VAT Funding	1,735,749.39	Cr
Closing Balance		1,930,838.78	Cr

3. Partnership Transaction Account 69796080

11-Oct-13 Opening Balance		53,289.90 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jan-14	Credit Interest	21.48	Cr
07-Jan-14	Credit Interest	337.60	Cr
07-Jan-14	Credit Interest	643.88	Cr
10-Jan-14	Transfer from Rent	8,678,746.88	Cr
10-Jan-14	Trustee Fee	1,500.00	Dr
10-Jan-14	Ongoing Fee	21,571.85	Dr
10-Jan-14	Expenses	52,910.50	Dr
10-Jan-14	Partnership Swap payment	1,734,128.96	Cr
10-Jan-14	Partnership Debt	10,258,559.09	Dr
10-Jan-14	Property Advisor Fee	0.00	Dr
10-Jan-14	Transfer to General	0.00	Dr
Closing Balance		132,627.26	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-Jan-14	Partnership Available Funds		
	a Rental Income		8,678,746.88
	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		54,292.86
	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)	15,821.85	
	c Partnership Operating Expenses excluding GP UK Tax	9,000.00	
	d Partnership Operator Fee	39,410.50	
	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	8,106,432.09	
	f Partnership Swap payment	8,524,454.02	
	g Partnership Debt Principal	2,152,127.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee (Reserved amount)	120,000.00	
	k Partnership Expenses Ledger payment	6,377.26	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	Totals	18,991,622.72	18,991,622.72

Expense Reserve Ledger - Max GBP 500,000.00

	Date	
	10-Jan-14	12,627.26 Cr
	Balance	<u>12,627.26</u>

6. Issuer Transaction Account 69796123

Opening Balance		68,727.13 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
01-Nov-13	Credit interest	178.33	Cr
02-Dec-13	Credit interest	8.78	Cr
02-Jan-14	Credit interest	8.78	Cr
13-Jan-14	Swaps Receipts	1,734,128.96	Cr
13-Jan-14	Partnership Debt	10,258,559.09	Cr
13-Jan-14	Swap Pays	1,734,128.96	Dr
13-Jan-14	Ongoing Fee	20,821.85	Cr
13-Jan-14	HSBC Fee	7,700.00	Dr
13-Jan-14	Issuer Operating Expenses	13,121.85	Dr
13-Jan-14	Issuer Profit	750.00	Cr
13-Jan-14	Notes	10,258,559.08	Dr
Closing Balance		69,673.03	Cr

7. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jan-14			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		8,524,454.02
	b Amounts due to Issuer in respect of Partnership Loan		10,280,130.94
	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
	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	13,121.85	
	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	8,106,432.08	
	d Bond Principal	2,152,127.00	
	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	
	Totals	29,063,167.94	29,063,167.94

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	0.949179615589017
Next Factor	0.945367167404783

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