

Penarth Master Issuer plc —Public Surveillance Report
Combined Series Report For IPD Ending: 18 January 2012

Key Parties

Receivables Trustee	Penarth Receivables Trustee Ltd
Depositors	Penarth Funding 1 Ltd
Transferor, Servicer and Cash Manager	Bank of Scotland plc
Issuer	Penarth Master Issuer plc
Issuing Entity	Penarth Funding 1 Ltd
Issuer Corporate Servicers Provider	Structured Finance Management Ltd
Security Trustee and Note Trustee	Deutsche Bank Trust Company Americas

Notes Outstanding

Note	Amount	Original Rating Moody's/S&P/Fitch	Scheduled Redemption Date	Reference Rate	Margin
2010 A1	£1,000,000,000	Aaa/AAA/AAA	18 May 2013	0.76594%	0.85%
2010 A3	€250,000,000	Aaa/AAA/AAA	18 August 2013	1.13900%	0.78%
2010 B1	€200,000,000	Aa3/A/A+	18 May 2015	0.76594%	1.00%
2010 C1	€228,000,000	Baa1/BBB+	18 May 2017	0.76594%	1.50%
2010 D1	€240,000,000	Not rated	18 May 2017	0.76594%	1.60%
2010-2 A1	€500,000,000	Aaa/AAA/AAA	18 January 2014	0.76594%	0.95%
2010-2 A2	€750,000,000	Aaa/AAA/AAA	18 December 2012	0.28460%	0.75%
2010-2 A3	€300,000,000	Aaa/AAA/AAA	18 December 2014	0.76594%	1.05%
2010-2 B1	€330,000,000	Aa3/A/A+	18 February 2015	0.76594%	1.25%
2010-2 C1	€175,000,000	Baa1/BBB+	18 February 2015	0.76594%	1.50%
2010-2 D1	€185,000,000	Not rated	18 February 2015	0.76594%	1.60%
2011-1 A1	€750,000,000	Aaa/AAA/AAA	18 May 2013	0.28460%	0.65%
2011-1 A2	€125,000,000	Aaa/AAA/AAA	18 May 2015	0.76594%	1.00%
2011-2 A1	€600,000,000	Aaa/AAA/AAA	18 November 2013	0.28460%	0.75%

A. Principal and Interest amounts for period

Class and Loan Note	To SWAP provider		To Investor	
	Principal	Interest	Principal	Interest
Class A: Series 2010-1 A1	£0.00	£0.00	£0.00	£1,221,600.03
Class A: Series 2010-1 A3	£0.00	£321,075.52	£0.00	€ 399,791.67
Class A: Series 2010-2 A1	£0.00	£0.00	£0.00	£705,180.82
Class A: Series 2010-2 A2	£0.00	£727,561.68	£0.00	\$646,625.00
Class A: Series 2010-2 A3	£0.00	£0.00	£0.00	£447,766.03
Class A: Series 2011-1 A1	£0.00	£662,172.89	£0.00	\$584,125.00
Class A: Series 2011-1 A2	£0.00	£0.00	£0.00	£181,432.19
Class A: Series 2011-2 A1	£0.00	£567,525.63	£0.00	\$517,300.00
Class B: Series 2010-1 B1	£0.00	£0.00	£0.00	£290,291.51
Class B: Series 2010-2 B1	£0.00	£0.00	£0.00	£546,789.21
Class C: Series 2010-1 C1	£0.00	£0.00	£0.00	£424,630.95
Class C: Series 2010-2 C1	£0.00	£0.00	£0.00	£325,922.88
Class D: Series 2010-1 D1	£0.00	£0.00	£0.00	£466,705.97
Class D: Series 2010-2 D1	£0.00	£0.00	£0.00	£359,752.52

B. Trust Level Data

BOP Principal Receivables	£6,307,235,250.21
EOP Principal Receivables	£6,792,554,440.80

Acquired Interchange Amount £10,879,794.68

Delinquent Aggregate Account Principal Balance

30 - 59 days delinquent	£64,858,483.90
60 - 89 days delinquent	£50,223,011.76
90 - 119 days delinquent	£36,395,099.54
120-149 days delinquent	£21,943,183.67
150 + days delinquent	£30,108,408.46
Non-Delinquent	£6,589,026,253.47

Delinquent Principal Receivables as % of EOP Principal Receivables

30 - 59 days delinquent	0.95%
60 - 89 days delinquent	0.74%
90 - 119 days delinquent	0.54%
120-149 days delinquent	0.32%
150 + days delinquent	0.44%
Principal Payment Rate	18.44%
Monthly Payment Rate*	18.97%

C. Portfolio Yield and Expense Rates

Investor Interest	£4,810,617,660.00	70.47%
Transferor Interest	£2,015,859,873.30	29.53%
Principal Receivables	£6,826,477,533.30	100.00%
		Total
Gross Yield Rate		20.23%
Less:		
Charge Off Rate		8.56%
Portfolio Yield		11.67%
Less:		
Expense Rate		2.82%
Excess Available Funds Percentage		8.85%
- 1 Month Previous		9.33%
- 2 Month Previous		10.99%
- 3 Month Average		9.73%

* Includes Principal and Finance Charge Collections in the numerator and Principal and Finance Charge Receivables in the denominator.

^ The Payment Rate numerator excludes non-cash entries.