

Penarth Master Issuer plc —Public Surveillance Report
Combined Series Report For IPD Ending: 19 December 2011

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	0.72938%	0.85%
2010 A2 <i>(note 1)</i>	£500,000,000	Aaa/AAA/AAA	18 May 2015	n/a	0.85%
2010 A3	£250,000,000	Aaa/AAA/AAA	18 August 2013	1.19900%	0.78%
2010 B1	£200,000,000	Aa3/A/A+	18 May 2015	0.72938%	1.00%
2010 C1	£228,000,000	Baa1/BBB+	18 May 2017	0.72938%	1.50%
2010 D1	£240,000,000	Not rated	18 May 2017	0.72938%	1.60%
2010-2 A1	£500,000,000	Aaa/AAA/AAA	18 January 2014	0.72938%	0.95%
2010-2 A2	£750,000,000	Aaa/AAA/AAA	18 December 2012	0.25172%	0.75%
2010-2 A3	£300,000,000	Aaa/AAA/AAA	18 December 2014	0.72938%	1.05%
2010-2 B1	£330,000,000	Aa3/A/A+	18 February 2015	0.72938%	1.25%
2010-2 C1	£175,000,000	Baa1/BBB+	18 February 2015	0.72938%	1.50%
2010-2 D1	£185,000,000	Not rated	18 February 2015	0.72938%	1.60%
2011-1 A1	\$750,000,000	Aaa/AAA/AAA	18 May 2013	0.25172%	0.65%
2011-1 A2	£125,000,000	Aaa/AAA/AAA	18 May 2015	0.72938%	1.00%
2011-2 A1 <i>(note 2)</i>	\$600,000,000	Aaa/AAA/AAA	18 November 2013	0.24900%	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	£1,259,225.14
Class A: Series 2010-1 A2 <i>(note 1)</i>	£0.00	£0.00	£0.00	£0.00
Class A: Series 2010-1 A3	£0.00	£325,376.88	£0.00	€ 426,034.72
Class A: Series 2010-2 A1	£0.00	£0.00	£0.00	£713,161.37
Class A: Series 2010-2 A2	£0.00	£736,817.99	£0.00	£646,944.17
Class A: Series 2010-2 A3	£0.00	£0.00	£0.00	£453,376.27
Class A: Series 2011-1 A1	£0.00	£669,982.57	£0.00	£582,360.83
Class A: Series 2011-1 A2	£0.00	£0.00	£0.00	£183,598.56
Class A: Series 2011-2 A1 <i>(note 2)</i>	£0.00	£496,947.24	£0.00	\$449,550.00
Class B: Series 2010-1 B1	£0.00	£0.00	£0.00	£293,757.70
Class B: Series 2010-2 B1	£0.00	£0.00	£0.00	£554,768.70
Class C: Series 2010-1 C1	£0.00	£0.00	£0.00	£431,705.69
Class C: Series 2010-2 C1	£0.00	£0.00	£0.00	£331,353.05
Class D: Series 2010-1 D1	£0.00	£0.00	£0.00	£474,810.61
Class D: Series 2010-2 D1	£0.00	£0.00	£0.00	£365,999.84

B. Trust Level Data

BOP Principal Receivables	£6,386,173,334.90
EOP Principal Receivables	£6,307,235,250.21
Acquired Interchange Amount	£9,799,309.15
Delinquent Aggregate Account Principal Balance	
30 - 59 days delinquent	£66,223,037.30
60 - 89 days delinquent	£51,366,391.91
90 - 119 days delinquent	£33,683,715.42
120-149 days delinquent	£29,107,362.33
150 + days delinquent	£34,861,027.20
Non-Delinquent	£6,091,993,716.05
Delinquent Principal Receivables as % of EOP Principal Receivables	
30 - 59 days delinquent	1.05%
60 - 89 days delinquent	0.81%
90 - 119 days delinquent	0.53%
120-149 days delinquent	0.46%
150 + days delinquent	0.55%
Principal Payment Rate	17.99%
Monthly Payment Rate*	18.56%

C. Portfolio Yield and Expense Rates *(note 3)*

	End of Period	1-17 November	18-21 November	22-30 November
Investor Interest	£4,810,617,660.00	77.22%	70.46%	76.21%
Transferor Interest	£1,496,617,590.21	22.78%	29.54%	23.79%
Principal Receivables	£6,307,235,250.21	100.00%	100.00%	100.00%
				Total
Gross Yield Rate				22.25%
Less:				
Charge Off Rate				10.11%
Portfolio Yield				12.14%
Less:				
Expense Rate				2.80%
Excess Available Funds Percentage				9.33%
- 1 Month Previous				10.99%
- 2 Month Previous				10.51%
- 3 Month Average				10.28%

Notes

- On 18 November loan note 2010 A2 (£500m) was redeemed.
- On 22 November loan note 2011-2 A1 (\$600m) was issued, with a short first interest period, with first payment date of 19 December.
- The Weighted Average Investor Interest (used as the denominator to calculate investor yields) has been calculated as £4,828,515,193.33.

* 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.