

Penarth Master Issuer plc —Public Surveillance Report
Combined Series Report For IPD Ending: 18 November 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 | 0.69650% | 0.85% |
| 2010 A2 | £500,000,000 | Aaa/AAA/AAA | 18 May 2015 | 0.69650% | 0.85% |
| 2010 A3 | €250,000,000 | Aaa/AAA/AAA | 18 August 2013 | 1.36600% | 0.78% |
| 2010 B1 | £200,000,000 | Aa3/A/A+ | 18 May 2015 | 0.69650% | 1.00% |
| 2010 C1 | £228,000,000 | Baa1/BBB+ | 18 May 2017 | 0.69650% | 1.50% |
| 2010 D1 | £240,000,000 | Not rated | 18 May 2017 | 0.69650% | 1.60% |
| 2010-2 A1 | £500,000,000 | Aaa/AAA/AAA | 18 January 2014 | 0.69650% | 0.95% |
| 2010-2 A2 | \$750,000,000 | Aaa/AAA/AAA | 18 December 2012 | 0.24333% | 0.75% |
| 2010-2 A3 | £300,000,000 | Aaa/AAA/AAA | 18 December 2014 | 0.69650% | 1.05% |
| 2010-2 B1 | £330,000,000 | Aa3/A/A+ | 18 February 2015 | 0.69650% | 1.25% |
| 2010-2 C1 | £175,000,000 | Baa1/BBB+ | 18 February 2015 | 0.69650% | 1.50% |
| 2010-2 D1 | £185,000,000 | Not rated | 18 February 2015 | 0.69650% | 1.60% |
| 2011-1 A1 | \$750,000,000 | Aaa/AAA/AAA | 18 May 2013 | 0.24333% | 0.65% |
| 2011-1 A2 | £125,000,000 | Aaa/AAA/AAA | 18 May 2015 | 0.69650% | 1.00% |

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 | £1,268,966.09 |
| Class A: Series 2010-1 A2 (note 1) | £0.00 | £0.00 | £500,000,000.00 | £656,732.88 |
| Class A: Series 2010-1 A3 | £0.00 | £319,620.04 | £0.00 | € 461,986.11 |
| Class A: Series 2010-2 A1 | £0.00 | £0.00 | £0.00 | £699,198.63 |
| Class A: Series 2010-2 A2 | £0.00 | £723,331.65 | £0.00 | \$641,525.63 |
| Class A: Series 2010-2 A3 | £0.00 | £0.00 | £0.00 | £444,998.63 |
| Class A: Series 2011-1 A1 | £0.00 | £657,155.45 | £0.00 | \$576,942.29 |
| Class A: Series 2011-1 A2 | £0.00 | £0.00 | £0.00 | £180,107.88 |
| Class B: Series 2010-1 B1 | £0.00 | £0.00 | £0.00 | £288,172.60 |
| Class B: Series 2010-2 B1 | £0.00 | £0.00 | £0.00 | £545,553.29 |
| Class C: Series 2010-1 C1 | £0.00 | £0.00 | £0.00 | £425,338.68 |
| Class C: Series 2010-2 C1 | £0.00 | £0.00 | £0.00 | £326,466.10 |
| Class D: Series 2010-1 D1 | £0.00 | £0.00 | £0.00 | £468,108.49 |
| Class D: Series 2010-2 D1 | £0.00 | £0.00 | £0.00 | £360,833.63 |

B. Trust Level Data

| | |
|---------------------------|-------------------|
| BOP Principal Receivables | £6,494,224,769.34 |
| EOP Principal Receivables | £6,386,173,334.90 |

Acquired Interchange Amount

£9,236,270.55

Delinquent Aggregate Account Principal Balance

| | |
|--------------------------|-------------------|
| 30 - 59 days delinquent | £68,638,942.21 |
| 60 - 89 days delinquent | £48,354,093.58 |
| 90 - 119 days delinquent | £38,229,743.49 |
| 120-149 days delinquent | £36,890,333.40 |
| 150 + days delinquent | £39,093,667.03 |
| Non-Delinquent | £6,154,966,555.19 |

Delinquent Principal Receivables as % of EOP Principal Receivables

| | |
|--------------------------|-------|
| 30 - 59 days delinquent | 1.07% |
| 60 - 89 days delinquent | 0.76% |
| 90 - 119 days delinquent | 0.60% |
| 120-149 days delinquent | 0.58% |
| 150 + days delinquent | 0.61% |

| | |
|------------------------|--------|
| Principal Payment Rate | 17.99% |
| Monthly Payment Rate* | 18.60% |

C. Portfolio Yield and Expense Rates

| | | |
|--|-------------------|---------------|
| Investor Interest | £4,931,423,660.00 | 75.94% |
| Transferor Interest | £1,562,801,109.34 | 24.06% |
| BOP Principal Receivables | £6,494,224,769.34 | 100.00% |
| | | Total |
| Gross Yield Rate | | 21.73% |
| Less: | | |
| Charge Off Rate | | 8.01% |
| Portfolio Yield | | 13.72% |
| Less: | | |
| Expense Rate | | 2.73% |
| Excess Available Funds Percentage | | 10.99% |
| - 1 Month Previous | | 10.51% |
| - 2 Month Previous | | 13.03% |
| - 3 Month Average | | 11.51% |

Notes

1. On 18 November loan note 2010 A2 (£500m) will be redeemed.

* 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.