ABBEY COVERED BONDS LLP

Monthly Report **August 2008**

Date of Report **08/08/2008**

Counterparties

Group Guarantor	Abbey National plc
Servicer	Abbey National plc
Cash Manager	Abbey National plc
Covered Bond Swap Providers	Barclays Capital
	Citibank
	Deutsche Bank AG
Interest Rate Swap Provider	Abbey National Treasury Services
Bank Account Provider	Abbey National plc

Asset Coverage Test

A=	£ 18,274,755,089	(Adjusted loan balances)
B=	£ -	(Principal collections not applied)
C=	£ -	(Cash Capital Contributions)
D=	£ -	(Substitution Assets)
V=	£ 189,772,361	(For set-off risk in relation to Flexible Plus Loans)
W=	£ 807,186,895	(For set-off risk in relation to general depositors)
X=	£ 114,405,258	(For set-off risk in relation to drawdown facilities)
Y=	£ 647,341	(Aggregate of Future payments on Reward Loans)
Z=	£ 1,083,451,251	(Potential negative carry on funds held in GIC)
Total A+B+C+D-(V+W+X+Y+Z)	£ 16,079,291,984	
	Pass	Pass / Fail
Method Used for Calculating "A"	A(ii)	A(i) Adjusted Current balance less deemed reductions / A(ii) Arrears adjusted Balance less deemed reductions multiplied by Asset Percentage
Asset Percentage	90.7%	
Amount of Credit Support	£ 53,876,984	Result of the over collateralisation in the Asset Coverage Test

Portfolio Characteristics

Total Outstanding Current Balance of Mortgages in the Portfolio	£ 20,179,672,371
Number of Mortgages in Pool	204,330
Average Loan Balance	£ 98,760.20
Weighted Average Current LTV	70.72%

Current LTV Levels Breakdown *	Number	Value	% of Total
0 - 30%	42,792	1,468,683,714	7.3%
30 - 35%	7,935	483,180,911	2.4%
35 - 40%	8,317	582,404,216	2.9%
40 - 45%	9,260	743,917,698	3.7%
45 - 50%	9,918	879,460,055	4.4%
50 - 55%	10,751	1,073,118,496	5.3%
55 - 60%	11,245	1,230,749,488	6.1%
60 - 65%	11,654	1,346,711,781	6.7%
65 - 70%	12,854	1,579,095,522	7.8%
70 - 75%	14,407	1,928,241,645	9.6%
75 - 80%	12,292	1,673,977,858	8.3%
80 - 85%	12,076	1,697,082,846	8.4%
85 - 90%	13,365	2,014,046,084	10.0%
90 - 95%	8,571	1,278,964,365	6.3%
95 -100%	5,517	711,457,141	3.5%
100% +	13,376	1,488,580,552	7.4%
Totals	204,330	20,179,672,371	100.0%

* using latest (non-indexed) valuation

Cash Ledgers

Revenue Ledger	-
Principal Ledger	-
Reserve Ledger	234,194,703
Payments Ledger	13,690,522
Cash Contributions Ledger	-
Total	247,885,225

Represented By :

GIC Account	247,885,225
Transaction Account	-
Authorised Investments / Substitution Assets	-
Total	247,885,225

LLP Balance Sheet

Cash	247,885,225
Mortgages	20,179,672,371
Authorised Investments / Substitution Assets	-
Total	20,427,557,596

Capital Account Ledger - AN plc	4,402,142,596
Capital Account Ledger - ANTS	-
Intercompany Loan Outstanding	16,025,415,000
Total	20,427,557,596

Credit Ratings	Long Term Moodys, S&P, Fitch	Short Term Moodys, S&P, Fitch
AN plc	Aa3, A+, AA-	P-1, A-1, F1+
Barclays Capital	Aa1, AA, AA+	P-1, A-1+, F1+
Citibank	Aa1, AA-, AA+	P-1, A-1+, F1+
Deutsche Bank AG	Aa3, AA-, AA-	P-1, A-1+, F1+

AN plc Event Of Default	No
LLP Event Of Default	No