**ABBEY COVERED BONDS LLP**
**Monthly Report** **September 2009**

**Date of Report** **04/09/2009**

**Counterparties**

| | |
|---|---|
| Group Guarantor | Abbey National plc |
| Servicer | Abbey National plc |
| Cash Manager | Abbey National plc |
| Covered Bond Swap Providers | Royal Bank of Scotland Plc |
| | Barclays plc |
| | BNP Paribas |
| | Citibank |
| | Deutsche Bank AG, London Branch |
| Interest Rate Swap Provider | Abbey National Treasury Services |
| Bank Account Provider | Abbey National plc |

Asset Coverage Test

| | | | |
|---|---|---|---|
| A= | £ | 19,827,801,166 | (Adjusted loan balances) |
| B= | £ | 2,077,626,940 | (Principal collections not applied) |
| C= | £ | - | (Cash Capital Contributions) |
| D= | £ | - | (Substitution Assets) |
| E= | £ | - | (balance of LLP GIC account) |
| V= | £ | 181,100,556 | (For set-off risk in relation to Flexible Plus Loans) |
| W= | £ | 895,080,982 | (For set-off risk in relation to general depositors) |
| X= | £ | 125,947,033 | (For set-off risk in relation to drawdown facilities) |
| Y= | £ | 486,388 | (Aggregate of Future payments on Reward Loans) |
| Z= | £ | 997,537,220 | (Potential negative carry on funds held in GIC) |
| Total A+B+C+D+E-(V+W+X+Y+Z) | £ | 19,705,275,927 | |
| | | **Pass** | Pass / Fail |
| Method Used for Calculating "A" | | A(i) | 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 | £ | 3,679,860,927 | Result of the over collateralisation in the Asset Coverage Test |

**Portfolio Characteristics**

| | | |
|---|---|---|
| Total Outstanding Current Balance of Mortgages in the Portfolio | £ | 22,377,024,540 |
| Number of Mortgages in Pool | | 202,499 |
| Average Loan Balance | £ | 110,504.37 |
| Weighted Average Current LTV | | 70.57% |

| Current LTV Levels Breakdown * | Number | Value | % of Total |
|---|---|---|---|
| 0 - 30% | 37,298 | 1,283,542,156 | 5.7% |
| 30 - 35% | 7,089 | 471,892,632 | 2.1% |
| 35 - 40% | 7,753 | 596,430,727 | 2.7% |
| 40 - 45% | 8,562 | 756,404,160 | 3.4% |
| 45 - 50% | 9,634 | 926,229,173 | 4.1% |
| 50 - 55% | 10,604 | 1,180,420,184 | 5.3% |
| 55 - 60% | 11,396 | 1,370,946,797 | 6.1% |
| 60 - 65% | 12,072 | 1,520,920,957 | 6.8% |
| 65 - 70% | 13,689 | 1,845,143,176 | 8.2% |
| 70 - 75% | 16,548 | 2,434,395,797 | 10.9% |
| 75 - 80% | 13,681 | 2,048,787,071 | 9.2% |
| 80 - 85% | 14,576 | 2,249,938,065 | 10.1% |
| 85 - 90% | 16,620 | 2,658,372,742 | 11.9% |
| 90 - 95% | 8,535 | 1,346,948,316 | 6.0% |
| 95 -100% | 4,848 | 630,205,528 | 2.8% |
| 100% + | 9,594 | 1,056,447,059 | 4.7% |
| Totals | 202,499 | 22,377,024,540 | 100.0% |

* using latest (non-indexed) valuation

**Cash Ledgers**

| | |
|---|---|
| Revenue Ledger | - |
| Principal Ledger | 2,002,148,470 |
| Reserve Ledger | 55,472,693 |
| Payments Ledger | 20,005,778 |
| Cash Contributions Ledger | - |
| Total | 2,077,626,940 |

**Represented By :**

| | |
|---|---|
| GIC Account | 2,077,626,940 |
| Transaction Account | - |
| Authorised Investments / Substitution Assets | - |
| Total | 2,077,626,940 |

**LLP Balance Sheet**

| | |
|---|---|
| Cash | 2,077,626,940 |
| Mortgages | 22,377,024,540 |
| Authorised Investments / Substitution Assets | - |
| Total | 24,454,651,480 |

| | |
|---|---|
| Capital Account Ledger - AN plc | 8,429,236,480 |
| Capital Account Ledger - ANTS | - |
| Intercompany Loan Outstanding | 16,025,415,000 |
| Total | 24,454,651,480 |

| **Credit Ratings** | Long Term Moodys, S&P, Fitch | Short Term Moodys, S&P, Fitch |
|---|---|---|
| Abbey National plc | Aa3,AA,AA- | P-1,A-1+,F1+ |
| Abbey National Treasury Services | Aa3,AA,AA- | P-1,A-1+,F1+ |
| Royal Bank of Scotland Plc | A1,A,AA- | P-1,A-1,F1+ |
| Barclays plc | A1,A+,AA- | P-1,A-1,F1+ |
| BNP Paribas | Aa1,AA,AA | P-1,A-1+,F1+ |
| Citibank | A1,A+,A+ | P-1,A-1,F1+ |
| Deutsche Bank AG | Aa1,A+,AA- | P-1,A-1,F1+ |

| | |
|---|---|
| AN plc Event Of Default | No |
| LLP Event Of Default | No |