ABBEY COVERED BONDS LLP
Monthly Report — **January 2006**

Date of Report — **09/01/2006**

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=	£ 2,492,757,399	(Adjusted loan balances)
B=	£ -	(Principal collections not applied)
C=	£ -	(Cash Capital Contributions)
D=	£ -	(Substitution Assets)
V=	£ 14,111,496	(For set-off risk in relation to Flexible Plus Loans)
W=	£ 110,164,914	(For set-off risk in relation to general depositors)
X=	£ 9,728,864	(For set-off risk in relation to drawdown facilities)
Y=	£ -	(Aggregate of Future payments on Reward Loans)
Z=	£ 85,370,000	(Potential negative carry on funds held in GIC)
Total A+B+C+D-(V+W+X+Y+Z)	£ 2,273,382,125	
	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	£ 297,382,125	Result of the over collateralisation in the Asset Coverage Test

Portfolio Characteristics

Total Outstanding Current Balance of Mortgages in the Portfolio	£ 2,754,122,840
Number of Mortgages in Pool	47,359
Average Loan Balance	£ 58,154.16
Weighted Average Current LTV	63.99%

Current LTV Levels Breakdown *	Number	Value	% of Total
0 - 30%	13,210	281,139,506	10.2%
30 - 35%	2,487	97,977,280	3.6%
35 - 40%	2,498	111,527,328	4.0%
40 - 45%	2,744	143,253,279	5.2%
45 - 50%	2,713	156,760,820	5.7%
50 - 55%	2,783	189,868,912	6.9%
55 - 60%	2,836	216,017,287	7.8%
60 - 65%	2,414	184,229,402	6.7%
65 - 70%	2,535	200,723,391	7.3%
70 - 75%	2,570	224,354,451	8.1%
75 - 80%	2,077	178,771,258	6.5%
80 - 85%	2,074	191,195,774	6.9%
85 - 90%	2,432	239,610,985	8.7%
90 - 95%	1,429	123,898,098	4.5%
95 -100%	1,148	95,871,651	3.5%
100% +	1,409	118,923,418	4.3%
Totals	47,359	2,754,122,840	100.0%

* using latest (non-indexed) valuation

Cash Ledgers

Revenue Ledger	-
Principal Ledger	-
Reserve Ledger	-
Payments Ledger	4,662,740
Cash Contributions Ledger	-
Total	4,662,740

Represented By :

GIC Account	4,662,740
Transaction Account	-
Authorised Investments / Substitution Assets	-
Total	4,662,740

LLP Balance Sheet

Cash	4,662,740
Mortgages	2,754,122,840
Authorised Investments / Substitution Assets	-
Total	2,758,785,580

Capital Account Ledger - AN plc	782,785,580
Capital Account Ledger - ANTS	-
Intercompany Loan Outstanding	1,976,000,000
Total	2,758,785,580

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