ABBEY COVERED BONDS LLP
Monthly Report **October 2006**

Date of Report **08/10/2006**

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=	£ 8,666,014,734	(Adjusted loan balances)
B=	£ -	(Principal collections not applied)
C=	£ -	(Cash Capital Contributions)
D=	£ -	(Substitution Assets)
V=	£ 71,499,463	(For set-off risk in relation to Flexible Plus Loans)
W=	£ 382,587,929	(For set-off risk in relation to general depositors)
X=	£ 34,037,614	(For set-off risk in relation to drawdown facilities)
Y=	£ -	(Aggregate of Future payments on Reward Loans)
Z=	£ 154,100,888	(Potential negative carry on funds held in GIC)
Total A+B+C+D-(V+W+X+Y+Z)	£ 8,023,788,840	
	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	£ 4,998,373,840	Result of the over collateralisation in the Asset Coverage Test

Portfolio Characteristics

Total Outstanding Current Balance of Mortgages in the Portfolio	£ 9,564,698,229
Number of Mortgages in Pool	127,416
Average Loan Balance	£ 75,066.70
Weighted Average Current LTV	67.72%

Current LTV Levels Breakdown *	Number	Value	% of Total
0 - 30%	28,547	720,504,622	7.5%
30 - 35%	6,313	295,859,883	3.1%
35 - 40%	6,713	356,220,163	3.7%
40 - 45%	7,026	447,932,926	4.7%
45 - 50%	7,482	536,021,462	5.6%
50 - 55%	7,730	645,579,179	6.7%
55 - 60%	7,979	757,618,396	7.9%
60 - 65%	7,135	679,150,054	7.1%
65 - 70%	7,741	784,223,051	8.2%
70 - 75%	8,552	968,538,606	10.1%
75 - 80%	6,103	669,853,414	7.0%
80 - 85%	6,222	657,490,407	6.9%
85 - 90%	6,619	780,827,648	8.2%
90 - 95%	3,607	372,432,389	3.9%
95 -100%	2,828	267,519,938	2.8%
100% +	6,819	624,926,090	6.5%
Totals	127,416	9,564,698,229	100.0%

* using latest (non-indexed) valuation

Cash Ledgers

Revenue Ledger	-
Principal Ledger	-
Reserve Ledger	18,195,663
Payments Ledger	11,593,076
Cash Contributions Ledger	-
Total	29,788,739

Represented By :

GIC Account	29,788,739
Transaction Account	-
Authorised Investments / Substitution Assets	-
Total	29,788,739

LLP Balance Sheet

Cash	29,788,739
Mortgages	9,564,698,229
Authorised Investments / Substitution Assets	-
Total	9,594,486,968

Capital Account Ledger - AN plc	6,569,071,968
Capital Account Ledger - ANTS	-
Intercompany Loan Outstanding	3,025,415,000
Total	9,594,486,968

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