ABBEY COVERED BONDS LLP

Monthly Report **December 2007**

Date of Report **10/12/2007**

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=	£ 8,795,496,148	(Adjusted loan balances)
B=	£ -	(Principal collections not applied)
C=	£ -	(Cash Capital Contributions)
D=	£ -	(Substitution Assets)
V=	£ 136,718,215	(For set-off risk in relation to Flexible Plus Loans)
W=	£ 388,068,625	(For set-off risk in relation to general depositors)
X=	£ 78,351,675	(For set-off risk in relation to drawdown facilities)
Y=	£ 586,895	(Aggregate of Future payments on Reward Loans)
Z=	£ 136,368,595	(Potential negative carry on funds held in GIC)
Total A+B+C+D-(V+W+X+Y+Z)	£ 8,055,402,143	
	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	£ 5,029,987,143	Result of the over collateralisation in the Asset Coverage Test

Portfolio Characteristics

Total Outstanding Current Balance of Mortgages in the Portfolio	£ 9,701,715,625
Number of Mortgages in Pool	120,347
Average Loan Balance	£ 80,614.52
Weighted Average Current LTV	66.96%

Current LTV Levels Breakdown *	Number	Value	% of Total
0 - 30%	33,310	965,268,882	9.9%
30 - 35%	5,340	280,062,845	2.9%
35 - 40%	5,550	337,340,513	3.5%
40 - 45%	5,838	413,388,641	4.3%
45 - 50%	6,040	479,614,729	4.9%
50 - 55%	6,425	581,489,197	6.0%
55 - 60%	6,482	650,478,026	6.7%
60 - 65%	6,476	671,922,332	6.9%
65 - 70%	7,045	792,766,127	8.2%
70 - 75%	7,763	961,987,605	9.9%
75 - 80%	6,124	754,358,237	7.8%
80 - 85%	5,703	672,499,637	6.9%
85 - 90%	5,772	763,877,578	7.9%
90 - 95%	4,071	532,872,818	5.5%
95 -100%	2,627	282,844,205	2.9%
100% +	5,781	560,944,254	5.8%
Totals	120,347	9,701,715,625	100.0%

* using latest (non-indexed) valuation

Cash Ledgers

Revenue Ledger	-
Principal Ledger	-
Reserve Ledger	24,775,054
Payments Ledger	11,634,520
Cash Contributions Ledger	-
Total	36,409,574

Represented By :

GIC Account	36,409,574
Transaction Account	-
Authorised Investments / Substitution Assets	-
Total	36,409,574

LLP Balance Sheet

Cash	36,409,574
Mortgages	9,701,715,625
Authorised Investments / Substitution Assets	-
Total	9,738,125,199

Capital Account Ledger - AN plc	6,712,710,199
Capital Account Ledger - ANTS	-
Intercompany Loan Outstanding	3,025,415,000
Total	9,738,125,199

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