ABBEY COVERED BONDS LLP
Monthly Report — **December 2008**

Date of Report — **11/12/2008**

Counterparties

Group Guarantor	Abbey National plc
Servicer	Abbey National plc
Cash Manager	Abbey National plc
Covered Bond Swap Providers	ABN-Amro
	Barclays Bank plc
	BNP Paribas
	Citibank N.A.
	Deutsche Bank AG, London Branch
Interest Rate Swap Provider	Abbey National Treasury Services
Bank Account Provider	Abbey National plc

Asset Coverage Test

A=	£	19,350,751,952	(Adjusted loan balances)
B=	£	-	(Principal collections not applied)
C=	£	-	(Cash Capital Contributions)
D=	£	-	(Substitution Assets)
E=	£	263,957,698	(balance of LLP GIC account)
V=	£	189,326,597	(For set-off risk in relation to Flexible Plus Loans)
W=	£	856,570,344	(For set-off risk in relation to general depositors)
X=	£	111,002,323	(For set-off risk in relation to drawdown facilities)
Y=	£	613,186	(Aggregate of Future payments on Reward Loans)
Z=	£	1,056,074,500	(Potential negative carry on funds held in GIC)
Total A+B+C+D+E-(V+W+X+Y+Z)	£	17,401,122,700	
		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	£	1,375,707,700	Result of the over collateralisation in the Asset Coverage Test

Portfolio Characteristics

Total Outstanding Current Balance of Mortgages in the Portfolio	£	21,414,258,589
Number of Mortgages in Pool		200,134
Average Loan Balance	£	106,999.60
Weighted Average Current LTV		68.65%

Current LTV Levels Breakdown *	Number	Value	% of Total
0 - 30%	38,001	1,311,310,660	6.1%
30 - 35%	7,090	457,039,324	2.1%
35 - 40%	7,760	590,047,624	2.8%
40 - 45%	8,659	742,376,867	3.5%
45 - 50%	9,599	912,218,381	4.3%
50 - 55%	10,558	1,141,557,452	5.3%
55 - 60%	11,291	1,343,580,115	6.3%
60 - 65%	11,812	1,471,965,795	6.9%
65 - 70%	12,712	1,655,480,718	7.7%
70 - 75%	15,008	2,154,650,620	10.1%
75 - 80%	13,155	1,901,502,124	8.9%
80 - 85%	12,221	1,781,559,786	8.3%
85 - 90%	15,095	2,368,515,610	11.1%
90 - 95%	10,503	1,634,429,509	7.6%
95 -100%	5,401	702,980,007	3.3%
100% +	11,269	1,245,043,998	5.8%
Totals	200,134	21,414,258,589	100.0%

* using latest (non-indexed) valuation

Cash Ledgers

Revenue Ledger	-
Principal Ledger	-
Reserve Ledger	176,877,354
Payments Ledger	87,080,344
Cash Contributions Ledger	-
Total	263,957,698

Represented By :

GIC Account	263,957,698
Transaction Account	-
Authorised Investments / Substitution Assets	-
Total	263,957,698

LLP Balance Sheet

Cash	263,957,698
Mortgages	21,414,258,589
Authorised Investments / Substitution Assets	-
Total	21,678,216,287

Capital Account Ledger - AN plc	5,652,801,287
Capital Account Ledger - ANTS	-
Intercompany Loan Outstanding	16,025,415,000
Total	21,678,216,287

Credit Ratings	Long Term Moodys, S&P, Fitch	Short Term Moodys, S&P, Fitch
AN plc	Aa3,AA,AA-	P-1,A-1+,F1
Abbey National Treasury Services	Aa3,AA,AA-	P-1,A-1+,F1
ABN-Amro	Aa2,A+,AA-	P-1,A-1,F1+
Barclays Bank plc	Aa2,AA-,AA	P-1,A-1+,F1+
BNP Paribas	Aa1,AA+,AA	P-1,A-1+,F1+
Citibank N.A.	Aa1,AA-,AA	P-1,A-1+,F1+
Deutsche Bank AG, London Branch	Aa1,AA-,AA-	P-1,A-1+,F1+

AN plc Event Of Default	No
LLP Event Of Default	No