

The Co-operative Bank plc Covered Bond Programme

| | <u>General</u> | <u>Series 2011-1</u> |
|---|----------------------------|---------------------------------------|
| Issue Date | | 11 November 2011 |
| Publishing Date | 31 January 2018 | |
| Accrual Start Date | 21 December 2017 | |
| Accrual End Date | 22 January 2018 | |
| Accrual Period | 32 | |
| International Securities Number (ISIN) | | XS0703266477 |
| Stock Exchange Listing | London | |
| Issuer | The Co-operative Bank PLC | |
| Guarantor | Moorland Covered Bonds LLP | |
| Original Covered Bond Ratings (Fitch/ Moodys) | | AAA/Aaa |
| Current Covered Bond Ratings (Fitch/ Moodys) | | A/Baa2 |
| Previous LLP Payment date | 21 December 2017 | |
| Current LLP Payment date | 22 January 2018 | |
| Next LLP Payment date | 21 February 2018 | |
| Collection Period Start Date | 30 November 2017 | |
| Collection Period End Date | 31 December 2017 | |
| Currency | | Sterling |
| Original Principal Balance | | £600,000,000.00 |
| Total Beginning Balance prior to payment | | £600,000,000.00 |
| Total Ending Balance subsequent to payment | | £600,000,000.00 |
| Bond Structure | | Soft Bullet |
| Coupon Reference Rate | | Fixed |
| Coupon | | 4.75% |
| Next Coupon Payment Date | | 12 November 2018 |
| Benchmark | | UKT 3.75% Sept 2021 |
| Total Principal Payments - in period | | £0.00 |
| Total Coupon Payments - in period | | £0.00 |
| Covered Bond Swap Provider | | HSBC Bank plc |
| Covered Bond Swap Currency | | GBP |
| Covered Bond Swap Reference Rate | | 1 month £ Libor |
| Covered Bond Swap Margin | | 2.7625% |
| Day Count Convention | | Actual/Actual(ICMA) |
| Relevant Margin | | 4.75000% |
| Coupon Reference Rate | | Fixed |
| Coupon Amount | | £28,500,000.00 |
| Current Coupon | | 4.75000% |
| Current Interest Shortfall | | £0.00 |
| Cumulative Interest Shortfall | | £0.00 |
| Final Maturity Date | | 11 November 2021 |
| Extended Due for Payment Date | | 11 November 2022 |
| Joint Lead Managers | | Barclays Capital, HSBC, JPM, RBS, UBS |
| Listing | | London |

Issuer Priority of Payments

| | | | |
|---|--------------|--|---------------|
| Available Revenue Receipts | 5,160,497.44 | Available Principal Receipts | 22,069,410.76 |
| Revenue Priority of Payments | | Principal Priority of Payments | |
| (a) Trustee/ Security Trustee expenses | - | (a) Pre-Maturity Liquidity Ledger | - |
| (b) Accrued Senior Expenses | 58,439.00 | (b) Retained Principal Ledger | - |
| (c) 3rd Party Fees | 181,438.84 | (c) GIC Deposit to ensure ACT Compliance | - |
| (d) Interest Rate Swap Provider Payments | 400,150.12 | (d) Term Advance/ Covered Bond Swap | - |
| (e) Term Advance Interest/ Covered Bonds Swap | 1,715,506.85 | (e) Capital Distribution | 22,069,410.76 |
| (f) Pre-Maturity Liquidity Ledger Amounts | - | | |
| (g) Deposit Account Credit (In the Servicer Event of Default) | - | | |
| (h) Reserve Fund Required Amount Increase | - | | |
| (i) Swap Termination fees | - | | |
| (j) Members/ Asset Monitor Indemnity | - | | |
| (k) Cash Capital Contributions repayment | 2,115,656.97 | | |
| (l) Liquidation Members | 296.35 | | |
| (m) Designated Member Fee | 100.00 | | |
| (n) Members Interest Profits | 688,909.31 | | |

| Swaps | Counterparty | Notional Amount | Period Start Date | Period End Date | LIBOR | Pay Margin | Receipt Fixed Rate | LLP Payment | LLP Receipt | Net Receipt (Payment) |
|--------------------|--------------|-----------------|-------------------|-----------------|---------|------------|--------------------|--------------|-------------|-----------------------|
| Interest Rate Swap | JPM | £569,636,475.98 | 21/12/2017 | 22/01/2018 | 0.4988% | 1.30% | 0.00% | 649,229.52 | 249,079.40 | 400,150.12 |
| Liability Swap | HSBC | £600,000,000.00 | 21/12/2017 | 22/01/2018 | 0.4988% | 2.76% | 4.75% | 1,715,506.85 | - | 1,715,506.85 |

| Asset Coverage Test | This Period |
|---|--------------------|
| | 31 December 2017 |
| LTV Adjustment | |
| if <= 3 months in arrears | 75% |
| if >3 months in arrears, and True Balance/Indexed Valuation <=75% | 40% |
| if >3 months in arrears, and True Balance/Indexed Valuation >75% | 25% |
| Base Asset Percentage - LLP Deed 11.3(i) | 93.5% |
| Fitch Asset Percentage - LLP Deed 11.3(ii) | 92.5% |
| Moodys Asset Percentage - LLP Deed 11.3(iii) | 77.5% |
| Adjusted True Balance (i) | 1,180,681,464.12 |
| Arrears Adjusted True Balance (ii) | 1,184,423,980.86 |
| A: Lower of Adjusted True Balance and Arrears Adjusted True Balance | 917,928,585.16 |
| B: Principal Receipts | 22,092,122.74 |
| C: Cash Capital Contributions | 2,115,656.97 |
| D: Substitution Assets | 0.00 |
| X: Flexible Redraw Capacity | 0.00 |
| Y: Deposit Set-Off Amounts | 17,196,179.58 |
| Z: WA Remaining Maturity * Principal Amt Outstanding * Neg Carry Factor | 72,864,000.00 |
| Total: A + B + C + D - (X + Y + Z) | 852,076,185.29 |
| Asset Percentage (%) | 77.5% |
| Principal amount outstanding of all Covered Bonds issued | 600,000,000.00 |
| Amount of Credit Support | 252,076,185.29 |
| ACT Pass Fail | PASS |

| Ledgers | This Period | Last Period |
|-------------------------------|--------------------|--------------------|
| Revenue Ledger | 2,965,687.79 | £2,831,366.51 |
| Principal Ledger | 22,092,122.74 | £22,726,589.95 |
| Reserve Ledger | 7,000,000.00 | £7,000,000.00 |
| Capital Contribution Ledger | 606,521,236.09 | £631,708,193.39 |
| Yield Reserve Ledger | - | £0.00 |
| Retained Principal Ledger | - | £0.00 |
| Coupon Payment Ledger | £0.00 | £0.00 |
| Pre-Maturity Liquidity Ledger | £0.00 | £0.00 |
| LLP Fee Amount Ledger | £0.00 | £0.00 |
| Swap Provider Amount Ledger | £0.00 | £0.00 |
| Intercompany Loan Ledger | £600,000,000.00 | £600,000,000.00 |

| | |
|---|---------------|
| Target General Reserve Account Balance | £7,000,000.00 |
| Beginning General Reserve Account Balance | £7,000,000.00 |
| Ending General Reserve Account Balance | £7,000,000.00 |
| Change in the General Reserve Account Balance | £0.00 |

| | |
|---|---------------|
| Issuer GIC Collateralisation Amount | £3,000,000.00 |
| Collection Account Collateralisation Amount | £3,000,000.00 |

| | |
|--|----------------|
| Swap Cash Collateral Account Opening Balance | 2,115,656.97 |
| Cash Collateral posted during the period | 1,983,384.73 |
| Cash Collateral repayment during the period | - 2,115,656.97 |
| Swap Cash Collateral Account Closing Balance | 1,983,384.73 |

| | |
|--------------------------------|-------|
| Beginning Yield Reserve Amount | £0.00 |
| Ending Yield Reserve Amount | £0.00 |
| Change in Yield Reserve Amount | £0.00 |
| Yield Reserve Required Amount | £0.00 |

| | |
|---|-------------|
| Make Whole Ledger Original Balance | £948,700.00 |
| Make Whole Ledger Period Start Balance | £0.00 |
| Make Whole Ledger Top up during the Period | £0.00 |
| Make Whole Ledger Transfers to Principal Receipts | £0.00 |

| | |
|---|------------------|
| Timing of the Collateral report | 31 December 2017 |
| Currency | Sterling |
| Prior Period Total Number of Residential Mortgage Loans | 14,981 |
| Current Total Number of Residential Mortgage Loans | 14,757 |
| Prior Period Total Value of Residential Mortgage Loans | 1,208,993,229 |
| Current Total Value of Residential Mortgage Loans | 1,184,451,826 |
| Current Average Loan Size | 80,264 |
| Current Weighted Average Seasoning (Months) | 97 |
| Weighted Average Interest Rate | 2.88% |
| Weighted Average Remaining Term | 167 |
| Current Indexed Loan to Value Ratio | 39.72% |
| Current Non-Indexed Loan to Value Ratio | 50.58% |

| | Current Period | | |
|---|----------------------|-----------|---------------------------|
| Delinquency Band (excluding possessions) | Total Balance | No | % of Total Balance |
| Zero arrears | £1,184,451,825.81 | 100.00% | 100.00% |
| 0.01 <= 1 Months in Arrears | - | - | 0.00% |
| 1.01 <= 2 Months in Arrears | - | - | 0.00% |
| 2.01 <= 3 Months in Arrears | - | - | 0.00% |
| > 3 Months | - | - | 0.00% |
| Total | - | - | 0.00% |

*Loan is classified as 'delinquent' if the arrears balance is greater than zero as at the date of the collateral report.

| | |
|------------------------------------|-------|
| Net Loss | - |
| Cumulative Net Loss | - |
| Average Loss Severity (In Period) | 0.00% |
| Average Loss Severity (Cumulative) | 0.00% |

| | Total Balance | No |
|---------------------------------------|----------------------|-----------|
| Repossessions and Sales | | |
| Possessed properties (current period) | - | 0 |
| Possessed properties (to date) | - | 0 |
| Sales (current period) | - | 0 |
| Sales (to date) | - | 0 |

| Outstanding Repossessions | Total Balance | No |
|----------------------------------|----------------------|-----------|
| | £0.00 | 0 |

| | Current Period | Previous Period |
|--|-----------------------|------------------------|
| Principal Payment Rate (3 Months Average) | 1.83% | 1.95% |
| Annualised PPR Speed (Based on monthly principal payment rate) | 19.85% | 19.98% |
| Constant Prepayment Rate (3 months Average) | 1.23% | 1.34% |
| Constant Prepayment Rate (Annualised) | 13.64% | 13.84% |

| | Current Period | | |
|---|-------------------------|---------------|---------------------|
| Region | Total Balance | No | % of Balance |
| East Anglia | £51,589,665.28 | 680 | 4.36% |
| East Midlands | £77,320,657.17 | 1,114 | 6.53% |
| London | £115,114,434.22 | 860 | 9.72% |
| North | £41,740,020.06 | 640 | 3.52% |
| North West | £161,859,963.97 | 2,349 | 13.67% |
| Scotland | £27,673,171.67 | 371 | 2.34% |
| South East | £298,679,177.22 | 2,819 | 25.22% |
| South West | £119,588,220.17 | 1,497 | 10.10% |
| Wales | £40,434,881.06 | 620 | 3.41% |
| West Midlands | £169,245,931.40 | 2,631 | 14.29% |
| Yorks and Humber | £81,205,703.59 | 1,176 | 6.86% |
| Total | 1,184,451,825.81 | 14,757 | 100.00% |
| Mortgage Size | Total Balance | No | % of Balance |
| Less than or equal to 30K | 56,175,083.16 | 3,438 | 4.74% |
| More than 30k up to and including 50K | 101,597,323.54 | 2,534 | 8.58% |
| More than 50k up to and including 75K | 175,882,254.48 | 2,834 | 14.85% |
| More than 75k up to and including 100K | 170,195,136.68 | 1,962 | 14.37% |
| More than 100k up to and including 125K | 148,083,521.93 | 1,324 | 12.50% |
| More than 125k up to and including 150K | 120,811,533.58 | 885 | 10.20% |
| More than 150k up to and including 200K | 154,563,096.99 | 903 | 13.05% |
| More than 200k up to and including 400K | 204,932,354.50 | 777 | 17.30% |
| More than 400K up to and including 500K | 24,715,821.59 | 55 | 2.09% |
| More than 500k | 27,495,699.36 | 45 | 2.32% |
| Total | 1,184,451,825.81 | 14,757 | 100.00% |
| Mortgage Type | Total Balance | No | % of Balance |
| Owner Occupied Purchase | 589,434,802.09 | 6,409 | 49.76% |
| Owner Occupied Remortgage | 595,017,023.72 | 8,348 | 50.24% |
| Total | 1,184,451,825.81 | 14,757 | 100.00% |
| Mortgage Payment Type | Total Balance | No | % of Balance |
| Capital & Interest | 832,259,528.76 | 11,774 | 70.27% |
| Interest Only | 251,427,368.61 | 1,975 | 21.23% |
| Mixed (Part & Part) | 100,764,928.44 | 1,008 | 8.51% |
| Total | 1,184,451,825.81 | 14,757 | 100.00% |
| Non-indexed Current LTV (Using Original Valuation) | Total Balance | No | % of Balance |
| Less than or equal to 25% CLTV | 165,529,278.75 | 5,269 | 13.98% |
| More than 25% up to and including 50% CLTV | 418,082,253.52 | 4,922 | 35.30% |
| More than 50% up to and including 55% CLTV | 99,569,212.97 | 880 | 8.41% |
| More than 55% up to and including 60% CLTV | 87,415,479.34 | 705 | 7.38% |
| More than 60% up to and including 65% CLTV | 90,922,448.42 | 692 | 7.68% |
| More than 65% up to and including 70% CLTV | 79,038,085.93 | 604 | 6.67% |
| More than 70% up to and including 75% CLTV | 69,901,816.01 | 523 | 5.90% |
| More than 75% up to and including 80% CLTV | 61,455,494.24 | 447 | 5.19% |
| More than 80% up to and including 85% CLTV | 45,696,833.88 | 306 | 3.86% |
| More than 85% up to and including 90% CLTV | 40,862,728.57 | 249 | 3.45% |
| More than 90% up to and including 95% CLTV | 10,882,732.17 | 72 | 0.92% |
| More than 95% up to and including 100% CLTV | 6,043,379.33 | 40 | 0.51% |
| Over 100% CLTV | 9,052,082.68 | 48 | 0.76% |
| Total | 1,184,451,825.81 | 14,757 | 100.00% |

| <u>Indexed Current LTV (Using Original Valuation)</u> | <u>Total Balance</u> | <u>No</u> | <u>% of Balance</u> |
|--|-----------------------------|----------------------------------|----------------------------|
| Less than or equal to 25% | 298,792,782.42 | 7,028 | 25.23% |
| More than 25% up to and including 50% | 526,374,737.84 | 5,076 | 44.44% |
| More than 50% up to and including 55% | 88,070,613.01 | 702 | 7.44% |
| More than 55% up to and including 60% | 85,446,434.76 | 640 | 7.21% |
| More than 60% up to and including 65% | 59,012,622.74 | 438 | 4.98% |
| More than 65% up to and including 70% | 49,464,969.80 | 335 | 4.18% |
| More than 70% up to and including 75% | 32,942,947.98 | 217 | 2.78% |
| More than 75% up to and including 80% | 23,142,266.07 | 164 | 1.95% |
| More than 80% up to and including 85% | 12,508,908.87 | 92 | 1.06% |
| More than 85% up to and including 90% | 5,663,823.92 | 44 | 0.48% |
| More than 90% up to and including 95% | 2,063,207.95 | 14 | 0.17% |
| More than 95% up to and including 100% | 863,227.11 | 6 | 0.07% |
| Over 100% | 105,283.34 | 1 | 0.01% |
| Total | 1,184,451,825.81 | 14,757 | 100.00% |
| <u>Interest Rate</u> | <u>Total Balance</u> | <u>No of Sub Accounts</u> | <u>% of Balance</u> |
| 0 – 1.99% | 251,844,054.86 | 4,340 | 21.26% |
| 2 – 2.99% | 496,672,210.40 | 8,456 | 41.93% |
| 3 – 3.99% | 145,892,411.85 | 2,426 | 12.32% |
| 4 – 4.99% | 258,449,309.23 | 5,703 | 21.82% |
| 5 – 5.99% | 28,200,247.34 | 567 | 2.38% |
| 6 – 6.99% | 3,393,592.13 | 96 | 0.29% |
| 7 – 7.99% | £0.00 | 0 | 0.00% |
| Total | 1,184,451,825.81 | 21,588 | 100.00% |
| <u>Years to Maturity</u> | <u>Total Balance</u> | <u>No</u> | <u>% of Balance</u> |
| 0 and less than or equal to 5 years | 99,091,803.81 | 2,581 | 8.37% |
| Greater than 5 years and less than or equal to 10 years | 250,144,050.11 | 4,121 | 21.12% |
| Greater than 10 years and less than or equal to 15 years | 387,546,927.63 | 4,406 | 32.72% |
| Greater than 15 years and less than or equal to 20 years | 248,886,808.09 | 2,235 | 21.01% |
| Greater than 20 years and less than or equal to 25 years | 118,515,766.87 | 865 | 10.01% |
| Greater than 25 years and less than or equal to 30 years | 54,832,634.36 | 375 | 4.63% |
| Greater than 30 years | 25,433,834.94 | 174 | 2.15% |
| Total | 1,184,451,825.81 | 14,757 | 100.00% |
| <u>Property Type</u> | <u>Total Balance</u> | <u>No</u> | <u>% of Balance</u> |
| Detached House | 421,460,165.76 | 4,259 | 35.58% |
| Flat/ Maisonnette | 91,280,760.36 | 1,086 | 7.71% |
| Semi- Detached House | 352,510,508.92 | 4,915 | 29.76% |
| Terraced House | 262,144,959.76 | 3,625 | 22.13% |
| Other | 57,055,431.01 | 872 | 4.82% |
| Total | 1,184,451,825.81 | 14,757 | 100.00% |
| <u>Interest Rate Type</u> | <u>Total Balance</u> | <u>No of Sub Accounts</u> | <u>% of Balance</u> |
| Base | £386,732,534.14 | 7,330 | 32.65% |
| Fixed - reverting to SVR | £553,813,590.55 | 8,813 | 46.76% |
| SVR | £243,905,701.12 | 5,445 | 20.59% |
| Total | 1,184,451,825.81 | 21,588 | 100.00% |

| Additional Information | As at 31-12-2017 | Cumulative (From date of Issue) |
|--|--|--|
| BNP Paribas Deposit Account | 36,613,358.02 | n/a |
| BNP Paribas Swap Collateral Account | 2,115,656.97 | |
| Co-operative Bank Deposit Account | 1,500,893.21 | n/a |
| Substitute Assets | 0.00 | - |
| | Gilts, Sterling demand or time deposits, certificates of deposit | Gilts, Sterling demand or time deposits, certificates of deposit |
| Authorised Investments Allowable | and short-term debt obligations | and short-term debt obligations |
| Authorised Investments | - | - |
| Available Principal Receipts | £22,069,410.76 | £1,993,083,252.11 |
| Scheduled Principal Receipts | n/a | n/a |
| Unscheduled Principal Receipts | n/a | n/a |
| Available Revenue Receipts | £5,160,497.44 | £698,898,303.40 |
| Value of Repurchases | £662,330.76 | £183,640,820.01 |
| Number of Repurchases | 27 | 3,399 |
| Value of Re-arrangements | £1,836,281.44 | £197,962,356.67 |
| Number of Re-arrangements | 22 | 2,123 |
| Value of Loans Added to Pool (Including re-arrangements) | £0.00 | £2,305,260,422.40 |
| Number of Loans Added to Pool | - | 22,910 |
| Bonds Outstanding as % of Original Bonds Issued | 100.00% | n/a |
| Losses as % Bonds Issued | 0.00% | 0% |
| Number of Properties Sold | - | - |
| Principal Balance of Properties Sold | £0.00 | £0.00 |
| Advances in period | £7,000.00 | £15,327,671.67 |
| Current SVR Rate (effective from 01/12/2017) | 4.74% | n/a |
| Original Weighted Average Life | 10 Years (Series 2011-1) | |

| Rating Agency Triggers | Provider | Rating Triggers (M- Moody's/ F- Fitch) | Latest available rating (M-Moody's/ F- Fitch) | Breach Action |
|-----------------------------------|--|---|--|--|
| Covered Bond Swap Provider | HSBC Bank PLC | A2, P-1/ A, F1 | Aa3, P-1/ AA-, F1+ | N/A |
| Fixed Rate Swap Provider | J.P. Morgan Securities Ltd- J.P. Morgan Chase Bank N.A (Guarantor) | A2, P-1/ A, F1 | A1, P-1/ AA-, F1+ | N/A |
| Issuer Account Bank (i) | The Co-operative Bank PLC | P-1/ A, F1 | Caa2,NP/ B-,B | Deposits limited to Collateralised Amount- £3m |
| Issuer Account Bank (ii) | BNP Paribas Securities Services | P-1/ A, F1 | P-1/A+,F1 | N/A |
| Collection Account Bank | The Co-operative Bank PLC | Co-op Insolvency Event Occurance | N/A | |
| Cash Manager | The Co-operative Bank PLC | Baa3/ B | Caa2,NP/ B-,B | Additional Cash Capital contribution is made by the Seller (Co-op) according to LLP Trust Deed Clause 8.7 & Back up Cash Manger appointed. |
| Servicer | The Co-operative Bank PLC | Baa3/ B | Caa2,NP/ B-,B | Back up Servicer appointed. |

| | |
|-----------------------------|------------------------------|
| Back up Cash Manager | Citibank N.A., London Branch |
| Back up Servicer | Homeloan Management Limited |

| Deal Participant Information | | | |
|-------------------------------------|--|----------------------------------|--|
| Cash Manager | The Co-operative Bank PLC https://www.co-operativebank.co.uk/investorrelations/debtinvestors | Paying Agent | HSBC Bank PLC |
| Web address | | Account Banks | The Co-operative Bank PLC BNP Paribas Securities Services |
| Servicer | The Co-operative Bank PLC https://www.co-operativebank.co.uk/investorrelations/debtinvestors | Liquidity Support | The Co-operative Bank PLC |
| Note Trustee e-mail | HSBC Corporate Trustee Company (UK) Ltd cta.trustee.admin@hsbc.com | Corporate Services Provider | Intertrust Management Ltd |
| Lead Arrangers | RBS UBS | Back-up Servicer Facilitator | Intertrust Management Ltd |
| | | Back-up Cash Manager Facilitator | Intertrust Management Ltd |

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|---|--|
| Information Sources | The Co-operative Bank PLC |
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| | 5th Floor, Balloon Street |
| | Manchester |
| Address | M60 4EP |
| | Bloomberg or https://www.co-operativebank.co.uk/investorrelations/debtinvestors |
| Reports Distribution Channels | |
| Loan Level Data and Liability Modelling | |
| Bloomberg | COOPWH-CORP |
| Report Frequency | Monthly |

| | |
|--|---|
| Mortgage Yield (pre swap) | WA average mortgage interest rate |
| Unscheduled Principal Payments | Non scheduled principal and redemption receipts |
| Unscheduled Revenue Receipts | Interest on arrears |
| Principal Payment Rate (3 ma) | Three Months average of Monthly Principal Payments received (unscheduled and scheduled) divided by opening mortgage balance |
| Annualised PPR Speed (Based on monthly principal payments) | Total Payments received unscheduled and scheduled divided by opening mortgage balance (Annualised on current month) |
| Constant Prepayment Rate (3ma) | Three Months average of Monthly unscheduled Principal Payments received divided by opening mortgage balance |
| Constant Prepayment Rate (Annualised) | Total Payments received unscheduled divided by opening mortgage balance and annualised |

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