

Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: March 2013

Administration

Name of issuer	Yorkshire Building Society
Name of ECB programme	Yorkshire Building Society €7.5 billion Global Covered Bond Programme
Name, job title and contact details of person validating this form	Daren Murray, Head of Wholesale Funding, dimurray@ybs.co.uk
Date of form submission	22/04/2013
Start Date of reporting period	01/03/2013
End Date of reporting period	31/03/2013
Web links - prospectus, transaction documents, loan-level data	http://www.ybs.co.uk/your_society/treasury/wholesale_funding/covered-bonds/reports_12.html

Counterparties, Ratings

	Counterparty/ies	Fitch		Moody's		S&P		DBRS	
		Rating trigger	Current rating	Rating trigger	Current rating	Rating trigger	Current rating	Rating trigger	Current rating
Covered bonds									
Issuer	Yorkshire Building Society	-	AAA	-	Aa2	na	na	na	na
Seller(s)	Yorkshire Building Society	-	BBB+/F2	-	Baa2/P2	na	na	na	na
Cash manager	Yorkshire Building Society	-	BBB+/F2	-	Baa2/P2	na	na	na	na
Account bank	Yorkshire Building Society	BBB-	BBB+/F2	Baa3	Baa2/P2	na	na	na	na
Stand-by account bank	HSBC Bank Plc	F2	F2	P2	P2	na	na	na	na
Service(s)	Yorkshire Building Society	BBB-	BBB+	Baa3	Baa2	na	na	na	na
Stand-by service(s)	Target Group	-	-	-	-	na	na	na	na
Swap provider(s) on cover pool	Yorkshire Building Society	-	BBB+	-	Baa2	na	na	na	na
Stand-by swap provider(s) on cover pool	n/a	n/a	n/a	n/a	n/a	na	na	na	na
Swap notional amount(s) (GBP)	3,257,150,967								
Swap notional maturity/ies	Loan balance zero								
LLP receive rate/margin	1.68%								
LLP pay rate/margin	4.09%								
Collateral posting amount(s) (GBP)	0								

Accounts, Ledgers

	Value as of End Date of reporting period	Value as of Start Date of reporting period	TARGETED VALUE
Revenue receipts / ledger			
Beg Balance	0	n/a	n/a
Third party payments	(100)	n/a	n/a
Interest on Mortgages	10,586,314	n/a	n/a
Interest on GIC	16,484	n/a	n/a
Interest on Sub Assets	0	n/a	n/a
Interest on Authorised Investments	0	n/a	n/a
Transfer from Coupon payment ledger	2,213,523	n/a	n/a
Other Revenue	0	n/a	n/a
Amounts transferred from / (to) Reserve Fund	(117,260)	n/a	n/a
Cash Capital Contribution deemed to be revenue	0	n/a	n/a
Net interest from / (to) Interest Rate Swap Provider	(6,676,276)	n/a	n/a
Interest (to) Covered Bond Swap Providers	(2,213,523)	n/a	n/a
Pre-funding of monthly swap payments	(2,206,219)	n/a	n/a
Interest paid on Covered Bonds without Covered Bonds Swaps	(927,485)	n/a	n/a
Deferred Consideration	(675,460)	n/a	n/a
Closing Balance	0	n/a	n/a
Principal receipts / ledger			
Beg Balance	0	n/a	n/a
Principal repayments under mortgages	50,022,096	n/a	n/a
Proceeds from Term Advances	0	n/a	n/a
Mortgages Purchased	0	n/a	n/a
Cash Capital Contributions deemed to be principal	0	n/a	n/a
Proceeds from Mortgage Sales	2,802,245	n/a	n/a
Principal payments to Covered Bonds Swap Providers	0	n/a	n/a
Principal paid on Covered Bonds without Covered Bonds Swaps	0	n/a	n/a
Capital Distribution	(52,824,341)	n/a	n/a
Closing Balance	0	n/a	n/a
Reserve receipts / ledger			
Beg Balance	9,809,846	n/a	n/a
Transfers to GIC	0	n/a	n/a
Interest on GIC	0	n/a	n/a
Reserve Required Amount	117,260	n/a	n/a
Transfers from GIC	0	n/a	n/a
Closing Balance	9,927,106	n/a	9,919,271
Capital Account receipts / ledger			
Beg Balance	1,569,085,348	n/a	n/a
Increase in loan balance due to Capitalised Interest	0	n/a	n/a
Increase in loan balance due to Further Advances	1,965,849	n/a	n/a
Increase in loan balance due to insurance & fees	314,035	n/a	n/a
Capital Contributions	0	n/a	n/a
Capital Distribution	(52,824,341)	n/a	n/a
Losses from Capital Contribution in Kind	0	n/a	n/a
Closing Balance	1,518,540,891	n/a	n/a

Asset Coverage Test

	Value	Description
A	2,654,107,087	Adjusted current balance
B	50,022,096	Principal collections not yet applied
C	0	Qualifying additional collateral
D	0	Substitute assets
E	n/a	Proceeds of sold mortgage loans
V	n/a	Set-off offset loans
W	n/a	Personal secured loans
X	n/a	Flexible draw capacity
Y	101,622,713	Set-off
Z	131,396,718	Negative carry
Total: A + B + C + D - (Y + Z)	2,471,109,752	
Method Used for Calculating "A" (note 1)	A (ii)	
Asset Percentage (%)	81.60%	
Maximum asset percentage from Fitch (%)	86.00%	
Maximum asset percentage from Moody's (%)	81.60%	
Maximum asset percentage from S&P (%)	n/a	
Credit support as derived from ACT (GBP) (see note 2)	719,089,752	
Credit support as derived from ACT (%)	41.0%	

Note 1

(i) Adjusted True Balance less deemed reductions. (ii) Arrears Adjusted True Balance less deemed Reductions multiplied by the Asset Percentage

Programme-Level Characteristics

Programme Currency	EUR
Programme size	7,500,000,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate)	1,752,020,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	1,759,322,000
Cover pool balance (GBP)	3,267,661,329
GIC account balance (GBP)	73,544,832
Any additional collateral (please specify)	0
Any additional collateral (GBP)	0
Aggregate balance of off-set mortgages (GBP)	1,170,859,110
Aggregate deposits attaching to the cover pool (GBP)	101,622,713
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	98,748,801
Nominal level of overcollateralisation (GBP)	719,089,752
Nominal level of overcollateralisation (%)	141.04%
Number of Mortgages in Pool	33,436
Average loan balance (GBP)	97,729
Weighted average indexed LTV (%)	61.22
Weighted average non-indexed LTV (%)	59.64
Weighted average seasoning (months)	69.87
Weighted average remaining term (months)	210.04
Weighted average interest rate (%)	4.04
Standard Variable Rate(s) (%)	4.99
Constant Pre-Payment Rate (% current month)	13.44
Constant Pre-Payment Rate (% quarterly average)	13.05
Principal Payment Rate (% current month)	18.08
Principal Payment Rate (% quarterly average)	16.79
Constant Default Rate (% current month)	0
Constant Default Rate (% quarterly average)	0
Fitch Discontinuity Factor (%)	4 (moderate risk)
Moody's Timely Payment Indicator	Probable
Moody's Collateral Score (%)	5.0 / 4.6

Mortgage Collections

Mortgage collections (scheduled - interest)	10,586,314
Mortgage collections (scheduled - principal)	10,092,826
Mortgage collections (unscheduled - interest)	0
Mortgage collections (unscheduled - principal)	39,929,270

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	273	68.77%	25,894,603	86.73%
Loans bought back by seller(s)	121	30.48%	2,782,033	9.53%
of which are non-performing loans	3	0.76%	506,822	1.74%
of which have breached R&Ws	0	0.00%	0	0.00%
Loans sold into the cover pool	0	0.00%	0	0.00%

Product Rate Type and Reversionary Profiles

	Number	% of total number	Amount (GBP)	% of total amount	Weighted average				
					Current rate	Remaining lesser period (month)	Current margin	Reversionary margin	Initial rate
Fixed at origination, reverting to SVR	22,541	67.42%	2,256,334,550	69.05%	4.50%	20.26	0	4.47	4.50%
Fixed at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Fixed at origination, reverting to tracker	4,078	12.20%	417,677,631	12.78%	2.92%	0	2.42	2.42	5.46%
Fixed for life	0	0.00%	0	0.00%	0.00%	358	0	0	0.00%
Tracker at origination, reverting to SVR	2,710	8.11%	272,618,138	8.34%	3.70%	8.08	0	4.47	3.53%
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker for life	3,708	11.09%	298,371,282	9.13%	2.34%	165.3	1.84	0	4.89%
SVR, including discount to SVR	399	1.19%	22,659,728	0.69%	4.99%	178.53	0.03	4.47	5.16%
Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Total	33,436	100.00%	£ 3,267,661,329	100.00%					

Stratifications

Arrears Breakdown	Number	% of Total Number	Amount	% of Total Amount
Current	32,987	98.66%	3,222,414,722	98.62%
0-1 months in arrears	275	0.82%	27,391,440	0.84%
1-2 months in arrears (greater than 1 month, includes 2 months)	87	0.26%	8,689,866	0.27%
2-3 months in arrears (greater than 2 months, includes 3 months)	46	0.14%	4,721,007	0.14%
3-6 months in arrears (greater than 3 months, includes 6 months)	38	0.11%	3,938,472	0.12%
6-12 months in arrears (greater than 6 months, includes 12 months)	3	0.01%	506,822	0.02%
12+ months in arrears (greater than 12 months)	0	0.00%	0	0.00%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Current LTV (Non-Indexed)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Non Indexed	16,590	49.62%	1,001,909,989	30.66%
50-55%	1,976	5.91%	206,308,870	6.31%
55-60%	2,077	6.21%	245,346,055	7.51%
60-65%	2,228	6.66%	276,523,615	8.46%
65-70%	2,694	7.78%	351,462,226	10.86%
70-75%	2,556	7.64%	392,020,992	12.00%
75-80%	1,819	5.44%	264,489,508	8.09%
80-85%	1,781	5.33%	263,838,574	8.07%
85-90%	1,141	3.41%	162,093,524	4.96%
90-95%	445	1.33%	58,380,103	1.79%
95-100%	178	0.53%	27,446,449	0.84%
100-105%	29	0.09%	4,353,268	0.13%
105-110%	11	0.03%	1,544,719	0.05%
110-125%	6	0.02%	1,001,719	0.03%
125%+	5	0.01%	942,317	0.03%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Current LTV (Indexed as Defined in OC)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Indexed	17,482	52.28%	1,040,468,772	31.84%
50-55%	1,630	4.87%	182,930,634	5.60%
55-60%	1,562	4.67%	198,633,745	6.08%
60-65%	1,681	5.03%	225,746,022	6.91%
65-70%	2,052	6.14%	310,990,551	9.52%
70-75%	2,386	7.14%	377,379,241	11.55%
75-80%	1,606	4.61%	219,866,339	6.73%
80-85%	1,612	4.82%	236,847,057	7.25%
85-90%	1,140	3.41%	161,694,213	4.95%
90-95%	743	2.22%	96,770,415	2.96%
95-100%	580	1.73%	77,880,990	2.38%
100-105%	426	1.27%	56,714,184	1.74%
105-110%	317	0.95%	40,904,144	1.25%
110-125%	294	0.88%	36,624,585	1.12%
125%+	24	0.07%	4,210,436	0.13%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	871	2.60%	1,556,905	0.05%
5,000-10,000	628	1.88%	4,759,731	0.15%
10,000-25,000	2,814	8.42%	51,013,198	1.56%
25,000-50,000	5,630	17.44%	218,330,050	6.68%
50,000-75,000	5,596	16.47%	343,440,633	10.51%
75,000-100,000	4,938	14.77%	430,102,610	13.16%
100,000-150,000	6,809	20.36%	832,406,770	25.47%
150,000-200,000	3,134	9.37%	537,680,785	16.45%
200,000-250,000	1,353	4.05%	300,235,318	9.19%
250,000-300,000	662	1.98%	180,403,836	5.52%
300,000-350,000	351	1.05%	113,513,276	3.47%
350,000-400,000	192	0.57%	71,493,844	2.19%
400,000-450,000	108	0.32%	45,874,104	1.41%
450,000-500,000	74	0.22%	35,072,012	1.07%
500,000-600,000	90	0.27%	49,096,574	1.50%
600,000-700,000	51	0.15%	32,825,321	1.00%
700,000-800,000	15	0.04%	11,136,512	0.34%
800,000-900,000	8	0.02%	6,698,761	0.21%
900,000-1,000,000	2	0.01%	1,941,090	0.06%
1,000,000 +	0	0.00%	0	0.00%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Regional Distribution	Number	% of Total Number	Amount	% of Total Amount
East Anglia	923	2.76%	96,550,679	2.95%
East Midlands	1,559	4.66%	160,589,285	4.91%
Greater London	2,297	6.87%	401,018,128	12.27%
Northern Ireland	122	0.36%	10,636,202	0.33%
North	2,100	6.28%	166,743,073	5.10%
North West	5,628	16.83%	471,972,046	14.44%
Scotland	3,970	11.87%	331,436,921	10.14%
South East	3,673	10.99%	508,915,403	15.57%
South West	1,571	4.70%	169,989,123	5.20%
Wales	1,492	4.46%	125,940,911	3.85%
West Midlands	1,716	5.13%	176,119,897	5.39%
Yorkshire and Humberside	8,385	25.08%	647,739,661	19.82%
Other	0	0.00%	0	0.00%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	18,099	54.13%	1,683,469,001	51.52%
Part-and-part	0	0.00%	0	0.00%
Interest-only	3,452	10.32%	413,333,218	12.65%
Offset	11,885	35.55%	1,170,859,110	35.83%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	599	1.79%	107,348,494	3.29%
12-24 months	1,748	5.23%	295,651,663	9.05%
24-36 months	2,821	8.44%	437,461,946	13.39%
36-48 months	1,346	4.03%	187,449,099	5.12%
48-60 months	1,963	5.87%	244,199,232	7.47%
60-72 months	3,912	11.70%	452,258,660	13.84%
72-84 months	4,957	14.83%	481,773,612	14.74%
84-96 months	3,845	11.50%	332,403,957	10.17%
96-108 months	2,775	8.30%	197,457,907	6.04%
108-120 months	3,027	9.05%	189,491,472	5.80%
120-150 months	6,443	19.27%	362,165,287	11.08%
150-180 months	0	0.00%	0	0.00%
180+ months	0	0.00%	0	0.00%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	17,583	52.53%	1,844,860,014	56.46%
SVR	6,647	19.88%	513,110,283	15.70%
Tracker	9,220	27.58%	908,516,078	27.83%
Other (please specify)	6	0.02%	174,954	0.01%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	33,436	100.00%	3,267,661,329	100.00%
Buy-to-let	0	0.00%	0	0.00%
Second home	0	0.00%	0	0.00%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	33,436	100.00%	3,267,661,329	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	1,146	3.43%	34,770,016	1.06%
30-60 months	1,859	5.56%	76,205,802	2.33%
60-120 months	5,229	15.64%	308,443,901	9.44%
120-180 months	8,122	24.29%	650,336,253	19.90%
180-240 months	10,015	29.95%	1,128,263,015	34.86%
240-300 months	5,074	15.18%	758,966,748	23.23%
300-360 months	1,474	4.41%	218,342,184	6.68%
360+ months	517	1.55%	81,333,410	2.49%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	20,621	61.67%	2,401,756,373	73.50%
Self-employed	1,047	3.13%	143,541,994	4.39%
Unemployed	68	0.20%	4,361,408	0.13%
Retired	503	1.50%	26,475,197	0.81%
Guarantor	0	0.00%	0	0.00%
Other	11,197	33.49%	691,526,358	21.16%
Total	33,436	100.00%	£ 3,267,661,329	100.00%

Covered Bonds Outstanding, Associated Derivatives (please disclose for all bonds outstanding)

Series	5	7	8
Issue date	22/09/10	12/04/11	23/03/12
Original rating (Moody's/S&P/Fitch/DBRS)	Aa1/AAA	Aa1/AAA	Aa2/AAA
Current rating (Moody's/S&P/Fitch/DBRS)	Aa2/AA+	Aa2/AA+	Aa2/AA+
Denomination	EUR	GBP	GBP
Amount at issuance	600,000,000	750,000,000	500,000,000
Amount outstanding	600,000,000	750,000,000	500,000,000
FX swap rate (rate:£1)	1.195	n/a	n/a
Maturity type (hard/soft-bullet/pass-through)	soft-bullet	soft-bullet	soft-bullet
Scheduled final maturity date	22/09/16	12/04/18	23/03/18
Least final maturity date	22/09/16	12/04/18	23/03/17
ISIN	XS0543208689	XS0616210752	XS0762446853
Stock exchange listing	London	London	
Coupon payment frequency	Annual	Annual	Quarterly
Coupon payment date	22nd	12th	23rd
Coupon (rate if fixed, margin and reference rate if floating)	3.250%	4.750%	1.75% / 3m Libor
Margin payable under extended maturity period (%)	1.350%	1.275%	1.75% / 1m Libor
Swap counterparties	HSBC Bank Plc	HSBC Bank Plc	n/a
Swap notional denomination	EUR	GBP	n/a
Swap notional amount	600,000,000	750,000,000	n/a
Swap notional maturity	22/09/16	12/04/18	n/a
LLP receive rate/margin	1.683% / 3m Libor	1.495% / 3m Libor	n/a
LLP pay rate/margin	3.250%	4.750%	n/a
Collateral posting amount	0	0	n/a

Programme triggers

Event (please list all triggers)	Summary of Event	Trigger (S&P, Moody's, Fitch, DBRS; short-term, long-term)	Trigger breached (yes/no)	Consequence of a trigger breach
YBS / Issuer	YBS failure to pay on Covered Bonds	YBS failure to pay on Covered Bonds or YBS insolvency	No	Triggers a Notice to Pay on the LLP
YBS / Seller	Details of the Borrowers with Loans to be delivered to the LLP, the Security Trustee (upon request) and the Rating Agencies.	Long term Baa3 (moody's), Fitch BBB-	No	Details of the Borrowers with Loans to be delivered to the LLP, the Security Trustee (upon request) and the Rating Agencies.
Account Bank	Account Bank short ratings fall below trigger	P1 (Moody's), A1 (Fitch)	Yes	Standby Account bank invoked
Stand-by Account Bank	Standby Account Bank short ratings fall below trigger	P1 (Moody's), A1 (Fitch)	No	Move to higher rated bank/guarantee required
Servicer	Servicer rating fall below trigger	Initial below Baa1 (Moody's), BBB+ (Fitch)	Yes	Back up Servicer appointed
Servicer	Servicer rating fall below trigger	Subsequent below Baa3 (Moody's), BBB- (Fitch)	No	Transfer servicing to Back up Servicer
Cash Manager	Cash Manager ratings fall below trigger	Initial below Baa1 (Moody's), BBB+ (Fitch)	Yes	Back up Cash Manager required (Negotiations taking place)
Cash Manager	Cash Manager ratings fall below trigger	Subsequent below Baa3 (Moody's), BBB- (Fitch)	No	Transfer cash management to Back up Cash manager
Cash Manager	Cash Manager ratings fall below trigger	Initial below Baa1 (Moody's)	Yes	Pre-funding of amount due in respect of the bonds/to the relevant covered bond swap provider. Pre-funding ledger in place
Interest Rate Swap Provider	Interest Rate Swap provider ratings fall below Trigger	Short term below P2 (Moody's), A2 (Fitch)	No	Within 30 Business Days, i) transfer all rights under the Agreement to a third party, ii) procure a co-obligor and either take such action as agreed with Moody's or post collateral
LLP Event of Default (post YBS Event of Default)	LLP failure to pay on Covered Bonds Amortisation Test failure Interest Coverage Test failure	LLP failure to pay on Covered Bonds, breach of Amortisation or Interest Coverage Test.	No	Bonds becoming immediately due and payable.